

NASDAQ OMX Copenhagen A/S
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Announcement no. 64 /2013
4 November 2013
Company reg. (CVR) no.
15701315

Interim report - Third quarter of 2013

Summary: SP Group generated profit before tax and non-controlling interests of DKK 36.4 million in 9M 2013, against DKK 28.3 million in 9M 2012. Revenue was down by 1.2% year on year to DKK 812.9 million, while EBITDA was up by 13.5% to DKK 84.4 million from DKK 74.3 million. EPS jumped 38.3% to DKK 14.18. We upgrade our guidance for FY 2013 and narrow the guidance range relative to the guidance provided in Annual Report 2012: We now expect profit before tax and non-controlling interests for 2013 of DKK 45–50m instead of the previous guidance of 'a slight increase relative to 2012 (DKK 41.6m)' and slightly higher revenue than in 2012 (DKK 1,109 million), but market prospects remain unclear.

The Board of Directors of SP Group A/S has today considered and approved the interim report for the nine months ended 30 September 2013.

Highlights of the interim report:

- Revenue for the 9M 2013 period was down by DKK 9.7 million to DKK 812.9 million, or by 1.2%, relative to the year-earlier period. Sales outside Denmark were up by 7.3%, while sales in the Danish market were down by 8.4% due to a drop in the number of large projects. In Q3 2013, revenue grew by 0.6%.
- Earnings before depreciation, amortisation and impairment losses (EBITDA) for the 9M 2013 period were DKK 84.4 million, as against DKK 74.3 million in 9M 2012. EBITDA was better than we had expected at the beginning of the year. EBITDA was DKK 31.3 million in Q3 2013, a 22.8% increase on Q3 2012.
- Earnings before financial items (EBIT) came to DKK 46.7 million in the 9M 2013 period, against DKK 39.6 million in 9M 2012. EBIT was DKK 19.2 million in Q3 2013, a 31.8% increase on Q3 2012.
- Net financials for the 9M 2013 period were an expense of DKK 10.4 million, a DKK 0.9 million improvement on 9M 2012.
- Profit before tax and non-controlling interests amounted to DKK 36.4 million in 9M 2013, against DKK 28.3 million in 9M 2012. The Q3 2013 profit was DKK 15.2 million, a 46.6% improvement on Q3 2012.
- Earnings per share (diluted) came to DKK 14.18 in 9M 2013, against DKK 10.25 in 9M 2012. This marked an increase of 38.3%.
- The Coating business (Accoat) reported a DKK 13.3 million drop in revenue in the 9M 2013 period. EBITDA fell to DKK 18.5 million from DKK 28.2 million in 9M 2012. Revenue and earnings were affected by a drop in the number of major projects relative to last year's historical high.
- The Plastics businesses (SP Moulding, SP Medical, Tinby, TPI, Ergomat and Gibo Plast) reported a slight overall revenue increase. EBITDA for the 9M 2013 period was DKK 73.0 million, as against DKK 56.9 million in 9M 2012. The Plastics businesses reported a good third quarter with improvements in both revenue and earnings.
- There was a cash inflow from operating activities of DKK 35.0 million in the 9M 2013 period, against DKK 39.5 million in 9M 2012.
- Net interest-bearing debt (NIBD) amounted to DKK 416.4 million at 30 September 2013, against DKK 430.3 million at 30 September 2012. At 31 December 2012, NIBD was DKK 395.4 million.
- The full-year 2013 guidance is upgraded and the guidance range narrowed: We now expect profit before tax and non-controlling interests for 2013 of DKK 45–50m instead of the previous guidance of 'a slight increase relative to 2012 (DKK 41.6m)' and slightly higher revenue than in 2012 (DKK 1,109 million), but market prospects remain unclear.

CEO Frank Gad said: "We are pleased to see that our earnings have continued to improve even with global economic growth remaining weak. Fortunately, our customers in the medical devices, cleantech and food-related industries, accounting for more than 80% of our consolidated revenue, continue to perform well."

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FINANCIAL HIGHLIGHTS AND KEY RATIOS

DKK '000 (key ratios excepted)	Q3 2013 (unaud.)	Q3 2012 (unaud.)	Acc. Q3 2013 (unaud.)	Acc. Q3 2012 (unaud.)	FY 2012 (audited)
Income statement					
Revenue	276,046	274,309	812,880	822,591	1,108,527
Earnings before depreciation, amortisation and impairment losses (EBITDA)	31,344	25,529	84,353	74,306	104,580
Depreciation, amortisation and impairment losses	-12,132	-10,954	-37,629	-34,746	-46,467
Earnings before financial items (EBIT)	19,212	14,575	46,724	39,560	58,113
Net financials	-4,023	-4,211	-10,371	-11,291	-16,502
Profit before tax and non-controlling interests	15,189	10,364	36,353	28,269	41,611
Profit for the period	11,725	7,552	28,784	21,004	31,837
of which attributable to SP Group A/S	11,768	7,722	28,815	21,301	31,563
Earnings per share (DKK)			14.60	10.52	15.66
Diluted earnings per share (DKK)			14.18	10.25	15.34
Balance sheet					
Non-current assets			512,067	502,860	511,864
Total assets			864,036	865,959	836,333
Equity excluding non-controlling interests			235,076	220,684	227,046
Equity including non-controlling interests			243,369	233,194	240,131
Investments in property, plant and equipment (excluding acquisitions)	13,966	61,142	36,995	106,224	120,754
Net interest-bearing debt (NIBD)			416,438	430,344	395,399
NIBD/EBITDA (last 12-month period)			3.6	4.4	3.8
Cash flows					
Cash flows from:					
- operating activities	8,844	21,470	34,997	39,460	100,094
- investing activities	-14,871	-62,542	-47,370	-107,624	-87,624
- financing activities	-8,059	45,863	-34,784	42,921	882
Change in cash and cash equivalents	-14,086	4,791	-47,157	-25,243	13,352
Key ratios					
EBITDA margin (%)	11.4	9.3	10.4	9.0	9.4
EBIT margin (%)	7.0	5.3	5.7	4.8	5.2
Profit before tax and non-controlling interests as a percentage of revenue	5.5	3.8	4.5	3.4	3.8
Return on invested capital including goodwill (%)					9.6
Return on invested capital excluding goodwill (%)					11.7
Return on equity, excluding non-controlling interests					15.1
Equity ratio, excluding non-controlling interests (%)			27.2	25.5	27.1
Equity ratio, including non-controlling interests (%)			28.2	26.9	28.7
Financial gearing			1.7	1.8	1.6
Cash flow per share, DKK			17.2	19.0	48.7
Total dividends for the year per share (DKK)			-	-	2.5
Market price, end of period (DKK per share)			170.0	128.5	120.0
Net asset value per share, end of period (DKK)			119	109	113
Market price/net asset value, end of period			1.43	1.18	1.07
Number of shares, end of period			2,024,000	2,024,000	2,024,000
of which treasury shares			51,534	26,179	48,746
Average no. of employees			1,104	1,056	1,062



MANAGEMENT'S REVIEW

H1 PERFORMANCE REVIEW

We continued to record rising sales to many of our customers across industries and geographies in the first nine months of 2013. The improvements were the most pronounced in our international markets, as sales outside Denmark grew by 7.3% in the first nine months of the year. Sales to our Danish customers were down by about 8.4%, due to a drop in the number of large projects.

Our performance relative to the corresponding period of 2012.

	Q3 2013	Acc. Q3 2013
Healthcare	8.9%	10.0%
Cleantech	-15.2%	-19.3%
Food-related	-4.3%	1.7%
Automotive	-50.8%	-45.9%
Oil and gas	42.3%	40.2%
of which own brands	5.7%	4.8%

Almost the entire change in revenue was due to lower volume sales.

Sales to the healthcare industry rose by 10.0% year-on-year to DKK 312.6 million and now account for 38.5% of consolidated revenue.

Sales to the cleantech industry were down by 19.3% to DKK 224.4 million and now make up 27.6% of consolidated revenue. The drop was due to fewer projects and the long winter.

Sales to the food industry were up by 1.7% to DKK 123.6 million and now make up 15.2% of consolidated revenue.

As explained in the 2012 Annual Report, we lost a major customer in the automotive segment last year, because we were unable to agree with them on future prices. Several of our other automotive customers are facing tough conditions in the current market.

Sales to the oil and gas industry were up by 40.2% to DKK 14.3 million and now account for 1.8% of consolidated revenue.

SP Group continued to step up marketing efforts towards both existing and potential customers. The inflow of new customers continued in the third quarter, and we are taking proactive steps to develop and market a number of new solutions e.g.

for the healthcare, cleantech and food-related industries as well as the oil and gas industry, which we believe hold an attractive growth potential for our Company.

Our sales to the healthcare industry are also growing strongly, and we have won orders for many new plastics components and coating solutions for regular shipment.

Sales of ergonomic products and guidewires improved, whereas the sale of products under own brands from TPI (ventilation equipment) declined. Overall, revenue from the sale of own brands amounted to DKK 129.8 million, a 4.8% increase.

International sales now account for 50.0% of revenue (compared with 46.1% in 9M 2012).

SP Group continually seeks to optimise its business under the current market conditions by raising production efficiency, aligning capacity and pursuing tight cost management.

In addition to capacity alignment, we are also dedicated to reducing our general costs. Our goal at SP Group is for all of our production facilities to manufacture and deliver better, cheaper and faster. We continually consider steps to cut consumption of raw materials and resources (reducing carbon emissions, etc.) and to reduce the time necessary to commission equipment and switch-over times. We are continuing the current roll-out of our LEAN project, which aims to improve our processes and flows and to enhance the skill sets of our organisation.

Currently, some 60% of our staff are employed outside Denmark.

SP Group informed the market in Announcement No. 1/2013 that the company had acquired the outstanding 10% of the shares in TPI Polytechniek bv effective from 1 January 2013.

SP Group informed the market in Announcement No. 25/2013 that an DKK 8 million share buy-back programme had been initiated under the Safe Harbour regulations to hedge existing warrant programmes. The share buy-back programme will run until the end of 2013.

As was stated in Announcement no. 26/2013, the Board of Directors has established a new warrant programme for the company's Executive Board and 23 managers. The 100,000 warrants of the new programme can vest over the next three years.

In July, SP Group remortgaged two small loans, lowering the interest rate paid while keeping the



maturity unchanged. The change will reduce annual interest expenses by about DKK 0.7 million.

FINANCIAL PERFORMANCE REVIEW

Revenue in the first nine months of 2013 fell by 1.2% to DKK 812.9 million, against DKK 822.6 million for the year-earlier period. In Q3 2013, revenue grew by 0.6%.

The consolidated 9M 2013 EBITDA was DKK 84.4 million compared with DKK 74.3 million in 9M 2012. The EBITDA margin improved to 10.4% from 9.0% in 9M 2010. The Q3 EBITDA margin was 11.4% with EBITDA at DKK 31.3m – the best ever in a single quarter.

Earnings before financial items (EBIT) came to DKK 46.7 million in 9M 2013, against DKK 39.6 million in 9M 2012. The 9M 2013 EBIT margin was 5.7%, compared with 4.8% in 9M 2012. The Q3 2013 EBIT margin was 7.0%.

Net financials were an expense of DKK 10.4 million in 9M 2013, a DKK 0.9 million improvement relative to 9M 2012. The improvement was due to lower bank margins and lower market rates on higher debts, because we purchased a property in the second half of 2012 that was previously held under an operating lease.

The profit before tax and non-controlling interests amounted to DKK 36.4 million for 9M 2013 as against DKK 28.3 million in 9M 2012.

Earnings per share (diluted) came to DKK 14.18, a 38.3% improvement from DKK 10.25 in the year-earlier period.

We are pleased to note that a broad parliamentary majority has adopted a bill to lower the Danish corporate income tax rate from 25% to 22%. This is a modest, but important step in restoring the competitive strength of the Danish manufacturing industry. As we do not expect the deferred tax in the Danish companies of SP Group to crystallise as payable tax before the reduction has been fully implemented, we have recognised all deferred tax in Denmark at a tax rate of 22% at 30 September 2013. As a result, the recognised tax charge for the period fell by DKK 0.7 million.

Total assets amounted to DKK 864.0 million at 30 September 2013, compared with DKK 866.0 million at 30 September 2012. The equity ratio was 28.2% at 30 September 2013 (up from 26.9%).

Total assets rose by DKK 27.7 million during the first nine months of the year due to an increase in inventories and trade debtors.

Net interest-bearing debt amounted to DKK 416.4 million at 30 September 2013, against DKK 430.3 million at 30 September 2012. The Group is focused on the capital tie-up and has sold selected trade receivables. Net-interest bearing debt was 3.6 times EBITDA of the last 12-month period which at DKK 114.7 million exceeds the levels recorded for 2012, the Group's best year to date. NIBD/EBITDA was 4.4 at 30 September 2012. We remain strongly focused on reducing the interest-bearing debt by increasing cash flows from operating activities.

Equity fell during the 9M period due to exchange rate adjustments of foreign subsidiaries and to value adjustment of financial instruments acquired to hedge future cash flows and consisting mainly of forward contracts (PLN against EUR). Equity was also reduced by net purchases of treasury shares of DKK 6.3 million and the distribution of DKK 5.4 million in dividends and the purchase of a non-controlling stake in TPI Polytechniek BV for DKK 4.3 million.

Cash flows

Cash flows from operating activities were DKK 35.0 million in 9M 2013, which was DKK 4.5 million less than for the 9M 2012 period.

The Group spent DKK 47.4 million on investments in 9M 2013 and DKK 23.1 million on reducing non-current loans, paid dividends of DKK 5.4 million and bought treasury shares for a net amount of DKK 6.3 million.

Accordingly, the net change in cash and cash equivalents was an outflow of DKK 47.2 million.

Management believes that the Company continues to have an adequate level of capital resources relative to its operations as well as sufficient cash resources to meet its current and future liabilities. The Company has good, long-standing and constructive relationships with its financial business partners and expects to continue those relationships.

OUTLOOK FOR THE REST OF 2013

The global economy is expected to continue on the road to recovery in the fourth quarter of 2013, but it remains fragile and marred by financial uncertainty. Weak economic growth is generally expected in our neighbouring European markets, as a number of countries continue to have disturbingly large public sector deficits and large debts.

We plan to launch a number of new products and solutions, especially to customers in the healthcare, cleantech, food-related and oil and gas industries. These new solutions are expected to contribute to growth and earnings.



The level of investment will remain high in 2013, although it will be somewhat lower than in 2012. We expect the largest single investment to be made in our medical devices operations.

Depreciation and amortisation charges are expected to be slightly higher than in 2012.

Financial expenses are expected to be lower than in 2012.

By combining these factors with tight cost management and swift capacity alignment, and maintaining a strong focus on risk, liquidity and capital management, our Group has a strong base from which to take on what the future may bring.

We upgrade our guidance for FY 2013 and narrow the guidance range relative to the guidance provided in Annual Report 2012: We now expect profit before tax and non-controlling interests for 2013 of DKK 45–50 million instead of the previous guidance of 'a slight increase relative to 2012 (DKK 41.6m)' and slightly higher revenue than in 2012 (DKK 1,109 million), but market prospects remain unclear.

COATINGS

(Accoat)

DKK '000	Q3		Acc. Q3	
	2013	2012	2013	2012
Revenue	45,555	55,864	134,422	147,677
Earnings before depreciation, amortisation and impairment losses (EBITDA)	6,666	11,735	18,513	28,232
Earnings before financial items (EBIT)	4,490	10,353	11,950	21,147
Average no. of employees			82	73

9M highlights

Revenue for the first nine months of 2013 amounted to DKK 134.4 million, against DKK 147.7 million in 9M 2012, equal to a 9.0% decline.

As expected, EBITDA fell slightly in the first nine months of 2013 compared with the 9M 2012 period, because of a change in the product mix and a drop in business activity.

Business activity is growing in the healthcare and oil and gas industries but falling in the cleantech operations.

The factory in Brazil serves customers in the medical devices industry. Longer term, plans are to win orders from the Brazilian oil and gas industry as well as from the country's cleantech industry.

The coating facility in Stoholm, Denmark provides friction reduction and corrosion protection in pipes for the oil and gas industry. The facility opened in 2011. Accoat has won new, small orders for shipment later in 2013.

At current oil prices, coating of pipes is a powerful value creator for oil producers, because coating helps to increase production, extend pipe life expectancy and thereby reduce production costs.

Accoat's pipe coatings continue to meet customer expectations, giving Accoat better and better references in the oil industry.

The 9M 2013 EBIT was impacted by the new factory in Stoholm, which is not expected to become profitable until it runs at a steady serial production.

Accoat continues its marketing efforts towards customers in the oil and gas industry in the USA, Brazil, Russia and Europe and has won new orders for future shipment. Accoat increased its sales to the medical devices industry.

A number of customers in the medical devices and chemical industries are increasingly demanding Accoat's services for friction reduction and corrosion protection.

Accoat is working closely with selected customers to develop new coating solutions for the oil and gas industry. Those solutions are expected to be ready for market launch later this year.

Accoat anticipates a drop in revenue in 2013 compared with the record year in 2012. EBITDA is still expected to be slightly lower than in 2012.

PLASTICS

(SP Moulding, SP Medical. Gibo Plast, Ergomat, Tinby, TPI Polytechnik)

DKK '000	Q3		Acc. Q3	
	2013	2012	2013	2012
Revenue	232,137	219,761	683,730	678,596
Earnings before depreciation, amortisation and impairment losses (EBITDA)	27,121	16,911	72,968	56,941
Earnings before financial items (EBIT)	17,970	8,046	44,292	31,171
Average no. of employees			1,009	974

9M highlights

Revenue amounted to DKK 683.7 million in 9M 2013, against DKK 678.6 million in 9M 2012, equal to a 0.8% improvement. Q3 revenue was up by 5.6% over Q3 2012.



EBITDA increased to DKK 73.0 million in 9M 2013 from DKK 56.9 million in 9M 2012. The Q3 2013 EBITDA improved strongly over Q3 2012, driven by impressive earnings improvements, especially in Ergomat and Gibo Plast.

Revenue and earnings improved on the back of an inflow of new customers, intensified marketing efforts combined with new products and concepts launched and a general market improvement. Contracts with major injection moulding customers have been amended to the effect that customers will increasingly be buying moulds direct from mould builders, so SP Group will only be invoicing for engineering, validation and related services rendered. Previously, we sourced and arranged delivery of moulds as part of our services. The new arrangements reduced revenue by about DKK 15 million relative to the 9M 2012 period.

The six Polish factories operated by Gibo, Ergomat SP Moulding, SP Medical and Tinby continue their strong performances and are generating positive earnings and creating more jobs. The Danish factories reported slightly lower earnings improvements and an unchanged headcount. In China, SP Moulding is experiencing higher sales and increasing earnings.

All installations continue to implement production efficiency improvements, such as our LEAN projects, energy optimisation (reducing carbon emissions), more automation, focus on raw materials consumption, scrappings and switch-over times.

SP Moulding and SP Medical continue to step up marketing efforts towards new customer leads. The stronger marketing focus in a number of markets has produced several new, regular customers.

SP Moulding has retained its 'preferred supplier' status with a major international customer who is the leader in its field in Europe as well as a global leader.

SP Medical reported an increase of 7.4% in the production and sale of guidewires in the 9M 2013 period that was achieved mainly through wider and more comprehensive market coverage.

Tinby's customers in the graphics, cleantech and insulation industries are reporting business growth.

The sales subsidiary Ergomat reported strong sales and earnings growth. Global sales were up by 18.8%, driven mainly by North America and Japan.

TPI Polytechnik reported a drop in revenue and earnings, mainly due to this year's long winter in Europe. TPI's sales of farm ventilation equipment in eastern Europe were impacted by severe frost

during the long winter. New customers have been identified in Asia, the Middle East and Africa. The Scandinavian market continues to feel the lack of appetite or opportunities for investing in large housing facilities for farm animals.

A number of new PUR products have been launched this year, and all three businesses are planning additional product launches later in 2013.

In China, Tinby has expanded its production of PUR components for customers in the cleantech industry.

Tinby is currently setting up local production in the USA in order to provide a better service to its North American customers. The facilities will be set up at Ergomat's existing facilities.

Gibo Plast has developed new projects and solutions for customers in the cleantech industry, which the company expects will contribute to sales and earnings in 2013 and onwards.

In the USA, Ergomat is currently establishing local production of ergonomic mats in order to provide a better service (by reducing leadtimes) to the many US-based customers.

Ergomat has established a new subsidiary in Poland that has taken over production of ergonomic mats from Tinby, and the company has stepped up its local sales efforts.

We expect revenue and earnings in the PLASTICS business to improve in 2013 relative to 2012. The healthcare and cleantech activities will be expanded in the USA, Denmark, Poland and China. Sales and marketing activities will be stepped up globally.



Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today considered and approved the interim report of SP Group A/S for the nine months ended 30 September 2013.

The interim report is presented in accordance with IAS 34 "*Interim financial reporting*" as adopted by the EU and additional Danish disclosure requirements for the interim reports of listed companies.

We consider the accounting policies applied to be appropriate to the effect that the interim report gives a true and fair view of the Group's assets, liabilities and financial position at 30 September 2013 and of the results of the Group's operations and cash flows for the nine months ended 30 September 2013.

In our opinion, the Management's review gives a true and fair view of the development and performance of the Group, the results for the period and of the Group's financial position in general and gives a fair description of significant risk and uncertainty factors that the Group faces. The interim report has not been audited or reviewed.

Søndersø, 4 November 2013

Executive Board

Frank Gad
CEO

Jørgen Hønnerup Nielsen
CFO

Board of Directors

Niels K. Agner
Chairman

Erik P. Holm
Deputy Chairman

Erik Christensen

Hans W. Schur

Hans-Henrik Eriksen

**INCOME STATEMENT (summary)**

DKK '000	Q3 2013 (unaud.)	Q3 2012 (unaud.)	Acc. Q3 2013 (unaud.)	Acc. Q3 2012 (unaud.)	FY 2012 (audited)
Revenue	276,046	274,309	812,880	822,591	1,108,527
Production costs	-197,988	-203,705	-583,276	-605,928	-795,975
Contribution margin	78,058	70,604	229,604	216,663	312,552
Earnings before depreciation, amortisation and impairment losses (EBITDA)	31,344	25,529	84,353	74,306	104,580
Depreciation, amortisation and impairment losses	-12,132	-10,954	-37,629	-34,746	-46,467
Earnings before financial items (EBIT)	19,212	14,575	46,724	39,560	58,113
Net financials	-4,023	-4,211	-10,371	-11,291	-16,502
Profit before tax and non-controlling interests	15,189	10,364	36,353	28,269	41,611
Tax on the profit for the period	-3,464	-2,812	-7,569	-7,265	-9,774
Profit for the period	11,725	7,552	28,784	21,004	31,837
SP Group A/S' share	11,768	7,722	28,815	21,301	31,563
Earnings per share (DKK)			14.60	10.52	15.66
Diluted earnings per share (DKK)			14.18	10.25	15.34

STATEMENT OF COMPREHENSIVE INCOME

DKK '000	Q3 2013 (unaud.)	Q3 2012 (unaud.)	Acc. Q3 2013 (unaud.)	Acc. Q3 2012 (unaud.)	FY 2012 (audited)
Profit for the period	11,725	7,552	28,784	21,004	31,837
Exchange rate adjustment relating to foreign subsidiaries	-333	1,784	-3,975	4,745	2,883
Net fair value adjustment of financial instruments acquired to hedge future cash flows	9,710	4,687	-6,235	9,965	10,742
Other comprehensive income	9,377	6,471	-10,210	14,710	13,625
Comprehensive income	21,102	14,023	18,574	35,714	45,462
Allocation of comprehensive income for the period:					
Parent company shareholders	21,123	14,291	18,629	36,095	45,120
Non-controlling shareholders	-21	-116	-55	-229	342

**BALANCE SHEET (summary)**

DKK '000	30.09. 2013 (unaud.)	30.09. 2012 (unaud.)	31.12. 2012 (audited)
Intangible assets	130,731	123,475	123,325
Property, plant and equipment	378,307	376,356	383,361
Financial assets	3,029	3,029	3,029
Deferred tax assets	0	0	2,149
Total non-current assets	512,067	502,860	511,864
Inventories	199,722	188,073	186,232
Receivables	127,021	150,000	105,982
Cash	25,226	25,026	32,255
Total current assets	351,969	363,099	324,469
Total assets	864,036	865,959	836,333
Equity including non-controlling interests	243,369	233,194	240,131
Non-current liabilities	248,349	245,954	269,607
Current liabilities	372,318	386,811	326,595
Equity and liabilities	864,036	865,959	836,333

CASH FLOW STATEMENT (summary)

DKK '000	Q3 2013 (unaud.)	Q3 2012 (unaud.)	Acc. Q3 2013 (unaud.)	Acc. Q3 2012 (unaud.)	FY 2012 (audited)
Cash flows from operating activities	8,844	21,470	34,997	39,460	100,094
Cash flows from investing activities	-14,871	-62,542	-47,370	-107,624	-87,624
Cash flows from financing activities	-8,059	45,863	-34,784	42,921	882
Change in cash and cash equivalents	-14,086	4,791	-47,157	-25,243	13,352

CHANGES IN EQUITY since 1 January:

DKK '000	Equity attributable to parent company shareholders		Equity including non- controlling interests	
	2013 (unaud.)	2012 (unaud.)	2013 (unaud.)	2012 (unaud.)
Balance at 1 January (after tax)	227,046	191,090	240,131	205,599
Purchase/sale of treasury shares	-6,301	-3,084	-6,301	-3,084
Other adjustments	0	152	0	152
Dividends paid	-4,963	-4,048	-5,394	-5,818
Value adjustment of derivative financial instruments	-6,235	9,965	-6,235	9,965
Change in ownership, non-controlling interests	0	0	-4,306	0
Recognition of share-based payment	665	631	665	631
Exchange rate adjustments	-3,951	4,677	-3,975	4,745
Profit for the period (after tax)	28,815	21,301	28,784	21,004
Balance at 30 September (after tax)	235,076	220,684	243,369	233,194



BUSINESS SEGMENTS

DKK '000	Coatings Q3		Plastics Q3		Other *) Q3		Group Q3	
	2013 (unaud.)	2012 (unaud.)	2013 (unaud.)	2012 (unaud.)	2013 (unaud.)	2012 (unaud.)	2013 (unaud.)	2012 (unaud.)
Revenue	45,555	55,864	232,137	219,761	-1,646	-1,316	276,046	274,309
Earnings before depreciation, amortisation and impairment losses (EBITDA)	6,666	11,735	27,121	16,911	-2,443	-3,117	31,344	25,529
Depreciation, amortisation and impairment losses	-2,176	-1,382	-9,151	-8,865	-805	-707	-12,132	-10,954
Earnings before financial items (EBIT)	4,490	10,353	17,970	8,046	-3,248	-3,824	19,212	14,575
Net financials							-4,023	-4,211
Profit before tax							15,189	10,364
Tax on profit for the period							-3,464	-2,812
Profit for the period							11,725	7,552

*) Comprises eliminations and unallocated overhead costs

DKK '000	Coatings Acc. Q3		Plastics Acc. Q3		Other *) Acc. Q3		Group Acc. Q3	
	2013 (unaud.)	2012 (unaud.)	2013 (unaud.)	2012 (unaud.)	2013 (unaud.)	2012 (unaud.)	2013 (unaud.)	2012 (unaud.)
Revenue	134,422	147,677	683,730	678,596	-5,272	-3,682	812,880	822,591
Earnings before depreciation, amortisation and impairment losses (EBITDA)	18,513	28,232	72,968	56,941	-7,128	-10,867	84,353	74,306
Depreciation, amortisation and impairment losses	-6,563	-7,085	-28,676	-25,770	-2,390	-1,891	-37,629	-34,746
Earnings before financial items (EBIT)	11,950	21,147	44,292	31,171	-9,518	-12,758	46,724	39,560
Net financials							-10,371	-11,291
Profit before tax							36,353	28,269
Tax on profit for the period							-7,569	-7,265
Profit for the period							28,784	21,004
Segment assets	107,593	116,462	681,247	669,470	46,941	47,771	835,781	833,703
Unallocated assets							28,255	32,256
							864,036	865,959



Warrant programme for the Company's Executive Board and managers

The Board of Directors resolved on 19 April 2013 to set up an incentive programme for the Company's Executive Board and 23 managers. The programme is based on warrants issued by the Board of Directors exercising the authorisation provided in article 5(4) of the articles of association and granted at the Annual General Meeting held on 19 April 2013, on which occasion the programme was presented to the shareholders. A total of 100,000 warrants were issued, of which 25,000 were awarded to the Executive Board and the rest were awarded to the managers.

The reason for the award was a desire to align the interests of the managers with those of the Group.

The exercise price is fixed at DKK 145.00 per share with a nominal value of DKK 10 plus a 7.5% premium calculated from 1 April 2013 and until the date of exercise. The exercise price is fixed on the basis of the official market price during the period from immediately before the release of the Annual Report on 22 March 2013 and until 18 April 2013.

Warrants issued under the programme may be exercised to buy shares in the Company during the period from 1 April 2016 to 31 March 2019, always provided that warrants can only be exercised during the first two weeks of a trading window in which the Company's in-house rules allow management to trade in the Company's shares.

At the date of award, warrants issued had an estimated aggregate market value of approximately DKK 603,000. The market value of the warrants issued is calculated using the Black-Scholes model with volatility being calculated on the basis of the price of the Company's shares during the past six months, a level of interest rates of 0.13%, a share price of DKK 138.00 and assuming that warrants awarded are exercised in April 2016. Allowance is made for any dividend payments made during the period.

The Executive Board and the 23 managers were given the option of buying the warrants at the market price as calculated above against payment in cash. This option to buy warrants was open until 19 June 2013, and four participants holding a total of 29,000 warrants elected to do so. The company has received sales proceeds of DKK 174,870, which amount has been added to equity.

If a participant resigns from the group company in which he or she is employed, the number of warrants will be reduced on a pro rata basis so as to reflect that the participant was only associated with the Group for a part of the term of the programme. This does not apply if a participant has bought and paid for his or her warrants.

Under existing programmes, 80,000 warrants are exercisable from 1 April 2013 (of which 63,000 were exercised in April 2013), 100,000 warrants are exercisable in 2014, 100,000 are exercisable in 2015, and 100,000 are exercisable in 2016.



Accounting policies

The interim report for the nine months to 30 September 2013 is presented in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU, and Danish disclosure requirements for listed companies. Other than as set out below, the accounting policies are consistent with those applied in Annual Report 2012, in which the accounting policies are set out in their entirety in note 1 to the financial statements.

Changes to accounting policies

Effective from 1 January 2013, SP Group implemented Amendments to IAS 1, Amendments to IFRS 1, Amendments to IFRS 7, IFRS 13, IAS 19 (amended 2011), IFRIC 20 and Annual improvements to IFRSs 2009-2011. The implementation of the new and amended standards and interpretations has not had any material impact on recognition or measurement.

Significant accounting estimates:

No material changes have been made to the accounting estimates set out in note 2 to the 2012 financial statements.

Forward-looking statements

This interim report contains forward-looking statements reflecting Management's current perception of future trends and financial performance. Statements relating to 2013 and the following years are inherently subject to uncertainty and SP Group's actual results may thus differ from expectations. Factors that may cause actual results to differ from expectations include, but are not limited to, changes in SP Group's activities, raw materials prices, foreign exchange rates and economic conditions. This interim report does not constitute an invitation to buy or sell shares in SP Group A/S.

About SP Group

SP Group manufactures moulded plastic components as well as plastic coatings.

SP Group is a leading supplier of plastic manufactured products for the manufacturing industries in Denmark and has increasing exports and growing production from own factories in Denmark, China, Brazil, the USA and Poland. SP Group also has sales subsidiaries in Sweden, the Netherlands and Canada. SP Group is listed on NASDAQ OMX Copenhagen and had some 1,100 employees at 30 September 2013.

SP Group's two business areas have the following activities:

- Coatings
- Plastics

