Second quarter 2012

- Sales revenue decreased by 1 percent to SEK 1,737 m (1,755), a decrease of 5 percent when adjusted for currency and structure.
- Operating profit (EBIT) amounted to SEK 135 m (135), excluding one-off items of SEK –16 m (0).
- The operating margin (EBIT), excluding one-off items, amounted to 7.8 percent (7.7).
- The after-tax result amounted to SEK 56 m (60).
- Earnings per share amounted to SEK 0.74 (0.80).
- Cash flow from operating activities amounted to SEK 97 m (217).

January-June 2012

- Sales revenue increased by 3 percent to SEK 3,216 m (3,132), an increase of 1 percent when adjusted for currency and structure.
- Operating profit (EBIT) amounted to SEK 165 m (128), excluding one-off items of SEK –54 m (–17).
- The operating margin (EBIT), excluding one-off items, amounted to 5.1 percent (4.1).
- The after-tax result amounted to SEK 10 m (8).
- Earnings per share amounted to SEK 0.13 (0.11).
- Cash flow from operating activities amounted to SEK 7 m (–22).

Lindab

We simplify construction

Comment from Lindab's President and CEO, David Brodetsky:

For the second quarter 2012 Lindab reports an improved operating margin as a result of intensive cost focus and improving gross profit margins in spite of lower sales and steel cost increases. Of particular note was the strong improvement in Building Systems performance. Ventilation also improved its EBIT margin whereas Building Components was affected by weak sales momentum in most markets.

We were pleased to secure the acquisition of Centrum Klima, Poland, during the quarter. This acquisition gives us a leading position in Ventilation in Poland, which is the largest and strongest performing market in CEE. Additionally, Centrum Klima will bring strong synergies through consolidation of production and purchasing which will strengthen the whole Ventilation Business area.

The markets are expected to remain weak in the months ahead. However, Lindab's performance will be supported by the accelerating impact of the SEK 150 million cost saving plan that is now largely implemented. Longer term, the macro economic forecasts indicate that construction recovery will be slow and drawn out, which underlines the importance of continuing our own initiatives to support the 2014 EBIT goal of 10 percent for the Group.

Grevie, July 2012

David Brodetsky
President and CEO

David Brodetsky
President and CEO

Sales and markets

Sales revenue during the second quarter amounted to SEK 1,737 m (1,755), a decrease of 1 percent compared with the second quarter of 2011. Adjusted for structure, the decrease was 5 percent. Exchange rate fluctuations have marginally affected sales.

The decrease in sales, adjusted for structure, compared with the corresponding period last year is mainly due to the negative sales performance within the Building Components business area but also within the Ventilation business area. The negative sales performance is mainly due to lower demand as a result of greater general uncertainty in the construction market resulting in prolonged decision-making concerning investments. The Building Systems business area, however, is continuing to contribute with positive sales growth, with the Russian and Belarusian markets performing strongly.

During the quarter, sales in the Nordic region, Lindab's largest, have decreased by 6 percent when adjusted for currency and structure. With the exception of Norway, all of the Nordic markets are showing negative sales development. The limited strike in the tinsmith and installer industry in the quarter in Sweden is thought to have had only a minor impact on sales.

Sales in Western Europe decreased by 6 percent when adjusted for currency and structure. The majority of markets in Western Europe are showing negative or unchanged sales development.

Sales in CEE/CIS increased by 2 percent when adjusted for currency and structure. Of Lindab's largest markets within the region, Russia and Belarus have contributed with positive growth while other important markets in the region, such as the Czech Republic and Romania, have seen negative sales development for the quarter.

Sales revenue for the period January–June amounted to SEK 3,216 m (3,132), which is an increase of 3 percent compared with the corresponding period the previous year. Adjusted for currency and structure the increase amounted to 1 percent. Completed acquisitions have increased net sales by 2 percent.

External market forecasts

The latest report from Euroconstruct (an independent forecasting organisation for the construction industry that covers 19 European countries) released on 15 June, forecasts that the construction segment in Europe (residential and non-residential construction) will decrease by 1.5 percent in 2012 (down from 0.2 percent growth in its November report) and increase by 0.7 percent in 2013 (down from growth of 2.2 percent). Lindab's sales to markets included in Euroconstruct's forecasts correspond to approximately 85 percent of Lindab's total sales. The primary Lindab markets not covered by the forecasts are Russia and Romania. If Euroconstruct's forecasts are adjusted to take account of Lindab's geographical mix, segment exposure and late cyclicality, Lindab's underlying market will decrease by 0.5 percent in 2012 (down from growth of 1 percent in November) and will show around 0.5 percent growth in 2013 (down from growth of 2 percent). The downward revisions most affecting Lindab concern particularly the Swedish market, especially for residential construction, as well as the Eastern European markets.

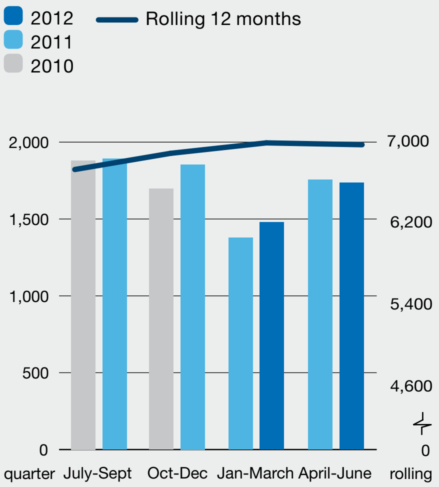
In the longer term, Lindab considers Euroconstruct's forecasts to be uncertain. The market outlooks are based on a combination of macroeconomic factors making future demand difficult to assess. In general, the market recovery is expected to be slow and drawn out.

Profit

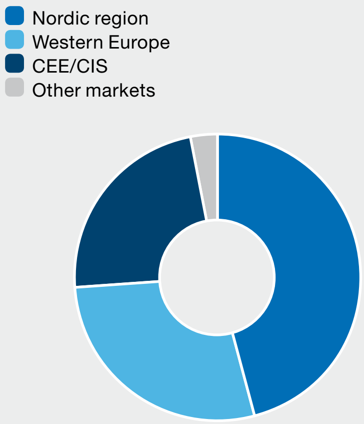
Operating profit (EBIT) for the second quarter amounted to SEK 135 m (135), excluding one-off items of SEK –16 m (0), see note 6.

The operating profit is unchanged compared with the corresponding period the previous year. The negative impact on profit from the decline in sales

SALES REVENUE, SEK m



BREAKDOWN OF SALES REVENUE BY MARKET, LAST 12 MONTHS, %



IMPORTANT EVENTS DURING THE QUARTER

- **Acquisition of Centrum Klima, a leading Polish ventilation company.**
- **Cost reduction programme has had a positive effect on profit for the quarter.**

for the quarter was offset by improved gross margins and lower costs. The acquisitions of Plannja's project sales organisation and of the company Centrum Klima have had a marginal impact on profit due to the integration costs.

The cost reduction programme announced at the start of 2012 has generated a positive effect on profit during the quarter.

The quarter has been affected by one-off costs of SEK 16 m (0), mainly attributable to structural measures as part of the cost-reduction programme as well as transaction costs related to acquisitions, see note 6.

The operating margin (EBIT) for the second quarter, excluding one-off items, increased to 7.8 percent (7.7).

The pre-tax result for the quarter amounted to SEK 80 m (97). The after-tax result amounted to SEK 56 m (60). Earnings per share amounted to SEK 0.74 (0.80). The average share price during the second quarter of 2012 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 165 m, which is an increase of 29 percent compared with the previous year's profit of SEK 128 m.

The operating margin (EBIT) for the same period, excluding one-off items, amounted to 5.1 percent (4.1).

The pre-tax result for the first six months amounted to SEK 34 m (35). The after-tax result amounted to SEK 10 m (8). Earnings per share amounted to SEK 0.13 (0.11).

The profit for the first six months has been affected by one-off costs totalling SEK 54 m (17). This is due to structural measures as part of the cost-reduction programme as well as transaction costs related to acquisitions.

Cost reduction programme

On 10 January 2012, a cost-reduction programme was announced that is estimated to save SEK 150 m annually. The programme is aimed mainly at low performing business units and includes a headcount reduction of approximately 250 people as well as lower fixed costs. Some activities in the programme have been completed earlier than planned and others have been postponed from the original planned timing, affecting savings and one-off costs in the quarters. The target for 2012 is unchanged however. Activities that were initiated in the quarter have resulted in one-off costs of SEK 9 m. The total one-off costs for the programme are estimated at approximately SEK 110 m, of which SEK 69 m has been booked up to and including the second quarter of 2012.

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 substantial 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.

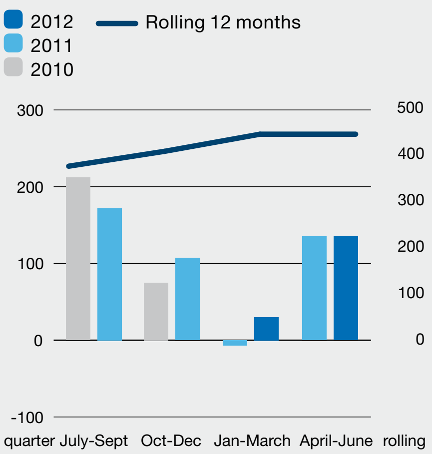
There is normally a deliberate stock build-up of mainly finished goods during the first six months, which gradually becomes a stock reduction during the third and fourth quarters as a result of increased activity within the construction market.

Depreciation and write-downs

The total depreciation for the quarter is in line with last year amounting to SEK 39 m (39). The total depreciation for the half-year amounted to SEK 78 m (78).

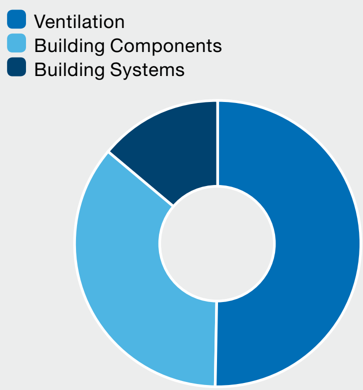
Depreciation relates to tangible fixed assets.

OPERATING PROFIT (EBIT)*, SEK m

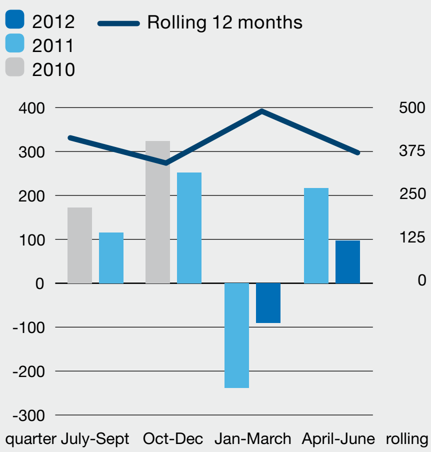


*) *Adjusted for one-off items.*
One-off items are described in note 6.

BREAKDOWN OF OPERATING PROFIT (EBIT)* BY BUSINESS AREA, LAST 12 MONTHS, %



CASH FLOW FROM OPERATING ACTIVITIES, SEK m



Tax

Tax expenses for the quarter amounted to SEK 24 m (37). The pre-tax result amounted to SEK 80 m (97). The actual tax rate for the quarter was 30 percent (38). The average tax rate was 17 percent (26).

Tax expenses for the half-year were SEK 24 m (27). The pre-tax result amounted to SEK 34 m (35). The actual tax rate for the half-year was 71 percent (77). The average tax rate was 3 percent (35).

The average tax rate is based on a weighting of Lindab's profit and tax rate in each country.

The discrepancies between the actual and the average tax rates are due to differences between taxable profit and profit before tax (EBT), and because the profit is divided among countries with high and low tax rates. Furthermore, deferred tax assets on loss carry forwards have not been capitalised in certain subsidiaries because of prevailing market uncertainty.

Cash flow

Cash flow from operating activities amounted to SEK 97 m for the second quarter compared with SEK 217 m for the same period the previous year. Changes in working capital contributed SEK 12 m (92), which is the main reason for the lower cash flow compared with the same period last year. The change in capital tied up in stock and accounts receivable amounted to SEK 176 m (241), which is a decrease compared with the previous year. Operating liabilities have increased by SEK 188 m (333). The change from previous year is explained by a timing effect of payments to suppliers.

For the first six-months, cash flow from operating activities amounted to SEK 7 m (–22).

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

Financing activities for the quarter gave a cash flow of SEK 276 m (–71) net, consisting of SEK 300 m (4) in increased borrowing, SEK 52 m (-) from the sale of treasury shares and SEK –76 m (–75) in paid dividends.

Financing activities for the first six-months resulted in a cash flow of SEK 413 m (111).

Investments

Investments in fixed assets amounted to SEK 48 m (40) for the quarter, while divestments amounted to SEK 3 m (1). The single biggest investment relates to the continuing expansion investment in Russia. Cash flow from investing activities amounted to SEK –44 m (–39) net, excluding acquisitions.

Investments in fixed assets amounted to SEK 95 m (63) for the half-year, while divestments amounted to SEK 5 m (12). The investments relate mainly to efficiency investments in the Czech Republic and expansion investments in Russia. Cash flow from investing activities amounted to SEK –89 m (–51) net, excluding acquisitions.

Company acquisitions and divestments

On 30 April Lindab acquired 51.8 of the Polish company Centrum Klima S.A and a further 44.9 percent on 26 June. The company is a leading Polish manufacturer and distributor of ventilation and indoor climate systems. The company is based in Warsaw and is listed on the Warsaw stock exchange. The company has around 200 employees and had sales of SEK 205 m for the full year 2011. About 65 percent of sales are generated from the Polish market with the remainder from exports, mainly to Europe. The company is part of the Ventilation business area. The acquisition reinforces Lindab's position within air duct systems and enhances distribution; considerable synergies will also be generated.

On 19 March, the majority of Plannja's project sales organisation was acquired through an acquisition of assets. The acquired business mainly concerns the production of sandwich panels and decking profiles. The business has annual sales of around SEK 150 m in the Nordic markets and employs approximately 50 people. The acquisition is strategically important for Lindab Building Components in the Nordic region, which is now able to offer own produced sandwich panels to both new and existing customers. Sandwich panels are taking market share from traditional solutions and fit with Lindab's business concept to simplify construction through shortened assembly times and good energy efficient properties.

In the first six months of 2011, Lindab acquired the Danish distributor of ventilation fans, Juvenco A/S, and the Belgian ventilation distributor Airflux BVBA.

Cash flow from acquisitions amounted to SEK –272 m (–26) net.

Financial position

Net debt amounted to SEK 2,192 m (2,043) at 30 June 2012. Currency fluctuations have had a marginal effect on the net debt during the quarter. The equity/assets ratio amounted to 37 percent (39) and the net debt-equity ratio was 0.8 (0.7). Net financial income during the quarter was SEK –39 m (–38).

For the half-year, the net financial income amounted to SEK –77 m (–76).

The existing credit agreement with Nordea and Handelsbanken expires in February 2015. The total credit limit is SEK 3,000 m (3,500).

Pledged assets and contingent liabilities

During the first quarter, Lindab pledged floating charges amounting to SEK 17 m. There have been no further changes during the second quarter. Floating charges therefore amount to a total of SEK 330 m pledged under the credit agreement with Nordea and Handelsbanken.

The parent company

The parent company had no sales during the quarter. The after-tax result for the period amounted to SEK –18 m (–17).

For the period January–June, the corresponding figures were SEK –37 m (–35).

Noteworthy risks and uncertainties

There have been no changes to what was stated by Lindab in its Annual Report for 2011 under Risks and risk management (pages 98–103).

Employees

The number of employees at the end of the quarter, converted to equivalent full-time employment, totalled 4,510 (4,487), including 250 from completed acquisitions and divestments since the corresponding period the previous year.

Annual General Meeting 2012

Lindab International AB's Annual General Meeting on 9 May 2012 decided on the following:

- To pay a dividend of SEK 1.00 per share, giving a total dividend of SEK 76 m, with a record date of 14 May and payment on 18 May 2012.

A dividend of SEK 75 m was paid in 2011.

- The re-election of Ulf Gundemark as the Chairman of the Board. Furthermore, it was decided to re-elect Erik Eberhardson, Per Frankling, Stig Karlsson and Sonat Burman-Olsson to the Board, and to elect Stefan Charette, Birgit Nørgaard and Jens Wikstedt as new Board members.
- The Chairman of the Board, in consultation with the company's major shareholders, has been tasked with appointing 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.

Incentive programme

The Annual General Meeting 2012 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 83 participants in various management positions and senior executives at Lindab and 63 have accepted the offer, thereby acquiring a total of 79,100 Lindab shares. On maximum allocation, 368,900 Lindab shares will be transferred to the participants. Further information can be found under Corporate Governance at www.lindabgroup.com.

The Lindab Share

The highest price paid for Lindab shares during the period January–June was SEK 57.95 on 28 February, and the lowest was SEK 37.17 on 27 June. The closing price on 30 June 2012 was SEK 42.65. The average daily trading volume of Lindab shares was 219,334 shares per day (169,330).

Lindab holds 2,375,838 treasury shares (3,375,838), equivalent to 3.0 percent (4.3) of the total number of Lindab shares. The number of outstanding shares totals 76,331,982 (75,331,982), while the total number of shares is 78,707,820.

The biggest shareholders in relation to the number of outstanding shares are Creades AB with 11.8 percent (-), Ratos AB with 11.6 percent (11.7), Livförsäkringsaktiebolaget Skandia with 9.4 percent (9.5), Lannebo Fonder with 7.9 percent (6.8) and Swedbank Robur Fonder with 7.3 percent (9.9). The holdings of the ten largest shareholders constitute 63.2 percent of the shares (63.3), 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 pages 16–17.

One-off items are specified in note 6.

SALES REVENUE AND GROWTH

	April-June 2012	April-June 2011	Jan-June 2012	Jan-June 2011	Jan-Dec 2011
Sales revenue, SEK m	1,737	1,755	3,216	3,132	6,878
Change, SEK m	–18	40	84	183	351
Change, %	–1	2	3	6	5
Of which					
Volumes and prices, %	–5	8	1	12	9
Acquisitions/ divestments, %	4	0	2	1	0
Currency effects, %	0	–6	0	–7	–4

SALES REVENUE PER MARKET

SEK m	April-June 2012	%	April-June 2011	%	Jan-June 2012	%	Jan-June 2011	%	Jan-Dec 2011	%
Nordic region	787	45	807	46	1,492	46	1,442	46	3,158	46
Western Europe	497	29	506	29	950	30	938	30	1,949	28
CEE/CIS	404	23	386	22	674	21	635	20	1,553	23
Other markets	49	3	56	3	100	3	117	4	218	3
Total	**1,737**	**100**	**1,755**	**100**	**3,216**	**100**	**3,132**	**100**	**6,878**	**100**

SALES REVENUE PER BUSINESS AREA

SEK m	April-June 2012	%	April-June 2011	%	Jan-June 2012	%	Jan-June 2011	%	Jan-Dec 2011	%
Ventilation	902	52	896	51	1,811	56	1,742	56	3,612	53
Building Components	576	33	618	35	943	29	972	31	2,268	33
Building Systems	259	15	241	14	462	14	418	13	998	14
Other operations	-	-	-	-	-	-	-	-	-	-
Total	**1,737**	**100**	**1,755**	**100**	**3,216**	**100**	**3,132**	**100**	**6,878**	**100**
Gross internal sales all segments	**12**		**12**		**15**		**17**		**32**	

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

SEK m	April-June 2012	April-June 2011	Jan-June 2012	Jan-June 2011	Jan-Dec 2011
Ventilation	69	62	135	111	221
Building Components	51	75	39	58	192
Building Systems	24	9	14	–15	38
Other operations	–9	–11	–23	–26	–44
Total (EBIT), excluding one-off items	**135**	**135**	**165**	**128**	**407**
One-off items*	–16	-	–54	–17	–59
Total (EBIT), including one-off items	**119**	**135**	**111**	**111**	**348**
Net financial income	–39	–38	–77	–76	–162
Result before tax (EBT)	**80**	**97**	**34**	**35**	**186**

**) One-off items are described in note 6.*

Ventilation business area

- **Sales revenue during the second quarter amounted to SEK 902 m (896), an increase of 1 percent. Adjusted for currency effects and structure, sales revenue decreased by 4 percent.**
- **The operating margin (EBIT) for the second quarter, excluding one-off items, increased to 7.6 percent (6.9).**
- **Acquisition of Centrum Klima, Poland.**

Sales and markets

Sales revenue during the second quarter increased by 1 percent compared with the corresponding period the previous year, amounted to SEK 902 m (896). Adjusted for currency effects and structure, sales revenue decreased by 4 percent. The acquisitions of Centrum Klima, Juvenco, Airflux and Elia plus the divestment of Benone have altogether positively affected sales by 4 percent during the second quarter compared with the corresponding period the previous year.

Sales revenue for the half-year amounted to SEK 1,811 m (1,742). When adjusted for currency and structure, sales revenue increased by 1 percent.

The business area's main segment is non-residential construction. The business area's sales decreased in all regions. In the Nordic region, Norway continued to show positive growth, while Sweden and especially Finland had negative sales development. Sales in Western Europe also showed negative development in many markets with some exceptions, e.g. the UK, the largest market in the region, which had slightly positive growth. The sales development in CEE/CIS was negative during the quarter. Some important markets for the business area, such as Poland and the Czech Republic, had positive growth however.

Profit

Operating profit (EBIT) for the second quarter, excluding one-off items, amounted to SEK 69 m (62). The operating margin (EBIT) amounted to 7.6 percent (6.9). The improved profit was due to higher gross margins and lower costs compared with the same quarter last year.

One-off items for the quarter amounted to SEK –15 m (-) and related to restructuring costs resulting from the cost reduction programme and transaction costs for the acquisition of subsidiaries, see note 6.

Operating profit (EBIT) for the half-year, excluding one-off items, amounted to SEK 135 m (111), corresponding to an increase of 22 percent.

Other

The most significant event during the quarter was the acquisition of the Polish ventilation company Centrum Klima, which has given Lindab a leading position in the Polish market and will generate considerable synergies within strategically important areas.

The focus on strengthening distribution and sales is continuing. A new unmanned self-service branch was opened in Brussels, Belgium. Altogether there are now six self-service branches.

The initiative to sell industrial heating, cooling and ventilation solutions directly to Building Systems' customers in the CIS region has generated two large orders in Belarus during the quarter, totalling SEK 14 m.

CENTRUM KLIMA, POLAND

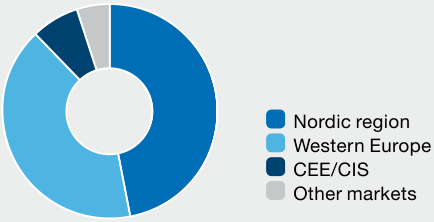
After the public offering ended on 19 June, Lindab had acquired 97 percent of the shares in the Polish ventilation company Centrum Klima. The company is based in Warsaw and has a strong market position in Poland and exports to several European countries. The company has around 200 employees and had sales of SEK 205 m in 2011.

KEY FIGURES VENTILATION

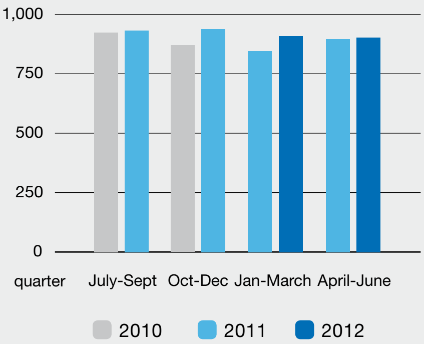
	April-June 2012	April-June 2011	Jan-June 2012	Jan-June 2011	Jan-Dec 2011
Sales revenue, SEK m	902	896	1,811	1,742	3,612
Operating profit (EBIT)*, SEK m	69	62	135	111	221
Operating margin (EBIT)*, %	7.6	6.9	7.5	6.4	6.1
No. of employees at close of period	2,568	2,462	2,568	2,462	2,415

*) *Excluding one-off items.*
One-off items are described in note 6.

BREAKDOWN OF SALES REVENUE BY MARKET, LAST 12 MONTHS, %



SALES REVENUE PER QUARTER, SEK m



Building Components business area

- **Sales revenue during the second quarter amounted to SEK 576 m (618), a decrease of 7 percent. Adjusted for currency and structure, sales revenue decreased by 10 percent.**
- **The operating margin (EBIT) for the second quarter, excluding one-off items, decreased to 8.9 percent (12.1).**
- **Integration of the acquired panel and project sales organisation has continued well.**

Sales and markets

Sales revenue decreased by 7 percent to SEK 576 m (618). Adjusted for currency and structure, sales revenue decreased by 10 percent.

The business area, which has sales within the residential and non-residential segments, showed negative sales development during the quarter compared with the previous year. In the Nordic region, where the trend in previous quarters has been positive, the uncertainty in the market was apparent. All markets in the Nordic region showed a decrease in sales.

Sales development in CEE/CIS was negative owing to the continued weak demand in the region. Previously it was mainly the residential segment that had shown reduced demand. During the quarter, the segment for non-residential construction was also affected by weakened demand.

Sales for the first six months decreased by 3 percent to SEK 943 m (972). Adjusted for currency and structure the decrease was 5 percent.

Profit

Operating profit (EBIT) for the quarter, excluding one-off items, amounted to SEK 51 m (75). The operating margin (EBIT) amounted to 8.9 percent (12.1) for the quarter. The change in profit is due to lower volumes, partly offset by lower fixed costs. The profit for the quarter has been affected by integration costs related to the first quarter 2012 acquisition of Plannja's project sales organisation. One-off items for the quarter amounted to SEK –1 M (-) and related to restructuring costs resulting from the cost reduction programme, see note 6.

Operating profit (EBIT) for the half-year, excluding one-off items, amounted to SEK 39 m (58), which is a decrease of 33 percent.

Other

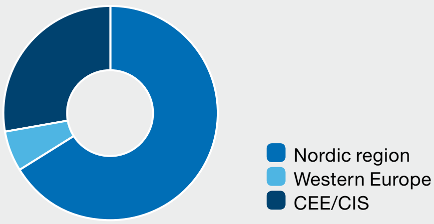
The integration of the acquisition of Plannja's sandwich panels and project sales has gone well. A new burglar-resistant sandwich panel has been launched during the quarter.

In Slovakia, efficiency measures have been implemented whereby the production has moved from rented premises to Lindab's own newly refurbished building with production, warehouse and offices.

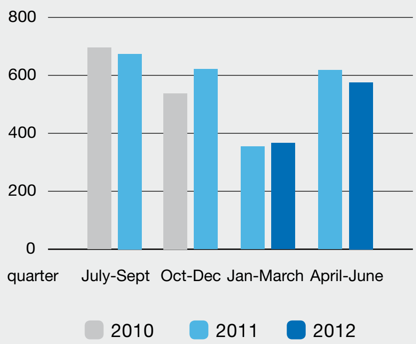
WHITE, SMOOTH AND NEAT

Citroën has a new brand identity; you should recognise Citroën wherever you are. For the car showrooms, the guidelines stipulate 'a smooth, white metal or glass facade'. The Citroën dealer in Lund, recently completed its facelift using Lindab's Façade Cassette Premium. "The solution with Façade Cassette Premium was just what Citroën wants – white and smooth. The installation took just 14 days. It's a real lift!"

BREAKDOWN OF SALES REVENUE BY MARKET, LAST 12 MONTHS, %



SALES REVENUE PER QUARTER, SEK m



KEY FIGURES BUILDING COMPONENTS

	April-June 2012	April-June 2011	Jan-June 2012	Jan-June 2011	Jan-Dec 2011
Sales revenue, SEK m	576	618	943	972	2,268
Operating profit (EBIT)*, SEK m	51	75	39	58	192
Operating margin (EBIT)*, %	8.9	12.1	4.1	6.0	8.5
No. of employees at close of period	1,069	1,102	1,069	1,102	995

*) *Excluding one-off items. One-off items are described in note 6.*

Building Systems business area

- **Sales revenue during the second quarter amounted to SEK 259 m (241), an increase of 7 percent. Adjusted for currency effects, the increase amounted to 8 percent.**
- **The operating margin (EBIT) for the second quarter, excluding one-off items, increased to 9.3 percent (3.7).**
- **Continued strong sales development in Russia.**

Sales and markets

Sales revenue increased by 7 percent to SEK 259 m (241) during the second quarter. Adjusted for currency effects, sales increased by 8 percent.

Sales for the business area shows continued positive growth during the quarter in which the CEE/CIS region and particularly Russia and Belarus have contributed strongly. Western Europe is showing a negative sales trend, despite the largest markets in the region, Germany and France, reporting positive growth.

The order intake is higher compared with the corresponding quarter in 2011, which is mainly due to the continued strong development on the Russian market.

Sales revenue for the half-year increased by 11 percent to SEK 462 m (418). Adjusted for currency and structure the increase was 11 percent.

Profit

Operating profit (EBIT) for the quarter, excluding one-off items, amounted to SEK 24 m (9). The operating margin (EBIT) amounted to 9.3 percent (3.7) for the quarter.

The improved profit was due to higher volumes and higher gross margins compared with the same quarter last year.

Operating profit (EBIT) for the half-year, excluding one-off items, amounted to SEK 14 m (–15).

Other

Sales efforts in the CIS continue to generate large orders. These include two orders received in Russia during the quarter worth SEK 30 m and SEK 50 m.

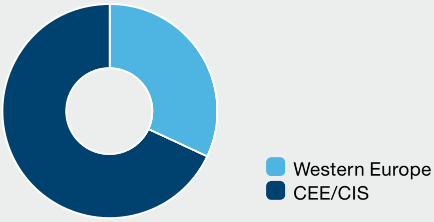
Efficiency measures related to the rationalisation of production within Western Europe and CEE are continuing as planned.

The expansion of the plant in Yaroslavl, Russia is on track and is expected to be completed before the year end.

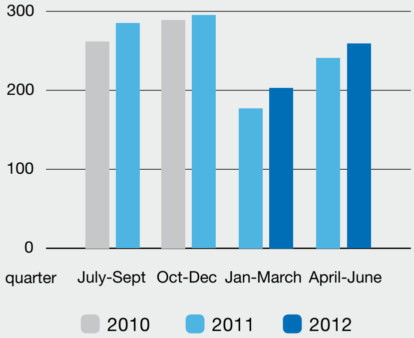
A CHINESE RESTAURANT IN A MULTI-STOREY BUILDING FROM LINDAB

A two-storey and a single-storey building from Lindab measuring 1,200 square metres is the solution for combined commercial use on the outskirts of Marseilles. The ground floor houses a Chinese restaurant, a furnishing store is run on the upper floor and the single-storey building contains a pub.

BREAKDOWN OF SALES REVENUE BY MARKET, LAST 12 MONTHS, %



SALES REVENUE PER QUARTER, SEK m



KEY FIGURES BUILDING SYSTEMS	April-June 2012	April-June 2011	Jan-June 2012	Jan-June 2011	Jan-Dec 2011
Sales revenue, SEK m	259	241	462	418	998
Operating profit (EBIT)*, SEK m	24	9	14	–15	38
Operating margin (EBIT)*, %	9.3	3.7	3.0	–3.6	3.8
No. of employees at close of period	759	809	759	809	821

*) *Excluding one-off items.*
One-off items are described in note 6.

Statement of comprehensive income

(Income statement)

Amounts in SEK m	April-June 2012	April-June 2011	Jan-June 2012	Jan-June 2011	Rolling 12 M July 2011-June 2012	Jan-Dec 2011
Sales revenue	1,737	1,755	3,216	3,132	6,962	6,878
Cost of goods sold	–1,239	–1,257	–2,322	–2,272	–5,037	–4,987
Gross profit	**498**	**498**	**894**	**860**	**1,925**	**1,891**
Other operating income	18	11	30	30	77	77
Selling expenses	–233	–228	–469	–456	–952	–939
Administrative expenses	–121	–126	–240	–254	–503	–517
R & D costs	–12	–10	–23	–20	–44	–40
Other operating expenses	–31	–10	–81	–49	–155	–124
Total operating expenses	***–379***	***–363***	***–783***	***–749***	***–1,577***	***–1,543***
Operating profit (EBIT)*	**119**	**135**	**111**	**111**	**348**	**348**
Interest income	3	2	4	3	9	8
Interest expenses	–41	–39	–79	–78	–169	–168
Other financial income and expenses	–1	–1	–2	–1	–3	–2
Net financial income	***–39***	***–38***	***–77***	***–76***	***–163***	***–162***
Result before tax (EBT)	**80**	**97**	**34**	**35**	**185**	**186**
Tax	–24	–37	–24	–27	–92	–95
Profit for the period	**56**	**60**	**10**	**8**	**93**	**91**
–attributable to the parent company's shareholders	***56***	***60***	***10***	***8***	***93***	***91***
–attributable to non-controlling interest	***0***	-	***0***	-	***0***	-
Other comprehensive income						
Cash flow hedges	2	–6	5	5	–2	–2
Translation differences, foreign operations	–24	97	–27	66	–147	–54
Income tax attributable to cash flow hedges	0	2	–1	–1	1	1
Other comprehensive income	**–22**	**93**	**–23**	**70**	**–148**	**–55**
Total comprehensive income	**34**	**153**	**–13**	**78**	**–55**	**36**
–attributable to the parent company's shareholders	***34***	***153***	***–13***	***78***	***–55***	***36***
–attributable to non-controlling interest	***0***	-	***0***	-	***0***	-
Earnings per share, SEK						
Undiluted	0.74	0.80	0.13	0.11	1.22	1.21
Diluted	0.74	0.80	0.13	0.11	1.22	1.21

*) *One-off items are described in note 6.*

Statement of cash flows

(Indirect method)

Amounts in SEK m	April-June 2012	April-June 2011	Jan-June 2012	Jan-June 2011	Rolling 12 M July 2011-June 2012	Jan-Dec 2011
Operating activities						
Operating profit	119	135	111	111	348	348
Reversal of depreciation/amortisation	39	39	76	78	161	163
Reversal of capital gains (–) / losses (+) reported in operating profit	0	0	–1	0	3	4
Provisions, not affecting cash flow	–23	–7	–10	4	–8	6
Adjustment for other items not affecting cash flow	10	16	4	22	16	34
Total	**145**	**183**	**180**	**215**	**520**	**555**
Interest received	7	2	8	2	10	4
Interest paid	–38	–41	–73	–87	–170	–184
Tax paid	–29	–19	–56	–31	–96	–71
Cash flow from operating activities before change in working capital	**85**	**125**	**59**	**99**	**264**	**304**
Change in working capital						
Stock (increase – /decrease +)	–32	–47	–110	–155	113	68
Operating receivables (increase – /decrease +)	–144	–194	–170	–307	–1	–138
Operating liabilities (increase + /decrease –)	188	333	228	341	–2	111
Total change in working capital	***12***	***92***	***–52***	***–121***	***110***	***41***
Cash flow from operating activities	**97**	**217**	**7**	**–22**	**374**	**345**
Investing activities						
Acquisition of Group companies	–222	–26	–272	–26	–278	–32
Sales of Group companies	-	-	-	-	3	3
Investments in intangible fixed assets	–3	–8	–7	–11	–28	–32
Investments in tangible fixed assets	–45	–32	–88	–52	–147	–111
Change in financial fixed assets	1	0	1	0	1	0
Sale/disposal of intangible fixed assets	0	0	0	0	0	0
Sale/disposal of tangible fixed assets	3	1	5	12	15	22
Received Government grants	-	-	-	-	7	7
Cash flow from investing activities	**–266**	**–65**	**–361**	**–77**	**–427**	**–143**
Financing activities						
Increase +/decrease – in borrowing	300	4	437	186	124	–127
Sale of treasury shares	52	-	52	-	52	-
Dividend to shareholders	–76	–75	–76	–75	–76	–75
Cash flow from financing activities	**276**	**–71**	**413**	**111**	**100**	**–202**
Cash flow for the period	**107**	**81**	**59**	**12**	**47**	**0**
Cash and cash equivalents at start of the period	187	169	235	239	257	239
Effect of exchange rate changes on cash and cash equivalents	–2	7	–2	6	–12	–4
Cash and cash equivalents at end of the period	**292**	**257**	**292**	**257**	**292**	**235**

Statement of financial position

(Balance sheet)

Amounts in SEK m	30 June 2012	30 June 2011	31 Dec 2011
Assets			
Fixed assets			
Goodwill	2,713	2,645	2,591
Other intangible fixed assets	67	66	66
Tangible fixed assets	1,233	1,151	1,084
Financial fixed assets, interest bearing	36	26	36
Other financial fixed assets	256	386	320
Total fixed assets	***4,305***	***4,274***	***4,097***
Current assets			
Stock	1,130	1,215	962
Accounts receivable	1,219	1,218	1,023
Other current assets	192	157	154
Other receivables, interest bearing	6	1	8
Cash and bank	292	257	235
Total current assets	***2,839***	***2,848***	***2,382***
TOTAL ASSETS	**7,144**	**7,122**	**6,479**
Shareholders' equity and liabilities			
Shareholders' equity	***2,670***	***2,758***	***2,699***
Long-term liabilities			
Interest-bearing provisions	132	129	135
Interest-bearing liabilities	2,203	2,081	1,772
Provisions	247	357	338
Other long-term liabilities	12	12	13
Total long-term liabilities	***2,594***	***2,579***	***2,258***
Current liabilities			
Interest-bearing liabilities	189	117	118
Provisions	43	46	49
Accounts payable	757	868	708
Other short-term liabilities	891	754	647
Total current liabilities	***1,880***	***1,785***	***1,522***
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**7,144**	**7,122**	**6,479**

Statement of changes in equity

Amounts in SEK m	Equity relating to the parent company's shareholders							
	Share capital	Other con-tributed capital	Hedging reserve	Foreign currency transl. adj.	Profit brought forward	Total	Non-con-trolling interest	Total equity
Opening balance, 1 January 2011	**79**	**2,251**	**–7**	**46**	**386**	**2,755**	**-**	**2,755**
Profit for the period					91	91	-	91
Other comprehensive income			–1	–54		–55	-	–55
Employee Incentive Programme[1)]		1				1	-	1
Hedging of option programme through share swaps[1)]		–18				–18	-	–18
Dividend to shareholders					–75	–75	-	–75
Closing balance, 31 December 2011	**79**	**2,234**	**–8**	**–8**	**402**	**2,699**	**-**	**2,699**
Opening balance, 1 January 2012	**79**	**2,234**	**–8**	**–8**	**402**	**2,699**	**-**	**2,699**
Profit for the period					10	10	0	10
Other comprehensive income			4	–27		–23	-	–23
Sale of treasury shares					52	52	-	52
Dividend to shareholders					–76	–76	-	–76
Acquisition of non-controlling interest						0	8	8
Closing balance, 30 June 2012	**79**	**2,234**	**–4**	**–35**	**388**	**2,662**	**8**	**2,670**

1) The 2011 Annual General Meeting resolved to implement a long-term share-based incentive programme. The offering has been aimed at 92 participants in various management positions and senior executives at Lindab. 79 have accepted the offer and have thus acquired 62,711 Lindab shares. Upon maximum allocation, 270,344 shares will be transferred to the participants. These have been secured through share swaps with third parties, which means no dilution occurs.

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 2,375,838 (3,375,838) treasury shares, corresponding to 3.0 percent (4.3) of the total number of Lindab shares, following the buy-back in 2008 and company acquisitions paid for using treasury shares in 2010. In 2012, 1,000,000 treasury shares have been sold.

Annual General Meeting

The Annual General Meeting on 9 May 2012 resolved to pay a dividend to shareholders of SEK 1.00 per share, corresponding to SEK 76 m. A dividend of SEK 75 m was paid last year. The Annual General Meeting resolved that the remainder of the retained earnings of SEK 596 m would be carried forward. Treasury shares were sold in the second quarter of 2012, increasing retained earnings by SEK 52 m.

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, as in previous years.

Parent company

Income statement

Amounts in SEK m	April-June 2012	April-June 2011	Jan-June 2012	Jan-June 2011	Jan-Dec 2011
Administrative expenses	–2	-	–4	–1	–3
Other operating income/costs	-	-	-	-	–3
Operating profit	**–2**	**-**	**–4**	**–1**	**–6**
Profit from subsidiaries	-	-	-	-	111
Interest expenses, internal	–23	–24	–46	–47	–106
Result before tax	**–25**	**–24**	**–50**	**–48**	**–1**
Tax on profit for the period	7	7	13	13	1
Profit for the period*	**–18**	**–17**	**–37**	**–35**	**0**

*) *Comprehensive income corresponds to profit for the period.*

Balance sheet

Amounts in SEK m	30 June 2012	30 June 2011	31 Dec 2011
Assets			
Fixed assets			
Shares in Group companies	3,467	3,467	3,467
Financial fixed assets, interest bearing	7	8	7
Other long-term receivables	15	16	2
Total fixed assets	***3,489***	***3,491***	***3,476***
Current assets			
Other receivables	-	6	0
Cash and bank	4	1	7
Total current assets	***4***	***7***	***7***
TOTAL ASSETS	**3,493**	**3,498**	**3,483**
Shareholders' equity and liabilities			
Shareholders' equity	***1,346***	***1,371***	***1,407***
Provisions			
Interest-bearing provisions	10	9	10
Long-term liabilities			
Liabilities to Group companies	2,135	2,115	2,064
Total provisions and long-term liabilities	***2,145***	***2,124***	***2,074***
Current liabilities			
Non-interest-bearing liabilities	2	3	2
Total current liabilities	***2***	***3***	***2***
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**3,493**	**3,498**	**3,483**

Key figures

	Quarterly Periods									
		2012				2011				2010
SEK m unless otherwise specified	April-June	Jan-March	Oct-Dec	July-Sept	April-June	Jan-March	Oct-Dec	July-Sept	April-June	Jan-March
Sales revenue	1,737	1,479	1,855	1,891	1,755	1,377	1,697	1,881	1,715	1,234
Operating profit, (EBITDA)[1]	158	29	110	211	174	15	112	247	134	72
Operating profit, (EBITA)[2]	119	–8	65	172	135	–24	76	206	92	27
Depreciation/amortisation and write-downs	39	37	45	40	39	39	146	42	45	47
Operating profit, (EBIT)[3]	119	–8	65	172	135	–24	–35	205	89	25
Operating profit, (EBIT), excluding one-off items	135	30	107	172	135	–7	75	212	110	–50
After tax result	56	–46	–5	88	60	–52	–86	114	27	–28
Total comprehensive income	34	–47	–128	86	153	–75	–128	13	–26	–157
Operating margin (EBITA), %[4]	6.9	–0.5	3.5	9.1	7.7	–1.7	4.5	11.0	5.4	2.2
Operating margin (EBIT), %[5]	6.9	–0.5	3.5	9.1	7.7	–1.7	–2.1	10.9	5.2	2.0
Operating margin (EBIT), excluding one-off items, %	7.8	2.0	5.8	9.1	7.7	–0.5	4.4	11.3	6.4	–4.1
Undiluted average number of shares, (000's)	75,980	75,332	75,332	75,332	75,332	75,332	75,332	75,332	75,332	74,810
Diluted average number of shares, (000's)[6]	75,980	75,332	75,332	75,332	75,332	75,332	75,398	75,332	75,332	74,810
Undiluted number of shares, (000's)	76,332	75,332	75,332	75,332	75,332	75,332	75,332	75,332	75,332	75,332
Diluted number of shares, (000's)[6]	76,332	75,332	75,332	75,332	75,332	75,332	75,398	75,332	75,332	75,332
Undiluted earnings per share, SEK[7]	0.74	–0.61	–0.07	1.17	0.80	–0.69	–1.14	1.51	0.36	–0.37
Diluted earnings per share, SEK[8]	0.74	–0.61	–0.07	1.17	0.80	–0.69	–1.14	1.51	0.36	–0.37
Cash flow from operating activities	97	–90	252	115	217	–239	324	172	67	–172
Cash flow from operating activities per share, SEK[9]	1.29	–1.19	3.35	1.54	2.88	–3.17	4.30	2.28	0.89	–2.30
Total assets	7,144	6,513	6,479	7,207	7,122	6,674	6,570	7,275	7,482	7,206
Net debt[10]	2,192	1,932	1,747	1,945	2,043	2,097	1,856	2,104	2,243	2,286
Net debt/equity ratio, times[11]	0.8	0.7	0.6	0.7	0.7	0.8	0.7	0.7	0.8	0.8
Equity	2,670	2,652	2,699	2,827	2,758	2,680	2,755	2,882	2,869	2,889
Undiluted equity per share, SEK[12]	35.44	35.20	35.83	37.53	36.61	35.58	36.57	38.26	38.08	38.35
Diluted equity per share, SEK[13]	34.98	35.20	35.83	37.53	36.61	35.58	36.54	38.26	38.08	38.35
Equity/asset ratio, % [14]	37.4	40.7	41.7	39.2	38.7	40.2	41.9	39.6	38.3	40.1
Return on equity, %[15]	3.4	3.6	3.3	0.4	1.3	0.1	0.9	4.0	1.4	0.9
Return on capital employed, %[16]	7.0	7.5	7.1	5.0	5.6	4.7	5.5	6.6	4.7	4.5
Return on operating capital, %[17]	7.4	7.8	7.4	5.2	5.8	4.8	5.6	6.7	4.7	4.5
Return on operating capital, excluding one-off items, %	9.5	9.5	8.7	7.8	8.5	7.9	6.9	5.8	4.4	4.0
Return on total assets, %[18]	5.2	5.5	5.2	3.6	4.1	3.5	4.1	4.9	3.5	3.4
Interest coverage ratio, times[19]	2.9	–0.2	1.5	4.1	3.4	–0.6	–0.7	4.4	2.0	0.6
No. of employees at close of period[20]	4,510	4,344	4,347	4,491	4,487	4,395	4,381	4,485	4,444	4,394

**) 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.

			Year-to-date Jan-June						Full-year Periods				
2009 April-June	2008 April-June	2007 April-June	2012	2011	2010	2009	2008	2007	2011	2010	2009	2008	2007
1,821	2,567	2,329	3,216	3,132	2,949	3,592	4,696	4,301	6,878	6,527	7,019	9,840	9,280
142	448	382	187	189	206	222	710	619	511	565	479	1,388	1,512
88	399	332	111	111	119	115	608	520	348	401	265	1,172	1,318
56	52	52	76	78	92	112	107	104	163	280	225	225	203
85	396	330	111	111	114	110	603	515	348	284	254	1,163	1,309
97	396	330	165	128	60	122	603	515	407	347	301	1,279	1,309
13	266	221	10	8	–1	–8	383	333	91	27	34	723	901
53	345	213	–13	78	–183	–21	425	421	36	–298	–142	1,124	1,035
4.8	15.5	14.3	3.5	3.5	4.0	3.2	12.9	12.1	5.1	6.1	3.8	11.9	14.2
4.7	15.4	14.2	3.5	3.5	3.9	3.1	12.8	12.0	5.1	4.4	3.6	11.8	14.1
5.3	15.4	14.2	5.1	4.1	2.0	3.4	12.8	12.0	5.9	5.3	4.3	13.0	14.1
74,772	78,708	78,708	75,658	75,332	75,072	74,772	78,708	78,708	75,332	75,203	74,772	77,548	78,708
74,772	78,708	78,708	75,658	75,332	75,072	74,772	78,708	78,708	75,332	75,203	74,772	77,548	78,708
74,772	78,708	78,708	76,332	75,332	75,332	74,772	78,708	78,708	75,332	75,332	74,772	74,772	78,708
74,772	78,708	78,708	76,332	75,332	75,332	74,772	78,708	78,708	75,332	75,332	74,772	74,772	78,708
0.17	3.38	2.81	0.13	0.11	–0.01	–0.11	4.87	4.23	1.21	0.36	0.45	9.32	11.45
0.17	3.38	2.81	0.13	0.11	–0.01	–0.11	4.87	4.23	1.21	0.36	0.45	9.32	11.45
332	317	193	7	–22	–105	145	326	36	345	391	719	673	875
4.44	4.03	2.45	0.09	–0.29	–1.40	1.94	4.14	0.46	4.58	5.20	9.62	8.68	11.12
8,226	8,320	7,878	7,144	7,122	7,482	8,226	8,320	7,878	6,479	6,570	7,442	8,625	7,700
2,906	2,430	2,903	2,192	2,043	2,243	2,906	2,430	2,903	1,747	1,856	2,422	2,774	2,238
0.9	0.8	1.2	0.8	0.7	0.8	0.9	0.8	1.2	0.6	0.7	0.8	0.8	0.8
3,119	2,995	2,355	2,670	2,758	2,869	3,119	2,995	2,355	2,699	2,755	3,003	3,346	2,969
41.71	38.05	29.92	35.44	36.61	38.08	41.71	38.05	29.92	35.83	36.57	40.16	44.75	37.72
41.71	38.05	29.92	34.98	36.61	38.08	41.71	38.05	29.92	35.83	36.57	40.16	44.75	37.72
37.9	36.0	29.9	37.4	38.7	38.3	37.9	36.0	29.9	41.7	41.9	40.4	38.8	38.6
10.5	33.9	33.2	3.4	1.3	1.4	10.5	33.9	33.2	3.3	0.9	1.1	23.4	35.9
10.9	25.3	21.5	7.0	5.6	4.7	10.9	25.3	21.5	7.1	5.5	4.3	20.0	24.5
11.2	26.3	22.4	7.4	5.8	4.7	11.2	26.3	22.4	7.4	5.6	4.3	20.7	25.4
13.4	26.3	23.2	9.5	8.5	4.4	13.4	26.3	23.2	8.7	6.9	5.1	22.8	25.4
8.0	18.0	15.3	5.2	4.1	3.5	8.0	18.0	15.3	5.2	4.1	3.3	14.3	17.4
2.5	9.6	9.3	1.4	1.4	1.4	1.7	7.3	7.4	2.1	1.6	1.8	6.1	8.6
4,898	5,366	5,069	4,510	4,487	4,444	4,898	5,366	5,069	4,347	4,381	4,435	5,291	5,256

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 profit (rolling twelve-month value), as a percentage of the weighted average shareholders' equity** excluding shares without controlling interests.

16) The return on capital employed comprises the pre-tax result plus financial items plus financial costs (rolling twelve-month value) as a percentage of capital employed**. Capital employed refers to 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 2012, as for the annual accounts for 2011, 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 2011 with the following additions.

Non-controlling interests

Transactions with non-controlling interests are reported as transactions with shareholders. For acquisitions, the Group may choose to evaluate these holdings to either the proportionate share of the acquired company's net assets or the net assets' fair value, which affects the reported goodwill associated with the acquisition.

For acquisitions completed in stages, the goodwill is determined on the date at which control interest is obtained. For purchases from non-controlling interests, the difference between consideration paid and the relevant share acquired in the subsidiary's net assets is recorded in equity.

Incentive programme

In a separate transaction, as a result of the incentive programme initiated in 2011, a cash regulated equity swap was entered into with Nordea in order to ensure the holding of the so-called matching shares. In accordance with IAS 32 p.23, the agreement will create an obligation (debt) to buy back equity instruments (shares in Lindab) for cash. An external party acquired the corresponding amount, which in accordance with the share-based remuneration programme is the maximum that can be transferred to the participants. The obligation is recognised as a financial liability (in accordance with IAS 39 p. 43 at the time of acquisition) at its fair value in the form of the present value of future payments and the reduction of Other contributed capital in Equity. Subsequent valuations of the debt are carried out in accordance with IAS 39 p. 47. Upon the agreement's expiry, Lindab will pay a settlement to the external party corresponding to the agreed amount.

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 2012 have 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 2011.

NOTE 2 EFFECTS OF CHANGES IN ACCOUNTING ESTIMATES

Significant estimates and assumptions are described in note 4 in the Annual Report for 2011.

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

NOTE 3 BUSINESS COMBINATIONS

	Acquisitions 2012	Acquisitions 2011
Acquisition Cost	**196**	**26**
Identifiable net assets		
Intangible fixed assets	35	1
Tangible fixed assets	110	-
Deferred tax assets	6	-
Stock	68	4
Current assets	49	6
Cash and cash equivalents	26	0
Deferred tax liabilities	–2	-
Current and long-term liabilities	–109	–5
Goodwill	139	20
Non-controlling interests	–126	-
Acquired net assets	**196**	**26**

Acquisitions in 2012 consist of the acquisition of assets of the majority of Plannja's project sales organisation and of the company Centrum Klima S.A.

Acquisitions in 2011 consisted of Juvenco A/S and Airflux BVBA.

The acquisition of Centrum Klima was completed in two stages, with Lindab's initial acquisition of 52 percent of the company's shares completed in April. The acquisition has been recorded in accordance with the principle of full goodwill based on the fair value of net assets. In June, a further 45 percent was acquired following a public offering, which was recorded as an equity transaction.

Direct transaction costs amount to SEK 7 m and has been charged to other operating expenses in the consolidated income statement.

The acquisition analysis for Centrum Klima is preliminary pending the final evaluation.

The total cash flow effect of acquisitions amounts to SEK –272 m (–26).

NOTE 4 OPERATING SEGMENTS

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. The operating segment 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 2011 are shown below:

- Ventilation: Fixed assets have increased by 12 percent, stock has increased by 21 percent and other assets by 17 percent.
- Building Components: Stock has increased by 26 percent, other assets has increased by 40 percent and other liabilities has increased by 22 percent.
- Building Systems: Other liabilities has increased by 27 percent.

NOTE 5 TRANSACTIONS WITH RELATED PARTIES

Lindab's inner circle and the extent of transactions with related parties are described in note 29 of the 2011 Annual Report.

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.

NOTE 6 SPECIFICATION OF ONE-OFF ITEMS

Quarter *Current year*	Ventilation	Building Components	Building Systems	Other operations	Total	*Reporting period outcome* Operating profit (EBIT) incl. one-off items	Operating profit (EBIT) excl. one-off items
1/2012	–16	-	–19	–3	–38	–8	30
2/2012	–15	–1	-	-	–16	119	135
Total	**–31**	**–1**	**–19**	**–3**	**–54**	**111**	**165**
Operating profit (EBIT) incl. one-off items, acc. 2012	104	38	–5	–26	111		
Operating profit (EBIT) excl. one-off items	**135**	**39**	**14**	**–23**	**165**		
The previous year, acc. reporting period							
1/2011	–17	-	-	-	–17	–24	–7
2/2011	-	-	-	-	-	135	135
3/2011	-	-	-	-	-	172	172
4/2011	–6	–20	–16	-	–42	65	107
Total	**–23**	**–20**	**–16**	**-**	**–59**	**348**	**407**
Operating profit (EBIT) incl. one-off items, acc. 2011	198	172	22	–44	348		
Operating profit (EBIT) excl. one-off items	**221**	**192**	**38**	**–44**	**407**		

Operating profit (EBIT) has been adjusted by the following one-off items per quarter:

1/2012 SEK –38 m relating to restructuring costs resulting from the cost saving programme that was announced on 10 January 2012.
2/2012 SEK –16 m relating to restructuring costs of SEK 9 m resulting from the cost reduction programme and the transaction costs of SEK 7 m for the acquisition of subsidiaries.
1/2011 SEK –17 m regarding the transfer of Ventilation's production in St. Petersburg, Russia, to Tallinn, Estonia, and the change of business area manager.
4/2011 SEK –22 m relating to the cost-reduction programme and SEK –20 m relating the change in management for the Building Systems business area, and for the write-down of assets in production units in the CEE.

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 16 July 2012

Ulf Gundemark
Chairman

David Brodetsky
President and CEO

Erik Eberhardson

Per Frankling

Sonat Burman-Olsson

Stefan Charette

Stig Karlsson

Jens Wikstedt

Birgit Nørgaard

Pontus Andersson

Markku Rantala

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

2012/2013 financial reporting dates

Interim Report January–September, Q3	26 October 2012
Year-End Report 2012	February 2013
Annual Report 2012	March/April 2013

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

Lindab in brief

The Group had sales revenue of SEK 6,878 m in 2011 and is established in 31 countries with approximately 4,300 employees.

The main market is non-residential construction, which accounts for 80 per cent of sales, while residential accounts for 20 per cent of sales. During 2011, the Nordic market accounted for 46 percent, the CEE/CIS (Central and Eastern Europe plus other former Soviet states) for 23 percent, Western Europe for 28 percent and other markets for 3 percent of total sales.

The share is listed on the Nasdaq OMX Nordic Exchange, Stockholm List, Mid Cap, under the ticker symbol LIAB.

Business concept

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

Business model

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 and environmentally-friendly design and are delivered with high levels of service. Altogether, this increases customer value.

Lindab's supply chain is characterised by a balance between centralised and decentralised functions. Steel is purchased and processed centrally. Parts of the production are highly automated (pressed ventilation and roof drainage fittings), others are located in low cost countries (mainly the Czech Republic) and some are local (e.g. bulky products). The distribution has been developed in order to be close to the customer. Sales for Ventilation and Building Components are made through more than 120 Lindab branches and more than 2,000 stock-keeping retailers, while Building Systems conducts sales through a network of more than 330 building contractors.

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.

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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 17 July 2012 at 07.40.