



2017

INTERIM REPORT
JANUARY - SEPTEMBER

Interim report January – September 2017

NET ASSET VALUE AND THE LATOUR SHARE

- The net asset value rose to SEK 98 per share, compared with SEK 87 per share at the beginning of the year. This is an increase of 15.5 per cent, adjusted for dividends. By comparison, the Stockholm Stock Exchange's Total Return Index (SIXRX) increased by 12.5 per cent. The net asset value was SEK 95 per share at 6 November.¹
- The total return on the Latour share was 31.5 per cent through September compared with 12.5 per cent for the SIXRX.

INDUSTRIAL OPERATIONS

Third quarter

- The industrial operations' order intake rose 20 per cent to SEK 2,326 m (1,940), which represents a 7 per cent increase for comparable entities adjusted for foreign exchange effects.
- The industrial operations' net sales rose 19 per cent to SEK 2,374 m (1,990), which represents a 7 per cent increase for comparable entities adjusted for foreign exchange effects.
- The operating profit increased by 14 per cent to SEK 310 m (271), which equates to an operating margin of 13.1 (13.6) per cent for continuing operations.

January – September

- The industrial operations' order intake rose 21 per cent to SEK 7,373 m (6,107), which represents a 7 per cent increase for comparable entities adjusted for foreign exchange effects.
- The industrial operations' net sales rose 20 per cent to SEK 7,102 m (5,922), which represents a 6 per cent increase for comparable entities adjusted for foreign exchange effects.
- The operating profit increased by 10 per cent to SEK 860 m (780), which equates to an operating margin of 12.1 (13.2) per cent for continuing operations.

THE GROUP

- Consolidated net sales totalled SEK 7,230 m (6,030) and profit after financial items was SEK 2,288 m (3,015), of which SEK 0 m (890) constituted capital gains.
- Consolidated profit after tax was SEK 2,090 m (3,018), which is equivalent to SEK 3.28 (4.73) per share. Excluding capital gains, profit increased to SEK 3.28 (3.05) per share.
- Net debt at the end of September was SEK 4,390 m (1,894) and is equivalent to 6.5 per cent of the market value of total assets.

INVESTMENT PORTFOLIO

- During the period, the value of the investment portfolio increased by 18.7 per cent adjusted for dividends and net investments. The benchmark index (SIXRX) rose 12.5 per cent.
- During the third quarter, 26.7 per cent of the shares in Alimak Group were acquired, making it a new long-term holding in Latour's investment portfolio.
- Earlier in the year, the acquisition of 689,000 shares increased the ownership stake in Tomra to 26.3 per cent.

EVENTS AFTER THE REPORTING PERIOD

- In October 2017, Latour Industries acquired two smaller business entities; Micor AB for LSAB and NODA AB for BEMSIQ.
- Latour's Board of Directors is crafting a long-term succession plan for Latour and announced on 26 October that its President and CEO Jan Svensson will be succeeded by Johan Hjertonsson on 1 September 2019.

¹ The calculation of the net asset value on 6 November 2017 was based on the value of the investment portfolio at 1 p.m. on 6 November and the same values as at 30 September 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 ten substantial holdings that had a market value of about SEK 50 billion as at 30 September 2017. 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

"The wholly-owned industrial operations reported a continued positive order intake with organic sales growth reaching 7 per cent in the third quarter. Invoicing also increased organically by 7 per cent. Including acquisitions and foreign exchange effects, order intake grew in total by 20 per cent and invoiced sales by 19 per cent. Although comparative figures are gradually becoming tougher, developments mean that organic growth has continued at the same pace as in the first six months. Consequently, we are able to report our best ever quarter in absolute terms. The operating profit in the quarter was SEK 310 m (271), giving a 13.1 (13.6) per cent operating margin. The order backlog decreased slightly during the quarter but remains at a high level for the season at SEK 1,270 m (1,023), 24 per cent higher than the previous year.

We are still experiencing capacity issues in the construction industry in Sweden, which is causing delays. In our industrial operations, it is mainly Swegon that is feeling the effects of this, even if the order backlog has decreased slightly during the quarter. There is still nothing to indicate that orders will be cancelled. Instead, it is more likely that orders will be delivered later than planned.

We are continuing to invest resources consistently in product development, sales and marketing. We have also been consciously focusing on improving the digital presence of our business areas, particularly with the aim of making it easier for our customers to do business with us.

Activity and growth in the building and construction industry remain strong across much of Europe and, as previously mentioned, some areas are experiencing capacity issues. The Nordic countries still have the best business climate, but Germany is showing good growth too. The UK is showing signs of having peaked. We are viewing developments in South East Asia, including China and India, with continued optimism, even though the industrial operations do not yet have a significant stake there. However, Nord-Lock is continuing to report pleasing growth in Asia. What we are feeling least certain about at the moment, this quarter too, are business developments and growth in the USA. We feel the situation there remains somewhat unclear with mixed signals, depending on the sector.

In the third quarter, no acquisitions were made for the industrial operations. However, we acquired a 26.7 per cent shareholding in Alimak Group, making us the principal owner of yet another listed company. Alimak is a global market leader in vertical access solutions for the construction and industrial sectors, with customers supported by key mega trends such as urbanisation, safety and environmentally friendly energy production.

Thanks to our growth and stable earnings performance, we are well positioned to think and act ahead, as we have in the past, no matter how the markets change. Our healthy financial position allows for investments of more than SEK 3 billion.

The interim reports received from our listed holdings at the time of writing indicate good, stable performances on the whole in the third quarter. HMS Networks, Fagerhult and Troax have excelled appreciably.

The value of the investment portfolio has increased to date by 18.7 per cent, adjusted for dividends and net investments, while the benchmark index (SIXRX) increased by 12.5 per cent. The net asset value in Latour increased in the same period by 15.5 per cent to SEK 98 per share, adjusted for dividends."

*Jan Svensson
President and Chief Executive Officer*

Industrial operations

Order intake, invoiced sales and earnings

The order intake increased in the third quarter by 20 per cent to SEK 2,326 m (1,940), which is equivalent to 7 per cent organic growth. Invoiced sales rose 19 per cent to SEK 2,374 m (1,990), which is equivalent to 7 per cent organic growth. The operating profit in the wholly-owned industrial operations increased by 14 per cent to SEK 310 m (271) in the quarter. The operating margin was 13.1 (13.6) per cent.

The cumulative amount of the order intake increased by 21 per cent to SEK 7,373 m (6,107), which is equivalent to 7 per cent organic growth. Invoicing increased by 20 per cent to SEK 7,102 m (5,922), which is equivalent to 6 per cent organic growth. The operating profit in the wholly-owned industrial operations increased by 10 per cent to SEK 860 m (780). The operating margin was 12.1 (13.2) per cent.

The above figures do not include the jointly-owned subsidiary Neuffer Fenster + Türen GmbH. See page 5 for a separate report.

Acquisitions/disposals

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

After the end of the quarter, Latour Industries has acquired two smaller business entities. Its subsidiary LSAB acquired the saw blade manufacturer Micor, based in Laholm. Micor has 19 employees and annual sales of approximately SEK 27 m. The subsidiary BEMSIQ acquired remaining shares in NODA, a company that specialises in energy optimisation for district heating grids. Its business model is based on recurring license fees. The company has 15 employees and annual sales of approximately SEK 5 m.

A number of acquisitions were made earlier in the year. Swegon acquired the Irish company Safegard System Ltd. in February. Safegard is the leading provider in the UK and Ireland of intelligent control and monitoring systems for smoke and fire dampers. Safegard's systems are used to contain and extract smoke within the ducted ventilation systems of commercial buildings such as hospitals, airports and multi-storey office blocks. The acquisition has a natural link to Swegon's previous acquisition of the smoke and fire damper manufacturer Swegon Air Management in the UK (former Ruskin Air Management). Safegard has an annual turnover of EUR 8 m and 24 employees.

In addition, Hultafor Group acquired the Swedish company Puvab AB in March. Puvab specialises in protective wear for the energy and utility business, and also manufactures flame resistant protective clothing for other industries. It produces high-quality, certified garments with an innovative design for work in demanding conditions. Puvab AB has an annual turnover of SEK 42 m and 49 employees.

In April, through its subsidiary REAC, Latour Industries acquired the German company AAT, which is a leading supplier of powered stair climbing solutions and add-on drive products to the European mobility rehab market. The acquisition enhances REAC's product range, which provides a good base for further growth within interesting market segments. AAT generates annual sales of approximately EUR 18 m and has 72 employees.

In May, Latour Industries also acquired VIMEC in Italy, a leading manufacturer of platform lifts and stair lifts. The acquisition of VIMEC was a natural next step for Latour Industries after the acquisition of the Swedish lift manufacturer Aritco in the spring of 2016. VIMEC generates annual sales of approximately EUR 45 m and has 166 employees.

In the first quarter, Latour-Gruppen increased its ownership stake in Diamorph from 26.4 per cent to 28.2 per cent.

Industrial operations summary

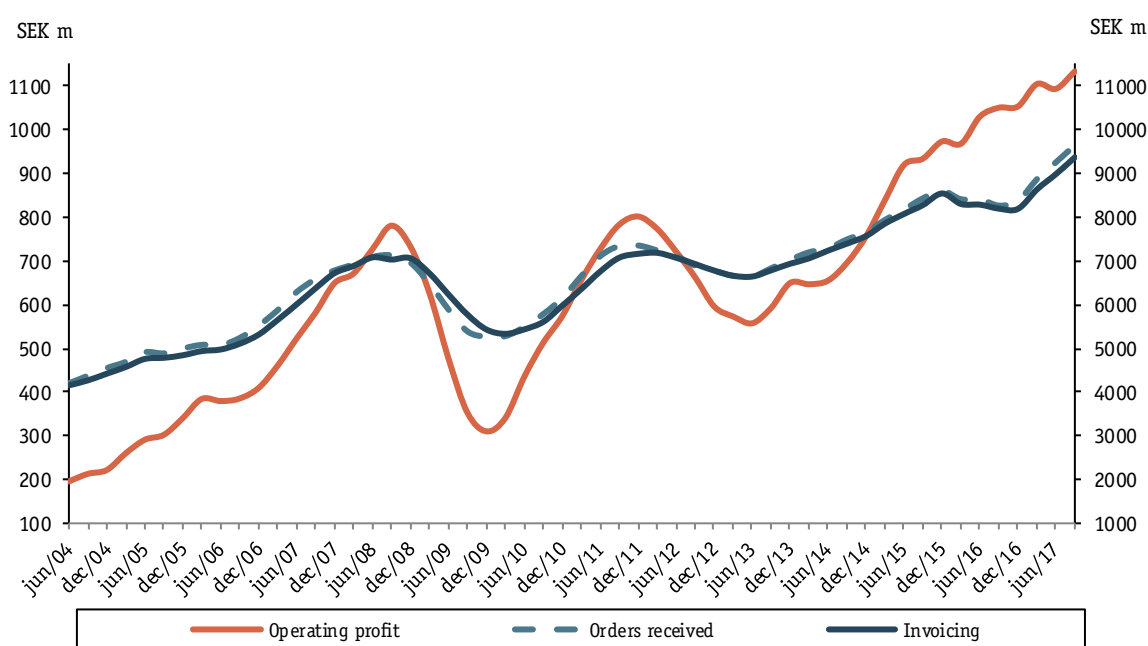
Business area results

SEK m	Net sales				Operating profit				Operating margin %			
	2017 Q3	2016 Q3	2017 9 mths	2016 9 mths	2017 Q3	2016 Q3	2017 9 mths	2016 9 mths	2017 Q3	2016 Q3	2017 9 mths	2016 9 mths
Hultafors Group	454	395	1,359	1,200	68	56	194	169	15.0	14.3	14.3	14.1
Latour Industries	601	420	1,651	1,194	49	45	119	132	8.2	10.7	7.2	11.1
Nord-Lock Group	277	229	846	687	88	69	264	209	31.8	30.1	31.2	30.4
Swegon	1,043	947	3,248	2,850	104	101	283	270	10.0	10.6	8.7	9.5
Eliminations	-1	-1	-2	-9	1	-	-	-	-	-	-	-
	2,374	1,990	7,102	5,922	310	271	860	780	13.1	13.6	12.1	13.2
Neuffer	49	43	128	108	-6	-1	-20	-3	-1.0	-3.1	-6.4	-2.9
	2,423	2,033	7,230	6,030	304	270	840	777	12.6	13.3	11.6	12.9
Gain/loss from sale/purchase of businesses	-	-	-	-	-5	-4	-20	3				
Other companies and items	-	-	-	-	10	6	8	10				
	2,423	2,033	7,230	6,030	309	272	828	790				

SEK m	Operating capital ¹		Return on operating capital %		Growth in net sales, 2017 %			
	2017 trailing 12	2016 Trailing 12	2017 Trailing 12	2016 Trailing 12	Total	Organic	Currency	quisitions
Hultafors Group	1,242	1,221	23.3	20.0	13.2	10.4	0.7	1.8
Latour Industries	2,506	1,688	6.1	11.0	38.3	4.8	0.9	30.7
Nord-Lock Group	947	836	34.3	31.5	23.1	15.1	1.0	5.9
Swegon	2,853	2,402	12.7	14.5	14.0	2.4	1.1	10.1
Total	7,548	6,147	15.0	16.9	19.9	5.9	1.0	12.1

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

(SEK m)	2017 Q3	2016 Q3	2017 9 mths	2016 9 mths	2016 Full Year	Trailing 12 mths
Net sales	454	395	1,359	1,200	1,698	1,857
EBITDA	72	60	205	180	279	304
EBITA	68	57	195	171	267	291
EBIT	68	56	194	169	264	290
EBITA %	15.0	14.4	14.3	14.2	15.7	15.6
EBIT %	15.0	14.3	14.3	14.1	15.6	15.6
Total growth %	14.8	1.3	13.2	8.9	9.7	
Organic %	13.4	2.9	10.4	10.9	10.8	
Exchange effects %	-0.5	-1.6	0.7	-1.8	-1.0	
Acquisitions %	1.8	-	1.8	-	-	
Average number of employees	695	681	691	681	685	

Highlights

- Excellent organic growth with increased demand across most product areas and markets. All markets are exceeding previous year sales after the third quarter.
- Sales of safety footwear under the brand names Solid Gear and Toe Guard are continuing to increase through our European sales companies and growth of 65 per cent was reported for the quarter.
- Strong earnings as a consequence of the robust growth. Earnings are also affected by positive forward exchange contracts that are gradually maturing.

Breakdown of net sales

(SEK m)	2017 Q3	2016 Q3	2017 9 mths	2016 9 mths	2016 Full Year	Trailing 12 mths
Workwear	218	186	676	588	855	944
Tools	136	133	404	382	522	543
Ladders	39	39	118	119	158	157
Safety Shoes	61	37	161	112	163	212
	454	395	1,359	1,200	1,698	1,857
Pro forma adjustment ¹						14
Trailing 12 month pro forma						1,871

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.



(SEK m)	2017 Q3	2016 Q3	2017 9 mths	2016 9 mths	2016 Full Year	Trailing 12 mths
Net sales	601	420	1,651	1,194	1,671	2,128
EBITDA	64	54	154	156	200	197
EBITA	55	47	130	137	173	166
EBIT	49	45	119	132	167	153
EBITA %	9.1	11.1	7.8	11.4	10.4	7.8
EBIT %	8.2	10.7	7.2	11.1	10.0	7.2
Total growth %	43.2	34.9	38.3	30.9	29.6	
Organic %	4.7	0.5	4.8	3.3	2.4	
Exchange effects %	0.6	-1.0	0.9	-1.4	-0.9	
Acquisitions %	36.0	35.5	30.7	28.5	27.6	
Average number of employees	1,414	1,081	1,325	1,057	1,143	

Highlights

- During the quarter, net sales rose 43 per cent, which equates to organic growth of 5 per cent.
- The operating profit increased slightly during the quarter but is still significantly lower than the long-term capacity of the business area.
- Acquisition of NODA for Bemsig and Micor for LSAB after the close of the reporting period. See page 4 for further information.
- The small business entity, AVT, was sold after the close of the reporting period without any material effect on the results and financial position. The sale was formally approved by an extraordinary general meeting in Latour held on 25 October 2017.

Breakdown of net sales

(SEK m)	2017 Q3	2016 Q3	2017 9 mths	2016 9 mths	2016 Full Year	Trailing 12 mths
Kabona	30	34	111	108	154	156
Elvaco	21	18	71	60	84	96
Bastec	10	10	38	32	48	55
Produal	45	42	139	134	182	187
Elimination	-2	-1	-10	-3	-5	-12
Sum Bemsig	104	104	349	331	464	483
LSAB Group	108	96	364	339	457	482
Aritco Group	108	95	320	124	222	418
VIMEC	109	-	149	-	-	149
REAC	125	84	324	262	341	403
DENSIQ	34	31	102	101	135	136
AVT	12	10	43	37	52	58
	601	420	1,651	1,194	1,671	2,128
Pro forma adjustment ¹						375
Trailing 12 month pro forma						2,503

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, so that they are eventually able to become established as separate business areas within Latour.



(SEK m)	2017 Q3	2016 Q3	2017 9 mths	2016 9 mths	2016 Full Year	Trailing 12 mths
Net sales	277	229	846	687	927	1,086
EBITDA	95	75	285	226	295	355
EBITA	90	70	268	213	275	331
EBIT	88	69	264	209	270	325
EBITA %	32.3	30.7	31.7	31.0	29.7	30.4
EBIT %	31.8	30.1	31.2	30.4	29.2	30.0
Total growth %	21.0	15.6	23.1	13.9	16.3	
Organic %	24.9	-	15.1	3.6	4.8	
Exchange effects %	-3.2	-0.3	1.0	-1.2	-0.1	
Acquisitions %	0.1	16.0	5.9	11.3	11.1	
Average number of employees	483	449	481	419	426	

Highlights

- During the quarter, net sales rose 21 per cent, with 25 per cent organic growth.
- The order intake rose 11 per cent in the quarter, of which 16 per cent was organic.
- Sales growth was strong in the Americas with 33 per cent growth in the quarter. And in Asia Pacific, growth was 28 per cent.
- The operating profit in the quarter was strong, increasing 28 per cent over the previous year period.

Breakdown of net sales

(SEK m)	2017 Q3	2016 Q3	2017 9 mths	2016 9 mths	2016 Full Year	Trailing 12 mths
Europe	131	115	404	344	452	512
Americas	85	64	243	190	254	307
Asia Pacific	55	43	176	131	189	234
Emerging markets	6	7	23	22	32	33
	277	229	846	687	927	1,086
Pro forma adjustment ¹						-
Trailing 12 month pro forma						1,086

¹ Pro forma for completed acquisitions.

Nord-Lock Group is a world leader in secure bolting solutions. The Group offers a wide range of innovative technologies including Nord-Lock wedge-locking, Superbolt multi-jackbolt tensioning, Boltight hydraulic tensioning and Expander System pivot technology. With a global sales organization and international partners the customers benefit from bolting expertise and the optimum solution for any bolting challenge.



(SEK m)	2017 Q3	2016 Q3	2017 9 mths	2016 9 mths	2016 Full Year	Trailing 12 mths
Net sales	1,043	947	3,248	2,850	3,913	4,311
EBITDA	124	119	345	327	427	445
EBITA	107	102	290	275	358	373
EBIT	104	101	283	270	351	363
EBITA %	10.2	10.8	8.9	9.6	9.2	8.7
EBIT %	10.0	10.6	8.7	9.5	9.0	8.4
Total growth %	10.2	9.9	14.0	8.3	9.9	
Organic %	1.2	9.7	2.4	9.8	8.4	
Exchange effects %	-0.6	-0.4	1.1	-1.8	-0.8	
Acquisitions %	9.5	0.7	10.1	0.4	2.2	
Average number of employees	2,241	1,912	2,207	1,908	1,958	

Highlights

- The markets in Europe and in North America continued to experience positive growth. Some were impacted, however, by the shortage of resources in the construction industry.
- Once more, total growth in excess of 10 per cent, although organic growth was slightly weaker during the quarter.
- Swegon's order backlog is still at a high level, despite net sales increasing at the end of the quarter after a slow summer.
- Continued investment in product development, production and digitisation.

Breakdown of net sales

(SEK m)	2017 Q3	2016 Q3	2017 9 mths	2016 9 mths	2016 Full Year	Trailing 12 mths
Sweden	227	215	766	722	971	1,015
Rest of Nordic region	191	200	606	564	776	818
Rest of world	625	532	1,876	1,564	2,166	2,478
	1,043	947	3,248	2,850	3,913	4,311
Pro forma adjustment ¹						21
Trailing 12 month pro forma						4,332

¹ Pro forma for completed acquisitions.

(SEK m)	2017 Q3	2016 Q3	2017 9 mths	2016 9 mths	2016 Full Year	Trailing 12 mths
Cooling	305	300	926	893	1,185	1,218
Home Solutions	78	74	266	199	276	343
Light Commercial	56	53	165	165	222	222
Commercial Ventilation	569	455	1,776	1,449	2,032	2,359
North America	56	65	181	181	247	247
Eliminations	-21	-	-66	-37	-49	-78
	1,043	947	3,248	2,850	3,913	4,311

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 page 17 in Latour's Annual Report for 2016.

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 98 per share during the period from SEK 87 at the beginning of the year. The net asset value consequently increased by 15.5 per cent, adjusted for dividends, compared against SIXRX which increased by 12.5 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	1,871	291	11 – 15	3,201 – 4,365	3,783	5 – 7
Latour Industries	2,503	174	12 – 16	2,088 – 2,784	2,436	3 – 4
Nord-Lock Group	1,086	325	12 – 16	3,900 – 5,200	4,550	6 – 8
Swegon	4,332	366	13 – 17	4,758 – 6,222	5,490	7 – 10
	9,792	1,156		13,947 – 18,571		22 – 29
Industrial operations valuation, average					16,259	25
Listed shares (see table on page 9 for breakdown)					50,294	79
Unlisted part-owned companies						
Diamorph ⁵ , 28,24%					246	1
Neuffer ⁵ , 66.1 %					197	0
Oxeon ⁴ , 31.3 %					15	0
Terratech ⁵ , 21,6 %					45	0
Other assets						
Short trading portfolio					37	0
Dilution effect of option programme					-78	0
Consolidated net debt					-4,390	-7
Estimated value					62,625	98
					(60 313 – 64 937)	(94 – 102)

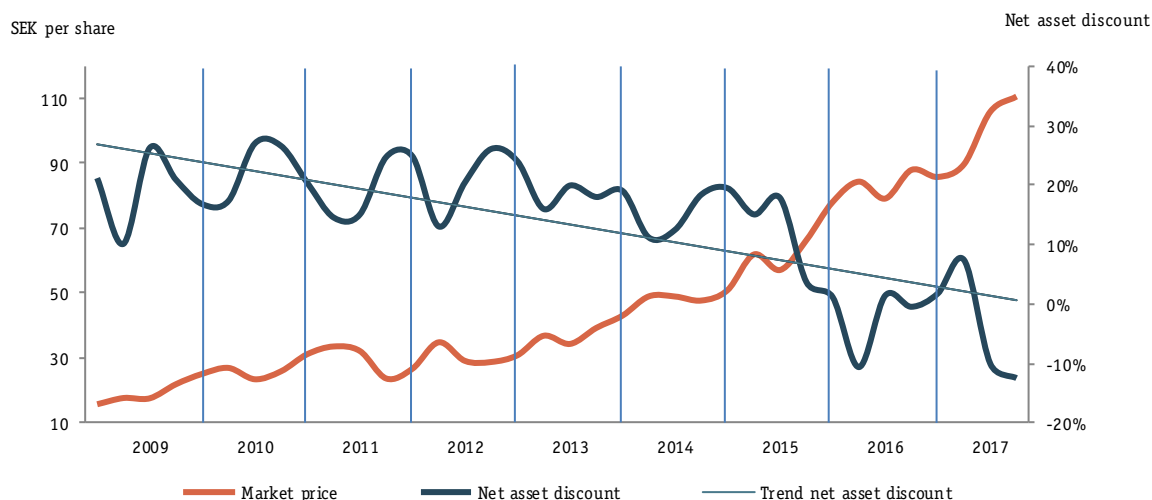
¹ Trailing 12 months for current company structure. EBIT is reported before restructuring costs.

² EBIT and EV/sales recalculated taking into consideration the listed share price on 30 September 2017 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.



The investment portfolio 30 September 2017

In the nine-month period, the value of the investment portfolio increased by 18.7 per cent, adjusted for dividends and net investments, while the benchmark index (SIXRX) increased by 12.5 per cent. Latour's acquisition of 14,461,809 shares in Alimak Group in the third quarter made it the

largest shareholder, with 26.7 per cent of voting rights and capital. Earlier in the year, 689,000 Tomra shares were acquired, which increased the share of equity to 26.3 per cent.

Share ¹	Number	Cost	Listed share price ²	Market value	Share of votes ³	Share of equity ⁴
		SEK m	SEK	SEK m	%	%
Alimak Group	14,461,809	1,942	149	2,148	26.7	26.7
Assa Abloy ⁵	105,495,729	1,697	186	19,622	29.5	9.5
Fagerhult	55,861,200	571	117	6,508	48.8	48.3
HMS Networks	12,109,288	250	127	1,538	25.9	25.9
Loomis ⁵	2,528,520	44	324	818	23.8	3.4
Nederman	3,512,829	306	240	843	30.0	30.0
Nobia ⁶	4,649,894	94	81	378	2.8	2.7
Securitas ⁵	39,732,600	1,081	136	5,420	29.6	10.9
Sweco ⁵	32,622,480	445	200	6,508	21.0	26.8
Tomra ⁷	39,000,000	2,000	120 NOK	4,754	26.4	26.3
Troax	6,020,000	397	292	1,758	30.1	30.1
Total		8,827		50,295		

¹ All holdings except Nobia are reported as associated companies in the balance sheet.

² The last price paid is used as the listed share price.

³ Share of votes calculated after deduction of treasury shares.

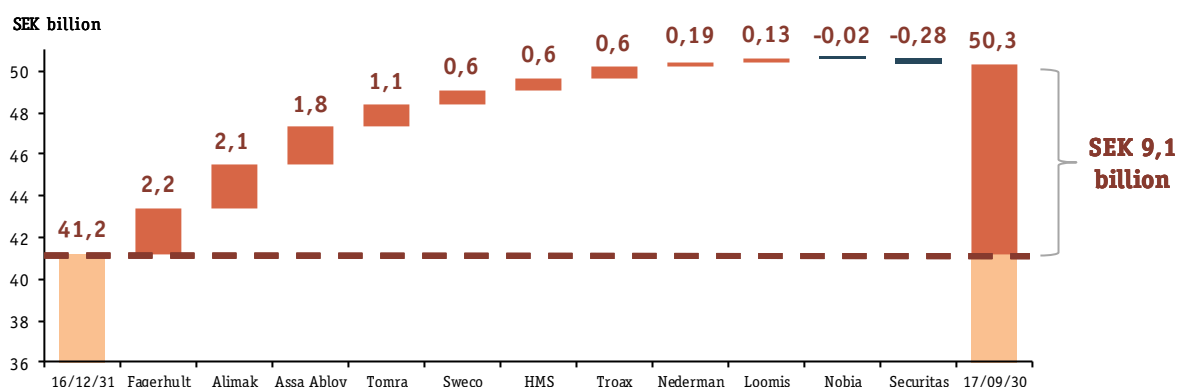
⁴ Share of equity calculated based on total number of shares issued.

⁵ 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.

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

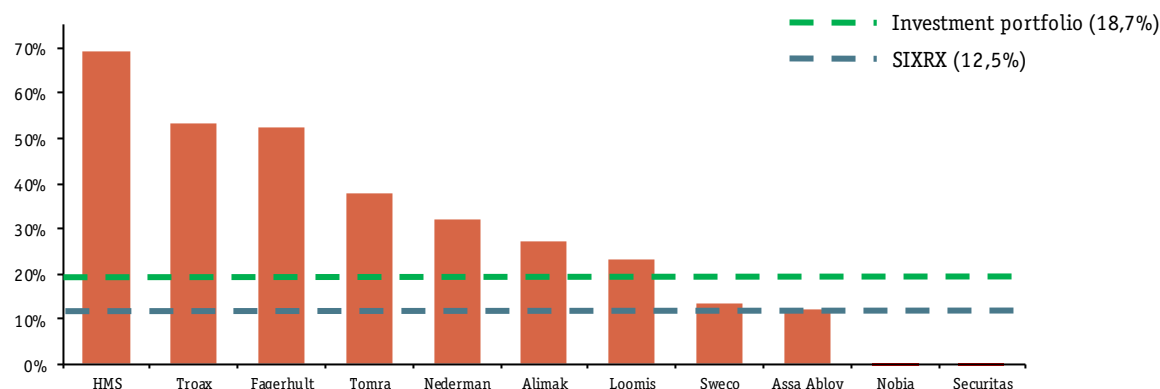
⁷ At the end of the report period, the listed share price was NOK 119.50 which has been translated to SEK at the exchange rate on the balance sheet date.

Investment portfolio during the period



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 2,288 m (3,015). Of this figure, SEK 0 m (890) are capital gains. Profit after tax was SEK 2,090 m (3,018), which is equivalent to SEK 3.28 (4.73) per share. Of this figure, SEK 0.0 (1.39) per share are capital gains.

The Group's cash in hand and liquid investments reached SEK 675 m (1,103). Interest-bearing debt, excluding pension liabilities, totalled SEK 5,026 m (2,996). The Group's net debt, including pension liabilities, was SEK 4,390 m (1,894). The equity ratio was 88 (90) 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 207 m (204) was invested in property, plant and equipment, of which SEK 97 m (117) was machinery and equipment, SEK 22 m (12) vehicles and 88 m (75) buildings. Out of total investments for the year, SEK 103 m (111) refers to fixed assets in new acquisitions.

Parent company

The parent company's profit after financial items was SEK 1,082 m (1,989). The parent company's equity ratio was 100 (100) per cent.

A 4-for-1 share split was implemented on 21 June. Not including repurchased shares, the number of outstanding shares at 30 September 2017 amounts to 638,848,000. At the end of the period, Latour holds 992,000 repurchased class B shares. The total number of issued call options is 1,062,000, which give the right to purchase 2,439,000 shares.

The number of class A shares issued is 47,669,032 and the number of class B shares is 592,170,968.

Events after the reporting period

In October 2017, Latour Industries acquired two smaller business entities; Micor AB for LSAB and NODA AB for BEMSIQ. Latour's Board of Directors is crafting a long-term succession plan for Latour and announced on 26 October that its President and CEO Jan Svensson will be succeeded by Johan Hjertonsson on 1 September 2019. Otherwise, there were no material events subsequent to the end of the reporting period.

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 eleven 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 higher degree by changes attributable to these operations. On the whole, Latour is deemed to have a good risk diversification in its portfolio, which covers several industries, with a certain emphasis on sectors linked 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 2016.

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 2017 have not had any impact on the Group's or parent company's accounting as of 30 September 2017.

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 2016 are available for viewing on Latour's website www.latour.se.

Nomination Committee

The Nomination Committee for the Annual General Meeting on 9 May 2018 comprises the following members:

Gustaf Douglas (chair, principal owner)
Fredrik Palmstierna (the Palmstierna family, including companies)
Olle Nordström (Skirner AB)
Johan Strandberg (SEB funds)

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

Gothenburg, 7 November 2017
Jan Svensson
President and CEO

Auditor's report on review of interim condensed financial statements (interim report) prepared and presented in accordance with IAS 34 and Chapter 9 of the Swedish Annual Accounts Act

Introduction

We have conducted a review of the interim report for Investment AB Latour (publ) corporate registration number 556026-3237 as at 30 September 2017 and the nine-month period ending on this date. The Board of Directors and the Chief Executive Officer are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410 *“Review of Interim Financial Information Performed by the Independent Auditor of the Entity”*. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing practice.

The review procedures that are undertaken do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the parent company in accordance with the Annual Accounts Act.

Gothenburg, 7 November 2017

Öhrlings PricewaterhouseCoopers AB

Bo Karlsson
Authorised Public Accountant

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 10.00 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 2017 Year-End Report will be published on 15 February 2018

The interim report for the period January – March 2018 will be published on 26 April 2018

The Annual General Meeting will be held on 9 May 2018 at Radisson Blu Scandinavia in Gothenburg.

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 7 November 2017 at 08.30 CET.

Consolidated income statement

SEK m	2017 Q3	2016 Q3	2017 9 mths	2016 9 mths	12 mths Oct-Sep 2016/2017	Full Year 2016
Net sales	2,423	2,033	7,230	6,030	9,544	8,344
Cost of goods sold	-1,445	-1,182	-4,284	-3,499	-5,644	-4,859
Gross profit	978	851	2,946	2,531	3,900	3,485
Sales costs	-436	-385	-1,345	-1,155	-1,805	-1,615
Administrative costs	-190	-155	-616	-481	-798	-663
Research and development costs	-60	-50	-193	-162	-260	-229
Other operating income	24	16	63	68	101	106
Other operating expenses	-7	-5	-27	-11	-79	-63
Operating profit	309	272	828	790	1,059	1,021
Income from interests in associates	520	568	1,491	2,215	1,952	2,676
Income from portfolio management	1	15	15	32	84	101
Management costs	-7	-4	-14	-12	-18	-16
Profit before financial items	823	851	2,320	3,025	3,077	3,782
Finance income	50	17	113	49	147	83
Finance expense	-61	-2	-145	-59	-197	-111
Profit after financial items	812	866	2,288	3,015	3,027	3,754
Taxes	-73	-72	-198	-180	-285	-267
Net income of disposal group classified as held for sale and discontinued operations	-	-	-	183	-	183
Profit for the period	739	794	2,090	3,018	2,742	3,670
Attributable to:						
Parent company shareholders	740	794	2,095	3,019	2,742	3,673
Non-controlling interests	-1	-	-5	-1	-7	-3
Earnings per share regarding profit attributable to parent company shareholders ¹						
Basic share, SEK	1.16	1.24	3.28	4.73	4.29	5.75
Diluted share, SEK	1.15	1.24	3.27	4.71	4.28	5.73
Average number of basic shares outstanding ¹	638,847,609	638,543,260	638,672,542	638,370,480	638,643,474	638,414,600
Average number of diluted shares outstanding ¹	640,695,609	640,582,392	640,880,103	640,724,860	640,912,142	640,793,016
Number of outstanding shares ¹	638,848,000	638,546,000	638,848,000	638,546,000	638,848,000	638,546,000

¹ Comparative years recalculated with regard to the 4:1 share split carried out in June 2017.

Consolidated statement of comprehensive income

SEK m	2017 Q3	2016 Q3	2017 9 mths	2016 9 mths	12 mths Oct-Sep 2016/2017	Full Year 2016
Profit for the period	739	794	2,090	3,018	2,742	3,670
Other comprehensive income:						
Items that will not be recycled to the income statement						
Restatement of net pension obligations	-	-	-	-	2	2
	0	0	0	0	2	2
Items that may subsequently be recycled to the income statement						
Change in translation reserve for the period	-50	73	-45	149	-60	134
Change in fair value reserve for the period	-19	40	-17	-114	-1	-98
Change in hedging reserve for the period	-5	-41	-13	-79	7	-59
	-	-	-	-	5	5
Change in associated companies' equity	-235	252	-123	570	-128	565
	-309	324	-198	526	-177	547
Other comprehensive income, net after tax	-309	324	-198	526	-175	549
Comprehensive income for the period	430	1,118	1,892	3,544	2,567	4,219
Attributable to:						
Parent company shareholders	431	1,118	1,897	3,545	2,574	4,222
Non-controlling interests	-1	-	-5	-1	-7	-3

Consolidated cash flow statement

SEK m	2017 Q3	2016 Q3	2017 9 mths	2016 9 mths	12 mths Oct-Sep 2016/2017	Full Year 2016
Operating cash flows before movements in working capital	299	264	747	703	987	943
Movements in working capital	-115	-111	-268	-323	-73	-128
Operating cash flows	184	153	479	380	914	815
Acquisitions of subsidiaries	-	-377	-596	-1,081	-613	-1,098
Other investments	-36	-25	-113	-112	-202	-201
Portfolio management	-1,938	5	-2,020	1,657	-1,888	1,789
Cash flow after investments	-1,790	-244	-2,250	844	-1,789	1,305
Financial payments	1,655	448	1,613	-1,315	1,385	-1,543
Cash flow from disposal group classified as held for sale	-	-	-	685	-27	658
Cash flow for the period	-135	204	-637	214	-431	420

Consolidated balance sheet

SEK m	2017/09/30	2016/09/30	2016/12/31
ASSETS			
Goodwill	5,689	5,088	5,070
Other intangible assets	193	170	172
Property, plant and equipment	880	823	811
Financial assets	16,339	13,257	13,783
Inventories etc.	1,468	1,416	1,165
Current receivables	2,221	1,818	1,740
Cash and bank	675	1,103	1,307
Total assets	27,465	23,675	24,048
EQUITY AND LIABILITIES			
Capital and reserves attributable to parent company shareholders	19,829	18,535	19,212
Non-controlling interests	103	109	107
<i>Total equity</i>	<i>19,932</i>	<i>18,644</i>	<i>19,319</i>
Interest-bearing long-term liabilities	606	805	735
Non-interest-bearing long-term liabilities	360	314	347
Interest-bearing current liabilities	4,468	2,223	2,042
Non-interest-bearing current liabilities	2,099	1,689	1,605
Equity and liabilities	27,465	23,675	24,048

Consolidated changes in equity

SEK m	Share capital	Repurchased treasury shares	Other reserves	Profit brought forward	Non-controlling interests	Total
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
Issued call options				5		5
Exercise of call options		29		-4		25
Own shares repurchase		-43				-43
Dividends				-1,077		-1,077
Closing balance 31 Dec 2016	133	-72	394	18,757	107	19,319
Opening balance 1 Jan 2017	133	-72	394	18,757	107	19,319
Total comprehensive income for the period			-75	1,972	-5	1,892
Non-controlling interests on acquisitions				-1	1	-
Issued call options				7		7
Exercise of call options		37		-9		28
Own shares repurchase		-37				-37
Dividends				-1,277		-1,277
Closing balance 30 September 2017	133	-72	319	19,449	103	19,932

Key ratios, Group*

	2017/09/30	2016/09/30	2016/12/31
Return on equity (%)	14	23	21
Return on total capital (%)	13	18	17
Equity ratio (%)	73	79	80
Adjusted equity ratio ¹ (%)	88	90	91
Adjusted equity ¹ (SEK m)	54,343	47,319	47,208
Surplus value in associated companies ² (SEK m)	34,411	28,675	27,889
Net debt/equity ratio 1 (%) ⁴	8.1	4.0	3.1
Net debt/equity ratio 2 (%) ⁵	6.5	3.3	2.5
Listed share price (SEK)	110	88	86
Repurchased shares ³	1,004,000	1,294,000	1,294,000
Average number of repurchased shares ³	1,196,271	1,469,940	1,451,824
Average number of employees	4,884	4,092	4,244
Issued call options on repurchased shares	462,000	612,500	612,500

* 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.

³ Comparative years recalculated with regard to the 4:1 share split carried out in June 2017.

⁴ The ratio of net debt to adjusted equity.

⁵ The ratio of net debt to the market value of total assets.

Parent company income statement

SEK m	2017 Q3	2016 Q3	2017 9 mths	2016 9 mths	12 mths Oct-Sep 2016/2017	Full Year 2016
Income from interest in associates companies	-	-	1,091	1,996	1,091	1,996
Income from portfolio management	-	-	-	1	-	1
Management costs	-3	-2	-9	-7	-12	-10
Profit before financial items	-3	-2	1,082	1,990	1,079	1,987
Interest income and similar items	-	-	-	-	-	-
Interest expense and similar items	-	-	-	-1	-	-1
Profit after financial items	-3	-2	1,082	1,989	1,079	1,986
Taxes	-	-	-	-	-	-
Profit for the period	-3	-2	1,082	1,989	1,079	1,986

Parent company statement of comprehensive income

SEK m	2017 Q3	2016 Q3	2017 9 mths	2016 9 mths	12 mths Oct-Sep 2016/2017	Full Year 2016
Profit for the period	-3	-2	1,082	1,989	1,079	1,986
Change in fair value reserve for the period	-	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-	-
Comprehensive income for the period	-3	-2	1,082	1,989	1,079	1,986

Parent company balance sheet

SEK m	2017/09/30	2016/09/30	2016/12/31
ASSETS			
Financial assets	9,660	10,307	10,304
Current receivables from Group companies	455	-	-
Other current liabilities	2	1	2
Cash and bank	-	5	5
Total assets	10,117	10,313	10,311
EQUITY AND LIABILITIES			
Equity	10,111	10,306	10,308
Interest-bearing long-term liabilities	-	-	-
Non-interest-bearing long-term liabilities	-	5	-
Interest-bearing current liabilities	-	-	-
Non-interest-bearing current liabilities	6	2	3
Equity and liabilities	10,117	10,313	10,311

Parent company statement of changes in equity

SEK m	2017/09/30	2016/09/30	2016/12/31
Amount at beginning of year	10,308	9,407	9,407
Total comprehensive income for the period	1,082	1,989	1,986
Dissolution of reserve for fund and coupon shares	-	-	5
Issued call options	7	5	5
Exercise of call options	28	25	25
Repurchased treasury shares	-37	-43	-43
Dividends	-1,277	-1,077	-1,077
Amount at end of year	10,111	10,306	10,308

Segment reporting:

Development by business area 1 Jan 2017 - 30 Sept 2017

SEK m	Industrial operations					Portfolio management	Total
	Hultafors Group	Latour Industries	Nord-Lock	Swegon	Other		
INCOME							
External sales	1,359	1,649	846	3,248	128		7,230
Internal sales		2					2
RESULT							
Operating profit	194	119	264	283	-32		828
Income from portfolio management						978	1,492
Finance income							113
Finance expense							-145
Taxes							-198
Profit for the period							2,090
OTHER DISCLOSURES							
Investments in:							
property, plant and equipment	7	122	18	36	24		207
intangible assets	32	518	1	163	2		716
Depreciation/amortisation	10	35	21	62	15		143

Segment reporting:

Development by business area 1 Jan 2016 – 30 Sept 2016

SEK m	Industrial operations					Portfolio management	Total
	Hultafors Group	Latour Industries	Nord-Lock	Swegon	Other		
INCOME							
External sales	1,200	1,185	687	2,850	108		6,030
Internal sales		9					9
RESULTS							
Operating result	169	132	209	270	10		790
Income from portfolio management						2,235	2,235
Finance income							49
Finance expense							-59
Taxes							-180
Profit for the disposal group classified as held for sale							183
Profit for the period							3,018
OTHER DISCLOSURES							
Investments in:							
property, plant and equipment	14	92	46	40	12		204
intangible assets		722	86	243	285		1,336
Depreciation/amortisation	11	24	16	57	14		122

Change in consolidated interest-bearing net debt

SEK m	2016/12/31	Change in cash	Change in loans	Other changes	2017/09/30
Interest-bearing receivables	24			-15	9
Cash	1,307	-632			675
Pensions provisions	-39			-9	-48
Long-term liabilities	-696		138		-558
Utilised bank overdraft facilities	-52		-114		-166
Interest-bearing current liabilities	-1,990		-2,312		-4,302
Interest-bearing net debt	-1,446	-632	-2,288	-24	-4,390

Five-year overview*

SEK m	Oct-Sep 2016/2017	2016	2015	2014	2013
Net sales, SEK m	9,544	8,344	8,555	7,581	6,944
Operating profit, SEK m	1,059	1,021	975	746	621
Income from interest in associated companies, SEK m	1,952	2,676	1,952	1,347	1,060
Income from portfolio management, SEK m	66	101	1,493	36	43
Profit after finance items, SEK m	3,027	3,754	4,405	2,064	1,710
Earnings per share, SEK ¹	4	6	6	3	2
Return on equity, %	14	21	28	15	13
Return on total capital, %	13	17	22	13	12
Adjusted equity ratio, %	88	91	89	86	88
Net debt/equity ratio, %	8	3	5	10	7
Listed share price, SEK ¹	110	86	78	51	43

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

¹ Comparative years recalculated with regard to the 4:1 share split carried out in June 2017.

Note 1 Business combinations

Specification of acquisitions

Transfer date		Country	Business area	Number of employees
13 February 2017	Safegard System Ltd.	Ireland	Swegon	24
8 Mars 2017	Puvab AB	Sweden	Hultafors Group	42
3 april 2017	AAT GmbH	Germany	Latour Industries	72
18 may 2017	VIMEC S.R.L	Italy	Latour Industries	166

Assets and liabilities in acquisitions

	Consolidated carrying amount
Intangible assets	230
Property, plant and equipment	109
Financial assets	10
Inventories	117
Account receivable	108
Other receivable	31
Cash	34
Long-term liabilities	-188
Current liabilities	-188
Net indentifiable assets and liabilities	263
Group goodwill	468
Total purchase price	731
Additional purchase price	-100
Cash settlement purchase price	631
Acquisition of non-cash items	-1
Acquired cash	-34
Effect of Group cash	596

During the first three quarters of 2017, Latour has acquired the entire shareholdings of Safegard Systems Ltd., Puvab AB, AAT GmbH and VIMEC SRL.

Safegard contributed SEK 30 m in income and SEK 12 m in operating profit. Puvab contributed SEK 26 m in income and SEK 2 m in operating profit. AAT contributed SEK 77 m in income and SEK 10 m in operating profit. VIMEC contributed SEK 149 m in income and SEK 12 m in operating profit. All acquisitions have been made with the aim of strengthening and developing the Latour Group's existing operations.

Transaction costs for acquisitions made during the period amount to SEK 18 m. Estimated additional purchase prices amounting to SEK 37 m for the acquisition of Safegard, SEK 15 m for the acquisition of Puvab, and SEK 48 m for the acquisition of AAT 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. 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 in 2017 compared with the 2016 annual accounts.

Financial instruments – Fair value

THE GROUP 30 Sept 2017

	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	378 ¹					378
Other long-term securities holdings	0 ²					0
Other long-term receivables				10 ³		10
Listed shares, trading		37 ¹				37
Unrealised gains, currency derivatives			2 ²			2
Other current receivables				1 895 ³		1,895
Cash				675 ³		675
Total	378	37	2	2,580	0	2,997
FINANCIAL LIABILITIES						
Long-term loans					558 ³	558
Bank overdraft facilities					166 ³	166
Current loans					4 302 ³	4,302
Other liabilities					1 131 ³	1,131
Unrealised gains, currency derivatives			14 ²			14
Total	0	0	14	0	6,157	6,171

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.

The basis of fair value for listed financial assets is the quoted market price on the balance sheet date. The basis of fair value for unlisted financial assets is determined using valuation techniques, such as recent transactions, the price of comparable instruments 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 carrying amount. 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.

Information by quarter

SEK m	2017			2016					2015				
	Q3	Q2	Q1	Full Year	Q4	Q3	Q2	Q1	Full Year	Q4	Q3	Q2	Q1
INCOME STATEMENT *													
Net sales	2,423	2,538	2,269	8,344	2,315	2,033	2,179	1,818	8,555	2,284	2,079	2,161	2,030
Cost of goods sold	-1,445	-1,512	-1,327	-4,859	-1,361	-1,182	-1,262	-1,055	-5,295	-1,417	-1,276	-1,339	-1,260
Gross profit	978	1,026	942	3,485	954	851	917	763	3,260	865	803	822	770
Costs etc. for the operation	-669	-747	-702	-2,464	-723	-579	-606	-373	-2,285	-596	-544	-580	-565
Operating profit	309	279	240	1,021	231	272	311	390	975	269	259	242	205
Total portfolio management	514	597	381	2,761	526	579	385	1,271	3,430	1,543	463	759	665
Profit before financial items	823	876	621	3,782	757	851	696	1,661	4,405	1,812	722	1,001	870
Net financial items	-11	-11	-10	-28	-18	15	-13	-12	-43	-11	-33	-18	19
Profit after financial items	812	865	611	3,754	739	866	683	1,649	4,362	1,081	689	983	889
Taxes	-73	-68	-57	-267	-87	-72	-61	-47	-245	-56	-52	-81	-56
Profit for the period	739	797	554	3,670	652	794	622	1,602	4,117	1,745	637	902	833
KEY RATIOS													
Earnings per share, SEK ¹	1.16	1.25	3.48	5.75	1.03	1.24	0.98	2.51	6.45	2.74	1.00	1.41	1.31
Cash flow for the period	-135	-241	-261	420	206	203	-895	905	527	476	45	29	-23
Adjusted equity ratio, %	88	90	92	91	91	90	90	91	89	89	86	86	87
Adjusted equity	54,343	53,222	51,995	47,208	47,208	47,319	43,272	41,546	43,161	43,161	36,936	37,171	39,271
Net asset value	62,625	61,450	60,742	55,500	55,500	55,673	51,083	48,665	50,572	50,572	43,833	44,150	46,379
Net asset value per share, SEK ¹	98	96	95.25	87	87	87.25	80	76.25	79.25	79.25	68.75	69.25	72.75
Listed share price, SEK ¹	110	105.4	89.5	85.5	85.5	87.75	78.5	84.25	78	78	66.25	57	61.75
NET SALES													
Hultafors Group	454	460	444	1,698	498	395	422	383	1,549	446	390	362	350
Latour Industries	601	571	479	1,671	477	419	421	354	1,289	377	311	311	290
Nord-Lock Group	277	286	283	927	240	229	234	224	797	193	198	197	208
Swegon	1,043	1,177	1,029	3,913	1,063	947	1,070	833	3,559	927	861	928	842
	2,375	2,494	2,235	8,209	2,278	1,990	2,147	1,794	7,194	1,943	1,760	1,798	1,690
Other companies and eliminations *	49	44	34	135	37	43	32	24	1,361	341	319	363	340
	2,424	2,538	2,269	8,344	2,315	2,033	2,179	1,818	8,555	2,284	2,079	2,161	2,030
OPERATING PROFIT													
Hultafors Group	68	64	62	264	95	56	60	52	218	75	54	48	42
Latour Industries	49	36	33	167	35	45	51	36	176	53	44	41	37
Nord-Lock Group	88	86	89	270	61	69	72	68	236	54	59	57	66
Swegon	104	110	68	351	81	101	124	45	270	78	74	80	39
	309	297	252	1,052	272	271	307	201	900	260	231	226	184
Gain/loss from sale/purchase of business	-5	-10	-5	-21	-24	-4	-1	191	-2	-3	6	-3	-2
Other companies and items *	5	-8	-7	-10	-17	5	5	-2	77	12	22	19	23
	309	279	240	1,021	231	272	311	390	975	269	259	242	205
OPERATING MARGIN (%)													
Hultafors Group	15.0	14.0	14.0	15.6	19.1	14.3	14.2	13.7	14.1	16.8	13.8	13.2	11.9
Latour Industries	8.2	6.3	6.9	10.0	7.2	10.7	12.2	10.3	13.6	14.1	14.1	13.3	12.7
Nord-Lock Group	31.8	30.2	31.5	29.2	25.6	30.1	30.9	30.1	29.7	27.9	30.0	28.9	31.6
Swegon	10.0	9.4	6.6	9.0	7.6	10.6	11.6	5.4	7.6	8.4	8.7	8.6	4.6
	13.1	11.9	11.3	12.8	11.9	13.6	14.4	11.3	12.5	13.4	13.1	12.6	10.9

* Specma Group included until 2015, when the business was divested.

¹ Comparative years recalculated with regard to the 4:1 share split carried out in June 2017.

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-Sept 2017: $2,090/638,672,542 \times 1,000=3.28$

Jan-Sept 2016: $3,018/638,370,480 \times 1,000=4.73$

Diluted earnings per share

Calculations:

Jan-Sept 2017: $2,090/640,880,103 \times 1,000=3.27$

Jan-Sept 2016: $3,018/640,724,860 \times 1,000=4.71$

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 borrowings

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

Net debt/equity ratio

The ratio of net borrowings to either adjusted equity or the market value of total assets.

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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