



## Second quarter 2011

- Sales revenue increased by 2 percent to SEK 1,755 m (1,715), an increase of 8 percent when adjusted for currency and structure.
- Operating profit (EBIT) amounted to SEK 135 m (110), excluding one-off items of SEK 0 m (-21).
- The operating margin (EBIT), excluding one-off items, amounted to 7.7 percent (6.4).
- The after-tax result amounted to SEK 60 m (27).
- Earnings per share amounted to SEK 0.80 (0.36).
- Cash flow from operating activities amounted to SEK 217 m (67).

## January–June 2011

- Sales revenue increased by 6 percent to SEK 3,132 m (2,949), an increase of 12 percent when adjusted for currency and structure.
- Operating profit (EBIT) amounted to SEK 128 m (60), excluding one-off items of SEK -17 m (54).
- The operating margin (EBIT), excluding one-off items, amounted to 4.1 percent (2.0).
- The after-tax result amounted to SEK 8 m (-1).
- Earnings per share amounted to SEK 0.11 (-0.01).
- Cash flow from operating activities amounted to SEK -22 m (-105).





David Brodetsky  
President and CEO

Lindab's President and CEO,  
David Brodetsky comments:



The second quarter 2011 was another step in the right direction for Lindab. We are pleased to report improved sales for the 4th successive quarter and improved EBIT for the 5th successive quarter confirming the continued recovery of our business. However, our operating margin of 7.7 percent has been affected by increasing price pressure and some higher costs linked to the roll-out of our new strategy.

In total, the first half year saw organic growth of 12 percent primarily due to strong Nordic markets as well as an improvement in Building Systems sales particularly in CEE/CIS. Considering our good growth in the first 6 months of the year, the 8 percent organic growth target for 2011 now seems more achievable. However, the underlying demand remains uncertain, particularly in light of the current Euro-crisis that has led to lower business confidence.

External market forecasts point to a growing recovery for our key segment, non-residential construction, in 2012 and gaining pace in 2013. In order to ensure that we take full advantage of this, we remain focused on our strategy for profitable growth. During the quarter, we have carried out activities to reinforce distribution within both Ventilation and Building Systems, and continue to strengthen our residential programme within Building Components.

# Think Less.

Think less.

Why? Because at Lindab we think that less is more. We simplify construction for our customers while we are working to lessen the impact on the environment.

Our steel solutions help our customers to use less effort and less energy. At the same time, they generate less greenhouse gas emissions and lessen the carbon footprint.

Lindab –  
We simplify construction  
[www.lindab.com](http://www.lindab.com)



# The Lindab Group, second quarter 2011

## Sales

Sales revenue for the second quarter amounted to SEK 1,755 m (1,715), an increase of 2 percent compared with the second quarter of 2010. Adjusted for currency effects, the increase was 8 percent. Sales revenue was marginally affected by structural changes, consisting of the acquisitions of Juvenco in Denmark and Airflux in Belgium.

All business areas contributed positively to growth during the quarter, but significant differences remain between the markets and between the residential and non-residential segments.

During the quarter, sales in the Nordic region have risen by 4 percent. Adjusted for currency and structure the increase was 8 percent. Overall, the Nordic countries are now all showing positive sales growth for both the residential and non-residential segments.

Sales in Western Europe decreased by 1 percent, an increase of 5 percent when adjusted for currency and structure. The region is showing a slightly weaker growth rate for Lindab during the quarter, but with substantial variation between individual markets. Lindab's major Western European markets, the UK and Germany, are showing positive growth while the smaller

markets of Belgium and Italy continue to show negative sales growth. Sales in the CEE/CIS increased by 9 percent. When adjusted for currency the increase was 17 percent. In the CEE/CIS, growth is being driven by sales within the non-residential segment, while residential construction remains weak. Russia, which is the largest market for Building Systems, continues to show strong growth.

Sales revenue for the period January–June amounted to SEK 3,132 m (2,949), which is an increase of 6 percent compared with the corresponding period the previous year. Adjusted for currency and structure the increase amounted to 12 percent. Currency effects have affected sales negatively by 7 percent during the first six months.

## External market forecasts

Euroconstruct (an independent forecasting organisation for the construction industry that covers 19 countries in the Nordic region, Western Europe and Central-Eastern Europe) issued its bi-annual report in mid-June, updating its construction forecasts for the coming years. Overall, the forecasts have been revised downwards slightly compared with the previous report in December 2010.

The Nordic construction market has recovered more strongly than previously expected, resulting in the forecast for 2011 being revised upwards. The outlook for 2012 and 2013 remains strong for the Nordic region, but the average growth rate has been revised down slightly due to the stronger recovery in 2011. In Western Europe, it is largely the forecasts for public construction in the PIIGS countries and the UK that have been revised downwards due to the strict austerity packages that have been introduced. A number of cost-cutting programmes have also been implemented in Eastern Europe, but here it is mainly the demand in the residential sector that has been revised downwards. The outlook for non-residential construction remains strong for the coming years in Eastern Europe.

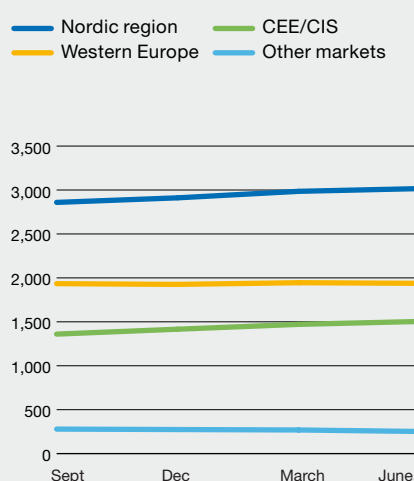
Euroconstruct predicts that for the 19 countries as a whole, the residential segment will grow by 1.9 percent in 2011. The growth rate is subsequently expected to increase gradually up until 2013. The recovery in the non-residential segment will arrive later. Activity is expected to decline by 1.3 percent during 2011. The overall recovery is expected to pick up in 2013.

Adjusting Euroconstruct's forecasts to take account of Lindab's geographical mix, segment ex-

SALES REVENUE, SEK M



SALES REVENUE PER MARKET ROLLING 12 MONTHS, SEK M



posure and late cyclicalities, the underlying market growth will be just over 1 percent for 2011. After that, a gradual increase in market growth of 2 to 3 percent each year is expected up until 2013. This forecast does not take account of markets that are not covered by Euroconstruct which, for Lindab, consist primarily of Russia and Romania.

### Profit

Operating profit (EBIT) for the second quarter amounted to SEK 135 m (110), excluding one-off items of SEK 0 m (-21).

The operating margin (EBIT) for the second quarter, excluding one-off items, amounted to 7.7 percent (6.4).

Higher volumes are the reason for the improved profit. The gross margin however, has been negatively affected by increased price pressure. The cost level is also slightly higher, mainly as a result of the start-up costs for the production of Comfort products at the new factory in Prague as well as the expansion of the Building Systems business area in Russia.

The pre-tax result for the quarter amounted to SEK 97 m (47). The after-tax result amounted to SEK 60 m (27). Earnings per share amounted to SEK 0.80 (0.36). The average share price during

the second quarter of 2011 has been lower than the conversion rates in the incentive programmes, therefore no dilutive effects have occurred.

The operating profit (EBIT) for the period January–June, excluding one-off items, amounted to SEK 128 m, which is an increase of 113 percent compared with the previous year's profit of SEK 60 m. The profit for the first six months has been affected by one-off costs totalling SEK 17 m. This is mainly due to the transfer of production within the Ventilation business area in St. Petersburg to Lindab's facility in Tallinn, Estonia, and by the change in management for the business area.

The operating margin (EBIT) for the same period, excluding one-off items, amounted to 4.1 percent (2.0).

The pre-tax result for the first six months amounted to SEK 35 m (32). The after-tax result amounted to SEK 8 m (-1). Earnings per share amounted to SEK 0.11 (-0.01).

### Seasonal variations

Lindab's operations are affected by seasonal variations in the construction industry, and the greatest proportion of sales is normally seen during the second half of the year. The most sub-

stantial seasonal variations are to be found within the Building Components and Building Systems business areas. The Ventilation business area is less dependent on seasons and the weather since the installation of ventilation systems is mainly carried out indoors.

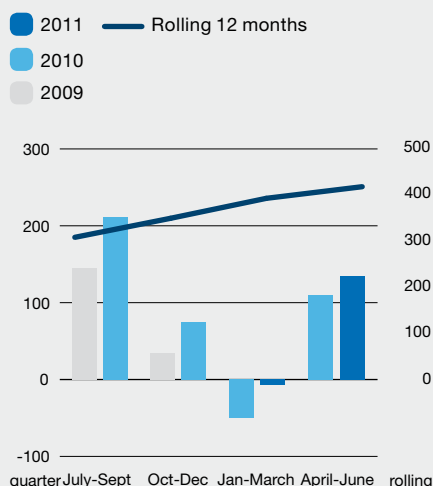
There is normally a deliberate stock build-up of mainly finished goods during the first six months, which gradually becomes a stock reduction during the third and fourth quarters as a result of increased activity within the construction market.

### Depreciation/amortisation

The total depreciation/amortisation for the quarter was SEK 39 m (45), of which SEK 0 m (2) related to consolidated amortisation of surplus value on intangible assets. The lower depreciation/amortisation is mainly due to the implemented restructuring measures and the fact that Lindab has had a lower rate of investment in recent years. For certain surplus value on intangible assets, the depreciation was completed during the third quarter of 2010.

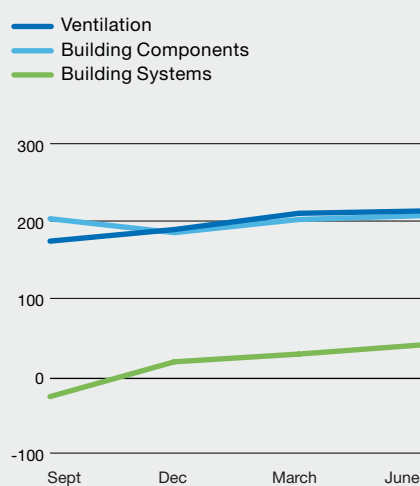
The total depreciation/amortisation for the six months was SEK 78 m (92), of which SEK 0 m (5) related to consolidated amortisation of surplus value on intangible assets.

### OPERATING PROFIT (EBIT), SEK M<sup>\*)</sup>

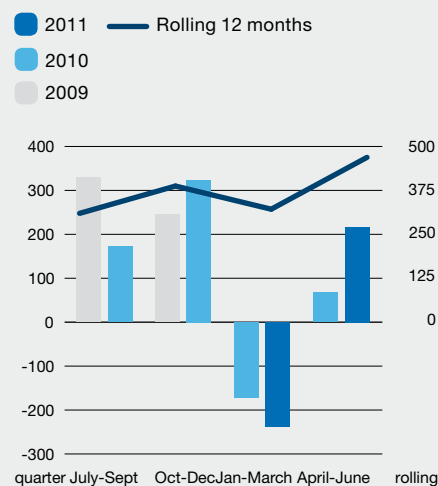


<sup>\*)</sup> Adjusted for one-off items.

### OPERATING PROFIT (EBIT) ROLLING 12 MONTHS, SEK M<sup>\*)</sup>



### CASH FLOW FROM OPERATING ACTIVITIES, SEK M



## Tax

Tax expenses for the quarter amounted to SEK 37 m (20). The pre-tax result amounted to SEK 97 m (47). The actual tax rate for the quarter was 38 percent (43). The average tax rate was 26 percent.

The discrepancy between the actual and the average tax rate for the quarter is primarily due to adjustments to taxes attributable to previous years, such as the reversal of deferred taxes on loss carry-forwards and as a result of lower tax rates. Other influencing factors include fiscal adjustments to reported earnings, such as non-capitalised loss carry-forwards. Another factor is how the profit is distributed between countries with high and low tax rates.

Tax expenses for the six months were SEK 27 m (33). The pre-tax result amounted to SEK 35 m (32). The average tax rate was 35 percent.

## Cash flow

Cash flow from operating activities for the second quarter amounted to SEK 217 m (67). The increase is explained by the improved operating profit and the reduction in working capital of SEK 92 m, which had a positive effect on the cash flow. Last year, the working capital increased by SEK 34 m. Capital tied up in stock and operating receivables increased by SEK 241 m (286), which has been offset by the SEK 333 m (252) increase in operating liabilities. The difference versus last year is explained by a timing effect of payments to suppliers.

For the first six months, cash flow from operating activities amounted to SEK –22 m (–105). The improvement is mainly attributable to operating profit excluding capital gains having increased to SEK 111 m, compared with SEK 22 m for the previous year.

Cash flow from investing activities is reported under the headings Investments and Company acquisitions and divestments.

Financing activities for the six months gave a cash flow of SEK 111 m (–114) net, consisting of SEK 186 m (–120) in increased borrowing and SEK –75 m (–) in paid dividends.

## Investments

Investments in fixed assets amounted to SEK 40 m (20) for the quarter, while divestments amounted to SEK 1 m (17). Cash flow from investing activities amounted to SEK –65 m (–3) net, of which acquisitions SEK –26 m (–) is reported under Company acquisitions and divestments.

Investments in fixed assets amounted to SEK 63 m (38) for the six months, while divestments amounted to SEK 12 m (303). In the previous year, the Building Systems facility in Luxembourg was sold for SEK 285 m. A leaseback agreement was signed with the buyer. Cash flow from investing activities amounted to SEK –77 m (269) net, of which acquisitions amounted to SEK –26 m (4).

## Company acquisitions and divestments

The Danish distributor of ventilation fans, Juvenco, with an annual turnover of approximately SEK 13 m, was acquired on 19 April 2011. The purchase price amounted to SEK 12 m. The acquisition means that the consolidated goodwill increased by SEK 10 m and the cash flow was negatively affected by SEK 12 m. The company has four employees.

On 23 May 2011, Lindab acquired the Belgian company Airflux, a ventilation distributor with three outlets in Belgium, one of which is a distribution centre and two are unmanned branches. The company has a turnover of just over SEK 20 m and has five employees. The purchase price amounted to SEK 14 m. The acquisition means that the consolidated goodwill increased by SEK 10 m and the cash flow was negatively affected by SEK 14 m.

At the end of June, a binding agreement was reached for the sale of the Swiss subsidiary Benone, with completion on 21 July 2011. Since the CEO of Benone is among the purchasers, the transfer was subject to approval at a meeting of shareholders, which was granted at the Annual General Meeting on 11 May 2011.

In the first six months of 2010, IVK-Tuote Oy in Finland was acquired for SEK 43 m. Because the acquisition was paid for using treasury shares,

the cash flow from investing activities was only affected positively by the company's SEK 4 m in cash and cash equivalents.

## Financial position

Net debt decreased to SEK 2,043 m (2,243) at 30 June 2011. Currency fluctuations have had a marginal effect on the net debt since the start of the year. The equity/assets ratio amounted to 39 percent (38) and the net debt-equity ratio was 0.7 (0.8). Net financial income during the quarter was SEK –38 m (–42).

For the six months, the net financial income amounted to SEK –76 m (–82).

Since December 2007, Lindab has had a binding five-year credit agreement with Nordea and Handelsbanken. The total credit limit is SEK 3.5 bn with a maturity date of 17 December 2012. Unused credit facilities amounted to SEK 1,664 m (1,566).

## Pledged assets and contingent liabilities

There have not been any significant changes to pledged assets and contingent liabilities during 2011.

## The parent company

The parent company had no sales during the quarter. The after-tax result for the period amounted to SEK –17 m (–17). For the period January–June, the corresponding figures were SEK –35 m (–33).

## Noteworthy risks and uncertainties

There have been no changes to what was stated by Lindab in its Annual Report for 2010 under Risks and risk management (pages 94-98).

## Changes in Group management

Per Nilsson, formerly acting CFO and Group Controller at Lindab, has been appointed CFO.

## Employees

The number of employees at the end of the quarter, converted to full-time employment, totalled 4,487 (4,444) which is an increase of 106 people since the start of the year. Adjusted for the acquisitions of Juvenco and Airflux in 2011, the increase is 97 people.



### Annual General Meeting 2011

Lindab International AB's Annual General Meeting on 11 May 2011 decided on the following:

- To pay a dividend of SEK 1.00 per share, giving a total dividend of SEK 75 m, with a record date of 16 May and payment on 19 May. No dividend was paid in 2010.
- The election of Ulf Gundemark as the new Chairman of the Board. Also passed were the re-elections of the Board members Erik Eberhardson, Per Frankling, Anders C. Karlsson, Stig Karlsson and Annette Sadolin, as well as the election of Sonat Burman-Olsson to become a member of the Board.
- The Chairman of the Board, in consultation with the company's major shareholders, has been instructed to appoint a Nomination Committee consisting of at least four members including the Chairman of the Board.
- The introduction of a performance-based share savings programme, see below. Further information can be found under Corporate Governance at [www.lindabgroup.com](http://www.lindabgroup.com).

The biggest shareholders in relation to the number of outstanding shares are Ratos AB with 11.7 percent (23.5), Sjötte AP-fonden with 10.7 percent (10.7), Swedbank Robur Fonder with 9.9 percent (8.4), Livförsäkringsaktiebolaget Skandia with 9.5 percent (11.6), and Lannebo Fonder with 6.8 percent (4.5). The holdings of the ten largest shareholders constitute 63.3 percent of the shares (74.4), excluding Lindab's own holding.

### Accounting principles

See note 1, page 18.

Unless otherwise specified in this Interim Report, all statements refer to the Group. Figures in parentheses indicate the outcome for the corresponding period in the previous year.

A compilation of key figures can be found on page 16.

### Incentive programme

The Annual General Meeting 2011 decided, in accordance with the Board's proposal, to introduce a long-term incentive programme in the form of a performance-based share savings programme. The offer has been made to 92 participants in various management positions and senior executives at Lindab, and 79 have accepted the offer, thereby acquiring a total of 62,711 Lindab shares. On maximum allocation, 288,344 Lindab shares will be transferred to the participants. Further information can be found under Corporate Governance at [www.lindabgroup.com](http://www.lindabgroup.com).

### The Lindab Share

The highest price paid for Lindab shares during the period January–June was SEK 95.80 on 18 January, and the lowest was SEK 62.50 on 23 June. The closing price on 30 June 2011 was SEK 69.15. The average daily trading volume of Lindab shares was 169,330 shares per day (163,596).

Lindab holds 3,375,838 treasury shares (3,375,838), equivalent to 4.3 percent (4.3) of the total number of Lindab shares. The number of outstanding shares totals 75,331,982 (75,331,982), while the total number of shares is 78,707,820.

## SALES REVENUE AND GROWTH

	April-June 2011	April-June 2010	Jan-June 2011	Jan-June 2010	Jan-Dec 2010
Sales revenue, SEK m	1,755	1,715	3,132	2,949	6,527
Change, SEK m	40	-106	183	-643	-492
Change, %	2	-6	6	-18	-7
Of which					
Volumes and prices, %	8	0	12	-13	-1
Acquisitions/divestments, %	0	0	1	0	0
Currency effects, %	-6	-6	-7	-5	-6

## SALES REVENUE PER MARKET

SEK m	April-June 2011	April-June 2010	Jan-June 2011	Jan-June 2010	Jan-Dec 2010
Nordic region	807	776	1,442	1,337	2,911
Western Europe	506	513	938	926	1,926
CEE/CIS	386	353	635	547	1,416
Other markets	56	73	117	139	274
<b>Total</b>	<b>1,755</b>	<b>1,715</b>	<b>3,132</b>	<b>2,949</b>	<b>6,527</b>

## SALES REVENUE FROM EXTERNAL CUSTOMERS BY SEGMENT (SALES REVENUE PER BUSINESS AREA)

SEK m	April-June 2011	April-June 2010	Jan-June 2011	Jan-June 2010	Jan-Dec 2010
Ventilation	896	914	1,742	1,741	3,535
Building Components	618	607	972	885	2,118
Building Systems	241	194	418	323	874
Other operations	-	-	-	-	-
<b>Total</b>	<b>1,755</b>	<b>1,715</b>	<b>3,132</b>	<b>2,949</b>	<b>6,527</b>
<b>Gross internal sales all segments</b>	<b>12</b>	<b>6</b>	<b>22</b>	<b>11</b>	<b>27</b>

## OPERATING PROFIT (EBIT) AND RESULT BEFORE TAX (EBT)

SEK m	April-June 2011	April-June 2010	Jan-June 2011	Jan-June 2010	Jan-Dec 2010
Ventilation	62	59	111	87	189
Building Components	75	70	58	36	185
Building Systems	9	-3	-15	-37	18
Other operations	-11	-16	-26	-26	-45
One-off items <sup>1)</sup>	-	-21	-17	54	-63
<b>Total (EBIT)</b>	<b>135</b>	<b>89</b>	<b>111</b>	<b>114</b>	<b>284</b>
Net financial income	-38	-42	-76	-82	-172
<b>Result before tax (EBT)</b>	<b>97</b>	<b>47</b>	<b>35</b>	<b>32</b>	<b>112</b>

1) The operating profit (EBIT) for the first quarter of 2011 has been adjusted by SEK -17 m regarding the transfer of Ventilation's production in St. Petersburg, Russia to Tallinn, Estonia, and the change of business area manager.

One-off items of SEK -21 m, relating to the second quarter of 2010, mainly consist of restructuring costs.

The operating profit (EBIT) for the first quarter of 2010 has been adjusted by SEK 75 m relating to the capital gain on the sale of property in Diekirch, Luxembourg. Additionally, the full year 2010 includes SEK 110 m relating to the write-down of goodwill for the Ventilation business area's operations in the USA and SEK 7 m relating to the closure of the Ventilation unit in Texas in the USA.

# Ventilation business area

- Sales revenue during the second quarter amounted to SEK 896 m (914), a decrease of 2 percent. Adjusted for currency effects and structure, sales revenue increased by 3 percent.
- Operating profit (EBIT), excluding one-off items, amounted to SEK 62 m (59).
- Strengthened distribution – two acquisitions and one new branch.

## Sales and markets

Sales revenue during the second quarter decreased by 2 percent compared with the corresponding period the previous year, amounting to SEK 896 m (914). Adjusted for currency effects and structure, sales revenue increased by 3 percent. The acquisitions of Juvenco and Airflux have marginally affected sales revenue during the quarter.

The business area's main segment is non-residential construction, where there has been a gradual increase in demand during the quarter. Sales for the business area is showing organic growth compared with the corresponding period the previous year in all of Lindab's regions. All countries in the Nordic region are contributing positively to growth. The major markets in Western Europe, the UK and particularly Germany, are showing good growth. A major competitor in the Irish market has gone into bankruptcy and Lindab has gained market share during the quarter.

Sales revenue for the six months amounted to SEK 1,742 m (1,741). When adjusted for currency and structure, sales revenue increased by 5 percent.

## Profit

Operating profit (EBIT) for the second quarter, excluding one-off items, amounted to SEK 62 m (59). The operating margin (EBIT) amounted to 6.9 percent (6.5). Higher volumes are the reason for the slightly improved profit. The quarter has been affected by costs for the transfer and centralisation of Comfort production at the new factory in Prague in the Czech Republic. A continued positive trend in the USA indicates a successful turn-around.

Operating profit (EBIT) for the six months, excluding one-off items, amounted to SEK 111 m (87), corresponding to an increase of 28 percent.

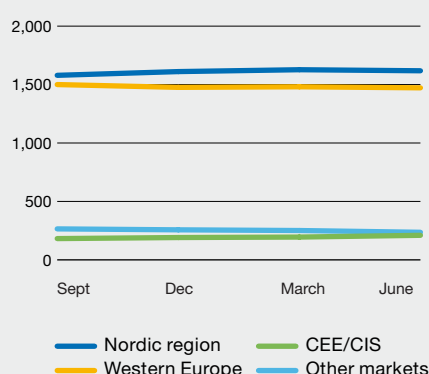
One-off items for the first six months amount to SEK –17 m and relate to the transfer of production in St. Petersburg, Russia, to Tallinn, Estonia, and the change of business area manager.

## Other

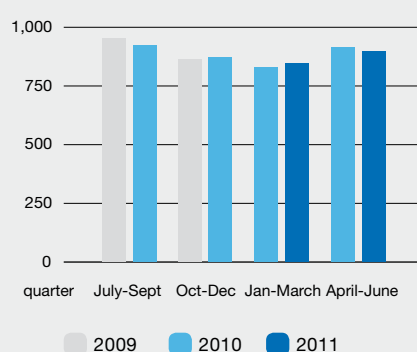
Several initiatives to strengthen distribution have been implemented during the quarter. The Danish distributor of ventilation fans, Juvenco, has been acquired. Lindab has also acquired the Belgian ventilation distributor, Airflux, which has an innovative self-service concept and three retail outlets. A new branch was opened in Bordeaux, France.

In line with the strategy, activities are also continuing to streamline operations. A binding agreement regarding the transfer of the Swiss subsidiary Benone was reached at the end of June. Benone will remain a Lindab customer.

## SALES REVENUE PER MARKET ROLLING 12 MONTHS, SEK M



## SALES REVENUE PER QUARTER, SEK M



## BESANÇON, FRANCE

Using Lindab's duct systems and Plexus chilled beams for the French employment service's new building in Besançon means lower energy consumption and less time spent on installation. A good example to illustrate our concept "Think Less"!

## KEY FIGURES VENTILATION

	April-June 2011	April-June 2010	Jan-June 2011	Jan-June 2010	Jan-Dec 2010
Sales revenue, SEK m	896	914	1,742	1,741	3,535
Operating profit (EBIT), SEK m <sup>1)</sup>	62	59	111	87	189
Operating margin (EBIT), % <sup>1)</sup>	6.9	6.5	6.4	5.0	5.3
No. of employees at close of period	2,462	2,560	2,462	2,560	2,488

1) The operating profit (EBIT) for the first quarter of 2011 has been adjusted by SEK –17 m regarding the transfer of Ventilation's production in St. Petersburg, Russia, to Tallinn, Estonia, and the change of business area manager.

The operating profit (EBIT) for the second quarter of 2010 has been adjusted by SEK 11 m in restructuring costs.

Additionally, the full year 2010 includes SEK 110 m relating to the write-down of goodwill for the Ventilation business area's operations in the USA and SEK 7 m relating to the closure of the Ventilation unit in Texas in the USA.



# Building Components business area

- Sales revenue during the second quarter amounted to SEK 618 m (607), an increase of 2 percent. Adjusted for currency effects, sales increased by 6 percent.
- Operating profit (EBIT) amounted to SEK 75 m (70).
- Continued focus on the residential segment – new “click roof” launched.

## Sales and markets

Sales revenue increased by 2 percent to SEK 618 m (607). Adjusted for currency effects, sales increased by 6 percent during the quarter.

The business area, which has sales in the residential and non-residential segments, is showing improved sales for the quarter but at a slowing growth rate. The lower growth in the quarter is partly explained by the corresponding quarter last year having benefited from the strong recovery after the long winter of 2010. Sales in the Nordic market continue to perform strongly. All Nordic countries are contributing to the recovery. The sales trend in the CEE/CIS was negative during the quarter, mainly due to a weak residential market.

Sales revenue for the first six months increased by 10 percent to SEK 972 m (885). Adjusted for currency and structure the increase was 15 percent.

## Profit

Operating profit (EBIT) for the quarter amounted to SEK 75 m (70). The operating margin (EBIT) amounted to 12.1 percent (11.5) for the quarter. Higher volumes are the main reasons for the improved margin. The gross margin has been negatively affected by difficulties in compensating for higher steel prices.

Operating profit (EBIT) for the six months, excluding one-off items, amounted to SEK 58 m (36), corresponding to an increase of 61 percent.

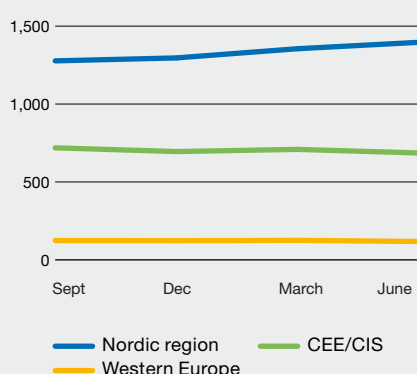
## Other

The focus on the residential segment, which accounts for about half of the business area's sales, is continuing. For instance, a new roof cladding product, SRP Click, with a simple “click assembly” has been launched in eight countries.

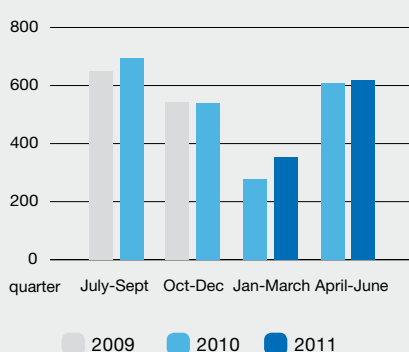
In the Nordic countries there is a growing trend toward use of steel studs, primarily in exterior wall constructions, but Lindab's innovative RdBX “click stud” for partition walls is also proving successful.

During the quarter, the biggest Russian order to date of SEK 4 m was received. In Romania, an order worth approximately SEK 5 m was received for roof and wall products for a major architectural stadium construction in Cluj.

## SALES REVENUE PER MARKET ROLLING 12 MONTHS, SEK M



## SALES REVENUE PER QUARTER, SEK M



## SRP CLICK

Standing seam roofing is a popular choice and with simplified installation it becomes accessible to even more customers. Lindab's new profile SRP Click gives the appearance of standing seam roofing, but the profiles are simply clicked together without any special tools.

## KEY FIGURES BUILDING COMPONENTS

	April-June 2011	April-June 2010	Jan-June 2011	Jan-June 2010	Jan-Dec 2010
Sales revenue, SEK m	618	607	972	885	2,118
Operating profit (EBIT), SEK m	75	70	58	36	185
Operating margin (EBIT), %	12.1	11.5	6.0	4.1	8.7
No. of employees at close of period	1,102	1,038	1,102	1,038	998

# Building Systems business area

- Sales revenue during the second quarter amounted to SEK 241 m (194), an increase of 24 percent. Adjusted for currency effects, the increase amounted to 35 percent.
- Operating profit (EBIT), excluding one-off items, amounted to SEK 9 m (–3).
- Strong performance in Russia continues.

## Sales and markets

Sales revenue rose by 24 percent to SEK 241 m (194) during the second quarter. Adjusted for currency effects, sales increased by 35 percent.

Sales for the business area are continuing to show positive growth in all regions across Europe.

Russia, which is the business area's largest market, continues to perform strongly. The sale and delivery of ongoing projects to Belarus, which is also an important market for the business area, has been strong and not significantly affected by the country's financial crisis. However the outlook for new projects in Belarus is uncertain.

In Western Europe, more markets are now contributing to the region's recovery, including Germany, which is the business area's largest market in the region.

Sales revenue for the six months increased by 29 percent to SEK 418 m (323). Adjusted for currency and structure the increase was 42 percent.

## Profit

Operating profit (EBIT) for the quarter, excluding one-off items, amounted to SEK 9 m (–3). The operating margin (EBIT) amounted to 3.7 percent (–1.5) for the quarter.

Higher volumes are the main reason for the increased profit. Gross margins have improved compared with first quarter of 2011 despite the impact of orders taken in 2010 at lower margins, which remains although to a lesser extent.

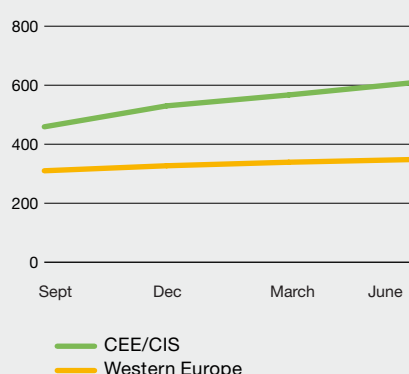
Operating profit (EBIT) for the first six months, excluding one-off items, amounted to SEK –15 m (–37).

## Other

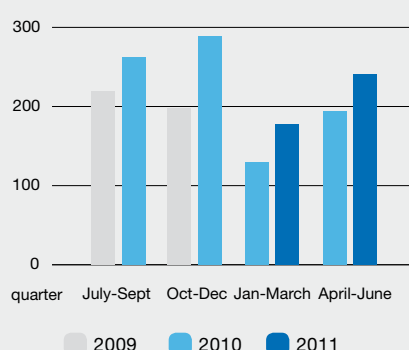
Measures have been introduced to activate builder dealers who did not have any sales in 2010, with positive results. 21 of these have generated new orders in 2011.

Marketing activities include targeted communication of Lindab's concept for multi-storey car parks, which has generated new sales.

## SALES REVENUE PER MARKET ROLLING 12 MONTHS, SEK M



## SALES REVENUE PER QUARTER, SEK M



## LITECOM, DENMARK

A Lindab Building with black coated steel cassettes and arched ceilings reflect the right corporate attitude for Litecom, a high-end Danish event company responsible for lighting for many Danish television productions such as Eurovision Song Contest, All Stars and X-factor.

## KEY FIGURES BUILDING SYSTEMS

	April-June 2011	April-June 2010	Jan-June 2011	Jan-June 2010	Jan-Dec 2010
Sales revenue, SEK m	241	194	418	323	874
Operating profit (EBIT), SEK m <sup>1)</sup>	9	–3	–15	–37	18
Operating margin (EBIT), % <sup>1)</sup>	3.7	–1.5	–3.6	–11.5	2.1
No. of employees at close of period	809	739	809	739	788

<sup>1)</sup> The operating profit (EBIT) for the second quarter of 2010 has been adjusted by SEK 10 m, primarily relating to costs for the closure of the Building Systems plant in Hungary.

The operating profit (EBIT) for the first quarter of 2010 has been adjusted by SEK 75 m relating to the capital gain on the sale of property in Diekirch, Luxembourg.

# Statement of comprehensive income

(Income statement)

Amounts in SEK m	April-June 2011	April-June 2010	Jan-June 2011	Jan-June 2010	Rolling 12 M July 2010- June 2011	Jan-Dec 2010
Sales revenue	1,755	1,715	3,132	2,949	6,710	6,527
Cost of goods sold	-1,257	-1,228	-2,272	-2,141	-4,821	-4,690
<b>Gross profit</b>	<b>498</b>	<b>487</b>	<b>860</b>	<b>808</b>	<b>1,889</b>	<b>1,837</b>
Other operating income	11	36	30	139	64	173
Selling expenses	-228	-234	-456	-468	-905	-917
Administrative expenses	-126	-138	-254	-263	-510	-519
R & D costs	-10	-9	-20	-18	-38	-36
Other operating expenses	-10	-53	-49	-84	-219	-254
<b>Total operating expenses</b>	<b>-363</b>	<b>-398</b>	<b>-749</b>	<b>-694</b>	<b>-1,608</b>	<b>-1,553</b>
<b>Operating profit (EBIT)<sup>1)</sup></b>	<b>135</b>	<b>89</b>	<b>111</b>	<b>114</b>	<b>281</b>	<b>284</b>
Interest income	2	2	3	3	9	9
Interest expenses	-39	-45	-78	-87	-170	-179
Other financial income and expenses	-1	1	-1	2	-5	-2
<b>Net financial income</b>	<b>-38</b>	<b>-42</b>	<b>-76</b>	<b>-82</b>	<b>-166</b>	<b>-172</b>
<b>Result before tax (EBT)</b>	<b>97</b>	<b>47</b>	<b>35</b>	<b>32</b>	<b>115</b>	<b>112</b>
Tax	-37	-20	-27	-33	-79	-85
<b>After tax result</b>	<b>60</b>	<b>27</b>	<b>8</b>	<b>-1</b>	<b>36</b>	<b>27</b>
<i>-thereof attributable to parent company shareholders</i>	<b>60</b>	<b>27</b>	<b>8</b>	<b>-1</b>	<b>36</b>	<b>27</b>
<b>Other comprehensive income</b>						
Cash flow hedges	-6	-4	5	-15	21	1
Translation differences, foreign operations	97	-50	66	-171	-89	-326
Income tax attributable to cash flow hedges	2	1	-1	4	-5	0
<b>Other comprehensive income</b>	<b>93</b>	<b>-53</b>	<b>70</b>	<b>-182</b>	<b>-73</b>	<b>-325</b>
<b>Total comprehensive income</b>	<b>153</b>	<b>-26</b>	<b>78</b>	<b>-183</b>	<b>-37</b>	<b>-298</b>
<i>-thereof attributable to parent company shareholders</i>	<b>153</b>	<b>-26</b>	<b>78</b>	<b>-183</b>	<b>-37</b>	<b>-298</b>
<b>Earnings per share, SEK</b>						
Undiluted	0.80	0.36	0.11	-0.01	0.48	0.36
Diluted	0.80	0.36	0.11	-0.01	0.48	0.36

1) The operating profit (EBIT) has been affected by one-off items recorded as;

Other operating income	-	-2	-	73	19	73
Other operating expenses	-	-19	-17	-19	-153	-136
<b>Operating profit (EBIT) excl. one-off items</b>	<b>135</b>	<b>110</b>	<b>128</b>	<b>60</b>	<b>415</b>	<b>347</b>

The operating profit (EBIT) for the first quarter of 2011 has been adjusted by SEK -17 m regarding the transfer of Ventilation's production in St. Petersburg, Russia, to Tallinn, Estonia, and the change of business area manager.

One-off items of SEK -21 m, relating to the second quarter of 2010, mainly consist of restructuring costs.

The operating profit (EBIT) for the first quarter of 2010 has been adjusted by SEK 75 m relating to the capital gain on the sale of property in Diekirch, Luxembourg. Additionally, the full-year 2010 includes SEK 110 m relating to the write-down of goodwill for the Ventilation business area's operations in the USA and SEK 7 m relating to the closure of the Ventilation unit in Texas in the USA.

## Statement of cash flows

(Indirect method)

Amounts in SEK m	April-June 2011	April-June 2010	Jan-June 2011	Jan-June 2010	Rolling 12 M July 2010- June 2011	Jan-Dec 2010
<b>Operating activities</b>						
Operating profit	135	89	111	114	281	284
Reversal of depreciation/amortisation	39	45	78	92	266	280
Reversal of capital gains (-) / losses (+) reported in operating profit	0	7	0	-90	24	-66
Provisions, not affecting cash flow	-7	-4	4	-22	-8	-34
Adjustment for other items not affecting cash flow	16	4	22	44	87	109
<b>Total</b>	<b>183</b>	<b>141</b>	<b>215</b>	<b>138</b>	<b>650</b>	<b>573</b>
Interest received	2	6	2	6	12	16
Interest paid	-41	-32	-87	-76	-183	-172
Tax paid	-19	-14	-31	-57	1	-25
<b>Cash flow from operating activities before change in working capital</b>	<b>125</b>	<b>101</b>	<b>99</b>	<b>11</b>	<b>480</b>	<b>392</b>
<b>Change in working capital</b>						
Stock (increase - /decrease +)	-47	-93	-155	-234	-120	-199
Operating receivables (increase - /decrease +)	-194	-193	-307	-329	69	47
Operating liabilities (increase + /decrease -)	333	252	341	447	45	151
<b>Total change in working capital</b>	<b>92</b>	<b>-34</b>	<b>-121</b>	<b>-116</b>	<b>-6</b>	<b>-1</b>
<b>Cash flow from operating activities</b>	<b>217</b>	<b>67</b>	<b>-22</b>	<b>-105</b>	<b>474</b>	<b>391</b>
<b>Investing activities</b>						
Acquisition of Group companies	-26	0	-26	4	-26	4
Investments in intangible fixed assets	-8	-3	-11	-5	-31	-25
Investments in tangible fixed assets	-32	-17	-52	-33	-122	-103
Change in financial fixed assets	0	0	0	0	0	0
Sale/disposal of intangible fixed assets	0	0	0	0	0	0
Sale/disposal of tangible fixed assets	1	17	12	303	74	365
<b>Cash flow from investing activities</b>	<b>-65</b>	<b>-3</b>	<b>-77</b>	<b>269</b>	<b>-105</b>	<b>241</b>
<b>Financing activities</b>						
Increase +/-decrease - in borrowing	4	28	186	-120	-317	-623
Warrant premium payments	-	6	-	6	1	7
Dividend to shareholders	-75	-	-75	-	-75	-
<b>Cash flow from financing activities</b>	<b>-71</b>	<b>34</b>	<b>111</b>	<b>-114</b>	<b>-391</b>	<b>-616</b>
<b>Cash flow for the period</b>	<b>81</b>	<b>98</b>	<b>12</b>	<b>50</b>	<b>-22</b>	<b>16</b>
Cash and cash equivalents at start of the period	169	193	239	248	281	248
Effect of exchange rate changes on cash and cash equivalents	7	-10	6	-17	-2	-25
<b>Cash and cash equivalents at end of the period</b>	<b>257</b>	<b>281</b>	<b>257</b>	<b>281</b>	<b>257</b>	<b>239</b>

# Statement of financial position

(Balance sheet)

Amounts in SEK m

	30 June 2011	30 June 2010	31 Dec 2010
<b>Assets</b>			
Fixed assets			
Goodwill	2,645	2,813	2,591
Other intangible fixed assets	66	51	61
Tangible fixed assets	1,151	1,230	1,161
Financial fixed assets, interest bearing	26	25	26
Other financial fixed assets	386	398	370
<b>Total fixed assets</b>	<b>4,274</b>	<b>4,517</b>	<b>4,209</b>
Current assets			
Stock	1,215	1,106	1,040
Accounts receivable	1,218	1,200	897
Other current assets	157	356	164
Other receivables, interest bearing	1	22	21
Cash and bank	257	281	239
<b>Total current assets</b>	<b>2,848</b>	<b>2,965</b>	<b>2,361</b>
<b>TOTAL ASSETS</b>	<b>7,122</b>	<b>7,482</b>	<b>6,570</b>
<b>Shareholders' equity and liabilities</b>			
<b>Shareholders' equity</b>	<b>2,758</b>	<b>2,869</b>	<b>2,755</b>
Long-term liabilities			
Interest-bearing provisions	129	126	130
Interest-bearing liabilities	2,081	2,198	1,926
Provisions	357	368	352
Other long-term liabilities	12	13	12
<b>Total long-term liabilities</b>	<b>2,579</b>	<b>2,705</b>	<b>2,420</b>
Current liabilities			
Interest-bearing liabilities	117	247	86
Provisions	46	60	43
Accounts payable	868	815	622
Other short-term liabilities	754	786	644
<b>Total current liabilities</b>	<b>1,785</b>	<b>1,908</b>	<b>1,395</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>7,122</b>	<b>7,482</b>	<b>6,570</b>

# Statement of changes in equity

	Equity relating to the parent company's shareholders					Total equity
	Share capital	Other contributed capital	Hedging reserve	Foreign currency transl. adj.	Profit brought forward	
<i>Amounts in SEK m</i>						
<b>Opening balance, 1 January 2010</b>	<b>79</b>	<b>2,244</b>	<b>-8</b>	<b>372</b>	<b>316</b>	<b>3,003</b>
Total comprehensive income			1	-326	27	-298
Premiums for warrants <sup>1)</sup>		7				7
Transfer of treasury shares in company acquisition					43	43
<b>Closing balance, 31 December 2010</b>	<b>79</b>	<b>2,251</b>	<b>-7</b>	<b>46</b>	<b>386</b>	<b>2,755</b>
<b>Opening balance, 1 January 2011</b>	<b>79</b>	<b>2,251</b>	<b>-7</b>	<b>46</b>	<b>386</b>	<b>2,755</b>
Total comprehensive income			4	66	8	78
Dividend to shareholders					-75	-75
<b>Closing balance, 30 June 2011</b>	<b>79</b>	<b>2,251</b>	<b>-3</b>	<b>112</b>	<b>319</b>	<b>2,758</b>

1) The Annual General Meeting in 2010 resolved to issue 784,000 warrant options to senior executives. 771,000 were subscribed to and SEK 7 m has been received as payment regarding these.

## Share capital

The share capital of SEK 78,707,820 is divided among 78,707,820 shares with a face value of SEK 1.00. Lindab International holds 3,375,838 (3,375,838) treasury shares, corresponding to 4.3 percent (4.3) of the total number of Lindab shares, following the buy-back in 2008 as well as company acquisitions paid for with treasury shares in 2010.

## Annual General Meeting

The Annual General Meeting on 11 May 2011 resolved to pay a dividend to the shareholders of SEK 1.00 per share, corresponding to SEK 75 m. No dividend was paid in the previous year. The Annual General Meeting resolved that the remainder of the retained earnings of SEK 620 m should be carried forward.

The Annual General Meeting also resolved to introduce a long-term incentive programme in the form of a performance-based share savings programme for senior executives and key employees in the Group.



# Parent company

## Income statement

Amounts in SEK m	April-June 2011	April-June 2010	Jan-June 2011	Jan-June 2010	Jan-Dec 2010
Other operating income	-	-	-	-	2
Administrative expenses	-	-3	-1	-4	-11
<b>Operating profit</b>	<b>-</b>	<b>-3</b>	<b>-1</b>	<b>-4</b>	<b>-9</b>
Profit from subsidiaries	-	-	-	-	111
Interest expenses, internal	-24	-21	-47	-41	-88
<b>Result before tax</b>	<b>-24</b>	<b>-24</b>	<b>-48</b>	<b>-45</b>	<b>14</b>
Tax on profit for the period	7	7	13	12	-5
<b>After tax result</b>	<b>-17</b>	<b>-17</b>	<b>-35</b>	<b>-33</b>	<b>9</b>

## Balance sheet

Amounts in SEK m	30 June 2011	30 June 2010	31 Dec 2010
<b>Assets</b>			
Fixed assets			
Shares in Group companies	3,467	3,467	3,467
Financial fixed assets, interest bearing	8	11	7
Other long-term receivables	16	14	4
<b>Total fixed assets</b>	<b>3,491</b>	<b>3,492</b>	<b>3,478</b>
Current assets			
Other receivables	6	9	6
Cash and bank	1	1	1
<b>Total current assets</b>	<b>7</b>	<b>10</b>	<b>7</b>
<b>TOTAL ASSETS</b>	<b>3,498</b>	<b>3,502</b>	<b>3,485</b>
<b>Shareholders' equity and liabilities</b>			
<b>Shareholders' equity</b>	<b>1,371</b>	<b>1,440</b>	<b>1,482</b>
Long-term liabilities			
Interest-bearing provisions	9	11	8
Liabilities to Group companies	2,115	2,046	1,991
<b>Total long-term liabilities</b>	<b>2,124</b>	<b>2,057</b>	<b>1,999</b>
Current liabilities			
Non-interest-bearing liabilities	3	5	4
<b>Total current liabilities</b>	<b>3</b>	<b>5</b>	<b>4</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>3,498</b>	<b>3,502</b>	<b>3,485</b>

## Key figures

	Quarterly Periods									
	2011				2010				2009	
	April-June	Jan-March	Oct-Dec	July-Sept	April-June	Jan-March	Oct-Dec	July-Sept	April-June	Jan-March
<i>SEK m unless otherwise specified</i>										
Sales revenue	1,755	1,377	1,697	1,881	1,715	1,234	1,602	1,825	1,821	1,771
Operating profit, (EBITDA) <sup>1)</sup>	174	15	112	247	134	72	92	165	142	80
Operating profit, (EBITA) <sup>2)</sup>	135	-24	76	206	92	27	37	113	88	27
Depreciation/amortisation and write-downs	39	39	146	42	45	47	57	56	56	56
Operating profit, (EBIT) <sup>3)</sup>	135	-24	-35	205	89	25	34	110	85	25
Operating profit, (EBIT), excluding one-off items	135	-7	75	212	110	-50	34	145	97	25
After tax result	60	-52	-86	114	27	-28	5	37	13	-21
Total comprehensive income	153	-75	-128	13	-26	-157	29	-150	53	-74
Operating margin (EBITA), % <sup>4)</sup>	7.7	-1.7	4.5	11.0	5.4	2.2	2.3	6.2	4.8	1.5
Operating margin (EBIT), % <sup>5)</sup>	7.7	-1.7	-2.1	10.9	5.2	2.0	2.1	6.0	4.7	1.4
Operating margin (EBIT), excluding one-off items, %	7.7	-0.5	4.4	11.3	6.4	-4.1	2.1	7.9	5.3	1.4
Undiluted average number of shares, (000's)	75,332	75,332	75,332	75,332	75,332	74,810	74,772	74,772	74,772	74,772
Diluted average number of shares, (000's) <sup>6)</sup>	75,332	75,332	75,398	75,332	75,332	74,810	74,772	74,772	74,772	74,772
Undiluted number of shares, (000's)	75,332	75,332	75,332	75,332	75,332	75,332	74,772	74,772	74,772	74,772
Diluted number of shares, (000's) <sup>6)</sup>	75,332	75,332	75,398	75,332	75,332	75,332	74,772	74,772	74,772	74,772
Undiluted earnings per share, SEK <sup>7)</sup>	0.80	-0.69	-1.14	1.51	0.36	-0.37	0.07	0.49	0.17	-0.28
Diluted earnings per share, SEK <sup>8)</sup>	0.80	-0.69	-1.14	1.51	0.36	-0.37	0.07	0.49	0.17	-0.28
Cash flow from operating activities	217	-239	324	172	67	-172	245	329	332	-187
Cash flow from operating activities per share, SEK <sup>9)</sup>	2.88	-3.17	4.30	2.28	0.89	-2.30	3.28	4.40	4.44	-2.50
Total assets	7,122	6,674	6,570	7,275	7,482	7,206	7,442	7,781	8,226	8,492
Net debt <sup>10)</sup>	2,043	2,097	1,856	2,104	2,243	2,286	2,422	2,600	2,906	3,004
Net debt/equity ratio, times <sup>11)</sup>	0.7	0.8	0.7	0.7	0.8	0.8	0.8	0.9	0.9	0.9
Equity	2,758	2,680	2,755	2,882	2,869	2,889	3,003	2,969	3,119	3,272
Undiluted equity per share, SEK <sup>12)</sup>	36.61	35.58	36.57	38.26	38.08	38.35	40.16	39.71	41.71	43.76
Diluted equity per share, SEK <sup>13)</sup>	36.61	35.58	36.54	38.26	38.08	38.35	40.16	39.71	41.71	43.76
Equity/asset ratio, % <sup>14)</sup>	38.7	40.2	41.9	39.6	38.3	40.1	40.4	38.2	37.9	38.5
Return on equity, % <sup>15)</sup>	1.3	0.1	0.9	4.0	1.4	0.9	1.1	2.4	10.5	18.6
Return on capital employed, % <sup>16)</sup>	5.6	4.7	5.5	6.6	4.7	4.5	4.3	5.4	10.9	16.0
Return on operating capital, % <sup>17)</sup>	5.8	4.8	5.6	6.7	4.7	4.5	4.3	5.6	11.2	16.9
Return on operating capital, excluding one-off items, %	8.5	7.9	6.9	5.8	4.4	4.0	5.1	8.1	13.4	18.8
Return on (total) assets, % <sup>18)</sup>	4.1	3.5	4.1	4.9	3.5	3.4	3.3	4.0	8.0	11.6
Interest coverage ratio, times <sup>19)</sup>	3.4	-0.6	-0.7	4.4	2.0	0.6	1.0	3.1	2.5	0.1
No. of employees at close of period <sup>20)</sup>	4,487	4,395	4,381	4,485	4,444	4,394	4,435	4,714	4,898	4,981

<sup>\*)</sup> Operating profit (EBITA) reported excluding one-off items, as reported originally.

## Definitions

- 1) The operating profit (EBITDA) comprises results before depreciation and before consolidated amortisation of surplus value on intangible assets.
- 2) The operating profit (EBITA) comprises results following depreciation but before consolidated amortisation of surplus value on intangible assets.
- 3) The operating profit (EBIT) comprises results before financial items and tax.
- 4) The operating margin (EBITA) has been calculated as operating profit (EBITA) as a percentage of sales revenue during the period.
- 5) The operating margin (EBIT) has been calculated as operating profit (EBIT) expressed as a percentage of sales revenue during the period.
- 6) Calculation of the dilution from warrants issued by the Company is made in accordance with IAS 33. The calculation is only made when it can be assumed that the warrants will be redeemed, i.e. when the conversion price for the shares is lower than the average share price for the period.
- 7) After tax result in relation to the undiluted average number of outstanding shares.
- 8) After tax result in relation to the diluted average number of outstanding shares.
- 9) Cash flow from operating activities in relation to the undiluted average number of outstanding shares during the period.
- 10) The net debt consists of interest bearing liabilities and assets, as well as cash and bank.
- 11) The net debt/equity ratio is expressed as the net debt in relation to shareholders' equity.

2008 April- June	2007 April- June	2006 April- June	Year-to-date Jan-June						Full-year Periods				
			2011	2010	2009	2008	2007	2006	2010	2009	2008	2007	2006
2,567	2,329	1,918	3,132	2,949	3,592	4,696	4,301	3,412	6,527	7,019	9,840	9,280	7,609
448	382	284	189	206	222	710	619	419	565	479	1,388	1,512	1,103
399	332	235	111	119	115	608	520	320	401	265	1,172	1,318	942*
52	52	51	78	92	112	107	104	104	280	225	225	203	209
396	330	233	111	114	110	603	515	315	284	254	1,163	1,309	894
396	330	233	128	60	122	603	515	315	347	301	1,279	1,309	933
266	221	158	8	-1	-8	383	333	209	27	34	723	901	585
345	213	59	78	-183	-21	425	421	72	-298	-142	1,124	1,035	439
15.5	14.3	12.3	3.5	4.0	3.2	12.9	12.1	9.4	6.1	3.8	11.9	14.2	12.4*
15.4	14.2	12.1	3.5	3.9	3.1	12.8	12.0	9.2	4.4	3.6	11.8	14.1	11.7
15.4	14.2	12.1	4.1	2.0	3.4	12.8	12.0	9.2	5.3	4.3	13.0	14.1	12.3
78,708	78,708	75,168	75,332	75,072	74,772	78,708	78,708	97,583	75,203	74,772	77,548	78,708	90,702
78,708	78,708	78,708	75,332	75,072	74,772	78,708	78,708	99,538	75,203	74,772	77,548	78,708	93,062
78,708	78,708	75,168	75,332	75,332	74,772	78,708	78,708	75,168	75,332	74,772	74,772	78,708	78,708
78,708	78,708	78,708	75,332	75,332	74,772	78,708	78,708	78,708	75,332	74,772	74,772	78,708	78,708
3.38	2.81	2.10	0.11	-0.01	-0.11	4.87	4.23	2.14	0.36	0.45	9.32	11.45	6.45
3.38	2.81	2.01	0.11	-0.01	-0.11	4.87	4.23	2.10	0.36	0.45	9.32	11.45	6.29
317	193	311	-22	-105	145	326	36	269	391	719	673	875	778
4.03	2.45	4.14	-0.29	-1.40	1.94	4.14	0.46	2.76	5.20	9.62	8.68	11.12	8.58
8,320	7,878	6,788	7,122	7,482	8,226	8,320	7,878	6,788	6,570	7,442	8,625	7,700	7,082
2,430	2,903	2,860	2,043	2,243	2,906	2,430	2,903	2,860	1,856	2,422	2,774	2,238	2,602
0.8	1.2	1.6	0.7	0.8	0.9	0.8	1.2	1.6	0.7	0.8	0.8	0.8	1.2
2,995	2,355	1,732	2,758	2,869	3,119	2,995	2,355	1,732	2,755	3,003	3,346	2,969	2,190
38.05	29.92	23.04	36.61	38.08	41.71	38.05	29.92	23.04	36.57	40.16	44.75	37.72	27.82
38.05	29.92	22.01	36.61	38.08	41.71	38.05	29.92	22.01	36.57	40.16	44.75	37.72	27.82
36.0	29.9	25.5	38.7	38.3	37.9	36.0	29.9	25.5	41.9	40.4	38.8	38.6	30.9
33.9	33.2	19.0	1.3	1.4	10.5	33.9	33.2	19.0	0.9	1.1	23.4	35.9	25.1
25.3	21.5	14.8	5.6	4.7	10.9	25.3	21.5	14.8	5.5	4.3	20.0	24.5	18.2
26.3	22.4	15.4	5.8	4.7	11.2	26.3	22.4	15.4	5.6	4.3	20.7	25.4	19.1
26.3	23.2	15.0	8.5	4.4	13.4	26.3	23.2	15.0	6.9	5.1	22.8	25.4	19.9
18.0	15.3	11.2	4.1	3.5	8.0	18.0	15.3	11.2	4.1	3.3	14.3	17.4	13.3
9.6	9.3	8.3	1.4	1.4	1.7	7.3	7.4	6.8	1.6	1.8	6.1	8.6	8.4
5,366	5,069	4,144	4,487	4,444	4,898	5,366	5,069	4,144	4,381	4,435	5,291	5,256	4,942

12) Shareholders' equity in relation to the outstanding undiluted number of shares at the end of the period.

13) Shareholders' equity in relation to the outstanding diluted number of shares at the end of the period.

14) The equity ratio has been calculated as shareholders' equity as a percentage of total assets according to the balance sheet.

15) Return on equity comprises the after-tax result (rolling twelve months), as a percentage of the average shareholders' equity\* excluding minority interests.

16) Return on capital employed comprises the profit after financial items plus financial costs (rolling twelve months) as a percentage of average capital employed\*. Capital employed consists of total assets less non-interest-bearing provisions and liabilities.

17) Return on operating capital comprises the operating profit (EBIT, rolling twelve months) as a percentage of average operating capital\*. Operating capital refers to the total net debt and shareholders' equity.

18) The return on (total) assets comprises the profit after financial items (EBT) plus financial costs (rolling twelve months) as a percentage of average total assets\*.

19) The interest coverage ratio has been calculated as the profit after financial items plus financial expenses in relation to financial expenses.

20) The number of employees at the end of the period consists of the number of employees converted to full-time positions.

\*) Average capital is based on the quarterly values.

# Notes

## Note 1 Accounting principles

The consolidated accounts for the second quarter and first six months of 2011, as for the annual accounts for 2010, have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU, the Annual Accounts Act and the Swedish Financial Reporting Board RFR 1, Supplementary Accounting Rules for Groups.

This quarterly report has been prepared in accordance with IAS 34.

The Group uses the same accounting policies as described in the Annual Report for 2010. None of the new or revised standards, interpretations and improvements that have been adopted by the EU and that must be applied from 1 January 2011 has had an effect on the Group.

The parent company's financial statements are prepared in accordance with the Swedish Annual Accounts Act (ÅRL) and RFR 2, Accounting for legal entities, and according to the same principles that were applied to the Annual Report for 2010.

## Note 2 Effects of changes in accounting estimates

Significant estimates and assumptions are described in Note 4 in the Annual Report for 2010.

There have not been any changes made to anything that could have a material impact on the interim report.

## Note 3 Operating Segments

Operating segments are reported in accordance with IFRS 8 and IAS 34.

Lindab's operations are managed and reported by business area, which is consistent with the segmentation.

The Ventilation business area offers duct systems and accessories, as well as indoor climate solutions for ventilation, cooling and heating. The Building Components business area offers steel products and systems for roof drainage, roof and wall cladding, as well as steel profiles for wall, roof and beam constructions. The Building Systems business area offers complete pre-engineered steel building systems. Solutions comprise the entire outer shell with frames, walls, roofs and accessories. Other comprises parent company functions including Group Treasury.

Information about revenues from external customers, operating profit and the pre-tax result by operating segment is shown in the tables on page 7.

Revenues from other segments total small amounts and a breakdown of this sum by segment therefore does not offer any additional value.

Inter-segment transfer pricing is determined on an arms-length basis i.e. between parties that are independent of one another, are well informed and have an interest in the implementation of the transaction. Assets and investments are reported wherever the asset is located.

No changes have occurred in the fundamentals for segmentation or in the calculation of the segment's profit since the last Annual Report was issued.

Assets per segment that have changed by more than ten percent compared with the end of 2010 are shown below:

### Ventilation

Other assets have increased by 24 percent since the start of the year.

### Building Components

Stock has increased by 49 percent. Other assets have increased by 68 percent since the start of the year.

### Building Systems

Stock has decreased by 13 percent.

## Note 4 Transactions with related parties

Lindab's related parties and the extent of transactions with related parties are described in note 30 of the 2010 Annual Report. IAS 24, Related party disclosures, has been amended and is effective for financial years beginning from and including January 2011. The changes have no impact on the Group however.

During the year, no transactions have taken place between Lindab and related parties that have had a significant impact on the company's position and results. However, the subsidiary Benone has been sold in part to the CEO in accordance with the resolution taken at the Annual General Meeting on 11 May 2011. The transfer does not have any material impact on the company's financial position and results.

The Board of Directors and the CEO confirm that the half year report gives an accurate summary of the Company's and the Group's activities, position and results and describes the noteworthy risks and uncertainties faced by the Company and companies that are included within the Group.

Båstad 15 July 2011



Ulf Gundemark  
Chairman



David Brodetsky  
President and CEO



Erik Eberhardson



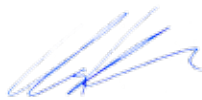
Per Frankling



Sonat Burman-Olsson



Anders C. Karlsson



Stig Karlsson



Annette Sadolin



Pontus Andersson



Markku Rantala

The report has not been subject to an audit by Lindab's auditors.

## 2011/2012 financial reporting dates

Interim Report January–October, Q3  
Fourth quarter and Year End Report 2011  
Annual Report 2011

25 October  
February 2012  
March/April 2012

## For further information please contact:

David Brodetsky, CEO  
Phone +46 (0) 431 850 00  
E-mail david.brodetsky@lindab.com

For more information please visit [www.lindabgroup.com](http://www.lindabgroup.com)

Subscribe to our customer magazine (Lindab Direct), press releases, Annual Reports and Interim Reports.

The information here is that which Lindab International AB has willingly chosen to make public or that which it is obliged to make public according to the Swedish Securities Market Act and/or the Financial Instruments Trading Act. The information was made public on 18 July 2011 at 07.40.

## Lindab in brief

Lindab develops, manufactures, markets and distributes products and system solutions primarily in steel for simplified construction and improved indoor climate.

The business is carried out within three business areas, Ventilation, Building Components and Building Systems. The products are characterised by their high quality, ease of assembly, energy efficiency, consideration towards the environment, and are delivered with high levels of service. Altogether, this increases customer value.

The Group had net sales of SEK 6,527 m in 2010, was established in 31 countries and had approximately 4,400 employees.

The main market is non-residential construction, which accounts for 80 percent of sales, while residential accounts for 20 percent of sales. During 2010, the Nordic market accounted for 45 percent, CEE/CIS (Central and Eastern Europe as well as other former Soviet states) for 22 percent, Western Europe for 29 percent and other markets for 4 percent of total sales.

The share is listed on the Nasdaq OMX Nordic Exchange, Stockholm, Mid Cap, under the ticker symbol LIAB. The principal shareholders are Ratos, Sjötte AP-fonden and Swedbank Robur.

### Business Areas:

#### Ventilation

Duct systems with accessories, as well as solutions for ventilation, heating and cooling for a controlled indoor climate.

#### Building Components

Products and systems in sheet steel for roof drainage, roof and wall cladding, as well as steel profiles for walls, roof and beam constructions.

#### Building Systems


Pre-engineered steel building systems. A complete building solution comprising the outer shell with the main structure, wall, roof and accessories.



Ventilation  
business area



Building Components  
business area



Building Systems  
business area

### Lindab International AB

SE-269 82 Båstad  
Visiting address: Järnvägsgatan 41, Grevie  
Corporate identity number 556606-5446  
Phone +46 (0) 431 850 00  
Fax +46 (0) 431 850 10  
E-mail [lindab@lindab.com](mailto:lindab@lindab.com)  
[www.lindabgroup.com](http://www.lindabgroup.com)

