

INTERIM REPORT
JANUARY–SEPTEMBER
2010

Interim Report January – September 2010

- Group profit after net financial items amounted to SEK 785 (546) million.
- Group profit after tax amounted to SEK 665 (459) million, which corresponds to SEK 5,08 (3.49) per share.

INDUSTRIAL AND TRADING OPERATIONS

Third quarter

- Orders received for industrial and trading operations increased to SEK 1,455 (1,147) million, an increase of 30 percent adjusted for acquisitions, divestitures and exchange effects.
- Net sales for industrial and trading operations amounted to SEK 1,400 (1,209) million, an increase of 18 percent adjusted for acquisitions, divestitures and exchange effects.
- Operating result for industrial and trading operations increased to SEK 163 (93) million, an increase of 74 percent, corresponding to an operating margin of 11.6 (7.7) percent, for continuing operations.

January to September

- Orders received for industrial and trading operations increased to SEK 4,448 (3,870) million, an increase of 18 percent adjusted for acquisitions, divestitures and exchange effects.
- Net sales for industrial and trading operations amounted to SEK 4,231 (3,993) million, an increase of 9 percent adjusted for acquisitions, divestitures and exchange effects.
- Operating result for industrial and trading operations increased to SEK 412 (238) million, an increase of 73 percent, corresponding to an operating margin of 9.7 (6.0) percent, for continuing operations.
- Latour Industries acquired the lift and actuator manufacturer REAC in Åmål.

INVESTMENT PORTFOLIO

- During the nine month period the value of the investment portfolio increased by 17.8 percent, adjusted for dividends while comparable index (SIXRX) increased by 17.9 percent.

EVENTS AFTER THE REPORT PERIOD

- Swegon acquired the chillers manufacturer Blue Box in Italy. Latour Industries acquired Kontikab.

Industrial and trading operations

Results and market

A significant increase in demand continued in the third quarter. The level of orders received was 30 percent higher than comparable units the previous year, adjusted for exchange effects. The trend was already clearly visible in all business areas, except for Swegon, which is affected later in the business cycle. Since June this change has become visible in Swegon as well and it should thereby have passed the lowest point in the business cycle. The level of orders received was higher in the third quarter in every business area compared with the same period in 2009. The same holds true for invoicing, adjusted for exchange effects.

The total level of orders received in continuing operations increased to SEK 4,448 (3,870) million in the first nine months. Invoicing increased to SEK 4,231 (3,993) million. The operating result for the four business areas increased to SEK 412 (238) million, entailing an operating margin of 9.7 (6.0) percent.

In the third quarter by itself the operating margin amounted to 11.6 (7.7), which means we are now close to the profitability that we had for significantly higher volumes in 2008. The units that lost the most volumes during the downturn in the economy are experiencing difficulties in regaining the competence lost during the downturn. However all in all the operations have been able to handle the massive increase in volumes without a noticeable increase in costs. During the downturn in the economy we laid the foundation for continued improved profitability. Please refer to pages 3–4 for more information about the development in each business area.

Acquisitions and divestitures

Latour's ambition is to unwaveringly continue to develop the wholly owned industrial and trading operations. In the third quarter the Latour Industries business area acquired all shares in REAC AB, manufacturer of lifts and actuators with customers in the Medical Rehab area. Production takes place in Åmål and in the Danish subsidiary Balle A/S. The operation has net sales of about SEK 100 million and some 50 employees.

After the end of the quarter a further two acquisitions were made. At the beginning of October Swegon business area acquired all shares in the Italian chillers manufacturer Blue Box. The company is estimated to have a net sales of about EUR 50 million, some 250 employees and it exports its products to over 30 countries worldwide. Blue Box complements Swegon's market position and product range. In the future Blue Box' products will be incorporated into Swegon's energy saving comprehensive solutions. The other acquisition made after the end of the quarter was Kontikab, manufacturer of industrial leak detection, by Latour Industries. The company has net sales of approximately SEK 25 million and about 20 employees.

Earlier this year the Specma Group business area acquired two operations. At the beginning of January Samwon Tech (Europe) Ltd in Great Britain was acquired and in March Komponenthuset A/S in Denmark was acquired. Our automation operations in Laxå were divested from the Latour Industries business area in the first quarter.

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 ten substantial holdings that on 30 September 2010 had a market value of SEK 10.4 billion. The holdings in the investment portfolio with the greatest value are Assa Abloy, Securitas and Sweco, and collectively they make up 76 percent of the entire value of the portfolio. The wholly owned industrial and trading operations are since the beginning of 2010 organized in four business areas: Hultafors Group, Latour Industries, Specma Group and Swegon. Net sales in 2009 in the industrial and trading operations amounted to SEK 5.4 billion.

Development per business area

Hultafors Group



(SEK m)	2010 Q3	2009 Q3	2010 9 mon	2009 9 mon	2009 Full year	Rolling 12 mon
Net sales	282	253	814	753	1,052	1,114
EBITDA	50	35	127	89	141	179
EBITA	46	32	114	74	122	163
EBIT	44	30	108	68	115	155
EBITA %	16.2	12.5	14.0	9.9	11.6	14.6
EBIT %	15.5	11.7	13.3	9.1	10.9	13.9
Growth %	11.4	-3.4	8.2	-15.7	-13.3	
Of which exchange effects	-6.2	4.4	-6.4	5.6	4.6	
Of which acquisitions	-	2.2	-	4.2	3.9	
Average number of employees	609	531	585	600	622	

Highlights third quarter

- Invoicing increased by 17 percent in the third quarter compared to the same quarter in 2009, adjusted for exchange effects.
- Growth is good in several markets. Finland, Great Britain and Belgium show the greatest growth, while Norway and Ireland are growing at a modest 2-3 percent.
- Cost reductions made in 2008 and 2009 have been effective. Operating margin in the quarter was 15.5 percent.
- Future challenges are continued cost-effectiveness in our supply chain, expansion of the number of sales points as well as integrating Hultafors Group's comprehensive concept into more markets in Europe.

Allocation of net sales

(SEK m)	2010 Q3	2009 Q3	2010 9 mon	2009 9 mon	2009 Full year	Rolling 12 mon
Workwear	146	125	423	389	568	603
Tools	105	94	294	261	354	387
Ladders	29	34	97	103	130	124
	280	253	814	753	1,052	1,114

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 International



(SEK m)	2010 Q3	2009 Q3	2010 9 mon	2009 9 mon	2009 Full year	Rolling 12 mon
Net sales	319	248	944	897	1,196	1,243
EBITDA	66	25	159	75	93	177
EBITA	59	19	139	55	66	150
EBIT	58	18	137	53	63	148
EBITA %	18.5	7.6	14.7	6.1	5.5	12.1
EBIT %	18.3	7.3	14.5	5.9	5.3	11.9
Growth %	28.1	-36.8	5.2	-30.8	-30.8	
Of which exchange effects	-3.8	-0.4	-3.5	3.1	1.6	
Of which acquisitions	0.6	7.5	3.6	5.3	3.7	
Average number of employees	535	544	542	565	544	

Highlights third quarter

- Invoicing increased by 32 percent in the third quarter compared to the same quarter in 2009, adjusted for exchange effects.
- Operating margin increased to 18.5 percent (7.6).
- Demand is noticeably better in most areas, but the increase in machinery trading/service is slow and starting from a low level.
- Investments were made in product development and continued internationalisation.
- In September REAC AB, manufacturer of lifts and actuators, primarily for customers in Medical Rehab, was acquired. REAC was consolidated on 1 September, but estimated net sales for the full year are SEK 100 million.
- After the end of the quarter Kontikab, manufacturer of machines for industrial leak detection, was acquired. Kontikab's net sales for 2010 are estimated at 25 million and it will be a part of the automation operations in the Machinery Trading business area.

Allocation of net sales

(SEK m)	2010 Q3	2009 Q3	2010 9 mon	2009 9 mon	2009 Full year	Rolling 12 mon
Bolt securing systems	107	62	288	202	269	356
Hand tools	16	14	46	40	56	62
Gaskets/seals	35	32	102	91	121	132
Machinery trading/service	84	85	269	368	473	383
Industrial accessories	45	35	150	128	179	192
Strips & Laminates	23	21	78	77	107	107
Lifts, actuators	8	0	8	0	0	8
Other/eliminations	1	0	3	-7	-9	2
	319	249	944	898	1,196	1,243

Associated companies

Pressmaster, 49 %	22	9	68	42	65	91
-------------------	----	---	----	----	----	----

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 should be able to create their own business areas in Latour. The common denominator is that most customers are active in manufacturing.

(SEK m)	2010 Q3	2009 Q3	2010 9 mon	2009 9 mon	2009 Full year	Rolling 12 mon
Net sales	319	228	998	773	1,045	1,273
EBITDA	22	-3	57	-23	-24	56
EBITA	15	-12	32	-51	-61	22
EBIT	15	-13	31	-53	-64	20
EBITA %	4.7	-5.3	3.2	-6.6	-5.8	-1.7
EBIT %	4.7	-5.6	3.1	-6.8	-6.1	1.6
Growth %	40.5	-37.3	29.3	-39.7	-36.6	
Of which exchange effects	-2.8	1.8	-2.8	2.2	1.3	
Of which acquisitions	3.6	-	3.1	-	-	
Average number of employees	831	720	791	757	788	

Highlights third quarter

- Orders received and invoicing continued to increase in the third quarter. Net sales increased by 40 percent compared to 2009, adjusted for exchange effects and acquired operations.
- The market for OEM and Automotive increased steadily during the year and the forecast indicates continued growth throughout 2010.
- System Division reached its lowest point in the first half of the year and levels of orders received and invoicing are now on the rise.
- After Sales Division net sales increased by 18 percent in the quarter compared to 2009.
- Besides growing and ensuring deliveries while expanding focus is on keeping costs down. The price press on supplier prices is palatable on the market. However, the stronger Swedish crown has a counterbalancing effect. The long-term challenge is to continue the geographic expansion of the entire product range.

Allocation of net sales

(SEK m)	2010 Q3	2009 Q3	2010 9 mon	2009 9 mon	2009 Full year	Rolling 12 mon
OEM	125	89	397	269	350	478
System	57	41	168	184	260	244
After sales	57	48	187	164	214	237
Automotive	80	49	247	155	222	314
	319	227	998	772	1,045	1,273

Specma Group has operations in four divisions. The OEM division primarily serves customers in mobile hydraulics, System Division customers are active in marine industry and industrial hydraulics, Component Division is focused on after sales customers and Automotive works with customers in the automotive industry.

(SEK m)	2010 Q3	2009 Q3	2010 9 mon	2009 9 mon	2009 Full year	Rolling 12 mon
Net sales	482	483	1,480	1,578	2,081	1,982
EBITDA	59	73	175	212	280	243
EBITA	47	60	138	172	228	194
EBIT	46	59	136	170	226	192
EBITA %	9.8	12.4	9.3	10.9	11.0	9.8
EBIT %	9.6	12.1	9.2	10.7	10.8	9.7
Growth %	-0.2	-17.6	-6.2	-9.0	-10.0	
Of which exchange effects	-4.1	1.8	-4.1	3.8	3.2	
Of which acquisitions	-	-	-	-	-	
Average number of employees	975	997	965	998	992	

Highlights third quarter

- Swegon's operations are affected somewhat later in the business cycle compared to other operations. Orders received increased noticeably compared to the previous year and invoicing will increase in the final quarter.
- The number of major projects is on the rise and Swegon continues to win market shares in the European markets.
- Very positive trend for air treatment aggregates, both for commercial premises and housing.
- Lower operating margin due to increased material prices. Customers have been notified of price increases.
- At the beginning of October Swegon acquired all the shares in Blue Box, an Italian chillers manufacturer with net sales of approximately EUR 50 million and about 250 employees.
- Future challenges are to continue to win market shares in markets outside the Nordic region as well as developing Swegon's technological head start and its unique system solutions that now include chilling.

Allocation of net sales

(SEK m)	2010 Q3	2009 Q3	2010 9 mon	2009 9 mon	2009 Full year	Rolling 12 mon
Sweden	129	139	460	502	697	655
Other Nordic Region	185	199	581	650	850	781
Other world	167	145	438	426	534	546
	481	483	1,479	1,578	2,081	1,982

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.

Business area results

SEK m	Net sales				Operating result				Operating margin %			
	2010 Q3	2009 Q3	2010 9 mon	2009 9 mon	2010 Q3	2009 Q3	2010 9 mon	2009 9 mon	2010 Q3	2009 Q3	2010 9 mon	2009 9 mon
Hultafors Group	282	253	814	753	44	30	108	68	15.5	11.7	13.3	9.1
Latour Industries	319	248	944	897	58	18	137	53	18.3	7.3	14.5	5.9
Specma Group	319	228	998	773	15	-13	31	-53	4.7	-5.6	3.1	-6.8
Swegon	482	483	1,480	1,578	46	58	136	170	9.6	12.1	9.2	10.7
Elimination	-2	-3	-6	-8	-	-	-	-	-	-	-	-
	1,400	1,209	4,231	3,993	163	93	412	238	11.6	7.7	9.7	6.0
Capital gains from divested companies	-	-	-	-	-	-	3	2				
Other companies and items	-	18	-	60	2	8	44	-7				
	1,400	1,227	4,231	4,053	165	101	459	233				

SEK m	Operating capital ¹⁾		Return on operating capital %		Growth in net sales %		
	2010 roll 12	2009 roll 12	2010 roll 12	2009 roll 12	2010	From acquisitions	From exchange effects
Hultafors Group	759	845	20.4	12.8	8.2	0.0	-6.4
Latour Industries	585	588	25.3	13.9	5.2	-0.8	-3.5
Specma Group	630	658	3.2	-6.4	29.3	3.1	-2.8
Swegon	630	674	30.5	35.7	-6.2	0.0	-4.1
Total	2,604	2,765	19.8	14.0	6.0	0.4	-4.2

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.

The Latour share's net asset value

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 and rolling 12 months'

EBIT. A more detailed description can be found on pages 8-9 in Latour's Annual Report for 2009.

The present situation in the business cycle has led to substantial variations in the results for both business areas and comparable companies. This in turn has caused comparable valuation multiples to stretch over a very large interval. For this reason this report has adjusted the multiples used 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	1,114	155	12 – 15	1,855 – 2,319	14 – 18
Latour Industries					
– Engineering Technology	640	162	11 – 15	1,782 – 2,430	14 – 19
– Machinery Trading/ Machinery Accessories	604	-6	0.5 – 0.7	302 – 422	2 – 3
Specma Group					
- Autotube	313	6	0.4 – 0.6	125 – 188	1 – 1
- Specma Hydraulic	968	14	0.6 – 0.8	581 – 774	4 – 6
Swegon	1,983	192	15 – 19	2,879 – 3,646	22 – 28
	5,653	523		7,523 – 9,779	58 – 75
Listed shares (see tables below)				10,456	80
Other assets					
Oxeon ⁴⁾ , 31,6 %				32	0
Pressmaster ⁵⁾ , 49 %				10	0
Short position portfolio				34	0
Elanders, 8.8 %				38	0
Other listed holdings				23	0
Other				3	0
				140	1
Group net debt				-724	-6
Calculated value				17,395 – 19,651	133 – 150

¹⁾ Rolling 12 months for current company structure.

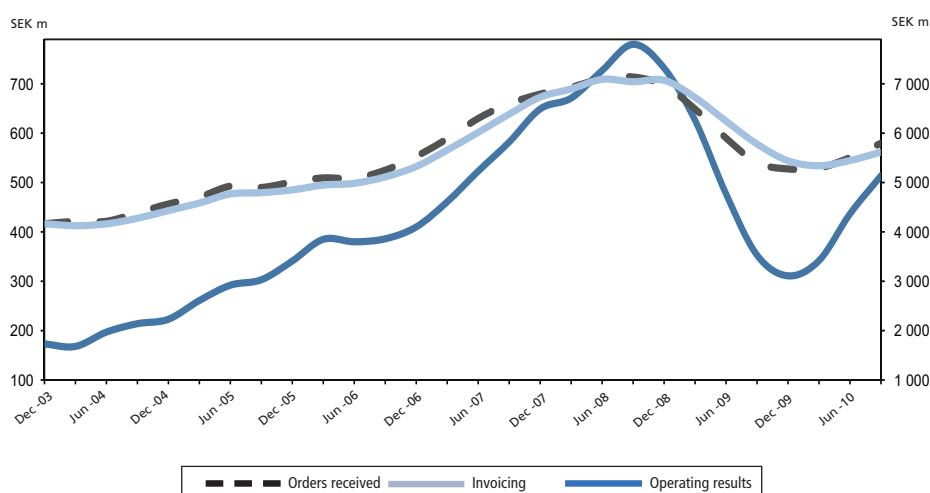
²⁾ EBIT-multiple recalculated taking into consideration the share price 2010-09-30 for comparable companies in each business area.

³⁾ Calculated on the number of outstanding shares.

⁴⁾ Value according to the latest transaction.

⁵⁾ Acquisition value.

Group – rolling 12 months



Investment portfolio 2010-09-30

The value of the investment portfolio increased by 17.8 percent during the first nine months while comparable index (SIXRX) increased by 17.9 percent. During the last nine months 498,632 shares in Elanders were sold. This, in combination with the fact that Latour did not participate in Elanders' new issue, reduced

ownership to 8.8 % percent of capital and 5.7 percent of votes. Elanders is no longer a part of the long-term portfolio. 89,421 shares were acquired in HMS after which ownership increased to 14.99 percent. There was a public bid of SEK 77 per share that Nordic Capital made on Munters and which Latour has accepted on the day of the report.

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	1,146		
Assa Abloy B	19,000,000	414	170	3,226	16.1	7.0
Fagerhult ^{3) 4)}	4,106,800	296	119	489	32.6	32.6
HMS Networks	1,672,000	114	90	150	14.99	15.0
Loomis A ²⁾	800,000	10	81	65		
Loomis B	4,618,000	55	81	373	12.2	7.4
Munters	10,950,000	631	76	835	14.8	14.8
Nederman ³⁾	3,100,000	265	84	260	26.5	26.5
Niscayah Group A ²⁾	4,000,000	87	12	47		
Niscayah Group B	24,000,000	93	12	283	12.3	7.7
Securitas A ²⁾	4,000,000	309	73	290		
Securitas B	23,090,000	275	73	1,676	12.2	7.4
Sweco A ^{3) 5)}	1,222,760	8	56	68		
Sweco B ³⁾	27,775,000	144	56	1,548	22.8	31.9
Total		3,487		10,456		

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 September 2010 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 net financial items was SEK 785 (546) million. Group profit after tax amounted to SEK 665 (459) million, which corresponds to SEK 5.08 (3.49) per share.

Group cash in hand and liquid investments amounted to SEK 613 (323) million. Interest-bearing liabilities, excluding pension liabilities, totalled SEK 1,255 (1,346) million. Group net borrowings, including pension liabilities, totalled SEK 724 million. The equity ratio was 81 (78) percent calculated on reported equity in relation to total assets. Including surplus value in associated companies the equity ratio was 83 (80) percent.

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

Investments

During the period an investment of SEK 66 (128) million was made in tangible assets, of which SEK 50 (83) million was machinery, SEK 16 (7) million vehicles and SEK 0 (38) million buildings. Of the investments for the year SEK 3 (7) were fixed assets in newly acquired companies.

Parent company

Parent company profit after net financial items amounted to SEK 132 (325) million. The parent company equity ratio amounted to 98 (95) percent.

The number of outstanding shares amounted to, after deduction for repurchased shares, 131,000,000 on 30 September 2010. Latour already owns 460,000 repurchased B shares. Call options have been issued to senior officers for 230,000 of the repurchased shares. 115,000 of these call options were made in the second quarter after a decision taken at the Annual General Meeting on 11 May 2010. In June 2010 4,050,877 A shares were converted to B shares. Presently the allocation of issued shares is 12,646,053 A shares and 118,813,947 B shares.

Events after the balance sheet date

Swegon business area acquired Blue Box, an Italian manufacturer of chillers with 250 employees. The acquisition will initially contribute annual net sales of EUR 50 million to Latour. The purchase price was EUR 44 million. In addition the Group balance sheet will consolidate a financial liability of about EUR 9 million for operation premises rented in a financial rental agreement. Goodwill is expected preliminarily to increase by some EUR 30 million. In October another company, Kontikab, was acquired by Latour Industries business area. Kontikab manufactures machines for automated industrial leak detection and has net sales of approximately SEK 25 million and about 20 employees.

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 ten 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 34 in Latour's Annual Report 2009 have cropped up.

Review and accounting principles

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 2.3 Accounting for legal entities.

As of 2010 Latour applies the revised IFRS 3, Business Combinations and amendment IAS 27, Consolidated and Separate Financial Statements. Implementation entails, among other things, that transaction costs involved in acquisitions must be expensed. Another change is that provisional payments must be valued at fair value on the date of acquisition and any effects of a revaluation must be reported via the income statement. As presented in the Annual Report 2009 Latour's industrial and trading operations are as of January 1 2010 divided in four operating segments: Hultafors Group, Latour Industries, Specma Group and Swegon.

In all other aspects the same accounting principles and calculation methods as those in the latest annual accounts have been used.

Nominating committee

The nominating committee for the Annual General Meeting on 12 May 2011 consists of the following persons:

Gustaf Douglas (chairman, principal owner)

Björn Karlsson (Bertil Svensson's family and foundation)

Per Erik Mohlin (SEB Funds)

The nominating committee can be contacted via Latour's homepage www.latour.se under About Latour, Organisation.

Gothenburg 3 November 2010

President and Chief Executive Officer

Jan Svensson

Review report

We have reviewed this report for the period 1 January 2010 to 30 September 2010 for Investment AB Latour. The board of directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

We conducted our review in accordance with the Swedish Standard on Review Engagements SÖG 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily to persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing in Sweden, RS, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

Gothenburg 3 November 2010

PricewaterhouseCoopers AB

Helén Olsson Svärdröm
Authorised public accountant
Auditor in charge

Bo Karlsson
Authorised public
accountant

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.

Number for joining: +46 (8) 505 598 53. The conference will be broadcasted via the Internet.

In order to listen to the Webcast please visit our website www.latour.se.

The Annual Accounts Report for 2010 will be published 2011-02-23.

Interim Report January-March 2011 will be published 2011-05-06

Annual General Meeting will be held 12 May 2011 at Radisson BLU Scandinavia Hotel in Gothenburg, Sweden.

Consolidated income statement

SEK m	3 mon Jul-Sep 2010	3 mon Jul-Sep 2009	9 mon Jan-Sep 2010	9 mon Jan-Sep 2009	12 mon Oct-Sep 2009/2010	12 mon Jan-Dec 2009
Net sales	1,400	1,227	4,231	4,053	5,618	5,440
Costs of goods sold	-899	-822	-2,748	-2,796	-3,629	-3,677
Gross profit	501	405	1,483	1,257	1,989	1,763
Sales costs	-234	-235	-760	-738	-1,110	-1,088
Administrative costs	-83	-63	-262	-237	-368	-343
Research and development costs	-22	-3	-71	-60	-91	-80
Other operating income	6	26	75	53	82	60
Other operating costs	-3	-29	-6	-42	20	-16
Operating result	165	101	459	233	522	296
Result from participation in associated companies	55	5	186	146	282	242
Result from portfolio management	5	-1	188	221	156	189
Profit before financial items	225	105	833	600	960	727
Financial income	3	-6	13	4	15	6
Financial costs	-23	-23	-61	-58	-72	-69
Profit after financial items	205	76	785	546	903	664
Taxes	-39	-44	-120	-87	-145	-112
Result for the period	166	32	665	459	758	552
Attributable to:						
Parent company shareholders	166	31	665	457	760	552
Minority interests	0	1	0	2	-2	0
Earnings per share regarding profit attributable to parent company shareholders						
Before dilution	SEK 1.27	SEK 0.24	SEK 5.08	SEK 3.49	SEK 5.80	SEK 4.21
After dilution	SEK 1.26	SEK 0.24	SEK 5.07	SEK 3.49	SEK 5.80	SEK 4.21
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 shares after dilution	131,230,000	131,115,000	131,153,755	131,050,971	131,143,986	131,067,110
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	3 mon Jul-Sep 2010	3 mon Jul-Sep 2009	9 mon Jan-Sep 2010	9 mon Jan-Sep 2009	12 mon Oct-Sep 2009/2010	12 mon Jan-Dec 2009
Result for the period	166	32	665	459	758	552
Other comprehensive income, net after tax						
Change in translation reserve for the period	-39	-42	-90	-32	-78	-20
Change in fair value reserve for the period	770	446	1,201	1,289	1,917	2,005
Change in hedging reserve for the period	5	20	18	22	16	20
Changes in equity in associated companies	-33	-32	-105	-9	-94	2
Other	-	-2	-1	-2	-6	-7
Other comprehensive result, net after tax	703	390	1,023	1,268	1,755	2,000
Comprehensive result for the period	869	422	1,688	1,727	2,513	2,552
Attributable to:						
Parent company shareholders	869	421	1,688	1,725	2,515	2,552
Minority interests	0	1	0	2	-2	0

Consolidated cash flow statement

SEK m	3 mon Jul-Sep 2010	3 mon Jul-Sep 2009	9 mon Jan-Sep 2010	9 mon Jan-Sep 2009	12 mon Oct-Sep 2009/2010	12 mon Jan-Dec 2009
Cash flow from current operations before						
changes in operating capital	177	109	398	240	578	420
Changes in operating capital	-46	86	-138	149	-3	284
Cash flow from current operations	131	195	260	389	575	704
Acquisitions of subsidiaries	-103	-	-117	-12	-133	-28
Sales of subsidiaries	-	-	-	-	-	-
Other investments	-27	-21	-65	-97	-87	-119
Portfolio management	1	-2	318	408	471	561
Cash flow after investments	2	172	396	688	826	1,118
Financial payments	128	-66	-302	-628	-496	-822
Cash flow for the period	130	106	94	60	330	296

Consolidated balance sheet

SEK m	2010-09-30	2009-09-30	2009-12-31
ASSETS			
Goodwill	1,024	920	962
Other intangible assets	47	63	58
Tangible assets	637	736	691
Financial assets	9,369	7,539	8,227
Inventories etc.	974	966	901
Current receivables	1,271	1,228	940
Cash and bank	613	323	564
Total assets	13,935	11,775	12,343
EQUITY AND LIABILITIES			
Capital and reserves attributable to parent company shareholders	11,284	9,127	9,955
Minority interest	2	3	1
<i>Total equity</i>	<i>11,286</i>	<i>9,130</i>	<i>9,956</i>
Interest-bearing long-term liabilities	195	154	200
Non-interest-bearing long-term liabilities	138	133	114
Interest-bearing current liabilities	1,202	1,325	1,120
Non-interest-bearing current liabilities	1,114	1,033	953
Total equity and liabilities	13,935	11,775	12,343

A significant change in pledged securities and contingent liabilities has occurred since the end of 2009. Investment AB Latour guarantees a possible new issue in the listed company Nederman. Nederman's lender may call for a new issue under certain circumstances no later than the second quarter 2012. Latour's share of the guarantee amounts to SEK 146 million.

Change in consolidated equity

SEK m	Share capital	Shares bought back	Other reserves	Profit brought forward	Minority interests	Total
Opening balance 2009-01-01	110	-29	1,842	5,970	1	7,894
Comprehensive result for the period			2,005	547		2,552
Issued call options				1		1
Dividends				-491		-491
Closing balance 2009-12-31	110	-29	3,847	6,027	1	9,956
Opening balance 2010-01-01	110	-29	3,847	6,027	1	9,956
Comprehensive result for the period			1,129	559		1,688
Issued call options				1		1
Acquisition of minority share					1	1
Dividends				-360		-360
Closing balance 2010-09-30	110	-29	4,976	6,227	2	11,286

Group key ratios

	2010-09-30	2009-09-30	2009-12-31
Return on equity	8%	7%	6%
Return on capital employed	9%	7%	6%
Equity ratio	81%	78%	81%
Adjusted equity ratio	83%	80%	82%
Adjusted equity (SEK m)	12,549	10,521	11,051
Surplus value in associated companies ¹⁾ (SEK m)	1,263	1,391	1,095
Net debt/equity ratio	6%	11%	7%
Net borrowings/EBITDA	1.0	2.2	1.5
Market value	SEK 103	SEK 88	SEK 99
Bought back shares	460,000	460,000	460,000
Average number of repurchased shares	460,000	460,000	460,000
Average number of employees	2,919	2,951	2,956
Outstanding convertible bonds	0	0	0
Issued subscription options	0	0	0
Issued call options on repurchased shares	230,000	115,000	115,000

¹⁾ Difference between acquisition value and market value.

Income statement – Parent company

SEK m	3 mon Jul-Sep 2010	3 mon Jul-Sep 2009	9 mon Jan-Sep 2010	9 mon Jan-Sep 2009	12 mon Oct-Sep 2009/2010	12 mon Jan-Dec 2009
Result from participation in Group companies	–	–	100	–	100	–
Result from participation in associated companies	27	–18	105	41	195	131
Result from portfolio management	–319	0	–68	289	–100	257
Profit before financial items	–292	–18	137	330	195	388
Interest income and similar profit items	0	0	0	0	0	0
Interest costs and similar loss items	–2	–3	–5	–5	–8	–8
Profit after financial items	–294	–21	132	325	187	380
Taxes	–	–	–	–	–	–
Result for the period	–294	–21	132	325	187	380

Statement of the comprehensive income – Parent company

SEK m	3 mon Jul-Sep 2010	3 mon Jul-Sep 2009	9 mon Jan-Sep 2010	9 mon Jan-Sep 2009	12 mon Oct-Sep 2009/2010	12 mon Jan-Dec 2009
Result for the period	–294	–21	132	325	187	380
Change in the fair value reserve for the period	1,090	446	1,521	1,289	2,237	2,005
Total other comprehensive income	1,090	446	1,521	1,289	2,237	2,005
Result for the period	796	425	1,653	1,614	2,424	2,385

Balance sheet – Parent company

SEK m	2010-09-30	2009-09-30	2009-12-31
ASSETS			
Financial assets	9,140	7,253	7,861
Current assets	2	1	1
Cash and bank	6	6	6
Total assets	9,148	7,260	7,868
EQUITY AND LIABILITIES			
Equity	8,989	6,923	7,695
Interest-bearing long-term liabilities	151	330	167
Non-interest-bearing long-term liabilities	5	6	5
Non-interest-bearing current liabilities	3	1	1
Total equity and liabilities	9,148	7,260	7,868

Change in equity – Parent company

SEK m	2010-09-30	2009-09-30	2009-12-31
Value at the beginning of the year	7,695	5,800	5,800
Total comprehensive income for the period	1,653	1,614	2,385
issued call options	1	–	1
Dividends	–360	–491	–491
Value at year-end	8,989	6,923	7,695

Segment reporting:

Development per business area 2010-01-01 – 2010-09-30

	Industrial and trading					Portfolio Management	Total
SEK m	Hultafors Group	Latour Industries	Specma Group	Swegon	Other		
INCOME							
External sales	814	941	998	1,478	–		4,231
Internal sales	–	3	–	2	–		5
RESULT							
Operating result	108	137	31	136	47		459
Result from participation in associated companies						186	186
Result from portfolio management						188	188
Financial income							13
Financial costs							–61
Taxes							–120
Result for the period							665
OTHER INFORMATION							
Investments in:							
tangible assets	2	10	10	27	17	–	66
intangible assets	–	80	27	–	–	–	107
Depreciation	19	21	26	39	12	–	117

Development per business area 2009-01-01 – 2009-09-30

	Industrial and trading					Portfolio Management	Total
SEK m	Hultafors Group	Latour Industries	Specma Group	Swegon	Other		
INCOME							
External sales	753	895	772	1,576	57		4,053
Internal sales	–	2	1	2	3		8
RESULT							
Operating result	68	53	–53	170	–5		233
Result from participation in associated companies						146	146
Result from portfolio management						221	221
Financial income							4
Financial costs							–58
Taxes							–87
Result for the period							459
OTHER INFORMATION							
Investments in:							
tangible assets	14	20	13	68	13	–	128
intangible assets	3	26	–	–	–	–	29
Depreciation	20	23	30	42	20	–	135

Five year overview

	Oct 2009–Sep 2010	2009	2008	2007	2006
Net sales, SEK m	5,618	5,440	7,071	6,730	5,313
Operating result, SEK m	522	296	671	652	710
Result from participation in associated companies, SEK m	282	242	142	210	171
Result from portfolio management, SEK m	156	189	843	240	384
Result after financial items, SEK m	903	664	1,590	1,102	1,265
Earnings per share, SEK ¹⁾	5.80	4.21	11.14	6.71	8.54
Return on equity, %	7	6	16	8	11
Return on capital employed, %	8	6	14	8	10
Operating margin, %	9.3	6.3	10.3	9.6	7.7
Equity ratio, %	81	81	73	75	78
Adjusted equity ratio, %	83	82	75	78	80
Net debt/equity ratio, %	6	7	15	15	13
Market value, SEK ¹⁾	103	99	62	104	68

¹⁾ Recalculated for the 3:1 split carried out in June 2007.

Note 1: Company acquisitions

Specification of acquisitions				
Transfer date		Country	Business area	Number of employees
5 January 2010	Samwon Tech (Europe) Ltd.	Great Britain	Specma Group	12
1 April 2010	Komponenthuset A/S	Denmark	Specma group	4
14 September 2010	REAC AB	Sweden	Latour Industries	50
Assets and liabilities in acquisitions				
	Recorded value in acquisitions	Fair value adjustment	Recorded value in Group	
Intangible assets	2		2	
Tangible assets	3		3	
Inventories	15		15	
Accounts receivable	19		19	
Other receivables	2		2	
Cash	2		2	
Long-term liabilities	–23		–23	
Deferred tax liability	0		0	
Current liabilities	–21		–21	
Net identifiable assets and liabilities	–1	0	–1	
Group goodwill			101	
Additional purchase price			19	
Cash settlement purchase price			119	
Acquisitions of items not included in the cash flow			–	
Acquired cash			–2	
Effect on Group liquid assets			117	

During the period Latour acquired 100 percent of shares in Samwon Tech (Europe) Limited and Komponenthuset A/S. Samwon Tech contributed an income of SEK 17.5 million and an operating result of SEK 0.3 million during the period. Komponenthuset A/S contributed an income of SEK 2.1 million and an operating result of SEK –0.1 million during the period. During the period REAC has contributed an income of SEK 8.1 million and an operating result of SEK 0.4 million. Transaction cost for these acquisitions, amounted to SEK 148 thousand, charge result for the period.

A reservation of GBP 1.7 million for an estimated additional purchase price for Samwon Teach has been made. The final result may vary from GBP 0 to 3.3 million. The final sum will be based on profit development between 2010 and 2013.



Investment AB Latour (publ)

CRN 556026-3237

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