

INTERIM REPORT
JANUARY – MARCH

20
21

Interim report January – March 2021

NET ASSET VALUE AND THE LATOUR SHARE

- The net asset value rose to SEK 166 per share, compared with SEK 153 per share at the start of the year. This is an increase of 8.1 per cent. By comparison, the Stockholm Stock Exchange's Total Return Index (SIXRX) increased by 14.3 per cent. The net asset value amounted to SEK 173 per share at 28 April.¹
- The total return on the Latour share was 13.3 per cent during the period measured against the SIXRX, which rose 14.3 per cent.

INDUSTRIAL OPERATIONS

- The industrial operations' order intake rose 14 per cent to SEK 4,537 m (3,996 m), which represents a 14 per cent increase for comparable entities adjusted for foreign exchange effects.
- The industrial operations' net sales rose 8 per cent to SEK 3,924 m (3,630 m), which represents a 7 per cent increase for comparable entities adjusted for foreign exchange effects.
- The industrial operations' operating profit increased by 27 per cent to SEK 569 m (449 m), which equates to an operating margin of 14.5 (12.4) per cent for continuing operations.
- In January, Latour Industries finalised the acquisitions of Vega S.R.L. and Elsys AB and also acquired the Danish company VM Kompensator A/S. On 1 March, Hultafors Group finalised the acquisitions of Fristads AB, Kansas A/S, Kansas GmbH and Leijona Group Oy.

THE GROUP

- Consolidated net sales totalled SEK 3,987 m (3,676 m), and profit after financial items was SEK 1,344 m (116 m). A revaluation of Alimak has had a positive impact on this year's income statement in the amount of SEK 189 m. Items impacting comparability burdened last year's income statement in the amount of SEK -808 m.
- Consolidated profit after tax was SEK 1,211 m (4 m), which is equivalent to SEK 1.89 (0.01) per share.
- The Group reported net debt of SEK 6,705 m (9,193 m). Net debt, excluding lease liabilities recognised under IFRS 16, was SEK 5,874 m (8,601 m) and is equivalent to 5 (10) per cent of the market value of total assets.

INVESTMENT PORTFOLIO

- During the first quarter, the value of the investment portfolio increased by 8.6 per cent adjusted for changes in the portfolio. The benchmark index (SIXRX) rose 14.3 per cent.

EVENTS AFTER THE REPORTING PERIOD

- There were no material events subsequent to the end of the reporting period.

¹ The calculation of the net asset value on 28 April was based on the value of the investment portfolio at 1 p.m. on 28 April and the same values as at 31 March 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 SEK 74 billion as at 31 March 2021. The wholly-owned industrial operations are grouped into five business areas: Caljan, Hultafors Group, Latour Industries, Nord-Lock Group and Swegon. They generate annual sales amounting to approximately SEK 15 billion.

Comments from the CEO

"Latour's industrial operations made an impressive start to the year, with organic growth in both order intake and invoiced sales. The business activity was a bit slow in the beginning of the quarter, activities gradually intensified on a broad front and, by the end of March, the order backlog was again at a high level, boding well for favourable development in the coming quarters. The majority of our companies are well positioned in market segments exhibiting great growth potential. Nonetheless, the pandemic is not over and will remain a factor that we need to consider for some time to come. It does, however, affect our companies to varying degrees. Logistical challenges are probably our biggest hurdle, in terms of both increased transport costs and the difficulties of conducting service assignments at customers. We have also been affected to a certain extent by postponed project deliveries, which means we are holding stock that will not be delivered until the next quarter. As before, our operations in southern Europe have been most affected by the pandemic, while those in the Nordic countries and North America have been spared the worst.

The first-quarter order intake rose 14 per cent to SEK 4,537 m (3,996 m) while invoiced sales rose 7 per cent to SEK 3,924 m (3,630 m) when adjusted for acquisitions and exchange rate effects. Operating profit increased by 27 per cent in the quarter to SEK 569 m (449 m) with a strong operating margin of 14.5 (12.4) per cent.

This strong performance is driven to some extent by continued strict cost management but mostly by increased volumes. To maintain our competitive edge and grow our market share, we will continue to invest in product development, sales and marketing initiatives, as we have done consistently in the past, even when most affected by the pandemic. Latour has a strong financial position and the means to invest in the future.

Sustainability and digitalisation remain focus areas for driving our long-term growth. We have already made great progress, but as owners we are striving for more. At the beginning of the year, Latour became a signatory to the UN Global Compact, confirming our support of the initiative's ten principles in the areas of human rights, labour, environment and anti-corruption. This commitment is a natural next step for Latour, as we want to make clear where we stand and what we stand for.

As stated, sustainability has for a long time been an area that is close to Latour's heart, and in recent years we have further accelerated this work. In this context, we are happy to see that sustainability issues are highly prioritized on the political agenda, but at the same time we are deeply concerned about politicians' ability to bring about real change. The new EU taxonomy, for example, with a noble purpose, contains a lot of bureaucracy and regulations that only benefit those who fall within the taxonomy's narrow definitions. Sustainable products and innovations that do not fit the definitions will thus be disadvantaged.

The level of acquisition activity is generally high. In January, Latour Industries finalised the acquisition of VEGA and Bemsig the acquisition of Elsys, while Densiq, within Latour Industries, acquired the Danish company VM Kompensator. On 1 March, Hultafors Group finalised the acquisition of Fristads, Kansas and Leijona. Read more about our acquisitions on page 4.

Since the beginning of the year, the total return of the investment portfolio increased by 8.6 per cent when adjusted for portfolio changes, while the benchmark index (SIXRX) increased by 14.3 per cent. Among the companies that have already reported, most have exhibited favourable growth in order intake, invoiced sales and earnings. The net asset value in Latour increased during the quarter by 8.1 per cent to SEK 166 per share.

We are now in the middle of the AGM season which means that the nomination committee work for this season has been completed. As the principal owner of several listed companies, we are proud that we once again have succeeded in recruiting new competent Board members with relevant experience to several of our companies. The fact that it also leads to an improved gender equality in the Boards of our listed companies is extra satisfying and we want to emphasize that this issue is really high on the agenda. Another issue that has characterized our work in the nomination committees is the remuneration issues. For us, it is important that Board fees are well market-based. Our companies are international global organizations and we must be able to attract expertise that corresponds to this, and that must be reflected in the remuneration. In addition, we compete with unlisted companies to attract competent Board members. Also here, we believe that we have made significant progress in this year's nomination committee work."

*Johan Hjertonsson
President and Chief Executive Officer*

Industrial operations

Order intake, invoiced sales and earnings

In the first quarter, order intake grew by 14 per cent to SEK 4,537 m (3,996 m), with organic growth accounting for 14 per cent of this. Invoiced sales rose 8 per cent to SEK 3,924 m (3,630 m), which represents a 7 per cent increase for comparable entities and when adjusted for foreign exchange effects. Operating profit in the wholly-owned industrial operations increased by 27 per cent in the quarter to SEK 569 m (449 m). The operating margin was 14.5 (12.4) per cent.

The above figures only include subsidiaries of the wholly-owned business areas. See the separate report on page 5.

Acquisitions/disposals

On 8 January, Densiq, within Latour Industries, acquired the entire shareholding of the Danish company VM Kompensator A/S, which in 2020 generated net sales of DKK 23 m. The company is a leading Danish designer and manufacturer of compensators for use in industrial applications.

On 22 January, Latour Industries finalised the acquisition of the Italian company VEGA S.R.L. (VEGA). Also in January, Bemsig, within Latour Industries, finalised the acquisition of Elsys.

On 1 March, the acquisitions of Fristads AB, Kansas A/S, Kansas GmbH and Leijona Group Oy for Hultafors Group were finalised.

Industrial operations summary

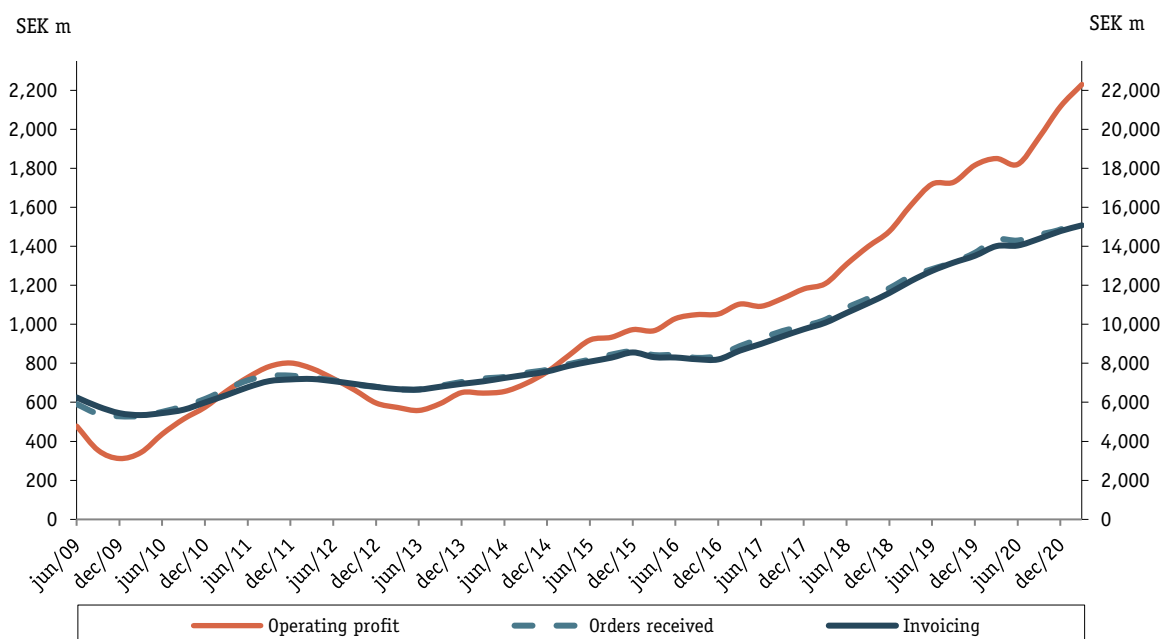
Business area results

SEK m	Net sales				Operating profit				Operating margin %			
	2021 Q1	2020 Q1	2020 Full Year	Trailing 12 mths	2021 Q1	2020 Q1	2020 Full Year	Trailing 12 mths	2021 Q1	2020 Q1	2020 Full Year	Trailing 12 mths
Caljan ¹	209	222	1,176	1,163	19	30	207	196	9.1	13.3	17.6	16.9
Hultafors Group	1,113	846	3,641	3,908	183	108	561	636	16.5	12.8	15.4	16.3
Latour Industries	887	812	3,081	3,156	112	71	312	353	12.6	8.8	10.1	11.2
Nord-Lock Group	354	357	1,275	1,272	99	97	316	318	27.8	27.3	24.8	25.0
Swegon	1,361	1,394	5,614	5,581	156	143	721	734	11.5	10.2	12.8	13.2
Eliminations	-	-1	-4	-3	-	-	-	-	-	-	-	-
	3,924	3,630	14,783	15,077	569	449	2,117	2,237	14.5	12.4	14.3	14.8
Part-owned subsidiaries	63	48	245	260	1	-	11	12	1.8	-0.7	4.5	4.6
	3,987	3,678	15,028	15,337	570	449	2,128	2,249	14.3	12.2	14.2	14.7
Gain/loss from sale/purchase of businesses	-	-	-	-	-14	-17	-38	-35				
Other companies and items	-	-	-	-	-10	-8	-38	-40				
	3,987	3,678	15,028	15,337	546	424	2,052	2,174				
Effect IFRS 16	-	-	-	-	1	1	5	5				
	3,987	3,678	15,028	15,337	547	425	2,057	2,179				

SEK m	Operating capital ¹		Return on operating capital %		Growth in net sales, 2021 %			
	2021 Trailing 12	2020 Trailing 12	2021 Trailing 12	2020 Trailing 12	Total	Organic	Currency	Acquisitions
Caljan	2,646	1,121	7.4	4.4	-5.9	0.9	-6.7	-
Hultafors Group	3,881	3,147	16.4	13.7	31.6	21.9	-5.7	14.5
Latour Industries	3,669	3,210	9.6	8.8	9.3	6.7	-3.6	6.2
Nord-Lock Group	1,202	1,139	26.4	34.1	-0.9	7.2	-7.5	-
Swegon	3,203	3,310	22.9	21.5	-2.4	-1.4	-4.2	3.4
Total	14,601	11,927	15.3	15.6	8.1	7.2	-5.0	6.1

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.

Industrial operations trailing 12 months



Development by business area



(MEUR)	2021 Q1	2020 Q1	2020 Full Year	Trailing 12 mths
Net sales	20.7	20.9	112.1	111.9
EBITDA	2.4	3.2	21.3	20.6
EBITDA ¹	2.3	3.1	21.0	20.3
EBITA ¹	2.0	2.9	20.3	19.4
EBIT ¹	1.9	2.8	19.7	18.8
EBITA % ¹	9.7	14.1	18.1	17.3
EBIT % ¹	9.1	13.3	17.6	16.8
Total growth %	-5.9	11.0	21.6	
Organic %	0.9	11.0	22.3	
Exchange effects %	-6.7	-	-0.6	
Acquisitions %	-	-	-	
Average number of employees	526	481	493	

¹ Excl. IFRS 16.

Highlights

- Order intake increases by 103 per cent to EUR 54 m and order backlog is at record level as we enter the second quarter.
- Invoiced sales for the quarter on a par with the previous year, with very strong activity within Aftermarket.
- To support the growth, recruitment activity is high, with a negative impact on earnings in the short term.
- Caljan's expansion continues at an undiminished pace. Establishment of 10,000 m² factory in USA progressing well, with initial deliveries expected during second quarter.

Breakdown of net sales

(MEUR)	2021 Q1	2020 Q1	2020 Full Year	Trailing 12 mths
Telescopes	9.1	14.8	59.5	54.5
Document Handling & Labelling	1.3	0.9	10.0	10.4
Depot Automation Solutions	3.6	0.5	18.2	21.4
Aftermarket	6.7	4.7	24.4	25.6
	20.7	20.9	112.1	111.9

Caljan is a global supplier of automation technology for parcel handling in the logistics and e-commerce sectors. Caljan's products help packing companies, distributors and manufacturers around the world to optimise their supply chains. Flows are increased, costs are reduced and working environments are made safer and more ergonomic. Caljan has its head office in Aarhus, Denmark, and subsidiaries in the USA and several European countries.

HULTAFORS GROUP

(SEK m)	2021 Q1	2020 Q1	2020 Full Year	Trailing 12 mths
Net sales	1,113	846	3,641	3,909
EBITDA	201	124	628	704
EBITDA ¹	195	118	602	679
EBITA ¹	186	111	573	648
EBIT ¹	183	108	561	636
EBITA % ¹	16.7	13.1	15.7	16.6
EBIT % ¹	16.5	12.8	15.4	16.3
Total growth %	31.6	30.5	25.7	
Organic %	21.9	1.0	7.3	
Exchange effects %	-5.7	2.3	-1.8	
Acquisitions %	14.5	26.3	19.3	
Average number of employees	1,613	983	977	

¹ Excl. IFRS 16.

Highlights

- Sales developing positively in all product areas and important geographic markets throughout the quarter, resulting in organic growth of 22 per cent.
- Continued strict cost control combined with high volumes strengthened the operating margin which amounted to 16.5 per cent.
- Strong focus on digitalisation and sustainability initiatives within the organisation aiming to improve competitive edge in both short and long term.
- The acquisition of Fristads, Kansas and Leijona was approved by relevant competition authorities during the quarter, and was finalised on 1 March.

Breakdown of net sales

(SEK m)	2021 Q1	2020 Q1	2020 Full Year	Trailing 12 mths
PPE/Workwear	706	476	2,066	2,297
Hardware	407	370	1,575	1,612
	1,113	846	3,641	3,909

Pro forma adjustment¹

Trailing 12 month pro forma

¹ Pro forma for completed acquisitions.

Hultafors Group offers products in the Personal Protective Equipment/Workwear and Hardware segments. The products are marketed under brands with strong positions in their respective markets: Snickers Workwear, Hultafors, Solid Gear, EMMA Safety Footwear, Toe Guard, Hellberg Safety, Wibe Ladders, CLC Work Gear, Johnson Level & Tool, EripioWear, Kuny's, Fristads, Kansas and Leijona. Hultafors Group is also a distributor for the German manufacturing company Fein in the Swedish market.

(SEK m)	2021 Q1	2020 Q1	2020 Full Year	Trailing 12 mths
Net sales	887	812	3,081	3,157
EBITDA	139	99	425	465
EBITDA ¹	128	86	374	415
EBITA ¹	116	75	328	369
EBIT ¹	112	71	312	353
EBITA % ¹	13.1	9.3	10.7	11.7
EBIT % ¹	12.6	8.8	10.1	11.2
Total growth %	9.3	10.0	0.2	
Organic %	6.7	-2.7	-8.0	
Exchange effects %	-3.6	1.0	-1.6	
Acquisitions %	6.2	11.8	10.6	
Average number of employees	1,755	1,533	1,547	

¹ Excl. IFRS 16.

Highlights

- Continued market recovery reflected in both order intake and invoiced sales, which grow by 7 per cent adjusted for acquisitions and foreign exchange effects.
- Good operating profit for the quarter, driven mainly by effective cost control.
- Increased raw material prices affect gross margins.
- Continued restrictions causing difficulties visiting customers and conducting service.
- Acquisition of entire shareholding of Danish company VM Kompensator for Densiq. Acquisitions of VEGA and Elsys also finalised. More details can be found on page 4.

Breakdown of net sales

(SEK m)	2021 Q1	2020 Q1	2020 Full Year	Trailing 12 mths
Bemsiq	206	197	725	734
Aritco Group	247	223	843	867
Vimec	101	101	450	451
VEGA	57	-	-	57
MS Group	116	128	470	458
LSAB	128	131	445	443
Densiq	37	34	159	162
Elimination	-6	-2	-11	-15
	887	812	3,081	3,157
Pro forma adjustment ¹				262
Trailing 12 month pro forma				3,419

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)	2021 Q1	2020 Q1	2020 Full Year	Trailing 12 mths
Net sales	354	357	1,275	1,271
EBITDA	117	113	380	384
EBITDA ¹	109	106	353	356
EBITA ¹	101	100	326	326
EBIT ¹	99	98	316	317
EBITA % ¹	28.4	28.0	25.5	25.7
EBIT % ¹	27.8	27.3	24.8	24.9
Total growth %	-0.9	-6.9	-12.0	
Organic %	7.2	-9.9	-10.1	
Exchange effects %	-7.5	3.3	-2.1	
Acquisitions %	-	-	-	
Average number of employees	584	590	566	

¹ Excl. IFRS 16.

Highlights

- Solid recovery seen on a broad front across all regions and technologies.
- Order intake exceeds invoiced sales, which shows organic growth of 7 per cent when adjusted for negative foreign exchange effects.
- Activity level within projects increased, partly linked to infrastructure investments, and sizeable order received for delivery 2022.
- Nord-Lock's growth initiatives provide further reason for optimism in both short and long term.
- Expanded and upgraded Expander factory in Åtvidaberg, Sweden, officially inaugurated in first quarter. Public webshop launched in the USA.
- Strategic investments in efficiency and structure within the business area have the intended positive effect on profitability.

Breakdown of net sales

(SEK m)	2021 Q1	2020 Q1	2020 Full Year	Trailing 12 mths
EMEA	165	179	564	549
Americas	88	100	331	319
Asia Pacific	102	79	379	402
	354	357	1,275	1,271

Pro forma adjustment¹

Trailing 12 month pro forma

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)	2021 Q1	2020 Q1	2020 Full Year	Trailing 12 mths
Net sales	1,361	1,394	5,614	5,581
EBITDA	191	179	864	876
EBITDA ¹	178	164	806	821
EBITA ¹	160	147	736	749
EBIT ¹	156	143	721	734
EBITA % ¹	11.7	10.5	13.1	13.4
EBIT % ¹	11.5	10.2	12.8	13.2
Total growth %	-2.4	1.8	-6.2	
Organic %	-1.4	-1.3	-7.0	
Exchange effects %	-4.2	1.3	-2.1	
Acquisitions %	3.4	1.9	3.0	
Average number of employees	2,603	2,595	2,625	

¹ Excl. IFRS 16.

Highlights

- Order intake increases during the quarter, and by end of March order backlog is at a satisfactory level.
- Demand varies between markets. Sweden continues to be stable. The UK developed positively during the quarter.
- High profitability driven by effective cost control.
- Investments to promote continued long-term growth continue.
- Residential business unit developing extremely well, with service side also managing to grow despite challenges of pandemic.

Breakdown of net sales

(SEK m)	2021 Q1	2020 Q1	2020 Full Year	Trailing 12 mths
Sweden	307	307	1,178	1,179
Rest of Nordic region	268	274	1,085	1,079
Rest of world	785	813	3,351	3,323
	1,361	1,394	5,614	5,581
Pro forma adjustment ¹				61
Trailing 12 month pro forma				5,642

¹ Pro forma for completed acquisitions.

(SEK m)	2021 Q1	2020 Q1	2020 Full Year	Trailing 12 mths
Air Handling Unit	384	412	1,548	1,520
Cooling Heating	254	266	1,194	1,182
Room Unit	286	314	1,269	1,241
Services	108	97	410	422
Residential	155	135	544	564
North America	74	76	322	320
UK	178	175	664	668
Eliminations	-79	-81	-337	-335
	1,361	1,394	5,614	5,581

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 31 of Latour's Annual Report for 2020.

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.

During the period, the net asset value increased to SEK 166 per share from SEK 153 at the start of the year. The net asset value thus increased by 8.1 per cent, while the SIXRX benchmark increased by 14.3 per cent.

For some time, Latour's guideline for the net asset value has been considerably lower than the value that the stock market assigns to Latour's listed share. The share price was SEK 226 at 31 March 2021, to be compared with the indicated net asset value of SEK 166. One possible explanation is that the stock market compares the entire industrial operations with other established listed industrial groups with diverse industrial holdings. The EV/EBIT multiple for these companies is around 29, which if applied to Latour's industrial operations would give rise to an additional value of approximately SEK 30 billion. Hypothetically, this could explain the difference and lend some substance to the share's valuation premium.

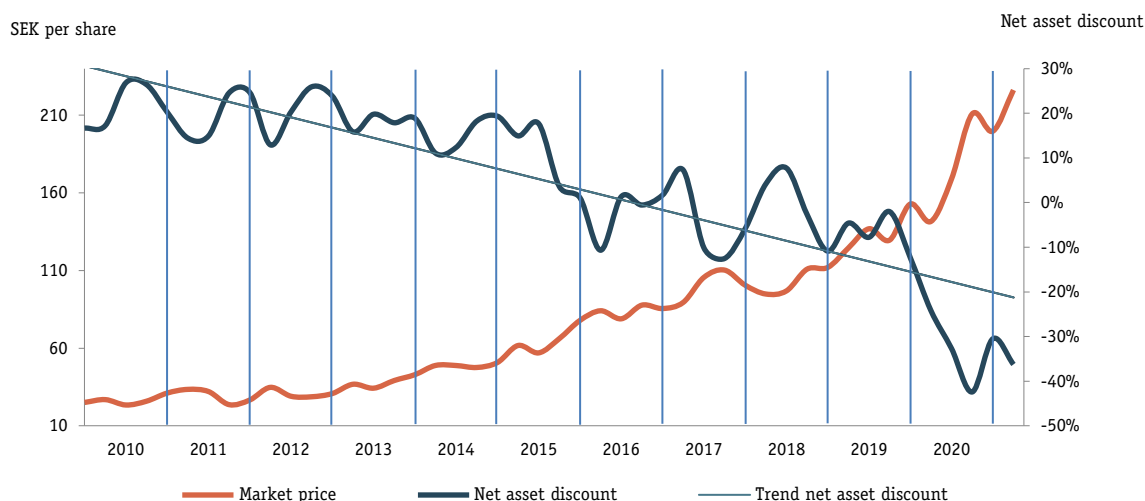
SEK m	Net sales ¹	EBIT ¹	EBIT multiple	Valuation ² Range	Valuation ² Average	Valuation ² SEK/share ³ Range
Caljan	1,163	196	17 – 21	3,332 – 4,116	3,724	5 – 6
Hultafors Group	5,007	701	12 – 16	8,412 – 11,216	9,814	13 – 18
Latour Industries	3,402	401	14 – 18	5,608 – 7,210	6,409	9 – 11
Nord-Lock Group	1,271	317	15 – 19	4,755 – 6,023	5,389	7 – 9
Swegon	5,641	740	15 – 19	11,100 – 14,060	12,580	17 – 22
	16,484	2,355		33,207 – 42,625		52 – 67
Industrial operations valuation, average					37,916	59
Listed shares (see table on page 10 for breakdown)					73,927	116
Latour Future Solutions					40	0
<i>Unlisted part-owned holdings</i>						
Neuffer ⁴ , 66.1 %					149	0
Oxeon ⁴ , 31.3 %					18	0
<i>Other assets</i>						
Short trading portfolio					6	0
Dilution effect of option programme					-179	0
Consolidated net debt (excl IFRS 16)					-5,874	-9
Estimated value					106,003	166
					(101 294 – 110 712)	(158 – 173)

¹ Trailing 12 months for current company structure (proforma). EBIT is, as appropriate, reported before restructuring costs.

² EBIT and EV/sales recalculated taking into consideration the listed share price on 31 of March 2021 for comparable companies in each business area.

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

⁴ Valued according to the book value.



The investment portfolio at 31 March 2021

In the first quarter, the value of the investment portfolio increased by 8.6 per cent, adjusted for changes in the portfolio, while the benchmark index (SIXRX) increased by 14.3 per cent.

Share ¹	Number	Cost SEK m	Listed share price ² SEK	Market value SEK m	Share of votes %	Share of equity %
Alimak Group	16,016,809	2,134	140	2,242	29.7	29.6
Assa Abloy ³	105,495,729	1,697	251	26,479	29.5	9.5
Fagerhult	84,708,480	1,899	50	4,261	48.1	47.8
HMS Networks	12,109,288	250	276	3,342	26.0	25.9
Nederman	10,538,487	306	146	1,539	30.0	30.0
Securitas ³	39,732,600	1,081	149	5,900	29.6	10.9
Sweco ^{3 4}	97,867,440	445	143	13,956	21.0	26.9
Tomra ⁵	31,200,000	1,600	370 NOK	11,819	21.1	21.1
Troax	18,060,000	397	243	4,389	30.2	30.1
Total		9,810		73,927		

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

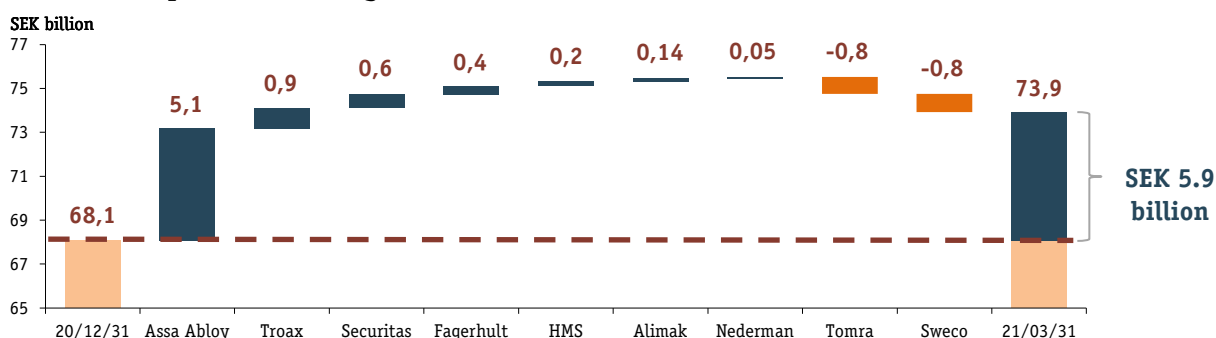
² The last price paid is used as the listed share price.

³ Due to the limited trading in class A shares in Sweco, and the fact that the class A shares in Assa Abloy 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.

⁴ The cost of the class B shares are SEK 34 m higher than in the parent company through the exercise of call options.

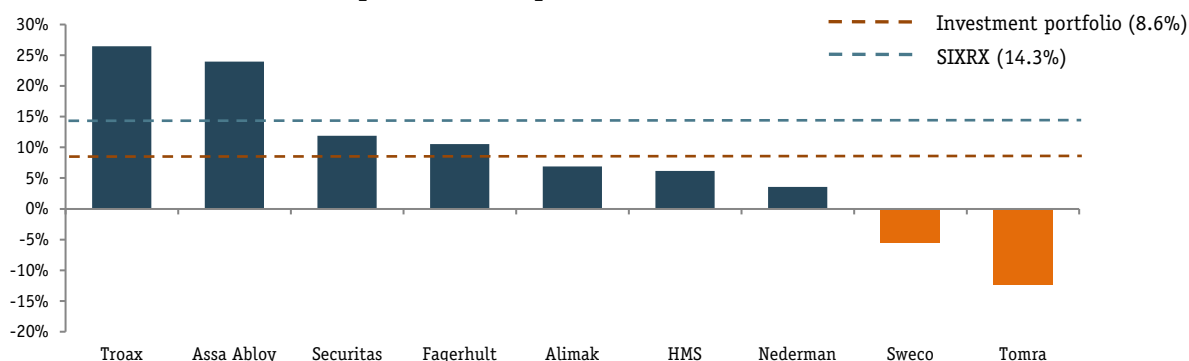
⁵ At the end of the report period, the listed share price was NOK 370,30 which has been translated to SEK at the exchange rate on the balance sheet date.

Investment portfolio during 2021



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

Total return 2021 for the portfolio companies



Results and financial position

The Group

The Group's profit after financial items was SEK 1,344 m (116 m). Profit after tax was SEK 1,211 m (4 m), which is equivalent to SEK 1.89 (0.01) per share. A revaluation of the holding in Alimak has had a positive impact on the income statement in the amount of SEK 189 m.

The Group's cash in hand and liquid investments reached SEK 1,663 m (2,701 m). Interest-bearing debt, excluding pension liabilities and lease liabilities, totalled SEK 7,453 m (11,813 m). The Group's net debt was SEK 6,705 m (9,193 m). Net debt, excluding lease liabilities, was SEK 5,874 m (8,601 m). The equity ratio was 87 (79) per cent calculated on reported equity in relation to total assets, including undisclosed surpluses in associated companies.

In February, Latour updated the base prospectus for its existing MTN programme and, at the same time, increased the framework amount to SEK 12 billion at the Swedish Financial Supervisory Authority.

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 198 m (174 m) was invested in property, plant and equipment, of which SEK 180 m (105 m) was machinery and equipment, SEK 0 m (7 m) was vehicles, and SEK 18 m (62 m) was buildings. Fixed assets in newly acquired companies account for SEK 115 m (129 m) of investments for the year.

Parent company

The parent company's profit/loss after financial items was SEK -4 (-89) m. The parent company's equity ratio was 66 (56) per cent.

The number of class A shares issued is 47,635,048 and the number of class B shares is 592,204,952. Not including repurchased shares, the number of outstanding shares on 31 March 2021 amounted to 639,379,500. At the end of the period, Latour holds 460,500 repurchased class B shares.

The total number of issued call options is 2,162,900, which give the right to purchase the same amount of shares.

Events after the reporting period

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 nine listed holdings and five 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 34 of Latour's 2020 Annual Report, except for the possible consequences of the coronavirus pandemic which have been commented on in other sections of this report.

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 Swedish 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 2021 have not had any impact on the Group's or parent company's accounting as at 31 March 2021.

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 1984 to 2020 are available for viewing on Latour's website www.latour.se.

Gothenburg, 29 April 2021
Johan Hjertonsson
President and CEO

Consolidated income statement

SEK m	2021 Q1	2020 Q1	12 mths Apr-Mar 2020/2021	Full Year 2020
Net sales	3,987	3,678	15,337	15,028
Cost of goods sold	-2,423	-2,234	-9,340	-9,151
Gross profit	1,564	1,444	5,997	5,877
Sales costs	-616	-607	-2,263	-2,254
Administrative costs	-305	-310	-1,184	-1,189
Research and development costs	-110	-103	-413	-406
Other operating income	34	25	143	134
Other operating expenses	-20	-24	-101	-105
Operating profit	547	425	2,179	2,057
Income from interests in associates	722	-341	5,040	3,977
Income from portfolio management	-	-7	-1	-8
Management costs	-7	-7	-28	-28
Profit before financial items	1,262	70	7,190	5,998
Finance income	112	109	34	31
Finance expense	-30	-63	-243	-276
Profit after financial items	1,344	116	6,981	5,753
Taxes	-133	-112	-450	-429
Profit for the period	1,211	4	6,531	5,324
Attributable to:				
Parent company shareholders	1,211	4	6,527	5,320
Non-controlling interests	-	-	4	4
Earnings per share regarding profit attributable to parent company shareholders				
Basic share, SEK	1.89	0.01	10.21	8.32
Diluted share, SEK	1.89	0.01	10.18	8.29
Average number of basic shares outstanding	639,379,500	639,282,500	639,363,023	639,338,951
Average number of diluted shares outstanding	641,502,400	641,613,000	641,406,653	641,434,414
Number of outstanding shares	639,379,500	639,282,500	639,379,500	639,379,500

Consolidated statement of comprehensive income

SEK m	2021 Q1	2020 Q1	12 mths Apr-Mar 2020/2021	Full Year 2020
Profit for the period	1,211	4	6,531	5,324
Other comprehensive income:				
Items that will not be recycled to the income statement				
Restatement of net pension obligations	-	-	3	3
	0	0	3	3
Items that may subsequently be recycled to the income statement				
Change in translation reserve for the period	302	548	-817	-571
Change in hedging reserve for the period	-79	-171	217	125
Change in associated companies' equity	-757	-580	-1,171	-994
	-534	-203	-1,771	-1,440
Other comprehensive income, net after tax	-534	-203	-1,768	-1,437
Comprehensive income for the period	677	-199	4,763	3,887
Attributable to:				
Parent company shareholders	677	-199	4,762	3,886
Non-controlling interests	-	-	1	1

Consolidated cash flow

SEK m	2021 Q1	2020 Q1	12 mths Apr-Mar 2020/2021	Full Year 2020
Operating cash flows before movements in working capital	535	375	2,280	2,120
Movements in working capital	-298	-282	199	215
Operating cash flows	237	93	2,479	2,335
Acquisitions of subsidiaries	-972	-756	-908	-692
Other investments	-83	-88	-525	-530
Portfolio management	-30	-64	3,258	3,224
Cash flow after investments	-848	-815	4,304	4,337
Financial payments	-1,578	2,421	-5,234	-1,235
Cash flow for the period	-2,426	1,606	-930	3,102

Consolidated balance sheet

SEK m	2021/03/31	2020/03/31	2020/12/31
ASSETS			
Goodwill	11,101	11,261	10,063
Other intangible assets	331	280	241
Property, plant and equipment	2,417	1,844	2,072
Financial assets	20,440	19,573	20,440
Inventories etc.	2,735	2,411	2,127
Current receivables	3,838	3,400	3,110
Cash and bank	1,663	2,701	4,033
Total assets	42,525	41,470	42,086
EQUITY AND LIABILITIES			
Capital and reserves attributable to parent company shareholders	29,744	25,807	29,067
Non-controlling interests	82	84	81
<i>Total equity</i>	<i>29,826</i>	<i>25,891</i>	<i>29,148</i>
Interest-bearing long-term liabilities	7,968	9,177	7,509
Non-interest-bearing long-term liabilities	628	530	587
Interest-bearing current liabilities	542	2,737	2,016
Non-interest-bearing current liabilities	3,561	3,135	2,826
Equity and liabilities	42,525	41,470	42,086

Consolidated changes in equity

SEK m	Share capital	Repurchased treasury shares	Other reserves	Profit brought forward	Non-controlling interests	Total
Opening balance 1 Jan 2020	133	-67	442	25,502	80	26,090
Total comprehensive income for the period			373	-576	4	-199
Closing balance 31 Mars 2020	133	-67	815	24,926	84	25,891
Opening balance 1 April 2020	133	-67	815	24,926	84	25,891
Total comprehensive income for the period			-816	4,905	-3	4,086
Issued call options				11		11
Exercise of call options		79		-25		54
Own shares repurchase		-95				-95
Dividends				-799		-799
Closing balance 31 December 2020	133	-83	-1	29,018	81	29,148
Opening balance 1 Jan 2021	133	-83	-1	29,018	81	29,148
Total comprehensive income for the period			222	454	1	677
Issued call options			1			1
Closing balance 31 Mars 2021	133	-83	222	29,472	82	29,826

Key ratios, Group

	2021/03/31	2020/03/31	2020/12/31
Return on equity (%)	16	0	19
Return on total capital (%)	13	2	15
Equity ratio, incl IFRS 16 (%)	70	62	69
Equity ratio, excl IFRS 16 (%)	72	63	70
Adjusted equity ratio, incl IFRS 16 ¹ (%)	87	79	86
Adjusted equity ratio, excl IFRS 16 ¹ (%)	88	80	86
Adjusted equity ¹ (SEK m)	83,820	59,626	77,245
Surplus value in associated companies ² (SEK m)	53,994	33,735	48,097
Net debt/equity ratio 1 (%) ³	8.1	15.4	7.1
Net debt/equity ratio 2 (%) ⁴	6.1	11.3	5.3
Listed share price (SEK)	226	142	200
Repurchased shares	460,500	557,500	460,500
Average number of repurchased shares	460,500	557,500	501,049
Average number of employees	7,090	6,039	6,251
Issued call options corresponds to number of shares	2,162,900	2,330,500	2,122,900

¹ Incl. fair value gain in associated companies.

² The difference between the carrying amount and market value.

³ The ratio of net debt to adjusted equity.

⁴ The ratio of net debt to the market value of total assets.

Parent company income statement

SEK m	2021 Q1	2020 Q1	12 mths Apr-Mar 2020/2021	Full Year 2020
Income from interests i Group companies	-	-	499	499
Income from interest in associates companies	-	-	2,842	2,842
Income from portfolio management	-	-	-	-
Management costs	-5	-5	-22	-22
Profit before financial items	-5	-5	3,319	3,319
Interest income and similar items	9	16	37	44
Interest expense and similar items	-8	-100	57	-35
Profit after financial items	-4	-89	3,413	3,328
Taxes	-	-	-	-
Profit for the period	-4	-89	3,413	3,328

Parent company statement of comprehensive income

SEK m	2021 Q1	2020 Q1	12 mths Apr-Mar 2020/2021	Full Year 2020
Profit for the period	-4	-89	3,413	3,328
Change in fair value reserve for the period	-	-	-	-
Total other comprehensive income	0	0	0	0
Comprehensive income for the period	-4	-89	3,413	3,328

Parent company balance sheet

SEK m	2021/03/31	2020/03/31	2020/12/31
ASSETS			
Financial assets	12,385	11,188	12,385
Long-term receivables from Group companies	5,650	6,250	5,650
Current receivables from Group companies	701	-	16
Other current liabilities	20	23	12
Cash and bank	-	-	706
Total assets	18,756	17,461	18,769
EQUITY AND LIABILITIES			
Equity	12,345	9,760	12,348
Interese-bearing long-term lilabilities	6,400	7,000	6,400
Non-interest-bearing long-term liabilities	-	-	-
Interese-bearing current liabilities	-	603	-
Non-interest-bearing current liabilities	11	98	21
Equity and liabilities	18,756	17,461	18,769

Parent company statement of changes in equity

SEK m	2021/03/31	2020/03/31	2020/12/31
Amount at beginning of year	12,348	9,849	9,849
Total comprehensive income for the period	-4	-89	3,328
Issued call options	1	-	11
Exercise of call options	-	-	54
Repurchased treasury shares	-	-	-95
Dividends	-	-	-799
Amount at end of year	12,345	9,760	12,348

Segment reporting:

Development by business area 1 Jan 2021 – 31 March 2021

SEK m	Industrial operations						Portfolio management	Total
	Caljan	Hultafors Group	Latour Industries	Nord-Lock Group	Swegon	Other		
INCOME								
External sales	209	1,113	887	354	1,361	63		3,987
Internal sales			-					-
RESULT								
Operating profit	19	183	112	99	156	-22		547
Income from portfolio management							715	715
Finance income								112
Finance expense								-30
Taxes								-133
Profit for the period								1,211
OTHER DISCLOSURES								
Investments in:								
property, plant and equipment	2	155	31	3	7			198
intangible assets	-	385	480	-	1			866
Depreciation/amortisation	5	12	15	11	22	48		113

Development by business area 1 Jan 2020 – 31 March 2020

SEK m	Industrial operations						Portfolio management	Total
	Caljan	Hultafors Group	Latour Industries	Nord-Lock Group	Swegon	Other		
INCOME								
External sales	222	846	811	357	1,394	48		3,678
Internal sales			1					1
RESULTS								
Operating result	30	108	71	97	143	-24		425
Income from portfolio management							-355	-355
Finance income								109
Finance expense								-63
Taxes								-112
Profit for the period								4
OTHER DISCLOSURES								
Investments in:								
property, plant and equipment	16	104	24	2	21	7		174
intangible assets	-	304	485	-	66	-		855
Depreciation/amortisation	3	10	15	9	21	47		105

Change in consolidated interest-bearing net debt

SEK m	2020/12/31	Change in cash	Change in loans	Other changes	2021/03/31
Interest-bearing receivables	22				22
Swap	200			-80	120
Cash	4,033	-2,403		33	1,663
Pensions provisions	-91			-133	-224
Long-term liabilities	-7,420		126	-450	-7,744
Utilised bank overdraft facilities	-85		15		-70
Interest-bearing current liabilities	-1,932		1,510	-50	-472
Interest-bearing net debt	-5,273	-2,403	1,651	-680	-6,705

Five-year overview

SEK m	Apr-Mar 2020/2021	2020	2019	2018	2017
Net sales, SEK m	15,337	15,028	13,738	11,785	9,930
Operating profit, SEK m	2,179	2,057	1,819	1,397	1,125
Income from interest in associated companies, SEK m	5,040	3,977	3,955	1,278	2,006
Income from portfolio management, SEK m	-29	-36	194	2	-8
Profit after finance items, SEK m	6,981	5,753	5,725	2,646	3,069
Earnings per share, SEK ¹	10.21	8.32	8.33	3.66	4.37
Return on equity, %	23.4	19.0	22.0	11.0	14.2
Return on total capital, %	17.2	15.0	17.0	9.0	12.6
Adjusted equity ratio, %	88	86	86	86	88
Net debt/equity ratio, %	8.1	7.1	11.3	9.2	7.9

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	Share	Contributed		
					Revenues	EBIT	nber of employees
11 January 2021	Vega Srl	Italy	Latour Industries	100%	57	13	203
8 January 2021	VM Kompensator A/S	Denmark	Latour Industries	100%	4	1	17
20 January 2021	Elsys AB	Sweden	Latour Industries	70%	12	5	6
28 February 2021	Fristads AB, Kansas AS Kansas GmbH, Leijona Group OY	Sweden	Hultafors Group	100%	110	6	608

Assets and liabilities in acquisitions

	Consolidated carrying amount
Intangible assets	126
Property, plant and equipment	125
Inventories	385
Account receivable	262
Other receivable	23
Cash	48
Long-term liabilities	-604
Current liabilities	-311
Net identifiable assets and liabilities	551
Group goodwill	730
Total purchase price	1,281
Additional purchase price	-233
Cash settlement purchase price	1,048
Acquisition of non-cash items	-28
Acquired cash	-33
Effect of Group cash	987

Elsys AB will be fully consolidated into the Group when an agreement on the acquisition of outstanding shares is in place. All acquisitions have been made with the aim of strengthening and developing the Latour Group's existing operations. The acquisition cost calculations are preliminary and may change if new information becomes available. Transaction costs for acquisitions made during the period amount to SEK 14 m. Estimated additional purchase prices amounting to SEK 27 m for the acquisition of VM Kompensator, SEK 116 m for the acquisition of Vega, and SEK 90 m for the acquisition of Fristads have been booked.

Note 2 Disclosures about financial assets and liabilities

Classification of financial instruments

THE GROUP 31 MARCH 2021

	Available-for-sales financial assets	Financial assets values at fair value via profit and loss	Derivatives used for hedging purposes	Total carrying amount
FINANCIAL ASSETS				
Listed shares, management	0 ¹			0
Other long-term securities holdings	43 ²			43
Other long-term receivables			27 ³	27
Listed shares, trading		6 ¹		6
Unrealised gains, currency derivatives	120 ²			120
Other current receivables			3 275 ³	3,275
Cash			1 663 ³	1,663
Total	163	0	4,965	5,134
FINANCIAL LIABILITIES				
Long-term loans			7 084 ³	7,084
Bank overdraft facilities			70 ³	70
Current loans			300 ³	300
Other liabilities			2 201 ³	2,201
Unrealised gains, currency derivatives	6 ²			6
Total	6	0	9,655	9,661

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 at 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 and currency swaps and are included in level 2. Valuation at fair value of 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.

Note 3 Breakdown of revenues

Revenue by category

THE GROUP 31 MARCH 2021

SEK m	2021 3 mths	2020 3 mths
Revenue from goods	3,763	3,474
Revenue from services	224	204
	3,987	3,678
Fix-price contract	3,170	2,830
Time-and-materials contracts	817	848
	3,987	3,678
Sweden	731	660
Nordics, excl. Sweden	596	574
Europe, excl. Nordics	1,873	1,745
Other markets	787	699
	3,987	3,678

Latour's revenues are derived from a variety of operations that are conducted in more than a hundred subsidiaries.

Information by quarter

SEK m	2021	2020					2019				
	Q1	Full Year	Q4	Q3	Q2	Q1	Full Year	Q4	Q3	Q2	Q1
INCOME STATEMENT											
Net sales	3,987	15,028	4,053	3,692	3,605	3,678	13,738	3,647	3,339	3,567	3,185
Cost of goods sold	-2,423	-9,151	-2,472	-2,236	-2,209	-2,234	-8,301	-2,219	-2,041	-2,137	-1,904
Gross profit	1,564	5,877	1,581	1,456	1,396	1,444	5,437	1,428	1,298	1,430	1,281
Costs etc. for the operation	-1,017	-3,820	-1,006	-860	-935	-1,019	-3,618	-1,064	-855	-831	-868
Operating profit	547	2,057	575	596	461	425	1,819	364	443	599	413
Total portfolio management	715	3,941	991	836	2,469	-355	3,965	1,029	350	1,209	1,377
Profit before financial items	1,262	5,998	1,566	1,432	2,930	70	5,784	1,393	793	1,808	1,790
Net financial items	82	-245	-120	-40	-121	46	-59	-67	31	-24	1
Profit after financial items	1,344	5,753	1,446	1,382	2,809	116	5,725	1,326	824	1,784	1,791
Taxes	-133	-429	-157	93	-67	-112	-415	-79	-133	-113	-90
Profit for the period	1,211	5,324	1,289	1,289	2,742	4	5,310	1,247	691	1,671	1,701
KEY RATIOS											
Earnings per share, SEK	1.89	8.32	2.01	2.02	4.29	0.01	8.33	1.98	1.08	2.61	2.66
Cash flow for the period	-2,426	3,102	537	483	2,053	1,606	249	169	122	-1,171	1,129
Adjusted equity ratio, %	88	86	86	85	82	80	86	86	87	88	87
Adjusted equity	83,820	77,245	77,245	77,112	67,933	59,626	71,398	71,398	65,229	66,481	62,720
Net asset value	106,003	98,024	98,024	94,584	81,418	72,863	86,974	86,974	81,027	81,276	76,054
Net asset value per share, SEK	166	153	153	148	127	114	136	136	127	127	119
Listed share price, SEK	226	200	200	211	169	142	153	153	130	137	125
NET SALES											
Caljan	209	1,176	424	311	219	222	113	113	-	-	-
Hultafors Group	1,113	3,641	1,041	915	839	846	2,896	866	693	689	648
Latour Industries	887	3,081	855	725	689	812	3,079	810	739	790	740
Nord-Lock Group	354	1,275	294	300	324	357	1,448	330	340	395	384
Swegon	1,361	5,614	1,376	1,372	1,472	1,394	5,986	1,473	1,505	1,639	1,370
	3,924	14,783	3,989	3,622	3,542	3,631	13,519	3,591	3,276	3,512	3,142
Other companies and eliminations	63	245	64	70	63	47	219	56	63	55	43
	3,987	15,028	4,053	3,692	3,605	3,678	13,738	3,647	3,339	3,567	3,185
OPERATING PROFIT											
Caljan	19	207	93	58	27	30	20	20	-	-	-
Hultafors Group	183	561	182	157	114	108	412	138	97	90	88
Latour Industries	112	312	105	87	48	71	257	60	74	67	56
Nord-Lock Group	99	316	52	83	84	97	411	71	94	124	121
Swegon	156	721	160	217	201	143	717	145	199	226	147
	569	2,117	593	602	474	449	1,817	434	464	507	412
Gain/loss from sale/purchase of business	-14	-38	-12	1	-10	-17	29	-63	-15	108	-1
Other companies and items	-9	-22	-6	-4	-7	-8	-27	-7	-6	-17	2
	546	2,057	575	599	457	424	1,819	364	443	598	413
OPERATING MARGIN (%)											
Caljan	9.1	17.6	21.8	18.7	12.2	13.3	17.4	17.4	0.0	0.0	0.0
Hultafors Group	16.5	15.4	17.5	17.1	13.6	12.8	14.2	15.9	13.9	13.3	13.6
Latour Industries	12.6	10.1	12.3	12.0	7.0	8.8	8.3	7.4	10.0	7.7	7.6
Nord-Lock Group	27.8	24.8	17.7	27.6	25.8	27.3	28.4	21.6	27.8	40.8	31.4
Swegon	11.5	12.8	11.6	15.8	13.7	10.2	12.0	9.9	13.2	10.7	10.7
	14.5	14.3	14.8	16.6	13.4	12.4	13.4	12.1	14.2	13.1	13.1

Definitions of key ratios

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

Basic earnings per share

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

Calculations:

Jan-Mar 2021: $1,211/639,379,500 \times 1000 = 1.89$

Jan-Mar 2020: $4/639,282,500 \times 1000 = 0.01$

Diluted earnings per share

Calculations:

Jan-Mar 2021: $1,112/641,502,400 \times 1000 = 1.89$

Jan-Mar 2020: $4/641,613,000 \times 1000 = 0.01$

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.

Share of voting rights

Share of voting rights is calculated after deduction for repurchased shares.

Share of equity

Share of equity is calculated on total number of issued shares.

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.

For further information, please contact:

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Presentation of performance for the quarter:

Investment AB Latour invites you to participate in a conference call with Johan Hjertonsson and Anders Mörck commencing at 10 a.m. today.

The number to call is +46 (0)8 505 583 54. The conference will be broadcast on the Internet.

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

Financial dates:

The Annual General Meeting will be held on 10 May 2021

The interim report for the period January – June 2021 will be published on 23 August 2021

The interim report for the period January – September 2021 will be published on 9 November 2021

The 2021 Year-End Report will be published on 11 February 2022

The information contained in this report constitutes information which Investment AB Latour (publ) is required to disclose under the EU Market Abuse Regulation. The information was provided by the above contact persons for publication on 29 April 2021, at 08.30AM CEST.