

INTERIM REPORT  
JANUARY–SEPTEMBER

2013



# Interim Report January – September 2013

## NET ASSET VALUE

- The net asset value amounted to SEK 191 per share compared to SEK 162 per share at the beginning of the year. This is equivalent to an 21.7 percent increase adjusted for dividends compared to the dividend adjusted comparable index (SIXRX) which increased by 20.5 percent. The net asset value on 5 November was SEK 200 per share.<sup>1)</sup>

## INDUSTRIAL OPERATIONS

### Third quarter

- Orders received in the industrial operations increased to SEK 1,657 (1,444) m, an organic growth of comparable units of 4 percent adjusted for exchange effects.
- Net sales in the industrial operations amounted to SEK 1,715 (1,547) m, an organic growth of comparable units of 1 percent adjusted for exchange effects.
- Operating result before structural costs amounted to SEK 207 (175) m, an increase of 18 percent, which is the equivalent of an operating margin of 12.0 (11.3) percent, in continuing operations.<sup>2)</sup>
- Swegon acquired RCS AG in Switzerland with 14 employees and around SEK 40 m in annual net sales. LSAB acquired Teroteknisk Service AS in Norway with 6 employees and around SEK 7 m in annual net sales. See page 3 in the quarterly report for further details.

### January to September

- Orders received in the industrial operations increased to SEK 5,231 (5,097) m, an organic growth of comparable units of –3 percent adjusted for exchange effects.
- Net sales in the industrial operations amounted to SEK 5,100 (5,016) m, an organic growth of comparable units of –4 percent adjusted for exchange effects.
- Operating result before structural costs amounted to SEK 507 (493) m, an increase of 3 percent, which is the equivalent of an operating margin of 9.9 (9.8) percent, in continuing operations.<sup>2)</sup>

## GROUP

- Group result after net financial items amounted to SEK 1,242 (1,072) m.
- Group result after tax amounted to SEK 1,103 (962) m, or SEK 6.92 (6.03) per share.
- Net debt amounted to SEK 1,917 m at the end of September, compared to SEK 1,568 m at the beginning of the year, and was equal to 5.9 of the market value of the company's entire assets.

## INVESTMENT PORTFOLIO

- During the first nine months the investment portfolio's value increased by 26.1 percent adjusted for dividends while the comparable index (SIXRX) increased by 20.5 percent.

## EVENTS AFTER THE REPORT PERIOD

- Specma acquired Kiruna Hydraulik with 25 employees and around SEK 36 m in annual net sales. See page 3 in the quarterly report for further details.

<sup>1)</sup> The net asset value on 5 November 2013 was based on the value of the investment portfolio at 1 p.m. on 5 November and the same values as on 30 September were used for the wholly owned industrial operations.

<sup>2)</sup> Divestitures in 2012 excluded.

### LATOIR 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 on 30 September 2013 had a market value of about SEK 22 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 economy has stabilized and we see a weak but persistent rise in most of our operations and in most of the geographies. This has resulted in an organic growth of 4 percent in orders received during the quarter. Net sales also increased organically although at a slower rate. Net sales showed on organic growth by 1 percent adjusted for exchange rates. The total growth in the quarter amounted to a solid 11 percent. Nonetheless, after nine months we are still reporting negative organic growth in both orders received and net sales.

The result before structural costs in the third quarter amounted to SEK 207 m. This entails an operating margin of 12.0 (11.3) percent adjusted for structural costs. In addition, included in the operating margin is a negative exchange rate effect of an estimated 0.5 percentage points. The level of the result is proof of good cost control in operations.

We continue our forward looking programs that will lead to stronger market positions and new products along with offensive acquisitions when the opportunity arises. During the year Swegon has carried out three acquisitions that per annum generate more than 15 percent acquired growth, established production of chillers in India and launched a number of new products, among them WISE Apartment which enables cost effective installation of ventilation and heat recycling in apartment buildings. LSAB has continued to expand in Latour Industries despite the generally weak demand from the lumber industry. REAC made an acquisition in Poland that almost doubled its business overnight. And a very exciting concept development is taking place in medical rehab. Hultafors Group has launched a number of new products, among them a complete range of working gloves, established the company in Poland and in connection with this moved its central warehouse to Poland. This measure will lead to great savings from 2014 onward. Specma is in the middle of a very extensive restructuring aimed at achieving stable profitability also at the current relatively low levels of net sales. The conditions are good for improving the result when volumes increase.

The development in our investment portfolio is overall good or very good. All the companies that have presented their reports so far have delivered stable results and the positive stock market climate has led to good value development during the quarter. The value of our investment portfolio has so far this year increased by 26 percent. Assa Abloy has been the most active company regarding acquisitions with one major acquisition in the U.S. and two in China.

The net asset value has in total increased by 21.7 percent, adjusted for dividends, so far this year, i.e. somewhat lower than the investment portfolio. It should be noted that we have chosen a conservative valuation for the wholly owned operations in comparison to comparable listed companies, whose multiples are considered challenging in relationship to current profitability levels."

*Jan Svensson  
President and CEO*

## Industrial operations

### *Orders received, invoicing and results*

The total level of orders received in continuing operations increased during the third quarter to SEK 1,657 (1,444) m and during the year to SEK 5,231 (5,097) m.

Invoicing increased during the third quarter to SEK 1,715 (1,547) m and during the year to SEK 5,100 (5,016) m. Adjusted for exchange effects and acquisitions this is equivalent to growth of 1 percent during the quarter and -4 percent during the year.

The reported operating result for the four business areas increased during the third quarter by 3 percent to SEK 196 (159) m. Adjusted for structural costs the operating result increased to SEK 207 (175) m which is equivalent to an adjusted operating margin of 12.0 (11.3) percent.

During the nine month period the operating result increased by 1 percent to SEK 480 (476) m, which is equivalent to an operating margin of 9.4 (9.5) percent. The adjusted operating margin before structural costs increased to SEK 507 (493) m which is equivalent to an operating margin of 9.9 (9.8) percent. Divestitures in 2012 are excluded in these numbers.

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

### *Acquisitions*

At the end of the third quarter Swegon acquired RCS AG in Switzerland, a Swiss distributor of chillers. The company has 14 employees and had net sales in 2012 of some SEK 40 m. The acquisition is part of a strategic program for growing on prioritized markets and will also enable us to grow our own production of chillers. Together with the other two acquisitions made by Swegon during the first half-year, annual acquired growth will increase in Swegon by more than 15 percent.

LSAB in Latour Industries acquired yet another grinding station when the company acquired the grinding operations in 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.

After the end of the quarter Specma AB acquired Kiruna Hydraulik AB for their Nordic Division. The company has net sales of over SEK 36 m and 25 employees and delivers hydraulic and piping components as well as offers maintenance and service, primarily in the mining industry. Specma already owned 35 percent of the company.

Previously this year Swegon acquired Coolmation Ltd in Great Britain and the German company Walter Meier (Klima Deutschland) GmbH. Hultafors Group acquired its Italian agent for Workwear, Nordtec SRL. REAC in Latour Industries acquired MBL/ABU in Poland and LSAB acquired two grinding stations, Lidens Slip in Skepplanda and Trollhättans Verktygssliperi.

Acquisitions made up to this point in 2013 contribute an annual net sales of around SEK 500 m, which compared with 2012 corresponds to growth of more than 7 percent.

# Industrial operations summary

## Business area results

SEK m	Net sales				Operating result				Operating margin %			
	2013 Q3	2012 Q3	2013 9 mon	2012 9 mon	2013 Q3	2012 Q3	2013 9 mon	2012 9 mon	2013 Q3	2012 Q3	2013 9 mon	2012 9 mon
Hultafors Group	291	285	836	881	43	35	81	92	14.3	12.3	9.7	10.4
Latour Industries	411	353	1,266	1,132	57	53	156	139	13.9	15.0	12.3	12.3
Specma Group	265	251	847	930	6	3	13	22	2.1	1.2	1.5	2.4
Swegon	748	659	2,152	2,074	101	84	257	240	13.4	12.6	11.9	11.6
Eliminations	–	–1	–1	–1	–	–	–	–	–	–	–	–
	1,715	1,547	5,100	5,016	207	175	507	493	12.0	11.3	9.9	9.8
Restructuring costs	–	–	–	–	–11	–16	–27	–17	–	–	–	–
	1,715	1,547	5,100	5,016	196	159	480	476	11.4	10.3	9.4	9.5
Capital gains from divested companies	–	–	–	–	–2	–	–5	–1				
Other companies and items <sup>2)</sup>	–	23	–	75	8	9	9	17				
	1,715	1,570	5,100	5,091	202	168	484	492				

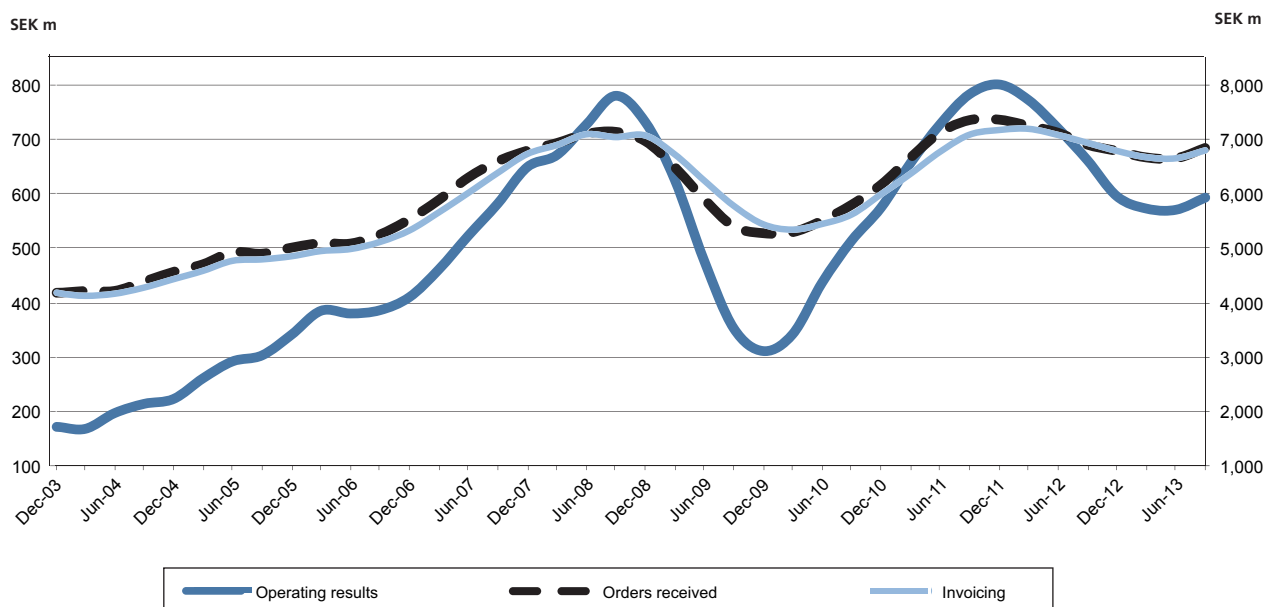
SEK m	Operating capital <sup>1)</sup>		Return on operating capital %		Growth in net sales %		
	2013 Roll 12	2012 Roll 12	2013 Roll 12	2012 Roll 12	2013	From acquisitions	From exchange effects
Hultafors Group	775	856	13.3	13.7	–5.1	0.5	–2.1
Latour Industries	1,230	1,033	13.9	17.1	11.9	15.9	–1.3
Specma Group	566	612	–4.3	6.0	–9.0	1.8	–0.9
Swegon	1,114	1,116	30.8	29.3	3.8	7.2	–1.7
Total	3,685	3,617	16.1	18.2	1.7	7.0	–1.5

<sup>1)</sup> 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.

<sup>2)</sup> Net sales refer to the operations (Pressmaster) divested in 2012 previously presented as part of Latour Industries

## Group rolling 12 months



## Development per business area

### Hultafors Group



SEK m	2013 Q3	2012 Q3	2013 9 mon	2012 9 mon	2012 Full year	Rolling 12 mon
Net sales	291	285	836	881	1,197	1,152
EBITDA, adjusted*	48	40	95	107	147	135
EBITA, adjusted*	44	37	84	97	134	121
EBIT, adjusted*	43	35	81	92	127	116
EBIT, reported	39	31	68	88	123	103
EBITA %, adjusted*	15.1	12.9	10.0	11.0	11.2	10.5
EBIT %, adjusted*	14.3	12.3	9.7	10.4	10.6	10.0
Growth %	2.5	0.0	-5.1	3.8	1.3	
Of which exchange effects	-0.1	-1.8	-2.1	-0.8	-1.2	
Of which acquisitions	0.5	1.8	0.5	2.2	2.1	

Average number of employees	636	646	637	646	642	
-----------------------------	-----	-----	-----	-----	-----	--

\* Ex restructuring costs.

### Highlights

- Net sales increased during the quarter to SEK 291 (285) m, which, adjusted for acquisitions and exchange effects, entailed an organic growth of 2 percent.
- Strong result in the third quarter, adjusted EBITA margin of 15.1 percent.
- Workwear's central warehouse was moved from Holland to Poland in June. The move delayed an estimated SEK 13 m in deliveries until the third quarter.
- The move of the central warehouse has initially entailed lower sales and less service. Structural costs due to the move are expected to amount in total for the year to more than SEK 10 m, of which SEK 9 m have so far charged the result for 2013. Another SEK 4 m 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.

### Allocation of net sales

SEK m	2013 Q3	2012 Q3	2013 9 mon	2012 9 mon	2012 Full year	Rolling 12 mon
Workwear	161	151	445	475	670	640
Tools	100	100	294	301	395	388
Ladders	31	34	97	105	132	124
	292	285	836	881	1,197	1,152
Pro forma adjustment <sup>1)</sup>						2
Rolling 12 month pro forma						1,154

<sup>1)</sup> 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. Its business concept is to be an attractive partner to distributors of consumables and work equipment in Europe and to be the obvious first choice for the end user.

### Latour Industries



SEK m	2013 Q3	2012 Q3	2013 9 mon	2012 9 mon	2012 Full year	Rolling 12 mon
Net sales	411	353	1,266	1,132	1,519	1,653
EBITDA, adjusted*	67	63	185	167	202	219
EBITA, adjusted*	58	54	159	142	168	185
EBIT, adjusted*	57	53	156	139	163	181
EBIT, reported	56	45	152	130	149	171
EBITA %, adjusted*	14.1	15.3	12.6	12.5	11.1	11.2
EBIT %, adjusted*	13.9	15.0	12.3	12.3	10.7	10.9
Growth %	16.5	-1.3	11.9	6.8	2.3	
Of which exchange effects	-4.2	-0.7	-1.3	-0.2	-0.5	
Of which acquisitions	19.9	-3.5	15.9	10.0	8.9	

Average number of employees	1,042	844	1,049	843	874	
-----------------------------	-------	-----	-------	-----	-----	--

\* Ex restructuring costs.

### Highlights

- Good net sales growth of 16.5 percent during the quarter as a result of acquisitions.
- Stable result development, adjusted EBITA increased to SEK 58 (54) m.
- EBITA margin of 14.1 (15.3) percent. The decrease is explained by a dilution in earnings from acquired companies.
- Continued investments in product development and organic growth in primarily Nord-Lock, Kabona, LSAB and REAC.
- LSAB acquired Teroteknisk Service AS in the beginning of July. For further information – see page 3.

### Allocation of net sales

SEK m	2013 Q3	2012 Q3	2013 9 mon	2012 9 mon	2012 Full year	Rolling 12 mon
Nord-Lock	162	163	470	497	640	612
Specma Tools	13	12	39	45	60	54
Specma Seals	25	26	79	69	92	102
BrickPack	13	13	42	42	56	55
AVT Group	20	19	70	68	91	94
LSAB-gruppen	91	77	293	271	370	392
Carstens	12	15	44	57	75	64
REAC	47	29	140	84	114	170
Kabona	28	–	89	–	21	110
	411	353	1,266	1,132	1,519	1,653

Pro forma adjustment <sup>1)</sup>						29
Rolling 12 month pro forma						1,682

<sup>1)</sup> Pro forma for completed acquisitions and divestitures.

**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 Q3	2012 Q3	2013 9 mon	2012 9 mon	2012 Full year	Rolling 12 mon
Net sales	265	251	847	930	1,198	1,114
EBITDA, adjusted*	10	8	26	36	36	27
EBITA, adjusted*	6	3	13	22	18	9
EBIT, adjusted*	6	3	13	22	18	9
EBIT, reported	0	-1	2	18	-9	-24
EBITA %, adjusted*	2.1	1.2	1.5	2.4	1.5	
EBIT %, adjusted*	2.1	1.2	1.5	2.4	1.5	
Growth %	5.7	-22.4	-9.0	-8.4	-13.3	
Of which exchange effects	-0.2	-1.3	-0.9	-0.3	-0.5	
Of which acquisitions	2.3	0.0	1.8	0.0	0.4	

Average number of employees 701 728 689 753 742

\* Ex restructuring costs

### Highlights

- Net sales increased by 3.6 % adjusted for exchange effects and acquisitions. The increase is primarily in the Global Division.
- Specma Group's new after sales market concept was launched in the Nordic Division and focuses on a joint brand and MRO business.
- Delays in the extensive structural project of moving operations from Sjömarken to Örnsköldsvik has led to continued high costs and therefore delayed savings. Structural costs have charged the quarter by SEK 6 m and an accumulated SEK 11 m for the year.
- Continued focus on cost reductions and moving production to Poland and China.
- After the end of the report period Kiruna Hydraulik was acquired as a further step in the investment in MRO and the mining industry in the Nordic Division. For further information – see page 3.

### Allocation of net sales

(SEK m)	2013 Q3	2012 Q3	2013 9 mon	2012 9 mon	2012 Full year	Rolling 12 mon
Global Division	161	151	506	575	730	661
Nordic Division	68	69	233	252	334	315
Others	36	31	108	103	134	138
	265	251	847	930	1,198	1,114

Pro forma adjustment<sup>1)</sup> 5  
Rolling 12 month pro forma 1,119

<sup>1)</sup> Pro forma for completed acquisitions.

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

SEK m	2013 Q3	2012 Q3	2013 9 mon	2012 9 mon	2012 Full year	Rolling 12 mon
Net sales	748	659	2,152	2,074	2,785	2,863
EBITDA, adjusted*	119	101	308	291	401	418
EBITA, adjusted*	102	84	259	242	340	357
EBIT, adjusted*	101	84	257	240	337	354
EBIT, reported	100	84	256	240	326	342
EBITA %, adjusted*	13.6	12.7	12.0	11.7	12.2	12.5
EBIT %, adjusted*	13.4	12.7	11.9	11.6	12.1	12.4
Growth %	13.6	-1.4	3.8	4.2	2.9	
Of which exchange effects	-0.2	-3.6	-1.7	-1.4	-1.6	
Of which acquisitions	14.3	0.0	7.2	0.0	0.0	

Average number of employees 1,499 1,366 1,443 1,352 1,340

\* Ex restructuring costs

### Highlights

- Net sales decreased by 1.8 percent adjusted for exchange effects and acquisitions compared to the same period last year.
- Strong development during the quarter of the operating margin to 13.4 percent.
- Continued volatile demand on the European ventilation market.
- Swegon acquired RCS AG in Switzerland and strengthens its presence in the chilling segment. For further information – see page 3.
- The share of sales outside the Nordic region is more than 50 percent for the first time.

### Allocation of net sales

(SEK m)	2013 Q3	2012 Q3	2013 9 mon	2012 9 mon	2012 Full year	Rolling 12 mon
Sweden	165	180	572	582	775	765
Other Nordic Region	183	188	572	626	835	781
Other, worldwide	400	291	1,008	866	1,175	1,317
	748	659	2,152	2,074	2,785	2,863

Pro forma adjustment<sup>1)</sup> 214  
Rolling 12 month pro forma 3,077

<sup>1)</sup> Pro forma for completed acquisitions.

**Swegon** provides energy efficient air handling units, chillers and heatpumps 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

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 191 per share during the second quarter from SEK 162 at the beginning of the year. The net asset value increased by 21.7 percent adjusted for dividends, which can be compared to SIXRX that increased by 20.5 percent.

	Net sales <sup>1)</sup>	EBIT <sup>1)</sup>	EBIT-multiple alt EV/sales-multiple Interval	Valuation <sup>2)</sup> Interval	Valuation <sup>2)</sup> Average	Valuation SEK/share <sup>3)</sup> Interval
Hultafors Group	1,154	116	12 – 15	1,392 – 1,740	1,566	9 – 11
Latour Industries	1,682	185	14 – 16	2,594 – 2,965	2,779	16 – 19
Specma Group	1,119	9	0.4 – 0.6	448 – 671	560	3 – 4
Swegon	3,077	364	12 – 16	4,372 – 5,829	5,100	27 – 36
	<b>7,033</b>	<b>675</b>		<b>8,806 – 11,205</b>	<b>10,005</b>	<b>55 – 70</b>
<b>Listed shares</b> (allocation see table on page 8)					<b>21,814</b>	<b>137</b>
<b>Unlisted partner-owned companies</b>						
Academic Work <sup>4)</sup> , 20,06 %					336	2
Diamorph <sup>5)</sup> , 21,18 %					125	1
Oxeon <sup>6)</sup> , 31,08 %					25	0
<b>Other assets</b>						
Short position portfolio					69	1
Other listed holdings					15	0
Dilution effect of option program					-23	0
Other					10	0
<b>Consolidated net debt</b>					<b>-1,917</b>	<b>-12</b>
<b>Calculated value</b>					<b>30,459</b>	<b>191</b>
					<b>(29,260 – 31,659)</b>	<b>(184 – 199)</b>

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

<sup>2)</sup> EBIT and EV/sales recalculated taking into consideration the share price on 2013-09-30 for comparable companies in each business area.

<sup>3)</sup> Calculated on the number of outstanding shares.

<sup>4)</sup> Valued according to a statement made by an independent valuer.

<sup>5)</sup> Valued according to the latest transaction.

<sup>6)</sup> Valued according to Latour's latest acquisition price.



# Investment portfolio 2012-09-30

The combined value of the investment portfolio increased by 26.1 percent adjusted for dividends in the nine month period while comparable index (SIXRX) increased by 20.5 percent.

During the first half-year 1,850,000 shares were acquired in Tomra and 200,000 shares in HMS Networks. After the end of the report period a further 1,500,000 Tomra shares were acquired.

Share	Number	Acquisition value SEK m	Listed price <sup>1)</sup> SEK	Market value SEK m	Share of votes %	Share of equity %
Assa Abloy <sup>2)3)</sup>	35,165,243	1,697	295	10,367	29.5	9.5
Fagerhult <sup>3)4)</sup>	6,206,800	571	182	1,127	49.2	49.2
HMS Networks <sup>3)</sup>	3,027,322	250	125	377	26.7	26.7
Loomis <sup>2)3)</sup>	7,538,328	108	141	1,064	28.5	10.0
Nederman <sup>3)</sup>	3,512,829	306	162	569	30.0	30.0
Nobia	23,100,000	469	51	1,183	13.8	13.8
Securitas <sup>2)3)</sup>	39,732,600	1,081	73	2,916	29.6	10.9
Sweco <sup>2)3)</sup>	28,997,760	152	83	2,407	22.8	31.8
Tomra <sup>3)5)</sup>	29,820,000	1,409	57(NOK) <sup>6)</sup>	1,804	20.2	20.2
<b>Total</b>		<b>6,042</b>		<b>21,814</b>		

<sup>1)</sup> Purchase price at the end of the report period.

<sup>2)</sup> 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.

<sup>3)</sup> Shown as associated companies in the balance sheet.

<sup>4)</sup> At the end of September 2013 30,000 shares were loaned out.

<sup>5)</sup> The listing price at the end of September was NOK 56.50, which has been recalculated to SEK by using the exchange rate at the end of the accounting period.

<sup>6)</sup> The listed price is latest price paid.



# Result and financial position

## Group

Group profit after financial items was SEK 1,242 (1,072) m. Group profit after tax amounted to SEK 1,103 (962) m, which corresponds to SEK 6.92 (6.03) per share.

Group cash in hand and liquid investments amounted to SEK 269 (223) m. Interest-bearing liabilities, excluding pension liabilities, totaled SEK 2,045 (1,512) m. Group net borrowing, including pension liabilities, totaled SEK 1,917 (1,390) m. The equity ratio was 86 (86) 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 113 (86) m was invested in tangible assets, of which SEK 85 (63) m was machinery, SEK 16 (15) m vehicles and 12 (8) m buildings. Fixed assets in newly acquired companies made up SEK 26 (1) m of investments for the period.

## Parent company

The parent company profit after financial items was SEK 791 (769) m. The parent company equity ratio totaled 88 (90) percent.

Not including repurchased shares, the number of outstanding shares on 30 September 2013 amounted to 159,378,000. At the end of the period Latour owned 582,000 repurchased B shares. A total of 701,000 call options have been issued to employees, of which 168,000 were issued in the third quarter according to the mandate from the Annual General Meeting 2013. Previously during the year 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

Latour's subsidiary Specma AB has, after the end of the report period, acquired the rest of the shares in Kiruna Hydraulik AB. 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 the Annual Accounts Acts and 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.

AS 19 Employee benefits: Amended reporting of actuary gains and losses. As of 1 January 2013 the Group no longer uses the corridor method but instead reports all actuary 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 second quarter and this holding is now therefore classified as an associated company. The effect of this reclassification is recognized directly in equity.

## Nominating committee

The members of the nominating committee for the Annual General Meeting on 8 May 2014 are:  
Gustaf Douglas (Chair, principal owner)  
Björn Karlsson (Bertil Svensson's family and foundation)  
Per Erik Mohlin (SEB funds)

The nominating committee can be contacted at Latour's website [www.latour.se](http://www.latour.se) under Corporate governance, Board, Nominating committee.

Gothenburg 6 November 2013  
Jan Svensson  
*President and Chief Executive Officer*

## Report of Review of Interim Financial Information

### *Introduction*

We have reviewed this report for the period 1 January 2013 to 30 September 2013 for Investment AB Latour (publ). 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.

### *Scope of 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 of 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 International Standards on Auditing, ISA, 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.

### *Conclusion*

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, 6 November 2013

Öhrlings PricewaterhouseCoopers AB

Helén Olsson Svärdröm  
*Authorized Public Accountant*  
*Principal auditor*

---

## For further information please contact:

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) 505 564 78. The conference will be broadcasted over the Internet. In order to follow the presentation please visit our website [www.latour.se](http://www.latour.se).

*Year-End Report 2013 will be published 2014-02-19*

*Interim Report January – March will be published 2014-05-05*

*The General Annual Meeting will be held on 8 May 2014 at Radisson Blu Scandinavia Hotel in Gothenburg*

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 6 November 2013 at 8:30 a.m.

## Consolidated income statement

SEK m	2013 Q3	2012 Q3	2013 9 mon	2012 9 mon	12 mon Oct-Sep 2012/2013	Full year 2012
<b>Net sales</b>	<b>1,716</b>	<b>1,571</b>	<b>5,100</b>	<b>5,091</b>	<b>6,797</b>	<b>6,788</b>
Cost of goods sold	-1,077	-986	-3,226	-3,225	-4,300	-4,299
<b>Gross profit</b>	<b>639</b>	<b>585</b>	<b>1,874</b>	<b>1,866</b>	<b>2,497</b>	<b>2,489</b>
Sales costs	-319	-301	-1,001	-986	-1,381	-1,366
Administrative costs	-105	-97	-318	-313	-405	-400
Research and development costs	-34	-34	-116	-114	-161	-159
Other operating income	26	18	55	45	134	124
Other operating costs	-5	-3	-10	-6	-57	-53
<b>Operating result</b>	<b>202</b>	<b>168</b>	<b>484</b>	<b>492</b>	<b>627</b>	<b>635</b>
Result from participation in associated companies	339	214	773	627	1,060	914
Result from portfolio management	19	7	44	41	52	49
Administration costs	-4	-4	-11	-11	-14	-14
<b>Profit before financial items</b>	<b>556</b>	<b>385</b>	<b>1,290</b>	<b>1,149</b>	<b>1,725</b>	<b>1,584</b>
Financial income	2	1	20	17	22	19
Financial costs	-26	-36	-68	-94	-80	-106
<b>Profit after financial items</b>	<b>532</b>	<b>350</b>	<b>1,242</b>	<b>1,072</b>	<b>1,667</b>	<b>1,497</b>
Taxes	-53	-38	-139	-110	-175	-146
<b>Result for the period</b>	<b>479</b>	<b>312</b>	<b>1,103</b>	<b>962</b>	<b>1,492</b>	<b>1,351</b>
<b>Attributable to:</b>						
Parent company shareholders	480	312	1,103	962	1,492	1,351
Non-controlling interests	-1	-	-	-	-	-

Earnings per share regarding profit attributable to parent company shareholders

Before dilution	SEK 3.01	SEK 1.96	SEK 6.92	SEK 6.03	SEK 9.37	SEK 8.47
After dilution	SEK 3.00	SEK 1.95	SEK 6.90	SEK 6.02	SEK 9.33	SEK 8.45
Average number of outstanding shares before dilution	159,337,082	159,355,865	159,315,959	159,474,051	159,281,639	159,421,000
Average number of outstanding shares after dilution	159,945,370	159,902,065	159,921,319	159,931,912	159,914,937	159,922,885
Number of outstanding shares	159,378,000	159,263,000	159,378,000	159,263,000	159,378,000	159,263,000

## Statement of comprehensive income

SEK m	2013 Q3	2012 Q3	2013 9 mon	2012 9 mon	12 mon Oct-Sep 2012/2013	Full year 2012
Income for the period	479	312	1 103	962	1,492	1,351
<b>Other comprehensive income:</b>						
<b>Items that will not be reclassified in the income statement</b>						
Revaluation of net pension obligations	-	-	-	-	-2	-2
	0	0	0	0	-2	-2
<b>Items that may later be reclassified in the income statement</b>						
Change in translation reserve for the period	-15	-43	-12	-55	5	-38
Change in fair value reserve for the period	275	125	561	338	580	357
Change in hedging reserve for the period	4	9	-	13	-5	8
Changes in equity in associated companies	57	65	-69	-24	-319	-274
	321	156	480	272	261	53
<b>Other comprehensive result, net after tax</b>	<b>321</b>	<b>156</b>	<b>480</b>	<b>272</b>	<b>259</b>	<b>51</b>
<b>Comprehensive result for the period</b>	<b>800</b>	<b>468</b>	<b>1,583</b>	<b>1,234</b>	<b>1,751</b>	<b>1,402</b>
<b>Attributable to:</b>						
Parent company shareholders	801	468	1,583	1,234	1,751	1,402
Non-controlling interests	-1	-	-	-	-	-

## Consolidated cash flow statement

SEK m	2013 Q3	2012 Q3	2013 9 mon	2012 9 mon	12 mon Oct-Sep 2012/2013	Full year 2012
Cash flow from current operations before changes in operating capital	141	167	442	463	536	557
Changes in operating capital	-58	70	-77	36	205	318
<b>Cash flow from current operations</b>	<b>83</b>	<b>237</b>	<b>365</b>	<b>499</b>	<b>741</b>	<b>875</b>
Acquisition of subsidiaries	-34	-1	-257	-34	-349	-126
Sale of subsidiaries	-	-	-	-	97	97
Other investments	5	-27	-77	-82	-187	-192
Portfolio management	149	39	473	457	96	80
<b>Cash flow after investments</b>	<b>203</b>	<b>248</b>	<b>504</b>	<b>840</b>	<b>398</b>	<b>732</b>
Financial payments	-130	-204	-468	-1,100	-351	-983
<b>Cash flow for the period</b>	<b>73</b>	<b>44</b>	<b>36</b>	<b>-260</b>	<b>47</b>	<b>-249</b>

## Consolidated balance sheet

SEK m	2013-09-30	2012-09-30	2012-12-31
<b>ASSETS</b>			
Goodwill	1,924	1,526	1,660
Other intangible assets	68	75	122
Tangible assets	711	711	694
Financial assets	9,557	8,641	8,988
Inventories etc.	1,152	1,075	1,082
Current receivables	1,565	1,553	1,299
Cash and bank	269	223	241
<b>Total assets</b>	<b>15,246</b>	<b>13,804</b>	<b>14,086</b>
<b>EQUITY AND LIABILITIES</b>			
Capital and reserves attributable to parent company shareholders	11,364	10,711	10,879
Non-controlling interests	0	0	0
<i>Total equity</i>	<i>11,364</i>	<i>10,711</i>	<i>10,879</i>
Interest-bearing long-term liabilities	491	396	367
Non-interest-bearing long-term liabilities	149	128	136
Interest-bearing current liabilities	1,735	1,330	1,468
Non-interest-bearing current liabilities	1,507	1,239	1,236
<b>Equity and liabilities</b>	<b>15,246</b>	<b>13,804</b>	<b>14,086</b>

## 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
<b>Adjusted opening balance 2012-01-01</b>	<b>133</b>	<b>-29</b>	<b>92</b>	<b>10,263</b>	<b>0</b>	<b>10,459</b>
Comprehensive result for the period			327	1,075		1,402
Issued call options				2		2
Repurchase of shares		-27				-27
Dividends				-957		-957
<b>Closing balance 2012-12-31</b>	<b>133</b>	<b>-56</b>	<b>419</b>	<b>10,383</b>	<b>0</b>	<b>10,879</b>
Opening balance 2013-01-01	133	-56	419	10,383	0	10,879
Comprehensive result for the period			549	1,034	0	1,583
Successive acquisition of associated companies			-338	23		-315
Issued call options				3		3
Exercised call option right		8		2		10
Dividends				-796		-796
<b>Closing balance 2013-09-30</b>	<b>133</b>	<b>-48</b>	<b>630</b>	<b>10,649</b>	<b>0</b>	<b>11,364</b>

## Group key ratios

	2013-09-30	2012-09-30	2012-12-31
Return on equity (%)	13	12	13
Return on comprehensive capital (%)	12	11	12
Adjusted equity ratio (%) <sup>1)</sup>	86	86	86
Adjusted equity (SEK m) <sup>1)</sup>	24,197	18,574	20,195
Surplus value in associated companies <sup>2)</sup> (SEK m)	12,833	7,863	9,316
Net debt/equity ratio (%)	8	8	8
Net borrowing/EBITDA	2.4	1.5	1.9
Share price (SEK)	157	114	124
Repurchased shares	582,000	697,000	697,000
Average number of repurchased shares	645,608	485,949	539,000
Average number of employees	3,842	3,685	3,692
Outstanding convertible bonds	0	0	0
Outstanding subscription options	0	0	0
Issued call options on repurchased shares	533,000	633,000	633,000

<sup>1)</sup> Inc. surplus value in associated companies.

<sup>2)</sup> Difference between acquisition value and market value.

## Income statement – parent company

SEK m	2013 Q3	2012 Q3	2013 9 mon	2012 9 mon	12 mon Oct-Sep 2012/2013	2012 Full year
Result from participation in Group companies	–	–	325	331	325	331
Result from participation in associated companies	–	–	438	367	438	367
Result from portfolio management	–	–	12	29	12	29
Administration costs	–2	–2	–6	–6	–8	–8
<b>Profit before financial items</b>	<b>–2</b>	<b>–2</b>	<b>769</b>	<b>721</b>	<b>767</b>	<b>719</b>
Interest income and similar profit items	15	23	46	73	65	92
Interest costs and similar loss items	–10	–9	–24	–25	–30	–31
<b>Profit after financial items</b>	<b>3</b>	<b>12</b>	<b>791</b>	<b>769</b>	<b>802</b>	<b>780</b>
Tax	–	–	–	–	–	–
<b>Result for the period</b>	<b>3</b>	<b>12</b>	<b>791</b>	<b>769</b>	<b>802</b>	<b>780</b>

## Statement of comprehensive income – parent company

SEK m	2013 Q3	2012 Q3	2013 9 mon	2012 9 mon	12 mon Oct-Sep 2012/2013	2012 Full year
Result for the period	3	12	791	769	802	780
Change in the fair value reserve for the period	262	122	534	339	551	356
Total other comprehensive income	262	122	534	339	551	356
<b>Comprehensive result for the period</b>	<b>265</b>	<b>134</b>	<b>1,325</b>	<b>1,108</b>	<b>1,353</b>	<b>1,136</b>

## Balance sheet – parent company

SEK m	2013-09-30	2012-09-30	2012-12-31
<b>ASSETS</b>			
Financial assets	9,119	8,645	8,530
Current receivables from Group companies	15	22	18
Other current receivables	1	3	2
Cash and bank	7	7	7
<b>Total assets</b>	<b>9,142</b>	<b>8,677</b>	<b>8,557</b>
<b>EQUITY AND LIABILITIES</b>			
Equity	8,010	7,778	7,806
Interest-bearing long-term liabilities	101	1	642
Non-interest-bearing long-term liabilities	5	5	5
Interest-bearing current liabilities	1,012	888	100
Non-interest-bearing current liabilities	14	5	4
<b>Equity and liabilities</b>	<b>9,142</b>	<b>8,677</b>	<b>8,557</b>

## Changes in equity – parent company

SEK m	2013-09-30	2012-09-30	2012-12-31
Equity at the beginning of the year	7,806	7,652	7,652
Comprehensive result for the period	1,325	1,108	1,136
Issued call options	3	2	2
Repurchase of shares	–	–27	–27
Exercised call option right	10	–	–
Successive acquisition of associated companies <sup>1)</sup>	–338	–	–
Dividends	–796	–957	–957
<b>Equity at year-end</b>	<b>8,010</b>	<b>7,778</b>	<b>7,806</b>

<sup>1)</sup> The difference between previously reported market value and acquisition value.

## Segment reporting:

### Development per business area 2013-01-01 – 2013-09-30

SEK m	Industrial operations					Portfolio management	Total
	Hultafors Group	Latour Industries	Specma Group	Swegon	Other		
<b>ASSETS</b>							
External sales	836	1,265	847	2,152	–		5,100
Internal sales	–	1	–	–	–		1
<b>RESULT</b>							
Operating result	68	152	2	257	5		484
Result from portfolio management						806	806
Financial income							20
Financial costs							–68
Tax							–139
<b>Result for the period</b>							<b>1,103</b>
<b>OTHER INFORMATION</b>							
Investments in:							
tangible assets	8	22	12	55	16	–	113
intangible assets	4	129	1	137	–	–	271
Depreciation	14	29	13	52	12	–	120

### Development per business area 2012-01-01 – 2012-09-30

SEK m	Industrial operations					Portfolio management	Total
	Hultafors Group	Latour Industries	Specma Group	Swegon	Other		
<b>ASSETS</b>							
External sales	881	1,131	930	2,074	75		5,091
Internal sales	–	1	–	–	1		2
<b>RESULT</b>							
Operating result	88	130	18	240	16		492
Result from portfolio management						657	657
Financial income							17
Financial costs							–94
Tax							–110
<b>Result for the period</b>							<b>962</b>
<b>OTHER INFORMATION</b>							
Investments in:							
tangible assets	7	26	9	24	19	–	85
intangible assets	22	16	–	–	–	–	38
Depreciation	15	29	14	51	14	–	123

## Change in consolidated interest-bearing net debt

SEK m	2012-12-31	Change in cash	Change in loans	Other changes	2013-09-30
Interest-bearing receivables	27			13	40
Cash	241	28			269
Pension provisions	–176			–4	–180
Long-term debts	–192		–100	–19	–311
Utilized bank overdraft facilities	–86			–9	–95
Interest-bearing current liabilities	–1,382		–258		–1,640
<b>Interest-bearing net debt</b>	<b>–1,568</b>	<b>28</b>	<b>–358</b>	<b>–19</b>	<b>–1,917</b>

## Five year overview

SEK m	Oct–Sep 2012/2013	2012	2011	2010	2009
Net sales, SEK m	6,797	6,788	7,171	5,991	5,440
Operating result, SEK m	627	635	883	620	296
Result from participation in associated companies, SEK m	1,060	914	1,449	228	242
Result from portfolio management, SEK m	38	35	–41	78	189
Result after financial items, SEK m	1,725	1,497	2,230	872	664
Earnings per share, SEK	9.37	8.47	14.13	5.37	4.21
Return on equity, %	14	13	18	6	6
Return on comprehensive capital, %	12	12	17	7	6
Adjusted equity ratio, %	86	86	84	85	82
Net debt/equity ratio, %	8	8	7	2	7
Share price, SEK	157	124	107	124	99

## Not 1: Company acquisitions

### Specification of acquisitions

Transfer date		Country	Business area	Number of employees
2 January 2013	MBL/ABU (Reac Poland)	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
27 September 2013	RCS AG	Switzerland	Swegon	14

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	55
Other receivables	4
Cash	16
Long-term liabilities	–56
Current liabilities	–77
<b>Net identifiable assets and liabilities</b>	<b>60</b>
Group goodwill	270
<b>Total purchase price</b>	<b>330</b>
Extra purchase price	–54
<b>Cash settlement purchase price</b>	<b>276</b>
Acquisitions of items not included in the cash flow	–3
Acquired cash	–16
<b>Effect on Group cash</b>	<b>257</b>

During the period Latour has acquired 100 percent of the shares in MBL/ABU (Reac Poland), Coolmation Group, NORDTEC SRL, Walter Meier GmbH and RCS AG. MBL/ABU has during the period contributed SEK 50 m in income and SEK 14 m in operating results. Coolmation Group has during the period contributed SEK 54 m in income and SEK 6 m in operating results. NORDTEC has during the period contributed SEK 11 m in income and SEK –1 m in operating results. Walter Meier GmbH has during the period contributed SEK 118 m in income and SEK 13 m in operating results. RCS AG was consolidated as of 1 October 2013. All acquisitions have been made to strengthen and develop already existing operations in the Latour Group.

Transaction costs in connection with the period's acquisitions amount to SEK 5 m.

An estimated extra purchase price has been booked for REAC AB's acquisition of MBL/ABU (Reac Poland). The final price, based on the result development in 2013, can amount to SEK 54 m maximum, and this sum has also been reserved.



## Note 2: Information regarding financial assets and liabilities

The table below shows how fair value is determined for the financial instruments valued at fair value in the report on financial positions. Fair value is determined according to three different levels. Compared to the annual accounts 2012 no transfers were made during the period 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 2013-09-30

	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
<b>FINANCIAL ASSETS</b>						
Listed shares, management	1,183 <sup>1)</sup>					1,183
Other investments held as fixed assets	0 <sup>2)</sup>					0
Other long-term receivables			40 <sup>3)</sup>			40
Listed shares – trading		93 <sup>1)</sup>				93
Unrealized gains, currency derivatives		9 <sup>2)</sup>				9
Other current receivables			1,339 <sup>3)</sup>			1,339
Cash			269 <sup>3)</sup>			269
<b>Total</b>	<b>1,183</b>	<b>102</b>	<b>1,648</b>	<b>0</b>	<b>0</b>	<b>2,933</b>
<b>FINANCIAL LIABILITIES</b>						
Long-term loans					310 <sup>3)</sup>	310
Bank overdraft facilities					95 <sup>3)</sup>	95
Current loans					1,641 <sup>3)</sup>	1,641
Other current payable					869 <sup>3)</sup>	869
Unrealized gains, currency derivatives				0		0
<b>Total</b>				<b>0</b>	<b>2,915</b>	<b>2,915</b>

<sup>1)</sup> Level 1 – valued at fair value based on listed prices on an active market for identical assets.

<sup>2)</sup> Level 2 – valued at fair value based on other observable inputs for assets and liabilities than listed prices included in level 1.

<sup>3)</sup> 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				
	Q3	Q2	Q1	Full year	Q4	Q3	Q2	Q1	Full year	Q4	Q3	Q2	Q1
<b>INCOME STATEMENT</b>													
Net sales	1,716	1,764	1,620	<b>6,788</b>	1,697	1,571	1,785	1,735	<b>7,171</b>	1,846	1,714	1,898	1,713
Cost of goods sold	-1,077	-1,117	-1,032	<b>-4,299</b>	-1,074	-986	-1,134	-1,105	<b>-4,639</b>	-1,179	-1,103	-1,237	-1,120
Gross profit	<b>639</b>	<b>647</b>	<b>588</b>	<b>2,489</b>	<b>623</b>	<b>585</b>	<b>651</b>	<b>630</b>	<b>2,532</b>	<b>667</b>	<b>611</b>	<b>661</b>	<b>593</b>
Costs etc. for the operation	-437	-496	-457	<b>-1,854</b>	-480	-417	-474	-483	<b>-1,649</b>	-468	-295	-452	-434
Operating profit	<b>202</b>	<b>151</b>	<b>131</b>	<b>635</b>	<b>143</b>	<b>168</b>	<b>177</b>	<b>147</b>	<b>883</b>	<b>199</b>	<b>316</b>	<b>209</b>	<b>159</b>
Total portfolio management	354	238	214	<b>949</b>	292	217	290	150	<b>1,408</b>	338	734	275	61
Profit before financial items	<b>556</b>	<b>389</b>	<b>345</b>	<b>1,584</b>	<b>435</b>	<b>385</b>	<b>467</b>	<b>297</b>	<b>2,291</b>	<b>537</b>	<b>1,050</b>	<b>484</b>	<b>220</b>
Net financial items	-24	-7	-17	<b>-87</b>	-10	-35	-11	-31	<b>-61</b>	-9	-19	-7	-26
Profit after financial items	<b>532</b>	<b>382</b>	<b>328</b>	<b>1,497</b>	<b>425</b>	<b>350</b>	<b>456</b>	<b>266</b>	<b>2,230</b>	<b>528</b>	<b>1 031</b>	<b>477</b>	<b>194</b>
Taxes	-53	-52	-34	<b>-146</b>	-36	-38	-37	-35	<b>-182</b>	-36	-61	-52	-33
Profit for the year	<b>479</b>	<b>330</b>	<b>294</b>	<b>1,351</b>	<b>389</b>	<b>312</b>	<b>419</b>	<b>231</b>	<b>2,048</b>	<b>492</b>	<b>970</b>	<b>425</b>	<b>161</b>
<b>KEY RATIOS</b>													
Earnings per share, SEK	3.01	1.85	1.85	<b>8.47</b>	2.44	1.96	2.63	1.45	<b>14.13</b>	3.08	6.15	3.24	1.23
Cash flow for the period	73	-9	-28	<b>-249</b>	11	44	-338	34	<b>-76</b>	-490	587	-126	-47
Adjusted equity/assets ratio, %	86	84	86	<b>86</b>	86	86	85	86	<b>84</b>	84	83	84	86
Adjusted equity	24,197	21,494	22,013	<b>20,223</b>	20,223	18,604	17,984	19,195	<b>16,709</b>	16,709	14,809	13,347	13,813
Net asset value	30,459	27,229	27,942	<b>25,726</b>	25,726	24,080	23,359	25,564	<b>22,652</b>	22,652	20,099	24,168	20,599
Net asset value per share	191	171	175	<b>162</b>	162	151	146	160	<b>142</b>	142	126	152	157
Share price	157	135	147	<b>124</b>	124	114	116	134	<b>107</b>	107	95	129	134
<b>NET SALES</b>													
Hultafors Group	291	268	276	<b>1,197</b>	316	285	293	302	<b>1,182</b>	334	285	289	275
Latour Industries	411	442	414	<b>1,518</b>	387	353	392	386	<b>1,573</b>	432	380	401	360
Specma Group	265	302	279	<b>1,198</b>	268	251	331	348	<b>1,381</b>	366	324	355	336
Swegon	748	753	652	<b>2,785</b>	711	659	743	672	<b>2,707</b>	716	668	731	592
Other companies and eliminations	-	-1	-1	<b>90</b>	16	23	26	27	<b>328</b>	-2	57	122	150
	<b>1,715</b>	<b>1,764</b>	<b>1,620</b>	<b>6,788</b>	<b>1,697</b>	<b>1,571</b>	<b>1,785</b>	<b>1,735</b>	<b>7,171</b>	<b>1,846</b>	<b>1,714</b>	<b>1,898</b>	<b>1,713</b>
<b>OPERATING PROFIT</b>													
Hultafors Group	39	10	19	<b>123</b>	35	31	27	30	<b>151</b>	30	48	41	33
Latour Industries	56	49	47	<b>149</b>	18	45	43	43	<b>248</b>	45	60	67	75
Specma Group	0	2	1	<b>-9</b>	-27	-1	8	11	<b>79</b>	19	20	19	21
Swegon	101	97	59	<b>326</b>	86	84	93	63	<b>312</b>	86	90	94	42
	<b>196</b>	<b>158</b>	<b>127</b>	<b>589</b>	<b>112</b>	<b>159</b>	<b>171</b>	<b>147</b>	<b>790</b>	<b>180</b>	<b>218</b>	<b>221</b>	<b>171</b>
Capital gains in divested companies	-2	-	-3	<b>7</b>	7	-	-	-	<b>63</b>	-	65	-	-2
Other items	8	-7	7	<b>39</b>	24	9	6	0	<b>30</b>	19	33	-12	-10
	<b>202</b>	<b>151</b>	<b>131</b>	<b>635</b>	<b>143</b>	<b>168</b>	<b>177</b>	<b>147</b>	<b>883</b>	<b>199</b>	<b>316</b>	<b>209</b>	<b>159</b>
<b>OPERATING MARGIN, (%)</b>													
Hultafors Group	13.4	3.8	6.9	<b>10.2</b>	11.1	10.9	9.1	9.9	<b>12.8</b>	8.9	17.0	17.0	11.8
Latour Industries	13.6	11.1	11.0	<b>9.7</b>	4.7	12.2	10.8	11.0	<b>15.7</b>	10.4	15.9	15.9	20.8
Specma Group	-0.2	0.6	0.4	<b>-0.7</b>	-10.0	-0.4	2.3	3.2	<b>5.7</b>	5.2	6.1	6.1	6.2
Swegon	13.5	12.8	9.1	<b>11.7</b>	12.1	12.8	12.6	9.3	<b>11.5</b>	12.1	13.5	13.5	7.1
	<b>11.4</b>	<b>8.9</b>	<b>8.6</b>	<b>8.8</b>	<b>6.7</b>	<b>10.2</b>	<b>9.7</b>	<b>8.6</b>	<b>11.6</b>	<b>9.8</b>	<b>12.7</b>	<b>12.7</b>	<b>11.0</b>



Investment AB Latour (publ)

Reg. no. 556026-3237

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