

INTERIM REPORT
JANUARY–JUNE

2015



Interim report January – June 2015

NET ASSET VALUE AND THE LATOUR SHARE

- The net asset value rose to SEK 277 per share, compared to SEK 250 per share at the beginning of the year. This is an increase of 13.5 per cent, adjusted for dividends. By comparison, the Stockholm Stock Exchange's Total Return Index (SIXRX) increased by 10.0 per cent. The net asset value was SEK 293 per share at 17 August.¹
- The total return on the Latour share was 15.6 per cent for the period, which is better than the SIXRX index.

INDUSTRIAL OPERATIONS

The second quarter

- The industrial operations' incoming orders rose 12 per cent to SEK 2,211 m (1,970), which means an unchanged level for comparable entities adjusted for foreign exchange effects.
- The industrial operations' net sales rose 12 per cent to SEK 2,161 m (1,935), which represents a 1 per cent decrease for comparable entities adjusted for foreign exchange effects.
- The operating profit increased by 19 per cent to SEK 246 m (207), which is equivalent to an operating margin of 11.4 (10.7) per cent for continuing operations.
- During the quarter, Latour Industries acquired Produal, which has 95 employees and an annual turnover of EUR 18 m. Specma Group has acquired Hydraulikhuset, which has 26 employees and an annual turnover of SEK 60 m. REAC has finalised the agreement for the acquisition of a small-scale business from the Ergolet Group in Poland.

January to June

- The industrial operations' order intake rose 14 per cent to SEK 4,355 m (3,813), which means a 1 per cent increase for comparable entities adjusted for foreign exchange effects.
- The industrial operations' net sales rose 14 per cent to SEK 4,191 m (3,665), which represents a 0.2 per cent increase for comparable entities adjusted for foreign exchange effects.
- The operating profit increased by 37 per cent to SEK 453 m (331), which is equivalent to an operating margin of 10.8 (9.0) per cent for continuing operations.

GROUP

- The Group's profit after financial items was SEK 1,872 m (897).
- The Group's profit after tax, including capital gains of SEK 670 m, was SEK 1,735 m (829), which is equivalent to SEK 10.88 (5.20) per share.
- Net debt at the end of June was SEK 3,599 m (2,543) and is equivalent to 7.5 per cent of the market value of total assets.
- Latour acquired 18 per cent of the shares in Steelwrist in June.

INVESTMENT PORTFOLIO

- During the six months, the value of the investment portfolio increased by 15.5 per cent adjusted for dividends. The comparable index (SIXRX) increased by 10.0 per cent.
- Ownership in Nobia dropped to 10.1 per cent following the disposal of 5,395,000 shares. Earlier in the year, 30.1 per cent of the shares in Troax were acquired. The company reports annual sales of approximately SEK 900 m.

EVENTS AFTER THE REPORTING PERIOD

- Latour announced its intention to sell the Specma Group business area.

¹ The calculation of the net asset value on 17 August 2015 was based on the value of the investment portfolio at 1 p.m. on 17 August and the same values as on 30 June 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 on 30 June 2015 had a market value of about SEK 34 billion. The holdings in the investment portfolio with the greatest value are Assa Abloy, Securitas and Sweco. The wholly-owned industrial operations are grouped into five business areas: Hultafors Group, Latour Industries, Nord-Lock, Specma Group and Swegon, and generate a turnover of approximately SEK 8 billion.

Comments from the CEO

"We are pleased to be able to report yet another quarter of robust performance despite the fact that volume growth adjusted for foreign exchange effects is sluggish. We are experiencing positive growth, albeit rather tepid, in much of Europe, where the most significant share of Latour's industrial operations conduct business. We are seeing stronger growth in our operations in Asia and North America, although these markets still account for a small proportion of total sales.

During the second quarter, incoming orders for the industrial operations were unchanged, when adjusted for foreign exchange effects and acquisitions. Net sales decreased by 1 per cent. The quarter's weak growth in volumes is somewhat coloured by Nord-Lock, in particular, being measured against a very robust quarter in the previous year. Including acquisitions and foreign exchange effects, both order intake and invoiced sales grew by 12 per cent in the industrial operations. To date this year, order intake is exceeding invoiced sales by more than SEK 160 m.

Compared with the adjusted profit in the previous year, profit rose 19 per cent to SEK 246 m (207), which is equivalent to an operating margin of 11.4 (10.7) per cent. Latour Industries accounts for the largest increase in profits from a previously low level. Hultafor Group and Specma Group have also contributed with significant growth in profits.

We can still see good potential for reporting strong earnings even if market growth is relatively weak. We continue to conduct our operations based on the premise that we cannot count on the economic situation offering us any significant help. However, we are not holding back on investments in product development and sales.

There was slightly more acquisition activity in the second quarter in the wholly-owned operations. REAC in Latour Industries finalised the agreement for the acquisition of parts of the Ergolet Group in Poland. The business generates sales of SEK 30 m and is based in Jasien in Poland. The deal ensures that REAC has a supply chain for key components.

Latour Industries also acquired Produal, a leading Finnish manufacturer of devices for building automation measurement and room control. Produal has 95 employees and generates sales of EUR 18 m with a very high level of

profitability and operates in an area that is related to our holdings in the field of energy efficiency in buildings, Kabona, Bastec and Elvaco.

Specma Group made a smaller acquisition in the quarter with its purchase of Hydraulikhuset. The company has 26 employees and generates sales of approximately SEK 60 m. The acquisition enhances Specma's position in hydraulic systems and in the after-sales market in west Sweden.

We have also decided to announce our intention of selling the Specma Group business area, with annual revenue of SEK 1.3 billion. Since we have adopted a more rigorous acquisition strategy, which focuses explicitly on business operations with proprietary products and brands, it is only natural to sell Specma. A significant share of Specma's operations are trading services and it is a small player in the huge hydraulics market, with limited potential for expansion outside the Nordic region.

Most of our listed holdings have submitted their reports for the second quarter. On the whole, the companies have reported very positive performances in terms of growth and profitability, although market expectations were even higher in some cases. Several companies have continued to make acquisitions. Sweco's public takeover bid by the Dutch company, Grontmij, is particularly exciting. When finalised, the acquisition will make Sweco the leading technology consultancy company in Europe. Latour reduced its shareholding in Nobia to 10.1 per cent during the quarter.

The value of the investment portfolio rose 15.5 per cent during the first six months. This is higher than the comparable index (SIXRX), which rose 10.0 per cent. The net asset value in Latour increased in the first six months of 2015 by 13.5 per cent to SEK 277 per share, adjusted for dividends.

Finally, Latour has also expanded its portfolio of other unlisted holdings with the acquisition of 18 per cent of the shares in Steelwrist. Steelwrist develops, manufactures and sells tools that increase excavator efficiency, operator-friendliness and safety and had annual revenue of SEK 116 m in 2014."

*Jan Svensson
President and Chief Executive Officer*

Industrial operations

Order intake, invoicing and earnings

The total order intake increased to SEK 2,211 m (1,970) during the second quarter. Invoicing increased to SEK 2,161 m (1,935), which is equivalent to a 1 per cent organic decline when adjusted for foreign exchange effects and acquisitions. The operating profit in the wholly-owned industrial operations increased by 19 per cent to SEK 246 m (207) in the quarter. The operating margin was 11.4 (10.7) per cent.

In the six-month period, incoming orders increased to SEK 4,355 m (3,813). Invoicing increased to SEK 4,191 m (3,665) which, adjusted for foreign exchange effects and acquisitions, means organic growth is unchanged. The operating profit in the wholly-owned industrial operations increased by 37 per cent to SEK 453 m (331). The operating margin was 10.8 (9.0) per cent.

* The comparative figures indicate adjusted operating profit and adjusted operating margin for divested operations.

Acquisitions

REAC AB finalised the agreement for the acquisition of a small-scale business from the Ergolet Group in Poland during the quarter. The business manufactures components for actuators and tilt and lift systems. REAC AB is part of the Latour Industries business area. This acquisition will consolidate REAC's market position in the field of electric wheelchairs. It will create opportunities for REAC to increase its competitive edge and capacity and to lay the foundation for future growth. The deal is being managed via REAC Components, which is REAC's new subsidiary. The company will generate annual sales of approximately SEK 30 m and is based in Jasien in Poland.

Latour Industries also acquired Produal, a leading Finnish manufacturer of devices for building automation measurement and room control. Produal has 95 employees and generates sales of EUR 18 m with a very high level of

profitability and operates in an area that is related to our holdings in the field of energy efficiency in buildings, Kabona, Bastec and Elvaco. Produal has its head office in Kotka in Finland, and its product range includes temperature sensors, pressure transmitters, room controllers, transducers and accessories. Its products are sold through subsidiaries in Finland, Sweden, Denmark and France, and partners in other European countries. In less than three years, Produal has nearly doubled its international business and has achieved sales growth of almost 20 per cent per annum.

Specma made a smaller acquisition in the quarter with its purchase of Hydraulikhuset. The company has 26 employees and generates sales of approximately SEK 60 m. Hydraulikhuset sells and manufactures hydraulic systems for OEM manufacturers, distributes components and conducts repair and service business in the after-sales market. The company's head office is in Gothenburg and it has operations in Kungsbacka and Falkenberg. The acquisition enhances Specma's position in hydraulic systems and in the after-sales market in west Sweden.

Latour has also expanded its portfolio of other unlisted holdings with the acquisition of 18 per cent of the shares in Steelwrist. The company develops, manufactures and sells tools that increase excavator efficiency, operator-friendliness and safety. The aim is to build an industrial group, with Steelwrist as a key element, in the field of quick couplers, tiltrotators, electronics and equipment for excavators and other tool carriers. Its main products are tiltrotators and quick couplers, but the company also sells buckets and other accessories that are optimised for use with tiltrotators. Steelwrist has its headquarters, product development and manufacturing facilities in Sollentuna, Sweden. The company has 57 employees and had an annual turnover of SEK 116 m in 2014.

Industrial operations summary

Business area results

| SEK m | Net sales | | | | Operating profit | | | | Operating margin % | | | |
|--|--------------|--------------|----------------|----------------|------------------|------------|----------------|----------------|--------------------|-------------|----------------|----------------|
| | 2015 Q2 | 2014 Q2 | 2015 6 mths | 2014 6 mths | 2015 Q2 | 2014 Q2 | 2015 6 mths | 2014 6 mths | 2015 Q2 | 2014 Q2 | 2015 6 mths | 2014 6 mths |
| Hultafors Group | 362 | 322 | 712 | 625 | 48 | 41 | 90 | 75 | 13.2 | 12.8 | 12.6 | 11.9 |
| Latour Industries | 311 | 277 | 601 | 519 | 41 | 20 | 78 | 28 | 13.3 | 7.3 | 13.0 | 5.3 |
| Nord-Lock | 197 | 192 | 405 | 360 | 57 | 57 | 123 | 98 | 28.9 | 29.6 | 30.3 | 27.3 |
| Swegon | 928 | 801 | 1,770 | 1,501 | 80 | 74 | 119 | 111 | 8.6 | 9.2 | 6.7 | 7.4 |
| Eliminations | - | -1 | -4 | -4 | - | - | - | - | - | - | - | - |
| | 1,798 | 1,591 | 3,484 | 3,001 | 226 | 192 | 410 | 312 | 12.6 | 12.1 | 11.8 | 10.4 |
| Specma Group ² | 363 | 344 | 707 | 664 | 20 | 15 | 43 | 19 | 5.5 | 4.4 | 6.1 | 2.9 |
| | 2,161 | 1,935 | 4,191 | 3,665 | 246 | 207 | 453 | 331 | 11.4 | 10.7 | 10.8 | 9.0 |
| Restructuring and non-recurring expenses | - | - | - | - | - | -41 | - | -41 | - | - | - | - |
| | 2,161 | 1,935 | 4,191 | 3,665 | 246 | 166 | 453 | 290 | 11.4 | 8.6 | 10.8 | 7.9 |
| Gain/loss from sale/purchase of businesses | - | - | - | - | -3 | -8 | -5 | -9 | | | | |
| Other companies and items ¹ | - | 5 | - | 21 | -1 | 4 | -1 | -8 | | | | |
| | 2,161 | 1,940 | 4,191 | 3,686 | 242 | 162 | 447 | 273 | | | | |

The comparative year have been adjusted to correspond to the existing structure

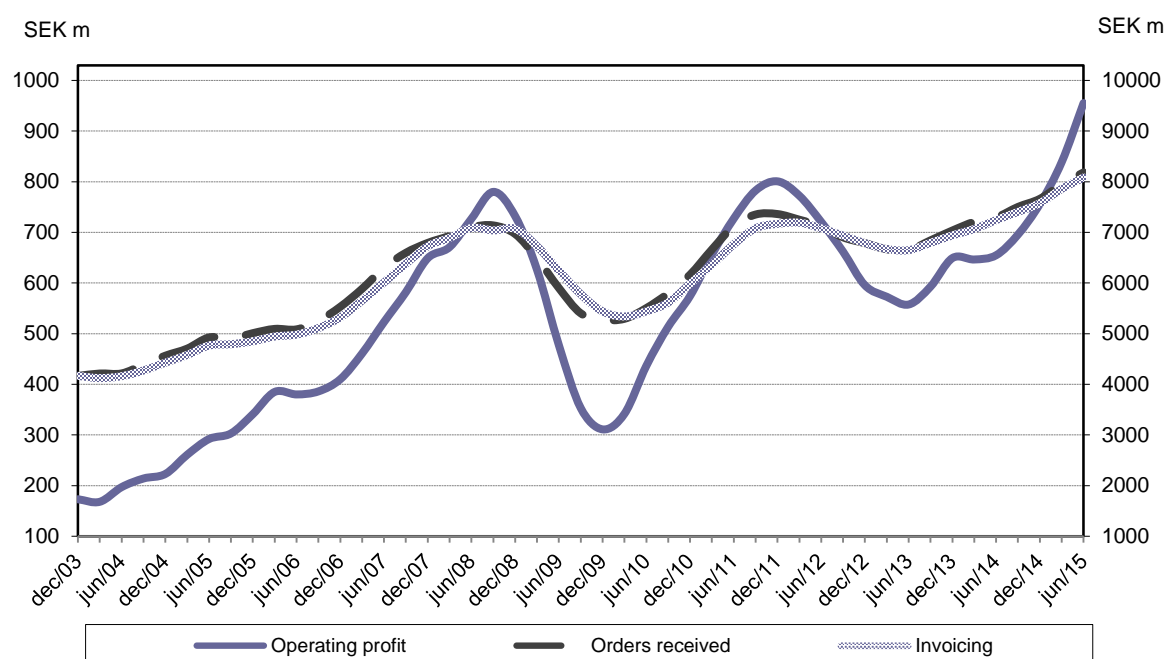
¹ Net sales refer to the operations (Carstens) divested in 2014 previously presented as part of Latour Industries.

² Specma Group is reported on a separate line due to the divestment decision.

| SEK m | Operating capital ³ | | Return on operating capital % | | Growth in net sales % | | |
|-------------------|--------------------------------|---------------------|-------------------------------|---------------------|-----------------------|--------------------------|----------------------|
| | 2015 Trailing 12 | 2014 Trailing 12 | 2015 Trailing 12 | 2014 Trailing 12 | 2015 | Of which acquisitions | Of which currency |
| Hultafors Group | 1,030 | 787 | 18.7 | 21.5 | 13.9 | 5.6 | 4.7 |
| Latour Industries | 991 | 752 | 12.0 | 8.2 | 15.7 | 9.4 | 0.9 |
| Nord-Lock | 617 | 538 | 38.2 | 27.4 | 12.5 | - | 13.5 |
| Swegon | 2,279 | 1,252 | 13.4 | 24.1 | 17.9 | 17.1 | 4.8 |
| | 4,917 | 3,329 | 15.5 | 17.4 | 16.1 | 11.3 | 5.1 |
| Specma Group | 590 | 586 | 11.2 | -4.3 | 6.5 | - | 4.0 |
| Total | 5,507 | 3,915 | 16.7 | 16.7 | 14.4 | 9.3 | 4.9 |

³ 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 per business area

Hultafors Group



| (SEK m) | 2015 Q2 | 2014 Q2 | 2015 6 mths | 2014 6 mths | 2014 Full Year | Trailing 12 mths |
|-----------------------------|------------|------------|----------------|----------------|-------------------|---------------------|
| Net sales | 362 | 322 | 712 | 625 | 1,306 | 1,392 |
| EBITDA, adjusted* | 52 | 45 | 97 | 83 | 195 | 209 |
| EBITA, adjusted* | 49 | 42 | 91 | 77 | 182 | 196 |
| EBIT, adjusted* | 48 | 41 | 90 | 75 | 177 | 192 |
| EBIT, reported | 48 | 41 | 90 | 75 | 177 | 192 |
| EBITA %, adjusted* | 13.4 | 13.1 | 12.8 | 12.2 | 13.9 | 14.1 |
| EBIT %, adjusted* | 13.2 | 12.8 | 12.6 | 11.9 | 13.6 | 13.8 |
| Growth % | 12.7 | 14.0 | 13.9 | 9.6 | 8.1 | |
| Of which exchange effects | 3.6 | 3.7 | 4.7 | 2.8 | 3.6 | |
| Of which acquisitions | 5.5 | - | 5.6 | - | 0.7 | |
| Average number of employees | 648 | 620 | 648 | 614 | 617 | |

* Excluding restructuring costs

Highlights

- Invoicing increased by 12.7 per cent during the quarter. Growth was 3.6 per cent when adjusted for foreign exchange effects and acquisitions.
- All product areas reported organic growth.
- Increased demand compared to last year, particularly in Finland, Ireland and the Netherlands.
- Operating profit remains at a good level despite pressure on the margin, which is partly due to a negative currency-exchange situation.

Breakdown of net sales

| (SEK m) | 2015 Q2 | 2014 Q2 | 2015 6 mths | 2014 6 mths | 2014 Full Year | Trailing 12 mths |
|-----------|------------|------------|----------------|----------------|-------------------|---------------------|
| Workwear | 178 | 169 | 355 | 324 | 688 | 718 |
| Tools | 124 | 119 | 241 | 234 | 474 | 481 |
| Ladders | 39 | 33 | 75 | 68 | 135 | 143 |
| Tradeport | 23 | - | 41 | - | 9 | 50 |
| | 362 | 322 | 712 | 625 | 1,306 | 1,392 |

Pro forma adjustment¹

Trailing 12 month pro forma 1,418

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 through the brands that have 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 on the Swedish market.

Latour Industries



| (SEK m) | 2015 Q2 | 2014 Q2 | 2015 6 mths | 2014 6 mths | 2014 Full Year | Trailing 12 mths |
|-----------------------------|------------|------------|----------------|----------------|-------------------|---------------------|
| Net sales | 311 | 277 | 601 | 519 | 1,034 | 1,116 |
| EBITDA, adjusted* | 47 | 25 | 89 | 38 | 89 | 140 |
| EBITA, adjusted* | 42 | 21 | 80 | 29 | 70 | 121 |
| EBIT, adjusted* | 41 | 20 | 78 | 27 | 68 | 119 |
| EBIT, reported | 41 | 20 | 78 | 27 | 68 | 119 |
| EBITA %, adjusted* | 13.6 | 7.5 | 13.3 | 5.5 | 6.8 | 10.9 |
| EBIT %, adjusted* | 13.3 | 7.3 | 13.0 | 5.3 | 6.5 | 10.6 |
| Growth % | 12.3 | 15.5 | 15.7 | 12.5 | 12.1 | |
| Of which exchange effects | 0.8 | 1.3 | 0.9 | 1.0 | 1.1 | |
| Of which acquisitions | 6.3 | 6.6 | 9.4 | 3.4 | 7.5 | |
| Average number of employees | 944 | 738 | 822 | 704 | 733 | |

* Excluding restructuring costs

Highlights

- Net sales rose 12.3 per cent during the quarter. Growth was 5.2 per cent when adjusted for foreign exchange effects and acquisitions.
- Significant earnings growth compared with the previous year, with Specma Seals and AVT in particular reporting much improved earnings.
- Produal, a leading Finnish manufacturer of devices for building automation measurement and room control, was acquired at the end of June. The company is an excellent complement to our holdings in energy efficiency, Kabona, Elvaco and Bastec. (See page 4 for further information.)
- REAC has finalised the agreement for the acquisition of a small-scale business from the Ergolet Group in Poland. (See page 4 for further information.)

Breakdown of net sales

| (SEK m) | 2015 Q2 | 2014 Q2 | 2015 6 mths | 2014 6 mths | 2014 Full Year | Trailing 12 mths |
|--------------|------------|------------|----------------|----------------|-------------------|---------------------|
| LSAB Group | 120 | 115 | 232 | 230 | 434 | 435 |
| REAC | 75 | 72 | 140 | 128 | 242 | 254 |
| Kabona | 36 | 33 | 72 | 66 | 126 | 132 |
| Elvaco | 21 | 17 | 42 | 17 | 55 | 79 |
| Specma Seals | 29 | 27 | 60 | 48 | 98 | 109 |
| AVT | 15 | 13 | 30 | 30 | 57 | 58 |
| Bastec | 15 | - | 26 | - | 22 | 48 |
| | 311 | 277 | 601 | 519 | 1,034 | 1,116 |

Pro forma adjustment¹

Trailing 12 month pro forma 1,136

¹ Pro forma for completed acquisitions

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

Nord-Lock



| (SEK m) | 2015 Q2 | 2014 Q2 | 2015 6 mths | 2014 6 mths | 2014 Full Year | Trailing 12 mths |
|-----------------------------|------------|------------|----------------|----------------|-------------------|---------------------|
| Net sales | 197 | 192 | 405 | 360 | 722 | 767 |
| EBITDA, adjusted* | 62 | 61 | 133 | 107 | 229 | 255 |
| EBITA, adjusted* | 58 | 58 | 125 | 100 | 214 | 239 |
| EBIT, adjusted* | 57 | 57 | 123 | 98 | 211 | 236 |
| EBIT, reported | 57 | 57 | 123 | 98 | 211 | 236 |
| EBITA %, adjusted* | 29.5 | 30.0 | 30.8 | 27.7 | 29.6 | 31.1 |
| EBIT %, adjusted* | 28.9 | 29.6 | 30.3 | 27.3 | 29.3 | 30.7 |
| Growth % | 2.8 | 20.9 | 12.5 | 17.0 | 15.8 | |
| Of which exchange effects | 11.4 | 3.4 | 13.5 | 2.5 | 4.9 | |
| Of which acquisitions | - | - | - | - | | |
| Average number of employees | 372 | 382 | 367 | 384 | 367 | |

* Excluding restructuring costs

Highlights

- Net sales rose 2.8 per cent during the quarter. Organic growth was negative when adjusted for foreign exchange effects, which can partly be explained by a very strong second quarter in the previous year.
- Strong operating profit in line with the same period in the previous year.
- Continuing strong growth in Asia, net sales increased by 32 per cent in the second quarter and 39 per cent in the first six months.
- Growth was weaker in North America due to the lower rate of investment in oil, gas and mining.
- Increased investment in product development.

Breakdown of net sales

| (SEK m) | 2015 Q2 | 2014 Q2 | 2015 6 mths | 2014 6 mths | 2014 Full Year | Trailing 12 mths |
|------------------|------------|------------|----------------|----------------|-------------------|---------------------|
| Europe | 106 | 105 | 214 | 196 | 394 | 412 |
| North America | 51 | 50 | 107 | 98 | 198 | 206 |
| Asia Pacific | 37 | 28 | 75 | 54 | 114 | 135 |
| Emerging markets | 6 | 9 | 16 | 13 | 24 | 27 |
| Other | -2 | -2 | -7 | -2 | -8 | -13 |
| | 197 | 192 | 405 | 360 | 722 | 767 |

Pro forma adjustment¹

Trailing 12 month pro forma 767

¹ Pro forma for completed acquisitions

Nord-Lock is a world leader in bolt-securing systems. Its innovative products include wedge-locking technology and Superbolt tensioners which have been providing customers in all major industrial sectors with safe, reliable and effective bolt-securing solutions for over 30 years. Nord-Lock optimises the most demanding types of applications using its extensive technical expertise.

Specma Group



| (SEK m) | 2015 Q2 | 2014 Q2 | 2015 6 mths | 2014 6 mths | 2014 Full Year | Trailing 12 mths |
|-----------------------------|------------|------------|----------------|----------------|-------------------|---------------------|
| Net sales | 363 | 344 | 707 | 664 | 1,294 | 1,338 |
| EBITDA, adjusted* | 25 | 20 | 53 | 28 | 61 | 85 |
| EBITA, adjusted* | 20 | 15 | 43 | 19 | 42 | 66 |
| EBIT, adjusted* | 20 | 15 | 43 | 19 | 42 | 66 |
| EBIT, reported | 20 | -26 | 43 | -22 | 1 | 66 |
| EBITA %, adjusted* | 5.5 | 4.4 | 6.1 | 2.9 | 3.2 | 5.0 |
| EBIT %, adjusted* | 5.5 | 4.4 | 6.1 | 2.9 | 3.2 | 4.9 |
| Growth % | 5.6 | 14.0 | 6.5 | 14.2 | 12.3 | |
| Of which exchange effects | 4.0 | 1.4 | 4.0 | 1.3 | 1.9 | |
| Of which acquisitions | - | 3.2 | - | 3.6 | 2.7 | |
| Average number of employees | 748 | 764 | 728 | 768 | 760 | |

* Excluding restructuring costs

Highlights

- Net sales rose 5.6 per cent during the quarter. Organic growth was 1.6 per cent when adjusted for foreign exchange effects.
- Particularly strong growth in the Global Division.
- Cost reduction measures and a focus on improved productivity have had a positive effect on earnings.
- Hydraulikhuset was acquired at the end of June, thus enhancing Specma's position in hydraulic systems to OEM manufacturers and in the after-sales market in west Sweden. (See page 4 for further information.)

Breakdown of net sales

| (SEK m) | 2015 Q2 | 2014 Q2 | 2015 6 mths | 2014 6 mths | 2014 Full Year | Trailing 12 mths |
|-----------------------------------|------------|------------|----------------|----------------|-------------------|---------------------|
| Global Division | 262 | 244 | 507 | 465 | 924 | 967 |
| Nordic Division | 101 | 100 | 200 | 199 | 370 | 371 |
| | 363 | 344 | 707 | 664 | 1,294 | 1,338 |
| Pro forma adjustment ¹ | | | | | | 60 |
| Trailing 12 month pro forma | | | | | | 1,398 |

¹ Pro forma for completed acquisitions

Specma Group is an industry leader and Nordic player with an international presence in application customised systems and components for hydraulics. The business is divided into a Global Division that serves major international OEM customers, and a Nordic Division that serves smaller OEM customers, offers industry an MRO concept and serves the after-sales market in the Nordic region.

Swegon



| (SEK m) | 2015 Q2 | 2014 Q2 | 2015 6 mths | 2014 6 mths | 2014 Full Year | Trailing 12 mths |
|-----------------------------|------------|------------|----------------|----------------|-------------------|---------------------|
| Net sales | 928 | 801 | 1,770 | 1,501 | 3,209 | 3,479 |
| EBITDA, adjusted* | 101 | 91 | 160 | 146 | 373 | 387 |
| EBITA, adjusted* | 82 | 75 | 123 | 113 | 303 | 312 |
| EBIT, adjusted* | 80 | 74 | 119 | 111 | 298 | 306 |
| EBIT, reported | 80 | 74 | 119 | 111 | 298 | 306 |
| EBITA %, adjusted* | 8.8 | 9.4 | 6.9 | 7.5 | 9.4 | 9.0 |
| EBIT %, adjusted* | 8.6 | 9.2 | 6.7 | 7.4 | 9.3 | 8.8 |
| Growth % | 15.9 | 6.5 | 17.9 | 6.9 | 9.3 | |
| Of which exchange effects | 3.8 | 2.8 | 4.8 | 2.0 | 3.0 | |
| Of which acquisitions | 16.2 | 9.5 | 17.1 | 10.3 | 13.8 | |
| Average number of employees | 1,850 | 1,621 | 1,835 | 1,561 | 1,674 | |

* Excluding restructuring costs

Highlights

- The order intake showed slight positive organic growth during the quarter, while invoicing declined by 4 per cent when adjusted for foreign exchange effects and acquisitions.
- All in all, growth in orders had clearly improved by the end of the quarter. The order book was at a good level at the end of the second quarter.
- Growth in the markets of Europe is still fragmented. The Nordic region is largely positive. Other markets provide a more mixed picture.
- Growth has been good in North America, where we acquired Vibro-Acoustics in 2014. There has been a gradual improvement in both sales and the order book.

Breakdown of net sales

| (SEK m) | 2015 Q2 | 2014 Q2 | 2015 6 mths | 2014 6 mths | 2014 Full Year | Trailing 12 mths |
|-----------------------|------------|------------|----------------|----------------|-------------------|---------------------|
| Sweden | 221 | 188 | 434 | 364 | 712 | 782 |
| Rest of Nordic region | 200 | 191 | 391 | 382 | 767 | 776 |
| Rest of world | 507 | 422 | 945 | 755 | 1,730 | 1,920 |
| | 928 | 801 | 1,770 | 1,501 | 3,209 | 3,478 |

Pro forma adjustment¹ 38

Trailing 12 month pro forma 3,516

¹ Pro forma for completed acquisitions

| (SEK m) | 2015 Q2 | 2014 Q2 | 2015 6 mths | 2014 6 mths | 2014 Full Year | Trailing 12 mths |
|------------------------|------------|------------|----------------|----------------|-------------------|---------------------|
| Cooling | 249 | 221 | 470 | 390 | 847 | 928 |
| Home Solutions | 66 | 41 | 119 | 83 | 171 | 208 |
| Commercial Ventilation | 579 | 539 | 1,105 | 1,040 | 2,169 | 2,233 |
| North America | 48 | 11 | 99 | 11 | 81 | 169 |
| Eliminations | -14 | -11 | -23 | -23 | -59 | -59 |
| | 928 | 801 | 1,770 | 1,501 | 3,209 | 3,479 |

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. Including foreign sales companies, Swegon has 1,800 employees and generates a turnover in excess of SEK 3.5 billion.

The Latour share's net asset value

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

A more detailed description can be found on pages

20–21 in Latour's Annual Report for 2014.

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 valuation multiple EV/sales has been used for certain entities. The indicative value stated below is not a complete market valuation of Latour's holdings.

The net asset value increased to SEK 277 per share during the period from SEK 250 at the beginning of the year. The net asset value consequently increased by 13.5 per cent, adjusted for dividends, which can be compared to SIXRX which rose 10.0 per cent.

| SEK m | Net sales ¹ | EBIT ¹ | EBIT multiple or EV/sales multiple Range | Valuation ² Range | Valuation ² Average | Valuation ² SEK/share ³ Range |
|--|------------------------|-------------------|--|---------------------------------|-----------------------------------|---|
| Hultafors Group | 1,418 | 195 | 11 – 15 | 2,145 – 2,925 | 2,535 | 13 – 18 |
| Latour Industries | 1,136 | 116 | 11 – 15 | 1,276 – 1,740 | 1,508 | 8 – 11 |
| Nord-Lock | 767 | 236 | 12 – 16 | 2,832 – 3,776 | 3,304 | 18 – 24 |
| Specma Group | 1,338 | 66 | 0.5 – 0.6 | 669 – 803 | 736 | 4 – 5 |
| Swegon | 3,516 | 309 | 13 – 17 | 4,017 – 5,253 | 4,635 | 25 – 33 |
| | 8,175 | 922 | | 10,939 – 14,497 | 12,718 | 69 – 91 |
| Listed shares (see table on page 10 for breakdown) | | | | | 34,462 | 216 |
| Unlisted part-owned companies | | | | | | |
| Diamorph ⁴ , 21.2 % | | | | | 125 | 1 |
| Oxeon ⁵ , 31.1 % | | | | | 25 | 0 |
| Steelwrist ⁶ , 18.0 % | | | | | 20 | 0 |
| Other assets | | | | | | |
| Short trading portfolio | | | | | 42 | 0 |
| Dilution effect of option programme | | | | | -56 | 0 |
| Other | | | | | -13 | 0 |
| Paid acquisitions in the Industrial operation ⁷ | | | | | 426 | 3 |
| Consolidated net debt | | | | | -3,599 | -23 |
| Estimated value | | | | | 44,150 | 277 |
| | | | | | (42 385 – 45 943) | (266 – 288) |

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 June 2015 for comparable companies in each business area.

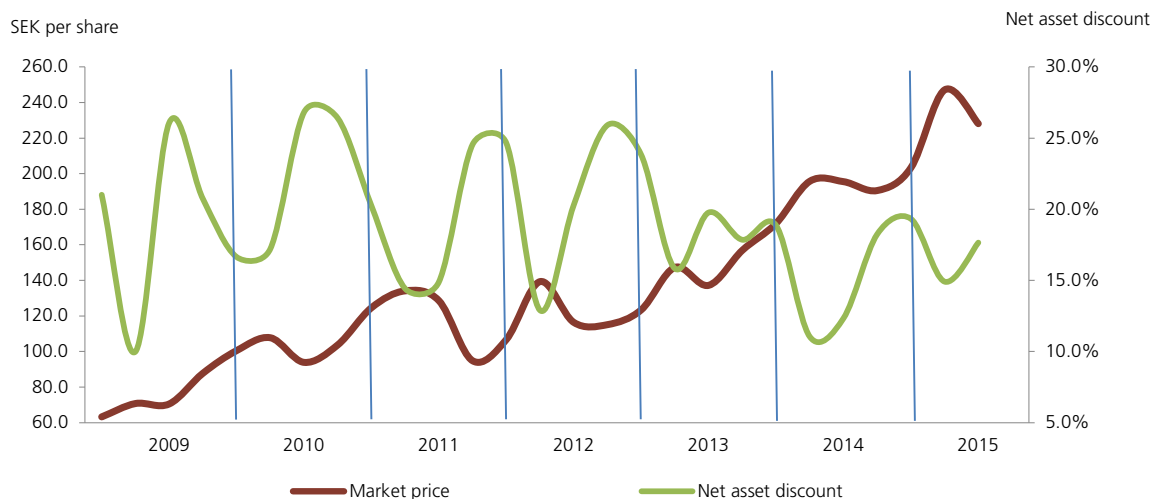
³ Calculated on the basis of the number of outstanding shares.

⁴ Valued according to the latest transaction.

⁵ Valued according to Latour's latest acquisition price.

⁶ Valued according to Latour's latest acquisition price.

⁷ Paid acquisitions in the Industrial operations that is not yet in the evaluation, but have influenced the net debt.



Investment portfolio 30 June 2015

In the six-month period, the aggregate value of the investment portfolio increased by 15.5 per cent, adjusted for dividends, while the comparable index (SIXRX) increased by 10.0 per cent.

Ownership in Nobia dropped to 10.1 per cent in the quarter following the sale of 5,395,000 shares in Nobia.

Earlier in the year, 6,020,000 shares in Troax were purchased, representing 30.1 per cent of the company's capital and votes.

| Aktie | Number | Cost SEK m | Listed share price ¹ SEK | Market value SEK m | Share of votes ⁷ % | Share of equity ⁷ % |
|---------------------------|-------------|---------------|--|-----------------------|----------------------------------|-----------------------------------|
| Assa Abloy ^{2 3} | 105,495,729 | 1,697 | 156 | 16,468 | 29.5 | 9.5 |
| Fagerhult ^{3 4} | 18,620,400 | 571 | 142 | 2,644 | 49.0 | 49.2 |
| HMS Networks ³ | 3,027,322 | 250 | 210 | 636 | 26.7 | 26.7 |
| Loomis ^{2 3} | 7,538,328 | 108 | 233 | 1,753 | 28.6 | 10.0 |
| Nederman ³ | 3,512,829 | 306 | 194 | 680 | 30.1 | 30.1 |
| Nobia | 17,700,000 | 359 | 87 | 1,540 | 10.5 | 10.5 |
| Securitas ^{2 3} | 39,732,600 | 1,081 | 110 | 4,355 | 29.6 | 10.9 |
| Sweco ^{2 3} | 28,997,760 | 152 | 108 | 3,132 | 22.8 | 31.8 |
| Tomra ^{3 5} | 36,560,000 | 1,795 | 72 NOK ⁶ | 2,736 | 24.7 | 24.7 |
| Troax ³ | 6,020,000 | 397 | 86 | 519 | 30.1 | 30.1 |
| Total | | 6,716 | | 34,462 | | |

¹ Purchase price at the end of the report period.

² The shareholdings in Assa Abloy, Loomis, Securitas and Sweco consist of class A and class B shares. Due to the limited trading in class A shares in Sweco, and the fact that the other three companies' class A shares are unlisted, the shares are reported together and have been given the same listed share price.

³ Shown as associated companies in the balance sheet.

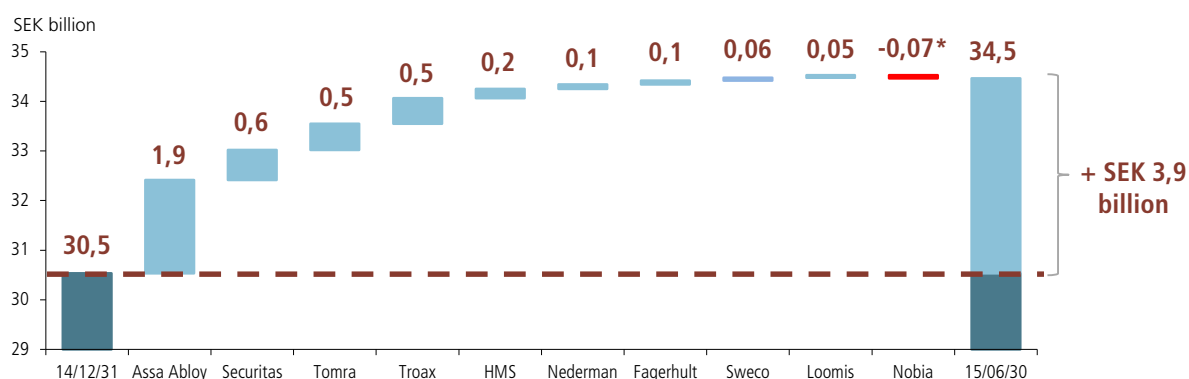
⁴ At the end of June 2015, 90,000 shares were loaned out and are therefore not counted in Latour's share of votes.

⁵ At the end of the report period, the listed share price was NOK 71.75 which has been translated to SEK at the exchange rate on the balance sheet date.

⁶ The last price paid is used as the listed share price.

⁷ Shares calculated after deduction of treasury shares.

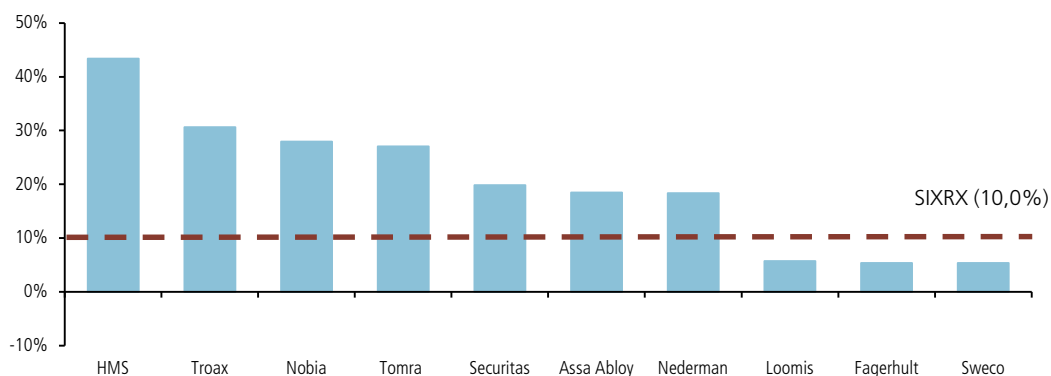
Movements in investment portfolio values



Movements in investment portfolio values (SEK billion). These figures include acquired/sold cost but not dividend payments for the period.

* The Nobia share contributed a negative change in the graph above due disposal of shares. At unchanged ownership would Nobia contributed positively by SEK 0,4 billion.

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 1,872 m (897). Profit after tax was SEK 1,735 m (829), which is equivalent to SEK 10.88 (5.20) per share.

The Group's cash in hand and liquid investments amounted to SEK 432 m (265). Interest-bearing debt, excluding pension liabilities, was SEK 4,025 m (2,818). The Group's net debt, including pension liabilities, was SEK 3,599 m (2,543). The equity ratio was 86 (86) 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 67 m (89) was invested in property, plant and equipment, of which SEK 47 m (58) was machinery and equipment, SEK 13 m (17) vehicles and 7 m (14) buildings. Out of total investments for the year, SEK 20 m (31) refers to fixed assets in new acquisitions.

Parent company

The parent company's profit after financial items was SEK 1,522 m (819). The parent company's equity ratio was 99 (80) per cent.

Not including repurchased shares, the number of outstanding shares at 30 June 2015 amounted to 159,557,500. At the end of the period, Latour held 402,500 repurchased class B shares. The total number of outstanding call options is 513,000.

The allocation of issued shares is 11,931,278 class A shares and 148,028,722 class B shares.

Events after the reporting period

Latour announced its intention to sell the Specma Group business area.

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 greater 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 other material risks in addition to those described in Note 34 of Latour's Annual Report 2014 are deemed to have arisen.

Audit and accounting policies

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

New accounting standard requirements that came into effect on 1 January 2015 have not had any impact on the Group's or parent company's accounting as of 30 June 2015.

In other respects, the accounting policies adopted by the Group and parent company are consistent with those used in the preparation of the most recent annual report.

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

Gothenburg, 18 August 2015
Jan Svensson
President and CEO

The Board of Directors and the Chief Executive Officer declare that the statements for the six month period give a true and fair view of the company's and the Group's operations, financial positions and performance and describe significant risks and uncertainties faced by the company and the Group's companies.

Gothenburg, 18 August 2015
Investment AB Latour

Fredrik Palmstierna
Chairman

Mariana Burenstam Linder
Board member

Anders Böös
Board member

Anders G. Carlberg
Board member

Carl Douglas
Board member

Elisabeth Douglas
Board member

Eric Douglas
Board member

Jan Svensson
Board member/President

For further information please contact:

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

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

Conference call

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

The number to call is +46 (0)8 566 426 92. The conference will be broadcast on the Internet.

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

The interim report for the period January – September 2015 will be published on 6 November 2015

The 2015 Year-End Report will be published on 18 February 2016

| |
|---|
| The information contained in this report constitutes information which the company is required to disclose under the Swedish Securities Market Act. The information was submitted for publication on 18 August 2015, at 8:30 a.m. |
|---|

Consolidated income statement

| SEK m | 2015 Q2 | 2014 Q2 | 2015 6 mths | 2014 6 mths | 12 mths Jul-Jun 2014/2015 | Full Year 2014 |
|---|--------------|-------------|----------------|----------------|------------------------------|-------------------|
| Net sales | 2,161 | 1,940 | 4,191 | 3,686 | 8,086 | 7,581 |
| Cost of goods sold | -1,339 | -1,263 | -2,599 | -2,369 | -4,987 | -4,757 |
| Gross profit | 822 | 677 | 1,592 | 1,317 | 3,099 | 2,824 |
| Sales costs | -401 | -361 | -789 | -718 | -1,543 | -1,472 |
| Administrative costs | -143 | -128 | -293 | -268 | -548 | -523 |
| Research and development costs | -51 | -34 | -97 | -72 | -180 | -155 |
| Other operating income | 21 | 20 | 43 | 28 | 103 | 88 |
| Other operating expenses | -6 | -12 | -9 | -14 | -11 | -16 |
| Operating profit | 242 | 162 | 447 | 273 | 920 | 746 |
| Income from interests in associates | 395 | 318 | 1,059 | 617 | 1,789 | 1,347 |
| Income from portfolio management | 368 | 20 | 373 | 32 | 377 | 36 |
| Management costs | -4 | -3 | -8 | -7 | -16 | -15 |
| Profit before financial items | 1,001 | 497 | 1,871 | 915 | 3,070 | 2,114 |
| Finance income | - | 22 | 64 | 35 | 134 | 105 |
| Finance expense incl redemption of pension liability | -18 | -28 | -63 | -53 | -165 | -155 |
| Profit after financial items | 983 | 491 | 1,872 | 897 | 3,039 | 2,064 |
| Taxes | -81 | -38 | -137 | -68 | -259 | -190 |
| Profit for the period | 902 | 453 | 1,735 | 829 | 2,780 | 1,874 |
| Attributable to: | - | - | - | - | - | - |
| Parent company shareholders | 902 | 453 | 1,735 | 829 | 2,780 | 1,874 |
| Non-controlling interests | - | - | - | - | - | - |
| Earnings per share regarding profit attributable to parent company shareholders | | | | | | |
| Basic share, SEK | 5.65 | 2.84 | 10.88 | 5.20 | 17.43 | 11.75 |
| Diluted share, SEK | 5.63 | 2.83 | 10.83 | 5.18 | 17.36 | 11.70 |
| Average number of basic shares outstanding | 159,564,538 | 159,415,912 | 159,528,967 | 159,397,061 | 159,473,781 | 159,445,425 |
| Average number of diluted shares outstanding | 160,172,725 | 160,079,000 | 160,197,724 | 160,079,000 | 160,156,721 | 160,121,214 |
| Number of outstanding shares | 159,557,500 | 159,493,000 | 159,557,500 | 159,493,000 | 159,493,000 | 159,493,000 |

Consolidated statement of comprehensive income

| SEK m | 2015 Q2 | 2014 Q2 | 2015 6 mths | 2014 6 mths | 12 mths Jul-Jun 2014/2015 | Full Year 2014 |
|--|--------------|------------|----------------|----------------|------------------------------|-------------------|
| Profit for the period | 902 | 453 | 1,735 | 829 | 2,780 | 1,874 |
| Other comprehensive income | | | | | | |
| Items that will not be recycled to the income statement | | | | | | |
| Restatement of net pension obligations | - | - | - | - | -3 | -3 |
| | 0 | 0 | 0 | 0 | -3 | -3 |
| Items that may subsequently be recycled to the income statement | | | | | | |
| Change in translation reserve for the period | -26 | 45 | -23 | 52 | 48 | 123 |
| Change in fair value reserve for the period | -104 | -34 | 51 | 30 | 364 | 343 |
| Change in hedging reserve for the period | -14 | -6 | 39 | -6 | 50 | 5 |
| Change in associated companies' equity | 356 | -8 | 718 | 118 | 983 | 383 |
| | 212 | -3 | 785 | 194 | 1,445 | 854 |
| Other comprehensive income, net after tax | 212 | -3 | 785 | 194 | 1,442 | 851 |
| Comprehensive income for the period | 1,114 | 450 | 2,520 | 1,023 | 4,222 | 2,725 |
| Attributable to: | | | | | | |
| Parent company shareholders | 1,114 | 450 | 2,520 | 1,023 | 4,222 | 2,725 |
| Non-controlling interests | - | - | - | - | - | - |

Consolidated cash flow statement

| SEK m | 2015 Q2 | 2014 Q2 | 2015 6 mths | 2014 6 mths | 12 mths Jul-Jun 2014/2015 | Full Year 2014 |
|--|------------|------------|----------------|----------------|------------------------------|-------------------|
| Operating cash flows before movements in working capital | 218 | 160 | 407 | 305 | 883 | 781 |
| Movements in working capital | -70 | 13 | -178 | -175 | -269 | -266 |
| Operating cash flows | 148 | 173 | 229 | 130 | 614 | 515 |
| Acquisitions of subsidiaries | -475 | -67 | -475 | -163 | -1,034 | -722 |
| Sale of subsidiaries | - | 4 | - | 4 | - | 4 |
| Other investments | -35 | -45 | -63 | -66 | -160 | -163 |
| Portfolio management | 1,117 | 609 | 1,172 | 354 | 1,084 | 266 |
| Cash flow after investments | 755 | 674 | 863 | 259 | 504 | -100 |
| Financial payments | -726 | -721 | -857 | -485 | -358 | 14 |
| Cash flow for the period | 29 | -47 | 6 | -226 | 146 | -86 |

Consolidated balance sheet

| SEK m | 2015/06/30 | 2014/06/30 | 2014/12/31 |
|--|---------------|---------------|---------------|
| ASSETS | | | |
| Goodwill | 3,855 | 2,262 | 3,506 |
| Other intangible assets | 126 | 69 | 70 |
| Property, plant and equipment | 737 | 730 | 741 |
| Financial assets | 12,676 | 10,228 | 11,613 |
| Inventories etc. | 1,351 | 1,139 | 1,250 |
| Current receivables | 1,890 | 1,710 | 1,582 |
| Cash and bank | 432 | 265 | 428 |
| Total assets | 21,067 | 16,403 | 19,190 |
| EQUITY AND LIABILITIES | | | |
| Capital and reserves attributable to parent company shareholders | 15,079 | 11,817 | 13,523 |
| Non-controlling interests | 0 | 0 | 0 |
| <i>Total equity</i> | <i>15,079</i> | <i>11,817</i> | <i>13,523</i> |
| Interest-bearing long-term liabilities | 842 | 537 | 842 |
| Non-interest-bearing long-term liabilities | 227 | 193 | 221 |
| Interest-bearing current liabilities | 3,215 | 2,308 | 3,139 |
| Non-interest-bearing current liabilities | 1,704 | 1,548 | 1,465 |
| Equity and liabilities | 21,067 | 16,403 | 19,190 |

Consolidated changes in equity

| SEK m | Share capital | Repurchased treasury shares | Other reserves | Profit brought forward | Non-controlling interests | Total |
|---|---------------|-----------------------------|----------------|------------------------|---------------------------|--------|
| Opening balance 1 Jan 2014 | 133 | -48 | 725 | 10,848 | 0 | 11,658 |
| Total comprehensive income for the period | | | 471 | 2,254 | | 2,725 |
| Issued call options | | | | 3 | | 3 |
| Exercise of call options | | 10 | | 4 | | 14 |
| Dividends | | | | -877 | | -877 |
| Closing balance 31 Dec 2014 | 133 | -38 | 1,196 | 12,232 | 0 | 13,523 |
| Opening balance 1 Jan 2015 | 133 | -38 | 1,196 | 12,232 | 0 | 13,523 |
| Total comprehensive income for the period | | | 67 | 2,453 | | 2,520 |
| Exercise of call options | | 17 | | 13 | | 30 |
| Repurchased treasury shares | | -37 | | | | -37 |
| Dividends | | | | -957 | | -957 |
| Closing balance 30 jun 2015 | 133 | -58 | 1,263 | 13,741 | 0 | 15,079 |

Key ratios, Group

| | 2015/06/30 | 2014/06/30 | 2014/12/31 |
|--|------------|------------|------------|
| Return on equity (%) | 24 | 14 | 15 |
| Return on total capital (%) | 19 | 12 | 13 |
| Adjusted equity ratio ¹ (%) | 86 | 86 | 85 |
| Adjusted equity ¹ (SEK m) | 37,171 | 28,587 | 33,015 |
| Surplus value in associated companies ² (SEK m) | 22,092 | 16,746 | 19,492 |
| Net debt/equity ratio (%) | 10 | 9 | 11 |
| Net debt/EBITDA | 3.3 | 3.2 | 3.8 |
| Listed share price (SEK) | 228 | 196 | 203 |
| Repurchased shares | 402,500 | 467,000 | 467,000 |
| Average number of repurchased shares | 456,309 | 562,939 | 514,575 |
| Average number of employees | 4,412 | 4,057 | 4,185 |
| Outstanding convertible bonds | - | - | - |
| Issued warrants | - | - | - |
| Issued call options on repurchased shares | 513,000 | 586,000 | 730,000 |

¹ Incl. fair value gain in associated companies

² The difference between the carrying amount and market value

Parent company income statement

| SEK m | 2015 Q2 | 2014 Q2 | 2015 6 mths | 2014 6 mths | 12 mths Jul-Jun 2014/2015 | Full Year 2014 |
|---|--------------|------------|----------------|----------------|------------------------------|-------------------|
| Income from interests i Group companies | 365 | 330 | 365 | 330 | 365 | 330 |
| Income from interest in associates | 518 | 464 | 838 | 464 | 838 | 464 |
| Income from portfolio management | 320 | 23 | 320 | 23 | 319 | 22 |
| Management costs | -3 | -2 | -5 | -4 | -10 | -9 |
| Profit before financial items | 1,200 | 815 | 1,518 | 813 | 1,512 | 807 |
| Interest income and similar items | 6 | 13 | 15 | 26 | 37 | 48 |
| Interest expense and similar items | -2 | -10 | -11 | -20 | -30 | -39 |
| Profit after financial items | 1,204 | 818 | 1,522 | 819 | 1,519 | 816 |
| Taxes | - | - | - | - | - | - |
| Profit for the period | 1,204 | 818 | 1,522 | 819 | 1,519 | 816 |

Parent company statement of comprehensive income

| SEK m | 2015 Q2 | 2014 Q2 | 2015 6 mths | 2014 6 mths | 12 mths Jul-Jun 2014/2015 | Full Year 2014 |
|---|--------------|------------|----------------|----------------|------------------------------|-------------------|
| Profit for the period | 1,204 | 818 | 1,522 | 819 | 1,519 | 816 |
| Change in fair value reserve for the period | -51 | -32 | 97 | 29 | 394 | 326 |
| Total other comprehensive income | -51 | -32 | 97 | 29 | 394 | 326 |
| Comprehensive income for the period | 1,153 | 786 | 1,619 | 848 | 1,913 | 1,142 |

Parent company balance sheet

| SEK m | 2015/06/30 | 2014/06/30 | 2014/12/31 |
|--|--------------|---------------|--------------|
| ASSETS | | | |
| Financial assets | 9,121 | 10,084 | 9,858 |
| Current receivables from Group companies | 5 | 13 | 10 |
| Other current liabilities | 2 | 1 | 2 |
| Cash and bank | 5 | 6 | 6 |
| Total assets | 9,133 | 10,104 | 9,876 |
| EQUITY AND LIABILITIES | | | |
| Equity | 9,026 | 8,073 | 8,371 |
| Interese-bearing long-term lilabilities | 101 | 101 | 101 |
| Non-interest-bearing long-term liabilities | 5 | 5 | 5 |
| Interese-bearing current liabilities | - | 1,912 | 1,395 |
| Non-interest-bearing current liabilities | 1 | 13 | 4 |
| Equity and liabilities | 9,133 | 10,104 | 9,876 |

Parent company statement of changes in equity

| SEK m | 2015/06/30 | 2014/06/30 | 2014/12/31 |
|---|--------------|--------------|--------------|
| Amount at beginning of year | 8,371 | 8,089 | 8,089 |
| Total comprehensive income for the period | 1,619 | 848 | 1,142 |
| Issued call options | - | - | 3 |
| Exercise of call options | 30 | 13 | 14 |
| Repurchased treasury shares | -37 | 14 | 15 |
| Dividends | -957 | -877 | -877 |
| Amount at end of year | 9,026 | 8,073 | 8,371 |

Segment reporting:

Development per business area 1 Jan 2015 - 30 June 2015

| SEK m | Industrial operations | | | | | | Portfolio management | Total |
|----------------------------------|-----------------------|----------------------|-----------|-----------------|--------|-------|----------------------|--------------|
| | Hultafor Group | Latour Industries | Nord-Lock | Specma Group | Swegon | Other | | |
| INCOME | | | | | | | | |
| External sales | 712 | 597 | 405 | 707 | 1,770 | | | 4,191 |
| Internal sales | | 4 | | | | | | 4 |
| RESULT | | | | | | | | |
| Operating profit | 90 | 78 | 123 | 43 | 119 | -6 | | 447 |
| Income from portfolio management | | | | | | | 1,424 | 1,424 |
| Finance income | | | | | | | | 64 |
| Finance expense | | | | | | | | -63 |
| Taxes | | | | | | | | -137 |
| Profit for the period | | | | | | | | 1,735 |
| OTHER DISCLOSURES | | | | | | | | |
| Investments in: | | | | | | | | |
| property, plant and equipment | 4 | 22 | 4 | 6 | 17 | 14 | | 67 |
| intangible assets | | 368 | 46 | 9 | 11 | | | 434 |
| Depreciation/amortisation | 7 | 11 | 10 | 10 | 42 | 8 | | 88 |

Segment reporting:

Development per business area 1 Jan 2014 – 30 June 2014

| SEK m | Industrial operations | | | | | | Portfolio management | Total |
|----------------------------------|-----------------------|----------------------|-----------|-----------------|--------|-------|----------------------|------------|
| | Hultafor Group | Latour Industries | Nord-Lock | Specma Group | Swegon | Other | | |
| INCOME | | | | | | | | |
| External sales | 625 | 515 | 360 | 664 | 1,501 | 21 | | 3,686 |
| Internal sales | | 4 | | | | | | 4 |
| RESULTS | | | | | | | | |
| Operating result | 75 | 27 | 98 | -22 | 111 | -16 | | 273 |
| Income from portfolio management | | | | | | | 642 | 642 |
| Finance income | | | | | | | | 35 |
| Finance expense | | | | | | | | -53 |
| Taxes | | | | | | | | -68 |
| Profit for the period | | | | | | | | 829 |
| OTHER DISCLOSURES | | | | | | | | |
| Investments in: | | | | | | | | |
| property, plant and equipment | 6 | 13 | 12 | 8 | 40 | 10 | - | 89 |
| intangible assets | | 106 | | | 158 | | - | 264 |
| Depreciation/amortisation | 8 | 11 | 8 | 9 | 35 | 9 | | 80 |

Change in consolidated interest-bearing net debt

| SEK m | 2014/12/31 | Change in cash | Change in loans | Other changes | 2015/06/30 |
|--------------------------------------|---------------|----------------|-----------------|---------------|---------------|
| Interest-bearing receivables | 37 | | | -11 | 26 |
| Cash | 428 | 4 | | | 432 |
| Pensions provisions | -30 | | | -2 | -32 |
| Long-term liabilities | -812 | | | 2 | -810 |
| Utilised bank overdraft facilities | -45 | | -79 | | -124 |
| Interest-bearing current liabilities | -3,094 | | | 3 | -3,091 |
| Interest-bearing net debt | -3,516 | 4 | -74 | -13 | -3,599 |

Five year overview

| SEK m | Jul-Jun 2014/2015 | 2014 | 2013 | 2012 | 2011 |
|---|-------------------|-------|-------|-------|-------|
| Net sales, SEK m | 8,086 | 7,581 | 6,944 | 6,788 | 7,171 |
| Operating profit, SEK m | 920 | 746 | 621 | 635 | 883 |
| Income from interest in associates, SEK m | 1,789 | 1,347 | 1,060 | 914 | 1,449 |
| Income from portfolio management, SEK m | 377 | 36 | 43 | 35 | -41 |
| Profit after finance items, SEK m | 3,070 | 2,064 | 1,710 | 1,497 | 2,230 |
| Earnings per share, SEK | 17 | 12 | 9 | 8 | 14 |
| Return on equity, % | 21 | 15 | 13 | 13 | 18 |
| Return on total capital, % | 17 | 13 | 12 | 12 | 17 |
| Adjusted equity ratio, % | 86 | 85 | 88 | 86 | 84 |
| Net debt/equity ratio, % | 10 | 11 | 7 | 8 | 7 |
| Listed share price, SEK | 228 | 203 | 172 | 124 | 107 |

Note 1: Business combinations

Specification of acquisitions

| Transfer date | | Country | Business area | Number of employees |
|---------------|------------------------------|---------|-------------------|---------------------|
| 1 May 2015 | Ergolet/Reac Components | Poland | Latour Industries | 115 |
| 17 June 2015 | Laudorp Holding Oy (Produal) | Finland | Latour Industries | 95 |
| 29 June 2015 | Hydraulikhuset BKH AB | Sweden | Specma Group | 26 |

Two other acquisitions have been made in addition to those mentioned above but these have no material impact on the financial statements.

Assets and liabilities in acquisitions

| | Consolidated carrying amount |
|--|------------------------------|
| Intangible assets | 172 |
| Property, plant and equipment | 20 |
| Finance assets | 3 |
| Inventories | 42 |
| Account receivable | 36 |
| Other receivable | 3 |
| Cash | 34 |
| Long-term liabilities | -1 |
| Current liabilities | -48 |
| Net identifiable assets and liabilities | 261 |
| Group goodwill | 255 |
| Total purchase price | 516 |
| Additional purchase price | -7 |
| Cash settlement purchase price | 509 |
| Acquisition of non-cash items | - |
| Acquired cash | -34 |
| Effect of Group cash | 475 |

During the period, Latour acquired the entire shareholding of Reac Components Sp zoo, the entire shareholding of Laudorp Holding Oy and the entire shareholding of Hydraulikhuset BKH AB.

Laudorp Holding Oy is the parent company of the Produal Group, which in addition to the parent company consists of the subsidiaries Laudrop Oy, Produal Holding Oy, Produal Oy, Produal Sverige AB, Produal A/S and Produal S.A.S.

During the period, Reac Components contributed SEK 3 m in income and SEK -1 m in operating profit. Neither Laudorp Holding Oy nor Hydraulikhuset BKH AB have contributed any revenues or profit during the period, but will contribute from 1 July 2015.

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 4 m. Estimated additional purchase prices have been booked for the acquisition of Hydraulikhuset BKH AB and can amount to a maximum of SEK 7 m. This sum has also been reserved.

Note 2: Information regarding financial assets and liabilities

The table below shows how fair value is determined for the financial instruments valued at fair value in the report on financial positions. Fair value is determined according to three different levels. Compared to the 2014 annual accounts, there were no transfers between the different levels of the fair value hierarchy and there were no changes in the methods and/or principles used during the first six months of 2015.

Financial instruments – Fair value

THE GROUP 30 June 2015

| | 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 | 1 540 ¹ | | | | | 1,540 |
| Other long-term securities holdings | 21 ² | | | | | 21 |
| Other long-term receivables | | | | 24 ³ | | 24 |
| Listed shares, trading | | 42 ¹ | | | | 42 |
| Unrealised gains, currency derivatives | | | 74 ² | | | 74 |
| Other current receivables | | | | 1 625 ³ | | 1,625 |
| Cash | | | | 432 ³ | | 432 |
| Total | 1,561 | 42 | 74 | 2,081 | 0 | 3,758 |
| FINANCIAL LIABILITIES | | | | | | |
| Long-term loans | | | | | 810 ³ | 810 |
| Bank overdraft facilities | | | | | 124 ³ | 124 |
| Current loans | | | | | 3 091 ³ | 3,091 |
| Other liabilities | | | | | 995 ³ | 995 |
| Unrealised gains, currency derivatives | | | 13 ² | | | 25 |
| Total | 0 | 0 | 13 | 0 | 5,020 | 5,033 |

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

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

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

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

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

The fair value of accounts receivable and other receivables, current receivables, cash and other liquid funds, accounts payable and other liabilities as well as long-term liabilities are estimated to have the same value as their 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 | 2015 | | | 2014 | | | | 2013 | | | | |
|----------------------------------|--------|--------|-----------|--------|--------|--------|--------|-----------|--------|--------|--------|--------|
| | Q2 | Q1 | Full Year | Q4 | Q3 | Q2 | Q1 | Full Year | Q4 | Q3 | Q2 | Q1 |
| INCOME STATEMENT | | | | | | | | | | | | |
| Net sales | 2,161 | 2,030 | 7,581 | 2,018 | 1,877 | 1,940 | 1,746 | 6,944 | 1,844 | 1,716 | 1,764 | 1,620 |
| Cost of goods sold | -1,339 | -1,260 | -4,757 | -1,257 | -1,131 | -1,263 | -1,106 | -4,399 | -1,173 | -1,077 | -1,117 | -1,032 |
| Gross profit | 822 | 770 | 2,824 | 761 | 746 | 677 | 640 | 2,545 | 671 | 639 | 647 | 588 |
| Costs etc. for the operation | -580 | -565 | -2,078 | -550 | -484 | -515 | -529 | -1,924 | -534 | -437 | -496 | -457 |
| Operating profit | 242 | 205 | 746 | 211 | 262 | 162 | 111 | 621 | 137 | 202 | 151 | 131 |
| Total portfolio management | 759 | 665 | 1,368 | 422 | 304 | 335 | 307 | 1,089 | 283 | 354 | 238 | 214 |
| Profit before financial items | 1,001 | 870 | 2,114 | 633 | 566 | 497 | 418 | 1,710 | 420 | 556 | 389 | 345 |
| Net financial items | -18 | 19 | -50 | -26 | -6 | -6 | -12 | -52 | -4 | -24 | -7 | -17 |
| Profit after financial items | 983 | 889 | 2,064 | 607 | 560 | 491 | 406 | 1,658 | 416 | 532 | 382 | 328 |
| Taxes | -81 | -56 | -190 | -55 | -67 | -38 | -30 | -175 | -36 | -53 | -52 | -34 |
| Profit for the period | 902 | 833 | 1,874 | 552 | 493 | 453 | 376 | 1,483 | 380 | 479 | 330 | 294 |
| KEY RATIOS | | | | | | | | | | | | |
| Earnings per share, SEK | 5.65 | 5.22 | 11.75 | 3.46 | 3.09 | 2.84 | 2.36 | 9.30 | 2.38 | 3.01 | 2.07 | 1.85 |
| Cash flow for the period | 29 | -23 | -86 | 19 | 121 | -47 | -179 | 230 | 194 | 73 | -9 | -28 |
| Adjusted equity ratio, % | 86 | 87 | 85 | 85 | 85 | 86 | 87 | 88 | 88 | 86 | 84 | 86 |
| Adjusted equity | 37,171 | 39,271 | 33,015 | 33,015 | 30,256 | 28,587 | 28,181 | 26,830 | 26,830 | 24,197 | 21,494 | 22,013 |
| Net asset value | 44,150 | 46,379 | 39,859 | 39,859 | 37,117 | 35,582 | 35,022 | 33,799 | 33,799 | 30,459 | 27,229 | 27,942 |
| Net asset value per share, SEK | 277 | 291 | 250 | 250 | 233 | 223 | 220 | 212 | 212 | 191 | 171 | 175 |
| Listed share price, SSEK | 228 | 247 | 203 | 203 | 191 | 196 | 196 | 172 | 172 | 157 | 135 | 148 |
| NET SALES | | | | | | | | | | | | |
| Hultafor Group | 362 | 350 | 1,306 | 365 | 315 | 322 | 304 | 1,208 | 333 | 305 | 282 | 288 |
| Latour Industries | 311 | 290 | 1,055 | 286 | 229 | 281 | 243 | 982 | 264 | 223 | 256 | 239 |
| Nord-Lock | 197 | 208 | 722 | 169 | 193 | 192 | 169 | 624 | 154 | 162 | 158 | 150 |
| Specma Group | 363 | 344 | 1,294 | 328 | 302 | 344 | 320 | 1,152 | 306 | 265 | 302 | 279 |
| Swegon | 928 | 842 | 3,209 | 870 | 838 | 801 | 700 | 2,936 | 783 | 748 | 753 | 652 |
| Other companies and eliminations | 0 | -4 | -5 | - | 0 | 0 | 10 | 42 | 4 | 13 | 13 | 12 |
| | 2,161 | 2,030 | 7,581 | 2,018 | 1,877 | 1,940 | 1,746 | 6,944 | 1,844 | 1,716 | 1,764 | 1,620 |
| OPERATING PROFIT | | | | | | | | | | | | |
| Hultafor Group | 48 | 42 | 177 | 53 | 50 | 41 | 33 | 126 | 54 | 40 | 12 | 20 |
| Latour Industries | 41 | 37 | 68 | 29 | 11 | 20 | 8 | 63 | 16 | 18 | 13 | 16 |
| Nord-Lock | 57 | 66 | 211 | 45 | 68 | 57 | 42 | 114 | 13 | 36 | 35 | 30 |
| Specma Group | 20 | 23 | 1 | 5 | 18 | -26 | 4 | 0 | -3 | 0 | 2 | 1 |
| Swegon | 80 | 39 | 298 | 98 | 90 | 74 | 37 | 346 | 89 | 101 | 96 | 59 |
| | 246 | 207 | 755 | 229 | 237 | 166 | 124 | 649 | 169 | 196 | 158 | 126 |
| Gain/loss from sale/purchase of | -3 | -2 | -13 | 0 | -4 | -8 | -1 | -25 | -20 | -2 | - | -3 |
| Other companies and items | -1 | 0 | 4 | -18 | 29 | 4 | -12 | -3 | -13 | 8 | -7 | 8 |
| | 242 | 205 | 746 | 211 | 262 | 162 | 111 | 621 | 136 | 202 | 151 | 131 |
| OPERATING MARGIN (%) | | | | | | | | | | | | |
| Hultafor Group | 13.2 | 11.9 | 13.6 | 14.5 | 15.8 | 12.8 | 11.1 | 10.4 | 16.1 | 13.3 | 4.2 | 6.9 |
| Latour Industries | 13.3 | 12.7 | 6.4 | 10.2 | 4.9 | 7.2 | 2.9 | 6.5 | 6.2 | 8.2 | 5.1 | 6.6 |
| Nord-Lock | 28.9 | 31.6 | 29.3 | 26.7 | 35.1 | 29.6 | 24.7 | 18.3 | 8.6 | 22.0 | 22.0 | 20.5 |
| Specma Group | 5.5 | 6.7 | 0.1 | 1.5 | 5.8 | -7.5 | 1.2 | 0.0 | -0.9 | -0.2 | 0.6 | 0.4 |
| Swegon | 8.6 | 4.6 | 9.3 | 11.2 | 10.7 | 9.2 | 5.3 | 11.8 | 11.4 | 13.5 | 12.8 | 9.1 |
| | 11.4 | 10.2 | 10.0 | 11.4 | 12.6 | 8.6 | 7.1 | 9.3 | 9.2 | 11.4 | 8.9 | 8.6 |



Investment AB Latour (publ)
Corporate ID no. 556026-3237

J A Wettergrens gata 7, Box 336, SE-401 25 Gothenburg, Sweden. Tel +46 (0)31-89 17 90. Fax +46 (0)31-45 60 63
info@latour.se, www.latour.se