

INTERIM REPORT
JANUARY-JUNE

2013



Quarterly Report January – June 2013

NET ASSET VALUE

- The net asset value amounted to SEK 171 per share compared to SEK 162 per share at the beginning of the year. This is equivalent to an 8.9 percent increase adjusted for dividends compared to the dividend adjusted comparable index (SIXRX) which increased by 9.0 percent. The net asset value on 19 August was SEK 184 per share.¹⁾

INDUSTRIAL OPERATIONS

Second quarter

- Orders received in the industrial operations increased to SEK 1,889 (1,880) m, an organic growth of comparable units by –5 percent adjusted for exchange effects.
- Net sales in the industrial operations amounted to SEK 1,764 (1,760) m, an organic growth of comparable units by –4 percent adjusted for exchange effects.
- Operating result before restructuring costs amounted to SEK 168 (170) m, a reduction of 1 percent, which is the equivalent of an operating margin of 9.5 (9.7) percent in continuing operations.
- Swegon acquired Walter Meier (Klima Deutschland) with 111 employees and EUR 37 m in annual net sales. See page 3 in the quarterly report for further details.

January to June

- Orders received in the industrial operations decreased to SEK 3,574 (3,653) m, an organic growth of comparable units by –6 percent adjusted for exchange effects.
- Net sales in the industrial operations amounted to SEK 3,384 (3,468) m, an organic growth of comparable units by –6 percent adjusted for exchange effects.
- The operating result before restructuring costs amounted to SEK 300 (318) m, a reduction of 6 percent, which is the equivalent of an operating margin of 8.8 (9.2) percent in continuing operations.

GROUP

- Group result after net financial items amounted to SEK 710 (722) m.
- Group result after tax amounted to SEK 624 (650) m, or SEK 3.91 (4.08) per share.
- Net debt amounted to SEK 2,185 m at the end of June, compared to SEK 1,568 m at the end of the year, and was equal to 7.4 percent of the market value of the company's entire assets.

INVESTMENT PORTFOLIO

- During the first six months the investment portfolio's value increased by 11.1 percent adjusted for dividends while the comparable index (SIXRX) increased by 9.0 percent.

EVENTS AFTER THE REPORT PERIOD

- LSAB acquired Teroteknisk Service in Norway. See page 3 in the quarterly report for further details.

¹⁾ The calculation of the net asset value on 19 August 2013 was based on the value of the investment portfolio at 1 p.m. on 19 August and the wholly owned industrial operations were calculated with the same values as on 30 June.

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 principle owners. The investment portfolio consists of nine substantial holdings that per 30 June 2013 had a market value of about SEK 19 billion. The holdings in the investment portfolio with the greatest value are Assa Abloy, Securitas and Sweco. The wholly owned industrial operations are organized in four business areas: Hultafors Group, Latour Industries, Specma Group and Swegon. Net sales in 2012 in the wholly owned industrial operations amounted to just under SEK 7 billion.

Comments from the CEO

"The wholly owned industrial operations delivered an acceptable operating result under the circumstances in the second quarter. Adjusted for structural costs the operating margin was 9.5 percent compared to 9.7 percent last year. The lower result should be seen in light of a negative organic growth of -4.4 percent adjusted for exchange effects.

In a weak economy we have consequently been on the offensive in the past year in order to develop our operations. We have strengthened our existing market positions and products, rationalized our operations and made acquisitions. In Swegon, for instance, we made two relatively major acquisitions that generate an annual acquired growth of 15 percent, established production of chilling machines in India and we have launched a series of new products. LSAB has continued to expand in Latour Industries despite a general weak demand and REAC has through an acquisition in Poland almost doubled its business. Hultafors has introduced a number of products and entered new markets all the while implementing extensive structural measures. Specma has gone through a considerable restructuring which is now almost completed. Rationalizations during the first half-year with structural costs of SEK16 m have affected the result negatively and naturally the investments made for the future have also had a short-term negative effect on the result.

These measures are aimed at achieving stable and good profitability even under the current circumstances. There are increasing signs of a better business climate in the coming quarters. We have created a foundation for improved results when volumes begin to grow again.

Developments in our investment portfolio companies have generally been good during the first half-year considering the current market situation. Our most valuable holding, Assa Abloy, exceeded the market's high expectations. Even Securitas and Loomis have presented good reports. During the period Sweco has made a major acquisition, namely Vectura with 1,200 employees."

Jan Svensson
President and CEO

Industrial operations

Orders received, invoicing and results

The total level of orders received in continuing operations increased during the second quarter to SEK 1,889 (1,880) m and decreased during the first half-year to SEK 3,574 (3,653) m.

Invoicing increased during the second quarter to SEK 1,764 (1,760) m but decreased during the first half-year to SEK 3,384 (3,468) m. Adjusted for exchange effects and acquisitions this is equivalent to a negative growth of -4.4 percent during the quarter and -5.9 percent during the first half-year.

The reported operating result for the four business areas decreased by 8 percent to SEK 158 (171) m during the second quarter. During the first half-year the operating result contracted by 11 percent to SEK 284 (318) m. The drop is entirely due to lower volumes at the same time investments in organic growth and product development continue at the same rate as ever. The reported operating result fell therefore during the quarter to 8.9 (9.7) percent and during the first half-year to 8.4 (9.2) percent. The adjusted operating margin before structural costs was 9.5 (9.7) percent during the quarter and 8.8 (9.2) percent during the first half-year. Divestitures in both years are excluded in these numbers.

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

Acquisitions and divestitures

During the second quarter Swegon acquired the German company Walter Meier (Klima Deutschland). The company, which was founded in 1930, is a leading supplier of climate solutions in Germany and its headquarters are in München. The company has more than 110 employees and had net sales of some EUR 37 m in 2012. The transaction, which was finalized on 1 June, was worth EUR 16.5 m (Enterprise Value), which can be compared with the company's operating result of over EUR 3 m in 2012. The company fits in well with Swegon's growth strategy on the chilling market and significantly strengthens its position in Germany, which is a prioritized market. The acquisition of Walter Meier entails, together with the earlier acquired Coolmation, an annual acquired growth in Swegon of more than 15 percent.

LSAB in Latour Industries acquired two grinding stations during the quarter, Lidens Slip in Skepplanda and Trollhättans Verktygssliperi. Together the companies annual net sales are around SEK 4 m and they will be incorporated into LSAB's existing operations.

After the end of the quarter LSAB acquired yet another grinding station, Teroteknisk Service AS in Norwegian Tangen. The company grinds tools for the Norwegian wood industry. Teroteknisk Service had net sales of NOK 6 m in 2012 and 6 employees.

Previously this year during the first quarter Swegon acquired Coolmation Ltd in Great Britain, Hultafors Group acquired its Italian agent for Workwear, Nordtec SRL and REAC in Latour Industries acquired MBL/ABU in Poland.

Industrial operations summary

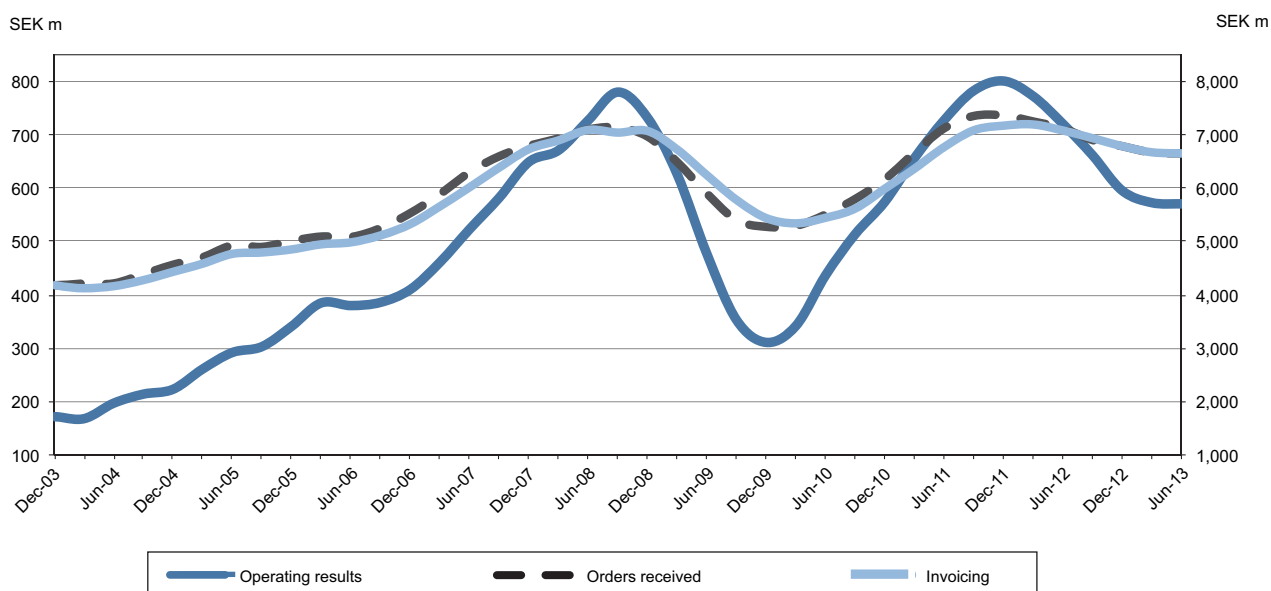
Business area results

SEK m	Net sales				Operating results				Operating margin %			
	2013 Q2	2012 Q2	2013 6 mon	2012 6 mon	2013 Q2	2012 Q2	2013 6 mon	2012 6 mon	2013 Q2	2012 Q2	2013 6 mon	2012 6 mon
Hultafors Group	268	293	544	596	17	27	38	57	6.3	9.1	7.0	9.6
Latour Industries	442	393	856	779	51	42	99	86	11.5	10.7	11.6	11.0
Specma Group	302	331	581	679	4	8	7	19	1.3	2.3	1.2	2.8
Swegon	753	743	1,404	1,416	96	93	156	156	12.7	12.6	11.1	11.0
Eliminations	-1	-	-1	-2	-	-	-	-	-	-	-	-
	1,764	1,760	3,384	3,468	168	170	300	318	9.5	9.7	8.9	9.2
Restructuring costs	-	-	-	-	-10	-	-16	-	-	-	-	-
	1,764	1,760	3,384	3,468	158	170	284	318	8.9	9.7	8.4	9.2
Capital gains from divested companies	-	-	-	-	-	-	-3	-				
Other companies and items	-	25	-	52	-7	7	1	6				
	1,764	1,785	3,384	3,520	151	177	282	324				

SEK m	Operating capital ¹⁾		Return on operating capital %		Growth in net sales %		
	2013 Roll. 12	2012 Roll. 12	2013 Roll. 12	2012 Roll. 12	2013	From acquisitions	From exchange effects
Hultafors Group	786	864	12.1	15.6	-8.6	0.5	-3.1
Latour Industries	1,176	1,005	13.6	19.0	9.9	15.8	-1.8
Specma Group	570	616	-4.4	9.3	-14.3	1.7	-1.1
Swegon	1,082	1,138	30.1	29.2	-0.8	4.1	-2.4
Total	3,614	3,623	15.4	19.8	-2.4	5.6	-2.1

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

Group rolling 12 months



Development per business area

Hultafors Group



(SEK m)	2013 Q2	2012 Q2	2013 6 mon	2012 6 mon	2012 Full year	Roll. 12 mon
Net sales	268	293	544	596	1,197	1,145
EBITDA, adjusted*	21	32	47	67	147	127
EBITA, adjusted*	18	28	40	60	134	114
EBIT, adjusted*	17	27	38	57	127	108
EBIT, reported	10	27	29	57	123	95
EBITA %, adjusted*	6.7	9.5	7.3	10.0	11.2	10.0
EBIT %, adjusted*	6.3	9.1	7.0	9.6	10.6	9.4
Growth %	-8.4	1.7	-8.6	5.7	1.3	
Of which exchange effects	-3.3	0.9	-3.1	0.9	-1.2	
Of which acquisitions	0.5	2.1	0.5	2.4	2.1	
Average number of employees	638	646	638	649	642	

* Restructuring costs excluded

Highlights

- Organic growth adjusted for exchange effects was -5.7 percent during the quarter and -6.0 percent during the six month period.
- Workwear's central store was moved from Holland to Poland in June. The move has delayed an estimated SEK 13 m in deliveries until the third quarter.
- Structural costs due to the move in total for the year are expected to amount to more than SEK 10 m, of which SEK 6 m have so far charged the result for 2013. Another SEK 2 m in severance pay connected to other measures have also affected the result.
- The annual savings generated by the move are estimated at nearly SEK 20 m as of 2014.
- The newly established marketing companies in Poland, Austria and France for obvious reasons charge the result in their initial phase but by and large follow the plan.

Allocation of net sales

(SEK m)	2013 Q2	2012 Q2	2013 6 mon	2012 6 mon	2012 Full year	Roll. 12 mon
Workwear	134	163	284	324	670	630
Tools	98	95	194	201	395	388
Ladders	36	35	66	71	132	127
	268	293	544	596	1,197	1,145

Pro forma adjustment ¹⁾ 4

Rolling 12 months pro forma 1,149

¹⁾ Pro forma for completed acquisitions.

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. The company's business concept is to be the partner all the distributors and end users in Europe want.

Latour Industries



(SEK m)	2013 Q2	2012 Q2	2013 6 mon	2012 6 mon	2012 Full year	Roll. 12 mon
Net sales	442	393	856	779	1,518	1,595
EBITDA, adjusted*	61	53	119	105	202	216
EBITA, adjusted*	52	44	102	88	169	183
EBIT, adjusted*	51	42	99	86	164	177
EBIT, reported	49	42	97	86	149	160
EBITA %, adjusted*	11.8	11.2	11.9	11.3	11.1	11.5
EBIT %, adjusted*	11.5	10.7	11.6	11.0	10.8	11.1
Growth %	12.6	4.2	9.9	9.2	2.3	3.2
Of which exchange effects	-3.5	-0.5	-1.8	-0.4	-0.5	
Of which acquisitions	17.0	12.6	15.8	12.8	8.9	
Average number of employees	1,071	865	1,049	855	874	

* Restructuring costs excluded

Highlights

- Continued growth of 12.6 percent due to acquisitions.
- Organic growth was -1.2 percent during the quarter.
- Rising profitability trend.
- LSAB continues to acquire grinding stations. Two businesses were acquired in the second quarter and yet another business after the report period. For further information see page 3.
- REAC's acquisition of MBL/ABU in Poland is proceeding according to plan.

Allocation of net sales

(SEK m)	2013 Q2	2012 Q2	2013 6 mon	2012 6 mon	2012 Full year	Roll. 12 mon
Nord-Lock	159	167	308	334	639	613
Specma Tools	14	16	26	33	60	53
Specma Seals	26	23	53	43	92	102
BrickPack	14	14	29	29	56	56
AVT Group	25	25	51	49	91	93
LSAB-gruppen	102	97	202	194	370	378
Carstens	16	21	33	42	75	66
REAC	54	30	93	55	114	151
Kabona	32	-	61	-	21	83
	442	393	856	779	1,518	1,595

Pro forma adjustment ¹⁾ 97

Rolling 12 months pro forma 1,692

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 units in the business area which can eventually become new business areas in Latour. The common denominator is that most customers are active in manufacturing.

(SEK m)	2013 Q2	2012 Q2	2013 6 mon	2012 6 mon	2012 Full year	Roll. 12 mon
Net sales	302	331	581	679	1,198	1,100
EBITDA, adjusted*	9	12	16	28	36	24
EBITA, adjusted*	4	8	7	19	19	6
EBIT, adjusted*	4	8	7	19	18	6
EBIT, reported	2	8	3	19	-9	-25
EBITA %, adjusted*	1.4	2.4	1.2	2.8	1.6	0.6
EBIT %, adjusted*	1.3	2.3	1.2	2.8	1.5	0.6
Growth %	-8.8	-6.9	-14.3	-1.8	-13.3	
Of which exchange effects	-1.2	-2.9	-1.1	-1.5	-0.5	
Of which acquisitions	2.0	0.0	1.7	0.0	0.4	
Average number of employees	692	745	683	749	742	

* Restructuring costs excluded

Highlights

- Invoicing contracted during the quarter by 9.6 % adjusted for exchange effects and acquisitions. Market conditions are tough but the rate of the decline has eased off compared with the first quarter.
- Noticeable increase in orders received from marine customers during the second quarter.
- Specma Group's new organization has been implemented, which means it is now divided into a Global Division, Nordic Division and Others.
- Production has been moved and units shutdown according to plan. Annual savings of around SEK 20 m will be realized starting in the autumn of 2013.
- Continued focus on cost reductions and shifting production to Poland.

Allocation of net sales

(SEK m)	2013 Q2	2012 Q2	2013 6 mon	2012 6 mon	2012 Full year	Roll. 12 mon
Global Division	178	209	345	424	730	651
Nordic Division	85	86	164	182	334	316
Other	39	36	72	73	134	133
	302	331	581	679	1,198	1,100

Pro forma adjustment ¹⁾ 15

Rolling 12 months pro forma 1,115

¹⁾ Pro forma for completed acquisitions.

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, After Sales Division is focused on after sales customers.

(SEK m)	2013 Q2	2012 Q2	2013 6 mon	2012 6 mon	2012 Full year	Roll. 12 mon
Net sales	753	743	1,404	1,416	2,785	2,773
EBITDA, adjusted*	114	111	189	190	401	400
EBITA, adjusted*	97	94	157	158	340	339
EBIT, adjusted*	96	93	156	156	337	337
EBIT, reported	96	93	156	156	326	326
EBITA %, adjusted*	12.9	12.7	11.2	11.1	12.2	12.2
EBIT %, adjusted*	12.7	12.6	11.1	11.0	12.1	12.2
Growth %	1.3	1.7	-0.8	7.0	2.9	
Of which exchange effects	-2.0	-0.3	-2.4	-0.3	-1.6	
Of which acquisitions	6.6	0.0	4.1	0.0	0.0	
Average number of employees	1,446	1,357	1,415	1,345	1,340	

* Restructuring costs excluded

Highlights

- Net sales contracted during the quarter by 3.3 % adjusted for exchange effects and acquisitions compared to the period last year.
- Stable and good operating margin.
- Integration of Coolmation, UK, acquired at the end of January 2013, is proceeding according to plan.
- Swegon acquired Walter Meier (Klima Deutschland) GmbH in June which increased Swegon's presence on the important German market in the chilling segment. For further information see page 3.
- The European ventilation market follows a delayed cyclic pattern and has probably not yet bottomed out.
- A targeted area for the future is to continue to gain market shares outside the Nordic region. Net sales generated outside the Nordic region are currently 43 percent, compared to 31 percent in 2010.

Allocation of net sales

(SEK m)	2013 Q2	2012 Q2	2013 6 mon	2012 6 mon	2012 Full year	Roll. 12 mon
Sweden	210	208	407	401	775	781
Other Nordic Region	199	214	389	439	835	785
Other, worldwide	344	321	608	576	1,175	1,207
	753	743	1,404	1,416	2,785	2,773

Pro forma adjustment ¹⁾ 310

Rolling 12 months pro forma 3,083

¹⁾ Pro forma for completed acquisitions.

Swegon delivers well thought-out system solutions for all kinds of buildings that create good indoor climates and contribute to huge energy savings. Swegon's system solutions are based on innovative, own developed and manufactured products in ventilation and chilling.

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 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 valuating each business area in an interval. Deductions are then made for the company's net debt. The evaluation of comparable companies is based on the market 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 18–19

in Latour's Annual Report for 2012.

In some cases the valuation multiples for comparable companies span over a very big interval. For this reason the multiples may be adjusted in order to avoid unreasonable values. The valuation multiple EV/ sales has been used on certain units. The indicative value stated below is not a complete market valuation of Latour's holdings.

The net asset value increased to SEK 171 per share during the second quarter from SEK 162 at the beginning of the year. The net asset value increased by 8.9 percent adjusted for dividends, which can be compared to SIXRX that increased by 9 percent.

	Net sales ¹⁾	EBIT ¹⁾	EBIT-multiple alt EV/sales-multiple Interval	Valuation ²⁾ Interval	Valuation ²⁾ Average	Valuation SEK/share ³⁾ Interval
Hultafors Group	1,149	108	11 – 15	1,189 – 1,622	1,405	7 – 10
Latour Industries	1,692	182	12 – 16	2,181 – 2,908	2,545	14 – 18
Specma Group	1,115	8	0.5 – 0.6	558 – 669	613	3 – 4
Swegon	3,083	353	12 – 16	4,234 – 5,645	4,940	27 – 36
	7,039	651		8,162 – 10,844	9,503	51 – 68
Listed shares (allocation see table on page 8)					19,227	121
Unlisted partner-owned companies						
Academic Work ⁴⁾ , 20,06 %					336	2
Diamorph ⁵⁾ , 21,18 %					125	1
Oxeon ⁶⁾ , 31,08 %					32	0
Other assets						
Short position portfolio					176	1
Other listed holdings					16	0
Dilution effect of option program					-11	0
Other					10	0
Consolidated net debt					-2,185	-14
Calculated value					27,229	171
					(25,888 – 28,570)	(162 – 179)

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

²⁾ EBIT and EV/sales recalculated taking into consideration the share price on 2013-06-30 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.

⁶⁾ Valued according to Latour's latest acquisition price.

Investment portfolio 2013-06-30

The combined value of the investment portfolio increased by 11.1 percent adjusted for dividends in the first half-year while comparable index (SIXRX) increased by 9 percent.

During the first half-year 1,850,000 shares were acquired in Tomra and 200,000 shares in HMS Networks.

Share	Number	Acquisition value SEK m	Listed price ¹⁾ SEK	Market value SEK m	Share of votes %	Share of equity %
Assa Abloy ²⁾³⁾	35,165,243	1,697	263	9,241	29.5	9.5
Fagerhult ³⁾⁴⁾	6,206,800	571	165	1,021	49.2	49.2
HMS Networks ³⁾	3,027,322	250	103	312	26.7	26.7
Loomis ²⁾³⁾	7,538,328	108	129	971	28.6	10.0
Nederman ³⁾	3,512,829	306	162	569	30.0	30.0
Nobia	23,100,000	469	39	901	13.8	13.8
Securitas ²⁾³⁾	39,732,600	1,081	59	2,328	29.6	10.9
Sweco ²⁾³⁾	28,997,760	152	75	2,175	22.8	31.8
Tomra ³⁾⁵⁾	29,820,000	1,409	52(NOK) ⁶⁾	1,708	20.2	20.2
Total		6,042		19,227		

¹⁾ Market price at the end of the period.

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

³⁾ Shown as associated companies in the balance sheet.

⁴⁾ At the end of June 2013, 30,000 shares were loaned out.

⁵⁾ The listed price at the end of June was NOK 51.50, which has been recalculated to SEK by using the exchange rate at the end of the accounting period.

⁶⁾ The listed price is latest price paid.

Result and financial position

Group

Group profit after financial items was SEK 710 (722) m. Group profit after tax amounted to SEK 624 (650) m, which corresponds to SEK 3.91(4.08) per share.

Group cash in hand and liquid investments amounted to SEK 201 (194) m. Interest-bearing liabilities, excluding pension liabilities, totaled SEK 2,224 (1,610) m. Group net borrowing, including pension liabilities, totaled SEK 2,185 (1,520) m. The equity ratio was 84 (85) percent calculated on reported equity in relation to total assets including hidden surplus value in associated companies.

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

Investments

During the period SEK 88 (64) m was invested in tangible assets, of which SEK 69 (44) m was machinery, SEK 13 (13) m vehicles and SEK 6 (7) m buildings. Fixed assets in newly acquired companies made up SEK 24 (1) m of the investments for the period.

Parent company

Parent company profit after financial items amounted to SEK 788 (757) m. The parent company equity ratio was 90 (94) percent.

Not including repurchased shares, the number of outstanding shares on 30 June 2013 amounted to 159,378,000. At the end of the period Latour owned 582,000 repurchased B shares. Call options have been issued to senior officers for 533,000 of the repurchased shares. During the period 115,000 call options rights have been exercised.

The allocation of issued shares is 11,947,059 A shares and 148,012,941 B shares.

Events after the report period

After the end of the period Latour Industries through its subsidiary LSAB acquired Teroteknisk Service AS in Norway. For further information see page 3 in the quarterly report.

Risks and uncertainties

The Group's and the parent company's main risk lies in changes in the value of financial instruments such as a general baisse on the stock market or in a certain holding. Uncertainties concerning exchange and interest developments are included in this. Latour has a good diversification of risk through a wide variety of shareholdings divided among nine 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 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 2012 have cropped up.

Review and accounting principles

This quarterly 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 for the Group and parent company have been used as those in the latest annual financial reports where not otherwise stated.

The following IFRS accounting principles have come into effect as of 1 January 2013 and are applied for the first time in this quarterly report.

IAS 1 Presentation of comprehensive income and other comprehensive income has been amended so that items are divided into two groups based on what can be respectively cannot be reclassified to the income statement.

IFRS 13 Fair value measurement requires that the valuation of financial instruments is presented in a note, even in quarterly reports.

IAS 19 Employee benefits: Amended reporting of actuarial gains and losses. As of 1 January 2013 the Group no longer uses the corridor method but instead reports all actuarial gains and losses in other comprehensive income as they occur. The amended accounting principle entails a reduction in equity at the beginning of 2012 by SEK 30 m and a reduction of SEK 28 m at the end of 2012. Provisions for pensions increased by SEK 33 m at the beginning of 2012 and by SEK 29 m at the end of 2012. The operating result for 2012 is affected positively by SEK 4 m and the total result for the year is affected negatively by SEK 2 m.

Voting and capital shares in Tomra passed 20 percent during the quarter and this holding is now therefore classified as an associated company. The effect of this reclassification is recognized directly in equity.

The company auditors have not formally reviewed this report.

Gothenburg 20 August 2013

Jan Svensson

President and Chief Executive Officer

The board of directors and the chief executive officer hereby certify that the quarterly 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 20 August 2013
Investment AB Latour (publ)

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Chairman

Mariana Burenstam Linder
Member

Anders G. Carlberg
Member

Anders Böös
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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 will be published 2013-11-06.
Year-End Report 2013 will be published 2014-02-19.

The information in this quarterly report is disclosed pursuant to the Securities Markets Act and/or the Financial Instruments Trading Act. The information was made public on 20 August 2013 at 8:30 a.m.
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Consolidated income statement

SEK m	2013 Q2	2012 Q2	2013 6 mon	2012 6 mon	12 mon jul-jun 2012/2013	Full year 2012
Net sales	1,764	1,785	3,384	3,520	6,652	6,788
Costs of goods sold	-1,117	-1,134	-2,149	-2,239	-4,209	-4,299
Gross profit	647	651	1,235	1,281	2,443	2,489
Sales costs	-354	-351	-682	-685	-1,363	-1,366
Administrative costs	-106	-96	-213	-216	-397	-400
Research and development costs	-43	-42	-82	-80	-161	-159
Other operating income	8	15	29	27	126	124
Other operating costs	-1	-	-5	-3	-55	-53
Operating result	151	177	282	324	593	635
Result from participation in associated companies	222	273	434	413	935	914
Result from portfolio management	20	20	25	34	40	49
Administration costs	-4	-3	-7	-7	-14	-14
Profit before financial items	389	467	734	764	1,554	1,584
Financial income	16	12	18	16	21	19
Financial costs	-23	-23	-42	-58	-90	-106
Profit after financial items	382	456	710	722	1,485	1,497
Taxes	-52	-37	-86	-72	-160	-146
Result for the period	330	419	624	650	1,325	1,351
Attributable to:						
Parent company shareholders	329	419	623	650	1,324	1,351
Non-controlling interests	1	-	1	-	1	-

Earnings per share regarding profit attributable to parent company shareholders

Before dilution	SEK 2.07	SEK 2.63	SEK 3.91	SEK 4.08	SEK 8.31	SEK 8.47
After dilution	SEK 2.06	SEK 2.62	SEK 3.90	SEK 4.06	SEK 8.28	SEK 8.45
Average number of outstanding shares before dilution	159,285,912	159,500,000	159,295,852	159,500,000	159,331,573	159,421,000
Average number of outstanding shares after dilution	159,911,000	159,947,000	159,909,094	159,947,000	159,904,022	159,922,885
Number of outstanding shares	159,378,000	159,500,000	159,378,000	159,500,000	159,378,000	159,263,000

Statement of comprehensive income

SEK m	2013 Q2	2012 Q2	2013 6 mon	2012 6 mon	12 mon jul-jun 2012/2013	Full year 2012
Income for the period	330	419	624	650	1,325	1,351
Other comprehensive income:						
Items that will not be reclassified in the income statement						
Revaluation of net pension obligations	-	-	-	-	-2	-2
	0	0	0	0	-2	-2
Items that may later be reclassified in the income statement						
Change in translation reserve for the period	49	0	3	-12	-23	-38
Change in fair value reserve for the period	-42	-110	286	213	430	357
Change in hedging reserve for the period	-7	1	-4	4	0	8
Changes in equity in associated companies	-168	-24	-126	-89	-311	-274
	-168	-133	159	116	96	53
Other comprehensive income, net after tax	-168	-133	159	116	94	51
Comprehensive income for the period	162	286	783	766	1,419	1,402
Attributable to:						
Parent company shareholders	161	286	782	766	1,418	1,402
Non-controlling interests	1	-	1	-	1	-

Consolidated cash flow statement

SEK m	2013 Q2	2012 Q2	2013 6 mon	2012 6 mon	12 mon jul-jun 2012/2013	Full year 2012
Cash flow from current operations before changes in operating capital	181	167	301	296	562	557
Changes in operating capital	18	-52	-19	-34	333	318
Cash flow from current operations	199	115	282	262	895	875
Acquisition of subsidiaries	-113	2	-223	-33	-316	-126
Sale of subsidiaries	-	-	-	-	97	97
Other investments	-51	-29	-82	-55	-219	-192
Portfolio management	468	458	324	418	-14	80
Cash flow after investments	503	546	301	592	443	732
Financial payments	-512	-884	-338	-896	-425	-983
Cash flow for the period	-9	-338	-37	-304	18	-249

Consolidated balance sheet

SEK m	2013-06-30	2012-06-30	2012-12-31
ASSETS			
Goodwill	1,939	1,555	1,660
Other intangible assets	68	79	122
Tangible assets	727	741	694
Financial assets	8,868	8,152	8,988
Inventories etc.	1,275	1,180	1,082
Current receivables	1,578	1,620	1,299
Cash and bank	201	194	241
Total assets	14,656	13,521	14,086
EQUITY AND LIABILITIES			
Capital and reserves attributable to parent company shareholders	10,560	10,268	10,879
Non-controlling interests	1	0	0
<i>Total equity</i>	<i>10,561</i>	<i>10,268</i>	<i>10,879</i>
Interest-bearing long-term liabilities	473	603	367
Non-interest-bearing long-term liabilities	149	129	136
Interest-bearing current liabilities	1,953	1,194	1,468
Non-interest-bearing current liabilities	1,520	1,327	1,236
Equity and liabilities	14,656	13,521	14,086

Change in consolidated equity

SEK m	Share capital	Repurchased shares	Other reserves	Profit brought forward	Non-controlling interests	Total
Opening balance 2012-01-01	133	-29	92	10,293	0	10,489
Change in accounting principle - IAS 19				-30		-30
Adjusted opening balance 2012-01-01	133	-29	92	10,263	0	10,459
Comprehensive result for the period			327	1,075		1,402
Issued call options				2		2
Repurchase of shares		-27				-27
Dividends				-957		-957
Closing balance 2012-12-31	133	-56	419	10,383	0	10,879
Opening balance 2013-01-01	133	-56	419	10,383	0	10,879
Comprehensive result for the period			285	497	1	783
Successive acquisition of associated companies			-338	23		-315
Issued call options				2		2
Exercised call option right		8				8
Dividends			-	-796		-796
Closing balance 2013-06-30	133	-48	366	10,109	1	10,561

Group key ratios

	2013-06-30	2012-06-30	2012-12-31
Return on equity (%)	12	13	13
Return on comprehensive capital (%)	11	11	12
Adjusted equity ratio (%)	84	85	86
Adjusted equity (SEK m)	21,494	17,954	20,195
Surplus value in associated companies ¹⁾ (SEK m)	10,933	7,686	9,316
Net debt/equity ratio (%)	10	6	8
Net debt/EBITDA	2.9	1.0	1.9
Share price (SEK)	135	116	124
Repurchased shares	582,000	460,000	697,000
Average number of repurchased shares	677,939	460,000	539,000
Average number of employees	3,815	3,713	3,692
Outstanding convertible bonds	0	0	0
Issued subscription options	0	0	0
Issued call options on repurchased shares	533,000	447,000	633,000

¹⁾ Difference between acquisition value and market value.

Income statement – parent company

SEK m	2013 Q2	2012 Q2	2013 6 mon	2012 6 mon	12 mon jul-jun 2012/2013	2012 Full year
Result from participation in Group companies	325	331	325	331	325	331
Result from participation in associated companies	438	367	438	367	438	367
Result from portfolio management	12	29	12	29	12	29
Administration costs	-2	-2	-4	-4	-8	-8
Profit before financial items	773	725	771	723	767	719
Interest income and similar profit items	15	26	31	50	73	92
Interest costs and similar loss items	-7	-7	-14	-16	-29	-31
Profit after financial items	781	744	788	757	811	780
Tax	-	-	-	-	-	-
Result for the period	781	744	788	757	811	780

Statement of comprehensive income – parent company

SEK m	2013 Q2	2012 Q2	2013 6 mon	2012 6 mon	12 mon jul-jun 2012/2013	2012 Full year
Income for the period	781	744	788	757	811	780
Change in the fair value reserve for the period	-48	-100	272	217	411	356
Total other comprehensive income	-48	-100	272	217	411	356
Comprehensive income for the period	733	644	1,060	974	1,222	1,136

Balance sheet – parent company

SEK m	2013-06-30	2012-06-30	2012-12-31
ASSETS			-
Financial assets	8,595	8,144	8,530
Current receivables from Group companies	15	22	18
Other current receivables	1	3	2
Cash and bank	7	7	7
Total assets	8,618	8,176	8,557
EQUITY AND LIABILITIES			
Equity	7,742	7,669	7,806
Interest-bearing long-term liabilities	101	1	642
Non-interest-bearing long-term liabilities	5	5	5
Interest-bearing current liabilities	765	498	100
Non-interest-bearing current liabilities	5	3	4
Equity and liabilities	8,618	8,176	8,557

Changes in equity – parent company

SEK m	2013-06-30	2012-06-30	2012-12-31
Equity at the beginning of the year	7,806	7,652	7,652
Comprehensive result for the period	1,060	974	1,136
Issued call options	2	-	2
Repurchase of shares	-	-	-27
Exercised call option right	8	-	-
Successive acquisition of associated companies	-338	-	-
Dividends	-796	-957	-957
Equity at year-end	7,742	7,699	7,806

Segment reporting:

Development per business area 2013-01-01 – 2013-06-30

	Industrial operations						
SEK m	Hultafors Group	Latour Industries	Specma Group	Swegon	Other	Portfolio management	Total
INCOME							
External sales	544	855	581	1,404	–		3,384
Internal sales	–	1	–	–	–		1
RESULT							
Operating result	29	95	3	154	1		282
Result from portfolio management						452	452
Financial income							18
Financial costs							–42
Tax							–86
Result for the period							624
OTHER INFORMATION							
Investments in:							
tangible assets	7	16	10	42	13	–	88
intangible assets	4	128	1	136	–	–	269
Depreciation	9	19	9	34	8	–	79

Development per business area 2012-01-01 – 2012-06-30

	Industrial operations						
SEK m	Hultafors Group	Latour Industries	Specma Group	Swegon	Other	Portfolio management	Total
INCOME							
External sales	596	778	678	1,415	53		3,520
Internal sales	–	1	1	1	–		3
RESULT							
Operating result	57	86	19	156	6		324
Result from portfolio management						440	440
Financial income							16
Financial costs							–58
Tax							–72
Result for the period							650
OTHER INFORMATION							
Investments in:							
tangible assets	6	19	6	15	18	–	64
intangible assets	22	7	–	–	–	–	29
Depreciation	10	19	9	34	10	–	82

Change in consolidated interest-bearing net debt

SEK m	2012-12-31	Change in cash	Change in loans	Other changes	2013-06-30
Interest-bearing receivables	27			12	39
Cash	241	–39			202
Pension provisions	–176			–6	–182
Long-term debts	–192		–100		–292
Utilized bank overdraft facilities	–86			3	–83
Interest-bearing current liabilities	–1,382		–487		–1,869
Interest-bearing net debt	–1,568	–39	–587	9	–2,185

Five year overview

SEK m	Jul–Jun 2012/2013	2012	2010	2009	2008
Net sales, SEK m	6,652	6,788	7,171	5,991	5,440
Operating result, SEK m	593	635	883	620	296
Result from participation in associated companies, SEK m	935	914	1,449	228	242
Result from portfolio management, SEK m	40	35	–41	78	189
Result after financial items, SEK m	1,554	1,497	2,230	872	664
Earnings per share, SEK	8.32	8.47	14.13	5.37	4.21
Return on equity, %	13	13	18	6	6
Return on comprehensive capital, %	11	12	17	7	6
Adjusted equity ratio, %	84	86	84	85	82
Net debt/equity ratio, %	10	8	7	2	7
Share price, SEK	135	124	107	124	99

Note 1: Company acquisitions

Specification of acquisitions

Transfer date		Country	Business area	Number of employees
2 January 2013	MBL/ABU (Reac Polen)	Poland	Latour Industries	53
1 February 2013	Coolmation Group	England	Swegon	70
7 March 2013	NORDTEC SRL	Italy	Hultafors Group	9
3 June 2013	Walter Meier GmbH	Germany	Swegon	111

A few other acquisitions have been made in addition to those mentioned above but they do not have any material effect on consolidated accounting or on the financial statements or on financial reports.

Assets and liabilities in acquisitions

	Recorded value in Group
Intangible assets	0
Tangible assets	24
Financial assets	28
Inventories	66
Accounts receivables	58
Other receivables	4
Cash	21
Long-term liabilities	–56
Current liabilities	–79
Net identifiable assets and liabilities	66
Group goodwill	269
Total purchase price	335
Extra purchase price	–88
Cash settlement purchase price	247
Items not included in cash flow	–3
Acquired cash	–21
Effect on Group cash	223

During the period Latour has acquired 100 percent of the shares in MBL/ABU (Reac Poland), Coolmation Group, NORDTEC SRL and Walter Meier GmbH. MBL/ABU has during the period contributed SEK 33 m in income and SEK 7 m in operating results. Coolmation Group has during the period contributed SEK 22 m in income and SEK 1 m in operating results. NORDTEC SRL has during the period contributed SEK 8 m in income and SEK –1 m in operating results. Walter Meier GmbH has during the period contributed SEK 35 m in income and SEK 5 m in operating results.

Transaction costs associated with acquisitions during the period amounts to SEK 3 m.

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 annual accounts 2012 no transfers were made during the first half of 2013 between the different levels of fair value hierarchy and no changes have occurred in the applied valuation techniques and/or principles.

Financial instruments – Fair value

GROUP 2013-06-30

	Financial assets available for sale	Financial assets valued at fair value via profit or loss	Loan and accounts receivable, cash	Financial liabilities valued at fair value via profit or loss	Other liabilities	Total recorded value
FINANCIAL ASSETS						
Listed shares, management	901 ¹⁾					901
Other investments held as fixed assets	0 ²⁾					0
Other long-term receivables			39 ³⁾			39
Listed shares – trading		202 ¹⁾				202
Unrealized gains, currency derivatives		9 ²⁾				9
Other current receivables			1,355 ³⁾			1,355
Cash			201 ³⁾			201
Total	901	211	1,595	0	0	2,707
FINANCIAL LIABILITIES						
Long-term loans					291 ³⁾	291
Bank overdraft facilities					83 ³⁾	83
Current loans					1,870 ³⁾	1,870
Other current payable					793 ³⁾	793
Unrealized gains, currency derivatives				0		0
Total				0	3,037	3,037

¹⁾ Level 1 – valued at fair value based on listed 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 listed prices 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 the listed prices 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.

Currency derivatives consist of forward exchange contracts and are included in level 2. Valuation at fair value of forward exchange contracts is based on forward rates established by banks 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 book value. Market interest is not believed to materially deviate from the discount rate for interest-bearing long-term liabilities and therefore the reported value 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	2013		2012					2011				
	Q2	Q1	Full year	Q4	Q3	Q2	Q1	Full year	Q4	Q3	Q2	Q1
INCOME STATEMENT												
Net sales	1,764	1,620	6,788	1,697	1,571	1,785	1,735	7,171	1,846	1,714	1,898	1,713
Cost of goods sold	-1,117	-1,032	-4,299	-1,074	-986	-1,134	-1,105	-4,639	-1,179	-1,103	-1,237	-1,120
Gross profit	647	588	2,489	623	585	651	630	2,532	667	611	661	593
Costs etc. for the operation	-496	-457	-1,854	-480	-417	-474	-483	-1,649	-468	-295	-452	-434
Operating profit	151	131	635	143	168	177	147	883	199	316	209	159
Total portfolio management	238	214	949	292	217	290	150	1,408	338	734	275	61
Profit before financial items	389	345	1,584	435	385	467	297	2,291	537	1,050	484	220
Net financial items	-7	-17	-87	-10	-35	-11	-31	-61	-9	-19	-7	-26
Profit after financial items	382	328	1,497	425	350	456	266	2,230	528	1,031	477	194
Taxes	-52	-34	-146	-36	-38	-37	-35	-182	-36	-61	-52	-33
Profit for the year	330	294	1,351	389	312	419	231	2,048	492	970	425	161
KEY RATIOS												
Earnings per share, SEK	1.85	1.85	8.47	2.44	1.96	2.63	1.45	14.13	3.08	6.15	3.24	1.23
Cash flow for the period	-9	-28	-249	11	44	-338	34	-76	-490	587	-126	-47
Adjusted equity/assets ratio, %	84	86	86	86	86	85	86	84	84	83	84	86
Adjusted equity	21,494	22,013	20,223	20,223	18,604	17,984	19,195	16,709	16,709	14,809	13,347	13,813
Net asset value	27,229	27,942	25,726	25,726	24,080	23,359	25,564	22,652	22,652	20,099	24,168	20,599
Net asset value per share	171	175	162	162	151	146	160	142	142	126	152	157
Share price	135	147	124	124	114	116	134	107	107	95	129	134
NET SALES												
Hultafors Group	268	276	1,197	316	285	293	302	1,182	334	285	289	275
Latour Industries	442	414	1,518	387	353	392	386	1,573	432	380	401	360
Specma Group	302	279	1,198	268	251	331	348	1,381	366	324	355	336
Swegon	753	652	2,785	711	659	743	672	2,707	716	668	731	592
Other companies and eliminations	-1	-1	90	16	23	26	27	328	-2	57	122	150
	1,764	1,620	6,788	1,697	1,571	1,785	1,735	7,171	1,846	1,714	1,898	1,713
OPERATING PROFIT												
Hultafors Group	10	19	123	35	31	27	30	151	30	48	41	33
Latour Industries	49	47	149	18	45	43	43	248	45	60	67	75
Specma Group	2	1	-9	-27	-1	8	11	79	19	20	19	21
Swegon	97	59	326	86	84	93	63	312	86	90	94	42
	158	127	589	112	159	171	147	790	180	218	221	171
Capital gains in divested companies	-	-3	7	7	-	-	-	63	-	65	-	-2
Other items	-7	7	39	24	9	6	0	30	19	33	-12	-10
	151	131	635	143	168	177	147	883	199	316	209	159
OPERATING MARGIN, (%)												
Hultafors Group	3.8	6.9	10.2	11.1	10.9	9.1	9.9	12.8	8.9	17.0	17.0	11.8
Latour Industries	11.1	11.0	9.7	4.7	12.2	10.8	11.0	15.7	10.4	15.9	15.9	20.8
Specma Group	0.6	0.4	-0.7	-10.0	-0.4	2.3	3.2	5.7	5.2	6.1	6.1	6.2
Swegon	12.8	9.1	11.7	12.1	12.8	12.6	9.3	11.5	12.1	13.5	13.5	7.1
	8.9	8.6	8.8	6.7	10.2	9.7	8.6	11.6	9.8	12.7	12.7	11.0



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