

YEAR-END REPORT

2016



Year-end report 2016

NET ASSET VALUE AND THE LATOUR SHARE

- The net asset value rose to SEK 348 per share, compared with SEK 317 per share at the beginning of the year. This is an increase of 12.1 per cent, adjusted for dividends. By comparison, the Stockholm Stock Exchange's Total Return Index (SIXRX) increased by 9.7 per cent. The net asset value was SEK 360 per share at 15 February.¹
- The total return on the Latour share was 12.2 per cent in the period compared with 9.7 per cent for the SIXRX.
- The Board of Directors proposes an increased dividend to SEK 8.00 (6.75) per share and a 4:1 stock split.

INDUSTRIAL OPERATIONS

The fourth quarter

- The industrial operations' order intake rose 24 per cent to SEK 2,276 m (1,840), which represents an 11 per cent increase for comparable entities adjusted for foreign exchange effects.
- The industrial operations' net sales rose 17 per cent to SEK 2,278 m (1,942), which represents a 5 per cent increase for comparable entities adjusted for foreign exchange effects.
- The operating profit increased by 5 per cent to SEK 272 m (260), which equates to an operating margin of 11.9 (13.4) per cent for continuing operations.

Full year

- The industrial operations' order intake rose 15 per cent to SEK 8,384 m (7,264), which represents a 9 per cent increase for comparable entities adjusted for foreign exchange effects.
- The industrial operations' net sales rose 14 per cent to SEK 8,199 m (7,186), which represents a 7 per cent increase for comparable entities adjusted for foreign exchange effects.
- The operating profit increased by 17 per cent to SEK 1,052 m (900), which equates to an operating margin of 12.8 (12.5) per cent for continuing operations.
- Five acquisitions were completed in the industrial operations during the year. These contribute annualised net sales of just under SEK 800 m.

GROUP

- Consolidated net sales totalled SEK 8,344 m (7,186) and profit after financial items was SEK 3,754 m (4,299), of which SEK 890 m (1,753) are capital gains.
- Consolidated profit after tax was SEK 3,670 m (4,117), which is equivalent to SEK 23.01 (25.81) per share, of which SEK 5.58 (11.0) per share are capital gains.
- Net debt at the end of December was SEK 1,446 m (2,205) and is equivalent to 2.5 per cent of the market value of total assets.

INVESTMENT PORTFOLIO

- In 2016, the value of the investment portfolio increased by 10.2 per cent adjusted for dividends and changes in the portfolio. The benchmark index (SIXRX) rose 9.7 per cent.
- In the fourth quarter, ownership in Tomra increased to 25.9 per cent of the capital after the acquisition of 181,000 shares.

EVENTS AFTER THE REPORTING PERIOD

- Acquisition of Safegard Systems Ltd. within business area Swegon. The company employs 24 staff with headquarters in Dublin, Ireland, and had a turnover of EUR 8 m in 2016.
- Acquisition of an additional 340,000 shares in Tomra, giving an ownership stake of 26.1 per cent in the company's capital. Increased ownership stake in Diamorph, from 26.4 per cent to 28.2 per cent.

¹ The calculation of the net asset value at 15 February 2017 was based on the value of the investment portfolio at 1 p.m. on 15 February and the same values at 31 December were used for the unlisted portfolio.

LATOUR AT A GLANCE

Investment AB Latour is a mixed investment company consisting primarily of wholly-owned industrial operations and an investment portfolio of listed holdings in which Latour is the principal owner or one of the principal owners. The investment portfolio consists of nine substantial holdings that had a market value of about SEK 41 billion as at 31 December 2016. The wholly-owned industrial operations are grouped into four business areas: Hultafors Group, Latour Industries, Nord-Lock Group and Swegon. In 2016, they generated turnover in excess of SEK 8 billion.

Comments from the CEO

"Our wholly-owned industrial operations continued to expand in the fourth quarter. Order intake saw organic growth of 11 per cent with corresponding growth in invoiced sales of 5 per cent. Including acquisitions, order intake grew by 24 per cent and invoiced sales by 17 per cent. For the full year, order intake achieved organic growth of 8 per cent and invoiced sales delivered organic growth of 7 per cent. Including acquisitions, total net sales rose 14 per cent. The fourth quarter performance therefore provided a strong finale to 2016, which was the best year ever for the industrial operations. For the first time, our operating profit exceeded one billion, SEK 1,052 m (900), to give an operating margin of 12.8 (12.5) per cent.

The industrial operations as a whole are now solidly delivering above our 10 per cent annual growth target and well above our 10 per cent operating margin target. This fine performance gives us scope to make further investments to enable future growth. Most of the investments that we are making in product development and increased sales and marketing in existing operations are recognised as an expense in the income statement. Product development is an ongoing process in our business areas, all of which had exciting product launches during the year that are attracting considerable customer interest.

My expectation is that activity and growth in the building and construction industry will remain strong across much of Europe. There are currently no signs to suggest a slowdown in the construction industry in this part of the world. This benefits the late-cycle areas of our business, for example Swegon and Fagerhult. We are however seeing a fragmented picture across the markets of Europe. The region with the strongest growth is still the Nordic countries, driven primarily by Sweden. The Netherlands, Belgium and Poland are also enjoying positive growth. Several other European markets are stable but are not seeing any significant growth. In addition, it is interesting to note some recovery among our customers in the general manufacturing industry compared with previous relatively low levels. I believe this picture is also corroborated by the order intake reported by other industrial companies for the fourth quarter of 2016.

Just as before, it is difficult to assess how markets in the rest of the world will develop. No one has really yet said whether the outcome of the US election will boost the American market or lead to a global trade stagnation. We feel that the general market situation in South-East Asia, including China, is still unsettled, and the shipbuilding crisis in Korea has generated great uncertainty there. However, one should note that the situation has been uncertain for some considerable time and that we have performed well in this climate. The industrial operations make just 13 per cent of their sales outside of Europe, but a full 72 per cent outside of Sweden.

Thanks to our growth, fine earnings performance and stable financial situation, we are well positioned to think and act ahead, as we have in the past, no matter how the markets change. Despite relatively weak market growth, we are confident that our firm footing will allow us to continue to report strong earnings.

We made no acquisitions for the industrial operations in the fourth quarter. Earlier in the year, a number of interesting acquisitions were made for Latour Industries, Nord-Lock and Swegon. These acquisitions represent additional annual sales of almost SEK 800 million. We're expecting acquisition activity to remain relatively high throughout 2017. Our healthy financial position allows for investments of more than SEK 5 billion.

A number of our listed holdings have submitted their reports for the fourth quarter and, in line with previous reports, these companies have generally reported a strong performance. This ensures that further investment can be made in future growth for the listed holdings too.

The value of the investment portfolio increased by 10.2 per cent during the year, adjusted for dividends, while the benchmark index (SIXRX) increased by 9.7 per cent. The net asset value in Latour increased in the same period by 12.1 per cent to SEK 348 per share, adjusted for dividends.

Let me sum up by saying that growth was very positive in 2016 and it is on this basis that the Board is recommending that the dividend be raised to SEK 8.00 (6.75) per share."

*Jan Svensson
President and Chief Executive Officer*

Industrial operations

Order intake, invoiced sales and earnings

The order intake increased in the fourth quarter by 24 per cent to SEK 2,276 m (1,840), which is equivalent to 11 per cent organic growth. Invoiced sales rose 17 per cent to SEK 2,278 m (1,942), which is equivalent to 5 per cent organic growth. The operating profit in the wholly-owned industrial operations increased by 5 per cent to SEK 272 m (260) in the quarter. The operating margin was 11.9 (13.4) per cent.

In 2016 as a whole, the order intake increased by 15 per cent to SEK 8,384 m (7,264), which is equivalent to 9 per cent organic growth. Invoiced sales rose 14 per cent to SEK 8,199 m (7,186), which is equivalent to 7 per cent organic growth. The operating profit in the wholly-owned industrial operations increased by 17 per cent to SEK 1,052 m (900). The operating margin was 12.8 (12.5) per cent.

The above figures do not include the jointly-owned subsidiary Neuffer Fenster + Türen GmbH. See page 5 for a separate report. In addition, the divested business area, Specma Group, has been excluded from the comparative figures.

Acquisitions/disposals

In the fourth quarter, no acquisitions were made in the wholly-owned industrial operations.

The five acquisitions made earlier in the year together add almost SEK 800 m in annual sales.

In the first quarter, the Norwegian company All Sealing Solutions was acquired by Latour Industries via its subsidiary Specma Seals. All Sealing Solutions has its head office in Sandnes close to Stavanger and is a leading supplier of gaskets and seals, primarily for the oil and gas industry. In 2016, the company generated sales of approximately NOK 30 m and has 14 employees.

In April, Swegon acquired bluMartin, which is a niche player in the residential ventilation sector in the German market. The company generates sales of EUR 2 m and has 16 employees. The acquisition of bluMartin is in line with Swegon's strategy to bolster its presence in the German market and in the residential ventilation market.

At the end of May/beginning of June, Latour Industries acquired Aritco Group, a leading Swedish manufacturer of home lifts and platform lifts. The company, which has achieved a double-figure growth rate in recent years, generated sales of SEK 372 m in 2016. Aritco Group has 134 employees and its head office and manufacturing facilities are located in Kungsängen, outside of Stockholm. Its products are sold via partners and distributors, primarily in Europe, the Middle East and South-East Asia, and through its own subsidiary in the UK.

The industrial operations were complemented with two acquisitions in the third quarter. Nord-Lock Group acquired Expander Group at the beginning of July. The company specialises in the design and manufacture of the Expander® System, an expandable pivot pin system for heavy machinery. Expander Group has grown successfully over the years, and the product range has been developed to cover thousands of machine models. The main target markets are applications for pivotal joints on heavy machinery and equipment within mining, construction, forestry, process industry and oil/gas/marine. The company's head office is in Åtvidaberg in Sweden and it also has operations in the USA and Germany. Expander Group reported sales of SEK 75 m in 2016 and has 90 employees.

Swegon acquired Ruskin Air Management Ltd in September. Ruskin is a leading manufacturer of fire and smoke dampers and ventilation products in the United Kingdom and Ireland. The company has more than 50 years of experience in the market, with annual sales of approximately SEK 290 m and 220 employees. It reports a level of profitability well in line with Latour's financial targets. The acquisition gives Swegon a very strong local presence in the UK and brings extensive fire and smoke product expertise to Swegon's portfolio.

Several smaller additional investments in jointly-owned companies were also made in 2016. In the first quarter, Latour-Gruppen increased its ownership stake in the jointly-owned company Terratech (parent company of Steelwrist) from 18.0 per cent to 21.6 per cent. The shareholding was increased by a new issue of shares in connection with Terratech's acquisition of SVAB, which manufactures and markets products for steering controls and control electronics systems, such as tiltrotators. In the first quarter, Latour Industries also acquired 24.6 per cent of the shareholding in LumenRadio. LumenRadio develops, manufactures and sells state-of-the-art equipment for wireless radio communication. In 2016, Latour-Gruppen also increased its ownership stake in Diamorph, from 21.1 per cent at the beginning of the year to 26.4 per cent at the end of the year. Since the close of the reporting period, the ownership stake has further risen to 28.2 per cent.

Neuffer Fenster + Türen GmbH, which was acquired at the end of 2015, became part of the Group on 1 January 2016.

Industrial operations summary

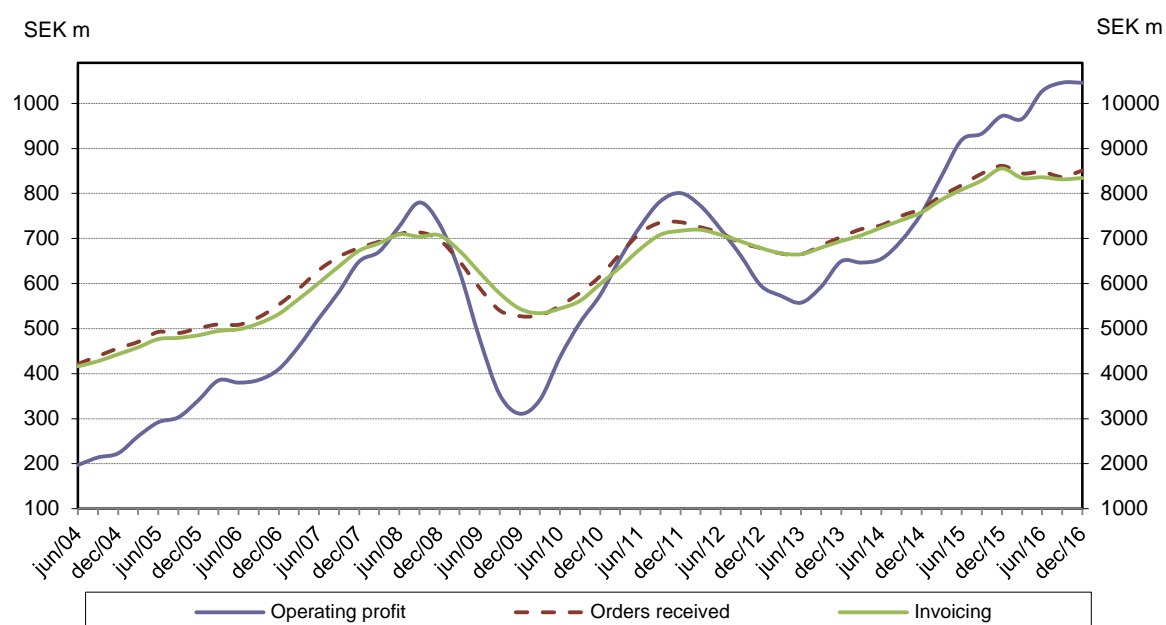
Business area results

SEK m	Net sales				Operating profit				Operating margin %			
	2016 Q4	2015 Q4	2016 Full Year	2015 Full Year	2016 Q4	2015 Q4	2016 Full Year	2015 Full Year	2016 Q4	2015 Q4	2016 Full Year	2015 Full Year
Hultafors Group	498	446	1,698	1,549	95	75	264	218	19.1	16.8	15.6	14.1
Latour Industries	477	377	1,671	1,289	35	53	167	176	7.2	14.1	10.0	13.6
Nord-Lock Group	240	193	927	797	61	54	270	236	25.6	27.9	29.2	29.7
Swegon	1,063	927	3,913	3,559	81	78	351	270	7.6	8.4	9.0	7.6
Eliminations	-	-1	-10	-8	-	-	-	-	-	-	-	-
	2,278	1,942	8,199	7,186	272	260	1,052	900	11.9	13.4	12.8	12.5
Neuffer	37	-	145	-	-3	-	-6	-	-3.5	-	-1.2	-
	2,315	1,942	8,344	7,186	269	260	1,046	900	11.6	13.4	12.5	12.5
Gain/loss from sale/purchase of businesses	-	-	-	-	-24	-3	-21	-2				
Other companies and items	-	-	-	-	-14	2	-4	6				
	2,315	1,942	8,344	7,186	231	259	1,021	904				

SEK m	Operating capital ¹		Return on operating capital %		Growth in net sales %		
	2016 Trailing 12	2015 Trailing 12	2016 Trailing 12	2015 Trailing 12	2016	Of which acquisitions	Of which currency
Hultafors Group	1,230	1,171	21.5	18.7	9.7	-	-1.0
Latour Industries	1,901	1,225	8.8	14.3	29.6	27.6	-0.9
Nord-Lock Group	877	701	30.8	33.7	16.3	11.1	-0.1
Swegon	2,510	2,365	14.0	11.4	9.9	2.2	-0.8
Total	6,518	5,462	16.1	16.5	14.1	7.3	-0.8

¹ Calculated as total assets less cash and other interest-bearing assets and less non-interest-bearing liabilities. Calculated on the average for the past 12 months.

Group trailing 12 months



Development by business area

Hultafors Group

HULTAFORS GROUP

(SEK m)	2016 Q4	2015 Q4	2016 Full Year	2015 Full Year
Net sales	498	446	1,698	1,549
EBITDA, adjusted*	99	79	279	233
EBITA, adjusted*	96	76	267	221
EBIT, adjusted*	95	75	264	218
EBIT, reported	95	75	264	218
EBITA %, adjusted*	19.3	16.9	15.7	14.3
EBIT %, adjusted*	19.1	16.8	15.6	14.1
Growth %	11.6	22.2	9.7	18.6
Of which exchange effects %	1.1	1.7	-1.0	3.4
Of which acquisitions %	-	2.7	-	4.7
Average number of employees	696	662	685	658

* Excluding restructuring costs.

Highlights

- Net sales rose 12 per cent during the quarter. Growth was 11 per cent when adjusted for foreign exchange effects.
- In most of the markets there was organic growth in all the product areas and increased demand compared with the previous year.
- Sales of safety footwear under the brand names Solid Gear and Toe Guard are continuing to increase through our European sales companies. Growth of more than 60 per cent during the year.
- Strong earnings as a consequence of the strong growth. Earnings are also affected by positive forward exchange contracts that are gradually maturing.

Breakdown of net sales

(SEK m)	2016 Q4	2015 Q4	2016 Full Year	2015 Full Year
Workwear	268	248	855	800
Tools	140	131	522	503
Ladders	40	35	158	147
Safety Shoes	51	32	163	98
	498	446	1,698	1,549

Pro forma adjustment¹

Trailing 12 month pro forma 1,698

¹ Pro forma for completed acquisitions.

Hultafors Group offers products in the categories of clothing for professionals, safety footwear, hand tools, ladders and scaffolding. The products are marketed under brands with strong positions in their respective markets: Snickers Workwear, Dunderdon, Solid Gear, Toe Guard, Hultafors and Wibe Ladders. Hultafors Group is also a distributor for the German manufacturing company Fein in the Swedish market.

Latour Industries



(SEK m)	2016 Q4	2015 Q4	2016 Full Year	2015 Full Year
Net sales	477	377	1,671	1,289
EBITDA, adjusted*	43	60	200	199
EBITA, adjusted*	37	54	173	178
EBIT, adjusted*	35	53	167	176
EBIT, reported	35	53	167	176
EBITA %, adjusted*	7.7	14.3	10.4	13.8
EBIT %, adjusted*	7.2	14.1	10.0	13.6
Growth %	26.4	31.9	29.6	24.7
Of which exchange effects %	0.5	0.2	-0.9	0.5
Of which acquisitions %	25.4	17.4	27.6	13.9
Average number of employees	1,150	989	1,143	938

* Excluding restructuring costs.

Highlights

- Net sales rose 26 per cent. However weak organic growth with the majority of the increase attributable to acquisitions. Better organic growth in order intake which rose 6 per cent.
- Investments in sales and product development are having a short-term negative impact on the operating margin. Major investments are being made in both market and product development, mainly in BEMSIQ and Aritco, but also in other operations.
- Operating profit for the full year was SEK 167 m (176).

Breakdown of net sales

(SEK m)	2016 Q4	2015 Q4	2016 Full Year	2015 Full Year
Kabona	46	43	154	146
Elvaco	25	31	84	91
Bastec	16	15	48	51
Produal	48	47	182	91
Elimination	-2	-1	-5	-2
Sum Bemsig	133	136	464	376
LSAB Group	118	114	457	439
Aritco Group	98	-	222	-
REAC	79	86	341	304
Specma Seals	34	28	135	114
AVT	15	14	52	55
	477	377	1,671	1,289

Pro forma adjustment¹

Trailing 12 month pro forma 1,823

¹ Pro forma for completed acquisitions.

Latour Industries consists of a number of operating areas, each with its own business concept and business model. Our ambition is to develop independent entities within the business area which can eventually become new business areas within Latour.

Nord-Lock Group



(SEK m)	2016 Q4	2015 Q4	2016 Full Year	2015 Full Year
Net sales	240	193	927	797
EBITDA, adjusted*	70	60	295	258
EBITA, adjusted*	63	55	275	241
EBIT, adjusted*	61	54	270	236
EBIT, reported	61	54	270	236
EBITA %, adjusted*	26.2	28.6	29.7	30.2
EBIT %, adjusted*	25.6	27.9	29.2	29.7
Growth %	23.8	14.7	16.3	10.3
Of which exchange effects %	3.2	6.4	-0.1	10.7
Of which acquisitions %	10.7	6.0	11.1	2.0
Average number of employees	459	384	426	372

* Excluding restructuring costs.

Highlights

- During the quarter, net sales rose 24 per cent to SEK 240 m (193), with 8 per cent organic growth.
- Robust growth with order intake increasing by a full 26 per cent and organically by 11 per cent.
- Growth across all markets, with particularly good performances in Asia Pacific and Emerging Markets.
- Strong operating profit, although with some dilution of the operating margin due to acquisitions and marketing initiatives.

Breakdown of net sales

(SEK m)	2016 Q4	2015 Q4	2016 Full Year	2015 Full Year
Europe	108	96	453	419
North America	61	54	246	206
Asia Pacific	58	36	190	142
Emerging markets	12	8	38	29
	240	193	927	797
Pro forma adjustment ¹			43	
Trailing 12 month pro forma			969	

¹ Pro forma for completed acquisitions.

Nord-Lock Group is a world-leading manufacturer of safe and reliable bolt-securing solutions. Innovative technologies in the product portfolio include Nord-Lock's wedge locks, Superbolt tensioners, Boltight's hydraulic tensioning tools and the Expander System pivot pin assembly. Its global sales organisation and international partners provide customers with in-depth expertise and the right solution for every type of bolt-securing need.

Swegon



(SEK m)	2016 Q4	2015 Q4	2016 Full Year	2015 Full Year
Net sales	1,063	927	3,913	3,559
EBITDA, adjusted*	100	97	427	350
EBITA, adjusted*	83	80	358	278
EBIT, adjusted*	81	78	351	270
EBIT, reported	81	78	351	270
EBITA %, adjusted*	7.8	8.6	9.2	7.8
EBIT %, adjusted*	7.6	8.4	9.0	7.6
Growth %	14.6	6.6	9.9	10.9
Of which exchange effects %	2.0	-0.1	-0.8	2.4
Of which acquisitions %	7.3	0.3	2.2	9.2
Average number of employees	2,106	1,906	1,958	1,840

* Excluding restructuring costs.

Highlights

- Organic growth in order intake 11 per cent in the quarter and exceeded SEK 4 billion for the first time for the full year.
- Net sales rose 15 per cent to SEK 1,063 m (927), with 5 per cent organic growth.
- Good growth in most markets, including all the Nordic countries and Germany.
- Best fourth quarter ever in company history for Ruskin Air Management Ltd, which was acquired last September.
- Positive response from customers for our product launches during the quarter, including the new wireless demand-controlled ventilation system "new WISE".
- The operating margin was adversely impacted by a number of items of a nonrecurring nature.

Breakdown of net sales

(SEK m)	2016 Q4	2015 Q4	2016 Full Year	2015 Full Year
Sweden	249	236	970	848
Rest of Nordic region	213	190	776	751
Rest of world	601	501	2,166	1,960
	1,063	927	3,913	3,559
Pro forma adjustment ¹			240	
Trailing 12 month pro forma			4,153	

¹ Pro forma for completed acquisitions.

(SEK m)	2016 Q4	2015 Q4	2016 Full Year	2015 Full Year
Cooling	292	276	1,185	1,071
Home Solutions	78	56	276	205
Light Commercial	58	46	222	208
Commercial Ventilation	583	503	2,032	1,911
North America	66	63	247	217
Eliminations	-14	-17	-50	-53
	1,063	927	3,913	3,559

Swegon provides components and innovative system solutions that create a good indoor climate and contribute to significant energy savings in all types of buildings. Swegon's products constitute a turnkey solution for the perfect indoor climate.

The Latour share's net asset value

In order to facilitate the evaluation of Latour's net asset value, Latour provides an estimated range of the value (Enterprise Value) for each business area based on EBIT multiples. These multiples have been calculated by comparing valuations of listed companies in comparable industries. Since there are variations in the listed companies' valuations these are reflected in the tables by valuing each business area in a range. Deductions are then made for the Group's net debt. The evaluation of comparable companies is based on the share price on the balance sheet date. Any price changes after the balance sheet date have not been taken into consideration.

A more detailed description can be found on pages 16-17 of Latour's Annual Report for 2015.

In some cases, the valuation multiples for comparable companies span over a very big range. For this reason the multiples may be adjusted in order to avoid unreasonable values. The indicative value stated below is not a complete market valuation of Latour's holdings.

The net asset value increased to SEK 348 per share during the period from SEK 317 at the beginning of the year. The net asset value consequently increased by 12.1 per cent, adjusted for dividends, which can be compared to SIXRX which rose 9.7 per cent.

SEK m	Net sales ¹	EBIT ¹	EBIT multiple	Valuation ² Range	Valuation ² Average	Valuation ² SEK/share ³ Range
Hultafors Group	1,698	264	11 – 15	2,904 – 3,960	3,432	18 – 25
Latour Industries	1,823	181	11 – 15	1,991 – 2,715	2,353	13 – 17
Nord-Lock Group	969	277	12 – 16	3,324 – 4,432	3,878	21 – 28
Swegon	4,153	374	13 – 17	4,862 – 6,358	5,610	31 – 40
	8,643	1,096		13,081 – 17,465	15,273	82 – 109
Listed shares (see table on page 9 for breakdown)					41,243	258
Unlisted part-owned companies						
Diamorph ⁵ , 26,4%						196
Neuffer ⁵ , 66.1 %						197
Oxeon ⁴ , 31.1 %						11
Terratech ⁵ , 21,6 %						45
Other assets						
Short trading portfolio						40
Dilution effect of option programme						-59
Consolidated net debt						-1,446
Estimated value						55,500
						(53 308 – 57 692)
						(334 – 361)

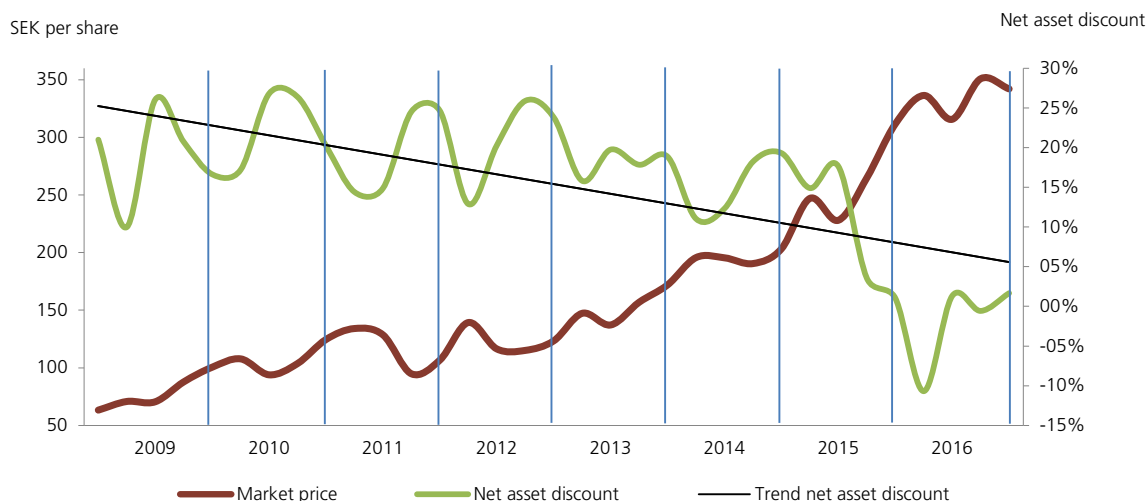
¹ Trailing 12 months for current company structure. EBIT is reported before restructuring costs.

² EBIT and EV/sales recalculated taking into consideration the listed share price on 31 December 2016 for comparable companies in each business area.

³ Calculated on the basis of the number of outstanding shares.

⁴ Valued according to the latest transaction.

⁵ Valued according to Latour's latest acquisition price.



Investment portfolio 31 December 2016

In the year as a whole, the aggregate value of the investment portfolio increased by 10.2 per cent, adjusted for dividends, while the comparable index (SIXRX) increased by 9.7 per cent.

1,751,000 shares in Tomra were acquired during the year, of which 181,000 in the fourth quarter. All class B shares in Loomis were sold earlier in the year.

Share	Number	Cost SEK m	Listed share price ¹ SEK	Market value SEK m	Share of votes ² %	Share of equity ³ %
Assa Abloy ^{4 5}	105,495,729	1,697	169	17,839	29.5	9.5
Fagerhult ⁵	18,620,400	571	234	4,348	49.1	48.3
HMS Networks ⁵	3,027,322	250	304	920	25.9	25.9
Loomis ^{4 5}	2,528,520	44	271	685	23.8	3.4
Nederman ⁵	3,512,829	306	187	657	30.1	30.0
Nobia ⁶	4,649,894	94	85	395	2.8	2.7
Securitas ^{4 5}	39,732,600	1,081	143	5,698	29.6	10.9
Sweco ^{4 5}	32,622,480	445	180	5,879	21.0	26.7
Tomra ^{5 7}	38,311,000	1,934	91 NOK	3,654	26.0	25.9
Troax ⁵	6,020,000	397	194	1,168	30.1	30.1
Total		6,820		41,243		

¹ The last price paid is used as the listed share price.

² Share of votes calculated after deduction of treasury shares.

³ Share of equity calculated based on total number of shares issued.

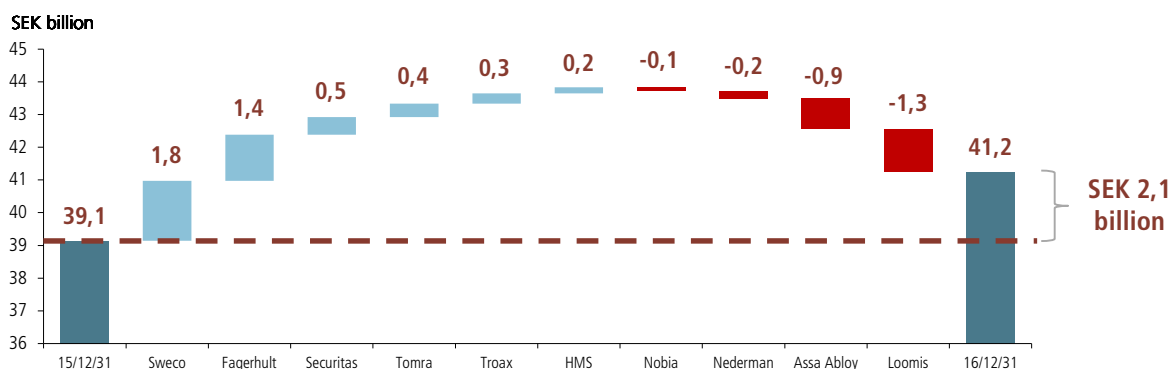
⁴ Due to the limited trading in class A shares in Sweco, and the fact that the class A shares in Assa Abloy, Loomis and Securitas are unlisted, they have been given the same listed share price as the companies' class B shares. Holdings consisting of both class A and B shares are reported in the table as unit.

⁵ Shown as associated companies in the balance sheet.

⁶ The majority of the shareholding in Nobia was sold in December 2015, and Latour is therewith no longer a principal owner.

⁷ At the end of the report period, the listed share price was NOK 90.50 which has been translated to SEK at the exchange rate on the balance sheet date.

Movements in investment portfolio values



Movements in investment portfolio values (SEK billion). These figures include acquired and divested shares but not dividends.

Total return for the portfolio companies



The total return, including share price development and dividends, for each portfolio company.

Results and financial position

Group

The Group's profit after financial items was SEK 3,754 m (4,299). Of this figure, SEK 890 m (1,753) are capital gains. Profit after tax was SEK 3,670 m (4,117), which is equivalent to SEK 23.01 (25.81) per share, of which SEK 5.58 (11.0) per share are capital gains.

The Group's cash in hand and liquid investments reached SEK 1,307 m (858). Interest-bearing debt, excluding pension liabilities, totalled SEK 2,738 m (3,162). The Group's net debt, including pension liabilities, was SEK 1,446 m (2,205). The equity ratio was 91 (89) per cent calculated on reported equity in relation to total assets, including undisclosed surpluses in associated companies.

There have been no transactions with related parties that have had a material effect on the results or financial position of the Group.

Investments

During the period, SEK 263 m (186) was invested in property, plant and equipment, of which SEK 193 m (151) was machinery and equipment, SEK 22 m (26) vehicles and 48 m (9) buildings. Out of total investments for the year, SEK 79 (41) m refers to fixed assets in new acquisitions.

Parent company

The parent company's profit after financial items was SEK 1,986 m (3,087). The parent company's equity ratio was 100 (99) per cent.

Not including repurchased shares, the number of outstanding shares at 31 December 2016 amounted to 159,636,500. At the end of the period, Latour held 323,500 repurchased class B shares. The total number of outstanding call options is 612,500.

The number of class A shares issued is 11,917,258 and the number of class B shares is 148,042,742.

The Board of Directors proposes a share split where every old share is divided into four new ones (share split 4:1).

Events after the reporting period

Acquisition of Safegard Systems Ltd. on 13 February 2017 within business area Swegon. The company employs 24 staff with headquarters in Dublin, Ireland, and had a turnover of EUR 8 m in 2016. Latour has, through its subsidiary Latour-Gruppen, increased its ownership stake in Diamorph from 26.4 per cent to 28.2 per cent. Acquisition of an additional 340,000 shares in Tomra, giving an ownership stake of 26.1 per cent in the company's capital. Otherwise, there were no material events subsequent to the end of the reporting period.

Dividends

The Board of Directors proposes an increase of the regular dividend to SEK 8.00 (6.75) per share. In absolute terms, this corresponds to a dividend payout of SEK 1,277 m.

Risks and uncertainties

The main risk to which the Group and the parent company are exposed is the risk attributable to adverse changes in the values of financial instruments, including a general decline in the stock market or in the value of an individual holding. This includes uncertainties relating to changes in exchange rates and interest rates. Latour has a well-diversified holding of shares, spread

across ten listed holdings and four wholly-owned business areas. This means that the development and performance of an individual holding will not have a drastic impact on the portfolio as a whole. As the wholly-owned industrial operations have increased in size, Latour as a whole is influenced to a greater degree by changes attributable to these operations. On the whole, Latour is considered to have a good risk diversification in its portfolio, which covers several industries, although there is a certain dominance of industries exposed to the construction industry. Construction can also be divided into several dimensions, such as new builds or government-subsidised repair, conversion or extension work, locally or globally, and housing, office and industrial premises or infrastructure projects. No material risks are deemed to have arisen other than those described in Note 35 of Latour's Annual Report 2015.

Audit and accounting policies

This interim report has been prepared in accordance with the Swedish Annual Accounts Act and IAS 34 Interim Reporting in respect of the Group, and in accordance with the Annual Accounts Act and Recommendation RFR 2 Accounting for Legal Entities of the Swedish Financial Reporting Board in respect of the parent company.

New accounting standard requirements that came into effect on 1 January 2016 have not had any impact on the Group's or parent company's accounting as of 31 December 2016.

In other respects, the accounting policies adopted by the Group and parent company are consistent with those used in the preparation of the latest Annual Report.

The Latour Group uses a number of economic indicators that are not defined in the set of accounting rules used by the Group, so-called alternative performance measures. Definitions of the economic indicators can be found on page 19 of this report and in Latour's latest Annual Report. For an explanation of how the financial performance measures have been calculated for the current and prior periods, please see the table in this report and Latour's latest Annual Report. The Annual Reports for 1986 to 2015 are available for viewing on Latour's website www.latour.se.

This report has not been audited by the company's auditors.

Nomination Committee

The Nomination Committee for the Annual General Meeting on 2 May 2017 comprises the following members:

Gustaf Douglas (chair, principal owner)
Fredrik Palmstierna (Palmstierna family, incl. companies)
Björn Karlsson (Bertil Svensson's family and trust)
Johan Strandberg (SEB funds)

The Nomination Committee can be contacted through Latour's website www.latour.se under Corporate Governance, Board, Nomination Committee.

Gothenburg, 16 February 2017

Jan Svensson

President and CEO

For further information please contact:

Jan Svensson, President and CEO, tel. +46 (0)705-77 16 40.

Anders Mörck, Chief Financial Officer, tel. +46 (0)706-46 52 11 or +46 (0)31-89 17 90.

Conference call

Investment AB Latour invites you to listen to a conference call with Jan Svensson and Anders Mörck commencing at 11 a.m. today.

The number to call is +46 (0)8 566 426 91. The conference will be broadcast on the Internet.

To follow the presentation, please visit our website, www.latour.se.

The interim report for the period January – March 2017 will be published on 28 April 2017

The Annual General Meeting will be held on 2 May 2017 at Radisson Blu Scandinavia in Gothenburg.

The interim report for the period January – June 2017 will be published on 22 August 2017

The interim report for the period January – September 2017 will be published on 7 November 2017

<p><i>The information contained in this report constitutes information which Investment AB Latour (publ) is required to disclose under the EU Market Abuse Regulation and the Swedish Securities Market Act. The information was provided by the above contact persons for publication on 16 February 2017 at 08.30 CET</i></p>

Consolidated income statement

SEK m	2016 Q4	2015 Q4	2016 Full Year	2015 Full Year
Net sales	2,315	1,942	8,344	7,186
Cost of goods sold	-1,361	-1,142	-4,859	-4,213
Gross profit	954	800	3,485	2,973
Sales costs	-460	-384	-1,615	-1,425
Administrative costs	-182	-134	-663	-534
Research and development costs	-67	-53	-229	-194
Other operating income	38	33	106	91
Other operating expenses	-52	-3	-63	-7
Operating profit	231	259	1,021	904
Income from interests in associates	461	459	2,676	1,952
Income from portfolio management	69	1,087	101	1,493
Management costs	-4	-3	-16	-15
Profit before financial items	757	1,802	3,782	4,334
Finance income	34	28	83	111
Finance expense	-52	-37	-111	-146
Profit after financial items	739	1,793	3,754	4,299
Taxes	-87	-54	-267	-230
Net income of disposal group classified as held for sale and discontinued operations (note 3)	-	6	183	48
Profit for the period	652	1,745	3,670	4,117
Attributable to:				
Parent company shareholders	654	1,745	3,673	4,117
Non-controlling interests	-2	-	-3	-
Earnings per share regarding profit attributable to parent company shareholders				
Basic share, SEK	4.10	10.94	23.01	25.81
Diluted share, SEK	4.08	10.89	22.93	25.70
Average number of basic shares outstanding	159,636,500	159,557,500	159,603,650	159,530,816
Average number of diluted shares outstanding	160,249,000	160,220,000	160,198,254	160,179,053
Number of outstanding shares	159,636,500	159,557,500	159,636,500	159,557,500

Consolidated statement of comprehensive income

SEK m	2016 Q4	2015 Q4	2016 Full Year	2015 Full Year
Profit for the period	652	1,745	3,670	4,117
Other comprehensive income:				
Items that will not be recycled to the income statement				
Restatement of net pension obligations	2	-2	2	-2
	2	-2	2	-2
Items that may subsequently be recycled to the income statement				
Change in translation reserve for the period	-15	-87	134	-77
Change in fair value reserve for the period	16	-1,047	-98	-736
Change in hedging reserve for the period	20	9	-59	34
	5	-	5	-
Change in associated companies' equity	-5	-149	565	181
	21	-1,274	547	-598
Other comprehensive income, net after tax	23	-1,276	549	-600
Comprehensive income for the period	675	469	4,219	3,517
Attributable to:				
Parent company shareholders	677	469	4,222	3,517
Non-controlling interests	-2	-	-3	-

Consolidated cash flow statement

SEK m	2016 Q4	2015 Q4	2016 Full Year	2015 Full Year
Operating cash flows before movements in working capital	240	273	943	859
Movements in working capital	195	96	-128	-124
Operating cash flows	435	369	815	735
Acquisitions of subsidiaries	-17	-214	-1,098	-747
Sale of subsidiaries	-	-	-	7
Other investments	-89	-89	-201	-187
Portfolio management	132	1,079	1,789	2,228
Cash flow after investments	461	1,145	1,305	2,036
Financial payments	-228	-697	-1,543	-1,550
Cash flow from disposal group classified as held for sale	-27	28	658	41
Cash flow for the period	206	476	420	527

Consolidated balance sheet

SEK m	2016/12/31	2015/12/31
ASSETS		
Goodwill	5,070	3,702
Other intangible assets	172	114
Property, plant and equipment	811	704
Financial assets	13,783	12,510
Inventories etc.	1,165	1,052
Current receivables	1,740	1,463
Cash and bank	1,307	859
Assets of disposal group classified as held for sale	-	871
Total assets	24,048	21,275
EQUITY AND LIABILITIES		
Capital and reserves attributable to parent company shareholders	19,212	16,080
Non-controlling interests	107	0
<i>Total equity</i>	<i>19,319</i>	<i>16,080</i>
Interest-bearing long-term liabilities	735	707
Non-interest-bearing long-term liabilities	347	256
Interest-bearing current liabilities	2,042	2,455
Non-interest-bearing current liabilities	1,605	1,372
Liabilities of disposal group classified as held for sale	-	405
Equity and liabilities	24,048	21,275

Consolidated changes in equity

SEK m	Share capital	Repurchased treasury shares	Other reserves	Profit brought forward	Non-controlling interests	Total
Opening balance 1 Jan 2015	133	-38	1,196	12,232	0	13,523
Total comprehensive income for the period			-779	4,296		3,517
Issued call options				4		4
Exercise of call options		17		13		30
Own shares repurchase		-37				-37
Dividends				-957		-957
Closing balance 31 Dec 2015	133	-58	417	15,588	0	16,080
Opening balance 1 Jan 2016	133	-58	417	15,588	0	16,080
Total comprehensive income for the period			-23	4,245	-3	4,219
Non-controlling interests on acquisitions					110	110
Exercise of call options		29		-4		25
Issued call options				5		5
Own shares repurchase		-43				-43
Dividends				-1,077		-1,077
Closing balance 31 December 2016	133	-72	394	18,757	107	19,319

Key ratios, Group*

	2016/12/31	2015/12/31
Return on equity (%)	21	28
Return on total capital (%)	17	22
Equity ratio (%)	80	76
Adjusted equity ratio ¹ (%)	91	89
Adjusted equity ¹ (SEK m)	47,208	43,161
Surplus value in associated companies ² (SEK m)	27,889	27,081
Net debt/equity ratio (%)	3	5
Net debt/EBITDA	1.2	2.7
Listed share price (SEK)	342	312
Repurchased shares	323,500	402,500
Average number of repurchased shares	362,956	429,184
Average number of employees	4,244	4,570
Outstanding convertible bonds	-	-
Issued warrants	-	-
Issued call options on repurchased shares	612,500	662,500

* The key ratios include the disposal group classified as held for sale.

¹ Incl. fair value gain in associated companies.

² The difference between the carrying amount and market value.

Parent company income statement

SEK m	2016 Q4	2015 Q4	2016 Full Year	2015 Full Year
Income from interests i Group companies	-	-	-	365
Income from interest in associates companies	-	-21	1,996	817
Income from portfolio management	-	1,578	1	1,898
Management costs	-3	-2	-10	-9
Profit before financial items	-3	1,555	1,987	3,071
Interest income and similar items	-	16	-	31
Interest expense and similar items	-	-	-1	-15
Profit after financial items	-3	1,571	1,986	3,087
Taxes	-	-	-	-
Profit for the period	-3	1,571	1,986	3,087

Parent company statement of comprehensive income

SEK m	2016 Q4	2015 Q4	2016 Full Year	2015 Full Year
Profit for the period	-3	1,571	1,986	3,087
Change in fair value reserve for the period	-	-1,448	-	-1,091
Total other comprehensive income	0	-1,448	0	-1,091
Comprehensive income for the period	-3	123	1,986	1,996

Parent company balance sheet

SEK m	2016/12/31	2015/12/31
ASSETS		
Financial assets	10,304	9,510
Current receivables from Group companies	-	-
Other current liabilities	2	2
Cash and bank	5	5
Total assets	10,311	9,517
EQUITY AND LIABILITIES		
Equity	10,308	9,407
Interese-bearing long-term lilabilities	-	101
Non-interest-bearing long-term liabilities	-	5
Interese-bearing current liabilities	-	-
Non-interest-bearing current liabilities	3	4
Equity and liabilities	10,311	9,517

Parent company statement of changes in equity

SEK m	2016/12/31	2015/12/31
Amount at beginning of year	9,407	8,371
Total comprehensive income for the period	1,986	1,996
Dissolution of reserve for fund and coupon shares	5	-
Exercise of call options	5	4
Issued call options	25	30
Repurchased treasury shares	-43	-37
Dividends	-1,077	-957
Amount at end of year	10,308	9,407

Segment reporting:

Development by business area 1 Jan 2016 – 31 Dec 2016

SEK m	Industrial operations					Portfolio management	Total
	Hultafors Group	Latour Industries	Nord-Lock	Swegon	Other		
INCOME							
External sales	1,698	1,662	927	3,912	145		8,344
Internal sales		9		1			10
RESULT							
Operating profit	264	167	270	351	-31		1,021
Income from portfolio management						2,761	2,761
Finance income							83
Finance expense							-111
Taxes							-267
Profit for the disposal group classified as held for sale							183
Profit for the period							3,670
OTHER DISCLOSURES							
Investments in:							
property, plant and equipment	20	72	59	88	24		263
intangible assets		762	66	252	285		1,365
Depreciation/amortisation	15	33	25	76	18		167

Segment reporting:

Development by business area 1 Jan 2015 – 31 Dec 2015

SEK m	Industrial operations					Portfolio management	Total
	Hultafors Group	Latour Industries	Nord-Lock	Swegon	Other		
INCOME							
External sales	1,549	1,283	796	3,558			7,186
Internal sales		6	1	1			8
RESULTS							
Operating result	218	176	236	270	4		904
Income from portfolio management						3,430	3,430
Finance income							111
Finance expense							-146
Taxes							-230
Profit for the disposal group classified as held for sale							48
Profit for the period							4,117
OTHER DISCLOSURES							
Investments in:							
property, plant and equipment	11	46	35	54	28		174
intangible assets		369	156	16			541
Depreciation/amortisation	15	24	21	80	18		158

Change in consolidated interest-bearing net debt

SEK m	2015/12/31	Change in cash	Change in loans	Other changes	2016/12/31
Interest-bearing receivables	204			-180	24
Cash	934	228		145	1,307
Pensions provisions	-32			-7	-39
Long-term liabilities	-853		216	-59	-696
Utilised bank overdraft facilities	-43		-9		-52
Interest-bearing current liabilities	-2,415		502	-77	-1,990
Interest-bearing net debt	-2,205	228	709	-178	-1,446

* Opening net debt include the disposal group classified as held for sale

Five-year overview*

SEK m	2016	2015	2014	2013	2012
Net sales, SEK m	8,344	8,555	7,581	6,944	6,788
Operating profit, SEK m	1,021	975	746	621	635
Income from interest in associated companies, SEK m	2,676	1,952	1,347	1,060	914
Income from portfolio management, SEK m	101	1,493	36	43	35
Profit after finance items, SEK m	3,754	4,405	2,064	1,710	1,497
Earnings per share, SEK	23	26	12	9	8
Return on equity, %	21	28	15	13	13
Return on total capital, %	17	22	13	12	12
Adjusted equity ratio, %	91	89	86	88	86
Net debt/equity ratio, %	3	5	10	7	8

* Reported key ratios include the disposal group classified as held for sale

Note 1: Business combinations

Specification of acquisitions

Transfer date		Country	Business area	Number of employees
1 January 2016	Neuffer Fenster + Türen GmbH	Germany	Neuffer	24
15 January 2016	All Sealing Solutions AS	Norwegian	Latour Industries	15
21 April 2016	bluMartin GmbH	Germany	Swegon	16
31 May 2016	Aritco Group AB	Sweden	Latour Industries	157
5 July 2016	Expander Group	Sweden	Nord-Lock	45
30 September 2016	Ruskin Air Management Ltd	England	Swegon	220

Assets and liabilities in acquisitions

	Consolidated carrying amount
Intangible assets	97
Property, plant and equipment	76
Financial assets	5
Inventories	65
Account receivable	132
Other receivable	13
Cash	221
Long-term liabilities	-36
Current liabilities	-162
Net indentifiable assets and liabilities	411
Non-controlling interests	-105
Group goodwill	1,248
Total purchase price	1,554
	-179
Additional purchase price	-77
Cash settlement purchase price	1,298
Acquisition of non-cash items	21
Acquired cash	-221
Effect of Group cash	1,098

During 2016, Latour has acquired 66.1 per cent of the shares in Neuffer Fenster + Türen GmbH, and the entire shareholdings in All Sealing Solutions AS, bluMartin GmbH, Aritco Group AB, Expander Group and Ruskin Air Management Ltd.

Neuffer contributed SEK 145 m in income and SEK -6 m in operating profit. All Sealing Solutions AS contributed SEK 28 m in income and SEK -1 m in operating profit. bluMartin contributed SEK 21 m in income and SEK 3 m in operating profit. Aritco Group contributed SEK 222 m in income and SEK 23 m in operating profit. Expander Group contributed SEK 33 m in income and SEK 3 m in operating profit. Ruskin Air Management contributed SEK 68 m in income and SEK 8 m in operating profit.

All acquisitions, with the exception of Aritco Group, have been made with the aim of strengthening and developing the Latour Group's existing operations. Aritco's goodwill is attributable to the earning capacity the company is expected to deliver.

Transaction costs for acquisitions made during the period amount to SEK 15 m.

Estimated additional purchase prices amounting to SEK 42 m for the acquisition of Neuffer Fenster + Türen GmbH, SEK 28 m for the acquisition of All Sealing Solutions AS, SEK 19 m for the acquisition of Aritco Group and SEK 4 m for the acquisition of bluMartin have been booked.

Note 2: Information regarding financial assets and liabilities

The table below discloses how fair value is determined for the financial instruments valued at fair value in the statement on financial position. Fair value is determined according to three different levels. Compared with the 2015 annual accounts, there were no transfers between the different levels of the fair value hierarchy and there were no changes in the methods and/or principles used during 2016.

Financial instruments – Fair value

THE GROUP 31 December 2016

	Available-for-sales financial assets	Financial assets values at fair value via profit and loss	Derivatives used for hedging purposes	Loans and accounts receivable, cash	Other liabilities	Total carrying amount
FINANCIAL ASSETS						
Listed shares, management	395 ¹					395
Other long-term securities holdings	0 ²					0
Other long-term receivables				24 ³		24
Listed shares, trading		40 ¹				40
Unrealised gains, currency derivatives			25 ²			25
Other current receivables				1 496 ³		1,496
Cash				1 307 ³		1,307
Total	395	40	25	2,827	0	3,287
FINANCIAL LIABILITIES						
Long-term loans					697 ³	697
Bank overdraft facilities					52 ³	52
Current loans					1 990 ³	1,990
Other liabilities					858 ³	858
Unrealised gains, currency derivatives			20 ²			20
Total	0	0	20	0	3,597	3,617

¹ Level 1 – valued at fair value based on quoted prices on an active market for identical assets.

² Level 2 – valued at fair value based on other observable inputs for assets and liabilities than quoted price included in level 1.

³ Level 3 – valued at fair value based on inputs for assets and liabilities unobservable to the market.

Listed financial assets are measured at the quoted prices on the balance sheet date. Fair value of unlisted financial assets is determined by using valuation techniques such as a recent transaction, the price of a similar instrument or discounted cash flows.

Hedging instruments consist of forward exchange contracts and interest rate swaps and are included in level 2. Valuation at fair value of the forward exchange contracts is based on levels established by the bank on an active market.

The fair value of accounts receivable and other receivables, current receivables, cash and other liquid funds, accounts payable and other liabilities as well as long-term liabilities are estimated to have the same value as their book value. Market interest is not believed to materially deviate from the discount rate for interest-bearing long-term liabilities and therefore the carrying amount is considered in essence equal to the fair value.

The Group's valuation process is carried out by the Group finance and treasury department where a team works with valuation of the financial assets and liabilities held by the Group.

Note 3: Non-current assets held for sale and discontinued operations

The assets and liabilities relating to Specma AB with subsidiaries have been recognised as held for sale up until its sale on 4 January 2016.

Statement of income from discontinued operations and recognised income resulting from remeasurement of assets or disposal groups are presented below:

SEK m	2016 Q4	2015 Q4	2016 Full Year	2015 Full Year
Income	-	342	-	1,369
Capital gain	-	-	183	-
Costs	-	-332	-	-1,298
Net financial items	-	-2	-	-8
Tax	-	-2	-	-15
Profit of disposal group after tax	0	6	183	48

Information by quarter

SEK m	2016					2015					2014				
	Full Year	Q4	Q3	Q2	Q1	Full Year	Q4	Q3	Q2	Q1	Full Year	Q4	Q3	Q2	Q1
INCOME STATEMENT *															
Net sales	8,344	2,315	2,033	2,179	1,818	8,555	2,284	2,079	2,161	2,030	7,581	2,018	1,877	1,940	1,746
Cost of goods sold	-4,859	-1,361	-1,182	-1,262	-1,055	-5,295	-1,417	-1,276	-1,339	-1,260	-4,757	-1,257	-1,131	-1,263	-1,106
Gross profit	3,485	954	851	917	763	3,260	865	803	822	770	2,824	761	746	677	640
Costs etc. for the operation	-2,464	-723	-579	-606	-373	-2,285	-596	-544	-580	-565	-2,078	-550	-484	-515	-529
Operating profit	1,021	231	272	311	390	975	269	259	242	205	746	211	262	162	111
Total portfolio management	2,761	526	579	385	1,271	3,430	1,543	463	759	665	1,368	422	304	335	307
Profit before financial items	3,782	757	851	696	1,661	4,405	1,812	722	1,001	870	2,114	633	566	497	418
Net financial items	-28	-18	15	-13	-12	-43	-11	-33	-18	19	-50	-26	-6	-6	-12
Profit after financial items	3,754	739	866	683	1,649	4,362	1,081	689	983	889	2,064	607	560	491	406
Taxes	-267	-87	-72	-61	-47	-245	-56	-52	-81	-56	-190	-55	-67	-38	-30
Profit for the period	3,670	652	794	622	1,602	4,117	1,745	637	902	833	1,874	552	493	453	376
KEY RATIOS															
Earnings per share, SEK	23.01	4.10	4.97	3.90	10.05	25.81	10.94	3.99	5.65	5.22	11.75	3.46	3.09	2.84	2.36
Cash flow for the period	420	206	203	-895	905	527	476	45	29	-23	-86	19	121	-47	-179
Adjusted equity ratio, %	91	91	90	90	91	89	89	86	86	87	85	85	85	86	87
Adjusted equity	47,208	47,208	47,319	43,272	41,546	43,161	43,161	36,936	37,171	39,271	33,015	33,015	30,256	28,587	28,181
Net asset value	55,500	55,500	55,673	51,083	48,665	50,572	50,572	43,833	44,150	46,379	39,859	39,859	37,117	35,582	35,022
Net asset value per share, SEK	348	348	349	320	305	317	317	275	277	291	250	250	233	223	220
Listed share price, SSEK	342	342	351	314	337	312	312	265	228	247	203	203	191	196	196
NET SALES															
Hultafors Group	1,698	498	395	422	383	1,549	446	390	362	350	1,306	365	315	322	304
Latour Industries	1,671	477	419	421	354	1,289	377	311	311	290	1,055	286	229	281	243
Nord-Lock Group	927	240	229	234	224	797	193	198	197	208	722	169	193	192	169
Swegon	3,913	1,063	947	1,070	833	3,559	927	861	928	842	3,209	870	838	801	700
	8,209	2,278	1,990	2,147	1,794	7,194	1,943	1,760	1,798	1,690	6,292	1,690	1,575	1,596	1,416
Other companies and eliminations *	135	37	43	32	24	1,361	341	319	363	340	1,289	328	302	344	330
	8,344	2,315	2,033	2,179	1,818	8,555	2,284	2,079	2,161	2,030	7,581	2,018	1,877	1,940	1,746
OPERATING PROFIT															
Hultafors Group	264	95	56	60	52	218	75	54	48	42	177	53	50	41	33
Latour Industries	167	35	45	51	36	176	53	44	41	37	68	29	11	20	8
Nord-Lock Group	270	61	69	72	68	236	54	59	57	66	211	45	68	57	42
Swegon	351	81	101	124	45	270	78	74	80	39	298	98	90	74	37
	1,052	272	271	307	201	900	260	231	226	184	754	225	219	192	120
Gain/loss from sale/purchase of busi	-21	-24	-4	-1	191	-2	-3	6	-3	-2	-13	0	-4	-8	-1
Other companies and items *	-10	-17	5	5	-2	77	12	22	19	23	5	-13	47	-22	-8
	1,021	231	272	311	390	975	269	259	242	205	746	211	262	162	111
OPERATING MARGIN (%)															
Hultafors Group	15.6	19.1	14.3	14.2	13.7	14.1	16.8	13.8	13.2	11.9	13.6	14.5	15.8	12.8	11.1
Latour Industries	10.0	7.2	10.7	12.2	10.3	13.6	14.1	14.1	13.3	12.7	6.4	10.2	4.9	7.2	2.9
Nord-Lock Group	29.2	25.6	30.1	30.9	30.1	29.7	27.9	30.0	28.9	31.6	29.3	26.7	35.1	29.6	24.7
Swegon	9.0	7.6	10.6	11.6	5.4	7.6	8.4	8.7	8.6	4.6	9.3	11.2	10.7	9.2	5.3
	12.8	11.9	13.6	14.4	11.3	12.5	13.4	13.1	12.6	10.9	12.0	13.3	13.9	12.0	8.5

* Specma Group included until 2015.

Definitions of key data

Organic growth

Change in sales in comparable entities after adjustment for acquisitions and foreign exchange effects.

Operating profit (EBITDA)

Earnings before interest, tax, depreciation of property, plant and equipment and amortisation of acquisition-related intangible assets, acquisition-related costs and income, and items impacting comparability.

Operating profit (EBITA)

Earnings before interest, tax, amortisation of acquisition-related intangible assets, acquisition-related costs and income, and items impacting comparability.

Operating margin (EBITA) %

Earnings before interest, tax, amortisation of acquisition-related intangible assets, acquisition-related costs and income, and items impacting comparability, as a percentage of net sales.

Operating profit (EBIT)

Earnings before interest and tax.

Operating margin (EBIT) %

Operating profit divided by net sales.

Operating capital

Total assets less cash and cash equivalents, other interest-bearing assets and non-interest-bearing liabilities. Calculated on the average for the past 12 months.

Total growth

Increase in revenue for the period as a percentage of the previous year's revenue.

Currency-driven growth

Increase in revenue due to currency changes for the period as a percentage of the previous year's revenue.

Organic growth

Increase in revenue for the period, adjusted for acquisitions/divestments and exchange rate changes, as a percentage of the previous year's revenue adjusted for acquisitions and divestments.

Basic earnings per share

Profit for the period divided by the number of outstanding shares in the period.

Calculations:

Jan-Dec 2016: $3,670/159,603,650 \times 1,000=23.01$

Jan-Dec 2015: $4,117/159,530,816 \times 1,000=25.81$

Diluted earnings per share

Calculations:

Jan-Dec 2016: $3,670/160,198,254 \times 1,000=22.93$

Jan-Dec 2015: $4,117/160,179,053 \times 1,000=25.7$

Equity ratio

The ratio of shareholder equity to total assets.

Adjusted equity ratio

The ratio of shareholder equity plus gains in associated companies to total assets including gains in associated companies.

Net debt

Interest-bearing liabilities less cash and cash equivalents and interest-bearing receivables.

Return on equity

The ratio of net income booked in the income statement to average equity.

Return on total capital

The ratio of profit/loss after financial items plus finance expense to average total assets.

Return on operating capital

The ratio of operating profit to average operating capital.

Direct return

Dividends as a percentage of the share purchase price.

EBIT multiple

The ratio of operating profit to market value adjusted for net debt.

Net asset value

The difference between the company's assets and liabilities, when the investment portfolio (incl. associated companies) is recognised at market value and operative subsidiaries that are owned at the end of the period are recognised in an interval based on EBIT multiples for comparable listed companies in each business area.

Other

The amounts in tables and other charts have each been rounded off. There may therefore be minor differences in the totals due to rounding-off.



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