

INTERIM REPORT
JANUARY–JUNE
2011



Interim Report January – June 2011

NET ASSET VALUE

- The net asset value amounted to SEK 151.50 (143.00 - 160.00) per share on June 30.

INDUSTRIAL AND TRADING OPERATIONS

Second quarter

- Orders received in the industrial and trading operations increased organically to SEK 2,033 (1,575) m, an increase of 29 percent adjusted for acquisitions, divestitures and exchange effects.
- Net sales in the industrial and trading operations amounted to SEK 1,898 (1,493) m, an organic increase of 26 percent adjusted for acquisitions, divestitures and exchange effects.
- Operating result in the industrial and trading operations increased to SEK 226 (148) m, an increase of 52 percent, corresponding to an operating margin of 11.9 (10.6) percent, for continuing operations.
- The Latour Industries business area acquired Denstech AB in April.

January to June

- Orders received in the industrial and trading operations increased organically to SEK 3,949 (2,993) m, an increase of 26 percent adjusted for acquisitions, divestitures and exchange effects.
- Net sales in the industrial and trading operations amounted to SEK 3,611 (2,831) m, an organic increase of 21 percent adjusted for acquisitions, divestitures and exchange effects.
- Operating result in the industrial and trading operations increased to SEK 395 (245) m, an increase of 61 percent, corresponding to an operating margin of 11.2 (9.2) percent, for continuing operations.
- The net loan debt level continued to be low, 3 percent at the end of June, compared to 2 percent at year-end.

GROUP

- Group result after net financial items amounted to SEK 671 (580) m.
- Group result after tax amounted to SEK 586 (499) m, which corresponds to SEK 4.47 (3.81) per share.

INVESTMENT PORTFOLIO

- The investment portfolio value decreased by -2.2 percent while the comparable index (SIXRX) decreased by -0.7 percent in the first six months.

EVENTS AFTER THE REPORT PERIOD:

- The merger between Latour and Säkl was completed at the beginning of July.
- At the beginning of July Latour sold its headquarters property in Gothenburg, Sweden for SEK 110 m.
- The Latour Industries business area acquired Superbolt Inc and Swiss P&S Vorspannsysteme AG.

LATOUR AT A GLANCE Investment AB Latour is a mixed investment company consisting of wholly owned industrial and trading operations and an investment portfolio of listed holdings in which Latour is the principal owner or one of the principle owners. The investment portfolio consists of nine substantial holdings (including Säkl's portfolio) that per 30 June 2011 had a market value of over SEK 14 billion (including Säkl's portfolio). The holdings in the investment portfolio with the greatest value are Assa Abloy, Securitas and Sweco, and collectively they make up 72 percent of the entire value of the portfolio. Since the beginning of 2010 the wholly owned industrial and trading operations are organized in four business areas: Hultafors Group, Latour Industries, Specma Group and Swegon. Net sales in 2010 in the industrial and trading operations amounted to SEK 6 billion.

Industrial and trading operations

Result and market

Demand continued to develop very well in all business areas in the second quarter as well. Adjusted for exchange effects, acquisitions and divestitures, the level of orders received increased by all of 29 percent. Consequently there were no material indications of a slowdown in the positive development in the business cycle the second quarter. The financial instability in the global economy this summer, however, clearly shows the need to monitor business cycle development closely in the near future. At present it is hard to evaluate the development in demand.

The total level of orders received in continuing operations increased to SEK 3,873 (2,826) m in the first six months. Invoicing increased to SEK 3,534 (2,665) m. Operating result for the four business areas increased by 61 percent to SEK 395 (245) m, entailing an operating margin of 11.2 (9.2) percent. These numbers do not include divestitures in either year. In the second quarter alone the operating margin increased to 11.9 (10.6) percent.

Please refer to pages 5-6 for more about developments in each business area.

Acquisitions and divestitures

In the second quarter the Latour Industries business area acquired Denstech AB. Denstech delivers qualified technical services in sealing technology to the process industry in the Nordic region. Denstech has net sales of SEK 30 m and 18 employees.

After the end of the quarter, at the beginning of August, the Latour Industries business area acquired, through Nord-Lock International AB, the US company Superbolt Inc and the Swiss company Swiss P&S Vorspannsysteme AG. Ownership will be assumed immediately. Since 1984 Superbolt and P&S Vorspannsysteme have offered high quality products for critical bolting applications. The two companies are located in Pittsburgh, USA and St. Gallenkappel, Switzerland. The products are used in heavy industries such as offshore, energy and mining. The acquired companies have been owned and operated as two separate units but offer the same products to the market. The acquisitions will bring together two of the most innovative and trusted bolt securing technologies, and result in a wide range of products for demanding applications. The acquisitions increase Latour's net debt by about SEK 300 m. The acquired operations, which together employ 120, persons have annual net sales of more than SEK 200 m and very good profitability.

Earlier this year the Latour Industries business area made two smaller acquisitions. Through Nord-Lock International AB, the Italian retailer Sigma-3 S.r.l was acquired and through AVT Industriteknik, registered in Alingsås, Sweden, the assets and liabilities in the automation company Elator were acquired.

In the first quarter the Specma Group business area divested the subsidiary Autotube AB. The divestiture was a part of Latour's continuous structural review of the industrial and trading operations. The divestiture of Autotube means the automotive industry is no longer a principle customer group to any operations in Latour. In 2010 Autotube had net sales of SEK 357 m and 216 employees.

The acquisition opportunities we analyze can either be a complement to existing business areas or potential new business areas in Latour. We evaluate both small and large acquisition opportunities. Our ambition is to own stable industrial companies with their own products and with good prerequisites for international expansion.

Merger between Latour and Säkl

On 17 March 2011 the boards of Latour and Säkl announced their decision to merge the companies. The merger is based on the obvious logic of the companies' common history, similar operations and a common management perspective. The merger simplifies the ownership structure in the companies as well as making it more transparent to the market. The merged company will be a larger and stronger player in the market with better investment opportunities and increased financial stability. The merger also creates an investment alternative attractive to the capital market. At the companies' Annual General Meetings in May 2011 the companies' shareholders approved the merger and the merger plan that the boards of Säkl and Latour had established.

At the beginning of July the merger was completed as a legal merger in which Säkl was absorbed by Latour. As a consequence shares in Säkl were replaced by shares in Latour. Each share in Säkl was replaced by 0.57 new B shares in Latour. A shareholder in Säkl holding 100 shares therefore received 57 new B shares in Latour. Shareholders in Latour kept their shares in Latour. The exchange relation was supported by two from each other independent Fairness Opinions, issued by SEB Enskilda by order of Latour and Handelsbanken Capital Markets as commissioned by Säkl. In connection to the merger 28,500,000 new B shares were issued in Latour.

Industrial and trading operations

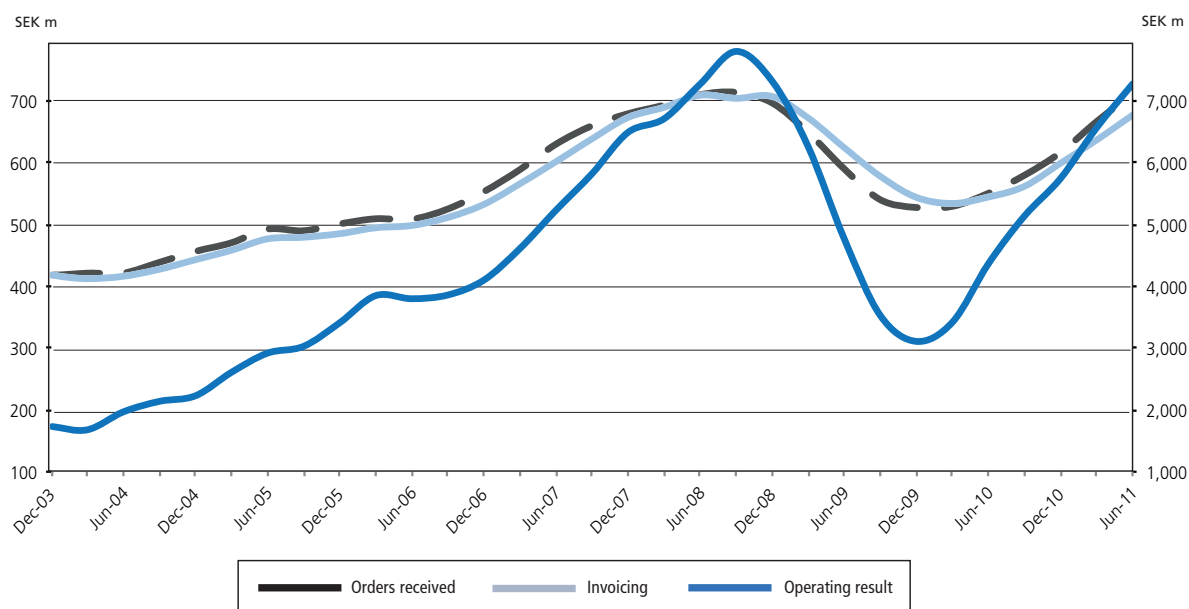
Business area results

SEK m	Net sales				Operating result				Operating margin %			
	2011 Q2	2010 Q2	2011 6 mon	2010 6 mon	2011 Q2	2010 Q2	2011 6 mon	2010 6 mon	2011 Q2	2010 Q2	2011 6 mon	2010 6 mon
Hultafors Group	289	274	563	533	41	34	73	65	14.1	12.3	13.0	12.1
Latour Industries	524	332	962	625	72	41	146	79	13.7	12.4	15.2	12.6
Specma Group	355	270	691	516	19	9	40	12	5.4	3.3	5.8	2.3
Swegon	731	529	1,323	998	94	64	136	90	12.8	12.2	10.3	9.0
Elimination	-1	-4	-5	-7	-	-	-	-	-	-	-	-
	1,898	1,401	3,534	2,665	226	148	395	245	11.9	10.6	11.2	9.2
Capital gains from divested companies	-	-	-	-	-	-	-2	3				
Other companies and items	-	92	77	166	-17	25	25	46				
	1,898	1,493	3,611	2,831	209	173	368	294				

SEK m	Operating capital ¹⁾		Return on operating capital %		Growth in net sales %		
	2011 roll 12	2010 roll 12	2011 roll 12	2010 roll 12	2011	From acquisitions	From exchange effects
Hultafors Group	773	770	19.6	18.3	5.7	0.0	-6.3
Latour Industries	746	580	32.1	18.6	53.8	33.8	-4.7
Specma Group	588	508	9.8	-0.3	34.0	0.4	-3.5
Swegon	994	644	25.6	31.7	32.6	23.3	-4.8
Total	3,101	2,502	22.7	18.0	32.6	16.7	-4.8

¹⁾ Calculated as total assets, reduced by liquid funds and other interest-bearing assets and reduced by non interest-bearing liabilities.
Calculated on the average of the past 12 months.

Group rolling 12 months



Development per Business area

Hultafors Group



(SEK m)	2011 Q2	2010 Q2	2011 6 mon	2010 6 mon	2010 Full year	Rolling 12 mon
Net sales	289	274	563	533	1,134	1,164
EBITDA	47	40	85	77	168	175
EBITA	43	36	77	69	152	160
EBIT	41	34	73	65	143	152
EBITA %	14.8	13.0	13.7	12.9	13.4	13.7
EBIT %	14.1	12.3	13.0	12.1	12.6	13.0
Growth %	5.5	10.2	5.7	6.6	7.8	
Of which exchange effects	-4.9	-6.9	-6.3	-6.5	-6.8	
Of which acquisitions	-	-	-	-	-	
Average number of employees	626	577	616	573	568	

Highlights second quarter

- Invoicing increased in the second quarter, adjusted for exchange effects, by 10.4 percent compared to the same quarter 2010.
- Market development is generally positive but weak in Great Britain and Ireland.
- In 2011 further investments in product development and marketing will result in greater costs.
- The challenge of managing the increasing cost of raw materials and salaries in production continues.

Allocation of net sales

(SEK m)	2011 Q2	2010 Q2	2011 6 mon	2010 6 mon	2010 Full year	Rolling 12 mon
Workwear	145	139	283	276	618	624
Tools	108	100	212	189	392	415
Ladders	36	35	69	68	124	125
	289	274	563	533	1,134	1,164

Hultafors Group offers the market three product groups: work wear under the Snickers Workwear brand, hand tools under the Hultafors Tools brand and ladders and scaffolding marketed under the Wibe Ladders brand. Its business concept is to be an attractive partner to distributors of consumables and work equipment in Europe and to be the obvious first hand choice for the end user.

Latour Industries



(SEK m)	2011 Q2	2010 Q2	2011 6 mon	2010 6 mon	2010 Full year	Rolling 12 mon
Net sales	524	332	962	625	1,297	1,633
EBITDA	82	48	166	93	201	274
EBITA	72	42	147	80	175	242
EBIT	72	41	146	79	172	240
EBITA %	13.7	12.7	15.3	12.8	13.5	14.8
EBIT %	13.7	12.4	15.2	12.6	13.3	14.7
Growth %	57.8	11.3	53.8	-3.6	8.4	
Of which exchange effects	-4.1	-4.3	-4.7	-3.6	-3.6	
Of which acquisitions	35.6	-1.8	33.8	-1.4	-4.9	
Average number of employees	883	550	865	545	555	

Highlights second quarter

- Invoicing increased by 62 percent in the second quarter, adjusted for exchange effects, compared to the same quarter 2010. Acquisitions were 36 percent.
- The operating result increased by 75 percent to SEK 72 m.
- In April Specma Seals acquired Denstech AB, a supplier of service and maintenance to the Nordic process industry.
- In May Flextek AS in Machinery Trading acquired JL Maskiner AS, an agency for large machinery to the wind power industry.
- During the quarter recovery continued in Machinery Trading from a low level.

Allocation of net sales

(SEK m)	2011 Q2	2010 Q2	2011 6 mon	2010 6 mon	2010 Full year	Rolling 12 mon
Nord-Lock	115	96	230	182	390	438
Specma Tools	16	16	32	30	64	66
Specma Seals	34	21	50	38	80	92
BrickPack	17	16	34	29	60	65
Stenberg	155	104	251	189	366	428
LSAB Group	93	50	183	103	199	278
Carstens	30	28	57	55	110	112
REAC	36	0	65	0	29	94
Pressmaster	30	0	60	0	0	60
	524	332	962	625	1,297	1,633

Pro forma adjustment 147¹⁾

Rolling 12 month pro forma 1,780

¹⁾ Pro forma for acquisitions.

Latour Industries International consists of a number of operating areas, each with its own business concept and business model. Our ambition is to develop independent units in the business area that in the long run will be able to create their own business areas in Latour. The common denominator is that most customers are active in manufacturing.

Specma Group



(SEK m)	2011 Q2	2010 Q2	2011 6 mon	2010 6 mon	2010 Full year	Rolling 12 mon
Net sales	355	270	691	516	1,065	1,240
EBITDA	24	14	50	22	49	77
EBITA	20	10	41	13	30	58
EBIT	19	9	40	12	29	58
EBITA %	5.6	3.7	5.9	2.5	2.8	4.7
EBIT %	5.4	3.3	5.8	2.3	2.7	4.7
Growth %	31.5	29.8	34.0	17.3	28.2	38.2
Of which exchange effects	-2.7	3.2	-3.5	-3.5	-4.0	-3.7
Of which acquisitions	-	5.4	0.4	4.4	5.5	4.4
Average number of employees	771	579	727	565	600	681

Highlights second quarter

- Increase in invoicing by 34.2 percent, adjusted for exchange effects, in the second quarter compared to the same period 2010.
- Continued high level of orders received led to lack of capacity and some backlogging in production, primarily in OEM and System divisions.
- Continued work to compensate through pricing for rising production and included material costs.
- Greater efforts to accelerate expansion abroad.

Allocation of net sales

(SEK m)	2011 Q2	2010 Q2	2011 6 mon	2010 6 mon	2010 Full year	Rolling 12 mon
OEM	201	146	384	273	564	672
System	82	60	160	112	238	289
After sales	72	64	147	131	263	279
	355	270	691	516	1,065	1,240

Specma Group has operations in three divisions. The OEM division primarily serves customers in mobile hydraulics, System Division customers are active in marine industry and industrial hydraulics and the Components Division is focused on after sales customers.

Swegon



(SEK m)	2011 Q2	2010 Q2	2011 6 mon	2010 6 mon	2010 Full year	Rolling 12 mon
Net sales	731	529	1,323	998	2,153	2,478
EBITDA	111	77	170	116	262	316
EBITA	95	65	137	91	211	257
EBIT	94	64	136	90	208	254
EBITA %	13.0	12.3	10.4	9.1	9.8	10.4
EBIT %	12.8	12.3	10.3	9.0	9.7	10.3
Growth %	38.2	-5.7	32.6	-8.9	3.5	
Of which exchange effects	-3.2	-5.1	-4.8	-4.1	-5.0	
Of which acquisitions	26.3	-	23.3	-	5.5	
Average number of employees	1,293	970	1,278	960	1,054	

Highlights second quarter

- Net sales increased by 15 percent, adjusted for exchange effects and acquisitions, compared to the same quarter the previous year.
- New European standards and regulations raised the demand for energy efficient solutions.
- Sales of Swegon's system for demand controlled ventilation grew on all markets.
- Market shares continue to grow dramatically both in the Nordic region as well as in the rest of Europe.
- Ongoing investments in machines and buildings will increase production capacity from the third quarter on.
- More investment during 2011 in product development in order to strengthen Swegon's lead in products and systems.
- Integration of Blue Box is somewhat behind schedule.

Allocation of net sales

(SEK m)	2011 Q2	2010 Q2	2011 6 mon	2010 6 mon	2010 Full year	Rolling 12 mon
Sweden	228	174	413	331	659	741
Other, Nordic Region	196	198	379	396	780	763
Other, worldwide	307	157	531	271	714	974
	731	529	1,323	998	2,153	2,478

Pro forma adjustment 137¹⁾

Rolling 12 month pro forma 2,615

¹⁾ Pro forma for acquisitions.

Swegon provides energy efficient air treatment aggregates as well as air and water borne climate systems for all kinds of buildings. Swegon delivers well thought-out system solutions that create a good indoor climate, which highly contributes to saving energy.

The Latour share's net asset value

As a result of the completed merger between Latour and Säkl Latour's net asset value is presented together with Säkl's as of 30 June 2011. As a consequence the new number of issued shares, 159,500,000, is used as a base for establishing the value per share.

In order to facilitate the evaluation of Latour's asset value, Latour provides an estimated interval of the value (Enterprise Value) for each business area based in 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 shown in the tables by valuating each business area in an interval.

Deductions for the company's net debt have been made as in earlier calculations. The evaluation of comparable companies has been made based on the market price after the balance sheet date. A more detailed description can be found on pages 8-9 in Latour's Annual Report for 2010.

In some cases the valuation multiples for comparable companies span over a great interval. For this reason the multiples may be adjusted in order to avoid unreasonable values. Other valuation multiples (for instance EV/ sales) have also been used as support for the chosen multiple intervals. The indicative value stated below is not a complete market valuation of Latour's holdings.

	Net sales ¹⁾	EBIT ¹⁾ SEK m	EBIT-multiple alt EV/sales-multiple Interval	Valuation SEK m ²⁾ Interval	Valuation SEK/share ³⁾ Interval
Hultafors Group	1,164	152	12 – 15	1,819 – 2,274	11 – 14
Latour Industries					
– <i>Engineering Technology</i>	899	227	10 – 14	2,265 – 3,171	14 – 20
– <i>Machinery Trading/Machinery Accessories</i>	882	27	0.5 – 0.7	441 – 617	3 – 4
Specma Group	1,240	58	0.6 – 0.8	744 – 992	5 – 6
Swegon	2,615	265	13 – 17	3,444 – 4,503	22 – 28
	6,801	729		8,712 – 11,557	55 – 72
Listed shares (see tables below)				14,435	91
Unlisted partnered holdings					
Academic Work ⁴⁾ , 20.0 %				317	2
Oxeon ⁵⁾ , 31.57 %				32	0
Other assets					
Short position portfolio				67	0
Short position portfolio Säkl				123	1
Other listed holdings				17	0
Other				5	0
Group liabilities				-445	-3
Liabilities Säkl				-518	-3
Calculated value				22,745 – 25,590	143 – 160

¹⁾ Rolling 12 months for current company structure.

²⁾ EBIT and EV/sales multiple recalculated taking into consideration the share price 2011-06-30 for comparable companies in each business area.

³⁾ Calculated on the number of outstanding shares.

⁴⁾ Valued according to a statement made by an independent valuer.

⁵⁾ Valued according to the latest transaction.

Investment portfolio 2011-06-30

In the first six months the value of the investment portfolio decreased by -2.2 percent while comparable index (SIXRX) decreased by -0.7 percent. Latour's and Säkl's portfolios decreased by -5.5 percent. During the first quarter 110,000 shares in

HMS were acquired and 100,000 shares were divested in Fagerhult. In the same period Säkl AB acquired 300,000 shares in Fagerhult.

Latour's portfolio

Share	Number	Acquisition value SEK m	Listed price ¹⁾ SEK	Market value SEK m	Share of votes %	Share of equity %
Assa Abloy A ²⁾	6,746,425	786	170	1,147		
Assa Abloy B	19,000,000	414	170	3,230	16.1	7.0
Fagerhult ^{3) 4)}	4,006,800	289	177	707	31.8	31.8
HMS Networks	1,961,000	145	107	210	17.6	17.6
Loomis A ²⁾	800,000	10	88	71		
Loomis B	4,618,000	55	88	407	12.2	7.4
Nederman ³⁾	3,171,000	271	116	368	27.1	27.1
Niscayah Group A ²⁾	4,000,000	87	18	73		
Niscayah Group B	24,000,000	93	18	439	12.4	7.7
Securitas A ²⁾	4,000,000	309	67	267		
Securitas B	23,090,000	275	67	1,539	12.2	7.4
Sweco A ^{3) 5)}	1,222,760	8	62	76		
Sweco B ³⁾	27,775,000	144	62	1,729	22.8	31.9
Total		2,886		10,263		

¹⁾ Market price.

²⁾ A shares in Assa Abloy, Loomis, Niscayah Group and Securitas are unlisted. In this table they have been given the same listing price as corresponding B shares.

³⁾ Shown as associated companies in the balance sheet.

⁴⁾ At the end of June 2011 30,000 shares were loaned out.

⁵⁾ The A share in Sweco is listed, but due to limited trade it has been given the same listed price as the B share.

Latour's portfolio including Säkl

Share	Number	Acquisition value SEK m	Listed price ¹⁾ SEK	Market value SEK m	Share of votes %	Share of equity %
Assa Abloy A ²⁾	13,865,243	2,071	170	2,357		
Assa Abloy B	21,300,000	829	170	3,621	29.7	9.6
Fagerhult ^{3) 4)}	6,206,800	642	177	1,096	49.2	49.2
HMS Networks	1,961,000	145	107	210	17.6	17.6
Loomis A ²⁾	2,528,520	166	88	223		
Loomis B	5,009,808	91	88	442	29.2	10.3
Nederman ³⁾	3,171,000	271	116	368	27.1	27.1
Niscayah Group A ²⁾	12,642,600	192	18	231		
Niscayah Group B	28,437,500	147	18	520	29.9	11.3
Nobia	22,000,000	438	42	913	13.2	13.2
Securitas A ²⁾	12,642,600	949	67	843		
Securitas B	27,090,000	571	67	1,806	29.6	10.9
Sweco A ^{3) 5)}	1,222,760	8	62	76		
Sweco B ³⁾	27,775,000	144	62	1,729	22.8	31.9
Total		6,664		14,435		

¹⁾ Market price.

²⁾ A shares in Assa Abloy, Loomis, Niscayah Group and Securitas are unlisted. In this table they have been given the same listing price as corresponding B shares.

³⁾ Shown as associated companies in the balance sheet.

⁴⁾ At the end of June 2011 30,000 shares were loaned out.

⁵⁾ The A share in Sweco is listed, but due to limited trade it has been given the same listed price as the B share.

Results and financial position

Group

Group profit after financial items was SEK 671 (580) m. Group profit after tax amounted to SEK 586 (499) m, which corresponds to SEK 4.47 (3.81) per share.

Group cash in hand and liquid investments amounted to SEK 393 (518) m. Interest-bearing liabilities, excluding pension liabilities, totalled SEK 701 (1,131) m. Group net borrowings, including pension liabilities, totalled SEK 445 m. The equity ratio was 82 (81) percent calculated on reported equity in relation to total assets. Including surplus value in associated companies the equity ratio was 84 (82) percent.

No transactions with related parties have influenced Group results significantly and they are not presented.

Investments

During the period investments of SEK 81 (48) m were made in tangible assets, of which SEK 62 (36) m was machinery, SEK 17 (12) m vehicles and SEK 2 (0) m buildings. Fixed assets in newly acquired companies made up SEK 6 (1) m of the investments for the period.

Parent company

Parent company profit after financial items amounted to SEK 351 (426) m. The parent company equity ratio amounted to 100 (99) percent.

After deduction of repurchased shares, the number of outstanding shares amounted to 131,000,000. Latour already owns 460,000 repurchased B shares. Call options have been issued to senior officers for 417,000 of the repurchased shares. 187,000 of these call options were issued in the second quarter after a decision taken at the Annual General Meeting on 12 May 2011.

Events after the balance sheet date

- In the beginning of July the merger between Latour and Säkl was completed. Further information can be found on page 3. The net asset value of Latour and Säkl respectively can be found on page 7.

- In the beginning of July Latour sold its headquarters property in Gothenburg, Sweden for SEK 110 m. Operations for a number of Latour's subsidiaries, Latour's headquarters and some external tenants are currently located on the property.
- In the beginning of August the Latour Industries business area acquired Superbolt Inc and Swiss P&S Vorspannsysteme AG. For further information please see page 3.

Risks and uncertainties

The Group's and the parent company's main risk lies in changes in the value of financial instruments and can be due to a general dip in the stock market or in a certain holding. This includes uncertainties concerning exchange and interest developments. Latour has a good diversification of risk through a wide variety of shareholdings divided among eight listed holdings and four wholly owned business areas. This means that the development of an individual holding will not have a dramatic effect on the Group in general. Because the wholly owned industrial and trading operations have grown changes in them have a greater impact on Latour. The Group as a whole is considered to have good risk diversification in its holdings in several different industries, but there is a certain dominance of industries with exposure to the construction industry. However, this industry can also be divided into a number of dimensions, such as new construction or repairs and maintenance, locally or globally, and it is also spread over housing, offices, industrial properties and infrastructure projects. No significant risks besides those described in note 33 in Latour's Annual Report 2010 have cropped up.

Review and accounting principles

The company auditors have not reviewed this report.

The interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and for the parent company in accordance with the Annual Accounts Acts and the Swedish Financial Accounting Standards Council's recommendation RFR 2 Accounting for legal entities.

The same accounting principles and calculation methods have been used as those in the latest annual accounts.

The board of directors and the chief executive officer hereby certify that the interim report gives a true and fair view of the parent company's and the Group's financial position and result and that it describes significant risks and uncertainties that the parent company and the companies within the Group face.

Gothenburg 22 August 2011
Investment AB Latour (publ)

Fredrik Palmstierna
Chairman

Mariana Burenstam Linder
Member

Anders G. Carlberg
Member

Anders Böös
Member

Carl Douglas
Member

Elisabeth Douglas
Member

Eric Douglas
Member

Jan Svensson
Member/CEO

Caroline af Ugglas
Member

Further information

Jan Svensson, President and CEO, tel. +46 705 77 16 40.

Anders Mörck, CFO, tel. +46 706 46 52 11, or +46 31 89 17 90.

Telephone conference

Investment AB Latour will hold a telephone conference with Jan Svensson and Anders Mörck today at 11 a.m.

The number for joining is: +46 (8) 505 598 53.

The conference will be broadcasted over the Internet. In order to follow the presentation please visit our website www.latour.se.

Interim Report January-September 2011 will be published 2011-11-08.

Annual Accounts Report 2011 will be published 2012-02-22.

The information in this interim report is disclosed pursuant to the Securities Markets Act and/or the Financial Instruments Trading Act. The information was made public on 22 August 2011 at 08:30 a.m.

Consolidated income statement

SEK m	2011 Q2	2010 Q2	2011 6 mon	2010 6 mon	Rolling 12 mon	Full year 2010
Net sales	1,898	1,493	3,611	2,831	6,771	5,991
Costs of goods sold	-1,237	-971	-2,357	-1,849	-4,428	-3,920
Gross profit	661	522	1,254	982	2,343	2,071
Sales costs	-302	-267	-597	-526	-1,142	-1,071
Administrative costs	-111	-85	-217	-179	-401	-363
Research and development costs	-34	-29	-63	-49	-120	-106
Other operating income	14	31	28	69	60	101
Other operating costs	-19	1	-37	-3	-46	-12
Operating result	209	173	368	294	694	620
Result from participation in associated companies	49	48	112	131	207	226
Result from portfolio management	226	193	224	183	119	78
Profit before financial items	484	414	704	608	1,020	924
Financial income	11	6	14	10	31	27
Financial costs	-18	-18	-47	-38	-90	-81
Profit after financial items	477	402	671	580	961	870
Taxes	-52	-43	-85	-81	-172	-168
Result for the period	425	359	586	499	789	702
Attributable to						
Parent company shareholders	425	359	586	499	790	703
Non-controlling interests	0	0	0	0	-1	-1
Earnings per share regarding profit attributable to parent company shareholders						
Before dilution	3.24 SEK	2.74 SEK	4.47 SEK	3.81 SEK	6.03 SEK	5.37 SEK
After dilution	3.24 SEK	2.74 SEK	4.47 SEK	3.81 SEK	6.02 SEK	5.36 SEK
Average number of outstanding shares before dilution	131,000,000	131,000,000	131,000,000	131,000,000	131,000,000	131,000,000
Average number of outstanding shares after dilution	131,234,110	131,115,000	131,232,066	131,115,000	131,231,025	131,172,973
Number of outstanding shares	131,000,000	131,000,000	131,000,000	131,000,000	131,000,000	131,000,000

Statement of comprehensive income

SEK m	2011 Q2	2010 Q2	2011 6 mon	2010 6 mon	Rolling 12 mon	Full year 2010
Result for the period	425	359	586	499	789	702
Other comprehensive income, net after tax						
Change in translation reserve for the period	25	-9	11	-51	-46	-108
Change in fair value reserve for the period	-408	37	-766	431	982	2,179
Change in hedging reserve for the period	-6	2	-4	13	6	23
Changes in equity in associated companies	15	-49	1	-72	-38	-111
Other	-	-	-	-1	-1	-2
Other comprehensive result, net after tax	-374	-19	-758	320	903	1,981
Comprehensive result for the period	51	340	-172	819	1,692	2,683
Attributable to:						
Parent company shareholders	51	340	-172	819	1,693	2,684
Non-controlling interests	0	0	0	0	-1	-1

Consolidated cash flow statement

SEK m	2011 Q2	2010 Q2	2011 6 mon	2010 6 mon	Rolling 12 mon	Full year 2010
Cash flow from current operations before changes in operating capital						
operating capital	151	146	329	221	686	578
Changes in operating capital	-35	-5	-259	-92	-260	-93
Cash flow from current operations	116	141	70	129	426	485
Acquisition of subsidiaries	-21	-4	-32	-14	-455	-437
Sale of subsidiaries	-	-	123	-	130	7
Other investments	-54	-15	-99	-38	-153	-92
Portfolio management	320	307	282	317	1,173	1,208
Cash flow after investments	361	429	344	394	1,121	1,171
Financial payments	-487	-394	-517	-430	-1,221	-1,134
Cash flow for the period	-126	35	-173	-36	-100	37

Consolidated balance sheet

SEK m	2011-06-30	2010-06-30	2010-12-31
ASSETS			
Goodwill	1,383	966	1,388
Other intangible assets	46	50	51
Tangible assets	809	654	847
Financial assets	8,636	8,579	9,421
Inventories etc.	1,252	924	1,030
Current receivables	1,558	1,237	1,398
Cash and bank	393	518	573
Total assets	14,077	12,928	14,708
EQUITY AND LIABILITIES			
Capital and reserves attributable to parent company shareholders	11,612	10,415	12,280
Non-controlling interests	0	2	0
<i>Total equity</i>	<i>11,612</i>	<i>10,417</i>	<i>12,280</i>
Interest-bearing long-term liabilities	302	197	337
Non-interest-bearing long-term liabilities	114	140	90
Interest-bearing current liabilities	562	1,077	581
Non-interest-bearing current liabilities	1,487	1,097	1,420
Equity and liabilities	14,077	12,928	14,708

Change in consolidated equity

SEK m	Share capital	Repurchased shares	Other reserves	Profit brought forward	Non-controlling interests	Total
Opening balance 2010-01-01	110	-29	3,847	6,027	1	9,956
Comprehensive result for the period			2,094	590	-1	2,683
Issued call options				1		1
Dividends				-360		-360
Closing balance 2010-12-31	110	-29	5,941	6,258	0	12,280
Opening balance 2011-01-01	110	-29	5,941	6,258	0	12,280
Comprehensive result for the period			-759	587		-172
Issued call options				2		2
Ongoing new issue costs				-7		-7
Dividends				-491		-491
Closing balance 2011-06-30	110	-29	5,182	6,349	0	11,612

Group key ratios

	2011-06-30	2010-06-30	2010-12-31
Return on equity	10%	10%	6%
Return on comprehensive capital	10%	10%	7%
Equity ratio	82%	81%	83%
Adjusted equity ratio	84%	82%	85%
Adjusted equity (SEK m)	13,347	11,495	13,783
Surplus value in associated companies ¹⁾ (SEK m))	1,735	1,078	1,503
Net debt/equity ratio	3%	6%	2%
Net borrowings/EBITDA	0.5	1.1	0.4
Share price	129 SEK	94 SEK	124 SEK
Repurchased shares	460,000	460,000	460,000
Average number of repurchased shares	460,000	460,000	460,000
Average number of employees	3,606	2,851	3,057
Outstanding convertible bonds	0	0	0
Issued subscription options	0	0	0
Issued call options on repurchased shares	417,000	230,000	230,000

¹⁾ Difference between acquisition value and market value.

Income statement – parent company

SEK m	2011 Q2	2010 Q2	2011 6 mon	2010 6 mon	Rolling 12 mon	Full year 2010
Result from participation in Group companies	–	100	–	100	–	100
Result from participation in associated companies	11	28	11	78	44	111
Result from portfolio management	321	265	322	251	216	145
Profit before financial items	332	393	333	429	260	356
Interest income and similar profit items	11	0	19	0	19	0
Interest costs and similar loss items	–1	–1	–1	–3	–	–2
Profit after financial items	342	392	351	426	279	354
Tax	–	–	–	–	–	–
Result for the period	342	392	351	426	279	354

Statement of comprehensive income – parent company

SEK m	2011 Q2	2010 Q2	2011 6 mon	2010 6 mon	Rolling 12 mon	Full year 2010
Result for the period	342	392	351	426	279	354
Change in the fair value reserve for the period	–408	37	–766	431	982	2,179
Total other comprehensive income	–408	37	–766	431	982	2,179
Result for the period	–66	429	–415	857	1,261	2,533

Balance sheet – parent company

SEK m	2011-06-30	2010-06-30	2010-12-31
ASSETS			
Financial assets	8,337	8,281	9,872
Current receivables from Group companies	623	–	–
Other current receivables	2	4	–
Cash and bank	6	6	6
Total assets	8,968	8,291	9,878
EQUITY AND LIABILITIES			
Equity	8,958	8,193	9,869
Interest-bearing long-term liabilities	1	88	1
Non-interest-bearing long-term liabilities	5	6	5
Non-interest-bearing current liabilities	4	4	3
Equity and liabilities	8,968	8,291	9

Changes in equity – parent company

SEK m	2011-06-30	2010-06-30	2010-12-31
Equity at the beginning of the year	9,869	7,695	7,695
Comprehensive result for the period	–415	857	2,533
Issued call options	2	1	1
Ongoing new issue costs	–7	–	–
Dividends	–491	–360	–360
Equity at year-end	8,958	8,193	9,869

Segment reporting:

Development per business area 2011-01-01 – 2011-06-30

	Industrial and trading operations					Portfolio management	Total
SEK m	Hultafors Group	Latour Industries	Specma Group	Swegon	Other		
INCOME							
External sales	563	960	689	1,322	77		3,611
Internal sales	–	2	2	1	–		5
RESULT							
Operating profit	73	146	40	136	–20		375
Result from participation in associated companies						112	112
Result from portfolio management						217	217
Financial income							14
Financial costs							–47
Tax							–85
Result for the period							586
OTHER INFORMATION							
Investments in:							
tangible assets	3	22	13	23	19	–	80
intangible assets	–	41	–	1	–	–	42
Depreciation	12	20	9	34	11	–	86

Development per business area 2010-01-01 – 2010-06-30

	Industrial and trading operations					Portfolio management	Total
SEK m	Hultafors Group	Latour Industries	Specma Group	Swegon	Other		
INCOME							
External sales	533	622	513	997	166		2,831
Internal sales	–	3	3	1	–		7
RESULT							
Operating profit	65	79	12	90	48		294
Result from participation in associated companies						131	131
Result from portfolio management						183	183
Financial income							10
Financial costs							–38
Tax							–81
Result for the period							499
OTHER INFORMATION							
Investments in:							
tangible assets	1	6	7	22	12	–	48
intangible assets	–	3	27	–	–	–	30
Depreciation	13	14	18	26	8	–	79

Five year overview

	July 2010–June 2011	2010	2009	2008	2007
Net sales, SEK m	6,771	5,991	5,440	7,071	6,730
Operating result, SEK m	701	620	296	671	652
Result from participation in associated companies, SEK m	207	226	242	142	210
Result from portfolio management, SEK m	112	78	189	843	240
Result after financial items, SEK m	961	870	664	1,590	1,102
Earnings per share, SEK	6.03	5.37	4.21	11.14	6.71
Return on equity, %	7	6	6	16	8
Return on comprehensive capital, %	8	7	6	14	8
Operating margin, %	10.4	9.6	6.3	10.3	9.6
Equity ratio, %	82	83	81	73	75
Adjusted equity ratio, %	84	85	82	75	78
Net debt/equity ratio, %	3	2	7	15	15
Share price, SEK	129	124	99	62	104

Note 1: Company acquisitions

Specification of acquisitions				
Transfer date		Country	Business area	Number of employees
2 February 2011	Sigma-3 S.r.l.	Italy	Latour Industries	4
18 April 2011	Denstech AB	Sweden	Latour Industries	18
Assets and liabilities in acquisitions				
				Recorded value in Group
Intangible assets				0
Tangible assets				5
Inventories				1
Accounts receivable				5
Other receivables				4
Cash				4
Long-term liabilities				0
Deferred tax liability				0
Current liabilities				–4
Net identifiable assets and liabilities				15
Group goodwill				21
Cash settlement purchase price				36
Acquisitions of items not included in the cash flow				–
Acquired cash				–4
Effect on Group cash				32

During the period Latour acquired 100 percent of shares in Sigma-3 S.r.l and Denstech AB. During the period Sigma-3 S.r.l. contributed income of SEK 9 m and an operating result of SEK 3 m. During the period Denstech AB contributed income of SEK 9 m and an operating result of SEK 0 m.



Investment AB Latour (publ)

CRN 556026-3237

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