

Interim report

2021: Q3 July-September

BALCONIES
FOR
GREATER
LIVING



More than doubled order intake in the quarter

The third quarter: July – September

- Net sales amounted to 243 MSEK (258).
- Order intake increased 116 percent to 306 MSEK (142).
- Order backlog increased 13 percent to 1,460 MSEK (1,294).
- Operating profit amounted to 24 MSEK (29).
- Adjusted operating profit amounted to 25 MSEK (29).
- Net profit after tax amounted to 18 MSEK (21).
- Earnings per share amounted to 0.83 SEK (0.95).
- Operating cash flow amounted to 24 MSEK (35).

The nine-month period: January – September

- Net sales amounted to 797 MSEK (931).
- Order intake increased 53 percent to 1,075 MSEK (703).
- Operating profit amounted to 80 MSEK (113).
- Adjusted operating profit amounted to 81 MSEK (113).
- Net profit after tax amounted to 60 MSEK (83).
- Earnings per share amounted to 2.76 SEK (3.82).
- Operating cash flow amounted to -30 MSEK (125).

Events during the third quarter and after end of the quarter

- Extended bank agreement has been signed with Danske Bank which is valid until October 12, 2024 with an sustainability-linked RCF of 510 MSEK and an overdraft facility of 75 MSEK.
- Balco Group has improved its ESG risk rating at Sustainalytics to 20.8 (28.6).

MSEK	Jul-Sep		Jan-Sep		Oct-Sep	Jan-Dec
	2021	2020	2021	2020	2020/21	2020
Net sales	242,9	258,5	796,8	931,4	1 065,4	1 200,0
Order intake	306,3	141,9	1 074,5	703,0	1 304,2	932,7
Order backlog	1 460,4	1 294,0	1 460,4	1 294,0	1 460,4	1 086,6
Gross profit	66,2	65,5	211,3	240,3	260,4	289,4
Gross margin %	27,2	25,3	26,5	25,8	24,4	24,1
Operating profit	23,9	28,9	80,2	112,5	83,0	115,4
Operating profit margin (EBIT-margin), %	9,8	11,2	10,1	12,1	7,8	9,6
Adjusted operating profit (EBIT) 1)	25,2	28,9	81,5	112,5	103,7	134,8
Adjusted operating profit margin (EBIT-margin), %	10,4	11,2	10,2	12,1	9,7	11,2
Net profit for the period	18,3	20,5	60,5	82,6	55,5	77,6
Operating cash flow	23,9	34,8	-30,3	125,3	41,0	196,5
Earnings per share, SEK 2)	0,83	0,95	2,76	3,82	2,53	3,58

1) For information on adjusted operating profit, please see note 5

2) Calculated in relation to the number of shares before dilution at the end of the reporting period



KENNETH LUNDAHL, PRESIDENT AND CEO

We see a clear result in our order intake of the eased Covid-19 restrictions that give tenant-owner associations the opportunity to hold meetings and make decisions about, among other things, investments in balcony renovations. It is obvious that there is a pent-up need for balcony renovation and interest in getting a new balcony.

Order intake more than doubled in the third quarter compared with the previous year and was also more than fifty percent higher than the third quarter order intake in 2019. Order intake was also 26 percent higher than sales in the quarter, which means that our order backlog is now approaching 1.5 billion SEK again.

Net sales in the quarter amounted to SEK 243 million with a strong gross margin of 27.2 percent, despite lower occupancy in production and the project organization. Adjusted operating profit amounted to SEK 25 million with an adjusted operating margin of 10.4 percent.

The projects are beginning to start and by the turn of the year we should be back to normal occupancy. Our decision not to cut staff resources and other investments, in order not to hamper future growth, has proved to be the right one and now we are recruiting more resources to meet the coming demand.

Our companies Stora Fasad and RK Teknik acquired during the year continue to perform according to plan with positive contributions to sales and earnings. Our offer of total contracting for both balcony and facade renovation is meeting increasing interest and we are working with several interesting deals.

Normal market processing with mini fairs has been in full swing in all markets since August. Our business model is dependent on people being able and daring to meet and this is of great importance for our sales. Order intake

looks set to continue to be very good in the fourth quarter and early next year.

Our focused work in sustainability has yielded results. Our ESG risk rating at Sustainalytics has improved to 20.8 from 28.6 in the past year. To show our continued focus on sustainability, Balco has this autumn become a member of the Swedish Green Building Council and the UN Global Compact.

We work with various complementary product offerings to help our customers transform their buildings into "green estates" through various energy saving measures. Balcony renovation with a glazed balcony is often the trigger that can help with this transformation.

Of the order intake in the third quarter, 62% will give more than 15% in energy savings and 10% will give more than 30% in energy savings. Our goal is that in the long run at least 50% of our glazing projects will provide at least 30% energy savings and thus be able to be financed with green loans or green bonds.

In Sweden, it has been possible since 1 October to apply for support from the National Board of Housing, Building and Planning for energy efficiency that improves a building's energy performance by at least 20%. This justifies and facilitates the financing of balcony renovation with glazed balconies.

The future looks positive for Balco. Our financial position is strong and we have extended our banking agreement with increased credit, which gives us even better opportunities and conditions for acquisitions. Expected strong order intake in the coming quarters, great interest in our products and exciting development projects provide good conditions for profitable growth.



” Order intake more than doubled compared with the previous year and was more than 50 percent higher than Q3 2019. ”

Kenneth Lundahl, President and CEO

Växjö 18 November 2021

Kenneth Lundahl, President and CEO
Balco Group AB

THE GROUP'S DEVELOPMENT

Third quarter: July - September

Net sales amounted to 243 MSEK (258). Acquired growth was 11 percent, while organic growth was negative by 17 percent. Revenue for the renovation segment amounted to 213 MSEK (242), while net sales for the new build segment increased to 30 MSEK (16). The lower net sales for the renovation segment are explained by the weaker order intake from March last year to April this year due to the Covid-19 outbreak and the restrictions introduced to try to reduce its spread of infection.

The order intake increased by 116 percent to 306 MSEK (142) and was 54 percent higher than in the third quarter 2019. The order intake was 26 percent higher than the revenue in the quarter. Acquired order intake was 13 percent, while organic growth for order intake was 103 percent. The renovation segment accounted for 295 MSEK (124) of the order intake for the quarter, while the order intake of the new build segment was 11 MSEK (18). The strong order intake indicates a pent-up renovation need that can now be decided on at meetings of tenant-owner associations since the Covid-19 restrictions have eased.

The order backlog increased by 13 percent to 1,460 MSEK (1,294). The order backlog for the renovation segment increased to 1,253 MSEK (1,089), while the order backlog for the new build segment amounted to 207 MSEK (205).

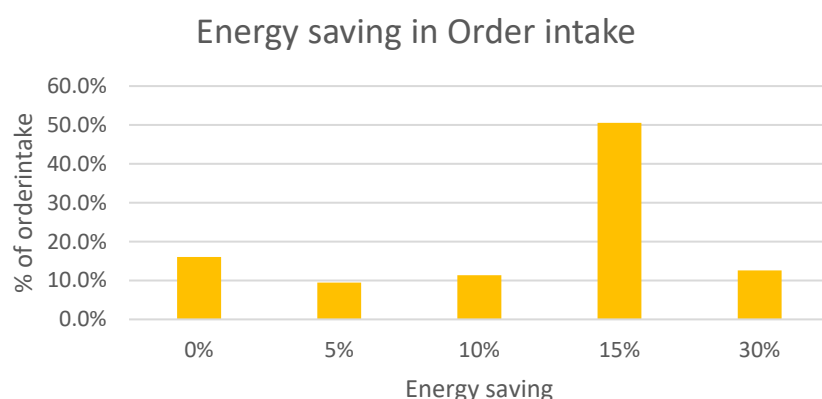
Gross profit improved 1 percent to 66 MSEK (65), entailing a gross margin of 27.2 percent (25.3). The gross margin has improved despite lower occupancy in production and the project organization. This is due to the fact that a larger part of sales comes from high-margin markets.

Sales costs amounted to 28 MSEK (25) and administrative costs to 14 MSEK (12). Total operating costs amounted to 42 MSEK (37). The increase in operating expenses is explained by acquired companies as well as increased marketing activities and an item affecting comparability of 1 MSEK among administrative expenses for acquisition costs.

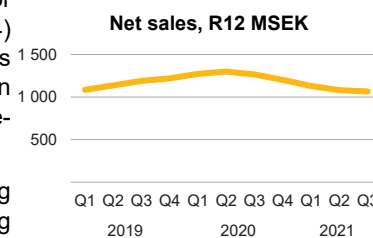
Operating profit amounted to 24 MSEK (29), corresponding to an operating margin of 9.8 percent (11.2). Adjusted operating profit amounted to 25 MSEK (29), corresponding to an adjusted operating margin of 10.4 percent (11.2).

Net financial items amounted to -1 MSEK (-2). Profit after tax amounted to 18 MSEK (21), corresponding to an earnings per share of 0.83 SEK (0.95).

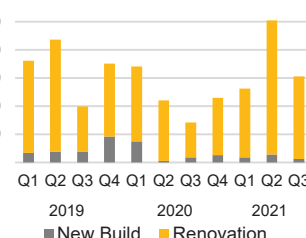
Operating cash flow amounted to 24 MSEK (35), where the decrease comes from lower earnings and increased working capital. The capital tied up between the quarters is dependent on the different phases of the projects.



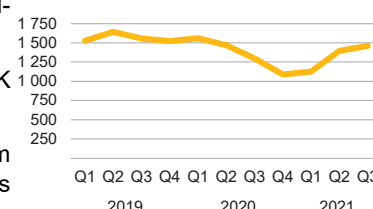
Of the order intake in the third quarter, 62% will give more than 15% in energy savings and 10% will give more than 30% in energy savings. Our goal is that in the long run at least 50% of our glazing projects will provide at least 30% energy savings and thus be able to be financed with green loans or green bonds.



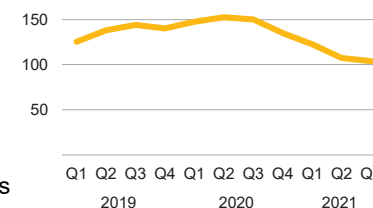
Order intake per segment, MSEK



Order backlog, MSEK



Adj. Operating profit, R12 MSEK



The nine-month period: January - September

Net sales amounted to 797 MSEK (931). Acquired growth was 10 percent, while organic growth was negative by 24 percent. Net sales for the renovation segment amounted to 679 MSEK (849) and for the new build segment revenue improved to 118 MSEK (82).

Order intake increased 53 percent to 1,075 MSEK (703). Acquired order intake was 24 percent, while organic growth for order intake was 29 percent. The order intake for the nine-month period was 35 percent higher than net sales. Order intake for the renovation segment improved to 1,017 MSEK (604). Order intake for the new build segment amounted to 58 MSEK (99).

Gross profit amounted to 211 MSEK (240), entailing a gross margin of 26.5 percent (25.8). The gross margin has improved despite lower occupancy in production and the project organization. This is due to the fact that a larger part of sales comes from high-margin markets.

Sales costs amounted to 87 MSEK (82) and administrative costs to 44 MSEK (46). Total operating costs amounted to 131 MSEK (128). The increase in operating expenses is explained by acquired companies as well as increased marketing activities and an item affecting comparability of 1 MSEK among administrative expenses for acquisition costs.

Operating profit amounted to 80 MSEK (113) corresponding to an operating margin of 10.1 percent (12.1). Adjusted for items affecting comparability, operating profit amounted to 81 MSEK (113), corresponding to an adjusted operating margin of 10.2 percent (12.1).

The net financial items amounted to -4 MSEK (-7). Profit after tax amounted to 60 MSEK (83), corresponding to earnings per share of 2.76 SEK (3.82).

Operating cash flow amounted to -30 MSEK (125), where the decrease comes from lower earnings and increased working capital. The capital tied up between the quarters is dependent on the different phases of the projects.

DEVELOPMENT PER SEGMENT

Net sales, MSEK	Jul-Sep		Jan-Sep		Oct-Sep	Jan-Dec
	2021	2020	2021	2020	2020/21	2020
Renovation	212,6	242,5	678,6	849,6	924,8	1 095,7
New Build	30,3	16,0	118,2	81,8	140,7	104,3
Group other	6,7	7,0	18,4	16,1	23,6	21,3
Elimination	-6,7	-7,0	-18,4	-16,1	-23,6	-21,3
Total Net Sales	242,8	258,5	796,8	931,4	1 065,4	1 200,0

Operating profit, MSEK	Jul-Sep		Jan-Sep		Oct-Sep	Jan-Dec
	2021	2020	2021	2020	2020/21	2020
Renovation	23,6	29,2	72,3	108,7	77,1	113,5
New Build	2,0	0,7	9,5	6,2	10,1	6,8
Group other	-1,3	-1,0	-1,6	-2,3	-4,2	-4,9
Elimination	-	-	-	-	-	-
Total EBIT	24,3	28,9	80,2	112,5	83,0	115,4

EBIT margin, %	Jul-Sep		Jan-Sep		Oct-Sep	Jan-Dec
	2021	2020	2021	2020	2020/21	2020
Renovation	11,1	12,0	10,7	12,8	8,3	10,4
New Build	6,7	4,1	8,1	7,6	7,2	6,5
Group other	n/a	n/a	n/a	n/a	n/a	n/a
Elimination	n/a	n/a	n/a	n/a	n/a	n/a
Total EBIT margin	10,0	11,2	10,1	12,1	7,8	9,6

Renovation

Net sales in the quarter amounted to 213 MSEK (242). The segment accounted for 88 percent of Balco's total turnover in the quarter.

Order intake increased 138 percent to 295 MSEK (124), corresponding to 96 percent of the total order intake in the quarter.

Operating profit in the quarter amounted to 24 MSEK (29), corresponding to an operating margin of 11.1 percent (12.0).

For the nine-month period net sales amounted to 679 MSEK (849). The segment accounted for 85 percent of Balco's total net sales in the nine-month period.

Operating profit for the period amounted to 72 MSEK (109) corresponding to an operating margin of 10.7 percent (12.8).

Order intake during the nine-month period increased 68 percent to 1,017 MSEK (604), corresponding to 95 percent of the total order intake.

The order backlog increased 15 percent to 1,253 MSEK (1,089), corresponding to 86 percent of the total order backlog.

Share
renovation
Q3 2021

88%



New build

Net sales in the quarter increased 90 percent to 30 MSEK (16). The segment accounted for 12 percent of Balco's total net sales in the quarter.

Order intake amounted to 11 MSEK (18), corresponding to 4 percent of the total order intake in the quarter.

Operating profit in the quarter improved to 2 MSEK (1), corresponding to an operating margin of 6.7 percent (4.1).

For the nine-month period net sales increased 44 percent to 118 MSEK (82) corresponding to 15 percent of Balco's total turnover.

Operating profit for the nine-month period improved to 10 MSEK (6) corresponding to an operating margin of 8.1 percent (7.6).

Order intake for the nine-month period amounted to 58 MSEK (99), corresponding to 5 percent of the total order intake.

Order backlog increased 1 percent to 207 MSEK (205), corresponding to 14 percent of the total order backlog.

Share
new build
Q3 2021

12%

Net sales per customer category, MSEK

	Jul-Sep		Jan-Sep		Oct-Sep	Jan-Dec
	2021	2020	2021	2020	2020/21	2020
Tenant-owner associations	169,3	204,3	564,9	724,9	771,5	931,5
Private landlords	3,0	19,9	19,6	73,1	34,3	87,8
Publicly owned companies	10,9	17,3	24,1	53,4	35,2	64,5
Construction and manufacturing companies	59,7	16,9	188,1	80,0	224,4	116,3
Total Net sales	242,9	258,5	796,8	931,4	1 065,4	1 200,0

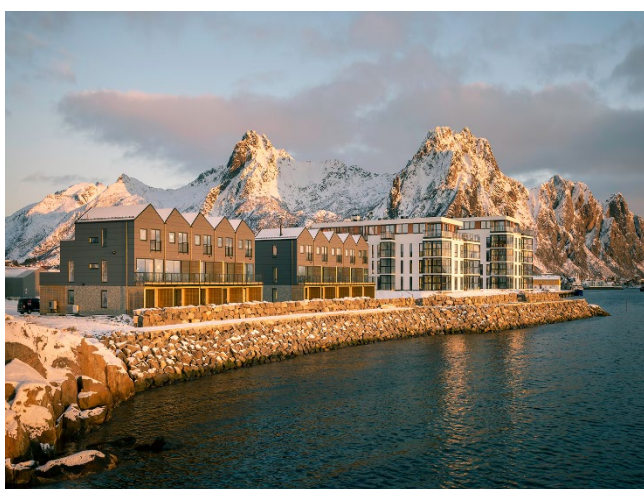


OPERATIONS AND SEGMENT DESCRIPTION

Operations

Balco's core expertise is in delivering glazed balconies and balcony solutions under its own brands, primarily to the renovation market and tenant-owner associations. Several advantages are achieved by replacing existing balconies with new glazed balconies in accordance with the Balco method. The method, which involves demolition and rebuilding of the entire balcony, contributes for example to lower maintenance and energy costs, an enhanced quality of life and an increase in the value of the property. Balco is unique with processes that involve the Company assuming full responsibility and assisting the customer throughout the decision-making and building process, from visualisation and viewing to project planning, production and installation, with subsequent final inspection. Balco is a turnkey balcony supplier offering customized, high-quality balcony solutions irrespective of size and complexity, with short delivery times. Balco's offering is focused on tenant-owner associations, private landlords, municipal housing companies and construction companies in, primarily, Sweden, Norway and Denmark, but also in Germany, Finland, the UK and the Netherlands. Balco is the market leader in Scandinavia within the attractive niche market for balconies. On other markets, Balco enjoys a strong challenger position. Since the autumn of 2020, Balco will take on turnkey contract responsibility for renovation projects with both a balcony and a façade, and to strengthen this offer, the façade company Stora Fasad has been acquired in February 2021.

Renovation



Sjøsiden Boligpark

Within renovation, Balco provides solutions for replacing and expanding existing balconies and the installation of new balconies on apartment buildings without balconies. The majority of Balco's sales within the area comprise glazed balconies for tenant-owner associations. Sweden is the Company's largest market within renovation and the main drivers on the market are the pent-up need for renovation and the prevailing age profile of the property portfolio.

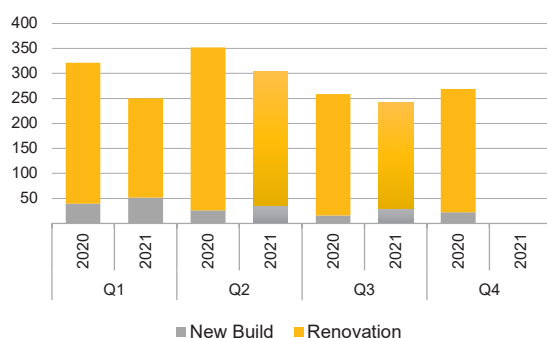
New build



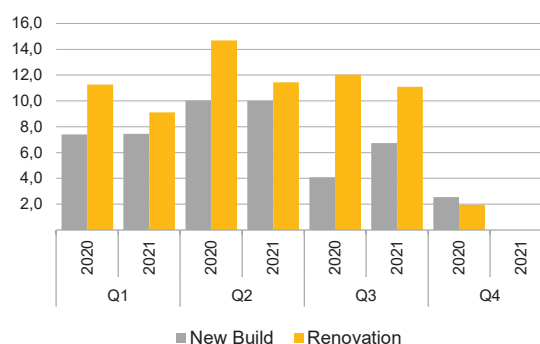
AIDAnova

Within new build, Balco performs installation of balconies in conjunction with the construction of new apartment buildings as well as balcony solutions within maritime applications (shipbuilding industry). The largest product areas comprise balcony glazing solutions and open balconies. Balco is acting selectively in the segment, based on a focus on profitability and low risk. Demand is driven by the rate of building of new housing and growth within the maritime segment.

Net sales growth per quarter, MSEK



Operating margin per quarter, %



FINANCIAL POSITION AND CASH FLOW

Liquidity and financial position

The Group's interest-bearing net debt at the end of the period amounted to 172 MSEK (80). The increase in net debt comes from the two acquisitions that have been completed during the first half year. Interest-bearing net debt relative to adjusted EBITDA was 1.2 times (0.4), which is within the scope of the Company's indebtedness target (not to exceed 2.5 times). The Group's interest-bearing net debt, excluding debt related to financial leasing, relative to adjusted EBITDA was 0.9 times (0.1).

At the end of the quarter the Group's equity amounted to 662 MSEK (595). The Group's equity ratio was 51 percent (49).

MSEK	30-sep 2021	30-sep 2020	31-dec 2020
External non-current interest-bearing liabilities excl leasing	195,3	198,1	203,0
Leasing non-current liabilities	23,8	36,1	26,6
Current interest-bearing liabilities	10,4	10,4	10,4
Leasing current liabilities	16,7	16,4	19,4
Cash and cash equivalents	-74,3	-180,5	-214,1
Interest-bearing net debt	171,9	80,4	45,2
<i>Interest-bearing net debt excl leasing</i>	<i>131,4</i>	<i>27,9</i>	<i>-0,7</i>
External interest-bearing net debt/EBITDA (12 months), times	1,2 x	0,4 x	0,3 x
External interest-bearing net debt excl. leasing/EBITDA (12 months), times	0,9 x	0,1 x	-0,0 x
Equity/assets ratio, %	51,4	49,4	48,9

Cash flow, investments and amortisation/depreciation

Cash flow from ongoing activities for the nine-month period amounted to -20 MSEK (77). Lower operating profit and higher working capital are the main reasons.

The cash flow from investing activities during the nine-month period amounted to -95 MSEK (-10), of which -10 MSEK (-10) was replacement investments, 0 MSEK (0) expansion investments and -85 MSEK (0) acquisition of shares in subsidiaries.

Cash flow from financing activities amounted to -25 MSEK (-5) and mainly refers to loan repayments.

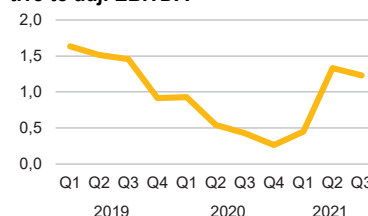
Cash flow for the nine-month period amounted to -140 MSEK (62).

Amortisation/depreciation in the nine-month period amounted to 27 MSEK (28).

The Parent Company

The Parent Company has its registered office in Växjö and conducts operations directly as well as through Swedish and foreign subsidiaries. The Parent Company's operations are focused primarily on strategic development, financial control, corporate governance issues, board work and relations with banks. The operating result for the half-year period amounted to 2 MSEK (-1).

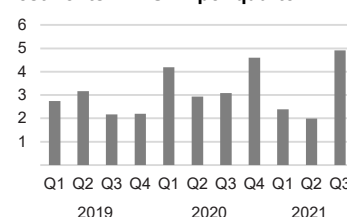
External interest-bearing net debt relative to adj. EBITDA



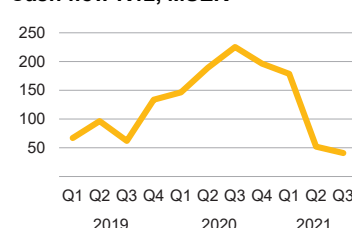
Equity ratio

51%

Investments in MSEK per quarter



Cash flow R12, MSEK



OTHER INFORMATION

Employees

At the end of September 2021 Balco had 480 (419) full-time employees. The increase in staff is mainly attributable to the acquisitions of Stora Fasad AB and RK Teknik AB.

Seasonal variations

Balco's net sales and earnings are partially affected by the date when orders are placed, seasonal variations and the fact that the annual general meetings of tenant-owner associations normally take place in the second and fourth quarter. In addition, the Group is positively affected by months with a large number of work days and lack of absences, and somewhat negatively affected by weather factors, when winters with significant volumes of snow entail increased costs. The Group's strongest quarter is normally the second quarter.

Shares, share capital and shareholders

At the end of June September, there were 21,909,348 shares in Balco, corresponding to a share capital of 131,461,248 SEK. At the end of September 2021, there were 5,138 shareholders. The five largest shareholders were The Family Hamrin, Swedbank Robur fonder, Skandrenting AB, Lannebo Fonder and Länsförsäkringar fondförvaltning AB.

Related-party transactions

Related parties comprise the Board of Directors, Group management and the CEO. This is due to ownership stakes in Balco and positions as senior executives. Related parties also include the Company's largest shareholder, The Family Hamrin which is represented on the Board of Directors by Carl-Mikael Lindholm and Skandrenting AB which is represented on the Board of Directors by Johannes Nyberg. Related-party transactions take place on commercial terms. For further information, see pages 44 and 99 in the Annual Report 2020.

Incentive program

Balco Group AB has two long-term incentive programs aimed at the company's senior executives and additional key employees, a total of 25 employees. The incentive programs comprise a total of no more than 600,000 warrants, which entitles to a maximum of new subscriptions of the corresponding number of shares. Balco's total cost for the incentive programs during the term of the programs is expected to amount to approximately SEK 6 million. The programs involve a dilution corresponding to approximately 2.7 percent of the company's total number of shares. The senior executives in Balco have acquired 372,498 warrants amounting to a total value of 3,999,276 SEK. The purpose of the incentive programs is to encourage broad shareholding among Balco's employees, facilitate recruitment, retain competent employees and increase motivation to achieve or exceed the company's financial goals. For more information, see the Annual Report 2020 on pages 44, 53, 59-60 and 86-87.

Risks and uncertainty factors

Through its operations, the Group is exposed to various types of risks. The risks can be divided into industry and market-related risks, business-related risks and financial risks. Industry and market-related risks include changes in

demand as a result of a weaker economy or other macro-economic changes, a changed price picture for raw materials that are central to Balco's production, and a change in competition or price pressure. Business-related risks include Balco's ability to develop and sell new innovative products and solutions, that the Group can attract and retain qualified employees and that Balco's profitability depends on the results of the individual projects, i.e. the Group's ability to anticipate, calculate and deliver projects. financial framework. The financial risks are summarized under financing risk, liquidity risk, credit risk and interest rate risk. Balco's risks and uncertainties are described on pages 46-50, 61 and on pages 81-82 in the Annual Report 2020.

Outlook

Balco is one of a small number of complete balcony suppliers on the market providing customised, innovative balcony solutions on a turnkey basis. Balco is the market leader in Scandinavia and enjoys a strong challenger position on other markets where the Group operates.

Strong financial position means that the company is equipped for growth through further acquisitions.

The market is fragmented and growing throughout northern Europe. The value of the balcony market in the countries where Balco is represented is estimated at just over 35 billion SEK and is expected to grow by approximately 5 percent annually over the next few years.

The Group's long-term goals are set out on the next page.

Events during the quarter and since the end of the quarter

Extended bank agreement has been signed with Danske Bank which is valid until October 12, 2024 with an extended sustainability-linked RCF of 510 MSEK and an overdraft facility of 75 MSEK.

The Group has improved its ESG risk rating at Sustainalytics to 20.8 (28.6).

FINANCIAL GOALS

Revenue growth

Balco shall achieve growth of 10 percent per year.

Profitability

Balco shall achieve an operating profit margin (EBIT) of at least 13 percent.

Capital structure

Interest-bearing net debt shall not exceed 2.5 times operating profit before depreciation and amortisation (EBITDA), other than temporarily.

Dividend policy

Balco shall distribute at least one-half of profit after tax, taking into consideration needs for Balco's long-term growth and prevailing market conditions.

The interim report has been subject to a review of ISRE 2410 by the company's auditors.

Växjö, 18 November 2021

Kenneth Lundahl

President and CEO

This information comprises such information as Balco Group AB is obliged to publish in accordance with the EU Market Abuse Regulation. The information was provided by the contact person below for publication on 18 November 2021 at 07.30 CET.

Telephone conference

An online telephone conference will be held on 18 November 2021 at 09:00 CET at which President and CEO Kenneth Lundahl and CFO Michael Grindborn will present the report and answer questions. To participate, please call:

SE: +46 8 505 583 73

UK: +44 333 300 92 60

USA: +1 646 722 49 03

For more information, please contact:

Kenneth Lundahl, President and CEO

Tel: +46 70 630 20 57

Michael Grindborn, CFO and Head of IR

Tel: +46 70 670 18 48

Calendar 2021/2022

Year-end report 2021	17 February 2022
Interim report Jan-Mar 2022	6 May 2022
Annual General Meeting 2022	24 May 2022
Interim report Jan-Jun 2022	14 July 2022
Interim report Jan-Sep 2022	8 November 2022

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

MSEK	Note	Jul-Sep		Jan-Sep		Oct-Sep	Jan-Dec
		2021	2020	2021	2020	2020/21	2020
Net sales		242,9	258,5	796,8	931,4	1 065,4	1 200,0
Production and project costs		-176,7	-193,0	-585,5	-691,1	-805,0	-910,6
Gross profit		66,2	65,5	211,3	240,3	260,4	289,4
Sales costs		-27,8	-25,0	-87,2	-82,2	-116,1	-111,0
Administration costs		-14,4	-11,6	-43,8	-45,6	-61,3	-63,0
Other operating income		-	-	-	-	-	-
Other operating expenses		-	-	-	-	-	-
Operating costs		-42,2	-36,6	-131,1	-127,8	-177,4	-174,0
Operating profit		23,9	28,9	80,2	112,5	83,0	115,4
Finance income		0,0	0,1	0,0	0,1	0,1	0,2
Finance costs		-1,2	-1,8	-4,2	-6,7	-7,3	-9,8
Profit before tax		22,7	27,1	76,1	106,0	75,8	105,7
Income tax		-4,5	-6,6	-15,6	-23,3	-20,3	-28,1
Net profit for the period		18,3	20,5	60,5	82,6	55,5	77,6
Other comprehensive income							
Items that have been/can be reclassified to profit/loss							
Exchange rate differences on translation of foreign operation		-0,7	-0,2	0,5	-2,0	-2,5	-5,0
Comprehensive income for the period		17,6	20,4	61,0	80,6	53,0	72,7
Of which attributable to:							
Owners of the parent company		17,6	20,4	61,0	80,6	53,0	72,7
Earnings per share, SEK, before dilution	4	0,83	0,95	2,76	3,82	2,53	3,58
Earnings per share, SEK, after dilution	4	0,81	0,94	2,69	3,77	2,46	3,51
Average number of shares, thousands		21 909,3	21 623,3	21 909,3	21 623,3	21 909,3	21 694,8

CONSOLIDATED BALANCE SHEET IN SUMMARY

MSEK	30-sep 2021	30-sep 2020	31-dec 2020
ASSETS			
Non-current assets			
Goodwill	450,1	401,2	400,9
Other intangible assets	111,3	50,0	48,5
Concessions	37,4	43,3	42,5
Property, plant and equipment	149,8	133,3	129,8
Financial assets	2,4	3,5	1,4
Deferred tax assets	0,6	3,8	0,6
Total non-current assets	751,5	635,1	623,8
Current assets			
Inventory	42,6	30,7	25,6
Trade receivables	181,1	182,7	175,3
Contract assets	159,3	144,3	130,3
Current tax receivables	0,9	3,7	19,0
Other current receivables	77,8	26,8	35,2
Cash and cash equivalents	74,3	180,5	214,1
Total current assets	536,0	568,7	599,6
TOTAL ASSETS	1 287,5	1 203,9	1 223,3
EQUITY AND LIABILITIES			
Equity			
Share capital	131,5	129,7	131,5
Additional paid-in capital	405,1	393,5	403,2
Retained earnings, incl. profit for year	125,0	71,9	64,0
Equity attributable to owners of the parent company	661,5	595,2	598,6
Provisions			
Provision for pension	2,3	-	-
Deferred tax liabilities	34,0	32,9	18,9
Total provisions	36,3	32,9	18,9
Non-current liabilities			
Interest-bearing liabilities to banks	195,3	198,1	203,0
Leasing non-current liabilities	23,8	36,1	26,6
Other non-current liabilities	30,0	24,2	-
Total non-current liabilities	249,1	258,4	229,6
Current liabilities			
Interest-bearing liabilities to banks	10,4	10,4	10,4
Leasing current liabilities	16,7	16,4	19,4
Contract liabilities	66,5	57,2	82,2
Trade payables	117,9	133,3	112,2
Current tax liabilities	36,9	5,5	35,2
Other liabilities	29,9	35,3	34,8
Other accrued expenses and prepaid income	62,3	59,4	82,1
Total current liabilities	340,5	317,4	376,2
TOTAL EQUITY AND LIABILITIES	1 287,5	1 203,9	1 223,3

CONSOLIDATED CHANGES IN EQUITY IN SUMMARY

MSEK	Share Capital	Additional paid-in capital	Reserves	Retained earnings including comprehensive income for the year	Total equity
Opening balance 1 Jan 2020	129,7	393,5	5,1	-13,8	514,5
Comprehensive income for the period					
Profit for the period	-	-	-	82,6	82,6
Other comprehensive income for the period	-	-	-2,0	-	-2,0
Total comprehensive income for the period	-	-	-2,0	82,6	80,6
Transactions with shareholders in their status as Company owners:					
Distributed dividend	-	-	-	-	-
Total transactions with Company owners	-	-	-	-	-
Closing balance 30 Sep 2020	129,7	393,5	3,1	68,9	595,2
Opening balance 1 Jan 2021	131,5	403,2	0,1	63,9	598,6
Comprehensive income for the period					
Profit for the period	-	-	-	60,5	60,5
Other comprehensive income for the period	-	-	0,5	-	0,5
Total comprehensive income for the period	-	-	0,5	60,5	61,0
Transactions with shareholders in their status as Company owners:					
Distributed dividend	-	-	-	-	-
Proceeds, Warrants	-	1,9	-	-	1,9
Total transactions with Company owners	-	1,9	-	-	1,9
Closing balance 30 Sep 2021	131,5	405,1	0,6	124,3	661,5

CONSOLIDATED CASH FLOW STATEMENT IN SUMMARY

MSEK	Jul-Sep		Jan-Sep		Oct-Sep	Jan-Dec
	2021	2020	2021	2020	2020/21	2020
Operating activities						
Operating profit (EBIT)	23,9	28,9	80,2	112,5	83,0	115,4
Adjustment for non-cash items	4,1	3,4	22,0	9,6	50,9	38,6
Interest received	0,1	0,1	0,2	0,4	0,0	0,2
Interest paid	-1,5	-1,5	-4,4	-6,1	-8,1	-9,8
Income tax paid	0,1	-7,5	3,0	-33,9	1,3	-35,7
Cash flow from operating activities before changes in working capital	26,7	23,4	101,1	82,5	127,1	108,6
Changes in working capital						
Increase (-)/Decrease (+) in inventories	-2,8	-2,7	-7,6	-4,7	-2,5	0,4
Increase (-)/Decrease (+) in operating receivables	-13,9	25,3	-49,8	-44,6	-48,4	-43,2
Increase (+)/Decrease (-) in operating liabilities	9,5	-22,0	-64,2	43,9	-62,0	46,0
Cash flow from operating activities	19,5	23,9	-20,6	77,0	14,1	111,7
Investing activities						
Purchase/sale of intangible assets	-0,8	-0,1	-2,4	-0,8	-2,7	-1,1
Purchase/sale of property, plant and equipment	-4,2	-2,9	-6,9	-9,4	-11,2	-13,7
Purchase/sale of subsidiaries	-	-	-85,3	-	-84,7	0,5
Cash flow from investing activities	-4,9	-3,1	-94,6	-10,2	-98,6	-14,3
Financing activities						
Changes in bank loans	-3,0	-2,0	-34,3	-10,4	-36,7	-12,8
Changes in leasing	2,3	1,8	5,5	10,1	-4,6	-
Changes in other non-current assets/liabilities	-0,0	-1,3	1,6	-4,7	6,3	-
Warrants	-	-	1,9	-	11,6	9,7
Rights issue	-	-	-	-	1,7	1,7
Distributed dividend	-	-	-	-	-	-
Cash flow from financing activities	-0,7	-1,6	-25,1	-5,0	-21,6	-1,4
Cash flow for the period	13,8	19,2	-140,3	61,9	-106,1	96,1
Cash and cash equivalents at beginning of the period	60,4	161,6	214,1	119,4	180,5	119,4
Exchange rate differential cash and cash equivalents	-	-0,3	0,4	-0,8	-0,2	-1,4
Cash and cash equivalents at end of the period	74,2	180,5	74,2	180,5	74,2	214,1

KEY RATIOS

MSEK	Jul-Sep		Jan-Sep		Oct-Sep	Jan-Dec
	2021	2020	2021	2020	2020/21	2020
Net sales	242,9	258,5	796,8	931,4	1 065,4	1 200,0
Order intake	306,3	141,9	1 074,5	703,0	1 304,2	932,7
Order backlog	1 460,4	1 294,0	1 460,4	1 294,0	1 460,4	1 086,6
Gross profit	66,2	65,5	211,3	240,3	260,4	289,4
EBITDA	34,6	38,2	106,7	140,7	119,0	153,0
Adjusted EBITDA	35,9	38,2	108,0	140,7	139,7	172,4
Operating profit (EBIT)	23,9	28,9	80,2	112,5	83,0	115,4
Adjusted operating profit	25,2	28,9	81,5	112,5	103,7	134,8
Gross profit margin, %	27,2	25,3	26,5	25,8	24,4	24,1
EBITDA margin, %	14,2	14,8	13,4	15,1	11,2	12,7
Adjusted EBITDA margin, %	14,8	14,8	13,6	15,1	13,1	14,4
Operating profit margin (EBIT), %	9,8	11,2	10,1	12,1	7,8	9,6
Adjusted operating profit margin (EBIT), %	10,4	11,2	10,2	12,1	9,7	11,2
Operating cash flow	23,9	34,8	-30,3	125,3	41,0	196,5
Operating cash conversion, %	66,6	91,1	-28,0	89,0	29,3	114,0
Capital employed, average	833,2	677,2	738,6	676,0	754,5	660,2
Capital employed, excl. goodwill, average	383,1	276,0	313,1	274,8	328,9	259,1
Equity, average	652,7	585,0	630,1	554,9	628,4	556,6
External interest-bearing net debt	171,9	80,4	171,9	80,4	171,9	45,2
External interest-bearing net debt/Adjusted EBITDA 12 months, times	1,2 x	0,4 x	1,2 x	0,4 x	1,2 x	0,3 x
Return on capital employed, %, (12 months)	12,4	22,2	11,0	16,6	13,7	20,4
Return on capital employed, excl. goodwill, %, (12 months)	27,1	54,5	26,0	41,0	31,5	52,0
Return on invested capital, %, (12 months)	8,5	18,6	9,6	14,9	8,8	13,9
Equity/assets ratio, %	51,4	49,4	50,2	48,0	50,4	47,8
Number of full-time employees on the closing date	480	419	480	419	480	428
Average number of common shares for the period, 000s	21 909,3	21 623,3	21 909,3	21 623,3	21 909,3	21 623,3
Equity per common share, SEK	29,79	27,05	28,76	25,66	28,68	25,74

1) For information on adjusted operating profit, please see note 5

PARENT COMPANY, INCOME STATEMENT IN SUMMARY

MSEK	Jul-Sep		Jan-Sep		Oct-Sep	Jan-Dec
	2021	2020	2021	2020	2020/21	2020
Net sales	6,5	5,0	17,5	15,0	22,5	20,0
Operating expenses	-6,0	-4,8	-16,0	-15,6	-23,4	-23,0
Operating profit	0,5	0,2	1,5	-0,6	-0,9	-3,0
Interest income	0,5	0,1	1,3	0,5	1,4	0,6
Interest expenses	-0,9	-1,0	-2,7	-2,9	-3,7	-3,9
Profit/loss after financial items	0,2	-0,7	0,2	-3,0	-3,2	-6,3
Dividend	-	-	0,9	-	0,9	-
Change in untaxed reserves	-	-	-	-	167,9	167,9
Tax	-0,0	0,1	-0,1	0,6	-35,3	-34,6
Net profit/loss for the period	0,1	-0,5	1,0	-2,3	130,4	127,0

In the Parent Company there are no items that are reported as other comprehensive income, so total comprehensive income is consistent with the profit for the period.

PARENT COMPANY, BALANCE SHEET IN SUMMARY

MSEK	30-sep 2021	30-sep 2020	31-dec 2020
ASSETS			
Non-current assets			
Financial assets	685,2	389,7	1 081,6
Total non-current assets	685,2	389,7	1 081,6
Current assets			
Current receivables	169,6	89,6	260,6
Cash and cash equivalents	50,1	179,4	213,0
Total current assets	219,7	269,0	473,6
TOTAL ASSETS	904,9	658,7	1 555,2
EQUITY AND LIABILITIES			
Equity			
Restricted equity	131,5	129,7	131,5
Unrestricted equity	285,7	143,7	282,7
Total equity	417,1	273,4	414,2
Non-current liabilities	204,0	187,5	180,0
Other current liabilities	283,8	197,8	961,0
TOTAL EQUITY AND LIABILITIES	904,9	658,7	1 555,2

NOTES

Note 1 Accounting principles

This interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and relevant provisions of the Swedish Annual Accounts Act. The interim report for the Parent Company has been prepared in accordance with RFR 2 and Chapter 9, Interim Reports, of the Swedish Annual Accounts Act. For the Group, the same accounting policies and computation methods have been applied as in the 2020 Annual Report, which was prepared in accordance with International Financial Reporting Standards and Interpretations as adopted by the EU.

The information on pages 1–9 relating to the part of the year covered by this interim report constitutes an integral part of this financial report.

Note 2 Financial instruments

The financial instruments measured at fair value are forward exchange contracts. Financial assets at fair value amounted to 2.5 MSEK (6.3) at the end of the period while financial liabilities at fair value amounted to 0.1 MSEK (0.7).

The fair values of financial instruments are determined using valuation techniques. Market information is used as far as possible when available, while company-specific information is used as little as possible. If all key inputs required for the fair value measurement of an instrument are observable, the instrument is categorised in level 2.

Note 3 Business segments

Balco reports the following segments:

- **Renovation:** includes replacement and expansion of existing balconies and installation of new balconies on apartment buildings without balconies. The segment's main market driver is the age profile of the residential property portfolio.
- **New Build:** includes installation of balconies in conjunction with the construction of apartment buildings and balcony solutions in the maritime area. The segment is driven mainly by the rate of new residential construction. The balcony solutions in the New Build segment have a lower average cost than those in Renovation. This is because the segment consists largely of open balconies, which have a lower per unit cost than glazed balconies.

MSEK	Jan-Sep		Renovation		New Build		Group Other		Eliminations		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Net sales – External revenue	678,6	849,6	118,2	81,8	-	-	-	-	-	-	796,8	931,4
Net sales – Internal revenue	-	-	-	-	18,4	16,1	-18,4	-16,1	-	-	-	-
Total sales	678,6	849,6	118,2	81,8	18,4	16,1	-18,4	-16,1	-	-	796,8	931,4
Operating profit (EBIT)	72,3	108,7	9,5	6,2	-1,6	-2,3	-	-	-	-	80,2	112,5
Depreciation included with	22,3	25,3	4,2	2,9	-	-	-	-	-	-	26,5	28,2
Non-recurring items	-	-	-	-	1,3	-	-	-	-	-	1,3	-
Adjusted operating profit (EBIT)	72,3	108,7	9,5	6,2	-0,4	-2,3	-	-	-	-	81,5	112,5
Adjusted operating margin	10,7%	12,8%	8,1%	7,6%	-	-	-	-	-	-	10,2%	12,1%
Operating profit (EBIT)	72,3	108,7	9,5	6,2	-1,6	-2,3	-	-	-	-	80,2	112,5
Finance income	-	-	-	-	0,0	0,1	-	-	-	-	0,0	0,1
Finance cost	-	-	-	-	-4,2	-6,7	-	-	-	-	-4,2	-6,7
Profit before tax	72,3	108,7	9,5	6,2	-5,8	-8,9	-	-	-	-	76,1	106,0

Note 4 Earnings per share

MSEK	Jul-Sep		Jan-Sep		Oct-Sep	Jan-Dec
	2021	2020	2021	2020	2020/21	2020
Net profit for the period attributable to the owners of the parent company	18,3	20,5	60,5	82,6	55,5	77,6
Average number of shares, '000'	21 909,3	21 623,3	21 909,3	21 623,3	21 909,3	21 694,8
Earnings per share, SEK, before dilution	0,83	0,95	2,76	3,82	2,53	3,58
Earnings per share, SEK, after dilution	0,81	0,94	2,69	3,77	2,46	3,51

Note 5 Reconciliation with IFRS financial statements

Balco's financial statements include alternative performance measures, which complement the measures that are defined or specified in applicable rules for financial reporting. Alternative performance measures are presented since, as in their context, they provide clearer or more in-depth information than the measures defined in applicable rules for financial reporting. The alternative performance measures are derived from the Company's consolidated financial reporting and are not measured in accordance with IFRS.

MSEK	Jul-Sep		Jan-Sep		Oct-Sep	Jan-Dec
	2021	2020	2021	2020	2020/21	2020
Adjusted operating profit						
Operating profit	23,9	28,9	80,2	112,5	83,0	115,4
Write-down and risk allocation concerning projects	-	-	-	-	15,2	15,2
Write-down of other current assets	-	-	-	-	4,2	4,2
Other non-recurring items	1,3	-	1,3	-	1,3	-
Adjusted operating profit	25,2	28,9	81,5	112,5	103,7	134,8
Adjusted EBITDA						
Operating profit	23,9	28,9	80,2	112,5	83,0	115,4
Depreciation	10,7	9,3	26,5	28,2	36,0	37,6
Write-down and risk allocation concerning projects	-	-	-	-	15,2	15,2
Write-down of other current assets	-	-	-	-	4,2	4,2
Other non-recurring items	1,3	-	1,3	-	1,3	-
Adjusted EBITDA	35,9	38,2	108,0	140,7	139,7	172,4
Operating cash flow						
Adjusted EBITDA	35,9	38,2	108,0	140,7	139,7	172,4
Changes in working capital	-7,0	-0,3	-129,0	-5,2	-84,8	38,9
Investments in other non-current assets, net	-4,9	-3,1	-9,3	-10,2	-13,9	-14,8
Operating cash flow	23,9	34,8	-30,3	125,3	41,0	196,5
MSEK			30-sep	30-sep	31-dec	
			2021	2020	2020	
External interest-bearing net deb						
External non-current interest-bearing liabilities			219,1	234,2	229,6	
Current interest-bearing liabilities			27,1	26,8	29,8	
Cash and cash equivalents			-74,3	-180,5	-214,1	
Interest-bearing net debt			171,9	80,4	45,2	
Adjusted EBITDA (12 months)			139,7	189,2	172,4	
Interest-bearing net debt/EBITDA 12 months, times			1,2 x	0,4 x	0,3 x	
Return on capital employed						
Equity			661,5	595,2	598,6	
External interest-bearing net debt			171,9	80,4	45,2	
Average capital employed			754,5	706,2	660,2	
Adjusted operating profit (EBIT), (12 months)			103,7	150,3	134,8	
Return on capital employed, %			13,7	21,3	20,4	
Equity/assets ratio						
Equity attributable to owners of the parent company			661,5	595,2	598,6	
Total assets			1 287,5	1 203,9	1 223,3	
Equity/assets ratio, %			51,4	49,4	48,9	

Note 6 Acquisition of Stora Fasad AB

On February 10, 2021, Balco entered into an agreement to acquire 100 percent of the shares in Stora Fasad AB, a company in Västerås active in facade work in Sweden and focused on both the new construction and renovation segments. The acquisition is expected to make a positive contribution to earnings per share, already in 2021.

Stora Fasad had sales of approximately 30 MSEK in 2020 with an operating profit of approximately 5 MSEK. Balco paid 23.5 MSEK in cash for the shares upon acquisition. An additional 10 MSEK may be added to the additional purchase consideration, which is based on Stora Fasad's accumulated earnings development during the period 2021-2023, and will be paid during 2024. The acquisition has been financed with existing cash and cash equivalents.

More information can be found in press releases from February 10, 2021.

Stora Fasad will be consolidated as of January 1, 2021.

The acquisition calculation is still preliminary.

The purchase price comprises the following components (MSEK)

Cash payment	23,5
Conditional purchase price	10,0
Acquired net assets	-16,2
Goodwill	17,3

The following assets and liabilities were included in the acquisition (MS)

Cash and cash equivalents	7,7
Tangible fixed assets	0,2
Financial assets	-
Intangible assets	13,4
Inventories	-
Receivables	7,5
Liabilities	-9,8
Deferred tax liabilities	-2,8
Acquired net assets	16,2

Note 7 Acquisition of RK Teknik AB

On April 8, 2021, Balco entered into an agreement to acquire 100 percent of the shares in RK Teknik AB, a company in Gusum active in the balcony market in Sweden and focusing primarily on the renovation segment but also some new build. The acquisition is expected to make a positive contribution to earnings per share, already in 2021.

RK Teknik had sales of approximately 115 MSEK in 2020 with an operating profit of approximately 10 MSEK. Balco paid 61,9 MSEK in cash for the shares upon acquisition. An additional 20 MSEK may be added to the additional purchase consideration, which is based on RK Teknik's accumulated earnings development during the period 2021-2023, and will be paid during 2024. The acquisition has been financed with existing cash and cash equivalents.

More information can be found in press releases from April 8, 2021.

RK Teknik will be consolidated as of April 1, 2021.

The acquisition calculation is still preliminary.

The purchase price comprises the following components (MSEK)

Cash payment	61,9
Conditional purchase price	20,0
Acquired net assets	-50,0
Goodwill	31,9

The following assets and liabilities were included in the acquisition

Cash and cash equivalents	7,7
Tangible fixed assets	26,2
Financial assets	-
Intangible assets	47,1
Inventories	9,4
Receivables	18,2
Liabilities	-46,0
Deferred tax liabilities	-12,6
Acquired net assets	50,0

ALTERNATIVE PERFORMANCE MEASURES

This interim report contains references to a number of performance measures. Some of these measures are defined in IFRS, while others are alternative measures and are not reported in accordance with applicable financial reporting frameworks or other legislation. The measures are used by Balco to help both investors and management to analyse its operations. The measures used in this interim report are described below, together with definitions and the reason for their use.

Alternative performance measures	Definition	Reason for use
Return on equity	Income for the period divided by the average shareholder equity for the period. Average calculated as the average of the opening balance and the closing balance for the period.	Return on equity shows the return that is generated on the shareholders' capital that is invested in the company.
Return on capital employed	Adjusted EBIT as a percentage of average capital employed for the period. Average calculated as the average of the opening balance and the closing balance for the period, see note 5.	Return on capital employed shows the return that is generated on capital employed by the company, and is used by Balco to monitor profitability as it relates to the capital efficiency of the company
Return on capital employed excluding goodwill	Adjusted EBIT as a percentage of average capital employed for the period excluding goodwill. Average calculated as the average of the opening balance and the closing balance for the period.	Balco believes that return on capital employed excluding goodwill together with return on capital employed shows a complete picture of Balco's capital efficiency
Gross income	Revenue less production and project costs.	Shows the effectiveness of Balco's operations and together with EBIT, provides a complete picture of the operating profit generation and expenses.
Gross margin	Gross income as a percentage of net sales.	Ratio is used for analysis of the company's effectiveness and profitability.
EBITDA	Earnings before interest, tax, depreciation and amortization.	Balco believes that EBITDA shows the profit generated by the operating activities and is a good measure of cash flow from operations.
External interest-bearing net debt relative to adjusted EBITDA	Interest-bearing external net debt divided by adjusted EBITDA.	Balco believes this ratio helps to show financial risk and is a useful measure for Balco to monitor the level of the company's indebtedness.
Adjusted EBITDA	EBITDA as adjusted for items affecting comparability. For a reconciliation of adjusted EBITDA to income for the period, see note 5.	Balco believes that adjusted EBITDA is a useful measure for showing the company's profit generated by the operating activities after adjusting for non-recurring items, and primarily uses adjusted EBITDA for purposes of calculating the company's operating cash flow and cash conversion.
Adjusted EBITDA margin	Adjusted EBITDA as a percentage of net sales.	Balco believes that adjusted EBITDA margin is a useful measure for showing the company's profit generated by the operating activities after non-recurring items.
Adjusted EBIT margin	Adjusted EBIT as a percentage of net sales.	Balco believes that adjusted EBIT margin is a useful measure for showing the company's profit generated by the operating activities.
Adjusted EBIT	EBIT adjusted for items affecting comparability. For a reconciliation of adjusted EBIT to income for the period, see note 5.	Balco believes that adjusted EBIT is a useful measure for showing the company's profit generated by the operating activities, and primarily uses adjusted EBIT for calculating the company's return on capital employed, which is used by Balco to monitor profitability as it relates to the capital efficiency of the company.
Items affecting comparability	Items affecting comparability are significant items reported separately due to their size or frequency, e.g. restructuring costs, write-downs, divestments and acquisition costs.	Balco believes that adjustment for items affecting comparability improves the possibility of comparison over time by excluding items with irregularity in frequency or size. This is to give a more accurate picture of the underlying operating profit.
Operating cash flow	Adjusted EBITDA increased/decreased with changes in net working capital less investments, excluding expansion investments, see note 5.	Operating cash flow is used by Balco to monitor business performance.
Organic growth	Net sales excluding acquired growth current period divided by net sales during the corresponding period last year	Organic growth excludes the effects of changes in the Group's structure, which enables a comparison of net sales over time.
Interest-bearing net debt	The sum of non-current interest-bearing liabilities and current interest-bearing liabilities. For a reconciliation of net debt for the periods, see note 5.	Balco believes interest-bearing net debt is a useful measure to show the company's total debt financing.
Net working capital	Current assets excluding cash and cash equivalents and current tax assets less non-interest-bearing liabilities excluding current tax liabilities.	This measure shows how much net working capital that is tied up in the operations and can be put in relation to net sales to understand how effectively net working capital tied up in the operations is used.
EBIT margin	EBIT as a percentage of net sales.	Balco believes EBIT margin is a useful measure together with net sales growth and net working capital to monitor value creation.

Alternative performance measures	Definition	Reason for use
EBIT	Earnings before interest and tax.	Balco believes that EBIT shows the profit generated by the operating activities.
Equity/asset ratio	Equity divided on total assets, see note 5.	Balco believes that equity to asset ratio is a useful measure for the company's survival.
Capital employed	Equity plus interest-bearing net debt (external net debt plus shareholder loan).	Capital employed is used by Balco to indicate the general capital efficiency of the company
Capital employed excluding goodwill	Capital employed minus goodwill.	Capital employed excluding goodwill is used together with capital employed by Balco as a measure of the company's capital efficiency.



BALCONIES
FOR
GREATER
LIVING

