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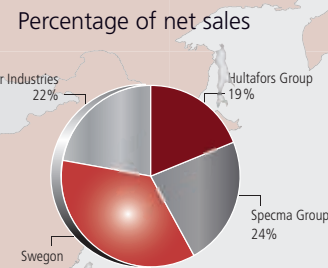
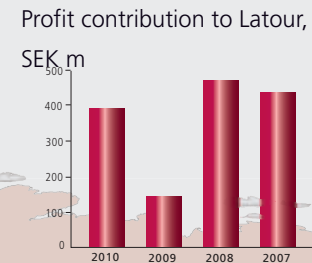
2010 at a glance

WHOLLY OWNED OPERATIONS



IMPORTANT EVENTS

- Orders received: SEK 6,165 (5,201) m, an increase by 20 percent adjusted for bought and sold operations as well as exchange effects.
- Net sales: SEK 5,991 (5,367) m, an increase by 13 percent adjusted for bought and sold operations as well as exchange effects.
- Operating result: SEK 574 (340) m, an increase by 69 percent, corresponding to an operating margin of 9.6 (6.3) percent.
- Continued investment in product development and international expansion.
- Much higher level of acquisition activity. A total of seven company acquisitions, four of them in Latour Industries, two in Specma Group and one in Swegon. The acquisitions contribute annual net sales of about SEK 900 m but only SEK 200 m in 2010 since several acquisitions were towards the end of the year.
- After the end of the year a contract was signed to sell 100 percent of the shares in Autotube AB to Accent Equity 2008. The deal is conditional on approval from Swedish competition authorities and is expected to be finalised in March 2011.

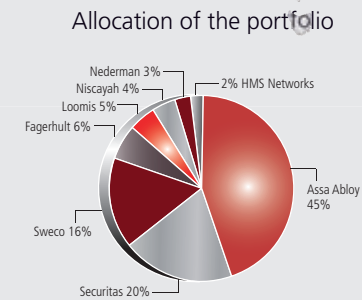
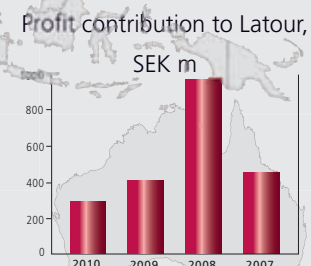


PORTFFOLIO COMPANIES



IMPORTANT EVENTS

- The value of the investment portfolio increased by 30 percent in 2010, adjusted for dividends, while comparable index (SIXRX) rose by 27 percent.
- Divestiture of holdings in Munters. The sales amounted to SEK 843 m and generated capital gains of SEK 213 m.
- Divestiture of holdings in Elanders. The sales resulted in capital losses of SEK 347 m.
- Increased ownership in HMS and Nederman.
- High level of acquisition activity in Assa Abloy and Securitas. Important acquisitions were made in Fagerhult and Nederman.



ABOUT LATOUR

Investment AB Latour is a mixed investment company consisting of wholly owned industrial and trading operations and an investment portfolio containing listed holdings in which Latour is the major owner or one of the major owners.

The investment portfolio contains eight major holdings which were valued at SEK 10.8 billion on 31 December 2010. The largest holdings in terms of worth

are Assa Abloy, Securitas and Sweco, which together account for 81 percent of the investment portfolio value.

The wholly owned industrial and trading operations are organised in four business areas: Hultafors Group, Latour Industries, Specma Group and Swegon. In 2010 the industrial and trading operations had net sales of SEK 6.0 billion.

Five year overview

PARENT COMPANY (SEK m)	2010	2009	2008	2007	2006
Dividends received	279	292	320	274	256
Dividends paid	491 ¹⁾	360	491	458	371
Equity/debt ratio	100%	98%	98%	93%	94%
Adjusted equity/debt ratio ²⁾	100%	98%	98%	95%	95%

GROUP (SEK m)					
Return on equity	6%	6%	16%	8%	11%
Return on total capital	6%	6%	14%	8%	10%
Equity/debt ratio	83%	81%	73%	75%	78%
Adjusted equity/debt ratio ³⁾	85%	82%	75%	78%	80%
Adjusted equity ³⁾	13,783	11,051	8,524	12,003	12,467
Net debt/equity ratio ³⁾	2%	7%	15%	15%	13%
Net asset value ⁴⁾	20,536	15,850	10,527	15,348	15,674

DATA PER SHARE					
Profit after tax ⁶⁾	5.37	4.21	11.14	6.71	8.54 ⁵⁾
Listed price 31 December	124.6	99	62	104	94
Net asset value per share ⁷⁾	157	122	80	117	120
Share price as a percent of net asset value ⁷⁾	79%	81%	78%	89%	78%
Earnings per share before dilution	5.37	4.21	11.14	6.71	8.54
Earnings per share after full dilution	5.36	4.21	11.14	6.71	8.54
Administration costs, as a percent of portfolio value ⁷⁾	0.07%	0.08%	0.09%	0.07%	0.08%
Cash flow from current operations per average number of shares	3.7	5.4	4.5	3.0	3.2
Equity ⁸⁾	94	76	60	77	83
Dividends paid	3.75 ⁹⁾	2.75	3.75	3.50	2.83
Return	3.0% ¹⁰⁾	2.8%	6.0%	3.4%	3.0%
P/E ratio	23	24	6	15	11

Total outstanding shares	131,000,000	131,000,000	131,000,000	131,000,000	131,100,000
Average number of outstanding shares	131,000,000	131,000,000	131,000,000	131,046,405	131,100,000
Average number of shares after full dilution	131,172,973	131,067,110	131,000,000	131,046,405	131,100,000
Bought back shares	460,000	460,000	460,000	460,000	360,000
Average number of bought back shares	460,000	460,000	460,000	413,595	360,000

¹⁾ Proposed dividend based on the number of outstanding shares as of 2011-02-25

²⁾ Including surplus value in investment portfolio.

³⁾ Including surplus value in associated companies.

⁴⁾ Calculated on the average of the multiple span applied since 2006.

⁵⁾ Recalculated for the split 3:1 which was carried out in June 2007.

⁶⁾ Calculated on an average number of outstanding shares.

⁷⁾ Calculated on the average of the multiple span applied since 2006.

⁸⁾ Calculated on the number of outstanding shares per the balance date.

⁹⁾ Proposed dividends.

¹⁰⁾ Calculated on the proposed dividend.



Group profit

Group profit after net financial items amounted to SEK 872 m (664). Group profit after tax amounted to SEK 702 m (522), which corresponds to SEK 5.37 (4.21) per share.

Net asset value

Latour's net asset value at the end of 2010 was SEK 19.2–21.8 (14.8–16.9) billion.

Information on the calculation of net asset value is found on pages 8–9.

The Latour share's development

The value of the Latour share increased by 25 percent in 2010. Measured over a period of five years, 2006–2010, the value of the share increased by 83 percent, which can be compared to index that increased by 22 percent. The number of outstanding shares at the end of the year was 131,000,000.

Total return

The total return on the Latour share amounted to 28 percent, which can be compared to a relevant index, the SIX Return Index*, which was 27 percent. The total return on the Latour share was 114 percent during the latest five year period, 2006–2010. The development for the SIX Return Index was 41 percent for the same period.

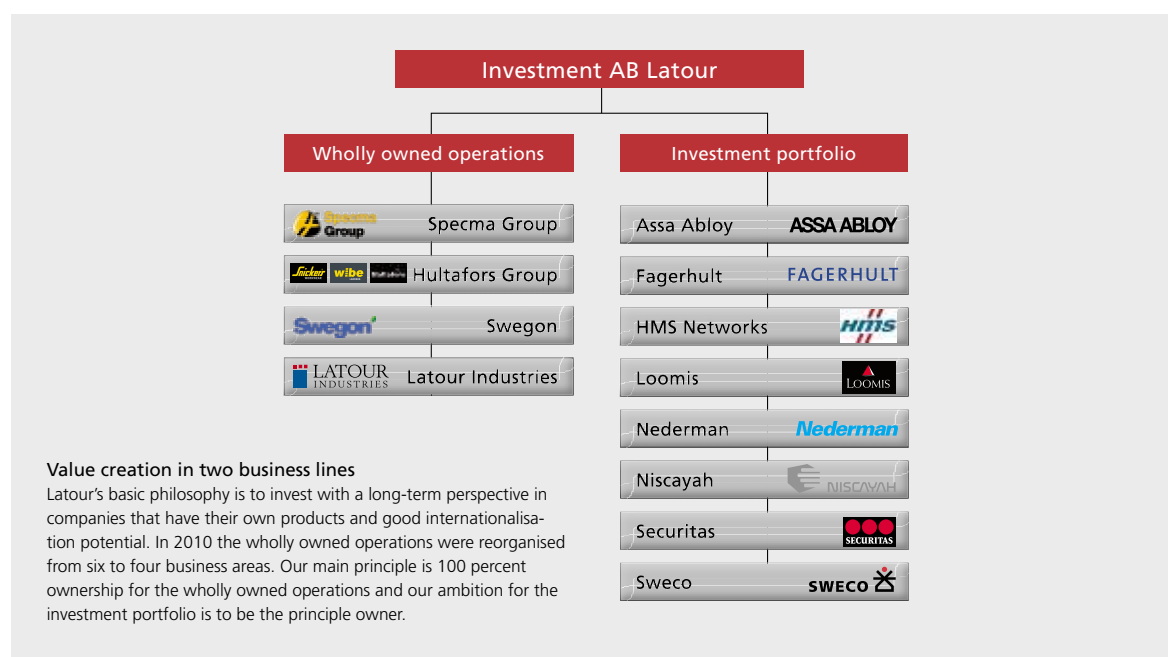
Dividends

Proposed dividends are SEK 3.75 (2.75) per share. Calculated on Latour's share price at the end of 2010 this is a return of 3.0 (2.8) percent.

*Six Return Index (SIXRX) shows the average development on NASDAQ OMX Stockholm, including dividends.

Long-term value creation through internationally successful holdings

Latour is a mixed investment company whose business concept is to invest with a long-term perspective in sound companies that have their own products and that are considered to have a good internationalisation potential.



Investment AB Latour, that started operations in 1985, is a mixed investment company which is quoted on the NASDAQ OMX Stockholm Large Cap list. Latour's operations are divided into two business lines. One is made up of the wholly owned industrial and trading operations and the other is a portfolio with listed holdings.

In 2010 Group profit after tax amounted to SEK 702 m (552), which corresponds to SEK 5.36 (4.21) per share after full dilution.

The Group's vision

Latour's vision is to be an attractive choice for long-term investors that want good returns.

Latour creates added value in our holdings by being an active and steadfast owner who, with financial strength and solid industrial know-how, contributes to the development of the companies.

Latour's core values are Long-term, Professional and Development. The operations are managed by a clearly delegated work structure. This means that each holding

has a unique company culture and its own strategy work. However, Latour's three core values permeate all holdings.

Market value: SEK 16.2 billion

On 31 December 2010 Latour had a market value of SEK 16.2 billion. In 2010 the Latour share increased by 27.8 percent, adjusted for dividends. This can be compared to the NASDAQ OMX Stockholm (SIXRX) which increased by 26.7 percent.

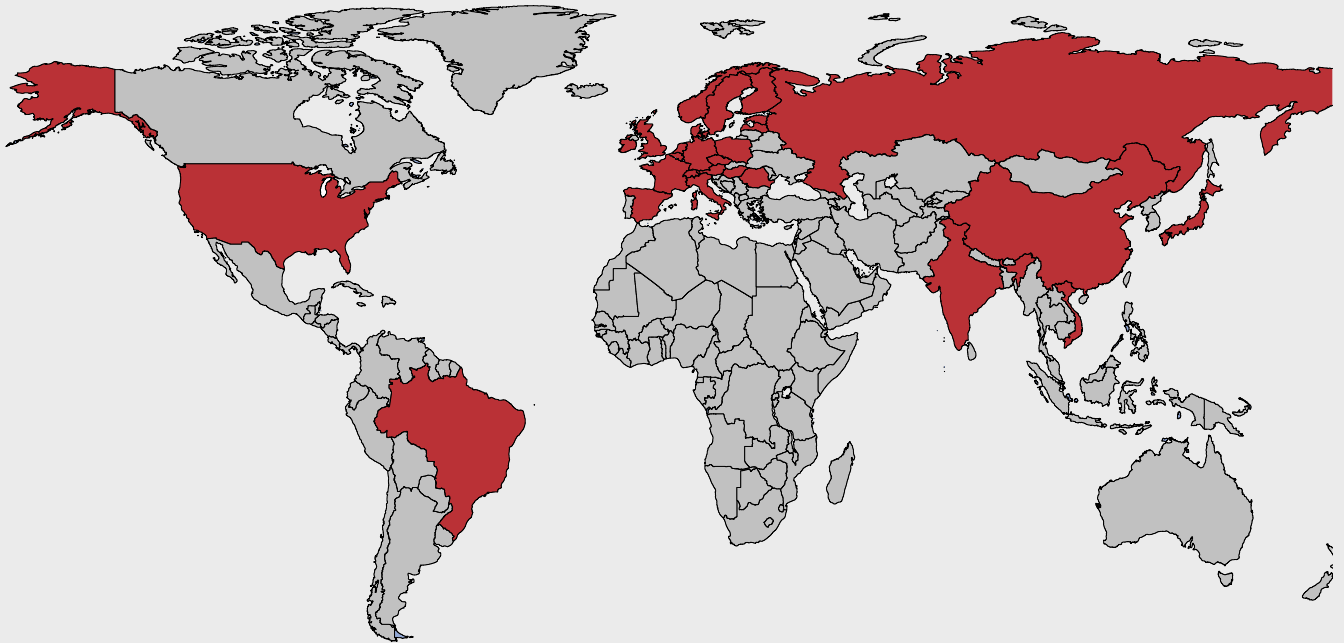
Total return for Latour since the start has been over 25,700 percent, of which dividends represent about 16,200 percent. Total return on the NASDAQ OMX Stockholm (SIXRX) was 9,500 percent in the same period.

The wholly owned operations

The wholly owned industrial and trading operations consist of four business areas with some 90 companies and over 3,000 employees.

Latour continually reviews the structure in the industrial and trading operations. Our ambition is to own op-

Profitable geographical expansion with their own products



Several of Latour's holdings, both wholly owned and holdings, have good prerequisites to grow through geographic expansion and with their own products. In 2003-2010 the wholly owned operations increased their sales outside the Nordic region from 20 to 33 percent of total sales. The wholly owned operations had offices in 27 countries worldwide at the end of 2010.

erations with good possibilities for profitable international expansion with their own, unique products.

The combined net sales of the wholly owned industrial and trading operations were SEK 6.0 billion in 2010. Read more about the development on pages 18–35.

Listed holdings

The investment portfolio consists of eight large holdings where Latour is the principle owner or one of the major owners. The portfolio is dominated by holdings in Securitas, Assa Abloy and Sweco in terms of value. Other holdings are listed in the illustrations on page 4.

On 31 December 2010 Latour's investment portfolio had a market value of SEK 10.8 billion, which adjusted for paid dividends was an increase in value of 30.3 percent during 2010. Read more about the development on pages 36–54.

Owner management that creates value

Latour is characterised by a deep respect for the know-how in good companies. Value is created by Latour influencing the development of the operations through our owner position. Each investment is governed by its prerequisites and position.

In both the wholly owned operations and in the investment portfolio board work is the platform for value creation. Logically Latour's Group management is noticeably more present in the wholly owned operations. In them we apply a structured working method for board work, acquisition processes and integration processes which are common throughout the wholly owned operations.

Thanks to Latour's interests in globally listed companies we can transfer knowledge and contribute to developing our wholly owned companies in line with our international expansion strategy. ■

Comments by the Chief Executive Officer

2010 was dominated by a noticeable recovery in most parts of the industry, even if demand slowed somewhat towards the end of the year.

Needless to say the downturn in the economy that we have been through has been challenging. All of our companies have worked hard to adapt their operations to the new circumstances. Commendable actions have been taken. The operating margin in the wholly owned operations increased from 6.3 percent in 2009 to 9.6 percent in 2010. We now have a cost structure that will lead to better profitability when volumes return. The increase in net sales in the wholly owned operations was 13 percent in 2010. At the same time the operating result increased by 69 percent. This development is something that we can be proud of.

We also see that Latour is once again generating a total return that is better than the corresponding index. We have done so since we started the company and in most periods since then.

Important events in the investment portfolio

Two important events were the sales of our holdings in Munters and Elanders. The divestiture of Munters generated capital gains of SEK 213 m. Together with dividends and redemption we received while we still owned the company it was an acceptable deal. It was facilitated by the concentration that took place in connection with divestment of the service operation, MCS. The investment in Elanders was not as successful. This divestiture was the result of a strategic choice.

In the portfolio companies strategically important deals were made in Fagerhult and Nederman. Fagerhult bought German LTS which has a strong position on the German market and reported net sales of about SEK 450 m with good profitability. Through the acquisition the Fagerhult Group gained a strong platform to increase sales on the important German market.

Nederman acquired the Danish Dantherm Filtration with net sales of close to SEK 1 billion. Through the deal Nederman doubled its operations and became the global market leader in industrial air purification. The slow investment activity in the industry has had a negative impact on net sales and the result in Nederman. However, the company is correctly positioned for the future since the demands for a good working environment in and around industries are expected to increase globally.

Loomis reached the goals that were set at its introduction to the stock market, which we are very pleased with. New goals were communicated in 2010. We are



also satisfied with the development in Assa Abloy, which continues to advance, and with Securitas which is very stable. Securitas has used the downturn in the economy well by establishing itself on new markets. Although this has not made the headlines it is expected to give good results in the future.

Important events in the wholly owned operations

The merger from six to four business areas and the extensive rationalisations and investments in product development and sales that were made in the wholly owned operations have been successful. With the exception of the Machinery Trading business line in Latour Industries, where the volumes are still small, all the operations are profitable. Profitability should be seen as relatively good, particularly considering that the wholly owned operations are active on the European market which has not bounced back as strongly as in the BRIC countries.

The fact is that the net profit after tax in the wholly owned operations is greater than dividends from the holdings in the portfolio for the entire 2010. In addition,

the operating margin increased in the last quarter, in spite of a slowing demand.

Geographic expansion continues. In 2010 33 percent of net sales came from markets outside the Nordic region. This can be compared to 21 percent five years ago. Nonetheless international opportunities for expansion are considerable. There are still markets in Europe where the Hultafors Group can grow stronger and, besides expanding in Europe, Swegon can penetrate the growing markets in Asia by increasing its focus there. The same goes for individual operations in Latour Industries, such as Nord-Lock. It's important for Specma Group to continue growing with its customers on existing and new international markets.

During 2010 the wholly owned operations made a number of important acquisitions that are good supplements to operations. The largest acquisition, made by Swegon, was the Italian family owned company Blue Box with net sales of just below SEK 500 m. Through the acquisition Swegon complements its offer with chillers and heat pumps, strengthening the Group's total offer of energy efficient ventilation and indoor climate. The combination of know-how in the two companies creates a stable platform for continued expansion, particularly in Southern Europe where Blue Box has a strong position.

Latour Industries acquired REAC and LSAB as well as remaining shares in Pressmaster. Each of these companies have strong positions and are excellent supplements to existing operations.

Other holdings

During 2010 we increased our holdings in Oxeon, a relatively young company that fits in well in our comprehensive strategy – to invest in companies with their own products and with good potential for international growth. Oxeon has a unique technology for towed material made of carbon fiber that can significantly improve the mechanical performance and radically lower weights in, for example, airplanes, cars and bicycles. The company was voted Supergasell 2010 (fastest growing company in Sweden) by the newspaper Dagens Industri based on its good development.

Long-term challenges and opportunities

We have substantial goals for net sales in the wholly owned operations. The strategy is based on stable organic growth but we are also interested in acquiring good companies that fit in well in our portfolio and our long-term ambitions, like the companies that we bought this year.

Acquisitions can be divided into two categories: companies that can be added to existing operations – such as Blue Box, bought by Swegon – and companies that are

bought so that they can grow on their own, like REAC and Pressmaster. The latter category is acquired via Latour Industries, which was created to buy new operations that can develop and eventually become their own business areas. In this context our long-term investment perspective is a considerable advantage.

All business areas follow potential acquisition objects carefully and we use well-developed methods in our company acquisitions.

Our investment in product development continues, which strengthens our offer in continued expansion on international markets. Leadership is an important factor in this process. In 2010 we intensified our work with leadership recruitment for the future.

Prospects for 2011

The decrease in demand that we noticed in the end of the year indicates that there is still some uncertainty in the business cycle, primarily in Europe. This is something that we have to take into account. We have undoubtedly come through the worst part of the crisis. However, uncertainty about the rate of growth in the near future is still a factor to reckon with.

Latour starts the new year with a stable situation. Measures taken in connection with the downturn in the economy created a cost structure that vouches for continued good development of profitability as demand increases. We also have good finances with a low level of net debt. This means that we have a substantial acquisition capacity to use when the opportunities present themselves. All these circumstances make me feel confident about 2011. ■



Jan Svensson
President & Chief Executive Officer

The Latour share's net asset value

The Group's net asset value on 31 December 2010 amounted to SEK 147–167 (SEK 114–129) per share. This entails an increase by 29 percent, adjusted for paid dividends. This can be compared with development on the NASDAQ OMX Stockholm (SIX Return Index) which increased by 27 percent in 2010.

As previously described, Latour consists of in part wholly owned operations and in part an investment portfolio. The market value of the listed holdings is simple to calculate since there is a stipulated market price available. To determine the value of the wholly owned operations is more complicated. This is because the market value, the price potential buyers are willing to pay, is not as well defined.

Method of calculation in short

The net asset value is calculated with the help of so-called EBIT-multiples that are multiplied by a 12 month historic rolling operating result (EBIT) for each business area. The key to a true and fair value is to find true and fair multiples. This is done by identifying comparable listed companies in the industries where Latour's wholly owned operations are active. An EBIT-multiple is calculated for each company by relating the company's operating result to the EV (Enterprise Value). The EV consists of the market value adjusted for the net debt/equity ratio in the comparable company.

Since the comparable listed companies are valued

differently by the market, an interval of EBIT-multiples is created for each of Latour's business areas. The interval provides an indication of the value the market puts on Latour's wholly owned operations.

The net asset value for the wholly owned operations is then combined with the market value of the listed holdings. After that the value of other assets is added on and Group net debt is deducted. The remaining amount is Latour's net worth.

This valuation should be seen as indicative and not as a complete market valuation. For example, the net asset value model does not consider future forecasts for Latour's holdings, or comparable companies.

The fluctuations in the business cycle in the last few years mean that the results for the business areas as well as for comparable companies vary considerably. This means that comparable multiples stretch over a great span. Therefore this presentation has adjusted used multiples in order to avoid unreasonable values. Other valuation multiples (such as EV/Sales) have also been used to support the chosen multiple span. ■

This is how the method works – step by step

1 Identification of listed comparable objects

First listed companies operating in the same industries as Latour's wholly owned industrial and trading operations are identified. At the end of 2010 there were 35–40 listed companies that were estimated to meet the criteria and which were therefore included in the calculation of Latour's net asset value.

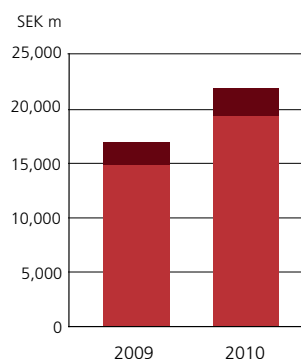
2 Calculation of EBIT-multiples

When all comparable objects have been identified a review is made of the companies' EBIT-multiples. An EBIT-multiple is based on the company's EV (Enterprise Value). The EV is calculated by taking the market value and increasing it by the company's net debt (see Definitions, page 91). The EV is then divided by the operating result (EBIT). A company that has a share price of SEK 90 m, a net debt of SEK 10 m and an operating result of SEK 10 m per share will consequently have an EBIT-multiple of 10.

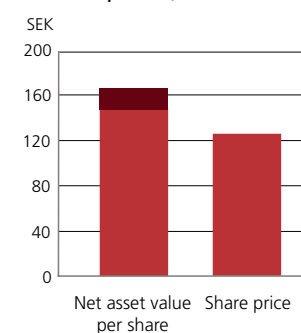
3 Conversion to multiple spans

When an EBIT-multiple has been calculated for each company they are weighted group-wise, so that each business area receives its own multiple span. The reason a span is necessary is because there are variations in the listed companies' valuations, which lead to different EBIT-multiples. Let us say that there are two comparable objects for the Swegon business area, where one has a multiple of 6 and the other has a multiple of 10. The EBIT-multiple used to calculate the value of the Swegon business area is in the span 6–10.

Development of net asset value 2009–2010



Net asset value in relation to share price (2010-01-23-30)



Net asset value 31 December 2010

SEK m	Net sales	EBIT ¹⁾	EBIT-multiple or EV/SALES multiple Span	Valuation SEK m ²⁾ Span	Valuation SEK/share ³⁾ Span
Hultafors Group	1,134	143	12 – 15	1,716 – 2,145	13 – 16
Latour Industries					
– Engineering Technology	786	207	11 – 15	2,281 – 3,111	18 – 24
– Machinery Trading/ Machinery Accessories	818	1	0.5 – 0.7	409 – 572	3 – 4
Specma Group					
– Autotube	357	21	0.4 – 0.6	143 – 214	1 – 2
– Specma Hydraulic	1,060	29	0.6 – 0.8	636 – 848	5 – 7
Swegon	2,531	231	15 – 19	3,459 – 4,381	26 – 33
	6,686	632		8,644 – 11,271	66 – 86
Listed shares					
Assa Abloy				4,879	37
Fagerhult				657	5
HMS Networks				199	2
Loomis				544	4
Nederman				309	2
Niscayah Group				385	3
Securitas				2,131	16
Sweco				1,682	13
				10,786	82
Other assets				77	1
Net debt				–285	–2
Calculated value				19,222 – 21,849	147 – 167

¹⁾ Rolling 12 month operating result, current company structure.

²⁾ EBIT-multiple recalculated taking into consideration the share price 2010-12-31 for comparable companies in each business area.

³⁾ Calculated on the number of outstanding shares.

Increase in 2010. Latour's net asset value per 31 December 2010 was between SEK 19.2 and 21.8 billion. This entails an increase by 29 percent, which can be compared to the NASDAQ OMX Stockholm, SIX Return Index that increased by 27 percent during the same period.

4

Combining the net asset value of the wholly owned operations

When the spans for the EBIT-multiples are established, such as 6–10 in the example in step 3, a valuation of each business area can be made. This is done by first calculating a 12 month rolling operating result (EBIT) for each business area, based on the company's structure at the end of the period of comparison. This figure is then multiplied by the EBIT-multiple. An example: Let us say that the Swegon business area shows a 12 month rolling operating result (EBIT) of SEK 100 m. If the EBIT-multiple 6–10 is then applied on the result we will end up with a value of SEK 0.6–1.0 billion. When these calculations have been made for all the business areas the result is combined for a total value of the wholly owned operations in one span.

5

Combined with the value of the listed holdings

The share price is first established for each individual holding at the end of the period in order to arrive at a net asset value for the listed holdings. This is multiplied by the number of shares owned in each listed company. These share prices lead to a net asset value for the listed holdings. This is then combined with the net asset value of the wholly owned operations, which has been calculated into a span in steps 1–4. This total, together with other assets and net debt, is the net asset value, also given as a span, for Latour's entire holdings.

The Latour share – strong development in 2010

Latour's share is listed on the NASDAQ OMX Stockholm Large Cap list that contains companies with a market value of over EUR 1 billion. In 2010 the value of the Latour share increased by 25 percent.

In 2010 the world stock markets recovered.

The development for the Latour share was 25 percent, which can be compared with OMXSPI (NASDAQ OMX Stockholm) which was 23 percent during the same period. The highest value for 2010, SEK 124.60, was on 30 December and the lowest, SEK 85, was 25 May. The last price paid on 30 December was SEK 124.60.

In 2010 total return (share development including reinvested dividends) for the Latour B share amounted to 28 percent compared with SIXRX which increased by 27 percent during the same period. The average annual total return for the Latour B share has been 17 percent in the last ten years, compared with SIXRX 11 percent during the same period.

Market value

Latour's total market value, calculated on the number of outstanding shares, amounted to SEK 16.2 billion at the end of 2010. This makes Latour the 50th largest company of the 288 companies registered on the NASDAQ OMX Stockholm.

Trading

In 2010 a total of 5.2 million Latour shares were traded for a value of over SEK 0.5 billion. On average, 20,539 shares were traded daily, a decrease by 37 percent compared to 2009.

Share capital

As of 31 December 2010 the company's share capital was unchanged at SEK 109,550,000. The total number of A shares was 12,084,160 shares and B shares were 119,375,840. The number of votes amounted to 240,217,440.

Share buy backs

The total number of shares per 31 December 2010 was 131,460,000, including bought back shares. In 2010 no shares were bought back. From previously Latour owns 460,000 bought back B shares. Call options have been issued to senior officers on 230,000 of the bought back shares. At the Annual General Meeting 11 May 2010 authorised the board to decide on the acquisition and the transfer of shares.

Shareholders

The number of shareholders in 2010 increased from 9,415 to 9,822. The proportion of foreign investors amounted to 1.6 (1.3) percent at year-end. The number of institutional owners was 6.0 (5.9) percent.

Dividends

The board proposes dividends of SEK 3.75 (2.75) per share for the financial year 2010. Direct return is 3.0 percent based on the final share price at the end of 2010.

Analysts

The following analysts followed Latour at the end of 2010:

Jan Bjerkeheim, Danske Bank
Sergej Kazachenko, Swedbank Markets
Cecilia Kellner, Carnegie
Jan Köll, Handelsbanken
Johan Löchen, Erik Penser

IR contact

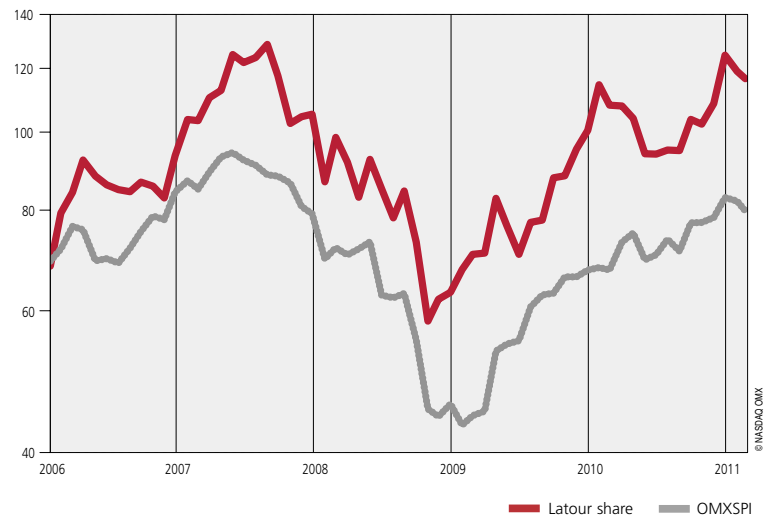
If you have any questions you are welcome to contact:

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Tel.: +46 31 89 17 90

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Latour share price development



Largest owners 31 december 2010

Shareholder, thousands	Number A shares	Number B shares	% share capital	Number of votes	% of votes
Gustaf Douglas, family and companies	10,050	90,965	76.8	191,465	79.7
Bertil Svensson, family and companies	2,583	2.0	2,583	1.1	
Fredrik Palmstierna, family and companies	1,802	742	1.9	18,762	7.8
SEB Investment Management		1,661	1.3	1,661	0.7
Swedbank Robur Funds		1,243	1.0	1,243	0.5
Handelsbanken Funds incl XACT		804	0.6	804	0.3
SEB Fondinvest		600	0.5	600	0.2
Didner & Gerge Aktiefond		570	0.4	570	0.2
Fourth Swedish National Pension Fund		532	0.4	532	0.2
Other shareholders	232	19,216	14.7	21,538	9.3
Investment AB Latour, share buyback	460	0.4	460	0.2	
	12,084	119,376	100.0	240,218	100.0

The number of shareholders increased to 9,822 (9,415).

76.8 % of the company's share capital is owned by the principal shareholder with family and companies.

Other board members own 2.1 %.

Swedish institutional investors own 6.0 % of share capital.

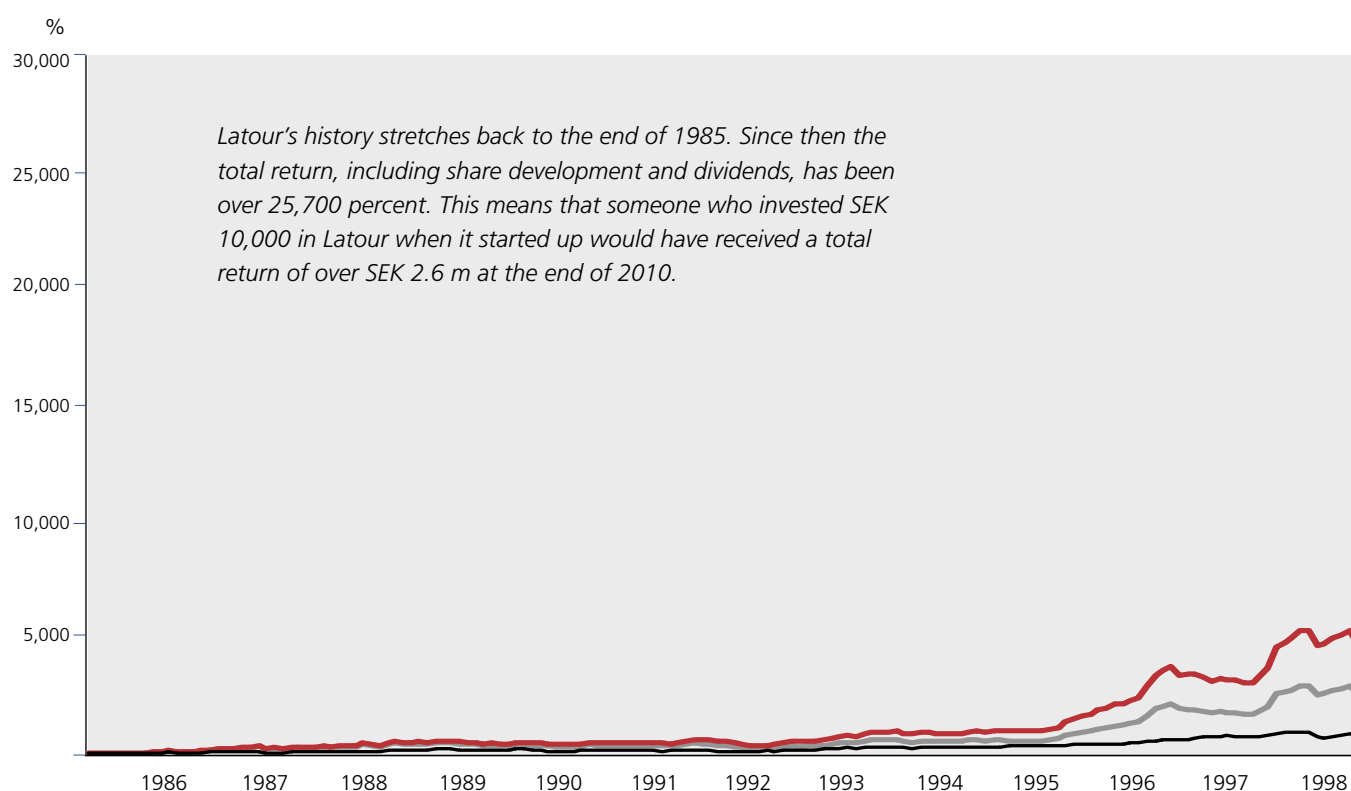
Foreign ownership accounts for 1.6 %.

Share capital development

Share capital, Year	Transaction	A shares	B shares	SEK m
1971		270,038	270,038	27
1983	Bonus issue	405,057	405,057	41
1984	New issue	405,057	650,891	53
1984	New issue	405,057	800,891	60
1985	New issue	512,569	853,129	68
1987	Subscription for new promissory notes	512,569	853,587	68
1988	Subscription for new promissory notes	512,569	854,375	68
1988	Bonus issue 8:1	4,100,552	6,835,000	137
1988	Subscription for new promissory notes	4,100,552	6,839,232	137
1989	Subscription for new promissory notes	4,100,552	6,893,384	137
1990	Subscription for new promissory notes	4,100,552	10,666,624	185
1991	Subscription for new promissory notes	4,100,552	11,166,648	191
1991	Redemption	3,700,270	10,090,275	172
1996	Redemption 1:4 (Securitas, Assa, HQ)	3,537,950	6,872,550	130
1998	Split 5:1	17,689,750	34,362,750	130
1999	Conversion of A shares	17,537,675	34,514,825	130
2000	Conversion of A shares	17,469,160	34,583,340	130
2001	Redemption, conversion of A shares	16,687,050	31,336,750	120
2004	Redemption	16,149,125	27,670,875	110
2005	Conversion of A shares	10,064,842	33,755,158	110
2006	Conversion of A shares	9,490,412	34,329,588	110
2007	Split 3:1, conversion of A shares	25,458,770	106,001,230	110
2008	Conversion of A shares	25,310,220	106,149,780	110
2009	Conversion of A shares	16,696,930	114,763,070	110
2010	Conversion of A shares	12 084 160	119 375 840	110

Type of share	Total shares	%	Number of votes	%
Class A (10 votes)	12,084,160	9.2	120,841,600	50.3
Class B (1 vote)	119,375,840	90.8	119,375,840	49.7
Total number of shares	131,460,000	100.0	240,217,440	100.0

The Latour share's total return – over 25,700 percent since it started in 1985

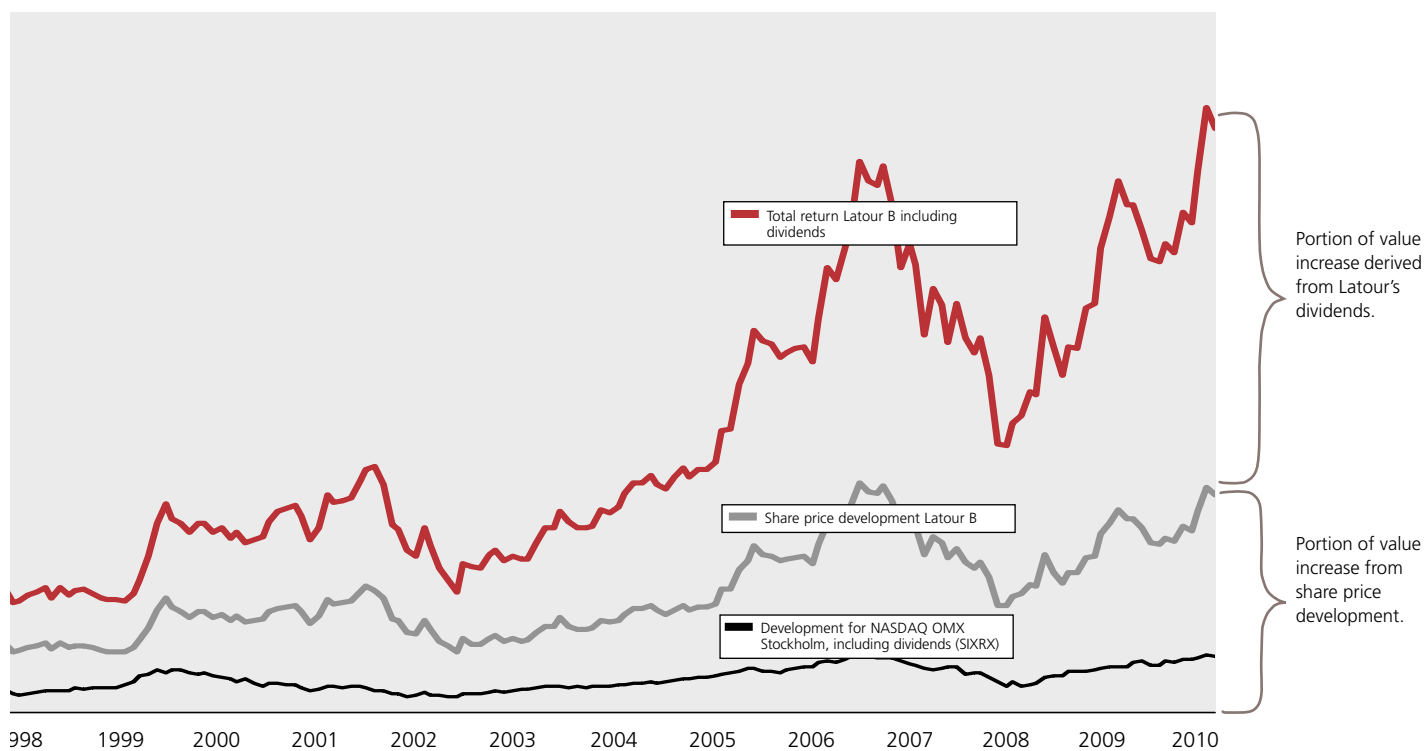


- 1985** Operations start, but the name Latour was not used until 1987. Major acquisitions in the Securitas Group and Trelleborg.
- 1988** Acquisition of Fagerhult. The Securitas Group made several large acquisitions, among them the lock company Assa.
- 1991** Securitas is listed.

- 1993** Latour sells the most of the holding in Trelleborg.
- 1994** Latour contributes to creating Europe's largest lock group: Assa Abloy. Acquisition of Swegon.
- 1997** Distribution of Fagerhult and Säkl. Acquisition of a major item in Sweco.
- 1999** Increased ownership in Fagerhult and Sweco.
- 2000** Sales of holdings in Piren and BT Industries.

Latour's general business concept is to invest in sound companies with strong development potential and good prospects for the future. Our long-term ambition, through an active ownership, is to create growth and added value in these holdings and this will be reflected in the development of the company's share.

Latour has historically lived up to this ambition, which can be seen in the diagram above. This shows the Latour share's total return, which includes both the development of the share and dividends that have been paid, in relation to the NASDAQ OMX Stockholm in its entirety (SIX Return Index, which in addition to



- 2003** Acquisition of shares in Munters.
- 2004** Start of concentration in the wholly owned industrial and trading operations.
- 2005** Acquisition of Wibe Stegar.
- 2006** Securitas distributes shares in Securitas Direct and Niscayah to owners, among them Latour. Acquisition of Snickers Workwear.

- 2007** Major share of Nederman is acquired.
- 2008** HMS Networks and Loomis, were added to the investment portfolio while Securitas Direct was divested.
- 2009** Divestiture of holdings in OEM International.
- 2010** Divestiture of holdings in Munters and Elanders. Seven acquisitions in the wholly owned operations.

price growth takes dividends into consideration.) Our success is based on the company's long-term management aimed at contributing to added value in our holdings, both in the wholly owned operations and the investment portfolio companies. This has created a competitive total return from the start as

well as during shorter, measurable periods. Whether the time since the company was formed in 1985 is broken down into the past year or ten or twenty year periods or looked upon as a whole, the Latour share has had a higher total return than the average for the NASDAQ OMX Stockholm. ■

Sustainable work that is good for business

Latour bases operations on trust where taking responsibility is essential. The Group strives to embed an environmental perspective into the business and thereby increase competitiveness and profitability in the long run.

Latour has a long tradition of being responsible, which follows the company's long-term investment horizon and management style. All our operations must comply with laws and valid regulations as well as establish relevant guidelines with clear goals.

Latour's management of the company's holdings is based on good ethics, respect for the individual, health and equality, for example, following the UN's and OECD's guidelines for sustainability.

The overriding societal role of the holdings is a strategic ownership matter handled within the framework of Latour's processes for active ownership. Latour must comply with the social and environmental demands in effect for each holding.

Wise environmental choices – a question of strategy

Caring about the environment is part of Latour's company culture. This is expressed in the way we think and act, in our daily operations, when we set up strategies and when we consider investments and acquisitions.

Latour and its subsidiaries have a far reaching focus on environmental issues, be it choice of partners, product development or selection of input goods in production.

Four driving forces behind environmentally smart solutions

There are a number of driving forces that affect the long-term need for products that contribute positively to the environment.

1. **Finances:** Long-term sustainable development requires a good balance between finances, the environment and social matters. In the area of energy there is a clear connection between finance and the environment. There is a tremendous need to reduce energy-related emissions, find inexpensive alternative solutions to the ebbing oil and create energy efficient products. Companies that can come up with attractive solutions in these areas will have a critical competitive edge.
2. **Public opinion and consumer power:** The general public is now much more aware of the environmental challenges we face. This creates a greater need for products that lead to less environmental impact and puts greater demands on companies to act responsibly.
3. **Political ambitions:** Political ambitions regarding the environment are high. The instruments used are divided in two main areas: punitive measures to decrease the use of harmful substances and rewarding measures such as special support for the development of



Care for the environment is a part of Latour's company culture. It can be seen in the way we think and act, in everyday operations as well as in our strategy choices and attitudes to investments and acquisitions. The photograph shows the multifunctional event arena Zénith de Limoges in Limoges, France, that Swegon delivered effective energy and environment climate systems to.



Environmental issues have a central role in developing products in the wholly owned operations in order to create solutions with lower impact on the environment and better profitability for our customers. Swegon's products have contributed to energy savings equivalent to heating 172,000 average homes while they have been in use. The high performance and energy-saving properties in the products make the total cost calculation attractive to customers.

environmentally friendly technology that leads to less consumption of fossil fuels.

4. **New technology:** New technology makes it possible to individually, or with other products and systems, make environmental and financial gains.

Strategic mindset

Latour strives to identify solutions that satisfy all four driving forces.

Latour gives priority to environmental issues in product development. This means environmental measures are embedded in our business and the right environmental choice is intended to lead to greater sales and profitability.

We strive to create products that lead to lower environmental impact and better finances for our customers throughout the entire life cycle of a product.

Board level responsibility and management

There is an inherent expectation of continuous progress in the Group. All boards in the wholly owned industrial and trading operations regularly report their progress in sustainable development according to the four driving forces. In addition, the subsidiaries are ISO certified as well as by other industry-specific systems with high demands, like those in the automotive industry.

Case Swegon: Systematic environmental and business value

Product development in the wholly owned subsidiary Swegon is an example of how Latour's philosophy has been put into practice. Swegon is a leader in the ventilation industry and has received for the Great Indoor Climate Award (Stora Inneklimatpriset) and been nominated several years running.

For years Swegon has put a great deal of energy into integrating environmental and energy savings into its product development. The company applies the Eco-indicator method in order to create energy and environmental value in design and development. Besides focusing on carbon dioxide emissions it also takes all the national environmental goals and system demands in "The Natural Step" into consideration.

The outcome has been successful. In the last 20 years Swegon's products have helped to save 58 TWh, which is the equivalent of heating 172,000 normal houses during the same period.

Energy savings combined with generally high performance make the products attractive from an overall financial perspective. The customers' pay-back time for Swegon's products is usually five years, despite their cost. This means many "profitable" years for our customers since the products clearly last longer than five years.

Please find further information about Swegon on pages 32–35. ■

Employees – a key factor for the future

Latour works with systematic management so that both Latour and the companies we invest in are attractive workplaces where employees enjoy working and can develop. This improves our chances to recruit and keep the right expertise and individuals – and this has a positive effect on our ability to create long-term value.

At the end of 2010 the number of employees in all of Latour's holdings amounted to over 350,000. 3,000 of these were in the wholly owned operations, while the rest were employed in the investment portfolio companies, where Latour's share of votes is at least 10 percent. Seven people were employed at Latour's parent company at the end of 2010.

Strong and long-term company cultures are an impor-

tant component in the management of employee-related matters in the parent company and the company's holdings. Our company culture is based on our core values: Long-term, Professional and Development.

Every business unit has its own unique company culture but they are all based on these core values which are the same for all of Latour's operations.



Competence – a key factor in management

In order to take active ownership responsibility and develop the holdings through professional board work we need a high level of competence and diversity in the boards that we elect. For some time now Latour has worked from the principle that the boards of the wholly owned operations should have two external and experienced members, of which at least one should be a woman.

For this same reason Latour strives to make sure we can recruit and keep the right people, both in the parent company and in the holdings that the company invests in.

Securing access to good leaders

As the wholly owned operations grow internationally there is a growing need for the right individuals and expertise in leading positions, middle management and other key positions. Meeting this need requires competitive terms where good results, in line with Latour's long-term and industrial ambitions concerning value, are rewarded.

The same holds true for the portfolio companies. However, for the most part these have come farther along in internationalisation and the work to secure the right competence as they grow. They have a great deal of good experience and knowledge in this area that can be transferred to the wholly owned operations.

Competence development in leadership

An important component in creating successful leadership is offering employees competence development in their particular area. This is the responsibility of each individual company.

For instance, Swegon holds its own leadership training on a regular basis where 15 existing and potential managers in the organisation participate in one and a half years training. Its purpose is to educate and create a network among key personnel in Swegon's international organisation. In 2010 similar training took place in Latour Industries and 15 people in leading position participated.

Possibility to grow in the Group

Latour wants to keep our employees and competence in



the Group. This is why we work to systematically create opportunities for employees to try other positions in the Group. This leads to better dynamics and good opportunities for the individual to develop.

Latour also strives to create good working conditions in all our companies from a job satisfaction and health perspective – areas which are of great importance for the long-term development of both individuals and companies.

Network plays an important role

Latour has created an extensive network as the company and its holdings have grown and become increasingly international. The network is both broad and deep which is advantageous in many contexts, not the least when it comes to major deals and recruitment of managers, board members, consultants and other key employees. ■

The wholly owned industrial and trading operations

At the end of 2010 the wholly owned industrial and trading operations consisted of four business areas with about 3,000 employees. Net sales increased to SEK 5,991 (5,361) m in 2010, contributing to a rise in the operating result to SEK 574 (340) m.



Hultafors Group p. 20



Latour Industries p. 24



Specma Group p. 28



Swegon p. 32

Our vision is doubled net sales

Our vision for the wholly owned industrial and trading operations is to double business and net sales each five years, regardless of starting year. In the table to the right you can see the result for the last five years.

Concentration and internationalisation

In order to reach our vision Latour works with two primary strategies:

- Operations have been concentrated in fewer and larger units in order to create size advantages.
- Profitable expansion in existing and new geographic markets by selling our own unique products.

From six to four business areas

At the beginning of 2010 the Automotive and Hydraulics business areas were merged creating Specma Group. Furthermore Machinery Trading and Engineering Technology were merged creating Latour Industries. This consolidation means that the wholly owned operations now consist of four business areas.

Financial goals on a yearly basis

The financial goals for the wholly owned industrial and trading operations are to annually increase net sales by at least 10 percent, have an operating margin higher than 10 percent of net sales and a return on operating capital surpassing 20 percent.

Important events in 2010

- Increased demand in all business areas contributed to increased net sales and profitability.
- Continued investments in product development and internationalisation.
- Much higher level of acquisition activity. In total seven company acquisitions, four of them in Latour Industries, two in Specma Group and one in Swegon. The acquisitions had annual net sales of SEK 900 m in 2010, but only SEK 200 m was reported since the acquisitions were made late in the year.
- **Important event after year-end:**
An agreement was signed to sell 100 percent of the shares in Autotube AB to Accent Equity 2008. The deal is conditional on approval from Swedish competition authorities and is expected to be finalised in March 2011.



We want the business areas to grow internationally with their own products, like investment portfolio companies Assa Abloy and Securitas. In 2010 sales in wholly owned operations outside the Nordic region increased to 33 (27) percent of total net sales. Although several of the companies have increased their international presence noticeably the level of internationalisation is still low, which means there is significant growth potential.

Business area results

SEK m	Net sales		Operating result		Operating margin %	
	2010 12 mon	2009 12 mon	2010 12 mon	2009 12 mon	2010 12 mon	2009 12 mon
Hultafors Group	1,134	1,052	143	115	12.6	10.9
Latour Industries	1,297	1,196	172	63	13.3	5.3
Specma Group	1,415	1,045	51	-64	3.6	-6.1
Swegon	2,153	2,081	208	226	9.7	10.8
Eliminations	-8	-13	-	-	-	-
	5,991	5,361	574	340	9.6	6.3
Capital gains and losses from company sales	-	-	2	-61		
Other companies and items	-	79	44	17		
	5,991	5,440	620	296		

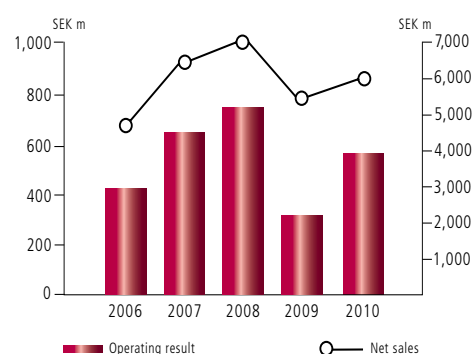
SEK m	Operating capital ¹⁾		Return on operating capital %		Growth in net sales %		
	2010 roll 12	2009 roll 12	2010 roll 12	2009 roll 12	2010	Of which acquisitions	Of which currency
Hultafors Group	756	817	18.9	14.0	7.8	0.0	-6.8
Latour Industries	616	590	28.0	10.7	8.4	2.2	-3.6
Specma Group	656	614	7.7	-10.4	35.4	4.3	-2.8
Swegon	759	673	27.4	33.5	3.5	5.5	-5.0
Total	2,787	2,695	20.6	12.6	11.7	3.5	-4.6

¹⁾ Calculated as total assets reduced by cash and other interest-bearing assets less non-interest-bearing liabilities.
Based on the average for the last 12 months.

Five year overview

	2010	2009	2008	2007	2006
Net sales	5,991	5,440	7,071	6,730	5,313
(of which export)	3,444	2,993	3,779	3,343	2,359
Operating result	620	296	671	652	710
Average operating capital	2,787	2,674	2,669	2,403	1,931
Total assets	4,653	4,725	4,505	3,792	3,315
Number of employees	3,056	2,955	3,514	3,444	3,171
Return on operating capital	20.6%	12.7%	26.3%	27.0%	36.8%
Operating margin	9.6%	6.3%	10.3%	9.6%	7.7%

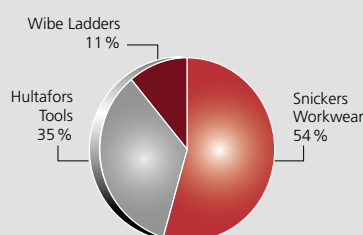
Operating result and net sales



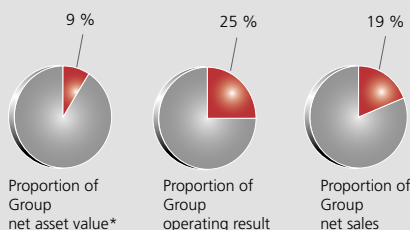
DESCRIPTION OF OPERATIONS

The Hultafors Group Business area consists of three product groups: work wear collected in Snickers Workwear, hand tools collected in the brand Hultafors Tools and ladders and scaffolding marketed through the brand Wibe Ladders. Together they form Hultafors Group, with a shared marketing and sales organisation, resulting in better cost-effectiveness and strengthened competitive capacity in distribution. Through the brands Hultafors Group is represented in all major markets in Europe. The largest sales volume is, however, in the Nordic region.

DISTRIBUTION OF NET SALES PER BRAND



PROPORTION OF THE GROUP NET ASSET VALUE, OPERATING RESULT AND NET SALES



*Please refer to p. 8-9 for calculation.

NET SALES AND OPERATING RESULT



NET SALES AND OPERATING RESULT

(SEK m)	2010	2009	2008	2007	2006	Goal
Net sales	1,134	1,052	1,213	1,098	545	>10%
(of which export)	845	808	917	764	301	
Operating result	143	115	148	137	48	
Operating capital ¹⁾	756	817	873	681	612	
Operating margin, %	12.6	10.9	12.2	12.5	8.8	>6
Return on operating capital, %	18.9	14.0	16.9	20.1	7.8	>20
Investments	8	19	39	12	23	
No. of employees	586	622	708	592	375	

¹⁾ Average

HULTAFORS GROUP BUSINESS AREA

Important events in 2010

- The number of sales outlets increased by 5 percent to over 12,000.
- Increased net sales and good profitability due to action plan implemented 2008-2009.
- Voted Conqueror of the Year by the business magazine Veckans Affärer.

Goal achievement – primary factors

Cost reductions made in 2008 and 2009 together with a good ability to withstand the price press as well as the ability to compensate for the increased costs for raw materials and production had a positive effect on profitability. Expansion measures, in combination with recovery on the markets, led to an increase in net sales.

Cleared of exchange effects both net sales and profitability goals for 2010 were more than met. Adjusted for exchange effects growth was 15 percent and the operating margin 12.6 percent.

Represented in 48 countries

Hultafors Group has grown from a Nordic to a European supplier aimed at retailers of consumables for craftsmen.

The brands in Hultafors Group are sold in 48 countries globally, with emphasis on Europe and the Nordic region. Products are offered in about 9,000 sales points in Europe. 55 percent of total net sales are generated in the Nordic region. The company has its own sales companies on the key markets in Europe. Other markets are either covered by franchise companies or importers. During 2010 growth was good on most of the markets, with the strongest development in Sweden, Finland, Switzerland and Belgium.

Work wear – Snickers Workwear

The market for work wear with a high level of functionality for craftsmen is undeveloped in Europe, with the exception of the Nordic region. There are many players, the majority with local connections,



Bo Jägnefält
Hultafors Group Business Area Manager

that offer simpler clothes to the market and this results in hard competition and pressed prices.

Since it started in 1972 Snickers Workwear has been an innovative player in work wear for craftsmen. Snickers Workwear puts product development front and centre making us a leader in clothing developments and in 2010 the company launched a number of new products with improved functionality and high quality. This strategy will allow Snickers Workwear to continue winning market shares in Europe.

Snickers Workwear has its own sales companies that work with distributors that merchandise its products. It also sells through franchise operators and importers. Production of Snickers Workwear is mainly in Asia and in its own unit in Latvia.

In 2010 net sales were about SEK 600 m, of which 90 percent originated in export-related sales. At the end of 2010 the company was represented in 25 countries, making it one of the strongest in Europe. In 2010 marketing resources increased

on existing markets and sale companies were started in France, Switzerland and Austria. Its ambition is to start its own subsidiaries in Eastern Europe in the years to come.

Kwintet is among the leading international competitors.

Awarded Conqueror of the Year

In 2010 Snickers was awarded Conqueror of the Year by the business magazine Veckans Affärer when it ranked Swedish companies based on their ability to establish themselves on new markets.

Snickers Workwear won the title Conqueror of the Year with the motivation that the company has created a modern version of the classic Swedish overall.

Hand Tools – Hultafors

The market for hand tools is characterised by the same elements as work wear. The distribution channel is generally the same as in work wear for craftsmen. The number of private labels offered by

distributors is growing but this has little impact on the leading brands.

SNA Group Irwin Industrial Tools and Stanley, that merged with Black & Decker and thereby strengthened their global presence, are among the leading international competitors and there are also a number of regionally strong manufacturers.

Hultafors is a leading brand on the Nordic market for hand tools. The brand is generally known to be the world's largest manufacturer of folding rulers but it offers a broad range of products for craftsmen in construction who require high quality, functional tools.

Through its product development Hultafors shows innovative thinking in an otherwise traditional industry.

Production takes place at its own units in Sweden, England, Romania and China.

Ladders & scaffolding – Wibe Ladders

The market for ladders and scaffolding is similar to the one for hand tools with the difference that most players are local since ladders cannot be transported long distances in a cost-effective way.

Just as with the previous two brands product development is crucial and Wibe Ladders has really increased this kind of investment since it became a part of the Hultafors Group. The development of equipment used for work at great heights is highly regulated and by investing in more product development Wibe Ladders has a good position. Zarges is one of the international leading competitors. Other manufacturers are mainly local.

For more than 70 years Wibe Ladders, acquired in 2005, has had a strong position in the Nordic countries and the combination of the two other brands in a common market and sales organisation vouches for a continued high market share.

Production takes place at the unit in Nässjö.

Hultafors Group business area International expansion



Hultafors Group's brands are sold in 48 countries globally, with focus on Europe and the Nordic region. The number of sales points increased by 5 percent in 2010.



Snickers Workwear was awarded Conqueror of the Year by Veckans Affärer, a prize given to the company that was best at establishing itself on new markets. The prize is one of many testaments to the success of the Hultafors Group's expansion strategy.



Structured product development

The Hultafors Group strives to cement its position as a market leader in the customer segment professional users – a customer group that demands high quality products with good functionality. Therefore Hultafors Group has a structured product development process that ensures the company regularly launches new, attractive products.

The process usually takes between 15-36 months from the first idea to start-up and full-scale production. The process starts with identifying a customer need that can become a business opportunity. From there the design process, in which ideas and prototypes are developed and evaluated, begins. The next step is to plan and build machines and tools for production, after

which follows production, start-up and full-scale production. In 2010 several new products were launched successfully in all the brands.

Sustainable business

Responsibility in areas concerning ethics, the environment and finances will become an increasingly important factor in winning and keeping the confidence of end consumers and other key parties in the years to come.

It is therefore strategically important for a sustainable perspective to become an integrated part of operations and business development. This is an ongoing process where the Hultafors Group strives to continuously improve operations.

An example are the well developed systems the Hultafors Group has to make

sure the working environment is good in all the units that produce for the company. Unequivocal instructions and regular inspections to control that there are no under-aged in the production or any other illegal work-related factors. The company also has explicit action plans for handling problems, should they occur despite all the precautions taken, and the clear instructions given.

Employees

The Hultafors Group has about 600 employees. The company works systematically to guarantee access to competent and motivated employees, which is of the utmost importance for the continued international expansion of the company.

In 2010 a HR Manager was recruited to the management team with the inten-



tion to strengthen the company's ability to attract and develop employees and run the company's employee administration well.

Strategy for expansion

The Hultafors Group has a good foundation to meet profitability and growth goals, provided that growth can be achieved through acquisitions and organically via the following parallel processes:

- Supplementing existing product range with similar products and use existing distribution channels for all products.
- Grow geographically on markets connected to those that the Hultafors Group is currently active in. The strategy is to have its own sales companies in the main markets.

Challenges and opportunities in 2011

The major future challenges are to maintain high cost efficiency in the product supply chain, expand of the number of sales points as well as the integration of the Hultafors Group's comprehensive concept into more markets in Europe.

A major challenge is to handle the growing costs in the textile industry stemming from higher prices for raw material and salaries in production. The company also sees a challenge in protecting the company's brand from a greater interest in false copies.

The brands are well positioned to win market shares on important markets in Europe and Eastern Europe where the Hultafors Group sees major opportunities. Strategic acquisitions and partnerships that expand the product range may also occur. ■

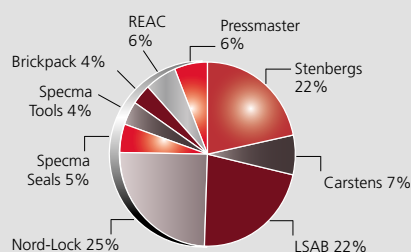
Supplementing the product range with similar products and using existing distribution channels are two success factors in the Hultafors Group's growth strategy. Having its own sales companies on its main markets is another important part of the strategy.



DESCRIPTION OF OPERATIONS

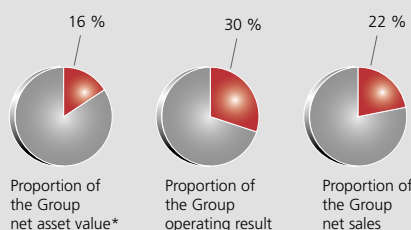
Latour Industries International is made up of several smaller operating areas, where each has their own business concept and business model. The ambition is to develop independent units that in the long run can become their own business areas in Latour. The common denominator is that the customers are in the manufacturing industry. Latour Industries consists of nine business units and over 40 companies with operations in Sweden, Norway, Finland, Denmark, Poland, The Czech Republic, Germany, The Netherlands, Great Britain, Switzerland, France, Italy, the USA, Russia, Estonia, Latvia and Japan.

DISTRIBUTION OF NET SALES PER BUSINESS UNIT*



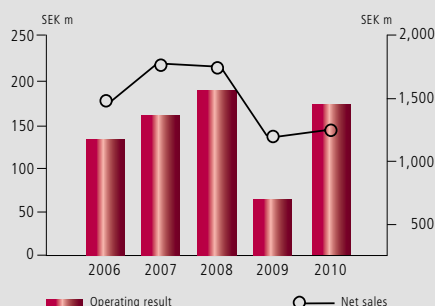
* Proforma

PROPORTION OF THE GROUP NET ASSET VALUE, OPERATING RESULT AND NET SALES



*Please refer to p. 8-9 for calculation.

NET SALES AND OPERATING RESULT



NET SALES AND OPERATING RESULT

(SEK m)	2010	2009	2008	2007	2006	Goal
Net sales	1,297	1,196	1,730	1,760	1,466	>10%
(of which export)	606	519	722	593	441	
Operating result	172	63	185	162	133	
Operating capital ¹⁾	616	591	506	433	453	
Operating margin, %	13.3	5.3	10.7	9.2	9.1	>10
Return on operating capital, %	28.0	10.7	36.6	37.4	29.4	>20
Investments	87	22	39	60	45	
No. of employees	555	544	647	630	605	

¹⁾ Average

LATOUR INDUSTRIES BUSINESS AREA

Important events in 2010

- Acquisition of REAC, manufacturer of electric actuators and lifts.
- Acquisition of the Swedish Kontikab, manufacturer of automated leak detection.
- Acquisition of LSAB with sales, production and service of tools for wood and metal working.
- Acquisition of the remaining 51 per cent in Pressmaster.
- Divestiture of Specma Automation to Artech Automation AB.
- Offensive investments in product development. Nord-Lock has launched a unique wheel nut that significantly increases safety when heavy vehicles are in motion.



Henrik Johansson

Latour Industries Business Area Manager

Goal achievement – primary factors

Demand was noticeably better in all operations except Stenberggruppen, which sells capital intense products where demand continued to be slow in 2010.

Net sales increased by 12 percent, adjusted for exchange rates, of which acquisitions represented 2 percentage points. Rationalisations made 2008-2009 contributed to strongly increasing the operating margin to 13.3 percent and this meant the targeted goals were met.

Nord-Lock

Nord-Lock manufactures and sells a unique bolt securing system adapted to most kinds of bolted joints. Production is located in Mattmar, some ten kilometres west of Östersund, Sweden.

The company, that is ISO 14001 certi-

fied, focuses its business on customers with high quality demands who would suffer severe consequences if the bolt securing systems failed. Over 90 percent of production is exported. Sales are conducted through its own companies and through a global network of retailers. At the end of 2010 Nord-Lock had its own sales companies in the Nordic region, Benelux, France, Great Britain, North America, the Czech Republic, Germany, Poland, Japan, Norway and Switzerland.

The business area will continue geographic expansion in industrial key markets using its own sales organisations in the years to come.

In 2010 the company went on the offensive in marketing and product development. We successfully launched a new wheel nut which significantly increases safety when heavy vehicles are in motion. The nut has proven unique advantages in the tests made both in laboratories and in its regular user environment where it has been exposed to both normal and extreme loads.



Pressmaster

Pressmaster is a world leader in the production of hand tools for the international electricity and electronics market. Customers are mainly leading manufacturers of electric and electronic switches, hand tool manufacturers and major industrial distributors.

About 85 percent of production is exported. The company's largest markets outside the Nordic region are Germany, Great Britain, France, Italy, the USA and Japan. Sales are conducted via its own subsidiaries, selected agents and representatives. Production takes place in the company's factory in Älvdalen.

REAC

REAC develops, manufactures and sells electromechanical actuators and lifts primarily to customers in medical rehabilitation where REAC is a subcontractor to several of the major manufacturers of electrical wheelchairs. Customers

are primarily in Scandinavia, Germany, The Netherlands, France, Italy and the USA. The largest customers are Permobil, InvaCare, Pride and Volvo Penta.

Headquarters and production of actuators is in Åmål, Sweden. Complete lift systems are produced in the Danish subsidiary Balle A/S in Herning.

Brickpack

Brickpack, with operations in Laholm is one of Sweden's most experienced manufacturers of gaskets and seals.



In 2010 Latour Industries made four acquisitions of companies with leading products.

Latour Industries business area International expansion



Latour Industries sales are concentrated to Europe and the Nordic region. The idea is to grow on existing and new markets. Expansion is through both acquisitions and existing operations.

With large and specialised machines the company can punch, cut and otherwise work on unique details in a number of different materials. Production focuses on large series and the company has a broad customer base with companies from many different industries.

Specma Seals

Specma Seals is a comprehensive supplier in seal technology and works primarily with the Swedish process industry and its subcontractors. The company develops and manufactures efficient sealing solutions, creating secure installations with long operating times.



Over 90 percent of Nord-Lock's sales are on export markets, through its own companies and a network of retailers. The railway industry is one of many industries where the products are used.

The company has its own production of gaskets and the products are sold under brands such as Chempac, Beraflex, Grafex and I-Seal. Specma Seals also represents well-known brands such as W.L. Gore, Garloc and Flexitalic.

Stenberggruppen

Stenberggruppen sells machine tools, automation solutions and services on the Swedish, Danish and Finnish markets. The company represents well-known brands such as Okuma, YCM, Souraluce and Toshiba.

One of the companies in Stenberggruppen is AVT Industriteknik which develops and manufactures automation solutions for machine servicing, montage and packaging. Together with other companies in Stenberggruppen AVT Industriteknik is able to deliver complete production solutions.

In 2010 AVT Industriteknik acquired Swedish Kontikab with 20 employees. The company develops, manufactures and sells customised machines for automated leak control. Customers can be found all over the world, primarily in the automotive, electric power and heat pump industries.

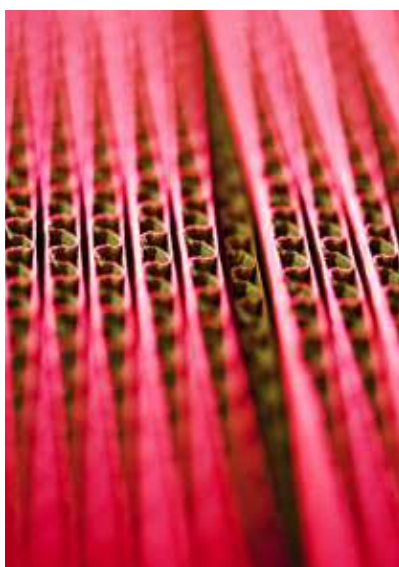
Specma Tools

Specma Tools is a trading company that offers a broad range of high quality electrical or air-powered hand tools for professional craftsmen in the engineering, construction and automotive industries.

Specma Tools represents well-known brands such as FEIN, Grit, Hios, Apex, Cooper Powertools and Miyanaga. All sales go through chosen retailers.

LSAB

At the end of 2010 LSAB, which offers cutting tools for wood and metal together with related services, was acquired. The Group has operations in Sweden, Finland, Estonia, Latvia and Russia. In 2011 LSAB will be integrated with Fortiva and under the name LSAB they will form one of Europe's largest and most modern company groups in



the sales and service of wood and metal cutting tools.

LSAB and Fortiva will complement each other well. LSAB has a strong position in saw bands and circular saw blades for the metal and wood industries, while Fortiva has a strong position in planing in the wood industry as well as milling, drilling and turning in the metal industry. The acquisition of LSAB is also a good geographic supplement. Fortiva is already active in Denmark, Sweden and Finland.

Carstens

Carstens is one of Sweden's leading suppliers of lining products to the interior decoration and furniture industries. Laminates, mouldings, melt and white glue as well as grinding products dominate the company's product range.

Carstens' headquarters and warehouse are situated in Bankeryd, just outside Jönköping in Sweden.

Product development

Latour Industries strives to have its own products with its own production and sales on a market which is as international as possible. Effective product development is a central factor in succeeding with this.

Several new products were launched by the subsidiaries in 2010.

One example is from Nord-Lock which has launched a unique wheel nut that contributes to higher safety in heavy vehicles. Another example is Specma Seals' own mechanical shaft gasket "I-Seal". Mechanical shaft gaskets, which replace traditional box gaskets, are used to seal rotating applications which have stringent demands on controlling so called diffuse emissions. Mechanical shaft gaskets also contribute to minimal wear on shafts and casings and reduced effect losses.

Pressmaster launched a ratchet crimp tool, T2258, which makes installation in confined spaces, such as installing lighting in lampposts much easier.

REAC started up a number of prod-

ucts in 2010, for instance, a bed for day surgery that facilitates handling patients who can return home the same day after surgery. A new air system with compact dimensions and high flexibility was developed in electrical wheelchairs.

Employees

Latour Industries prioritises access to the competence it needs and a good leadership in each business. In 2010 Latour Industries conducted a leadership program for 15 employees in leading positions.

As a part of this work the business area recruited a HR Manager who will support the managements in each business with HR related questions. The business area's ambition is to double the number of people in the group leadership development program in the future. Latour Industries also has central training in finances, law, labour law and sales.

Structural capital and sustainable development

Latour Industries consists of companies whose customers make high demands on quality both in the production process and in the actual products. It is also necessary to take measures that reduce the negative impact in the environment like conserving energy which also saves money. Latour Industries' operations work systematically to achieve improvements in these areas. Companies with substantial needs have been ISO certified.

Strategy for profitable expansion

Latour Industries plans to expand internationally with good profitability. This will take place through the following prioritised strategic measures:

- Broaden the product range and be on the cutting edge of production relevant to the business area. This

will be achieved through significant investments in product development and strategic acquisitions as well as partnerships.

- Pursue expansion in new markets and markets with low penetration. Expand through acquisitions and existing operations.

Challenges and opportunities in 2011

Latour Industries will continue to concentrate on international expansion, where investments in product development and organisational development are two important factors for success.

In 2011 the company will continue to look into strategic acquisitions. ■

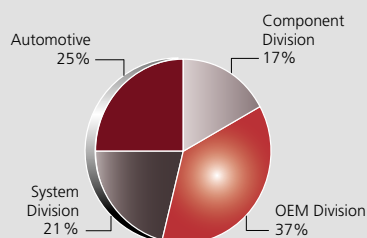


Product development is highly important to Latour Industries. Nord-Lock has, for instance, launched a new wheel nut which provides a much higher level of safety.

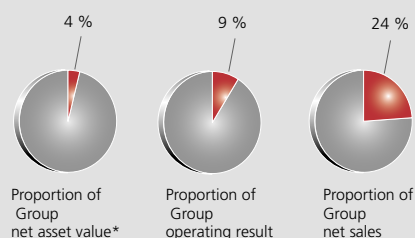
DESCRIPTION OF OPERATIONS

The Specma Group develops, manufactures and markets conduction components, hydraulics systems, hydraulics components and moulded pipes for the automotive industry. Operations are divided into four divisions: OEM Division, serving OEM customers mainly in mobile hydraulics; System Division, with customers primarily in Marine and Industrial Hydraulics; Component Division, that focuses on after sales customers as well as Automotive with customers in the automotive industry.

DISTRIBUTION OF NET SALES PER DIVISION



PROPORTION OF THE GROUP NET ASSET VALUE, OPERATING RESULT AND NET SALES



*Please refer to p. 8-9 for calculation.

NET SALES AND OPERATING RESULT



NET SALES AND OPERATING RESULT

(SEK m)	2010	2009	2008	2007	2006	Goal
Net sales	1,415	1,045	1,658	1,622	1,329	>10%
(of which export)	496	282	591	536	418	
Operating result	51	-64	121	120	85	
Operating capital ¹⁾	656	678	712	609	656	
Operating margin, %	3.6	-6.1	7.3	7.4	6.4	>6
Return on operating capital, %	7.7	-10.4	17.0	19.7	13.0	>20
Investments	25	34	36	36	97	
No. of employees	816	788	954	1,116	1,061	

¹⁾ Average

SPECMA GROUP BUSINESS AREA

Important events in 2010

- Orders received and invoicing increased by 45 respectively 35 percent compared to 2009.
- The business cycle bounced back in the OEM and Automotive divisions which increased volumes but extended lead times from some suppliers.
- Stronger cooperation with BAE Systems which chose Specma Hydraulics as their outsourcing partner for hydraulics.
- Acquisition of British Samwon Tech Limited and Danish Komponenthuset A/S.
- Continued global expansion. Deliveries from the unit in Curitiba, Brazil, started up as well as deliveries to marine customers from the unit in Shanghai, China.



Ola Sjölin
Specma Group Business Area Manager

Goal achievement – primary factors

The recovery in the economy and Specma Group's measures to improve its offer contributed to raising net sales by 35 percent. This also had a positive effect on the result. However, the consequences of the downturn in the economy prevented the business area from completely achieving its result goal, which can be seen in the table to the left.

Specma Group – global market

The Specma Group conducts business operations in Europe and Asia as well as in North and South America. The largest volumes are still in Sweden and Finland, but the greatest growth is outside the Nordic region.

Customers are mainly global players with quality as their main competitive strategy. This puts high demands on Specma's technical competence and ability to understand the customers' applications. It is important to have efficient logistic solutions such as local support for installation and construction through strategically located facilities.

OEM Division

OEM Division offers system solutions for hydraulics and conduction components for truck manufacturers, contractor machines as well as forestry and agricultural machines. Scania, Volvo Trucks, VCE, Kalmar and Ålö belong to this category. Demand decreased considerably in this customer category during the downturn in the economy, but it bounced back, particularly in the second half of 2010.

Specma Hydraulics' conduction components represent a large part of net sales in this segment but hydraulics components increased in importance during 2010, which is a positive development.

Major OEM customers tend to position themselves closer and closer to their end customers and strive to use standardised components in order to reduce costs. This means that Specma Hydraulic to a larger extent will follow major international customers around the world where they have their production. The company's units in Shanghai in China, San Antonio in the USA, Curitiba in Brazil and Goleniów in Poland are examples of this.

In 2010 OEM saw the level of orders received and invoicing steadily increase.

System Division

System Division delivers customised system solutions with hydraulic aggregates, vents and components, mainly to customers in the marine and the manufacturing industries. The market for industrial and marine hydraulics is characterised by long project and delivery times. Customers demand genuine hydraulic know-how and innovative skill.

The fact that Specma Hydraulic is an independent supplier, unlike many other players, is an important advantage, as is the fact that the company has its own testing and classification capacity for the marine industry.

The market's demand for system solutions reached its lowest point during the first half of 2010 after which orders received and invoicing increased steadily.

International expansion has also begun in System Division, where the customers more and more ask for support when they move production to Asia and Latin America. For this reason the Specma Group started up deliveries from its unit in Shanghai to System Division's customers in 2010.

Component Division

The division offers components and spare parts for the after sales market, mainly the Nordic market. The market for hydraulic components is characterised by integration in the distribution chain where both manufacturers and wholesale dealers are active.

The manufacturers strive to sell through their own shops at the same time large wholesalers buy smaller retailers and create larger chains. Specma Hydraulic is a part of this structural change through the concept SlangSnabben where the company collaborates with retailers.

SlangSnabben, which can be found in Denmark, Norway and Sweden, is built on quick and efficient delivery of components to end customers who otherwise risk long and costly stops in production.

Specma Group business area International expansion



The Specma Group's growth strategy is to follow its customers out into the world. In 2010 the first deliveries were made from the unit in Poland.



Specma Group's net sales increased by 35 percent in 2010. The largest sales volumes are still concentrated to Sweden and Finland but the largest growth is outside the Nordic region.



Component Division was not hit as hard by the downturn in the economy and net sales continued to grow steadily compared to 2009.

Automotive Division

The Automotive Division focuses on two customer segments: the Car Industry and Heavy Vehicles. The division is represented on the European market. Most of net sales, two thirds in fact, comes from deliveries to Swedish customers for further delivery in Sweden and the rest of Europe. Volvo Cars, Jaguar, Land Rover, Ford, Volvo Trucks and Scania are among the customers in the Car Industry.

Renault Trucks and Mack are examples of customers in the customer group Heavy Vehicles where Automotive's core offer is conduction for chilling, oil, air and servo steering as well as construction pipes for supporting structures such as cabins and chassis. The company is also works with leading system suppliers to the global automotive industry.

Automotive experienced a steadily increasing level of orders received throughout 2010, an improvement from the extremely low levels during the downturn in the economy 2008-2009.

Deal to sell Autotube

After the year-end a deal was signed to

sell 100 percent of the shares in Autotube AB to Accent Equity 2008. The deal is conditional on approval from Swedish competition authorities and is expected to be finalised in March 2011.

Acquisitions in 2010

At the beginning of 2010 the British Samwon Tech (Europe) Limited, supplier of conduction components in hydraulics applications and retailer of products from SAMWON Tech Co Ltd Korea on the European market, was acquired. The company mainly services international OEM customers.

In March 2010 70 percent of the shares in the Danish Komponenthuset A/S were acquired with an option to acquire up to 100 percent. Since 2007 Komponenthuset has worked together with Specma Hydraulic as a retailer of conduction and hydraulics components in Denmark.

Specma Group's manufacturing

The Specma Group produces and assembles hydraulic systems and conduction systems in the OEM, System and Component Divisions in 15 factories in four parts of the world. Production in the Automotive Division primarily takes place in Ulricehamn and Varberg in Sweden.

Sustainable environmental work

The Specma Group's operations, products and systems should have as little impact on the environment and health as possible. The Group's environmental management system comprises every step from the extraction of raw materials to final destruction and recycling. An important part of the work to reduce environmental impact is to increase the life cycle of the company's hydraulics systems. This means both financial and environmental gains for users and the environment at large. Through the use of the latest technology for purifying hydraulics oil the interval between the oil changes can be greatly prolonged. Besides reducing the use of hydraulics oil while maintaining lubrication properties this also reduces the wear on hoses and seals. This, in turn, reduces the risk for hose ruptures, breakdowns and oil leakage.

Increasing demands on lower emissions, better fuel economy and cooling in vehicles drive the demand for new and efficient conduction systems. This is beneficial for the Automotive Division, which offers components that enable new technical solutions and applications.

Employees

At the end of 2010 Specma Group had over 800 employees. The Group works systematically to make sure it has access to competent and motivated employees. Health and the work environment work is an integrated part of everyday operations and development and its purpose is to promote job satisfaction and cooperation as well as increase employee participation.

Structural capital

The Specma Group puts great importance on systematic quality management in every step of the production and construction process. This ensures continuous improvements, which benefit both the company and its customers. Quality management comprises both individual products and systems regarding function, operation reliability, life length and deliv-



ery reliability. The operations are both quality and environmentally certified.

Research and development

The Specma Group conducts extensive research and development in order to improve product properties, simplify assembly and minimise the number of components for each application. All in all this leads to greater reliability and cost efficiency.

The Specma Group also works consistently with evaluating suppliers as well as analysing and filing test results. For instance, the Group has its own unique test operations. Complete conductions are tested with them using ISO certified methods. This test centre creates good prerequisites to continue working with developing hose conduits and connections, all of which contributes to longer life for the products.

Expansion strategy

The Specma Group has the right prerequisites to achieve profitability and growth according to its goals through acquired and organic growth by:

- Supplementing the existing product range with similar products and further development of system solutions, where demand is expected to increase.
- Growth in existing markets through a reinforced sales corps and expansion into new markets by following existing customers in their internationalisation process.

Challenges and opportunities in 2011

In addition to growing and handling deliveries while expanding there the business area is focused intensely on keeping costs down. Purchase prices are being seriously pressed up on the market. However, the strong Swedish crown compensates for this to a certain extent.

The long-term challenge is to continue geographic expansion of the entire product range. ■



Together with strategic partners the Specma Group conducts comprehensive research and development with the aim to improve product properties, simplify montage and minimise the number of components. The Specma Group also has its own unique test operations.

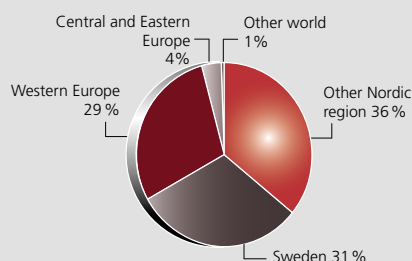


Two acquisitions were made in 2010 – British Samwon and Danish Komponenthuset.

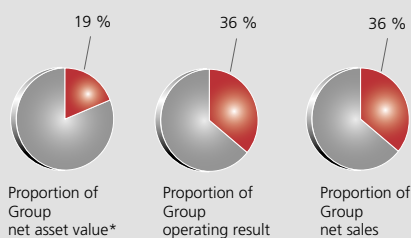
DESCRIPTION OF OPERATIONS

Swegon manufactures and offers energy efficient air treatment aggregates, water and air borne climate systems, refrigerators and heat pumps as well as flow control and acoustics products and holistic systems for all types of buildings as well as products for building ventilation. Sales are conducted in its own sales companies and partners in over 40 countries, mainly in the Nordic region, Western Europe and Central Europe.

DISTRIBUTION OF NET SALES PER MARKET

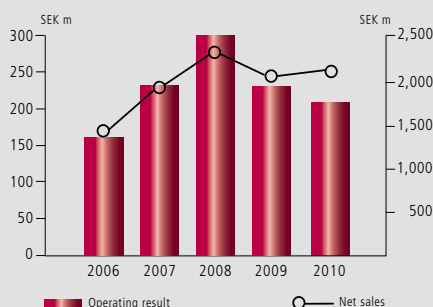


PROPORTION OF THE GROUP NET ASSET VALUE, OPERATING RESULT AND NET SALES



*Please refer to p. 8-9 for calculation.

NET SALES AND RESULT



NET SALES AND RESULT

(SEK m)	2010	2009	2008	2007	2006	Goal
Net sales	2,153	2,081	2,312	1,931	1,445	>10%
(of which export)	1,497	1,384	1,529	1,314	902	
Operating result	208	226	293	237	159	
Operating capital ¹⁾	759	673	606	522	519	
Operating margin, %	9.7	10.8	12.7	12.3	1.0	>10
Return on operating capital, %	27.4	33.5	48.3	45.3	3.6	>20
Investments	198	82	70	65	50	
No. of employees	1,054	992	1,047	956	834	

¹⁾ Average

SWEGON BUSINESS AREA

Important events in 2010

- Swegon continues to win market shares on the European markets.
- The largest project ever in the form of deliveries to the headquarters of the Spanish bank BBVA. The number of larger assignments increased in general.
- Largest deal ever through the strategic acquisition of Blue Box, an Italian manufacturer of chillers and heat pumps which complemented Swegon's product portfolio and contributed to establishing Swegon's leading position as well as creating new business opportunities on existing and new markets.
- Launch of GOLD 120, a part of the world leading product series GOLD.



Mats Holmqvist
Swegon Business Area Manager

Goal achievement – primary factors

Swegon's ambition is to develop 10 percent more than the rest of the market. The Group has achieved this for a number of years, also in 2010.

Orders received grew gradually during the year. Demand increased dramatically in home ventilation where the market reached its lowest level already in 2009 and then showed strong growth throughout 2010, primarily in Finland and Sweden. The operating margin was affected by higher raw material prices. The increase in prices has been communicated to customers in order to maintain satisfactory margins in the future.

Swegon's customers

The market for Air Treatment generally follows the construction industry's development but at a slightly faster rate of growth. This is a result of an increased need for high quality ventilation systems, in both new buildings and in renovations.

Historically speaking customers can be found among contractors, ventilation and sanitation consultants and architects. The current trend is that construction companies and property owners are

becoming more important.

Stringent requirements from authorities and demanding consumers make the Nordic region a leader in air treatment in terms of function and quality. Swegon is a market leader in the Nordic region. The main competitors in the Nordic region are Fläkt Woods, Systemair and Halton. In Europe GEA and Trox set the tone.

Broad product range

Swegon develops, manufactures and markets energy efficient air treatment aggregates as well as water and air borne climate systems, chillers and heat pumps, flow control and acoustics products as well as holistic systems for all kinds of buildings and products for building ventilation. Aggregates account for more than half of net sales. Products for renovation account for half of Swegon's total net sales.

Swegon's aim is to contribute to a rationalisation of the construction process. Inspiration is taken from the systemised thinking in the automotive industry, a strategy that leads to a better overall economy for the customers.

In 2010 Swegon launched Super WISE, a compact computer which gives users full control over their need-steered ventilation system and which optimises operation and makes energy efficiency even simpler.

In 2010 the next version of the world leading product GOLD: GOLD 120 was launched, an air treatment aggregate that can handle an air flow of up to 50,000 m³/h.

Strategic acquisition – Blue Box

At the beginning of October 2010 Swegon acquired all shares in Italian Blue Box, a leading company in development, production and sales of chillers and heat pumps with net sales of about EUR 50 m and about 250 employees. Through this acquisition Swegon can, besides air treatment and water borne climate systems,

also offer chillers – a strategically important product category where demand is big and growing.

This strategic deal was well planned and carefully executed. It was preceded by almost three years of work to identify the right acquisition object, analyse how the operations complement each other and conduct negotiations.

Blue Box chiller technology leads to new business opportunities for Swegon since the product portfolios complement each other well. Blue Box represents outstanding research and development with innovative quality and good service. These properties match Swegon's core values completely.

The work to introduce Blue Box' products in Swegon's international sales organisation was initiated immediately after the completion of the acquisition.

Swegon business area International expansion



Swegon's international expansion continues. In 2010 the export share of total sales was 69 per cent. The largest growth took place in Spain where sales increased by 246 per cent.

tion. This reinforced Swegon's position as a unique supplier of comprehensive solutions and systems in ventilation and air treatment. The goal for the Blue Box Group is to double net sales by 2014.

Advanced product development

Swegon's development work is focused on creating energy efficient systems that economic to use and create a better indoor climate, which can have a



In December 2010 Swegon was chosen to equip the new headquarters of the Spanish bank BBVA in Madrid with 7,500 PARASOL comfort modules and 50 GOLD air treatment aggregates. The property, that covers 100,000 m² on ground level, will be LEED Gold certified (Leadership in Energy & Environmental Design) and is already a landmark in the construction of environmentally friendly high-rises. The project is expected to reduce energy consumption by 30 per cent, greenhouse gas emissions by 35 per cent, water use by 30 to 50 per cent and waste management by 70 per cent.



Swegon's systems contribute to good operation economy, reduced environmental impact and an improved indoor climate, which has proven to have a major effect on the working environment. Studies show that if the indoor climate deviates five degrees from the desired level work efficiently is reduced by 30 percent. The photograph is taken in Volkswagen's factory in German Dresden, where Swegon delivered efficient climate solutions.

significant effect. Studies show that if the indoor temperature deviates five degrees from the desired level work efficiency drops by 30 percent and the risk for injuries rises by 10 percent.

All research and development takes place in laboratories in Swegon's factories and advanced methods are used in the development process. An example of this are the so called Computational Fluid Dynamics calculations used to simulate air flows, the same program as is used in Formula 1 car racing for aerodynamic design.

Research has made Swegon a leader.

The GOLD system, with its integrated steering functions, is a world leader in compact aggregates.

Besides its research work Swegon conducts customer project specific projects in its laboratories in what is called full scale testing. Through the tests the customer gets a good idea of which type of system is best suited for their specific need.

Contributes to the sustainable environmental development

Swegon works systematic to contribute to sustainable development from an environmental perspective through its

operations. Swegon is certified according to the environmental certification ISO 14001. In addition to running its operations in an environmentally efficient way its products contribute to substantial environmental savings. Already in the first year that delivered products and systems are used energy savings will be significantly higher than the total environmental impact from production and transportation.

Substantial energy savings

Buildings consume close to 40 percent of the energy used annually in Europe,

which can be compared to the 10 percent used by cars. Energy efficient innovations in the construction industry therefore have substantial impact on the environment in general, creating significant opportunities for society. The fact is that better ventilation, insulation and other improvements in existing buildings lead to energy savings that far surpass those that can be achieved by changing cars.

Calculations show that all the systems that Swegon delivers annually contribute to energy conservation corresponding to the savings that could be achieved by parking 35,000 cars for good.

The fact is that Swegon's products have saved 58 TWh of energy the last 20 years. This is equivalent to heating 172,000 average homes during the same period.

Financial advantages

Initial costs for ventilation systems are usually about 10–15 percent of the total cost of the product's entire life cycle. The high level of operation and energy efficiency in the company's products lead to good cost-effectiveness despite of the fact that the company leads prices. Pay-back time is usually about five years for investments in the company's systems, entailing substantial financial gains since the products life cycles stretch well beyond this point.

Renovation needs in Europe

There is a substantial need to renovate buildings in several European countries. The need for energy efficiency improvements when renovating provides good opportunities for Swegon, which is the market leader. This can be seen clearly in the development in 2010 with significantly greater sales to Finnish and Swedish customers in building ventilation.

Production in five factories

Swegon's development and production takes place in five factories: Arvika, Kvånum, Tomelilla in Sweden and Kaarina in

Finland as well as Venice in Italy. Production is highly automated and divided into different product areas for each factory.

High quality demands in production

There are high demands on quality in Swegon's operations and production. In order to ensure this high level is met the entire business is ISO 9001 quality certified. In addition, the company's air treatment aggregates GOLD together with chiller and climate baffles as well as chillers are Eurovent certified with zero tolerance, which is yet another sign of guaranteed quality production.

Strong growth in European sales

Swegon continued its geographic expansion in 2010. At year-end the export share of the company amounted to 69 percent. Some examples of growth are

246 percent in Spain, 33 percent in Germany and 30 percent in France.

Stimulating work environment

At the end of 2010 Swegon had 1,250 (992) employees. The company is growing quickly on the international market and works consciously to create a good and stimulating work environment as well as making sure it has the competence it needs. The company regularly holds its own leadership training where 15 existing and potential managers in the organisation take a one and a half year course aimed at raising knowledge levels as well as creating a network between different key personnel in Swegon's international organisation.

Swegon Air Academy

In addition to internal development opportunities Swegon runs an independent knowledge platform for indoor climate, the Swegon Air Academy. The company's own lecturers and other well known representatives for universities and other relevant organisations hold seminars on current subjects such as energy conservation.

Strategy for profitable expansion

- Broaden the product range and remain on the cutting edge of the product areas in which Swegon is a leader as well as develop new system solutions. This will be achieved through continued investments in product development as well as through strategic acquisitions.
- Continue expansion on new markets and markets with low penetration. Europe is the primary growth market in the following years, but there are also possibilities for expansion outside of Europe. Expansion should be achieved through both acquisitions and existing operations.

Challenges and opportunities 2011

Swegon will continue winning market shares on all its markets as well as develop the company's technological advantage and its unique system offer which now also includes chilling. ■



In 2010 the Italian Blue Box, leading supplier of chillers and heat pumps, was acquired. The photograph shows the founder of Blue Box, Severino Veggian, and Swegon's CEO, Mats Holmqvist, when the deal was completed.

Latour's listed holdings – long-term value creation through active ownership

Latour's investment portfolio consists of eight companies where Latour controls at least 10 percent of the votes. The combined profit from portfolio management during the year was SEK 306 m (431).



Assa Abloy p. 38



Fagerhult p. 40



HMS Networks p. 42



Loomis p. 44



Nederman p. 46



Niscayah p. 48



Securitas p. 50



Sweco p. 52

Latour's investment portfolio is dominated by holdings in Assa Abloy, Securitas and Sweco. Together these constitute 81 percent of the entire portfolio value. Latour is the principal owner in these companies.

The value of Latour's listed holdings increased by 30 percent in 2010 adjusted for dividends. This can be compared with the development for the OMX Nordic Exchange Stockholm (SIX Return Index) which increased by 27 percent including dividends.

Good long-term development

Through the broad and long experience that Latour has in business and the network we have built up the company contributes to the holding's long-term development by active ownership, primarily through board work.

The market value for the collected holdings in the investment portfolio was SEK 10.8 billion at the end of 2010, compared with the assets acquisition value of SEK 2.9 billion.

This means that the investment portfolio value has increased by 272 percent since the acquisition.

Important events in 2010

- The investment portfolio value increased by 30 percent adjusted for dividends, while comparable index (SIXRX) increased by 27 percent.
- Divestiture of holdings in Munters. The deal totalled SEK 843 m and generated capital gains of SEK 213 m.
- Divestiture of holdings in Elanders. The deal resulted in capital losses of SEK 347 m.
- Increased holdings in HMS and Nederman.

Investment portfolio

Share	Number	Market value ¹⁾ SEK m	Listed price ¹⁾ SEK	Acquisition value SEK m	Dividend SEK m	Share of votes, %	Share of equity, %
Assa Abloy A ²⁾	6,746,425	1,278	190	786	24		
Assa Abloy B	19,000,000	3,601	190	414	68	16.1	7.0
Fagerhult ^{3) 4)}	4,106,800	657	160	296	12	32.6	32.6
HMS Networks	1,851,000	199	107	133	2	16.6	16.6
Loomis A ²⁾	800,000	80	101	10	2		
Loomis B	4,618,000	464	101	55	12	12.2	7.4
Nederman ³⁾	3,171,000	309	98	271	-	27.1	27.1
Niscayah Group A ²⁾	4,000,000	55	14	87	1		
Niscayah Group B	24,000,000	330	14	93	7	12.3	7.7
Securitas A ²⁾	4,000,000	315	79	309	12		
Securitas B	23,090,000	1,816	79	276	69	12.2	7.4
Sweco A ^{3) 5)}	1,222,760	71	58	8	2		
Sweco B ³⁾	27,775,000	1,611	58	144 ⁶⁾	56	22.8	31.9
Total		10,786		2,882	267		

¹⁾ Latest market price paid.

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

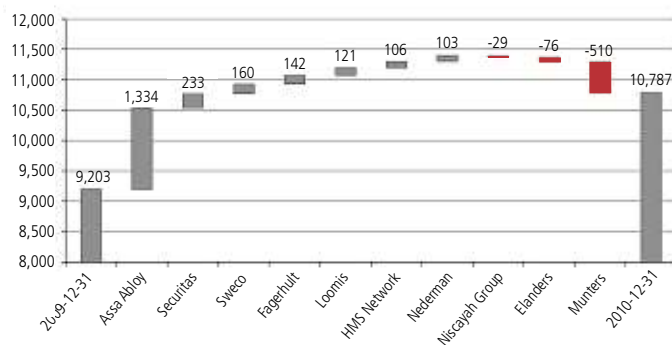
³⁾ Shown as associated companies in the balance sheet.

⁴⁾ At the end of 2010 30,000 shares were loaned out.

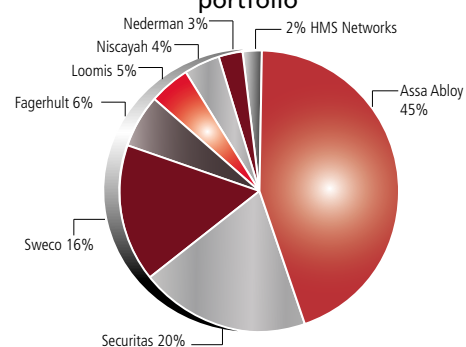
⁵⁾ The A share in Sweco is listed but due to limited trade it has been given the same listing price as the corresponding B shares.

⁶⁾ The acquisition value in the Group, through the use of a call option, is SEK 34 m higher compared to the parent company.

Changes in value in the investment portfolio



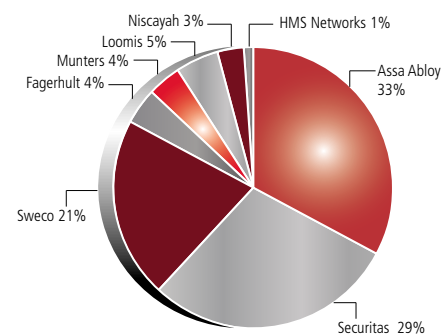
Value distribution in the investment portfolio



Net change in Latour's investment portfolio 2010

Share	Number 2010-01-01	Purchase	Sales	Number 2010-12-31
HMS Networks	1,582,579	268,421		1,851,000
Nederman	3,100,000	71,000		3,171,000
Elanders B	2,210,000		-2,210,000	0
Munters	10,950,000		-10,950,000	0

Proportion of received dividends



ASSA ABLOY

Global leader in lock and door opening solutions

ASSA ABLOY is the global leader in lock and door opening solutions, dedicated to satisfying end-user needs for security, safety and convenience.

ASSA ABLOY is represented in all major regions, on both mature and emerging markets, with leading positions in most of Europe, North America and Australia. In the rapidly growing electromechanical security sector, the Group has a leading position in fields such as access control, identification technology, automatic doors and hotel security.

International Group

Since ASSA ABLOY was founded in 1994 the Group has developed from a regional company to an international Group with 37,000 employees and net sales of about SEK 37 billion.

ASSA ABLOY is organised into five divisions. Three of the divisions – EMEA, Americas and Asia Pacific – have regional divisions. These divisions manufacture and sell locks, cylinders and electromechanical products, security doors and fittings on their respective geographic markets.

There are also two global divisions: Global Technologies and Entrance Systems. Global Technologies is the Group's global division with products mainly for access control, secure issuance of cards, identification technology and

electronic lock products for hotels. Entrance Systems is a global supplier of single source solutions and services for automatic doors.

Strategic direction

Currently ASSA ABLOY has a leading position as the largest supplier of lock and safety solutions. The Group's products make up more than one in ten lock and safety installations in the world. To further strengthen the Group's position ASSA ABLOY's strategy is divided into three areas: market presence, product leadership and cost-effectiveness. World leader market presence is created by using the strength in the brand portfolio, increasing growth in core operations and by expanding in new markets and segments. The Group's product leadership is created by continuously developing products with greater customer value and lower production costs.

Work with cost-effectiveness is continuously being developed in all areas such as common product platforms and fewer components as well as common product development. ■

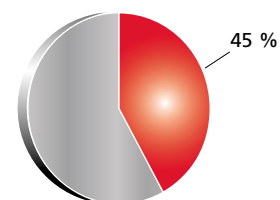
Latour's holding in ASSA ABLOY per 31 December 2010

Market value, Latour's share SEK m	4,879
Board members connected to Latour	Gustaf Douglas, Carl Douglas

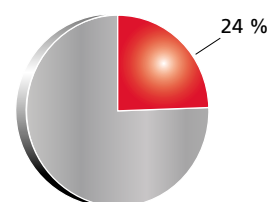
Largest owners per 31 December 2010

Owner	A	B	Total	Percent of shares	Percent of votes
Investment AB Latour	6,746,425	19,000,000	25,746,425	7.0	16.1
Säkl	7,118,818	2,300,000	9,418,818	2.6	13.6
Melker Schörling AB	5,310,080	9,162,136	14,472,216	4.0	11.6
Capital Group Funds		19,245,000	19,245,000	5.2	3.5
Alecta		12,180,000	12,180,000	3.3	2.3
Swedbank Robur Funds		8,488,574	8,488,574	2.3	1.6
Harris Associates		7,525,100	7,525,100	2.1	1.4
SEB Funds		6,703,247	6,703,247	1.8	1.2
Folksam-Gruppen		5,568,553	5,568,553	1.5	1.0
SHB Funds		5,400,679	5,400,679	1.5	1.0
Other shareholders		251,428,582	251,428,582	68.7	46.7
Total	19,175,323	347,001,871	366,177,194	100.0	100.0

Based on information from SIS Ägarservice AB.



Portion of Latour's portfolio of listed shares



Portion of Latour's net asset value

ASSA ABLOY at a glance



Improved operating result. The operating result increased by 12 percent 2010. Improvements in efficiency and ongoing changes in the product range contributed to the positive development.



Continued growth. Even if exchange effects influenced income by -6 percent net sales increased with 5 percent.

Chairman: Gustaf Douglas

CEO: Johan Molin

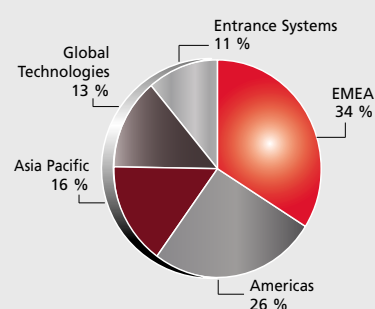
Shares: ASSA ABLOY's B share is traded on the NASDAQ OMX Stockholm Large Cap list under the ASSA B symbol. The company has been listed since 8 November 1994.

Further information:
www.assaabloy.com

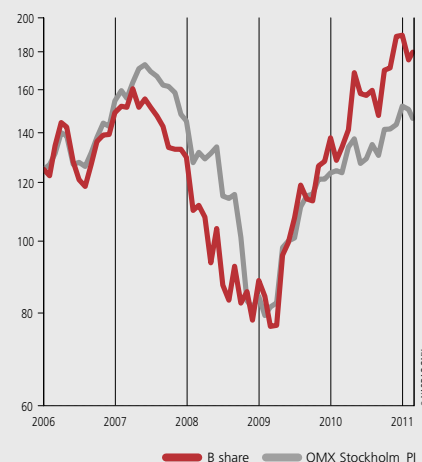
Net sales and operating result²⁾



Allocation of net sales 2010



ASSA ABLOY share price development



¹⁾ The accounting principles used in the years prior to 2004 are those valid for that period and not IFRSs.

²⁾ Not including restructuring items in 2006 of SEK -1,474 m.

³⁾ Figures for 1999 and 2000 have been adjusted for change in accounting principles.

Key Ratios ASSA ABLOY

	Full-year 2010	Full-year 2009
Net sales, SEK m	36,823	34,963
Operating result, SEK m ¹⁾	6,046	5,413
Operating margin, %	16.4	15.5
Result after net financial items, Mkr ¹⁾	5,366	4,779
Earnings per share, SEK ¹⁾	10.89	9.22
Equity/debt ratio, %	45.9	45.4
Dividend per share, SEK ²⁾	4.00	3.60
Equity per share, SEK	58.64	54.76
Market cap per 31 December, SEK m	65,708	50,424

Key ratios for measurement and risk

EV/sales	2.2
EV/EBIT	13.2
P/E ratio	17.0
Net debt/EBIT	1.7

¹⁾ Exclusive structural and one-off costs amounting to SEK 1,039 m in 2009.

²⁾ Proposed dividend for 2010.

FAGERHULT

Where light is an exact science

Knowledge about the importance of light for human activity and well-being is central in Fagerhult. With some 2,000 employees it is the largest lighting group in the Nordic region and one of Europe's leading groups in this area.

Fagerhult develops, manufactures and markets customised lighting systems for public indoor and outdoor lighting and for interior fittings. The business focuses constantly on design, function, flexibility and energy saving solutions. The Group has operations in over 17 countries and production units in Europe, China and Australia.

Part of Fagerhult's growth strategy is to become a distinct leader on the European lighting market. A strong focus on business strategy is necessary in order to succeed. One part of achieving this is by acquiring companies with interesting operations and potential. In 2010 Fagerhult acquired LTS Licht & Leuchten GmbH with net sales of EUR 47 m for 2010.

Four business areas

Since 2010 operations are run in four business areas divided geographically: Northern Europe (comprises the

Nordic region, the Baltic states and Russia as well as the factory in China); Great Britain, Ireland and the Middle East; the rest of Europe as well as Asia and Australia. LTS in Germany is a part of the rest of Europe. The business areas offer products for both indoor and outdoor environments and customised solutions for all kinds of stores.

Adjusting costs to the business cycle

At the start of 2010 demand was weak on most geographic markets. Greater activity in the construction sector in the Nordic region had a positive effect on business but since Fagerhult is affected late in the business cycle this has not yet had full effect.

The result in 2010 was influenced negatively by costs for the reorganisation in 2009 and exchange effects. Cleared of these posts and structural expenses in 2009 the operating result increased by 19 percent compared to 2009. ■

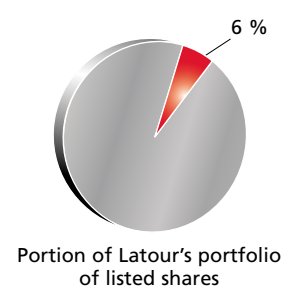
Latour's holdings in Fagerhult per 31 December 2010

Market value, Latour's share SEK m	657
Board members connected to Latour	Eric Douglas, Fredrik Palmstierna, Jan Svensson

Largest owners per 31 December 2010

Owner	Total	Percent of shares	Percent of votes
Investment AB Latour	4,106,800	32.6	32.6
Säkl	1,900,000	15.1	15.1
Fam Svensson, Family, foundation and companies	945,525	7.5	7.5
Lannebo Funds	585,000	4.6	4.6
Skandia	575,000	4.5	4.5
Robur Småbolagsfond	516,580	4.1	4.1
SEB Asset Management	400,000	3.2	3.2
Fourth Swedish National Pension Fund	373,837	3.0	3.0
Gustaf Douglas, family and companies	343,500	2.7	2.7
Palmstierna Family	262,365	2.1	2.1
Handelsbanken Svenska småbolagsfond etc.	234,637	1.8	1.8
Foundation Stockholms Sjukhem	200,000	1.6	1.6
Other shareholders	2,168,756	17.2	17.2
Total	12,612,000	100.0	100.0

Based on information from Euroclear Sweden AB.



FAGERHULT at a glance



Acquisition of German LTS. The lighting company LTS was bought in 2010 which strengthens the offer in store lighting while creating a good platform for growth in Germany.



International presence. Fagerhult has operations in 17 countries and production units in Europe, China and Australia.

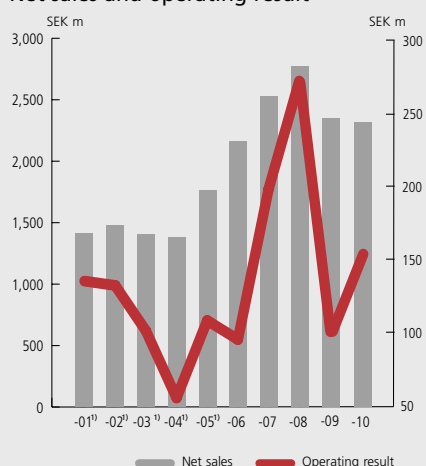
Chairman: Jan Svensson.

CEO: Johan Hjertonsson

Shares: The Fagerhult share is traded on the NASDAQ OMX Stockholm Mid Cap list under the FAG symbol. The company was listed on the Stockholm Stock Exchange in 1997.

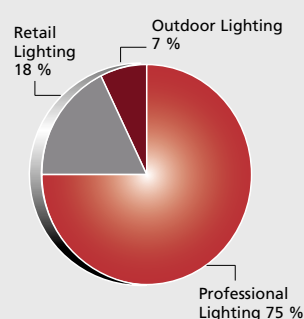
Further information:
www.fagerhultgroup.com

Net sales and operating result¹⁾

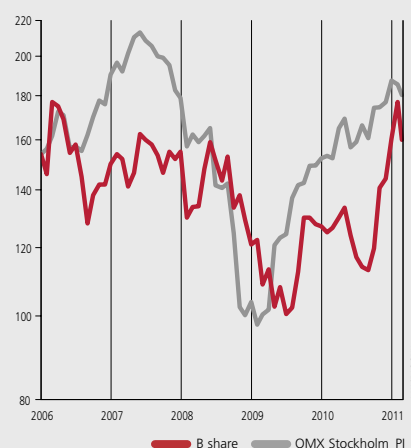


¹⁾ The accounting principles used in the years prior to 2004 are those valid for that period and not IFRSs.

Allocation of net sales 2010



Fagerhult share price development



Key Ratios Fagerhult

	Full-year 2010	Full-year 2009
Net sales, SEK m	2,506	2,436
Operating result, SEK m	153	104
Operating margin, %	6.1	4.3
Result after net financial items, SEK m	135	105
Earnings per shares, SEK	7.49	5.87
Equity/debt ratio, %	29.3	42.0
Dividend per share, SEK ¹⁾	3.50	3.00
Equity per share, SEK	57.28	56.88
Market cap per 31 December, SEK m	2,062	1,632

Key ratios for measurement and risk

EV/sales	1.2
EV/EBIT	19.4
P/E ratio	21.4
Net debt/EBIT	6.2

¹⁾ Proposed dividend for 2010.



Leading communication technology for industrial networks

HMS develops, manufactures and markets flexible, innovative and reliable communication solutions for connecting production equipment with industrial networks and connecting different industrial networks with each other. More than 90 percent of the company's sales are outside of Sweden. The company was founded in 1988 and in the last 10 years average annual net organic growth has been 25 percent.

HMS is a world leading supplier of communication technology for industrial automation. All development and most of production is located at its headquarters in Halmstad, Sweden. The company's network of 56 distributors can be found in 44 countries worldwide. HMS has its own sales offices in Tokyo, Beijing, Karlsruhe, Chicago, Milan, Mulhouse and Prune. HMS' most important geographic markets are Germany, the USA, Finland, Japan and Sweden and they represent more than 70 percent of Group income.

Three product categories

HMS develops and manufactures network cards as well as products enabling connection and communication between automation units in industrial networks or between two networks. In laymen's terms this means that HMS is a specialist in, for instance, how to steer an engine or an industrial robot. HMS' products can be divided into three product categories: Embedded Products, Gateways and Remote Management. Embedded means that the product is integrated into another product.

Embedded Products is comprised of network cards used in automation units such as engine steering, sensors, scales systems or pneumatics. Embedded Products represented 71 (66) percent of Group income in 2010.

With the knowledge from Embedded Products HMS developed the product area Gateways which represented 25 (28) percent of income in 2010. A gateway works a bit like a network card. However, it is not a part of a machine, but placed outside as a gate between a network and a machine or between two networks. A gateway is like a traffic exchange that translates information from one network so it can be received by another. HMS' products are sold and marketed under the brand Anybus®.

HMS' offer for Remote Management is sold and marketed under the brand Netbiter®. These products provide customers with a complete solution for remotely monitoring and managing deployed equipment via a database solution and a Web-interface. ■

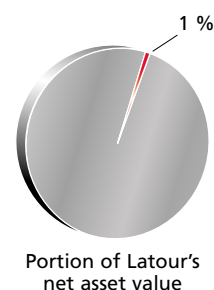
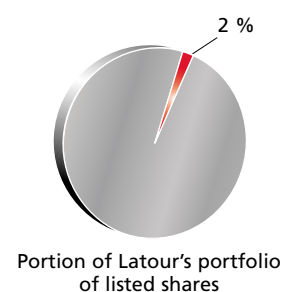
Latour's holding in HMS Networks per 31 December 2010

Market value, Latour's share SEK m	199
Board members connected to Latour:	Henrik Johansson

Largest owners per 31 December 2010

Owner	Total	Percent of shares	Percent of votes
Investment AB Latour	1,851,000	16.6	16.6
Nicolas Hassbjer	1,601,872	14.3	14.3
Staffan Dahlström	1,592,873	14.3	14.3
Swedbank Robur Funds	1,146,500	10.3	10.3
SEB Funds	1,034,700	9.3	9.3
Nykredit	232,307	2.1	2.1
AMF	221,933	2.0	2.0
JPM Chase	203,200	1.8	1.8
Avanza Pension	172,434	1.5	1.5
Didner & Gerge Småbolag	118,081	1.1	1.1
Martin Gren	110,000	1.0	1.0
Other shareholders	2,868,000	25.7	25.7
Total	11,152,900	100.0	100.0

Based on information from Euroclear Sweden AB.



HMS NETWORKS at a glance



Another record year. Net sales increased by 41 percent to SEK 344.5 m. Operating result increased to SEK 83.5 m, corresponding to an operating margin of 24.2 percent.



Contributes to better control and effectivity for the customers. HMS develops and manufactures network cards that enable communication between automated units.

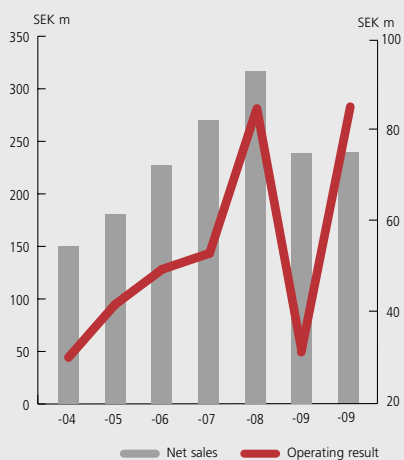
Chairman: Urban Jansson

CEO: Staffan Dahlström

Shares: The HMS share is traded on the NASDAQ OMX Stockholm Small Cap list, Information Technology under the HMS symbol. The share has been listed since 19 October 2007.

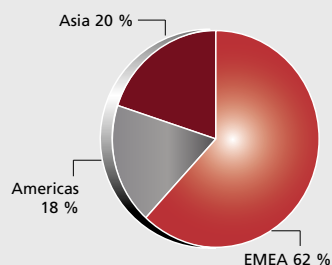
Further information:
www.hms.se

Net sales and operating result¹⁾

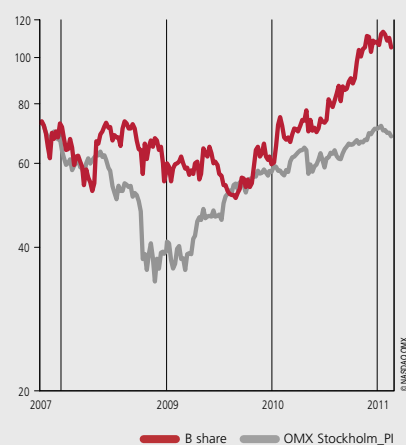


¹⁾ The accounting principles used in the years prior to 2004 are those valid for that period and not IFRS.

Allocation of net sales 2010



HMS Networks share price development



Key Ratios HMS Networks

	Full-year 2010	Full-year 2009
Net sales, SEK m	345	245
Operating result, SEK m	84	31
Operating margin, %	24.2	12.7
Result after net financial items, SEK m	84	28
Earnings per share, SEK	5.41	1.88
Equity/debt rate, %	71.9	70.0
Dividend per share, SEK ¹⁾	2.00	1.00
Equity per share, SEK	25.63	21.56
Market cap per 31 December, SEK m	1,205	652

Key ratios for measurement and risk

EV/sales	3.4
EV/EBIT	14.0
P/E ratio	20.6
Net debt/EBIT	n. a.

¹⁾ Proposed dividend for 2010.



Loomis manages cash in society

Loomis offers a broad range of integrated solutions for cash handling. These services, which mainly target financial institutions, the retail trade, stores and other commercial enterprises, provide secure, efficient management of the physical flow of cash in the customers' businesses. Loomis operates in Europe and the USA.

Loomis services comprise secure transportation and cash management. Loomis offers high-quality, cost-efficient solutions that greatly reduce risks for the customers' employees. Loomis strives to increase efficiency in this flow with its innovative and comprehensive solutions.

Loomis' markets

Loomis has operations in 14 countries: the USA, Sweden, Norway, Finland, Denmark, Great Britain, France, Austria, Switzerland, Slovakia, Slovenia, Spain, Portugal and The Czech Republic. The company's 20,000 employees are stationed in more than 370 local offices.

New goals for the future

In 2010 Loomis decided on new financial and operative goals for the coming four years. According to its financial goals Loomis should reach an operating margin of 10 percent no later than 2014, the debt/equity ratio should

not be higher than 2.5 times the operating result before depreciation and the cash flow for the Group should amount to at least 85 percent of the operating result.

Dividends should amount to 40-60 percent of net result, which is an increase in the span by 10 percentage points. Some of Loomis' operative goals are further expansion in Europe and the USA, which was accomplished through acquisitions in 2010. Loomis also intends to move into Latin America.

Loomis' ambition is to more comprehensively take care of the customers' total cash management by expanding secure transportations into all-encompassing solutions. In the last few years the company has worked intensely to increase effectivity and profitability in local offices. The goal is to reduce the number of unprofitable local offices from 27 to 15 percent no later than 2014. ■

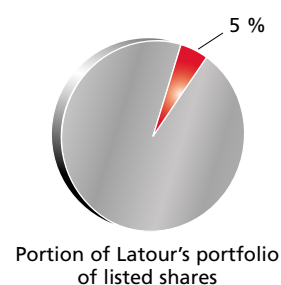
Latour's holding in Loomis per 31 December 2010

Market value, Latour's share SEK m	544
Board members connected to Latour	Jan Svensson

Largest owners per 31 December 2010

Owner	A	B	Total	Percent of shares	Percent of votes
Säkl	1,728,520	391,808	2,120,328	2.9	17.0
Melker Schörfling AB	900,000	5,400,300	6,300,300	8.6	13.9
Investment AB Latour	800,000	4,618,000	5,418,000	7.4	12.1
Swedbank Robur Funds		3,998,384	3,998,384	5.5	3.9
SEB Investment Mgm		3,666,891	3,666,891	5.0	3.5
UBS AG LND IPB SEGR CL		3,440,981	3,440,981	4.7	3.3
Didner & Gerge Fonder		2,871,154	2,871,154	3.9	2.8
Skandia Funds		1,864,812	1,864,812	2.6	1.8
Afa Försäkring		1,787,543	1,787,543	2.5	1.7
Carlson Fonder AB		1,718,798	1,718,798	2.4	1.7
Other shareholders		39,824,589	39,824,589	54.5	38.3
Total	3,428,520	69,583,260	73,011,780	100.0	100.0

Based on information from Euroclear Sweden AB.



LOOMIS at a glance



Increased profitability 2010. Operating margin for 2010 increased from 7.0 to 8.0 percent, which means that the financial goal set in 2008 was achieved.



New financial and operational goals. Loomis will reach an operating margin of 10 percent no later than 2014 and grow on new and existing markets.

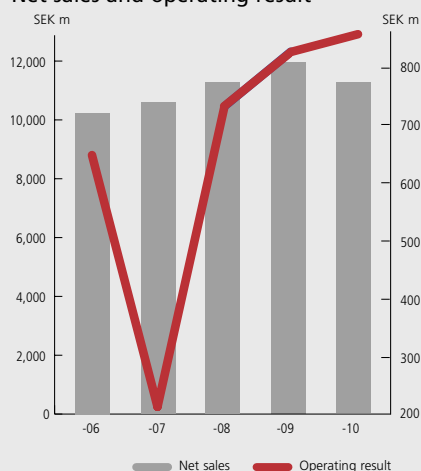
Chairman: Alf Göransson

CEO: Lars Blecko

Shares: Since 9 December 2008 the Loomis B share is traded on the NASDAQ OMX Stockholm Mid Cap list, under the LOOM B symbol.

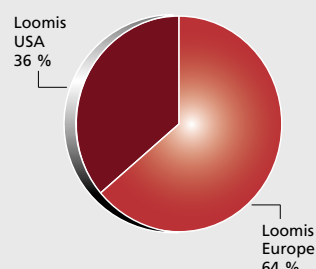
Further information:
www.loomis.com

Net sales and operating result¹⁾

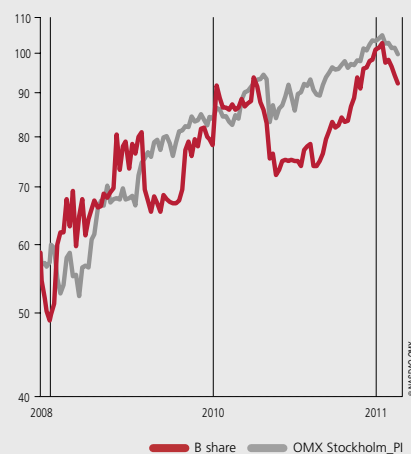


¹⁾ Not including items affecting comparability.

Allocation of net sales 2010



Loomis share price development



Key Ratios Loomis

	Full-year 2010	Full-year 2009
Net sales, SEK m	11,033	11,989
Operating result, SEK m	866	821
Operating margin, %	8.0	7.0
Result after net financial items, SEK m	759	706
Earnings per share, SEK	6.80	6.85
Equity/debt ratio, %	41.0	38.0
Dividend per share, SEK ¹⁾	3.50	2.65
Equity per share, SEK	42.77	42.85
Market cap per 31 December, SEK m	7,028	5,713

Key ratios for measurement and risk

EV/sales	0.8
EV/EBIT	10.1
P/E ratio	14.8
Net debt/EBIT	1.7

¹⁾ Proposed dividend for 2010.

Nederman

Creates more environmentally friendly industries and safe workplaces

Nederman is a world leading environmental technology company focused on clean air and a good working environment. Nederman provides a broad range of products and systems for, among other things, capturing and filtering air contaminated with harmful particles.

Nederman is a world leader in dust, smoke and exhaust extraction, as well as in hose and cable reels. The company also offers solutions for environmentally friendly and cost-effective cleaning and recycling of cutting fluids as well as profitable handling and enrichment of metal chips. Nederman's systems contribute in many ways to creating clean, efficient and safe working places around the world.

The work the company performs for its customers ranges from studies and planning to installation, start-up and service.

A global group

Nederman's products and systems are marketed via its own subsidiaries in 27 countries and through agents and distributors in some 30 other countries. The Group has about 1,500 employees. Europe is Nederman's largest market. There is a huge potential for selling equipment on new markets, primarily in India, China and Brazil, that will im-

prove the working environment and reduce environmental impact from industrial production.

Continued growth

2010 was characterised by good organic growth as well as improved profitability and a better equity/debt ratio.

In 2010 Dantherm Filtration, which primarily works with industrial air purifying, was acquired. Dantherm Filtration's product range is a good supplement to Nederman's and gives the Group a more comprehensive offer for existing and new customer groups. Nederman's operations doubled through the acquisition making the company a world leader in industrial air filtration.

Nederman's strategy for the future is to work for continued profitable growth through expansion on growth markets, increased sales of systems directly to the end customer and an increased focus on service and the after sales market. ■

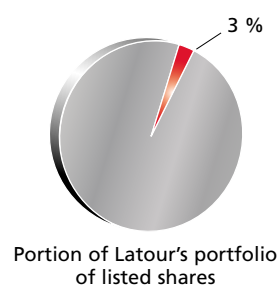
Latour's holding in Nederman per 31 December 2010

Market value, Latour's share SEK m	309
Board members connected to till Latour	Jan Svensson

Largest owners per 31 December 2010

Owner	Total	Percent of votes	Percent of votes
Investment AB Latour	3,171,000	27.1	27.1
Lannebo Micro Cap	1,310,000	11.2	11.2
Ernström Finans	1,172,000	10.0	10.0
IF Skadeförsäkringar	1,160,400	9.9	9.9
Fondita Nordic Micro Cap	400,000	3.4	3.4
Handelsbanken Funds	400,000	3.4	3.4
Swedbank Robur Småbolagsfond	350,715	3.0	3.0
United Nation Staff Pension Fund	339,605	2.9	2.9
BNP Paribas Securities	191,130	1.6	1.6
Fourth Swedish National Pension Fund	165,198	1.4	1.4
Other shareholders	3,055,292	26.1	26.1
Total	11,715,340	100.0	100.0

Based on information from Euroclear Sweden AB.



NEDERMAN at a glance



Taken a leading position. The acquisition of Dantherm Filtration doubled the size of the company and made it number one on the market for industrial air filtration.



Good growth and profit development. In 2010 Nederman had good organic growth, improved profitability and a strong operative cash flow.

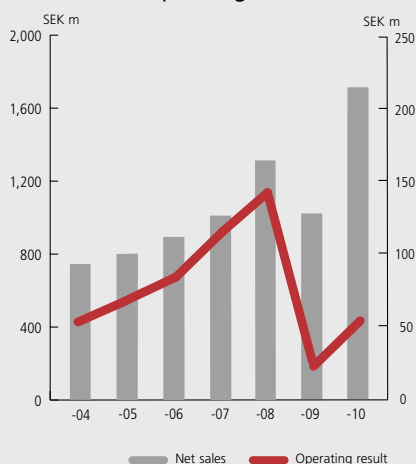
Chairman: Jan Svensson

CEO: Sven Kristensson

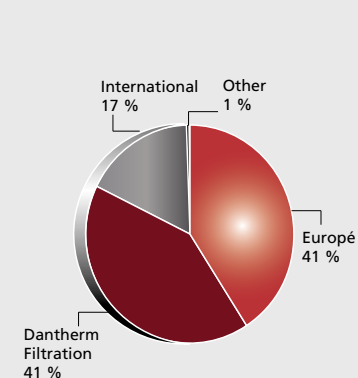
Shares: The Nederman share was listed on the NASDAQ OMX Stockholm Small Cap list on 16 May 2007. The share is traded under the NMAN symbol.

Further information:
www.nederman.com

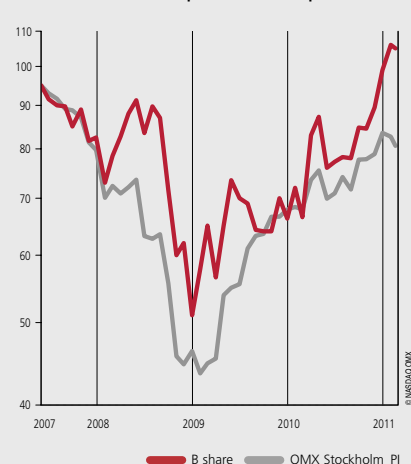
Net sales and operating result



Allocation of net sales 2010



Nederman share price development



Key Ratios Nederman

	Full-year 2010	Full-year 2009
Net sales, SEK m	1,694	1,052
Operating result, SEK m	51	23
Operating margin, %	3.0	2.2
Result after net financial items, SEK m	27	17
Earnings per share, SEK	1.80	1.25
Equity/debt ratio, %	30.1	55.1
Dividend per share, SEK	1.5	—
Equity per share, SEK	42.52	43.93
Market cap per 31 December, SEK m	1,160	776

Key ratios for measurement and risk

EV/sales	0,9
EV/EBIT	34,1
P/E ratio	54,1
Net debt/EBIT	8,7

¹⁾ Proposed dividend for 2010.



Niscayah – for customers with high demands on security

Niscayah is a world leading company in technical security solutions with focus on the customer's total security need.

Niscayah offers and integrates complete advanced technological security and surveillance solutions in 15 countries to companies and organisations with stringent demands on security. Based on thorough risk analyses Niscayah offers solutions that provide added value and minimise disruptions in customers' operations. Its security solutions give customers the ability to control their risk environment while they save time and money.

Goals and strategies

The company's long-term goal is to become a global leader in security systems. Niscayah is primarily focused on organic growth in the major markets in Europe and the USA. Nonetheless we will also make acquisitions since these markets are often fragmented.

The primary financial goals for the company are a total growth in sales of more than 10 percent annually and a return on capital employed of more than 20 percent over an entire business cycle. The strategy to reach these goals rests on three cornerstones: segment the customer offer, develop ready-made security solutions and improve the operational model.

Sales of systems and services

Niscayah's sales consist of carrying out projects that include security system integrations/installations (about 50 percent) and services and facilities related to the systems such as maintenance, surveillance, sending and receiving alarms, security centres and other customer service functions (about 50 percent). There is a strong connection between project realisation and the sales of service and maintenance and the latter is an increasingly important part of Niscayah's strategy.

Effectivity program

2010 was characterised by the continued weak market situation and a number of new prestigious assignments such as a five-year agreement with the Empire State Building in New York, USA.

In 2010 an effectivity program was implemented in order to reduce costs and raise efficiency. The program is expected to generate annual savings of about SEK 180 m with full effect in the first quarter 2011. The ongoing restructuring process will strengthen Niscayah in the long-term. ■

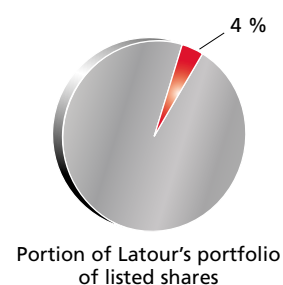
Latour's holding in Niscayah per 31 December 2010

Market value, Latour's share SEK m	385
Board members connected to Latour	Carl Douglas, Anders Böös

Largest owners per 31 December 2010

Owner	A	B	Total	Percent of shares	Percent of votes
Fam Douglas and companies	12,642,600	31,637,500	44,280,100	12.1	30.4
Melker Schörling AB	4,500,000	20,963,847	25,463,847	7.0	12.7
Swedbank Robur Funds		35,645,384	35,645,384	9.8	6.9
Didner & Gerge Funds		14,052,807	14,052,807	3.9	2.7
SEB Investment Mgm		12,061,108	12,061,108	3.3	2.3
Länsförsäkringar Funds		9,602,434	9,602,434	2.6	1.9
Fourth Swedish National Pension Fund		5,541,788	5,541,788	1.5	1.1
Apoteket AB:s Pens.		5,152,955	5,152,955	1.4	1.0
Handelsbanken Funds		4,340,989	4,340,989	1.2	0.8
Avanza Pension		4,322,987	4,322,987	1.2	0.8
Other shareholders		204,594,498	204,594,498	56.0	39.4
Total	17,142,600	347,916,297	365,058,897	100.0	100.0

Based on information from Euroclear Sweden AB.



NISCAYAH at a glance



Long-term goal to become a leading partner in security systems. Niscayah focuses primarily on growing organically on the large markets in Europe and the USA.



Prestige assignment on a weak market. 2010 was characterised by a weak market and several important deals, for instance with the Empire State Building in New York, USA.

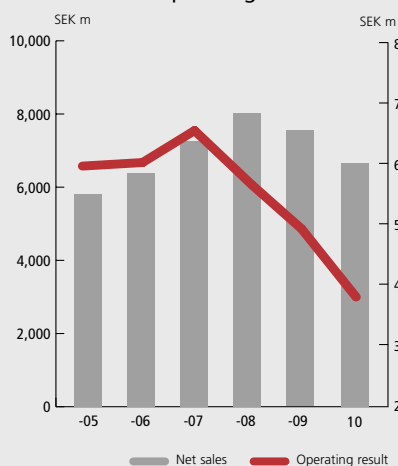
Chairman: Jorma Halonen

CEO: Håkan Kirstein.

Shares: The Niscayah share is traded on the NASDAQ OMX Stockholm Mid Cap list, under the NISC B symbol. The share was listed on the Stockholm Stock Exchange on 29 September 2006.

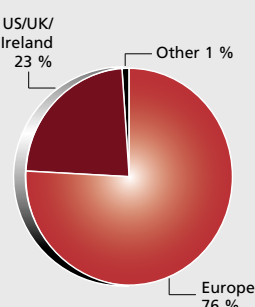
Further information:
www.niscayah.com

Net sales¹⁾ and operating result¹⁾



¹⁾ The company was hived off from Securitas in 2006. The information given for 2005 and 2006 is pro forma.

Allocation of net sales 2010



Niscayah share price development



Key Ratios Niscayah

	Full-year 2010	Full-year 2009
Net sales, SEK m	6,624	7,621
Operating result, SEK m	376	493
Operating margin, %	5.7	6.5
Result after net financial items, SEK m	372	460
Earnings per share, SEK	0.33	0.87
Equity/debt ratio, %	32.0	34.0
Dividend per share, SEK ¹⁾	0.30	0.30
Equity per share, SEK	4.85	5.63
Market cap per 31 December, SEK m	4,801	5,421

Key ratios for measurement and risk

EV/sales	0.8
EV/EBIT	12.2
P/E ratio	42.0
Net debt/EBIT	5.7

¹⁾ Proposed dividend for 2010.



Securitas – a knowledge leader in security

Securitas' business is all about security. Securitas focuses on security solutions that are suited to customers' individual needs in 45 countries in North America, Europe, Latin America, Asia, the Middle East and Africa.

Securitas' core business is security services and the primary business lines are specialised guarding, mobile services, monitoring services and consulting and security investigations.

Securitas has a market share of around 11 percent in the global contracted security market. Securitas is a leader in many of the markets in which it is active. In the past few years the company has increased its presence in growth regions that are expected to grow rapidly.

At the end of 2010 Securitas had about 280,000 employees.

Customers in a great number of industries

Securitas has a number of customers in many different industries and segments, among them authorities, airports, transport companies, offices, banks, shopping centres, hotels, manufacturing industries, mines, hospitals, housing estates and advanced technology IT companies.

Driving forces for continued good growth on the market

Long-term global trends, such as industrialisation, improved welfare and infrastructure, increased trading and privatisation are driving forces in the growth of surveillance services. In addition there are currently three driving forces which are particularly interesting: increased demand for customised services, greater interest regarding security issues for senior officers as well as broader use of technology.

Result improvement continued

The security market recovered slowly but surely in 2010. Securitas' strategy of focusing on profitability and specialisation has been successful for quite some time and in different stages of the economy. This was true in 2010 too when the operating margin continued to improve. In 2010 several acquisitions were made on both new and mature markets and the prospects for new acquisitions in the future are considered to be good as well. ■

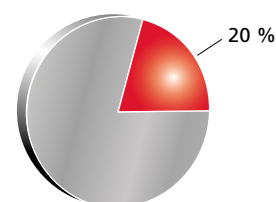
Latour's holding in Securitas per 31 December 2010

Market value, Latour's share SEK m	2,131
Board members connected to Latour	Carl Douglas, Fredrik Palmstierna

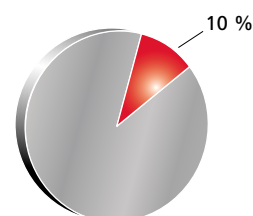
Largest owners per 31 December 2010

Owner	A	B	Total	Percent of shares	Percent of voted
Douglas Family with companies	12,642,600	29,470,000	42,112,600	11.5	30.0
Schörling Family with companies	4,500,000	16,008,700	20,508,700	5.6	11.8
Didner & Gerge Funds		15,872,295	15,872,295	4.4	3.1
Swedbank Robur Funds		14,501,803	14,501,803	4.0	2.8
Lannebo Funds		13,234,000	13,234,000	3.6	2.5
SEB Investment Mgm		11,034,379	11,034,379	3.0	2.1
HQ Funds		9,183,500	9,183,500	2.5	1.8
AMF - Försäkring & Fonder		8,266,172	8,266,172	2.3	1.6
Handelsbanken Funds		8,256,534	8,256,534	2.3	1.6
CACEIS/Crédit Agricole CIB		8,000,000	8,000,000	2.2	1.5
Other shareholders	214,088,914		214,088,914	58.6	41.2
Total	17,142,600	347,916,297	365,058,897	100.0	100.0

Based on information from Euroclear Sweden AB.



Portion of Latour's portfolio of listed shares



Portion of Latour's net asset value

SECURITAS at a glance



Several acquisitions. In 2010 15 major acquisitions with total annual sales of about SEK 4.1 billion and 19,500 employees were made.



Continued international expansion. Thanks to acquisitions and new operation start-ups Securitas was represented in 45 countries at the end of 2010.

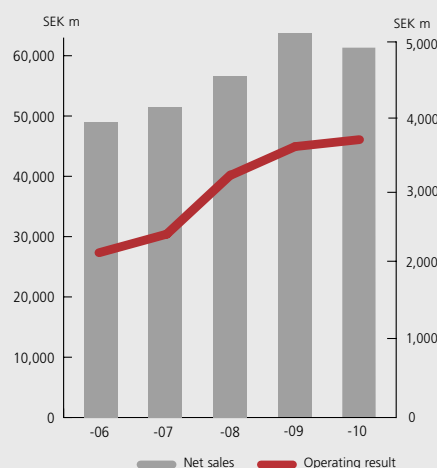
Chairman: Melker Schörling

CEO: Alf Göransson

Shares: The Securitas share is traded on the NASDAQ OMX Stockholm Large Cap list under the SECU B symbol. The share was listed on the Stockholm Stock Exchange in December 1991.

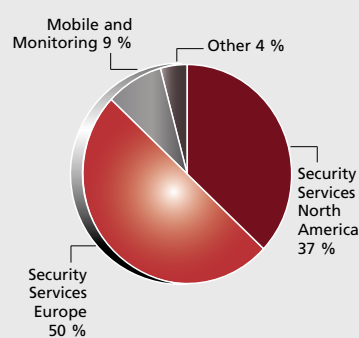
Further information:
www.securitas.com

Net sales¹⁾ and operating result¹⁾



¹⁾ Refers to remaining operations.

Allocation of net sales 2010



Securitas share price development



Key Ratios Securitas

	Full-year 2010	Full-year 2009
Net sales, SEK	61,340	62,667
Operating result, SEK m	3,724	3,756
Operating margin, %	6.1	6.0
Result after net financial items, SEK m	2,968	3,022
Earnings per share, SEK	5.71	5.80
Equity/debt ratio, %	27.0	27.0
Dividend per share, SEK ¹⁾	3.00	3.00
Equity per share, SEK	24.49	24.16
Market cap per 31 December, SEK	27,364	24,372

Key ratios for measurement and risk

EV/sales	0.6
EV/EBIT	10.6
P/E ratio	13.8
Net debt/EBIT	2.4

¹⁾ Proposed dividend for 2010.



Contributes to sustainable development in society

Sweco offers qualified expertise in technology, the environment and architecture. With 5,400 employees the Group is one of the major players in Europe and the market leader in the Nordic region, the Baltic countries, the Czech Republic and northwest Russia in several fields.

Sweco is an international technical consultant company with engineers, architects and environmental experts who work together to contribute to the development of a sustainable society.

Sweco offers qualified consulting services with high knowledge content, often at an early stage in a customer's project. Sweco's project exports are extensive and it works with assignments all over the world.

Sweco's operational areas

Sweco offers qualified consulting services in nine different operational areas: Architecture, Construction, Energy systems, Geographic IT, Industry, Infrastructure, Installation, Project management as well as Water and environment.

Operations are run in six business areas: Sweco Sweden, Sweco Norway, Sweco Finland, Sweco Central & Eastern Europe, Sweco Russia and Sweco Industry.

International presence

Sweco has its own companies in eleven countries and extensive project exports. Each year the company handles some 30,000 commissions for around 10,000 customers in 80 countries all over the world. Customers are active in a great number of market segments including manufacturing, processing, environment, energy, construction, property and transportation.

Strong financial position on an improved market

2010 was characterised by a recovery on Sweco's markets. Sweco's ambition is to grow with profitability by strengthening market positions in the Nordic region as well as in Central and Eastern Europe. The company has a strong financial position, leading market positions in many important growth regions and a broad product range, which is a good basis for long-term, stable development. ■

Latour's holding in Sweco per 31 December 2010

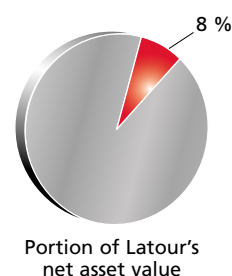
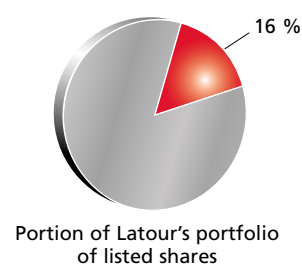
Market value, Latour's share SEK m	1,682
Board members connected to Latour	No representative elected

Largest owners per 31 December 2010¹⁾

Owner	A	B	Total	Percent of shares	Percent of votes
G Nordström Family and comp.	5,155,945	8,203,850	13,359,795	14.6	34.0
Investment AB Latour	1,222,760	27,775,000	28,997,760	31.7	22.7
Stiftelsen J. Gust. Richerts minne	1,769,420	40,025	1,809,445	2.0	10.1
Kdtc		5,282,925	5,282,925	5.8	3.0
SSB CL OMNIBUS		4,713,558	4,713,558	5.2	2.7
Swedbank Robur Funds		3,333,384	3,333,384	3.6	1.9
Öhman, Anders	245,500	434,500	680,000	0.7	1.6
Lannebo Funds		2,440,200	2,440,200	2.7	1.4
Kurt O Eriksson Family	147,207	795,883	943,090	1.0	1.3
Helge Ax:son Johnsons Stiftelse		1,562,990	1,562,990	1.7	0.9
Other shareholders	848,243	27,545,457	28,393,700	31.0	20.5
Total	9,389,075	82,127,772	91,516,847	100.0	100.0

Based on information from Euroclear Sweden AB.

¹⁾ Not including 559,073 B shares and 2,500,000 C shares held by the company.



SWECO at a glance



Growth strategy remains unchanged. Sweco's good financial position, leading market positions and broad service create good prerequisites for growth.



Strengthened position. In 2010 Sweco's positions were strengthened in Central and Eastern Europe through acquisitions such as the Polish Hydroprojekt Kraków and Transprojekt Kraków.

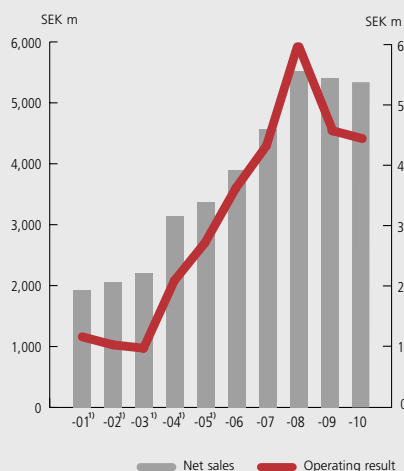
Chairman: Olle Nordström

President and CEO: Mats Wäppling

Shares: The Sweco A and B shares are traded on the NASDAQ OMX Stockholm Mid Cap list under the symbol SWEC A and SWEC B. The company was listed on the Stockholm Stock Exchange on 21 September 1998.

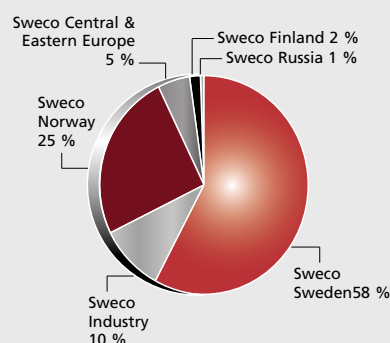
Further information:
www.swecogroup.com

Net sales and operating result



¹⁾ The accounting principles used in the years prior to 2004 are those valid for that period and not IFRSs.

Allocation of net sales 2010



Sweco share price development



Key Ratios Sweco

	Full-year 2010	Full-year 2009
Net sales, SEK m	5,272	5,339
Operating result, SEK m	433	444
Operating margin, %	8.2	8.3
Result after net financial items, SEK m	424	444
Earnings per share, SEK	3.31	3.31
Equity/debt ratio, %	47.8	50.6
Dividend per share, SEK	3.00	2.00
Equity per share, SEK	15.61	17.82
Market cap per 31 December, SEK m	5,394	4,945

Key ratios for measurement and risk

EV/sales	1.0
EV/EBIT	11.7
P/E ratio	17.7
Net debt/EBIT	n. a.

¹⁾ Proposed dividend for 2010.

Other holdings

In 2007 Latour made its first investment in Oxeon, a young research-based company with its own products and good potential for international growth. In 2010 Oxeon was awarded the Supergasell 2010, an award for the fastest growing Swedish company, because it grew 3,092 percent in three years.

Oxeon in Borås, Sweden, manufactures and markets a reinforced fabric that consists of carbon fibre tows instead of threads. The company, founded in 2002, has four patents in this field.

Oxeon's reinforced fabric is marketed under the brand TeXtreme® and is offered to the composite industry and customers that want to reduce the weight of their products. Composite manufacturers that use TeXtreme® have been able to reduce weight by up to 25-30 percent and still maintain or increase mechanical performance.

Sales are almost exclusively exports. Oxeon's reinforced fabric is used by customers such as Formula 1 car-makers, Bauer, a manufacturer of hockey sticks, and Fanatic, a manufacturer of windsurfing boards.

Greater production capacity

Oxeon was awarded the Supergasell 2010 in the newspaper Dagens Industri's competition for the fastest growing



Volvo Polestar won the team masters in STCC 2010 in a car with TeXtreme® in parts of the body. Photo: Volvo Cars.

company in Sweden. Oxeon won thanks to its 3,092 percent growth in three years, net sales of SEK 24.5 m and result before tax of SEK 5.3 m.

In order to meet growing demand Oxeon invested in greater production capacity in the autumn of 2010 and beginning of 2011. Oxeon's ambition is to become a leader in reinforced fabrics with carbon fibre tows in the composite material industry. At the beginning of 2011 the company opened an office in the US in order to be closer to customers in North America.

Latour made its first investment in Oxeon in 2007. In 2010 ownership was expanded to 31.6 percent of capital and votes.

A summary of Latour's other assets

Latour's other assets, amounting to SEK 77 m, are displayed in the net asset value table on page 9. These assets consist of (SEK m):

Oxeon (31.6 % of capital and votes)	29
Current trading portfolio	21
Other current shareholdings	21
Other	6
Total other assets	77

The current trading portfolio and other shareholdings primarily consist of listed holdings and are owned by the wholly owned subsidiary Karpalunds Ångbryggeri AB. ■



Oxeon's reinforced fabric reduces weight and increases performance in windsurfing boards. Photo: Fanatic, John Carter.

The Annual Report 2010

The board of directors and chief executive officer of Investment Limited Company Latour (publ) herewith present the Annual Report and the consolidated annual accounts for 2010.

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Board of directors' report

GROUP

Investment AB Latour is a mixed investment company. Latour's investments consist of wholly owned industrial and trading operations and an investment portfolio containing eight portfolio holdings in which Latour is the major owner or one of the major owners. Starting in 2010 the industrial and trading operations are organised in four business areas. The investment portfolio was valued at SEK 10.8 billion on 31 December 2010. The largest holdings in terms of worth are Assa Abloy, Securitas and Sweco, which together account for 81 percent of the investment portfolio value.

Group operations are run by Latour's subsidiary Nordiska Industri AB and Latour-Gruppen AB. Trading with shares and securities is handled by another subsidiary, Karpalunds Ångbryggeri AB.

Changes in the industrial and trading operations

Latour's ambition is for the industrial and trading operations to grow by 10 percent annually over a business cycle, through a combination of organic growth and acquisitions. Our ambition is to own stable industrial companies with their own products and good prerequisites for internationalisation. Seven acquisitions were made in the industrial and trading operations in 2010. Furthermore one company was sold.

At the beginning of October the Swegon business area acquired all shares in the Italian chiller manufacturer Blue Box. The company, with net sales of EUR 52 m in 2010, exports its products to over 30 countries around the world. Blue Box supplements both Swegon's market position and its product range. Blue Box' products will be integrated in Swegon's energy efficient comprehensive solutions in the future.

In September the Latour Industries business area acquired all shares in REAC, registered in Åmål. The company develops, manufactures and sells electrical actuators and lifts. The company had net sales of SEK 94 m in 2010. In October the business area acquired all shares in Kontikab, a manufacturer of machinery for automated leak control, with annual net sales of SEK 25 m.

In December Latour Industries acquired all shares in LSAB. LSAB, registered in Långshyttan, has 150 employees and annual net sales of SEK 150 m. The company sells, manufactures and services tools for wood and metal cutting in Sweden, Finland, Estonia, Latvia and Russia. In December the business area acquired the remaining 51 percent of shares in Pressmaster. Pressmaster, registered in Älvdalen, develops, manufactures and sells professional

hand tools for the international electrical and electronics market and has annual net sales of SEK 90 m. The customers are primarily leading manufacturers of electrical and electronic switches, hand tool manufacturers and major industrial distributors. The main markets are the USA, Germany, Great Britain, France, Japan, Italy and the Nordic region.

At the beginning of the year the Specma Group business area acquired all shares in Samwon Tech (Europe) Ltd that services international OEM customers with Great Britain as its main market. The company has annual net sales of SEK 40 m. The business area also made a smaller acquisition in Denmark, Komponenthuset A/S, which supplements the business area in the after sales division based in the Nordic area.

At the beginning of 2010 the Latour Industries business area divested Specma Automation, an automation operation with annual net sales of about SEK 40 m. At the end of the year the same business area divested Maskincentrum AB with annual net sales of SEK 26 m.

Further information concerning acquisitions and divestitures of companies is found in notes 43 and 44.

Changes in the investment portfolio

The value of the investment portfolio, adjusted for dividends, increased in 2010 by 30.3 percent while the comparable index (SIXRX) increased by 26.7 percent. During the year the entire holdings in Elanders and Munters were divested. 268,421 shares in HMS were acquired, after which ownership increased to 16.6 percent.

Divestiture of the share in Munters was a result of accepting Nordic Capital's public bid. The sales generated SEK 843 m and capital gains were SEK 213 m. In addition SEK 111 m was received in dividends and redemption while the company was still owned by Latour. The divestiture of Elanders was the result of a strategic choice. The divestiture generated capital losses of SEK 347 m.

Events after the financial year-end

The Latour Industries business area acquired Sigma-3 S.r.l. The company is registered in Turin and is an independent retailer of Nord-Lock's products in Italy.

In the first quarter 2011 the Specma Group business area signed a contract to sell Autotube AB.

Net sales and profit

Net result for the Group after financial items amounted to SEK 872 m (664). Profit after tax was SEK 702 m (552), corresponding to SEK 5.37 (4.21) per share.

The Group's cash in hand and liquid investments amounted to SEK 573 m (564). Interest-bearing debt, excluding pension liabilities, totalled SEK 759 m (1,176). Group net borrowings, including pension liabilities, totalled SEK 285 m. The equity ratio was 83 (81) percent calculated on booked equity in relation to total assets. Including surplus values in the associated companies the equity ratio was 85 (82) percent.

There were no transactions with related parties that had a material effect on Group result and position.

Investments

Investments in tangible assets during the year totalled SEK 341 m (171), of which SEK 171 m (121) were machinery, SEK 22 m (12) vehicles and SEK 148 m (38) buildings. Of the investments made during the year SEK 215 m (10) referred to fixed assets in newly acquired companies.

Parent company

The parent company's result after financial posts amounted to SEK 354 m (380). The parent company equity ratio was 100 (98) percent.

The Latour share

On 31 December 2010 the total number of outstanding shares amounted to 131,000,000, excluding bought back shares. No shares were bought back in 2009. Latour already owns 460,000 bought back B shares. Call options to senior officers have been issued on 230,000 of the bought back shares. 115,000 of these call options were issued in the second quarter 2010 after a decision taken at the Annual General Meeting 11 May 2010. In June 2010 4,050,877 A shares were converted to B shares. In December 2010 a further 561,893 A shares were converted. At present the allocation of issued shares is 12,084,160 A shares and 119,375,840 B shares. Further information concerning the share can be found on pages 10 and 11 and in note 34.

Personnel

The average number of employees in the Group was 3,057 (3,084), of which 1,060 (1,014) were employed abroad. Information concerning wages and remuneration as well as the allocation of the number of employees is given in note 9.

Currency exposure

The subsidiaries' sales and purchases in foreign currencies are balanced through the Group's joint financial function.

On the balance sheet date sales covered by forward exchange contracts totalled SEK 648 m. Currency hedging amounted to SEK 214 m, not including hedging through currency clauses in major import deals. There is a relatively good balance between purchases and sales in foreign currency, with the exception of net sales in Norwegian crowns and net purchases in US dollars.

Risks in industrial and trading operations

As an owner of diversified industrial and trading operations and an investment portfolio with eight holdings, Latour automatically has a relatively good diversification of risks. Our customers are found in a number of industries, with a certain preponderance by the construction industry. In the construction industry sales are well distributed between new construction and repairs and maintenance. Moreover, there is a relative balance between commercial premises, public premises and housing. The board annually assesses and evaluates Latour's risk exposure via a structured risk analysis.

Financial risks

Information concerning Group financial instruments and risk exposure can be found on pages 84 to 86.

Board work

The Latour board consists of seven members, including the chief executive officer. There are no deputies. All members are elected for a one-year term. Except for the chief executive officer no members have a position or assignment in the Group. The secretary of the board is the chief financial officer of the Group. Fredrik Palmstierna was elected chairman of the board by the Annual General Meeting 2010. The members of the board represent 87.6 percent of the voting shares in the company and 78.8 percent of the share capital. Employees are represented in the subsidiary Latour -Gruppen AB, which is the parent company of the wholly owned companies in the industrial and trading operations. They are therefore not represented in the investment company's board.

The board annually adopts a work program that regulates board meetings, matters that must be put before the board at these meetings, the division of responsibility between the board and the chief executive officer as well as certain other matters. Instructions to the chief executive officer stipulate his duties and reporting responsibilities to the board.

The board has had four meetings during the year, not including the constitutional board meeting and two ad-

ditional board meetings. Two of the board members were unable to attend two respectively three meetings, other than that the board was complete.

The company's auditors attended two board meetings and provided reports and observations from the audits performed.

Among the matters dealt with by the board are strategic changes in portfolio investments, acquisitions and divestitures of subsidiaries, the company's risk exposure, budgets and forecasts for the subsidiaries as well as financial follow-up of operations.

The chairman of the board has also made sure that during the year an evaluation of the board's work was carried out and that all board members have expressed their views.

The Corporate Governance Report can be found on page 93.

Guidelines for remuneration to senior officers

The following guidelines were adopted at the Annual General Meeting 2010:

Remuneration to the chief executive officer and other senior officers consists of wages, variable remuneration and pension. Other senior officers are Group management and business area managers. The variable remuneration is based on targeted goals and amounts to between 0-100 percent of basic wages. In order to promote a long range perspective the board may, in addition to the annual variable remuneration, decide on compensation connected to the business area's long-term value development over a period of three years. The retirement age for the chief executive officer is 62, after which pension makes up 60 percent of basic wages for three years. The retirement age for all other senior officers is 65. The board may further allow a supplemental remuneration to company management in the form of share-related incentive programs (e.g. a call option program) under the condition that they benefit long-term engagement in the business area and that it is based on market terms.

The board's proposed guidelines for the period up to

the next Annual General Meeting will be presented in the summons to the Annual General Meeting 2011.

Environmental impact

The Latour Group runs operations required to have permits according to the Environmental Act in two of the Group's subsidiaries. The companies obliged to seek permits and submit reports are active in production in the engineering industry. Environmental impact is through emissions into the atmosphere and discharge into municipal purification plants. All affected companies have the permits necessary for their operations and have fulfilled all requirements for their operations.

Proposed dividends and profit distribution

The board of directors proposes that the Annual General Meeting resolves to pay a dividend of SEK 3.75 (2.75) per share. The total proposed dividends amount to SEK 491 m.

The board of directors proposed disposition of profits is presented in its entirety on page 59.

PROSPECTS FOR 2011

The drastic downturn in the economy that hit the entire industry in 2009 has led to extensive measures in our organisations. These measures left us well prepared for the increase in demand that took place in 2010.

The work to develop the industrial and trading operations into larger, more international operations is still highly prioritised. Measures to grow organically are important but we continuously evaluate acquisitions, both in Sweden and Europe. Although acquisition activity was high in 2010, our financial stability allows us to make further acquisitions.

Just like the wholly owned operations, Latour's listed holdings have generally weathered the downturn well. Our long-term perspective on developments in the investment portfolio remains positive.

No forecast is given for 2011. ■

Proposed disposition of profits

The board is of the opinion that the proposed dividend is justifiable with regard to the demands that operations impose on the size of equity taking into consideration the scope and risks of the business and with regard to the company's and Group's financial strength, liquidity and overall position.

Of parent company equity on the balance date SEK 5,974 m stemmed from assets and liabilities valued at fair value according to Chapter 4, paragraph 14a of the Annual Accounts Act.

Group equity includes changes in value amounting to the net sum of SEK 5,941 m.

The following profits in the parent company are at the disposal of the Annual General Meeting:

Retained profits	SEK 3,334.8 m
Result for the year	<u>SEK 353.6 m</u>
	SEK 3,688.4 m

The number of shares entitling the holder to receive dividends totalled 131,000,000 on 16 March 2011, which does not include bought-back shares. The board proposes that the profits be disposed of in the following manner:

To shareholders, a dividend of SEK 3.75 per share	SEK 491.2 m
which totals	<u>SEK 3,197.2 m</u>
To be carried forward	SEK 3,688.4 m

The income statement and balance sheet will be presented to the Annual General Meeting on 2011-05-12 for adoption. The board of directors and the chief executive officer hereby certify that the consolidated financial reports have been prepared according to International Financial Reporting Standards (IFRSs), as adopted by the EU, and that they give a true and fair view of the Group's financial position and result. The Annual Report has been prepared according to generally accepted accounting principles and gives a true and fair view of the parent company's financial position and result. The board of directors' Report for the Group and the parent company gives a true and fair view of the development of Group and parent company operations, financial positions and result and describes significant risks and uncertainties that the parent company and the companies within the Group face.

Gothenburg 16 March 2011



Fredrik Palmstierna
Chairman



Anders Böös
Member



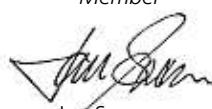
Carl Douglas
Member



Elisabeth Douglas
Member



Eric Douglas
Member



Jan Svensson
Member/CEO



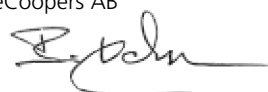
Caroline af Ugglas
Member

Our Independent Accountants' Report was given 16 March 2011

Öhrlings PricewaterhouseCoopers AB



Helén Olsson Svärdröm
Authorised Public Accountant
Principle auditor



Bo Karlsson
Authorised Public Accountant

Latour's development simplified

In a large Group with many different operations a consolidated income statement made according to IFRS can be difficult to understand. The income statement does not only contain the underlying result, it is also affected by revaluation items in the balance sheet. The information on this page gives a better overview and understanding of the result in the underlying operations in the Latour Group and how this result is connected to the proposed dividend to the shareholders after the financial year. (All sums are in SEK m if not otherwise stated.)

Underlying operating result in the industrial and trading operations

	Net sales		Operating result	
	2010 12 mon	2009 12 mon	2010 12 mon	2009 12 mon
Hultafors Group	1,134	1,052	143	115
Latour Industries	1,297	1,196	172	63
Specma Group	1,415	1,045	51	-64
Sweqon	2,153	2,081	208	226
Eliminations	-8	-13	-	-
	5,991	5,361	574	340
Capital gains from company divestitures	-	-	2	-61
Other companies & items	-	79	44	17
	5,991	5,440	620	296

Financial structure and its cost

	2010	2009
Recorded net debt	285	695
Total credit facilities	3,300	3,411
	2010	2009
Recorded net financial items	-54	-63

The recorded net financial items correspond in essence to the cost for outstanding loans and granted long-term credit facilities.

Tax costs for the result for the year

	2010	2009
Recorded tax cost	-170	-112

Net result from underlying operations

	2010	2009
Total of underlying operating result, net financial items and tax	396	121

	Spring 2011	Spring 2010
Dividends from this result	170	80
Percent of underlying result	43%	66%

Dividend flow from Latour's securities

	Spring 2011	Spring 2010
Dividends received	321	280

Effect of Latour's proposed dividends

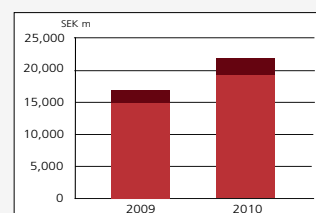
	Spring 2011	Spring 2010
100 percent of this result is distributed	321	280

Dividends received are exempt from tax if they are distributed to Latour's shareholders.

Latour's net asset value

At the same time Latour's underlying result developed as described above the estimated net asset value grew by 29 percent to between SEK 19.2 and 21.8 billion. See chart to the right.

Development of net asset value 2009-2010



Consolidated income statement

SEK m	Note	2010	2009
Net sales	3,4	5,991	5,440
Cost of goods sold		-3,920	-3,677
Gross profit		2,071	1,763
Sales costs		-1,071	-1,088
Administrative costs		-363	-343
Research and development costs		-106	-80
Other operating income	12	101	60
Other operating costs	12	-12	-16
Operating result	5-11	620	296
Result from participation in associated companies	13	228	242
Result from portfolio management	14	78	189
Profit before financial items		926	727
Financial income	15	27	6
Financial costs	16	-81	-69
Profit after financial items		872	664
Taxes	17	-170	-112
Result for the year		702	552
<i>Attributable to:</i>			
Parent company shareholders		703	552
Non-controlling interests		-1	0
Earnings per share regarding profit attributable to parent company shareholders	34		
Before dilution		5.37 SEK	4.21 SEK
After dilution		5.36 SEK	4.21 SEK
STATEMENTS OF THE COMPREHENSIVE INCOME			
SEK m		2010	2009
Result for the year		702	552
Other total comprehensive income, net after tax			
Change in translation reserve for the year		-108	-20
Change in the fair value reserve for the year		2,179	2,005
Change in the hedging reserve for the year		23	20
Change in associated companies' equity		-111	2
Other		-2	-7
Other total comprehensive income, net after tax		1,981	2,000
Comprehensive income for the year		2,683	2,552
<i>Attributable to:</i>			
Parent company shareholders		2,684	2,552
Non-controlling interests		-1	0

Consolidated balance sheet

SEK m	Note	2010	2009
ASSETS			
Fixed assets			
<i>Intangible assets</i>	18	1,439	1,020
<i>Tangible assets</i>			
Buildings	19	387	272
Land and land improvements	20	29	29
Machinery	21	277	235
Equipment	22	145	141
Construction in progress and advance payments	23	9	14
<i>Financial assets</i>			
Participation in associated companies	25	1,179	1,167
Listed shares	26	8,138	6,960
Other securities held as fixed assets	27	1	7
Deferred prepaid tax	36	37	27
Other long-term receivables	28	66	67
		11,707	9,939
Current assets			
<i>Inventories etc.</i>	29		
Raw materials and consumables		266	183
Work in progress		83	54
Finished products and goods for resale		634	611
Advance payments to suppliers		5	8
<i>Listed shares, trade</i>	30	43	45
<i>Current receivables</i>			
Accounts receivables	31	1,211	817
Prepaid tax		49	25
Derivative instruments		27	–
Other current receivables		55	43
Prepaid expenses and accrued income		55	54
<i>Cash</i>	32	573	564
		3,001	2,404
Total assets		14,708	12,343

Consolidated balance sheet

SEK m	Note	2010	2009
EQUITY			
<i>Capital and reserves attributable to parent company shareholders</i>	34		
Share capital		110	110
Share buyback		-29	-29
Reserves		5,941	3,847
Profit brought forward		6,258	6,027
		12,280	9,955
<i>Non-controlling interests</i>		0	1
Total equity		12,280	9,956
LIABILITIES			
<i>Long-term liabilities</i>			
Pension obligations	35	159	144
Deferred tax liability	36	99	94
Other provisions	37	32	20
Interest-bearing liabilities	38	178	56
		468	314
<i>Current liabilities</i>			
Bank overdraft facilities	39	41	1
Liabilities to credit institutions	33	534	1,119
Advance payments from customers		39	20
Accounts payable		680	405
Tax liabilities		102	54
Other provisions	37	8	11
Derivative instruments	33	-	11
Other liabilities		140	95
Accrued expenses and deferred income	40	416	357
		1,960	2,073
Total liabilities		2,428	2,387
Total equity and liabilities		14,708	12,343
Pledged assets	41	16	26
Contingent liabilities	42	16	55

Consolidated cash flow statement

SEK m	Note	2010	2009
Operating result		620	296
Depreciation		157	177
Capital gains		-17	24
Other adjustments for items not included in cash flow		-38	-17
Paid tax		-144	-60
Cash flow from current operations before changes in operating capital		578	420
<i>Change in operating capital</i>			
Inventories		-64	283
Accounts receivable		-212	250
Current receivables		57	60
Current liabilities		126	-309
		-93	284
Cash flow from current operations		485	704
<i>Investments</i>			
Acquisition of subsidiaries	43	-437	-28
Sales of subsidiaries	44	7	0
Acquisition of fixed assets		-106	-164
Sale of fixed assets		14	45
Cash flow from investments		-522	-147
<i>Portfolio management</i>			
Dividends received		284	297
Administration costs etc.		-10	-12
Change in operating capital		3	0
Acquisition of listed shares etc.		-162	-40
Acquisition of shares in associated companies		-25	-12
Sale of listed shares		1,039	236
Sale of shares in associated companies		79	92
Cash flow from portfolio management		1,208	561
Cash flow after investments and portfolio management		1,171	1,118
<i>Financial payments</i>			
Interest received		27	6
Interest paid		-81	-56
Net change in borrowings		-721	-282
Dividends paid		-360	-491
Issued call options		1	1
Cash flow from financial payments		-1,134	-822
Change in cash		37	296
Cash at the beginning of the year		564	264
Translation difference in cash		-28	4
Cash at the end of the year	32	573	564

Change in consolidated equity

	Note	Attributable to parent company shareholders				Non-controlling interests	Total
		Share capital	Shares bought back	Reserves	Profit brought forward		
Closing equity 2008-12-31		110	-29	1,842	5,970	1	7,894
Opening equity 2009-01-01	34	110	-29	1,842	5,970	1	7,894
Total comprehensive income				2,005	547		2,552
Issued call options					1		1
Dividends					-491		-491
Closing equity 2009-12-31	34	110	-29	3,847	6,027	1	9,956
Opening balance 2010-01-01	34	110	-29	3,847	6,027	1	9,956
Total comprehensive income				2,094	590	-1	2,683
Issued call options					1		1
Dividends					-360		-360
Closing equity 2010-12-31	34	110	-29	5,941	6,258	0	12,280

Change in consolidated interest-bearing net debt

SEK m	2010-01-01	Change in cash	Change in borrowing	Other changes	2010-12-31
Receivables	61		-1		60
Cash	564	37		-28	573
Pension obligations	-144			-15	-159
Long-term liabilities	-56		-122		-178
Bank overdraft facility used	-1			-40	-41
Current liabilities	-1,119		579		-540
Interest-bearing net debt	-695	37	456	-83	-285

Parent company income statement

SEK m	Note	2010	2009
Result from participation in Group companies		100	–
Result from participation in associated companies		111	131
Result from portfolio management	14	145	257
Profit before financial items		356	388
Interest income and similar profit items	15	0	0
Interest costs and similar loss items	16	–2	–8
Profit after financial items		354	380
Taxes	17	–	–
Result for the year		354	380

Statement of the comprehensive income – Parent company

SEK m	Note	2010	2009
Result for the year		354	380
Change in the fair value reserve for the year		2,179	2,005
Total other comprehensive income		2,179	2,005
Comprehensive result for the year		2,533	2,385

Parent company balance sheet

SEK m	Note	2010	2009
ASSETS			
Fixed assets			
<i>Financial assets</i>			
Participation in subsidiaries	24	241	241
Participation in associated companies	25	719	660
Listed shares	26	8,138	6,960
Receivables from Group companies		774	–
		9,872	7,861
Current assets			
<i>Current receivables</i>			
Other current receivables		0	0
Prepaid expenses and accrued income		0	0
Cash	32	6	6
		6	6
Total assets		9,878	7,867
EQUITY AND LIABILITIES			
Equity	34		
<i>Restricted equity</i>			
Share capital		110	110
Other funds		6,070	3,891
<i>Non-restricted equity</i>			
Profit brought forward		3,335	3,314
Result for the year		354	380
		9,869	7,695
<i>Provisions</i>			
Pension obligations		1	1
		1	1
<i>Long-term liabilities</i>			
Debts to Group companies		–	166
Other non-interest-bearing liabilities		5	5
		5	171
<i>Current liabilities</i>			
Other liabilities		3	–
		3	0
Total equity and liabilities		9,878	7,867
<i>Pledged assets</i>			
Pledged assets		–	–
Contingent liabilities	42	1,837	1,431

Parent company cash flow statement

SEK m	Note	2010	2009
Paid tax		–	–
Current receivables		–	–1
Current liabilities		3	–
Cash flow from current operations		3	–1
<i>Portfolio management</i>			
Dividends received		280	292
Administrative costs etc.		–2	–5
Acquisition of listed shares etc.		–32	–14
Sale of listed shares		952	170
Cash flow from portfolio management		1,198	443
Cash flow after investments and portfolio management		1,201	442
<i>Financial payments</i>			
Interest received		0	0
Interest paid		–2	–8
Net change in borrowings		–840	57
Dividends paid		–360	–491
Issued call options		1	–
Cash flow from financial payments		–1,201	–442
Change in cash		0	0
Cash at the beginning of the year		6	6
Cash at year-end	32	6	6

Change in parent company equity

SEK m	Share capital	Other funds		Profit brought forward	Total
		Reserve fund	Fund for fair value		
Opening balance 2009-01-01	110	96	1,790	3,804	5,800
Total comprehensive result for the period			2,005	380	2,385
Dividends paid				–491	–491
Issued call options				1	1
Closing balance 2009-12-31	110	96	3,795	3,694	7,695
Total comprehensive result for the period			2,179	354	2,533
Dividends paid				–360	–360
Issued call options				1	1
Closing balance 2010-12-31	110	96	5,974	3,689	9,869

Notes to the financial statements

(All amounts are in SEK m unless stated otherwise)

Note 1 General information

Investment AB Latour (publ), corporate registration number 556026-3237, is a mixed investment company with a wholly owned industrial and trading business and an investment portfolio, which consists of eight significant holdings.

The parent company is a limited company registered in Gothenburg. The headquarters address is J A Wettergrens gata 7, Box 336, 401 25 Gothenburg, Sweden. The parent company is listed on the OMX Nordic Exchange Large Cap list.

The board of directors and the chief executive officer have approved these consolidated accounts for publication on 16 March 2011. The Annual Report and consolidated annual accounts will be presented to the Annual General Meeting on 12 May 2011 for adoption.

Note 2 Accounting principles

Basis of preparation of the consolidated financial reports

The consolidated accounts for Investment AB Latour have been prepared in accordance with the International Financial Reporting Standards (IFRSs) published by the International Accounting Standard Board (IASB) as well as the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) which have been approved by the EC Commission for use in the EU. In addition, the Group has followed the Accounting Act and RFR 1 Supplemental accounting regulations for Groups have been applied.

The consolidated accounts have been prepared according to the acquisition method except for revaluations of available-for-sale financial assets as well as financial assets and liabilities (including derivative instruments) valued at fair value via profit or loss.

Preparing reports according to IFRSs requires using a number of estimations important from an accounting perspective. In addition, management must make some assumptions when using company accounting principles. Areas that require a high level of assumption, those that are complex or areas in which assumptions and estimations are essential to the consolidated accounts are presented in note 47.

The parent company uses the same accounting principles as the Group except in cases described below in the section "Parent company accounting principles". The deviations between the parent company's and the Group's principles are due to limitations in the ability to use IFRSs in the parent company because of the Annual Accounting Act and the Security Law as well as in certain cases for tax purposes.

New and amended accounting principles

The following new and amended standards are obligatory for the first time for the financial year that began on 1 January 2010.

IAS 27, "Consolidated and separate financial statements". The revised standard requires that the effects of all transactions with shareholders of a non-controlling interest be recognized in equity if they do not entail a change in controlling interest and the transactions no longer generate goodwill or profits and losses. The standard also entails that when a parent company loses control any remaining shares must be revalued to fair value and a profit or loss reported in the income statement.

IAS 38 (amendment), "Intangible assets". The amendment addresses valuing at fair value an intangible asset acquired in a business combination. According to the amendment intangible assets can be grouped and treated as one asset if the assets have similar useful lives. The amendment will not have any material effect on consolidated financial statements.

IFRS 3 (revised), "Business combinations". The revised standard prescribes the continued use of the acquisition method for all business combinations with some important changes. For example, all payments involved in the acquisition of an entity at fair value must be reported on the acquisition-date, but subsequent conditional payments are classified as liabilities which are thereafter revalued via the income statement. Non-controlling interest in the acquired entity can, for each acquisition, either be valued at fair value or for the proportional share of the acquired entity's net assets owned by shareholders with a non-controlling interest. All transaction expenses are expensed.

IFRS 5 (amendment), "Non-current assets held for sale and discontinued operations". The amendment clarifies that IFRS 5 specifies the disclosure criteria for non-current assets (or discontinued operations) classified as non-current assets held for sale and discontinued operations.

IAS 1 (amendment), "Presentation of financial statements". The amendment clarifies that potential regulation of a liability through a new issue is not relevant to its classification as current or long term. Through a change in the definition of current liabilities, the amendment allows for classification of a liability as long-term even though the counterparty can demand payment via shares at any time.

IFRS 2 (amendment), "Group cash-settled and share based payment transactions". The amendment clarifies that IFRIC 8 "Scope of IFRS 2" and IFRIC 11 "IFRS 2 - Group and Treasury Share Transactions" have been worked into the standard. In addition, the previous guidance in IFRIC 11 has now been supplemented concerning the classification of an entity's own share-based payment transactions, which are not dealt with in the interpretation. The new guidance is not expected to have any material effect on consolidated financial statements.

New standards, amendments and interpretations of existing standards that have not yet come into effect and will not be applied in advance.

IAS 9, "Financial instruments". This standard is the first step in the process to replace IAS 39, "Financial instruments: Recognition and measurement". IFRS 9 introduces two new demands for recognizing and classifying financial assets and will in all probability affect Group presentation of financial assets. The standard is not effective until the financial year that begins 1 January 2013. The Group will not apply this standard in advance.

IAS 24 (revised), "Related party disclosures", replaces IAS 24, "Related party disclosures". The revised standard clarifies and simplifies the definition of a related party and removes the requirement that a company related to the government disclose the details in all its transactions with the government and other companies related to the government. When the standard is applied the Group will be required to disclose transactions between Group companies and companies associated with the Group.

Consolidated accounts

Subsidiaries

The consolidated financial statements comprise the companies over which Investment AB Latour has a direct or indirect control.

Acquisition of companies is reported according to the acquisition method. This entails that equity in the subsidiary at the time of acquisition, including capital in untaxed reserves, is eliminated in its entirety. Consequently, only profits arising after the point of acquisition will be included in the equity for the Group.

The purchase price of a subsidiary are the fair value of transferred assets, liabilities and the shares issued by the Group. The purchase price includes the fair value of all the assets or liabilities resulting from an agreement on conditional consideration. If the group-wise acquisition value of the shares exceeds the book value of the company's net assets in the acquisition analysis, the difference is shown as goodwill of the Group. If the acquisition cost is lower than the fair value of acquired subsidiary's net assets and any contingent liabilities, the difference is recognized directly in the income statement. Acquisition costs are expensed as they occur. Identifiable acquired assets and transferred liabilities in a business combination are initially valued at fair value on acquisition-date. The Group decides, for each acquisition, if all the non-controlling interests in the acquired entity will be valued at fair value or for the proportional share of the acquired entity's net assets.

Companies acquired during the year are included in the consolidated accounts with amounts that relate to the period after the acquisition. Profits from companies sold during the year have been included in the consolidated income statement for the period up to the point of divestiture. If ownership in an associated company is reduced without losing control only a proportional share of the amounts previously reported in other comprehensive income are, where relevant, reclassified in income.

Latour's foreign Group companies' assets and liabilities are converted at the exchange rate on the balance sheet date. All items in the income statement are converted at the average exchange rate for the year.

Translation differences are recognized in Group equity.

Internal profits on sales between Group companies are eliminated in the annual accounts.

Associated companies

Shareholdings in associated companies, in which the Group holds at least 20 percent but less than 50 percent of voting rights or otherwise has a significant influence but not control over operational and financial management, are reported according to the equity method.

The equity method entails that the book value of shares in associated companies in the Group's accounts corresponds to the Group's participation in associated companies' equity and any residual value in group-wise surplus and undervalues. The Group's "Share of profits or losses in associated companies" is recorded in the Group's income statement as the Group's share of associated companies' result after tax, adjusted for any depreciation on, or liquidation of, acquired surplus or undervalues respectively.

In the parent company associated companies are recorded according to the acquisition value method.

Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with Group shareholders. In acquisitions from non-controlling interests the difference between the purchase price and the actual acquired proportion of the booked value of the subsidiary's net assets is recognised in equity. Profits and losses in divestitures to non-controlling interests are also recognised in equity.

When the Group no longer has control or significant influence, each remaining holding is revalued at fair value and the change in booked value is recognised in the income statement. The fair value is used as the first booked value and forms the basis for further reporting of the remaining holding as an associated company, joint venture or financial asset. All amounts referring to the divested unit previously reported in total comprehensive income are reported as if the Group had directly sold the attributable assets or liabilities. This made lead to the recognition via profit and loss of amounts previously reported in other comprehensive income.

If ownership in an associated company is reduced without losing control only a proportional share of the amounts previously reported in other comprehensive income are, where relevant, remeasured in income.

Net sales

Net sales are made up of invoiced sales, excluding value-added taxes, and after deduction of discounts on goods and similar income reductions but before deductions for delivery expenses. Sales are reported after the Group has transferred to the buyer the relevant risks and benefits associated with title to the goods sold and once no right of disposal or possibility of actual control over the goods remains. Where appropriate the Group applies percentage of completion. Group sales are primarily product sales.

Ongoing assignments

Income and costs attributable to completed services rendered or subcontracted assignments are reported as income respectively costs in relation to the stage of completion of the assignment on the balance sheet date (percentage of completion). The stage of completion of an assignment is determined through expenditures made at balance sheet date relative to estimated overall expenditures. If a service rendered or subcontracted assignment cannot be calculated reliably, income is only reported to the extent it corresponds to expenditures that the customer will most likely pay for. An assignment likely to make a loss is immediately reported as an expense.

Other operating income

Other operating income includes income from activities outside standard operations.

Financial income and expenses

Financial income and costs consists of interest income and costs, income from dividends and realised and unrealised exchange losses and gains. Interest income on receivables and interest costs on liabilities are calculated with the compound interest method. Interest costs are recognised in the period they occur regardless of how the borrowed funds are used. Interest costs include transaction costs for loans which have been recorded over the period of the contract, which is also valid for any difference between received funds and repayment amounts. Interest from dividends is recorded when the dividend has been adopted and distribution is assured.

Loan costs

Loan costs that refer to production of an asset for which loan costs can be included in the acquisition value are activated during the period of time it takes to complete the work and prepare the asset for the use it is intended. Other loan costs are recorded when they occur.

Inventory

Inventory is reported at the lower of acquisition cost and net sales value, where acquisition value is calculated using the FIFO method or, alternatively, the weighted average cost if this is a good estimate of FIFO. The value of finished goods and work-in-progress includes raw materials, direct work, other direct costs and production related expenditures. Obsolescence is depreciated separately. When assessing net sales value, consideration is given to the age and turnover rate for the article in question. The change between the opening and closing provision for obsolescence for the year affects operating results in its entirety.

Translation of foreign currency

Functional currency and report currency

Items in the financial statements for the various units in the Group are valued in the currency used in the economy that each company primarily operates in (functional currency). Swedish crowns are used in the consolidated accounts, which is the parent company's functional and report value.

Transactions and balance sheet items

Transactions in foreign currency are translated to the functional currency using the exchange rate on the balance sheet date. Exchange gains and losses that are generated through payment of such transactions and from translation of monetary assets and liabilities in foreign currency at balance date rates are reported in the income statement. The exception is when the transactions are hedges that qualify for hedging accounting of cash flows or net investments where profit/loss is booked as equity.

Translation differences for non-monetary items, such as shares that are valued at fair value via profit or loss are reported as part of the fair value profit/loss. Translation differences for non-monetary items such as shares that are classified as available-for-sale financial assets are recognised as reserves for fair value in equity.

Group companies

The result and financial position for all Group companies (none of which have a high inflation value) that have a different functional currency than report currency are translated to the Group's report currency according to the following:

- assets and liabilities for each balance sheet is recalculated to the balance date rate,
- income and expenses for each income statement is recalculated to the average exchange rate (as long as the average rate is a reasonable approximation of the accumulated effect of the rates on the transaction date, if not income and expenses are recalculated to the rate on the transaction date), and
- all exchange differences are recorded as a separate portion of equity.

At consolidation, exchange differences arising from the translation of net investments in foreign operations, loans and other currency instruments that are identified as hedges of such investments are recognised as equity. When a foreign operation is sold such exchange differences are reported in the income statement as a part of capital gains/losses.

Goodwill and adjustments in fair value that arise when acquiring a foreign company are treated as assets and liabilities in that operation and are translated to the balance date rate.

Tangible assets

Buildings and land largely comprise factories, warehouses and offices. Tangible assets are booked as acquisition value less depreciation. Acquisition value includes costs directly related to the acquisition of the asset.

Costs after acquisition are added to the asset's book value or are reported as a separate asset, depending on what is most appropriate, only when it is probable that the future financial benefits that are connected to the asset will be available to the Group and the asset's acquisition value can be calculated in a reliable manner. All other forms of reparation and maintenance are reported as costs in the income statement during the period they occur.

Depreciation of assets is done on a straight-line basis according to plan down to the estimated residual value of the asset over its estimated useful life according to the following:

Buildings	25–30 years
Land improvements	10–20 years
Machinery	5–10 years
Vehicles and computers	3– 5 years
Other inventory	5–10 years

Assets' residual values and useful lives are tested every balance date and adjusted as needed.

An asset's book value is immediately written down to its recovered value if the book value exceeds its calculated recovered value.

Profits and losses in divestitures are determined through a comparison between sales income and book value and are reported in the income statement.

Intangible assets

Goodwill

Goodwill is the difference between the acquisition value and the Group's share of the fair value of the acquired subsidiary's or associated company's identifiable net assets on the date of acquisition. Goodwill on the acquisition of subsidiaries is reported as intangible assets. Goodwill on the acquisition of associated companies is included in the value of the Group's share of the associated company.

Goodwill is tested annually to identify any write-down needs and is booked as acquisition value less accumulated write-downs. Booked write-downs of goodwill are not recovered. Profit or loss when a unit is sold include the remaining value of the goodwill related to the divested unit.

Goodwill is allocated to cash generating units when an impairment test is carried out.

Trademarks and licenses

Trademarks and licenses are reported at acquisition value. Trademarks and licenses have a limited useful life and are reported at acquisition value less accumulated depreciation. Trademarks and licenses are amortized on a straight-line basis in order to spread the cost over their estimated useful life (5–10 years).

Write-downs

Assets that have an undefined useful life period are not written-down but tested annually for impairment. The value of depreciated assets is tested for impairment whenever there are indications that the carrying amount is possibly not recoverable. The asset is written-down by the amount that the book value exceeds its recoverable value. The recovery value is the higher of an asset's fair value reduced by sales costs and value in use. When testing for impairment the assets are grouped in the smallest cash-generating units. An impairment test is performed on every balance sheet day on all assets other than financial assets and goodwill, which has previously been written down, to determine whether or not they should be recovered.

Research and development

Expenses for research are recorded on an ongoing basis. Expenses for development are capitalized to the extent they are expected to yield economic benefits in the future. The booked value includes expenses for materials, direct costs for wages and indirect expenses referable to the asset in a reasonable and consistent manner. Other expenses for development are recorded in the income statement as costs as they occur. Any development costs in the balance sheet are booked as acquisition value less accumulated depreciation and write-downs.

Financial instruments

Financial instruments recorded in the balance sheet include accounts receivable, securities, loan receivables and derivatives. Accounts payable, any issued debt or equity instruments, loan liabilities and derivatives are recorded as liabilities and equity.

Financial instruments are initially booked at acquisition value equal to the instrument's fair value including transaction costs for all financial instruments except those categorized as Financial assets recognized at fair value as profit or loss. Recognition then takes place on the basis of classification specified below.

A financial asset or liability is recorded in the balance sheet when the company becomes a party in the instrument's contractual conditions. Accounts receivable are recorded in the balance sheet when an invoice has been sent. Liabilities are recorded when an item has been delivered and a contractual obligation to pay exists, even if an invoice has not yet been received. Accounts payable are recorded when an invoice has been received.

A financial asset or a part thereof is derecognised from the balance sheet when the rights in the contract are realised, have matured or the

company loses control over them. A financial liability or a part thereof is derecognised from the balance sheet when the commitment has been met or otherwise extinguished. The same holds true for part of a financial liability.

Acquisitions and divestitures of financial assets are booked on the date of business, which is the date the company pledges to acquire or sell the asset.

Fair value of listed financial assets is the equivalent of the asset's listed purchase price on the balance sheet date. Fair value of unlisted financial assets is determined by using valuation techniques such as recent transactions, the price of similar instruments or discounted cash flows. For further information see note 34.

Financial assets are controlled at every external reporting instance to determine whether or not there are objective indications that one or a group of financial assets should be written-down. For any equity instruments classified as available-for-sales financial assets, there must be a significant and long decline in the fair value to under the instrument's acquisition value before it can be written-down. If the need arises to write-down an asset in the category available-for-sales financial assets, any previously accumulated value loss recognised other comprehensive income is recognised in the income statement instead. Write-downs of equity instruments reported in the income statement may not later be reversed via the income statement.

Financial instruments are classified in categories based on the purpose of the acquisition of the financial instrument. Company management determines classification at the time of acquisition.

The categories are as follows:

Financial assets valued at fair value via profit and loss

This category has two subgroups; financial assets held for trading and those that the company chose to initially designate to this category. A financial asset is classified in this category if the intention is to sell in the short term (for example listed shares, trading, see note 30). Derivatives are classified as financial assets held for trading if they are not used for hedge accounting. Assets in this category are recognized continuously at fair value and changes in value are recognised in the income statement.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not derivatives or listed on an active market. Receivables arise when the company provides money, goods and services directly to a customer without any intention to conduct trading in the receivables. This category also includes acquired receivables. Assets in this category are valued at amortized cost. Amortised cost is determined based on the compound interest calculated at the time of acquisition.

Available-for-sale financial assets

The category financial assets available-for-sale includes financial assets that have not been classified in any other category or financial assets that were designated to this category at initial recognition (for example listed shares and other investments held as fixed assets). Assets in this category are valued at their current fair value and changes in value are recognised in other comprehensive income. When the investment is derecognised from the balance sheet the cumulative gain or loss that was recognised in equity is recognised as profit or loss.

Other financial liabilities

Financial liabilities not held for trading are initially valued at fair value, net after transaction costs, and thereafter at amortised cost. Amortised cost is determined based on the compound interest calculated at the time the liability was recognised. This means that surplus or undervalues as well as direct issue costs are distributed over the lifespan of the liability.

Derivative instruments are recognised in the balance sheet on the contract date and are valued at fair value, both initially and in following revaluations. The method of recognising the profit or loss generated from revaluation is determined depending on if the derivative is identified as a hedging instrument and, if such is the case, the properties of the item hedged. The Group identifies certain derivatives as either: a hedge of a very probable forecasted transaction (cash flow hedge); or a hedge of a net investment in a foreign operation.

When a transaction is entered into, the Group documents the relationship between the hedge instrument and the hedged item as well as the purpose of risk management and strategy for taking different hedging measures. The Group also documents its assessment when initiating the hedge and continuously thereafter to see if the derivative instruments used in hedging transactions are effective in terms of evening out changes in fair value or cash flows in hedged items.

Cash flow hedges

The effective portion of changes in fair value of derivative instruments identified as cash flow hedges, and which qualify for hedge accounting, are recognised in equity.

Any ineffective portion of the changes in value is recognised directly in the income statement.

The cumulative profit or loss in equity is recovered in the income statement in the period the hedged item affects result (e.g. when a forecasted hedged sale takes place).

When a hedging instrument matures or is sold or when the hedge no longer qualifies for hedge accounting and cumulative profits or losses relating to the hedge are recognised in equity, these result remain in equity and are recorded as income/costs at the same time the forecasted transaction is finally recorded in the income statement. When the forecasted transaction is no longer assessed as probable, the cumulative profit or loss recognised in equity is transferred directly to the income statement.

Hedges of net investments

Hedges of net investments in foreign operations are reported in a similar manner to cash flow hedges. Result attributable to the hedging instrument that relate to the effective portion of the hedge are recognised in equity, profit or loss that relates to the ineffective portion is transferred directly to the income statement.

Cumulative profit or loss in equity is recognised in the income statement when foreign operations are sold.

Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of these derivative instruments are recognised directly in the income statement.

Cash

Cash consist of cash and immediately available balances in banks and similar institutions as well as short-term liquid investments with a term of less than three months that run no real risk of fluctuations in value.

Long-term receivables and other current receivables

Long-term receivables and other current receivables are receivables that arise when the company supplies money without intending to trade on the receivable rights. If the expected holding time of the receivable is longer than one year it is a long-term receivable and if it is shorter it is another receivable. These receivables belong to the category Loans and receivables.

Taxes on income

Recorded taxes on income include taxes paid or recovered for the current year, adjustments for previous years' taxes and changes in deferred taxes.

Evaluation of all tax liabilities/prepayment is made on the basis of nominal amounts and according to tax regulations and fixed or announced, and likely to be stipulated, tax rates.

Tax is reported in the income statement except when the underlying transaction is recognised directly against equity, in which case the tax impact is also recognised against equity.

Deferred tax is calculated using the balance sheet method on all temporary differences arising between book and taxable values for assets and liabilities.

Deferred tax credits pertaining to future tax deductions are recorded to the extent it is likely that the deduction can be set off against a surplus on future taxation.

Untaxed reserves including deferred tax liabilities are reported in legal entities.

Deferred tax is not calculated on temporary differences in participation in subsidiaries and associated companies where the date for the reversal of the temporary difference can be controlled by the Group and it is probable that the difference will not be recovered in the foreseeable future.

From a fiscal perspective, Investment AB Latour is an investment company. Profits on sales of shares are not liable to tax and losses are not deductible. The company must however declare 1.5 percent of the market value of all shareholdings at the beginning of the year as standard taxable income. However this is only valid for listed shares where the share of votes is under 10 percent. Dividends received are taxable and dividends paid are deductible. Interest income is taxable while administration costs and interest expenses are deductible.

Cash flow analysis

The cash flow analysis is prepared according to the indirect method. Reported cash flow only includes transactions that involve payments and expenditures. Cash includes, besides cash and bank account balances,

current financial investments with a maturity period of less than three months.

Leasing

Leasing is classified within the Group as either financial or operational. Leasing of fixed assets where the Group essentially faces the same risks and enjoys the same benefits as direct ownership is classified as financial leasing. The leased asset is then reported as a fixed asset and future leasing fees as interest-bearing debts. Leasing of assets where the lessor essentially retains ownership of the asset is classified as operational leasing, and the leasing fee is expensed in a straight line over the leasing period. In the parent company all leasing contracts are reported as operational.

Government grants

Government grants are reported in the income statement and balance sheet when it is reasonably certain that the conditions associated with the grant will be satisfied and the grant will likely be obtained. Grants are systematically distributed in the same manner and over the same periods as the costs such grants are intended to compensate. Grants pertaining to investments in material assets have reduced the book value of the assets in question.

Provisions

Provisions are recorded when the Group/company has a formal or informal obligation as a consequence of an event and it is likely that resources must be expended to regulate the obligation and a reliable estimation of the amount can be made.

Provisions for warranties are based on the previous years' actual costs.

Pensions

The Group has several defined contribution and defined benefit pension plans. In Sweden and Norway employees are covered by defined benefit, alternatively defined contribution, pension plans. In other countries they are covered by defined contribution plans.

In defined contribution plans, the company pays fixed fees to a separate legal entity and has no obligation to pay any additional fees. Group profit is charged with costs as the benefits are earned.

In defined benefit plans, remuneration to employees and ex-employees is paid on the basis of salary at the point of retirement and the number of years of service. The Group bears the risk for payment of the pledged remuneration.

The pension cost and the pension obligation of defined benefit plans are calculated using the Projected Unit Credit Method. The method allocates the cost for pensions at the same rate as employees carry out services for the company which increase their right to future remuneration. The calculation is made annually by independent actuaries. The company's obligations are valued at the current value of anticipated future payments by using a discounted interest rate equal to the rate on first class corporate bonds or government bonds with the same maturity period as the obligations in question. The most important actuarial assumptions are set out in note 35.

The interest cost, setting off anticipated returns against any administrative assets, is classified as a financial cost. Other expense items in the overall pension cost burden operating result.

Contingent liabilities

A contingent liability is reported when an obligation may result from events that have occurred and its existence is only confirmed by one or several uncertain future events or when an obligation is not recorded as a liability or provision because it is improbable that an expenditure of resources will be required to regulate it.

Segment reporting

The Group's operations are steered and organised in the Industrial and trading operations and Investment portfolio. Industrial and trading operations are in turn divided into four business areas. These business lines and the investment portfolio make up the Group's operating segments. Income, operating result, assets and liabilities pertaining to the segments include directly attributable items together with items that can reliably be allocated to the segment in question. Non-allocated items generally comprise interest-bearing assets and liabilities, interest income and expenses, costs common to the Group and taxes.

Parent company accounting principles

The parent company follows the Annual Accounts Act and the Swedish Financial Accounting Standards Council's recommendation RFR 2 Accounting for legal entities. RFR 2 requires the parent company to follow IFRS/IAS as far as possible. Differences between parent company and Group accounting principles are primarily due to the Annual Accounts

Note 2 cont.

Act and the Security Law and in certain cases special tax laws. In the following case the parent company's accounting principles do not coincide with IFRSs.

Payments to employees/defined benefit pensions

The parent company's defined benefit pension plans have been calculated according to the Security Law and the Swedish Financial Supervisory Authority's regulations since this is a prerequisite for fiscal deductions.

Note 3 Segment reporting

DEVELOPMENT PER BUSINESS AREA 2010-01-01 – 2010-12-31

SEK m	Industrial and trading operations					Portfolio Management	Total
	Hultafors Group	Latour Industries	Specma Group	Swegon	Other		
INCOME							
External sales	1,133	1,292	1,415	2,151	–		5,991
Internal sales	1	5	–	2	–		8
RESULT							
Operating result	143	172	51	208	46		620
Result from participation in associated companies						228	228
Result from portfolio management						78	78
Financial income							27
Financial costs							–81
Taxes							–170
Result for the year							702
OTHER INFORMATION							
Assets	944	1,138	952	1,627	460	9,375	14,496
Unallocated assets						212	
Total assets							14,708
Liabilities	188	308	284	624	35	40	1,479
Unallocated liabilities							949
Total liabilities							2,428
Investments in:							
tangible assets	8	87	25	198	23	–	341
intangible assets	–	180	27	283	–	–	490
Depreciation	25	28	35	53	16	–	157

Cont.

Note 3 cont.

DEVELOPMENT PER BUSINESS AREA 2009-01-01 – 2009-12-31

	Industrial and trading operations					Portfolio Management	SEK m Total
	Hultaforss Group	Latour Industries	Specma Group	Swegon	Other ¹⁾		
INCOME							
External sales	1,051	1,192	1,043	2,079	75		5 440
Internal sales	1	4	2	2	4		13
RESULT							
Operating result	115	63	-64	226	-44		296
Result from participation in associated companies						242	242
Result from portfolio management						189	189
Financial income							6
Financial costs							-69
Taxes							-112
Result for the year							552
OTHER INFORMATION							
Assets	942	807	797	969	86	8,163	11,764
Unallocated assets							579
Total assets							12,343
Liabilities	151	229	199	406	66	1	1,052
Unallocated liabilities							1,335
Total liabilities							2,387
Investments in:							
tangible assets	19	22	34	82	14	-	171
intangible assets	9	59	-	-	-	-	68
Depreciation	27	30	40	54	26	-	177

¹⁾ HordaGruppen, which was divested 2009-11-30 is included in this item

Group management has determined operating segments based on the information dealt with in Latour's board and which is used to make strategic decisions. The board primarily judges business areas from an operational perspective but to a certain extent geographic aspects as well.

Operations is divided into two main areas; the wholly owned industrial and trading operations and the investment portfolio. The industrial and trading operations are organised in four business areas, Hultaforss Group, Latour Industries, Specma Group and Swegon.

The investment portfolio primarily consists of portfolio management of

long-term holdings where Latour owns at least 10 percent of the votes.

In the segment result assets and liabilities have been included in directly related items as well as in items that can be reasonably and reliably allocated to a segment. Tax credits and liabilities (deferred and current) are not recognised in the assets and liabilities of a segment nor are interest-bearing assets and liabilities. All investments except current inventory and inventory of little value are included in the segments' investments in tangible and intangible assets.

Note 4 Geographic markets

Sales are divided into geographic markets as follows

	2010	2009
Sweden	2,546	2,447
Nordic countries excluding Sweden	1,463	1,523
Europe excluding Nordic countries	1,687	1,214
Other markets	295	256
Total	5,991	5,440

Assets are divided into geographic markets as follows:

	2010	2009
Sweden	12,558	11,101
Nordic countries excluding Sweden	708	652
Europe excluding Nordic countries	1,372	537
Other markets	70	53
Total	14,708	12,343

Investments are divided into geographic markets as follows:

	2010	2009
Sweden	339	214
Nordic countries excluding Sweden	14	9
Europe excluding Nordic countries	474	13
Other markets	4	3
Total	831	239

The Group's home market is the Nordic countries, with most of production in Sweden.

Note 5 Transactions with related parties

The Douglas family has control over Investment AB Latour. Privately and through companies, the Douglas family controls 80 percent of voting rights in Latour. The family has received board representation fees of SEK 525,000. Förvaltnings AB Wasatornet, a company wholly owned by the Douglas family, has issued 200,000 call options and 80,000 sell options to senior officers in the Latour Group. Investment AB Latour holds 460,000 bought back shares. Call options have been issued on 230,000 of the repurchased shares to senior officers in the Latour Group. The Annual General Meeting 11 May 2010 gave the board authorisation to decide on buying back shares or transferring own shares. The options are based on market terms. For information concerning wages and other remuneration to the board and other senior officers, see note 9.

Purchasing and sales for the year between Group companies was SEK 1,840 m (1,297). There were no purchases or sales with the parent company. There were no essential payables or receivables with other closely related persons or associated companies on the balance sheet date.

Note 6 Expenses allocated per type of cost

GROUP	2010	2009
Change in the stock	3,115	2,617
Remuneration to personnel	1,550	1,502
Depreciation	157	177
Other costs	650	908
Total	5,472	5,204

Note 7 Exchange rate differences

Operating result includes exchange rate differences relating to operating receivables and liabilities as follows:

GROUP	2010	2009
Net result	22	-6
Costs of goods sold	7	-6
Sales costs	0	-1
Other operating income	2	1
Other operating expenses	-8	-1
Total	23	-13

Note 8 Remuneration to accountants

GROUP	2010	2009
<i>PricewaterhouseCoopers</i>		
Audit fees	4	4
Fees for other consultation	1	1
<i>Other accountants</i>		
Audit fees	1	2
Fees for other consultation	1	1
Total	7	8

Remuneration to accountants for auditing in the parent company amounted to SEK 80,000 (66,000) and for other consultation SEK 257,000 (25,000).

Note 9 Personnel

Wages, other remuneration and social costs

	Wages and other remuneration	2010 Social security contributions (of which pension costs)	Wages and other remuneration	2009 Social security contribution (if which pension costs)
Parent company	1	1 (0)	1	1 (0)
Subsidiaries	1,145	405(116)	1,117	385(105)
Group	1,146	406(116)	1,118	386(105)

Of the Group's pension expenses, SEK 14 m (12) relates to boards and CEOs.

Wages and other remuneration by country and between board members and others, and employees:

	(of which bonus)	2010 Board and CEO	Other employees	(of which bonus)	2009 Board and CEO	Other employees
<i>Parent company</i>						
Sweden	1 (0)		–	1 (0)		–
<i>Subsidiaries</i>						
Sweden	37 (8)		713	28 (4)		709
Denmark	6 (0)		64	9 (0)		66
Finland	5 (1)		75	6 (0)		77
Norway	4 (1)		46	4 (1)		44
Germany	4 (0)		24	5 (0)		26
Great Britain	6 (1)		46	5 (1)		47
Other countries	24 (4)		91	21 (3)		70
Group total	87 (15)		1,059	79 (9)		1,039

Periods of notice within the Group are, depending on age and position, between 3 and 24 months.

Remuneration to senior officers

Principles

The chairman of the board and board members receive the remuneration decided by the Annual General Meeting. They are not paid extra for committee work.

Remuneration to the CEO and other senior officers consists of basic salary, variable remuneration, other benefits and pension. Other senior officers are the members of Group management and business area managers, who report directly to the CEO.

The variable remuneration to the CEO is based on goals achieved during the year was maximised in 2010 to 80 percent of the basic wage.

Variable remuneration for other senior officers is based on profits and return on working capital. This remuneration is a maximum of 100 percent of the basic salary. In order to promote a long range perspective the board may, in addition to the annual variable remuneration, decide on compensation connected to the business area's long-term value development over a period of three years.

The board may further allow a supplemental remuneration to company management in the form of share-related incentive programs (e.g. a call option program) under the condition that they benefit long-term engagement in the business area and that they are based on market terms.

Remuneration and other benefits during 2010

(SEK '000)	Basic salary/ board fees	Variable remuneration ³⁾	Other benefits ²⁾	Pension costs	Total
Chairman of the board	350	–	–	–	350
Other board members (5 people) ¹⁾	875	–	–	–	875
Chief Executive Officer	2,803	2,219	267	855	6,144
Other senior officers (5 people)	7,427	3,218	540	2,693	13,878

¹⁾ Other board members have received SEK 175,000 per member.

²⁾ Other benefits concern accommodation and car benefits.

³⁾ Variable remuneration to the CEO was equal to 79 percent of his basic salary and to other senior officers it ranged from 0-98 percent of their basic salary.

Pensions

The CEO may retire at the age of 62, whereupon a pension of 60 percent of his basic salary is paid for 3 years.

The retirement age for other senior officers is 65.

Call options

Call options have been issued on 230,000 of a total of 460,000 repurchased shares to senior officers. The option premium for the issued call shares in 2010 amounted to SEK 9.60 per call option and the redemption price per share amounts to SEK 119.95. There are no social security fees since the program is based on market terms.

Severance payment

The period of notice between the company and CEO is 12 months if given by the company. In the case of dismissal by the company the CEO will receive severance pay of 12 months' salary. Severance pay is not set off against any other income. The CEO must give six months notice and does not receive severance pay.

The period of notice between the company and other senior officers varies from 6 to 24 months. In the case of dismissal by the company the senior officers receive their salary during their notice period. Senior officers must give six months' notice and do not receive severance pay.

Forts.

Note 9 cont.

Preparation and decision process

The principles for remuneration to senior officers are decided by the Annual General Meeting. The Chief Executive Officer's salary and employment terms are determined by the board. The board has given the chairman, after contact with the remuneration committee, the assignment of reaching an agreement with the CEO. The board is then informed of the outcome of the negotiations.

Remuneration to other senior officers is determined by the CEO in consultation with the chairman of the board.

Gender split in company management

	2010		2009	
	Men	Women	Men	Women
PARENT COMPANY				
Board members	71%	29%	71%	29%
Chief Executive Officer	100%	0%	100%	0%
Total for senior officers	71%	29%	71%	29%

Group senior officers are 100 percent (100) men.

Average number of employees

	2010		2009	
	Number of employees	Of which men	Number of employees	Of which men
PARENT COMPANY				
Sweden	–	–	–	–
SUBSIDIARIES				
Sweden ¹⁾	1,997	81%	1,999	80%
Finland	200	81%	199	81%
Romania	95	38%	106	37%
Denmark	125	79%	108	56%
Norway	88	73%	87	69%
Great Britain	163	58%	154	56%
Germany	49	61%	47	62%
Other countries	340	63%	256	61%
Total in subsidiaries	3,057	76%	2,956	74%
Total	3,057	76%	2,956	74%
OPERATING AREAS	2010		2009	
Industrial and trading operations ¹⁾	3,056		2,955	
Investment portfolio	1		1	
Total	3,057		2,956	

¹⁾ The divested subsidiary, HordaGruppen AB, is not included in the figures for 2009.

Note 10 Depreciation

Depreciation of intangible assets in the Group amounted to 14 (17) and of tangible assets to 143 (160). Depreciation is distributed per function in the income statement as follows:

GROUP	2010	2009
<i>Trademarks, licences</i>		
Costs of goods sold	9	12
Sales costs	3	3
Administrative costs	2	2
Total	14	17
<i>Buildings</i>		
Costs of goods sold	10	9
Sales costs	2	3
Administrative costs	4	4
Other operating costs	2	–
Total	18	16
<i>Land and land improvements</i>		
Costs of goods sold	0	0
Total	0	0
<i>Machinery</i>		
Cost of goods sold	65	82
Sales costs	1	1
Administrative costs	3	1
Total	69	84
<i>Equipment</i>		
Cost of goods sold	19	23
Sales costs	16	18
Administrative costs	6	19
Research and development costs	1	–
Other operating costs	14	0
Total	56	60
Total depreciation	157	177

Note 11 Leasing

Leasing costs for premises, machinery, computers and office equipment for the Group were 67 (50).

Future minimum leasing fees in the Group for non-cancellable operating leases fall due as follows:

Year	Future minimum leasing fees
2011	48
2012–2015	90
2016–	7
Total	145

Operating leases for rented machinery are included in the Group's fixed assets and are as follows:

Leased fixed assets	Machinery
Accumulated acquisition value	2
Accumulated depreciation	–1
Residual value according to plan	1
Depreciation for the year	0

Note 12 Operating income and expenses

Other operating income

GROUP	2010	2009
Capital gains on sales	5	2
Income from rent	2	2
Valuation of forward exchange contracts	38	17
Exchange rate differences	2	1
Share of result in associated companies	15 ¹⁾	–
Other income	39	38
Total	101	60

Other operating expenses

GROUP	2010	2009
Depreciation	–16	–15
Capital gains on sales	–2	–29
Property management costs	0	–11
Exchange rate translations	–8	–
Other costs	14	39
Total	–12	–16

¹⁾ Refers to shares in the result from Oxeon by 4 and Pressmaster 11.

Note 13 Result from participation in associated companies

	2010	2009
Share of result for the year after tax	132	129
Depreciation of surpluses	–3	–3
Write-downs	59	48
Net change in capital	–12	11
Result from sales of participation	52	57
Total	228	242

Individual holdings have affected results as follows:

	2010	2009
AB Fagerhult	28	21
Sweco AB	136	170
Nederman Holding AB	64	51
Total	228	242

Note 14 Result from investment portfolio

GROUP	2010	2009
<i>Result from fixed assets</i>		
Dividends	209	200
Capital gains on sales	–134	–30
Other income	4	–
	79	170

Result from current assets

Dividends	4	5
Capital gains	11	10
Revaluation, booked in the income statement	–2	17
	13	32

Administrative costs	–14	–13
Total portfolio	78	189

PARENT COMPANY

	2010	2009
<i>Result from fixed assets</i>		
Dividends	280	292
Capital gains on sales	–134	–30
Other income	4	–
	150	262

Administrative costs	–5	–5
Total portfolio	145	257

Note 15 Financial income

GROUP	2010	2009
Interest income	4	4
Exchange gains	19	–
Other financial income	4	2
Total	27	6

PARENT COMPANY	2010	2009
Interest income from Group	–	–
Other interest income	0	0
Total	0	0

Note 16 Financial costs

GROUP	2010	2009
PRI interest	–7	–6
Other interest expenses	–52	–53
Exchange losses	–22	–10
Other financial costs	0	0
Total	–81	–69

PARENT COMPANY	2010	2009
Interest expenses to Group	–2	–8
Total	–2	–8

Note 17 Tax on result for the year

GROUP	2010	2009
Current tax costs for the period	–169	–130
<i>Deferred tax attributable to changes in temporary differences</i>		
Deferred tax income	19	31
Deferred tax costs	–20	–13
Total	–170	–112

Difference between actual tax costs and tax cost based on applicable tax rates

GROUP	2010	2009
Result before tax	872	664
Tax according to applicable tax rate, 26.3 %	–229	–175
Tax effect of special taxation rules for investment companies	93	100
Effect of associated company accounts	16	5
Tax effect of adjustment of tax costs from previous year	–	–14
Tax effect of non-deductible costs	–14	–13
Tax effect of non-taxable income	18	20
Other tax effects	–54	–35
Tax on result for the year according to the income statement	–170	–112

PARENT COMPANY	2010	2009
Result before tax	354	380
Tax according to applicable rate, 26.3 %	–93	–100
Tax effect of special taxation rules for investment companies	93	100
Non-taxable dividends from subsidiaries	–	–
Tax on result for the year according to the income statement	0	0

The applicable tax rate for the Group, as for the parent company, is 26.3 percent.

Investment companies are allowed a tax deduction for the dividend approved at the subsequent Annual General Meeting. Capital gains are not taxable while capital losses are not deductible. Investment companies are taxed on a standardised basis.

Note 18 Intangible assets

GROUP	Goodwill	Trademarks, licences	Total
Accumulated acquisition values			
Opening balance 2009-01-01	913	128	1,041
Acquisitions for the year	67	1	68
Sales for the year	-1	-1	-2
Translation difference	-16	0	-16
Closing balance 2009-12-31	963	128	1,091
Opening balance 2010-01-01	963	128	1,091
Acquisitions for the year	480	10	490
Sales for the year	-3	-	-3
Translation difference	-51	-3	-54
Closing balance 2010-12-31	1,389	135	1,524
Accumulated depreciation			
Opening balance 2009-01-01	0	-53	-53
Depreciation for the year	-	-17	-17
Closing balance 2009-12-31	0	-70	-70
Opening balance 2010-01-01	0	-70	-70
Depreciation for the year	-	-14	-14
Closing balance 2010-12-31	0	-84	-84
Accumulated write-downs			
Opening balance 2009-01-01	-1	0	-1
Depreciation for the year	-	-	-
Closing balance 2009-12-31	-1	0	-1
Opening balance 2010-01-01	-1	0	-1
Write-downs for the year	-	-	-
Closing balance 2010-12-31	-1	0	-1
Book value	1,388	51	1,439
Recorded values			
Per 2009-01-01	912	75	987
Per 2009-12-31	962	58	1,020
Per 2010-01-01	962	58	1,020
Per 2010-12-31	1,388	51	1,439

The effect of depreciation on results is detailed in note 10.
All goodwill is related to the segment industrial and trading operations.
No need for write-downs has been identified for 2010 after impairment testing of goodwill.

Impairment tests of goodwill

Certain valuation assumptions, which are the basis of the evaluation, have been given for the Group's most significant goodwill items.

Group goodwill value per business area

GROUP	Booked value, SEK m
Hultafors Group	371
Latour Industries	393
Specma Group	192
Swegon	432
	1,388

Assumptions for certain significant goodwill items are given below

	Book value SEK m	Growth assumption (projection)	Margin assumption (projection)
Blue Box Group	277	3-22 %	5-12 %
Snickers Workwear	339	3-15 %	10-13 %
Swegon Ilto	111	0-15 %	7-10.5 %
JMS Systemhydraulik	87	4-10 %	7-10.5 %
		Growth assumption (terminal)	Marginal assumption (terminal)
Blue Box Group		3 %	11 %
Snickers Workwear		3 %	13 %
Swegon Ilto		3 %	10.5 %
JMS Systemhydraulik		4 %	10.5 %

All Group goodwill items have been evaluated according to IAS 36 in order to determine the recoverable amount for cash generating units. The valuations are not market value. Individual assumptions regarding growth, profit margins, tied up capital and investment needs as a risk premium have been made for each of the Group goodwill items. The risk premium increment which has been added onto the risk free interest level is made up of a general risk premium for company investments and a specific risk premium for individual operations based on their circumstances.

Key assumptions

Impairment tests have been made with projections of between 5 to 10 years depending on the assessment in the individual case. Occurrence of the sustainable level in impairment tests has therefore been assessed at 5 to 10 years from one case to another. Estimations of future cash flows have been made based on the assets' existing structure and do not include future acquisitions. The required return before tax varies from between 10 percent to 13 percent. In most of the tests the higher part of the interval has been used.

Market shares and growth

Current market shares have been assumed valid for future periods based on previous experience and external information sources

Personnel expenses

Projected personnel expenses are based on anticipated inflation, a certain real wage increase (historical average) and planned rationalisations in production. The projection concurs with previous experience and external information sources.

Exchange rates

Exchange rates projections are based on current listed exchange and forward rates. The projection concurs with external information sources.

Exchange rate EUR 9.0
Exchange rate DKK 1.208
Exchange rate NOK 1.152
Exchange rate GBP 10.55

For most of the Group's units the recoverable value surpasses book value with a good margin. Group management believes that a change in one key assumption would not, on its own, have such a significant effect that it would reduce the recoverable value to a value lower than the book value.

Note 19 Buildings

GROUP	2010	2009
Opening acquisition value	529	520
Opening acquisition value from acquisitions	157	–
Purchase	–	38
Sales and disposals	–6	–21
Reclassification	–	0
Translation differences	–20	–8
Closing acquisition values	660	529
Opening depreciation	–237	–231
Opening depreciation value from acquisitions	–11	–
Sales and disposals	–	9
Depreciation for the year	–18	–18
Reclassification	0	0
Translation differences	7	3
Closing depreciation	–259	–237
Opening write-downs	–20	–20
Write-downs for the year	–	–
Sales and reversals	6	–
Closing write-downs	–14	–20
Book value	387	272
Book value of property in Sweden	201	192
Taxable value of property in Sweden	193	184

Depreciation for the year is found in note 10.

Building items include a property owned by the company through a financial leasing contract with the following amounts:

	2010	2009
Acquisition value - activated financial leasing	102	–
Accumulated depreciation	–1	–
Booked value	101	0

Note 20 Land and land improvements

GROUP	2010	2009
Opening acquisition value	35	38
Opening acquisition value from acquisitions	1	–
Purchases	–	–
Sales and disposals	0	–3
Translation differences	–1	0
Closing acquisition values	35	35
Opening depreciation	–6	–5
Depreciation for the year	–	–
Translation differences	0	–1
Closing depreciation	–6	–6
Book value	29	29
Book value of property in Sweden	25	24
Taxable value of property in Sweden	34	33

Depreciation for the year is found in note 10.

Note 21 Machinery

GROUP	2010	2009
Opening acquisition value	904	922
Opening acquisition value from acquisitions	144	3
Purchases	64	70
Sales and disposals	–31	–80
Reclassification	–1	–8
Translation differences	–15	–3
Closing acquisition values	1,065	904
Opening depreciation	–669	–651
Opening depreciation from acquisitions	–91	–3
Sales and disposals	31	59
Depreciation for the year	–69	–83
Reclassification	1	7
Translation differences	9	2
Closing depreciation	–788	–669
Book value	277	235

Depreciation for the year is found in note 10.

Note 22 Equipment

GROUP	2010	2009
Opening acquisition value	520	523
Opening acquisition value from acquisitions	86	16
Purchases	62	55
Sales and disposals	–55	–80
Reclassification	–2	7
Translation differences	–16	–1
Closing acquisition values	595	520
Opening depreciation	–379	–368
Opening depreciation from acquisitions	–72	–8
Sales and disposals	41	62
Depreciation for the year	–56	–58
Reclassification	3	–7
Translation differences	13	0
Closing depreciation	–450	–379
Book value	145	141

Depreciation for the year is found in note 10.

Note 23 Construction in progress and advance payments for fixed assets

GROUP	2010	2009
Opening acquisition value	14	43
Opening acquisition value from acquired companies	–	–
Costs expended during the year	14	7
Reclassification	–19	–36
Book value	9	14

Note 24 Participation in subsidiaries

	2010	2009
Opening acquisition value	241	241
Change for the year	–	–
Closing acquisition value	241	241

Company name	Corporate registration number	Domicile	Number of shares	Share of equity in %	Book value (SEK m)
Karpalunds Ångbryggeri AB	556000-1439	Stockholm	3,600	97	1
Latour-Gruppen AB	556649-8647	Gothenburg	400,000	100	49
Hultafors Group AB	556365-0752	Bollebygd	349,873	100	
Hultafors AB	556023-7793	Bollebygd	30,000	100	
Hultafors Group Finland	0664406-9	Finland	100	100	
Hultafors Group Norge AS	983513328	Norway	1,000	100	
Hultafors Group Danmark AS	14252533	Denmark	500,000	100	
Hultafors UMI S.R.L.	J32/572/22.11.1996	Romania	78,661	100	
Fisco Tools Ltd	755735	Great Britain	200,000	100	
Hultafors Group Sverige	556113-7760	Bollebygd	1,000	100	
Snickers Intellectual Property AB	556059-0654	Sollentuna	1,000	100	
Snickers Workwear Logistics BV	8117646	The Netherlands	200	100	
Snickers Production SIA Latvia	40003077239	Latvia	100	100	
Snickers Original NV Belgium	0444.346.706	Belgium	50	100	
Snickers Original Ltd	01952599	Great Britain	100,000	95	
Snickers Workwear Switzerland AG	CH 036.3.044.124-4	Switzerland	1,000	100	
Tradewear Ltd	65695194	Ireland	15,700	100	
Snickers Original SIA	40003229796	Latvia	10	100	
Hultafors Group Germany	147860778	Germany	50,000	100	
Specma Group AB	556089-9550	Gothenburg	10,000	100	
Specma Hydraulic Finland OY	0292607-7	Finland	400	100	
Specma Hydraulic Shanghai	79274263-4	China	1	100	
Specma Hydraulic Polska Sp.z.o.o.	320724049	Poland	500	100	
JMS Systemhydraulik AB	556063-2134	Gothenburg	10,000	100	
Fastighets AB Hydraulen	556363-6256	Gothenburg	1,000	100	
Specma Component AB	556219-2202	Skellefteå	7,500	100	
Specma Wiro AB	556362-4641	Motala	5,000	100	
Specma Hydraulic U.S. Inc.	30-05199401	USA	100	100	
Specma Do Brasil Mang. Hidr. Ltda	10.343.468/0001-32	Brazil	127,500	51	
Autotube AB	556099-2041	Varberg	500,000	100	
Samwon Tech (Europe) Ltd	4 746 517	Great Britain	100	100	
Komponenthuset A/S	29 92 02 49	Denmark	348	69.6	
Swegon AB	556077-8465	Vara	400,000	100	
Swegon GmbH	HRB 55388	Germany	1	100	
Swegon AS	247231	Denmark	5	100	
Swegon GmbH Austria	FN 229472	Austria	1	100	
KB Söderby 1:752	916634-4441	Vara	1	100	
Swegon Ltd	1529960	England	50,000	100	
Swegon S.à.r.l.	409-770-195	France	2,000	100	
Swegon SA	48-205-4517	Switzerland	100	100	
Swegon s.r.o.	275 90 071	The Czech Republic	1	100	
Swegon Inc	26-1934480	USA	1,000	100	
Swegon Eesti OU	11726958	Estonia	1	100	
Swegon AS	933-765-806	Norway	1,500	100	
Oy Swegon AB	240.505	Finland	20,000	100	
Lewaco Trading AB	556343-3423	Vara	1,000	100	
Swegon Sp.z o.o.	632031333	Poland	1,454	100	
Swegon BV	24408522	The Netherlands	100	100	
Swegon s.r.l	1853574	Italy	1	100	
Swegon Belgium S.A.	893.224.696	Belgium	620	100	
Swegon Indoor Climate S.A.	A-84244763	Spain	6,011	100	
Swegon ILTO Air OY	1615732-8	Finland	1,000	100	
Swegon BB s.r.l	03991770276	Italy	1	100	
Blue Box Group s.r.l	02481290282	Italy	1	100	
Blue Service s.r.l	02669330280	Italy	1	100	
Blue Box France SA	48535226400017	France	0.9	90	
Aplicaciones Climáticas BBG SI	B 97613780	Spain	0.65	65	
Blue Box Air	U74210MH2008FTC189149	India	2,397,500	95.9	
Latour Industries International AB	556018-9754	Gothenburg	100,000	100	
AB Sigfrid Stenberg	556017-2099	Nässjö	800,000	100	
Carstens AB	556059-6776	Bankeryd	18,500	100	
KB Backen Västergård 1:141	916634-4490	Bankeryd	1	100	
Flextek AS	17951831	Denmark	20,000	100	
Granaths Hårdmetal AS	182650	Denmark	2,550	100	
CNC AS	12858442	Denmark	200	100	
CNC Industriservice Norge AS	990135967	Norway	500	100	
Machine Trading Team OY	1032222-2	Finland	100	100	
MaskinCentrum i Norge AB	556578-8303	Örnsköldsvik	8,200	100	
Woodtechnique Finland OY	745.813	Finland	510	100	

Cont.

Note 24 cont.

Company name	Corporate registration number	Domicile	Number of shares	Share of equity in %	Book value (SEK m)
Woodtechnique Verktygssystem AB	556463-2833	Växjö	2,500	100	
Woodtechnique AS	985882479	Norway	300	100	
Skandinaviska Chuckfabriken AB	556456-8060	Hässleholm	400	100	
Fortiva AB	556563-6742	Hässleholm	4,000	100	
Bergmans Chuck AB	556059-1736	Hässleholm	1,200	100	
LSAB Svinöhed Industri AB	556655-6683	Hedemora	1,000	100	
Långshyttan Slipservice AB	556222-1746	Hedemora	2,500	100	
Norrslip AB	556246-5780	Hedemora	2,000	100	
Mörlunda Slipservice AB	556505-4912	Hedemora	1,000	100	
Trollhättan Slipservice AB	556396-2272	Hedemora	1,000	100	
Suomen Terähuolto OY	0140601-0	Finland	1,050	100	
Vändra Saeteritus As	10120018	Estonia	6,000	100	
Latvia Tool Service	40003381260	Latvia	23,150	100	
LSAB Instrument Service	1089847103950	Russia	-	100	
Specma Tools AB	556737-4664	Gothenburg	1,000	100	
Specma Seals AB	556198-5077	Gothenburg	10,000	100	
AVT Industriteknik AB	556596-5786	Alingsås	4,000	100	
Kontikab AB	556226-9216	Mölnådal	3,750	100	
Brickpack AB	556194-2615	Laholm	200	100	
Nord-Lock AB	556137-1054	Åre	8,000	100	
Nord-Lock International AB	556610-5739	Gothenburg	1,000	100	
Nord-Lock Ltd	4117670	Great Britain	100	100	
Nord-Lock France	439-251-901	France	1,000	100	
Nord-Lock Inc.	38-3418590	USA	1,000	100	
Nord-Lock OY	0893691-1	Finland	100	100	
Nord-Lock Poland Sp. Z o.o.	0000273881	Poland	10	100	
Nord-Lock s.r.o.	27294714	The Czech Republic	200,000	100	
Nord-Lock Benelux BV	2050318	The Netherlands	180	100	
Nord-Lock Holding GmbH	HRB 175392	Germany	1	90	
Nord-Lock GmbH	HRB 510204	Germany	1	92	
Nord-Lock Japan Co, Ltd	1299-01-047553	Japan	200	100	
Nord-Lock Switzerland GmbH	CH 020.4.041.709-1	Switzerland	200	100	
Nord-Lock Norge AS	895 421 812	Norway	100	100	
KLT Fastighets KB	969674-4250	Alingsås	1	100	
Pressmaster Holding AB	556707-0338	Gothenburg	147,000	100	
Pressmaster AB	556053-4496	Älvdalen	70,000	100	
Pressmaster GmbH	HRB3211	Germany	50	100	
Pressmaster Inc. Chicago	53 207 642	USA	1	100	
REAC AB	556520-2875	Åmål	20,000	100	
Balle A/S	19 353 508	Denmark	500,000	100	
FOV Fodervävnader i Borås AB	556057-3460	Gothenburg	60,000	100	
Nordiska Industri AB	556002-7335	Gothenburg	840,000	100	191
PM-LUFT AB	556048-2118	Tomelilla	1,000	100	
Farex AB	556196-7802	Borlänge	1,000	100	
Nadden AB	556827-5159	Göteborg	50,000	100	
Total book value					241

Smaller inactive subsidiaries are not included in the specification above.

Note 25 Participation in associated companies

GROUP	2010	2009	PARENT COMPANY	2010	2009
Opening book value	1,167	1,094	Opening book value	660	621
Acquisitions during the year	31	12	Acquisitions during the year	6	–
Sold during the year	–10	–35	Sold during the year	–6	–9
Profit share for the year after tax	135	129	Depreciation	59	48
Dilution effect	–12	11	Closing value	719	660
Dividends received	–128	–92	AB Fagerhult	296	296
Depreciation of surpluses	–3	–3	Nederman Holding AB	271	206
Write-downs/reversed write-downs	59	48	Sweco AB	152	158
Net change in capital	–60	3	Closing value	719	660
Closing value	1,179	1,167			

	Number of shares	Adjusted equity ¹⁾	Share of capital	Market value	Acquisition value	Acquisition goodwill
AB Fagerhult (Corporate Reg.no 556110-6203. Domicile Habo)	4,106,800	235	339	657	296	69
Nederman Holding AB (Corporate Reg.no 556576-4205. Domicile Helsingborg)	3,171,000	135	263	309	271	128
Sweco AB (Corporate Reg.no 556542-9841. Domicile Stockholm)	28,997,760	456	543	1,682	186 ²⁾	87
Other smaller holdings		–	34	–	30	19
		826	1,179	2,648	783	303

¹⁾ Adjusted equity refers to Latour's share of the company's equity.

²⁾ Acquisition value in the Group is through the use of a call option, SEK 34 m higher than in the parent company.

Group participation in associated companies:

	Assets	Liabilities	Income	Profit/loss	Share of capital %	Share of votes %
2009						
AB Fagerhult	559	326	794	24	33	33
Nederman Holding AB	247	111	279	3	26	26
Sweco AB	1,027	507	1,740	101	33	23
2010						
AB Fagerhult	809	570	817	31	33	33
Nederman Holding AB	447	313	459	6	27	27
Sweco AB	952	497	1,681	96	32	23

After impairment testing the long-term value of shares in Nederman Holding AB are considered to be lower than the book value in the Group and the parent company. Therefore the value has been written down by SEK 23 (82) m in the Group and SEK 0 (59) m in the parent company.

Note 26 Listed shares

GROUP	2010	2009	PARENT COMPANY	2010	2009
Opening acquisition value	3,167	3,260	Opening acquisition value	3,164	3,257
Purchases	26	14	Purchases	26	14
Sales	–1 027	–107	Sales	–1,027	–107
Closing acquisition value	2,166	3,167	Closing acquisition value	2,163	3,164
Opening fair value reserve	3,793	1,788	Opening fair value reserve	3,796	1,791
Divestitures, booked in the income statement	442	39	Divestitures, booked in the income statement	442	39
Revaluation recognised in equity	1,737	1,966	Revaluation recognised in equity	1,737	1,966
Closing fair value reserve	5,972	3,793	Closing fair value reserve	5,975	3,796
Book value	8,138	6,960	Book value	8,138	6,960

INVESTMENT PORTFOLIO	Market value	Listed price ¹⁾	Acquisition	Share of votes	Share of equity
Share	Number	SEK m	value, SEK m	%	%
Assa Abloy A ²⁾	6,746,425	1,278	786		
Assa Abloy B	19,000,000	3,601	414	16.1	7.0
HMS Networks	1,851,000	199	133 ⁵⁾	16.6	16.6
Loomis A ²⁾	800,000	80	10		
Loomis B	4,618,000	464	55	12.1	7.4
Niscayah Group A ²⁾	4,000,000	55	87		
Niscayah Group B	24,000,000	330	93	12.3	7.7
Securitas A ²⁾	4,000,000	315	79		
Securitas B	23,090,000	1,816	276	12.2	7.4
Total		8,138	2,163		

Associated companies in the investment portfolio (see note 25)

Fagerhult ⁴⁾	4,106,800	657	160	296	32.6	32.6
Nederman	3,171,000	309	98	271	27.1	27.1
Sweco A	1,222,760	71	58	8		
Sweco B ^{3) 6)}	27,775,000	1,611	58	144 ⁷⁾	22.8	31.9
Total including associated companies in the parent company			10,786	2,882		

¹⁾ Buying rate.

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

³⁾ The acquisition value of Sweco B is SEK 36 m higher in the Group due to the utilisation of a call option.

⁴⁾ 30,000 shares of Latour's holding in Fagerhult were loaned out at the end of 2010.

⁵⁾ The acquisition value in the parent company totalled SEK 130 m.

⁶⁾ The A share in Sweco is listed but due to limited trading it has been given the same listed price as the B share.

⁷⁾ Acquisition value in the Group is through the use of a call option, SEK 34 m higher than in the parent company.

Note 27 Other securities held as fixed assets

GROUP	2010	2009
Opening acquisition value	7	7
Purchases	1	1
Sales	-	-1
Reclassification	-7	-
Closing acquisition value	1	7
Opening fair value reserve	0	0
Divestiture booked in the income statement	-	-
Change for the year	-	-
Closing fair value reserve	0	0
Opening write-downs	0	0
Write-downs for the year	-	-
Sales	0	0
Closing write-downs	0	0
Book value	1	7
Other holdings	1	7
Book value	1	7

The holding in Oxeon AB has been reclassified as an associated company during the year.

PARENT COMPANY	2010	2009
Opening acquisition value	0	0
Sales	-	-
Closing acquisition value	0	0
Opening fair value reserve	0	0
Divestiture, recognised in the income statement	-	-
Change for the year	-	-
Closing fair value reserve	0	0
Opening write-downs	0	0
Write-downs for the year	-	-
Sales	-	-
Closing write-downs	0	0
Book value	0	0

Note 28 Long-term receivables

GROUP	2010	2009
Opening acquisition value	67	17
Increase for the year	3	56
Decrease for the year	-4	-6
Reclassification	-	-
Book value	66	67

The Group's interest-bearing receivables have an average interest rate of 0 percent and run for an average period of 5 years.

Note 29 Inventory

The value of goods pledged as security for loans or other obligations is 0 (0).

Inventory value:	2010	2009
At net sales value		
Raw materials and consumables	-	-
Work-in-progress	-	-
Finished work and goods for resale	-	-
At net sales value		
Raw materials and consumables	266	183
Work-in-progress	83	54
Finished work and goods for resale	634	611
	983	848

Note 30 Listed shares – trading

GROUP	2010	2009
Book value at the beginning of the year	45	152
Acquisitions for the year	136	25
Sales at the actual acquisition value	-142	-149
Revaluation, booked in the income statement	4	17
Book value at the end of the year	43	45

GROUP	Number	Acquisition value	Book value	Market value
Astra Zeneca	15,000	5	5	4
Fagerhult	32,000	5	5	5
Kinnevik B	35,000	5	5	5
SCA B	50,000	5	5	5
Securitas B	200,000	14	14	15
Volvo B	55,000	6	6	6
Other shares and participation		3	3	3
		43	43	43

Note 31 Accounts receivable

GROUP	2010	2009
Nominal value	1 230	836
Provisions for bad debts	-19	-19
Net accounts receivable	1 211	817
Provisions for bad debts		
Opening provisions	-19	-14
Provisions for bad debts for the year	-9	-6
Realised losses during the year	2	1
Reversed unutilised amount	6	1
Exchange rate difference	1	0
Other	-	-1
	-19	-19

Provisions for, and provisions from, bad debts are included in the post Other operating costs in the income statement. Amounts reported in the provision for depreciation are normally written off when the Group is not expected to retrieve further cash.

Age analysis of accounts receivable

Not mature	954
Mature receivables that per 31 December 2010 were not written-down	
Mature less than 3 months	214
Mature 3 to 6 months	21
Mature more than 6 months	22
	1,211

Note 32 Cash

Cash consist of SEK 573 m (564) in bank balances and SEK 0 m (0) in short-term investments. The Group receives interest on bank balances according to a floating interest rate based on the bank's daily rate.

Of the Group's and the parent company's cash, SEK 5 m (5) comprise frozen funds.

Note 33 Financial instruments and financial risk management

Hedge accounting

Latour uses hedge accounting on forward exchange contracts that hedge cash flows and loans in foreign currency which safeguards net investments abroad. Changes in market values of cash flow hedges are recognised in other comprehensive income when they are considered effective, otherwise directly in the income statement. Accumulated amounts in other comprehensive income are returned to the income statement during the periods the hedged item affects results. Unrealised profits or losses that stem from a market valuation of derivative instruments attributable to hedges of net investments, and which stem from exchange differences, are recognised in other comprehensive income.

Book value and fair value of financial assets and liabilities

The table below shows book and fair value per type of financial instrument. Financial instruments include securities, derivative instruments, receivables, operating liabilities, leasing obligations and borrowing. Financial instruments are largely market related investments at Latour. Listed securities are valued at the latest buying rate on the balance sheet date. Forward exchange contracts are valued at the forward rate. Translation to SEK is according to listed rates on the balance sheet date. The main difference between book value and fair value arises in the Group's holdings of participation in associated companies.

For other items, the book value largely reflects fair value.

Group 2010	Financial assets available-for-sale	Financial assets valued at fair value via profit or loss		Loan and acc- ounts receivable	Financial liabilities valued at fair value via profit or loss		Total recorded value	Fair value
		Holdings held for trading	Other assets		Holdings held for trading	Other liabilities		
<i>Financial assets</i>								
Listed shares, management	8,138 ¹⁾						8,138	8,138
Other investments held as fixed assets	1 ²⁾						1	1
Other long-term receivables				66 ³⁾			66	66
Listed shares – trading		43 ¹⁾					43	43
Accounts receivable				1,211 ³⁾			1,211	1,211
Unrealised gains, currency derivatives		27 ²⁾					27	27
Other current receivables				55 ³⁾			55	55
Cash			573 ¹⁾				573	573
Total	8,139	70	573	1,332	0	0	10,114	10,114
<i>Financial liabilities</i>								
Long-term loans						178 ⁴⁾	178	178
Bank overdraft facilities						41 ⁴⁾	41	41
Current loans					534 ⁴⁾	534	534	
Accounts payable						680 ⁴⁾	680	680
Other liabilities						140 ⁴⁾	140	140
Total					0	1,573	1,573	1,573

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.

⁴⁾ Level 4 – reported at accrued acquisition value

Group 2009	Financial assets available-for-sale	Financial assets valued at fair value via profit or loss		Loan and acc- ounts receivable	Financial liabilities valued at fair value via profit or loss		Total recorded value	Fair value
		Holdings held for trading	Other assets		Holdings held or trading	Other liabilities		
<i>Financial assets</i>								
Listed shares, management	6,960 ¹⁾						6 960	6 960
Other investments held as fixed assets	7 ²⁾						7	7
Other long-term receivables				67 ³⁾			67	67
Listed shares – trading		45 ¹⁾					45	45
Accounts receivable				817 ³⁾			817	817
Other current receivables				43 ³⁾			43	43
Cash			564 ¹⁾				564	564
Total	6,967	45	564	927	0	0	8,503	8,503
<i>Financial liabilities</i>								
Long-term loans						56 ⁴⁾	56	56
Bank overdraft facilities						1 ⁴⁾	1	1
Current loans					1,119 ⁴⁾		1,119	1,119
Accounts payable						405 ⁴⁾	405	405
Other liabilities						95 ⁴⁾	95	95
Unrealised gains, currency derivatives					11 ²⁾		11	11
Total					11	1,676	1,687	1,687

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.

⁴⁾ Level 4 – reported at accrued acquisition value

Cont.

Note 33 cont.

Financial risk management

The Group's financing operations and management of financial risks is primarily centralised to Group staff. Operations are run in according to the finance policy adopted by the board and are characterised by a low level of risk. The purpose is to ensure the Group's long-term financing, minimise the Group's capital expense and effectively manage and control the Group's financial risks.

Currency exposure

The Group's operations face currency exposure in the form of exchange rate fluctuations. The Group's currency exposure consists partly of transaction exposure relating to purchases and sales in foreign currency, and partly to translation exposure relating to net investments in foreign subsidiaries and exchange rate fluctuations when the results from foreign subsidiaries are converted to Swedish crowns.

Transaction exposure

The Group's goal concerning transaction exposure is to hedge 50 percent of the coming 12 months' budgeted cash flows. The effect of hedging on results was SEK 38 m (17), and booked in operating result.

The net currency flows for the year for Swedish units were distributed as follows:

Currencies (amounts in SEK m)	2010	2009
NOK	247	251
DKK	77	1
GBP	40	87
USD	-205	-115
EUR	-8	128
Total	151	352

+ = net inflow, - = net outflow

Given a net transaction exposure equivalent to the one in 2010, and that hedging measures had been taken, results would be affected negatively by SEK 1 m if the Swedish crown had become one percentage point stronger than all transaction currencies.

On 31 December 2010 the Group had outstanding hedging contracts distributed in the following currencies and on these maturity dates.

Amount in SEK m	2011	2012	2013	Total
Sell EUR	173	70	41	284
Sell NOK	118	51		169
Sell DKK	56	38	23	117
Sell GBP	25			25
Sell USD	16			16
Sell CHF	14			14
Sell PLN	23			23
Sell total	425	159	64	648
Buy EUR	-4			-4
Buy USD	-94	-53	-63	-210
Buy total	-98	-53	-63	-214
Net	327	106	1	434

The valuation of the forward exchange contracts to fair value is a derivative instrument and totalled SEK -27 m (-11).

Translation exposure

The need to hedge net assets in foreign subsidiaries is decided on a case-to-case basis and hedges are based on the group-wise value of the net assets. Hedging is through loans in foreign currency. Profit from hedges in foreign operations was SEK 23 (20) m. The amount was reported in Provisions in equity.

Net assets of the foreign subsidiaries are allocated as follows:

Currencies	2010		2009	
	Amount SEK m	%	Amount SEK m	%
EUR	109	38	293	45
DKK	14	5	104	16
NOK	106	37	127	20
USD	11	4	13	2
GBP	3	1	53	8
RON	10	3	15	2
CHF	6	2	18	3
LVL	8	3	10	2
PLN	12	4	5	1
JPY	8	3	5	1
Other	1	0	6	1
Total	288	100	649	100

Exchange rate difference for the year from translation of foreign net assets amounted to SEK -108 m (20) and is reported in other comprehensive income.

Financing risks

In order to reduce the risk of difficulties in procuring capital in the future and refinancing of matured loans, the Group has the following contracted credit promises:

Current operating credits	700
Credits granted until 2013	1,035
Credits granted until 2014	500
Credits granted until 2015	1,065
	3,300

The Group's net financial liabilities, excluding shareholdings and other securities, amounted on 31 December 2010 to SEK 285 m. Most of the Group's loans are in SEK with a maturity period of less than one year.

Granted credits contracts longer than one year contain financial covenants which state that net borrowing may not exceed a certain level in relation to the listed market price of the Group's listed securities. Even if Group credit were utilized to the limit per 2010-12-31 there would still be a substantial margin.

Interest exposure

The Latour Group's major source of financing is the cash flow from current operations and portfolio management as well as from loans. The loans, which are interest-bearing, expose the Group to interest rate risks.

Interest rate exposure is the risk that interest rate fluctuations will affect the Group's net interest and/or cash flow negatively. The Group's financing policy establishes guidelines for setting fixed rates and average loan periods for borrowings. The Group strives to achieve a balance between the estimated cost of servicing loans and the risk that major interest rate fluctuations might affect profits negatively. At the end of 2010 the average fixed loan period was about 3 months.

If the interest rate level of Latour's loan portfolio had been one percentage point higher, the result for the year would have been affected by SEK -12 m.

The average cost for outstanding long and short term borrowing on the balance sheet date:

	2010 Debt		2009 Debt	
	%	SEK m	%	SEK m
Long-term borrowing SEK	4.7	60	-	17
Long-term borrowing EUR	2.1	113	-	34
Long-term borrowing GBP	-	1	-	-
Long-term borrowing DKK	6.2	4	5.7	5
	3.1	178	0.5	56
Short-term borrowing SEK	3.0	260	2.7	865
Short-term borrowing DKK	-	0	1.8	14
Short-term borrowing EUR	1.8	272	2.4	233
Short-term borrowing CNY	4.5	8	4.5	6
	2.8	540	3.4	1,118

Credit risk

The Group has limited exposure to credit risks. These risks are primarily related to outstanding accounts receivable. Losses on accounts receivable arise when customers become insolvent or for other reasons fail to meet their payment obligations. The risks are limited through credit insurance policies. Certain businesses even require payment in advance. Group management takes the view that there is no significant credit risk concentration in relation to any specific customer or counterparty or in relation to any specific geographic region.

Cont.

Note 33 cont.

Price risk

The Group is exposed to a price risk concerning shares due to investments held by the Group and which, in the Group's balance sheet are classified either as available-for-sale financial instruments or assets valued at fair value via profit or loss. The price risk on shares consists of share price risks, liquidity risks and counterparty risks. Share price risk is the risk of value loss due to changes in prices on the stock market. This is the greatest risk in Latour's business and occurs primarily in the valuation of the investment portfolio companies. These are regularly analysed and monitored by Latour's group management. Latour affects companies' strategies and decisions through its active ownership, which is in part manifested through board participation. Liquidity risk can occur if a share, for example, is hard to sell. Liquidity risk is, however, limited. Counterparty risk is the risk that a party in a transaction with a financial instrument cannot fulfil their obligations and thereby creates a loss for the other party.

The Group is not exposed to any price risk concerning raw materials or commodities.

Business risks

Business risk is the risk of a loss due to shortcomings in internal routines and systems. A number of internal guidelines and regulations as well as policies adopted by the board are the basis of Latour's risk management. Legal reviews of contracts and relations are performed regularly. The company also has a system of continuous controls that regulate and ensure responsibility and authority in daily operations.

Insurance risks in the Group are handled depending on the deemed need for insurance. Matters concerning secrecy and information security are highly prioritised at Latour and are regulated by internal guidelines. Latour also continuously controls and develops its systems and procedures concerning IT security.

Note 34 Equity

Reserves

GROUP	Hedging reserve	Translation reserve	Fair value reserve	Total
Opening balance 2009-01-01	-38	92	1,788	1,842
Translation differences for the year		-20		-20
Available-for-sale financial assets:				
Revaluation recognised directly in other comprehensive income			1,966	1,966
Recognised in the income statement when divested			39	39
Net asset hedge	20			20
Closing other reserves 2009-12-31	-18	72	3,793	3,847
Opening balance 2010-01-01	-18	72	3,793	3,847
Translation differences for the year		-108		-108
Available-for-sale financial assets:				
Revaluation recognised directly in other comprehensive income			1,737	1,737
Recognised in the income statement when divested			442	442
Net asset hedge	23			23
Closing other reserves 2010-12-31	5	-36	5,972	5,941

¹⁾ Tax on amounts recognised directly in equity is SEK 0 m.

Share capital

The parent company's share capital. The quota value of each share is SEK 0.83.

Other contributed capital

Refers to equity contributed by shareholders. Contributed capital is included here as a form of issue in kind and a new issue at a rate exceeding the par value.

Bought-back shares

Bought-back shares are the acquisition cost for own shares held by the parent company and booked as a deduction in equity. Funds from the divestiture of own shares are recognised as an increase in equity and transactions costs are recognised directly in equity.

Other provisions

Translation provision

The translation provision includes all the exchange rates differences that occur when translating financial reports into a currency other than the currency consolidated financial reports are presented in. The parent company and the Group present their financial reports in Swedish crowns.

Hedging provision

The hedging provision includes the effective portion of the accumulated net change of fair value on a cash flow hedging instrument attributable to hedging transactions that have not yet taken place. The hedging

reserve also consists of exchange rate differences that occur when translating debts and derivatives classified as hedging instruments of net investments in a foreign unit.

Fair value reserve

The fair value reserve includes the accumulated net change of the fair value of available-for-sale financial assets until the asset is derecognised in the balance sheet.

Profit brought forward including part of results for the year

Contained in profit brought forward including part of comprehensive income for the year are profits earned in the parent company, its subsidiaries and associated companies. Previous provisions to the statutory reserve, not including transferred share premium reserves, are incorporated in this equity item.

Non-controlling interests

Non-controlling interests comprise the share of equity not owned by the parent company.

Dividends

Dividends are proposed by the board in accordance with the Companies Act and approved by the Annual General Meeting. The proposed but as yet not approved dividends for 2010 are SEK 491.2 m (SEK 3.75 per share). The amount has not been reported as a liability.

Cont.

Note 34 cont.

Earnings per share

GROUP	2010	2009
Result for the year	702	552
Average number of outstanding shares before dilution	131,000,000	131,000,000
Average number of outstanding shares after dilution	131,172,973	131,067,110
Earnings per share related to profit attributable to parent company shareholders		
Before dilution	5.37 SEK	4.21 SEK
After dilution	5.36 SEK	4.21 SEK

Outstanding shares

	Class A	Class B	Total
Number of shares on 1 January 2010	16,696,930	114,303,070	131,000,000
Share buyback	–	–	0
Conversion	–4,612,770	4,612,770	0
Total outstanding shares per 31 December 2010	12,084,160	118,915,840	131,000,000

Own shares

	Class A	Class B	Total
Shares held on 1 January 2010	–	460,000	460,000
Bought back during the year	–	0	0
Total own shares held per 31 December 2010	0	460,000	460,000

Total number of shares per 31 December 2010 12,084,160 119,375,840 131,460,000

	2010		2009	
Own shares	Number	Cost	Number	Cost
Accumulated at the beginning of the year	460,000	29	460,000	29
Bought back during the year	–	–	–	–
Accumulated at year-end	460,000	29	460,000	29

The par value of own shares bought back amounted on 31 December 2010 to SEK 0.4 m and corresponds to 0.3 percent of share capital.

The transaction costs in connection with the buybacks are reported as a deduction from equity. These costs have not affected booked tax costs.

Note 35 Pension obligations

Nearly all employees in the Latour Group are covered either by defined benefit or defined contribution pension plans. Defined benefit pension plans mean that the employee is guaranteed a pension corresponding to a certain percentage of his or her salary. The pension plans comprise retirement pension, sickness pension and family pension. The pension obligations are secured through provisions in the balance sheet and through premiums to insurance companies which thereby assume the obligations towards the employees. Group employees outside Sweden and Norway are covered by defined contribution pension plans. Fees for these plans normally constitute a percentage of the employee's salary.

Obligations for retirement and family pensions for white-collar workers in Sweden are largely secured through insurance with Alecta. Since Alecta cannot provide enough information to report the ITP plan as a defined benefit plan it is reported as a defined contribution plan. Fees for the year for pension insurance policies with Alecta amounted to SEK 29 m. Alecta's surplus can be divided amongst the insurance policy holder and/or the insured. At the end of 2010, Alecta's surplus in the form of the collective consolidation level was 146 percent. Pension plans for blue-collar workers in Sweden are defined contribution plans.

The company's costs and the value of outstanding obligations for defined benefit plans are calculated using actuarial calculations which aim to establish the current value of the obligations.

If the accumulated actuarial result on a pension obligation and plan assets exceed a corridor corresponding to 10 percent of the highest either of pension obligations or the market value of the plan assets, the surplus is recorded as profit during the period remaining of employment.

GROUP	2010	2009
Defined benefit obligations		
Current value at the beginning of the period	144	140
Benefits earned during the period	0	0
Interest	7	6
Pension payments	–10	–6
Acquisition/sales	20	–2
Actuarial result	0	6
Translation difference	–2	0
Closing balance	159	144
Plan assets		
Opening balance	0	0
Closing balance	0	0
Amount reported in the income statement	2010	2009
Benefits earned during the period	0	0
Interest on pension provisions	7	6
Cost of defined benefit plans	7	6
Costs of defined contribution plans	88	90
Special employer's tax and taxes on return	15	13
Total pension costs	110	109

The actuarial calculation of pension obligations and pension costs is based on the following important assumptions:

%	2010	2009
Discount rate	4.0	4.0
Anticipated wage increases	3.0	3.0
Income base amount	3.0	3.0
Pension indexation	2.0	2.0
Annual increase of paid-up policies	2.0	2.0
Personnel turnover	3.0	3.0
Remaining years of service, years	12.2	12.2

Note 36 Taxes

Deferred tax in the balance sheet

Temporary differences exist where the book value and taxation value differ for a given asset or liability. Temporary differences have resulted in the Group's overall deferred tax credits and deferred tax liabilities as set out below:

GROUP	2010	2009
Deferred tax credits		
Buildings and land	6	–
Machinery and equipment	2	–
Inventories	9	11
Listed shares	–	4
Current receivables	2	2
Provisions	6	2
Current liabilities	3	4
Derivatives	–	3
Other items	9	1
	37	27
Deferred tax liabilities		
Intangible assets	–29	–19
Buildings and land	–1	–2
Machinery and equipment	–1	–1
Inventories	2	–
Current receivables	2	–
Untaxed reserves	–65	–72
Derivatives	–7	–
	–99	–94

Deferred tax credits and liabilities are set-off when there is a legal right to set off current tax credits and tax liabilities and when deferred taxes refer to the same tax system. Deferred tax recognised in other comprehensive income amounts to SEK 1 m (1).

There is a fiscal loss carry-forward in the parent company of SEK 529 m (416) which has not taken into account deferred tax.

Note 37 Other provisions

GROUP	Guarantee provisions	Other provisions	Total
Opening value 2009-01-01	12	12	24
Amounts claimed during the year	–4	–	–4
Provisions for the year	2	9	11
Closing value 2009-12-31	10	21	31
Amounts claimed during the year	–5	–8	–13
Provisions for the year	16	6	22
Reclassification	6	–6	0
Closing value 2010-12-31	27	13	40
The provisions consist of:	2010	2009	
Long-term part	32	20	
Current part	8	11	
	40	31	

Other provisions primarily consist of provisions for restructuring costs.

Note 38 Long-term liabilities

GROUP	2010	2009
Liabilities to credit institutions falling due in 1-5 years	49	7
Liabilities to credit institutions falling due in >5 years	7	5
Liabilities referring to financial leasing	82	–
Other long-term liabilities	40	44
Total	178	56

For other details concerning long-term liabilities see note 33.

Note 39 Bank overdraft facility

The bank overdraft facility available to the Group is SEK 200 m (292) of which SEK 41 m (1) has been used.

Note 40 Accrued expenses and deferred income

GROUP	2010	2009
Accrued interest expenses	5	5
Accrued social security fees	47	51
Accrued other wage-related costs	132	118
Other items	232	183
Total	416	357

Note 41 Pledged assets

GROUP	2010	2009
For own debts and provisions		
Concerning Pension provisions		
– Floating costs	5	5
– Other securities	1	2
Concerning Long-term liabilities to credit institutions		
– Floating charges	–	–
– Property mortgages	–	–
– Other securities	0	1
Other		
– Floating charges	6	6
– Property mortgages	4	4
– Other securities	–	8
Total pledged assets	16	26

Note 42 Contingent liabilities

GROUP	2010	2009
Pension guarantees	1	1
Other liabilities	15	54
Total	16	55

PARENT COMPANY	2010	2009
Guarantees for subsidiaries	1,837	1,431
Total	1,837	1,431

The parent company has pledged to assume certain obligations that may befall Group companies.

Note 43 Acquisitions

Assets and liabilities in acquired operations

	2010	2009
Intangible assets	497	68
Tangible assets	223	7
Financial assets	10	12
Inventories	99	10
Accounts receivable	232	24
Other current receivables	50	2
Cash	60	12
Deferred tax liability	–9	–2
Long-term net borrowing	–386	–48
Current liabilities	–295	–43
Net identifiable assets and liabilities	481	42
Additional purchase price	19	–
Cash regulated purchase price	500	42
Acquisition of items not included in cash flow	–3	–2
Cash in acquisitions	–60	–12
Effect on Group cash	437	28

Transaction costs in connection with acquisitions for the year amount to SEK 14 m.

Cont.

Note 43 cont.

Samwon Tech (Europe) Limited

On 5 January 2010 the Group acquired 100 percent of the shares in Samwon Tech (Europe) Limited. The acquired operation contributed income of SEK 40 m and a net result of SEK 1 m between 1 January and 31 December 2010.

An estimated additional purchase price of GBP 1.7 m for Samwon Tech has been reserved. The final amount can vary between GBP 0 and 3.3. The final amount will be based on result development between 2010 and 2013.

Goodwill is attributable to synergy gains and additional sales that will be achieved when the company's sales organisation is merged with the existing sales organisation in the Specma Group business area.

Tangible assets	1
Inventories	4
Accounts receivable	7
Cash	2
Long-term liabilities	-23
Current liabilities	-4
Net identifiable assets and liabilities	-13
Group goodwill	25
Additional purchase price	19
Cash regulated purchase price	31
Acquisition of provisions not included in cash flow	-
Acquired cash	-2
Change in Group cash at acquisition	29

REAC AB

On 14 September 2010 the Group acquired 100 percent of the shares in REAC AB. In addition to the parent company the REAC Group consists of the wholly owned company Balle A/S. The acquired operation contributed income of SEK 29 m and a net result of SEK 2 m for 2010. If the acquisition had been made 1 January 2010 the company's income would have been SEK 91 m and the result for the year SEK 10 m.

Goodwill is attributable to the anticipated earning capacity of the company.

Tangible assets	2
Inventories	10
Accounts receivable	11
Other receivables	2
Current liabilities	-16
Net identifiable assets and liabilities	9
Group goodwill	75
Cash regulated purchase price	84
Acquisition of provisions not included in cash flow	-
Acquired cash	-
Change in Group cash at acquisition	84

Kontikab AB

On 19 October 2010 the Group acquired 100 percent of the shares in Kontikab AB. The acquired operation contributed income of SEK 5 m and a net result of SEK -1 m in 2010. If the acquisition had been made 1 January 2010 the company's income would have been SEK 19 m and the result for the year SEK -2 m.

Goodwill is attributable to the earning capacity of the company as well as the gains in synergies with existing operations in the Latour Industries business area.

Accounts receivable	3
Other receivables	5
Long-term liabilities	-1
Current liabilities	-5
Net identifiable assets and liabilities	2
Group goodwill	7
Cash regulated purchase price	9
Acquisition of provisions not included in cash flow	-
Acquired cash	-
Change in Group cash at acquisition	9

Blue Box Group

On 5 October 2010 the Group acquired 100 percent of the shares in Blue Box Group S.r.l. In addition to the parent company the Blue Box Group consists of the wholly owned company Blue Box Service, the company Blue Box France, 90 percent owned, as well as Blue Box Spain, 65 percent owned, and Blue Box India, 96 percent owned. The acquired operation contributed income of SEK 115 m and a net result of SEK 1 m in 2010. If the acquisition had been made 1 January 2010 the company's income would have been SEK 508 m and the result for the year SEK 13 m.

Transaction costs for the acquisition, which were charged to the result for the period, totalled SEK 3 m for these acquisitions.

Goodwill is attributable to the synergy gains that will occur when the service and sales organisations are merged with existing operations in the Swegon business area.

Intangible assets	1
Tangible assets	160
Financial assets	10
Inventories	57
Accounts receivable	180
Other receivables	35
Cash	25
Deferred tax	-1
Long-term liabilities	-306
Current liabilities	-228
Net identifiable assets and liabilities	-67
Group goodwill	292
Cash regulated purchase price	225
Acquisition of provisions not included in cash flow	-11
Acquired cash	-25
Change in Group cash at acquisition	189

LSAB

On 12 December 2010 the Group acquired 100 percent of the shares in LSAB AB. In addition to the parent company, LSAB Svinöhed Industrier AB, the Group consists of the wholly owned companies Långshyttans Slipservice AB, Norrslip AB, Mörlunda Slipservice AB, Trollhättan Slipservice AB, Suomen Terähuolto OY, Vändra Saeterius AS, Latvia Tool Service and LSAB Instrument Service. The acquired operation did not contribute any income in 2010 and will first be included in Latour's result from 1 January 2011.

Transaction costs for the acquisition, which were charged to the result for the period, totalled SEK 1 m for these acquisitions.

Goodwill is attributable to the anticipated earning capacity of the company.

Tangible assets	38
Inventories	13
Accounts receivable	15
Other receivables	1
Cash	21
Deferred tax	-6
Long-term liabilities	-17
Current liabilities	-21
Net identifiable assets and liabilities	44
Group goodwill	60
Cash regulated purchase price	104
Acquisition of provisions not included in cash flow	6
Acquired cash	-21
Change in Group cash at acquisition	89

Cont.

Note 43 cont.

Pressmaster

On 22 December 2010 the Group acquired the remaining shares in Pressmaster Holding AB, of which it previously owned 49 percent. In addition to the parent company Pressmaster Holding AB, the Pressmaster Group consists of the wholly owned subsidiaries Pressmaster AB, Pressmaster GmbH and Pressmaster Inc, Chicago. The acquired business did not contribute any income in 2010 but it will be included in Latour's result from 1 January 2011.

Goodwill is attributable to the anticipated earning capacity of the company.

Intangible assets	17
Tangible assets	22
Inventories	14
Accounts receivable	15
Other receivables	7
Cash	12
Deferred tax	-2
Long-term liabilities	-39
Current liabilities	-20
Net identifiable assets and liabilities	26
Group goodwill	17
Cash regulated purchase price	43
Acquisition of provisions not included in cash flow	2
Acquired cash	-12
Change in Group cash at acquisition	33

Komponenthuset AS

During the year Komponenthuset was acquired at SEK 2 m as well and generated Group goodwill of SEK 1 m.

Note 44 Subsidiary divestitures

	2010	2009
Intangible assets	3	–
Tangible assets	1	42
Inventories	–	19
Accounts receivable	1	23
Other receivables	1	2
Cash	1	0
Long-term net borrowing	–	-42
Current liabilities	-1	-17
Result on sale of subsidiaries	2	-27
Received purchase price	8	0
Cash in divested companies	-1	–
Total	7	0

The Latour Industries business area divested all the shares in Maskincentrum AB in the fourth quarter of 2010. Maskincentrum had net sales of around SEK 26 million in 2010 and as of November reported an operating loss of SEK -1 million.

Note 45 Government grants

Government grants have affected the Group's income statement and balance sheet as follows:

GROUP	2010	2009
Grants that affected result for the year	2	2
Grants that affected assets	3	4
Grants that affected liabilities	0	0

Grants consist primarily of development and investment aid.

Note 46 Events after the balance sheet date

Latour Industries business area acquired Sigma-3 S.r.l. The company is domiciled in Turin and is an independent retailer of Nord-Lock's products in Italy.

Specma Group business area has during the first quarter of 2011 signed a contract for the divestiture of Autotube AB.

Note 47 Important estimations and assessments

In order to prepare the accounts according to good accounting practice, Group management and the board of directors must make estimations and assessments which affect the asset and liability items, respectively balance and income statement items, reported in the annual accounts, as well as reported information in general, for example contingent liabilities. These assessments are based on historic experience and the various assumptions that Group management and the board of directors consider plausible under existing circumstances. In cases where it is not possible to ascertain the book value of assets and liabilities through information from other sources these estimations and assumptions form the basis of the valuation. If other assumptions are made or other circumstances influence the matter the actual outcome can differ from these assessments.

Particularly in the areas of income accounting and uncertain receivables, valuing intangible and fixed assets, restructuring measures, pension obligations, taxes, disputes and contingent liabilities can assessments have a significant effect on Latour's result and financial position (see each note respectively).

Group management has discussed the development and selection of, and information concerning, the Group's critical accounting principles and estimations, as well as their application and estimations with the auditing committee.

Assessing the need to write-down goodwill

Goodwill is subject to annual impairment test according to the accounting principle described in note 2. The recovery value for cash generating units is determined by calculating value of use. To make these calculations certain estimations must be made (note 18).

Pension obligations

The current value of pension obligations depends on a number of factors that are established on an actuary basis with the help of a number of assumptions. Discount interest is included in the assumptions used to determine the net cost (income) of pensions.

The Group establishes appropriate discount interest rates at the end of every year. This is the interest used to determine the current value of estimated future payments that are assumed necessary to pay for pension obligations. The Group bases the discount interest rate on first class government bonds expressed in the currency the remuneration will be paid in and with the same maturity period as the obligations in question.

Other important actuarial assumptions concerning pension obligations are based in part on current market conditions. Further details are given in note 35.

Warranties

Management in each subsidiary estimates necessary reserves to guarantee future warranty demands based on information concerning historical warranty demands as well as current trends which indicate that historical information can differ from future demands.

Among the factors that can affect information concerning warranty demands is the success of the Group's productivity and quality initiative as well as the cost of labour and material.

Note 48 Definitions

Adjusted equity	Equity and the difference between book value and fair value in associated companies.
Adjusted equity/assets ratio	Equity and the difference between book value and fair value in associated companies in relation to adjusted total assets.
Direct return	Dividends as a percentage of the share purchase price.
EBIT (Operating result)	Result before net financial items and tax.
EBIT-multiple	Operating result in relationship to market value adjusted for net debt/equity ratio.
EBITA	Result before net financial items, tax and depreciation on intangible assets related to acquisitions.
Equity/assets ratio	Equity in relation to the total assets.
Net debt/equity ratio	Interest-bearing liabilities plus interest-bearing reserves less cash in relation to adjusted equity.
Net loan debt level	Interest-bearing liabilities plus interest-bearing reserves less cash and interest-bearing receivables.
Net worth	The difference between the company's assets and liabilities, when the investment portfolio (incl. associated companies) is recognised at market value and operative subsidiaries that are owned at the end of the period are recognised in an interval based on EBIT-multiples for comparable listed companies in each business area.
Operating capital	Total assets less cash and other interest-bearing assets and less non-interest-bearing liabilities.
Operating margin	Operating result as a percentage of net sales.
P/e ratio	The share purchase price in relation to profit after paid tax.
Profit margin	Profit after net financial items plus financial costs as a percentage of invoiced sales.
Return on equity	Net profit according to the income statement as a percentage of average equity.
Return on operating capital	Operating result as a percentage of average operating capital.
Return on total capital	Profit after net financial items plus financial costs in relation to average total assets.

Audit report

To the annual general meeting of the shareholders of
Investment AB Latour (publ)
Corporate identity number 556026-3237

We have audited the annual accounts, the consolidated accounts, the accounting records and the administration of the board of directors and the managing director of Investment AB Latour (publ) for the year 2010. The company's annual accounts and the consolidated accounts are included in this document on pages 56-91. The board of directors and the managing director are responsible for these accounts and the administration of the company as well as for the application of the Annual Accounts Act when preparing the annual accounts and the application of international financial reporting standards IFRSs as adopted by the EU and the Annual Accounts Act when preparing the consolidated accounts. Our responsibility is to express an opinion on the annual accounts, the consolidated accounts and the administration based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in Sweden. Those standards require that we plan and perform the audit to obtain reasonable assurance that the annual accounts and the consolidated accounts are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the accounts. An audit also includes assessing the accounting principles used and their application by the board of directors and the managing director and significant estimates made by the board of directors and the managing director when preparing the annual accounts and consolidated accounts as well as evaluating the overall presentation of information in the annual accounts and the consolidated accounts. As a basis for our opinion concerning discharge from liability, we examined significant decisions, actions taken and circumstances of the company in order to be able to determine the liability, if any, to the company of any board member or the managing director. We also examined whether any board member or the managing director has, in any other way, acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association. We believe that our audit provides a reasonable basis for our opinion set out below.

The annual accounts have been prepared in accordance with the Annual Accounts Act and give a true and fair view of the company's financial position and result of operations in accordance with generally accepted accounting principles in Sweden. The consolidated accounts have been prepared in accordance with international financial reporting standards IFRSs as adopted by the EU and the Annual Accounts Act and give a true and fair view of the group's financial position and result of operations. The statutory administration report is consistent with the other parts of the annual accounts and the consolidated accounts.

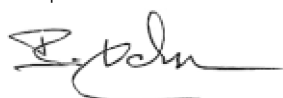
We recommend to the annual meeting of shareholders that the income statements and balance sheets of the parent company and the group be adopted, that the profit of the parent company be dealt with in accordance with the proposal in the administration report and that the members of the board of directors and the managing director be discharged from liability for the financial year.

Gothenburg 16 March 2011

Öhrlings PricewaterhouseCoopers AB



Helén Olsson Svärdröm
Authorised Public Accountant
Principle accountant



Bo Karlsson
Authorised Public Accountant

Corporate Governance

Investment AB Latour (publ) is a Swedish public limited company whose shares are listed on NASDAQ OMX Stockholm Large Cap list. Latour's corporate governance is based on laws, listing agreements, guidelines and good praxis. This report regarding corporate governance has been prepared in accordance with the Swedish Code of Corporate Governance ("the Code") as well as chapter 6, 6-9§ of the Annual Accounts Act and chapter 9, 31§ of the Company Act and refers to the financial year 2010. The auditor has stated that the corporate governance report has been prepared, and that disclosures according to chapter 6, 6 § second paragraph 2-6 in the Annual Accounts Act (for example the most important elements in the company's system for internal control and risk management in connection to financial reporting) agree with the other parts of the Annual Report.

Latour's Articles of Association and further information about corporate governance in Latour can be found on our website www.latour.se/en in Investors and Media.

Annual General Meeting

The Annual General Meeting must be held within six months after the end of the financial year. The Annual General Meeting can be held in Gothenburg or Stockholm. All shareholders recorded in the registered list of shareholders before the Annual General Meeting and who have announced their intention to attend have the right to participate and vote for their entire shareholdings. The Annual General Meeting 2010 authorised the board to decide on the acquisition of Latour shares on one or more occasions until the next Annual General Meeting. Both A and B shares may be acquired and the total number of shares may be such that, after acquisition, the company does not hold more than ten (10) percent of all shares issued in the company.

Nominating process

The Annual General Meeting selects board members for a one-year term. At the Annual General Meeting 2010 the nominating committee provided a proposal concerning the election of the chairman and the other members of the board, remuneration to the board and possible remuneration for committee work to the Annual General Meeting. The Annual General Meeting decided that nominating committee until Annual General Meeting 2011 will consist of Gustaf Douglas and at least two representatives for other major shareholders. Since then the following members have been appointed to the nominating committee: Gustaf Douglas (chairman, principle owner), Björn Karlsson (Bertil Svensson's family and foundation) and Per Erik Mohlin (SEB Funds). None of them has received any remuneration for their participation in the nominating committee.

Board of directors

The Latour board consists of seven members, including the chief executive officer (see page 97). There are no deputies. All members are elected for a one-year term. Except for the chief executive officer no members have a position or assignment in the Group. The secretary of the board is the chief financial officer of the Group. Fredrik Palmstierna was elected chairman of the board by the Annual General Meeting 2010. The members of the board represent 87.6 percent of the voting shares in the company and 78.8 percent of the share capital. Employees are represented in the subsidiary Latour-Gruppen AB, which is the parent company of the wholly owned companies in the industrial and trading operations. They are therefore not represented in the investment company's board.

The board annually adopts a work program that regulates board meetings, matters that must be put before the board at these meetings, the division of responsibility between the board and the chief executive officer as well as certain other matters. Instructions to the chief executive officer stipulate his duties and reporting responsibilities to the board.

The board has had four meetings during the year, not including the constitutional board meeting as well as two extra board meetings. Two of the board members were prevented to participate at two and three meetings, otherwise the board has been complete. The company's auditors attended two board meetings and provided reports and observations from the audits performed. Among the matters dealt with by the board are strategic changes in portfolio investments, acquisitions and divestitures of subsidiaries, the company's risk exposure, budgets and forecasts for the subsidiaries as well as financial follow-up of operations.

The chairman of the board has also made sure that during the year an evaluation of the board's work was carried out and that all board members have expressed their views.

The board composition, number of meetings and attendance in the financial year 2010/2011

Name	Board meetings*	Remuneration, SEK '000
Anders Böös	7 of 7	175
Carl Douglas	5 of 7	175
Elisabeth Douglas	7 of 7	175
Eric Douglas	4 of 7	175
Fredrik Palmstierna	7 of 7	350
Jan Svensson	7 of 7	0
Caroline af Ugglas	7 of 7	175

* of which one is the constitutional board meeting

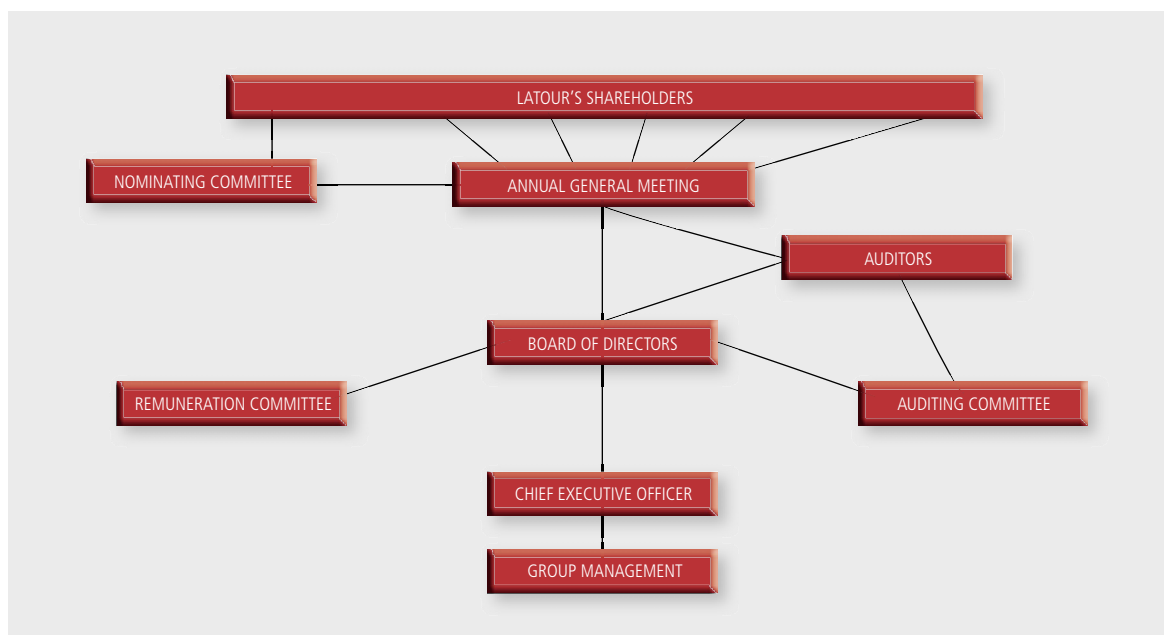


Illustration of Latour's corporate governance process from owner to Group management. The Annual General Meeting is the highest deciding body in the Group and it elects the company board.

Committees

The board has appointed a remuneration committee and an auditing committee. The remuneration committee consists of Fredrik Palmstierna (chairman), together with Caroline af Ugglas and Eric Douglas. CEO Jan Svensson participates as an additional member. The auditing committee consists of the entire board except the chief executive officer.

The remuneration committee has held one meeting and all members were present. The committee presents proposals to the board concerning remuneration to the chief executive officer and supports him in determining

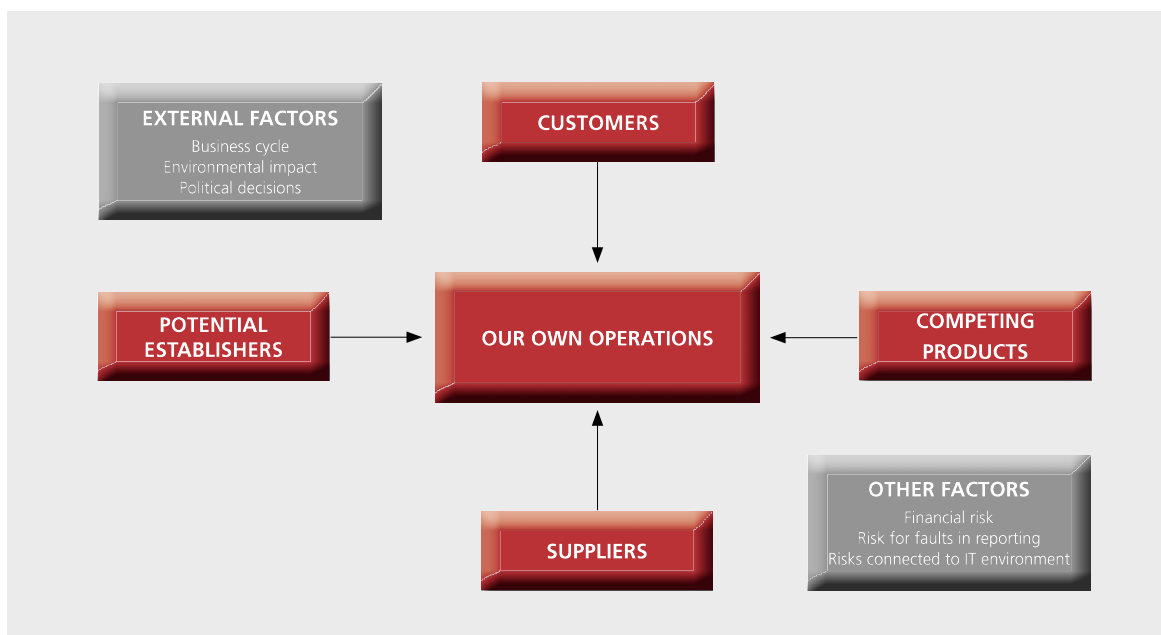
remuneration to the other senior officers. The board then decides on these matters.

Remuneration to the chief executive officer consists of a fixed and a variable portion, of which the variable portion is based on achieved individual goals. Remuneration to other senior officers also consists of a basic salary and a variable portion based on a fixed key ratio. The variable portion is maximised to a certain number of monthly wages.

The auditing committee has met twice and all members as well as the auditors were present. Financial risks and the focus of auditing were discussed, among other things. The auditors also presented observations made during the audit.



Latour's Annual General Meeting is generally visited by a large number of shareholders. The photograph was taken at the Annual General Meeting 11 May 2010.



Latour analyses risk exposure in the company and investment portfolio every year. Each business area is assessed based on a number of critical factors as seen in the figure above.

Auditors

PwC was selected at the Annual General Meeting of 2008 as auditors with Helén Olsson Svärdröm as principle auditor. Helén Olsson Svärdröm has been active in the auditing firm since 1985 and been involved in Latour auditing since 2004, responsible for Group coordination. She has no other assignments in companies that are closely related to Latour's largest owner or the chief executive officer.

The auditors have reported orally and in writing to the board concerning auditing and internal control of the Group at the board meetings in December 2010 and March 2011.

Group management

Latour's industrial and trading companies are divided into four business areas. The investment portfolio is managed by the parent company, Investment AB Latour. Subsidiary Latour-Gruppen AB is the parent company for all the business areas that are a part of the wholly owned industrial and trading operations.

Group management consists of the chief executive officer and the chief financial officer. The business area managers lead operations in the operative parent companies that own shares in the underlying companies and are responsible for business areas results and management. The Group's business organisation is built on decentralised responsibility and authority. The business areas are respon-

sible for developing their own operations and for meeting financial targets that include the return on operating capital, tied up capital, operating margins and growth.

Internal control relating to financial reporting

Internal control relating to financial reporting is based on a control environment that includes the organisation, the decision-making process, authority and responsibility and which has been documented and communicated in management documents. An example of this is the division of responsibility between the board and the chief executive officer as well as instructions for authorisation rights, and accounting and reporting instructions.

The risks identified concerning financial reporting are managed by the Group's control structure.

Steering documents have been distributed to the appropriate staff to aid in complete and correct financial reporting. Follow-up of effectiveness and implementation takes place through programmed controls and manual procedures. The Group has a common report system in which all reporting is done. Group management regularly visits the subsidiaries for a financial follow-up and it actively participates in the subsidiaries' boards where it reviews financial reporting.

The board receives monthly financial reports and the Group's financial situation is discussed at every board meeting.

A review of the Group's internal control of essential

processes was carried out. The larger companies presented their self-assessment concerning the reliability of their procedures. The inadequacies that were noted did not affect the reliability of control over reporting but necessary measures will be taken. This will be followed-up in the regular auditing.

The above information concerning internal control has not been reviewed by an auditor.

Structured process for risk management

Latour makes an annual structured analysis of the risk exposure in the company and the collected investment portfolio. In this analysis each business area is evaluated based on a number of external and internal factors. External factors are business cycles, environmental impact and political decisions. The internal factors are financial risk and risks connected to IT structure and management as well as the development in customers, competition and suppliers.

Latour's investment portfolio companies are analysed from a financial, industrial and geographic perspective. When both the investment portfolio and wholly owned industrial and trading operations have been analysed a balanced risk assessment is made for Latour's entire investment portfolio.

An important risk exposure that was identified from an investment portfolio perspective is the fact that many holdings have customers in construction-related sectors. However, construction-related sectors have a number of dimensions as described in the board of directors' report.

Another relevant risk from a financial perspective can be the need for new share issues in the listed holdings. The risk for defensive new share issues or crisis issues is, however, considered low at present. Offensive new share issues for expansion are not considered a risk. They are

equivalent to another investment opportunity.

A description of Latour's handling of financial risks can be found in note 33 on pages 84-86.

Latour's policy concerning wholly owned operations is that Latour will own companies with high quality and long-term healthy profitability, and minimise risks by investing in product development, focusing on quality in internal processes, maintaining cost awareness and ensuring access to competent employees and managers.

All in all it is the board's view that the Group from a business perspective has a well-balanced diversion of risks in accordance with the comprehensive and communicated company policy.

Applying the Swedish Code of Corporate Governance

Latour applies the Swedish Code of Corporate Governance with the following exceptions.

According to definitions in the Code the majority of Latour's board is not independent and several of the board members have been on the board a long time. The company's view is that there are great advantages of long experience of operations and continuity in a company like Latour.

The special auditing function in the form of internal auditing does not exist in the Latour Group. Discussions with the company's external auditors concerning the focus of auditing as well as the auditing firm's extensive organisation, together with the controls made by Group management and the existing control functions in the business areas, are considered to be an acceptable level.

Gothenburg 16 March 2011

Board of directors

Investment AB Latour (publ)

To the Annual General Meeting of Investment AB Latour (publ) Company ID nr. 556026-3237

The board of directors is responsible for the corporate governance report and that it has been prepared according to the Annual Accounts Act.

We have based our statement on the preparation of a corporate governance report and its accordance with the annual accounts and Group accounts by reading the corporate governance report and assessing its legal contents based on our knowledge of the company.

In our opinion a corporate governance report has been prepared and its legal contents agree with the annual accounts and the Group accounts.

Gothenburg 16 March 2011

Öhrlings PricewaterhouseCoopers AB



Helén Olsson Svårdström
Authorised public accountant
Principle accountant



Bo Karlsson
Authorised accountant

Board of directors



From left:

Jan Svensson b 1956. Board member since 2003. Mechanical engineer and Bachelor of Science (Econ.). President and CEO Investment AB Latour. Chairman of the board of AB Fagerhult and Nederman Holding AB. Member of the boards of Loomis AB and Oxeon AB. Shares in Latour: 122,000 B and 80,000 sell options B and 86,000 call options B (Jan Svensson and family).

Carl Douglas b 1965. Board member since 2008. Bachelor of Arts. Entrepreneur. Vice chairman of Securitas AB. Member of the boards in Assa Abloy AB, Niscayah Group AB, Swegon AB and Säkl AB. Shares in Latour: 270,000 B.

Fredrik Palmstierna b 1946. Chairman of the board since 2008 and member of Latour's board from 1985-87 and since 1990. Bachelor of Science (Econ.) M.B.A. CEO of Säkl AB. Member of the boards of Securitas AB, AB Fagerhult, Hultafors AB, Nobia AB, Academic Work AB and Säkl AB. Shares in Latour: 1,500,000 A, 691,574 B and 200,000 call options B (Fredrik Palmstierna and companies)

Elisabeth Douglas b 1941. Board member since 1987, Chairman 1991-1993. University studies at Sorbonne, Paris, France, and the University of Stockholm. Entrepreneur. Shares in Latour: 1,040,000 B and through companies 10,050,000 A and 88,570,000 B.

Caroline af Ugglas b 1958. Board member since 2003. Bachelor of Science (Econ.) from the University of Stockholm. Head of equities and corporate governance at Livförsäkringsaktiebolaget Skandia. Member of the boards in Connecta AB and The Swedish Corporate Governance Board. Shares in Latour: 4,300 B.

Anders Böös b 1964. Board member since 2005. Previously CEO of H & Q AB and Drott AB. Chairman of the boards of IFS AB, Cision AB and Cleanergy AB. Member of the boards of Haldex AB, Niscayah Group AB, Newsec AB and East Capital Baltic Property Fund AB. Shares in Latour: 30,000 B.

Eric Douglas b 1968. Board member since 2002. Economic college graduate and three years studies at the University of Lund in "Economy for Entrepreneurs". Entrepreneur since 1992. Partner in Pod Venture Partners AB. Chairman of the board of Sparbössan Fastigheter AB. Vice chairman of AB Fagerhult and LinkTech AB. Member of the board of, among others, Latour Industries AB. Shares in Latour: 340,000 B.

Group management

Jan Svensson b 1956

President and chief executive officer since 2003. Mechanical engineer and Bachelor of Science (Econ.) Shares in Latour: 122,000 B, 80,000 sell options and 86,000 call options B (with family).

Anders Mörcck b 1963

Chief financial officer since 2008. Bachelor of Science (Econ.) Shares in Latour: 8,000 B and 25,000 call options B.

Accountants

Öhrlings PricewaterhouseCoopers AB

Helén Olsson Svärdsström, b 1962. Authorised public accountant, Principle auditor

Bo Karlsson, b 1966. Authorised public accountant

Group staff



From left: Jonas Davidsson, Group controller, Torbjörn Carlén, Cash manager, Kristin Larsson, Group accounting, Jan Svensson, President and CEO, Kristina Vannerberg, CEO assistant, Andreas Örje-Wellstam, Business Development Director Anders Mörck, Chief financial officer.

Latour's company culture is characterised by the fact that we are a small, flexible organisation with a short decision-making process. The parent company consists of seven employees and we want it to be an attractive work place that offers stimulating and developing duties.

Main functions

The main functions in the parent company are management, treasury and finance and business development. Group management has the overriding responsibility for management, business development, financial governance, follow-up of results and communication. The wholly owned companies are managed with clear and delegated responsibility. Close cooperation with executive management in the wholly owned operations is very important to Latour. Corporate governance of the listed holdings is performed by experienced board members.

This is an area where Latour benefits from our broad business network.

Good relations with interested parties

Latour emphasises the importance of good relations with representatives from the company's network and other interested parties with long-term, substantial influence on the company. One of our goals is high quality, open company communication with the world around us, ensuring that external interested parties feel it is easy to get in touch with Latour.

Cost-effective organisation

Latour's efficient organisation and work methods result in low administration costs. In 2010 the cost for administration was 0.07 (0.08) percent in relation to the portfolio value.

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Shareholder information

Annual General Meeting

Time and location

The Annual General Meeting will be held Thursday 12 May 2011, 5 p.m. at the Radisson Blu Scandinavia Hotel, Södra Hamngatan 59, Gothenburg, Sweden.

Participation

Shareholders who wish to participate in the Annual General Meeting must be recorded in the registered list of shareholders managed by Euroclear Sweden AB by Friday 6 May 2011, and submit a notice of intention to participate to the company at the latest Friday 6 May 2011 by 3 p.m.

Notice of participation

The notice of participation may be submitted by telephone +46 31 89 17 90, or in writing to Investment AB Latour, Box 336, SE-401 25 Gothenburg, Sweden, or on Latour's website www.latour.se/en.

Registration

Shareholders who have their shares held in the name of a nominee must arrange in sufficient time before Friday 6 May 2011 to have the nominee temporarily register their shares in their own name in order to be able to participate in the proceedings at the Annual General Meeting.

Dividend

The board of directors recommends a dividend of SEK 3.75 per share to the Annual General Meeting. The dividend record date suggested is Tuesday 17 May 2011. If the Annual General Meeting decides according to this recommendation, the dividend is expected to be sent from Euroclear Sweden AB on Friday 20 May 2011 to all those who are registered in the share register on the record date.

Information dates

2010-05-06	Interim report per 2011-03-31
2010-05-12	Annual General Meeting
2010-08-22	Interim report per 2011-06-30
2010-11-08	Interim report per 2011-09-30
2011-02-22	Annual accounts report 2011
mid April	Annual Report 2011

All new shareholders are sent a printed Annual Report the year they become shareholders, without any need to register. After the first year the Annual Report is distributed to those who have registered their desire to receive a printed copy. Subscription for electronically distributed interim reports, annual accounts and press releases can be made by registering at www.latour.se. Printed Annual Reports can be ordered by registering at www.latour.se, by telephone +46 31 89 17 90, via info@latour.se or via letter to Investment AB Latour (publ), Box 336, SE-401 25 Gothenburg, Sweden.

This document is essentially a translation of the Swedish language version. In the event of any discrepancies between this translation and the original Swedish document, the latter shall be deemed correct.