



## Continued margin improvements

(All figures in brackets refer to the corresponding period in 2010)

Net sales for the first quarter amounted to SEK 3,207 million (3,456). Organic growth was positive 2 per cent (neg: 1) in total. Operating profit excluding restructuring costs of net SEK 8 million (124) amounted to SEK 71 million (loss: 24), corresponding to an operating margin of 2.2 per cent (neg: 0.7). Profit after tax and restructuring costs was SEK 30 million (loss: 134), corresponding to earnings per share of SEK 0.18 (loss: 0.80). Operating cash flow amounted to negative SEK 84 million (neg: 49).

The UK market continued to exhibit weak growth while the Continental Europe and the Nordic market in particular performed positively.

Negative currency effects of SEK 287 million (neg: 252) impacted net sales for the quarter. Divested Pronorm contributed SEK 46 million to net sales in the first quarter of 2010. Organic growth strengthened net sales by SEK 84 million (neg: 39) and was mainly attributable to the higher level of activity in the Nordic project market.

Operating profit excluding restructuring costs amounted to SEK 71 million (loss: 24), corresponding to an operating margin of 2.2 per cent (neg: 0.7).

Currency effects contributed SEK 20 million (neg: 20) to operating profit excluding restructuring costs, of which approximately negative SEK 5 million (0) comprised translation effects and SEK 25 million (neg: 20) comprised transaction effects.

The underlying improvement in earnings is mainly attributable to higher sales volumes and productivity improvements.

Return on capital employed including restructuring costs amounted to 4.1 per cent (2.7) over the past twelve-month period.

Operating cash flow was negatively impacted mainly by higher accounts receivables and inventory.

### Comments from the CEO

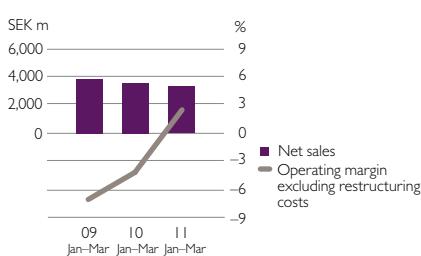
"The cost savings initiated in the preceding quarter have begun to generate an effect and will further help earnings moving forward. The work on simplifying processes and the product range is continuing and will be presented in more detail on the Capital Markets Day in Stockholm on 26 May," says Morten Falkenberg, President and CEO.

### Nobia Group Summary

	Jan–Mar		Change, %	Apr–Mar 2010/2011	Jan–Dec 2010
	2010	2011			
Net sales, SEK m	3,456	3,207	-7	13,836	14,085
Gross margin, %	37.2	38.7	—	40.3	39.1
Operating margin before depreciation and impairment losses, % (EBITDA)	2.7	5.5	—	7.6	6.9
Operating profit, SEK m (EBIT)	-24	71	—	612	517
Operating margin, %	-0.7	2.2	—	4.4	3.7
Profit/loss after financial items, SEK m	-49	50	—	531	432
Profit/loss after tax, SEK m	-134	30	—	75	-89
Earnings/loss per share, after dilution, SEK	-0.80	0.18	—	0.45	-0.53
Operating cash flow, SEK m	-49	-84	-71	606	641

All figures except "Net sales," "Profit/loss after tax," "Earnings/loss per share" and "Operating cash flow" have been adjusted for restructuring costs. Further information about restructuring costs is available on pages 3–5, 7 and 10.

### Net sales and operating margin



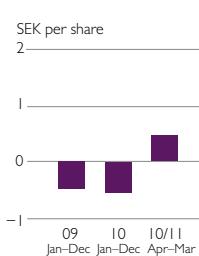
Net sales amounted to SEK 3,207 million and the operating margin was 2.2 per cent.

### Profitability trend



Return on capital employed amounted to 4.1 per cent during the past 12-month period.

### Earnings per share



Earnings per share after dilution amounted to SEK 0.45 over the most recent 12-month period.



## Analysis of net sales and regional reporting

Negative currency effects of SEK 287 million (neg: 252) impacted net sales for the quarter. Organic growth remained negative in the UK and Continental Europe and strongly positive in the Nordic region, totally 2 per cent (neg: 1).

### Analysis of net sales

	Jan–Mar	SEK m
	%	
2010		3,456
Organic growth	2	84
– of which UK region <sup>1)</sup>	-4	-51
– of which Nordic region <sup>1)</sup>	14	167
– of which Continental Europe region <sup>1)</sup>	-4	-32
Currency effect	-8	-287
Discontinued units <sup>2)</sup>	-1	-46
2011	-7	3,207

1) Organic growth for each region.

2) Discontinued units refer to Pronorm.

### Net sales and profit/loss per region (operating segment)

SEK m	UK		Nordic		Continental Europe		Other and Group adjustments		Group		Change, %
	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	
<b>Net sales</b>	<b>1,284</b>	<b>1,142</b>	<b>1,208</b>	<b>1,270</b>	<b>967</b>	<b>798</b>	<b>-3</b>	<b>-3</b>	<b>3,456</b>	<b>3,207</b>	<b>-7</b>
Gross profit excluding restructuring costs	473	442	448	466	358	316	8	16	1,287	1,240	-4
Gross margin excluding restructuring costs, %	36.8	38.7	37.1	36.7	37.0	39.6	–	–	37.2	38.7	–
Operating profit/loss excluding restructuring costs	41	54	17	75	-60	-34	-22	-24	-24	71	–
Operating margin excluding restructuring costs, %	3.2	4.7	1.4	5.9	-6.2	-4.3	–	–	-0.7	2.2	–
<b>Operating profit/loss</b>	<b>41</b>	<b>54</b>	<b>17</b>	<b>69</b>	<b>-84</b>	<b>-22</b>	<b>-122</b>	<b>-38</b>	<b>-148</b>	<b>63</b>	<b>–</b>
Operating margin, %	3.2	4.7	1.4	5.4	-8.7	-2.8	–	–	-4.3	2.0	–

Nobia develops and sells kitchens through some 20 strong brands in Europe, including Magnet in the UK, Hygrena in France, HTH, Norema, Sigdal, Invita, Marbodal, Myresjökök in Scandinavia and Petra, Parma and A la Carte in Finland, ewe, Intuo and FM in Austria, Optifit in Germany, as well as Poggenpohl globally.

Nobia generates profitability by combining economies of scale with attractive kitchen offerings. The Group has approximately 7,500 employees and net sales of about SEK 14 billion. The Nobia share is listed on the NASDAQ OMX Stockholm under the short name NOBI. Website: [www.nobia.com](http://www.nobia.com). Read more about the company under "About Nobia." Financial information can be found under "Investor."



## UK region

Net sales for the first quarter amounted to SEK 1,142 million (I,284). Organic growth was negative 4 per cent (pos: I). No restructuring costs were charged to profit for the quarter. Operating profit amounted to SEK 54 million (41) and the operating margin was 4.7 per cent (3.2). The currency effect of SEK 5 million (neg: 30) on operating profit comprised a negative translation effect of SEK 5 million and a positive transaction effect of SEK 10 million.

### Kitchen market

Demand is deemed to have weakened compared with the same quarter in the preceding year.

### Nobia

The negative sales development was attributable to decreased kitchen sales both to end consumers and professional customers. However, accessories sales in Magnet Trade increased somewhat.

Negative currency effects of approximately SEK 91 million (neg: 95) had an adverse effect on net sales for the quarter.

The gross margin increased nearly 2 percentage points, mainly due to enhanced efficiency in production and logistics, which together with lower costs in the sales organisation meant that operating profit improved SEK 13 million to SEK 54 million (41). These positive effects offset the negative effect that the lower sales volume entailed.

Measured in local currency, the region's operating profit amounted to GBP 5.2 million (3.6).

### Quarterly data in SEK

	2010				2011
	I	II	III	IV	I
Net sales, SEK m	1,284	1,360	1,263	1,291	1,142
Gross profit excluding restructuring costs, SEK m	473	543	507	506	442
Gross margin excluding restructuring costs, %	36.8	39.9	40.1	39.2	38.7
Operating profit excluding restructuring costs, SEK m	41	98	101	86	54
Operating margin excluding restructuring costs, %	3.2	7.2	8.0	6.7	4.7
Operating profit/loss, SEK m	41	89	94	-5	54
Operating margin, %	3.2	6.5	7.4	-0.4	4.7

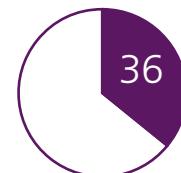
### Quarterly data in GBP

	2010				2011
	I	II	III	IV	I
Net sales, GBP m	114.6	120.4	112	120.2	110.0
Gross profit excluding restructuring costs, GBP m	42.2	48.1	45.0	47.1	42.5
Gross margin excluding restructuring costs, %	36.8	40.0	40.1	39.2	38.6
Operating profit excluding restructuring costs, GBP m	3.6	8.8	9.0	7.9	5.2
Operating margin excluding restructuring costs, %	3.1	7.3	8.0	6.6	4.7
Operating profit/loss, GBP m	3.6	7.9	8.3	-0.2	5.2
Operating margin, %	3.1	6.6	7.4	-0.2	4.7

### Store trend, January–March

Refurbished or relocated	0
Newly opened, net	-10
Number of kitchen stores (Group-owned)	212

### Percentage of consolidated net sales first quarter, %



### Our brands

**Gower**



**Magnet**



## Nordic region

Net sales amounted to SEK 1,270 million (1,208) for the first quarter. Organic growth was 14 per cent (neg: 10). Restructuring costs of SEK 6 million (0) were charged to operating profit for the quarter. Excluding these costs, operating profit was SEK 75 million (17) and the operating margin improved to 5.9 per cent (1.4). The currency effect of SEK 10 million (10) on the operating profit excluding restructuring costs comprised a negative translation effect of SEK 5 million and a positive transaction effect of SEK 15 million.

### Kitchen market

Demand is deemed to have grown compared with the corresponding quarter in the preceding year, which is mainly attributable to a higher level of activity in new builds.

### Nobia

Sales developed in line with the market and, accordingly, were particularly positive in the project segment. All primary markets contributed to the positive growth, although sales to the Norwegian market grew the most.

Negative currency effects of approximately SEK 106 million (neg: 64) had an adverse impact on net sales for the quarter.

The improvement in earnings was mainly attributable to higher sales volumes. However, these were somewhat countered by a negative sales mix, which also contributed to a weaker gross margin.

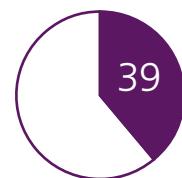
### Quarterly data in SEK

	2010				2011
	I	II	III	IV	I
Net sales, SEK m	1,208	1,401	1,091	1,392	1,270
Gross profit excluding restructuring costs, SEK m	448	550	418	529	466
Gross margin excluding restructuring costs, %	37.1	39.3	38.3	38.0	36.7
Operating profit excluding restructuring costs, SEK m	17	115	63	136	75
Operating margin excluding restructuring costs, %	1.4	8.2	5.8	9.8	5.9
Operating profit, SEK m	17	115	15	102	69
Operating margin, %	1.4	8.2	1.4	7.3	5.4

### Store trend, January–March

Refurbished or relocated	–
Newly opened, net	–1
Number of stores	284
of which franchise	193
of which Group-owned	91

### Percentage of consolidated net sales first quarter, %



### Our brands



Marbodal®

•myresjöök

nettoto  
KEITTIÖT

NOREMA

PARMA  
KEITTIÖT

PETRA®

sigdal

uno form®



## Continental Europe region

Net sales amounted to SEK 798 million (967) for the first quarter. Organic growth was negative 4 per cent (pos: 6). The reversal of a previous restructuring reserve of SEK 12 million (neg: 24) affected the quarter's operating profit positively. Excluding this reversal, operating loss totalled SEK 34 million (loss: 60). The operating margin amounted to a negative SEK 4.3 per cent (neg: 6.2). The currency effect of SEK 5 million (0) on the operating profit excluding restructuring costs comprised a translation effect of SEK 5 million and a transaction effect of SEK 0 million.

### Kitchen market

Demand is deemed to have increased somewhat in Germany and France, but decreased slightly in Austria compared with the year-earlier period.

### Nobia

The negative sales trend was mainly attributable to fewer deliveries to the Asian project market. However, sales in French company Hygena displayed a positive trend.

Negative currency effects of approximately SEK 90 million (neg: 93) impacted net sales for the quarter.

The gross margin improved as a result of a better sales mix and cost reductions. However, the improvements in earnings were offset by a negative sales volume trend.

The earnings contribution from divested units was a negative SEK 9 million during the preceding year.

The period's reversal of a previous restructuring reserve of SEK 12 million (neg: 24) pertains to savings measures in Hygena, France.

### Quarterly data in SEK

	2010				2011
	I	II	III	IV	I
Net sales, SEK m	967	1,040	875	923	798
Gross profit excluding restructuring costs, SEK m	358	400	363	380	316
Gross margin excluding restructuring costs, %	37.0	38.5	41.5	41.2	39.6
Operating profit/loss excluding restructuring costs, SEK m	−60	10	6	11	−34
Operating margin excluding restructuring costs, %	−6.2	1.0	0.7	1.2	−4.3
Operating profit/loss, SEK m	−84	−11	−12	−140	−22
Operating margin, %	−8.7	−1.1	−1.4	−15.2	−2.8

### Store trend, January–March

Refurbished or relocated	—
Newly opened, net	−4
Number of stores	187
of which franchise	1
of which Group-owned	186

### Percentage of consolidated net sales first quarter, %



### Our brands





## Consolidated earnings, cash flow and financial position January–March 2011

Net sales for the first quarter amounted to SEK 3,207 million (3,456). Organic growth was 2 per cent in total. Operating profit excluding restructuring costs of SEK 8 million (124) amounted to SEK 71 million (loss: 24), corresponding to an operating margin of 2.2 per cent (neg: 0.7). Profit after tax and restructuring costs was SEK 30 million (loss: 134), corresponding to earnings per share of SEK 0.18 (loss: 0.80). Operating cash flow amounted to negative SEK 84 million (neg: 49).

The UK market continued to exhibit weak growth while the Continental Europe and the Nordic market in particular performed positively.

Divested Pronorm contributed SEK 46 million to net sales in the first quarter of 2010.

Nobia's organic growth in the first quarter of 2011 totalled positive 2 per cent for the Group comprising negative 4 per cent growth in the UK region, positive 14 per cent in the Nordic region and negative 4 per cent in the Continental Europe region. Negative currency effects of SEK 287 million (neg: 252) impacted net sales for the quarter. Organic growth strengthened net sales by SEK 84 million (neg: 39) and was mainly attributable to the higher level of activity in the Nordic project market.

Operating profit excluding restructuring costs amounted to SEK 71 million (loss: 24), corresponding to an operating margin of 2.2 per cent (neg: 0.7).

Currency effects contributed SEK 20 million (neg: 20) to operating profit excluding restructuring costs, of which approximately negative SEK 5 million (0) comprised translation effects and SEK 25 million (neg: 20) comprised transaction effects.

The underlying improvement in earnings is mainly attributable to higher sales volumes and productivity improvements.

Operating cash flow was negatively impacted mainly by higher accounts receivables and inventory.

Net financial items amounted to an expense of SEK 21 million (expense: 25). Net financial items include the net of return on pension assets and interest expense for pension liabilities corresponding to an expense of SEK 7 million (expense: 9).

The higher net interest expense of SEK 14 million (expense: 3) is attributable to a higher level of interest and lower interest income on loan receivables.

The return on capital employed was 4.1 per cent (2.7) and return on shareholders' equity amounted to 2.1 per cent (1.2) for the past 12-month period.

Nobia's investments in fixed assets amounted to SEK 68 million (76), of which SEK 17 million (19) was related to store investments.

Goodwill at the end of the period amounted to SEK 2,627 million (2,832), corresponding to 77 per cent (79) of the Group's shareholders' equity.

Net debt including pension provisions amounted to SEK 1,599 million for the period (2,204 in the year-earlier period and 1,510 million for the full-year 2010).

The debt/equity ratio was 47 per cent (61) at the end of the period.

### Net sales and profit/loss per region (operating segment)

SEK m	UK Jan–Mar		Nordic Jan–Mar		Continental Europe Jan–Mar		Other and Group adjustments Jan–Mar		Group Jan–Mar		Change, %
	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	
Net sales from external customers	1,284	1,142	1,208	1,270	964	795	–	–	3,456	3,207	–7
Net sales from other regions	–	–	–	–	3	3	–3	–3	–	–	–
<b>Total net sales</b>	<b>1,284</b>	<b>1,142</b>	<b>1,208</b>	<b>1,270</b>	<b>967</b>	<b>798</b>	<b>–3</b>	<b>–3</b>	<b>3,456</b>	<b>3,207</b>	<b>–7</b>
Gross profit excluding restructuring costs	473	442	448	466	358	316	8	16	1,287	1,240	–4
Gross margin excluding restructuring costs, %	36.8	38.7	37.1	36.7	37.0	39.6	–	–	37.2	38.7	–
Operating profit/loss excluding restructuring costs	41	54	17	75	–60	–34	–22	–24	–24	71	–
Operating margin excluding restructuring costs, %	3.2	4.7	1.4	5.9	–6.2	–4.3	–	–	–0.7	2.2	–
Operating profit/loss (EBIT)	41	54	17	69	–84	–22	–122	–38	–148	63	–
Operating margin, %	3.2	4.7	1.4	5.4	–8.7	–2.8	–	–	–4.3	2.0	–
Financial items	–	–	–	–	–	–	–	–	–25	–21	16
<b>Profit/loss after financial items, SEK m</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–173</b>	<b>42</b>	<b>–</b>



## Restructuring measures in progress

Restructuring costs for the period amounted to a net of SEK 8 million (124). The restructuring measures related to the relocation of production to Tidaholm, the reversal of previous restructuring reserves in Hygna and other central restructuring costs. Prior years' approved restructuring measures negatively impacted the period's cash flow by approximately SEK 31 million.

## Divested operations and fixed assets for sale

In the period 2008-2010, Nobia acquired a total of 15 stores from franchisees in Denmark with the intention of selling these onward. Six of these stores were sold in 2009 and 2010. In the first quarter of 2011, two stores were closed and another five stores are planned to be discontinued during the second quarter of 2011. The costs for the closures of the seven stores were charged to the fourth quarter of 2010.

At the end of the first quarter of 2011, Nobia has seven stores in Denmark, which are recognised in the Nordic region as discontinued operations and divestment group held for sale in accordance with IFRS 5.

Profit from these stores amounted to SEK 0 million (7) during the period January-March 2011. Earnings in the preceding year included a capital gain of SEK 11 million.

Nobia intends to divest one production property in both Denmark and Sweden in 2011. These properties are recognised in accordance with IFRS 5 under assets held for sale in the Nordic region.

## Company acquisitions and divestments

No corporate acquisitions or divestments were made during the period.

## Personnel

The number of employees at the end of the period amounted to 7,966 (7,911). The average number of employees during the period was 7,549 (7,520). At the end of 2011, the number of employees amounted to 8,089 (8,297).

## Annual General Meeting

The Annual General Meeting approved the Board of Directors' motion that no dividend would be paid for the 2010 fiscal year. Board members Rolf Eriksen, Bodil Eriksson, Johan Molin, Thore Ohlsson, Lotta Stalin and Fredrik Palmstierna were re-elected. Morten Falkenberg, President and CEO of Nobia, and Nora Førisdal Larssen, who is a senior investment manager at Nordstjernan, were elected as new Board members. Hans Larsson and Stefan Dahlbo declined re-elec-

tion. The company's auditor KPMG AB, with Helene Willberg as the auditor in charge, was re-elected for the period until the end of the next Annual General Meeting. The Annual General Meeting appointed Johan Molin as the Chairman of the Board.

The Annual General Meeting approved a performance-based employee share option scheme for 2011. This means that a total of 1,800,000 employee share options will be allotted free-of-charge to approximately 100 executives of the Nobia Group. The number of options that can be exercised will be determined by the average increase in earnings per share over the three-year period 2011–2013. Each employee share option provides entitlement to one share in Nobia AB.

The Annual General Meeting resolved to authorise the Board for the period until the next Annual General Meeting to make decisions regarding the acquisition and transfer of treasury shares at the terms expressed in greater detail in the complete resolution. A detailed description of the employee share option scheme and other resolutions passed by the Annual General Meeting is available on Nobia's website.

## Related-party transactions, Parent Company

The Parent Company invoiced Group-wide services to subsidiaries in an amount of SEK 22 million (1) during the period. This increase is related to the build-up of central resources for sourcing and product-range co-ordination. The Parent Company reported earnings from participations in Group companies amounting to SEK 0 million (0).

## Significant risks for the Group and Parent Company

Nobia is exposed to strategic, operating and financial risks. The trends in Nobia's primary markets varied during the first quarter of 2011. The market weakened in the UK, while it strengthened in the Nordic region and it was strengthened somewhat in Continental Europe. This means that combined production and deliveries are still at a low level. Nobia continues to capitalise on synergies and economies of scale by harmonising product lines, co-ordinating production and enhancing purchasing efficiency. For a more detailed description of risks and risk management, refer to pages 26–27 of Nobia's 2010 Annual Report.

## Accounting policies

This interim report has been prepared in accordance with IFRS, with the application of IAS 34 Interim Financial Reporting. For the Parent Company, accounting policies are applied in accordance with Chapter 9, Interim Reports, of the Swedish Annual Accounts Act. In this interim report, Nobia has applied the same accounting policies as were applied in the 2010 Annual Report.

## Currency effect (EBIT)<sup>1)</sup>

	Transaction effect	Transaction effect	Total effect
	Jan–Mar	Jan–Mar	Jan–Mar
UK region	–5	10	5
Nordic region	–5	15	10
Continental Europe region	5	0	5
Group	–5	25	20

1) Pertains to effects excluding restructuring costs.



## New accounting policies 2011

New or revised IFRS and interpretive statements from the IFRS Interpretations Committee (IFRS IC) have not had any effect on the financial position, performance or other disclosures for the Group or the Parent Company.

## For further information

Please contact any of the following on  
+46 (0) 8 440 16 00 or +46 (0) 708 65 59 00:  
• Morten Falkenberg, President and CEO  
• Mikael Norman, CFO  
• Ingrid Yllmark, IRO

## Next report

The next reports will be published on 19 July, and then on 27 October 2011.

Stockholm, 28 April 2011

Morten Falkenberg  
President and CEO

Nobia AB Corporate Registration Number 556528-2752

*This interim report is unaudited.*

## Presentation

The interim report will be presented on Thursday, 28 April 2011 at 10:00 a.m. CET in a webcasted teleconference that can be followed on Nobia's website. To participate in the teleconference, call one of the following numbers:

- From Sweden: +46 (0) 850 520 270
- From the UK: +44 (0) 207 509 5139
- From the US: +1 718 354 1226

The information in this interim report is such that Nobia AB (publ) is obliged to publish in accordance with the Swedish Securities Market Act. The information was released to the media for publication on 28 April at 7:35 a.m. CET.

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Corporate Registration Number: 556528-2752 • The registered office of the Board of Directors is in Stockholm, Sweden



## Condensed consolidated income statement

SEK m	Jan–Mar	Apr–Mar	Jan–Dec
	2011	2010/II	2010
Net sales	3,456	3,207	13,836
Cost of goods sold	–2,195	–1,968	–8,513
<b>Gross profit</b>	<b>1,261</b>	<b>1,239</b>	<b>5,323</b>
Selling and administrative expenses	–1,373	–1,173	–5,087
Other income/expenses	–28	–3	–19
Share in profit of associated companies	–8	–	0
<b>Operating profit/loss</b>	<b>–148</b>	<b>63</b>	<b>217</b>
Net financial items	–25	–21	–81
<b>Profit/loss after financial items</b>	<b>–173</b>	<b>42</b>	<b>136</b>
Tax	32	–12	–19
<b>Profit/loss after tax from continuing operations</b>	<b>–141</b>	<b>30</b>	<b>117</b>
Profit/loss from divested operations, net after tax	7	0	–42
<b>Profit/loss after tax</b>	<b>–134</b>	<b>30</b>	<b>75</b>
Total depreciation	117	100	430
Total impairment	46	6	57
Gross margin, %	36.5	38.6	38.5
Operating margin, %	–4.3	2.0	1.6
Return on capital employed, %	–	–	4.1
Return on shareholders' equity, %	–	–	0.4
Earnings/loss per share, before dilution, SEK <sup>1)</sup>	–0.80	0.18	0.45
Earnings/loss per share, after dilution, SEK <sup>1)</sup>	–0.80	0.18	0.45
Number of shares at end of period before dilution, 000s <sup>2)</sup>	167,131	167,131	167,131
Average number of shares before dilution, 000s <sup>2)</sup>	167,131	167,131	167,131
Number of shares after dilution at end of period, 000s <sup>2)</sup>	167,131	167,531	167,336
Average number of shares after dilution, 000s <sup>2)</sup>	167,131	167,531	167,131

1) Earnings per share attributable to the Parent Company's shareholders.

2) Excluding treasury shares.



## Consolidated statement of comprehensive income

SEK m	Jan–Mar	Apr–Mar	Jan–Dec	
	2010	2011	2010/11	2010
Profit/loss after tax	–134	30	75	–89
<b>Other comprehensive income</b>				
Exchange-rate differences attributable to translation of foreign operations	–193	–76	–289	–406
Cash-flow hedges before tax, net	0	8	12	4
Tax attributable to change in hedging reserve for the period, net	0	–2	–3	–1
<b>Other comprehensive income/loss</b>	<b>–193</b>	<b>–70</b>	<b>–280</b>	<b>–403</b>
<b>Total comprehensive income/loss</b>	<b>–327</b>	<b>–40</b>	<b>–205</b>	<b>–492</b>
<b>Total profit/loss attributable to:</b>				
Parent Company shareholders	–134	30	75	–89
Non-controlling interests	0	0	0	0
<b>Total profit/loss</b>	<b>–134</b>	<b>30</b>	<b>75</b>	<b>–89</b>
<b>Total comprehensive income/loss attributable to:</b>				
Parent Company shareholders	–327	–40	–204	–491
Non-controlling interests	0	0	–1	–1
<b>Total comprehensive income/loss</b>	<b>–327</b>	<b>–40</b>	<b>–205</b>	<b>–492</b>

## Specification of restructuring costs

Restructuring costs per function	Jan–Mar	Apr–Mar	Jan–Dec	
	2010	2011	2010/11	2010
Cost of goods sold	–26	–1	–137	–162
Selling and administrative expenses	–72	–7	–256	–321
Other income/expenses	–26	–	–2	–28
<b>Total restructuring costs</b>	<b>–124</b>	<b>–8</b>	<b>–395</b>	<b>–511</b>
Restructuring costs per region	Jan–Mar	Apr–Mar	Jan–Dec	
	2010	2011	2010/11	2010
UK	–	–	–107	–107
Nordic	–	–6	–88	–82
Continental Europe	–24	12	–178	–214
Other and Group adjustments	–100	–14	–22	–108
<b>Group</b>	<b>–124</b>	<b>–8</b>	<b>–395</b>	<b>–511</b>



## Condensed consolidated balance sheet

SEK m	31 Mar 2010	31 Mar 2011	31 Dec 2010
<b>ASSETS</b>			
Goodwill	2,832	2,627	2,676
Other intangible fixed assets	170	269	258
Tangible fixed assets	2,593	2,087	2,184
Long-term receivables	72	58	62
Deferred tax assets	346	419	406
<b>Total fixed assets</b>	<b>6,013</b>	<b>5,460</b>	<b>5,586</b>
Inventories	1,115	977	971
Accounts receivable	1,573	1,423	1,180
Other receivables	419	379	321
<i>Total current receivables</i>	<i>1,992</i>	<i>1,802</i>	<i>1,501</i>
Cash and cash equivalents	264	193	356
Assets held for sale	58	68	72
<b>Total current assets</b>	<b>3,429</b>	<b>3,040</b>	<b>2,900</b>
<b>Total assets</b>	<b>9,442</b>	<b>8,500</b>	<b>8,486</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
Share capital	58	58	58
Other capital contributions	1,449	1,454	1,453
Reserves	-173	-452	-382
Profit brought forward	2,267	2,342	2,312
<i>Total shareholders' equity attributable to Parent Company shareholders</i>	<i>3,601</i>	<i>3,402</i>	<i>3,441</i>
Non-controlling interests	6	5	5
<b>Total shareholders' equity</b>	<b>3,607</b>	<b>3,407</b>	<b>3,446</b>
Provisions for pensions	627	564	587
Other provisions	169	337	411
Deferred tax liabilities	201	209	211
Other long-term liabilities, interest-bearing	1,829	1,010 <sup>1)</sup>	1,247
<b>Total long-term liabilities</b>	<b>2,826</b>	<b>2,120</b>	<b>2,456</b>
Current liabilities, interest-bearing	29	223	43
Current liabilities, non-interest-bearing	2,943	2,743	2,530
Liabilities attributable to assets held for sale	37	7	11
<b>Total current liabilities</b>	<b>3,009</b>	<b>2,973</b>	<b>2,584</b>
<b>Total shareholders' equity and liabilities</b>	<b>9,442</b>	<b>8,500</b>	<b>8,486</b>
<b>BALANCE-SHEET RELATED KEY RATIOS</b>			
Equity/assets ratio, %	38	40	41
Debt/equity ratio, %	61	47	44
Net debt, SEK m	2,204	1,599	1,510
Capital employed, closing balance, SEK m	6,092	5,205	5,323

1) The change between January and March 2011 is mainly attributable to loan repayments.



## Statement of changes in consolidated shareholders' equity

SEK m	Attributable to Parent Company shareholders							Total share- holders' equity
	Share capital	Other capital contributions	Exchange-rate differences attributable to translation of foreign	Cash-flow hedges after tax	Profit brought forward	Total	Non- controlling interests	
Opening balance, 1 January 2010	58	1,449	24	-4	2,401	3,928	6	3,934
Loss for the period	-	-	-	-	-134	-134	0	-134
Other comprehensive income/loss for the period	-	-	-193	0	-	-193	0	-193
<b>Total comprehensive loss for the period</b>	<b>-</b>	<b>-</b>	<b>-193</b>	<b>0</b>	<b>-134</b>	<b>-327</b>	<b>0</b>	<b>-327</b>
Dividend	-	-	-	-	-	-	-	-
Allocation of employee share option scheme	-	-	-	-	-	-	-	-
<b>Closing balance, 31 March 2010</b>	<b>58</b>	<b>1,449</b>	<b>-169</b>	<b>-4</b>	<b>2,267</b>	<b>3,601</b>	<b>6</b>	<b>3,607</b>
 <b>Opening balance, 1 January 2011</b>	<b>58</b>	<b>1,453</b>	<b>-381</b>	<b>-1</b>	<b>2,312</b>	<b>3,441</b>	<b>5</b>	<b>3,446</b>
Profit for the period	-	-	-	-	30	30	0	30
Other comprehensive income/loss for the period	-	-	-76	6	-	-70	0	-70
<b>Total comprehensive income/loss for the period</b>	<b>-</b>	<b>-</b>	<b>-76</b>	<b>6</b>	<b>30</b>	<b>-40</b>	<b>0</b>	<b>-40</b>
Dividend	-	-	-	-	-	-	-	-
Allocation of employee share option scheme	-	1	-	-	-	1	-	1
<b>Closing balance, 31 March 2011</b>	<b>58</b>	<b>1,454</b>	<b>-457</b>	<b>5</b>	<b>2,342</b>	<b>3,402</b>	<b>5</b>	<b>3,407</b>



## Condensed consolidated cash-flow statement

SEK m	Jan-Mar		Apr-Mar	
	2010	2011	2010/II	2010
<i>Operating activities</i>				
Operating profit/loss	–148	63	217	6
Depreciation/Impairment	163 <sup>2)</sup>	106 <sup>3)</sup>	487	544 <sup>1)</sup>
Adjustments for non-cash items	32	–17	283	332
Tax paid	11	–36	–98	–51
Change in working capital	–56	–144	44	132
<b>Cash flow from operating activities</b>	<b>2</b>	<b>–28</b>	<b>933</b>	<b>963</b>
<i>Investing activities</i>				
Investments in fixed assets	–76	–68	–339	–347
Other items in investing activities	25	12	12	25
Interest received	5	1	14	18
Change in interest-bearing assets	0	4	10	6
Divestment of companies	491	–	–	491
<b>Cash flow from investing activities</b>	<b>445</b>	<b>–51</b>	<b>–303</b>	<b>193</b>
<b>Operating cash flow before acquisition/divestment of companies, interest, increase/decrease of interest-bearing assets</b>				
	<b>–49</b>	<b>–84</b>	<b>606</b>	<b>641</b>
Operating cash flow after acquisition/divestment of companies, interest, increase/decrease of interest-bearing assets	447	–79	630	1156
<i>Financing activities</i>				
Interest paid, net	–9	–15	–59	–53
Change in interest-bearing liabilities	–544 <sup>5)</sup>	–62 <sup>6)</sup>	–609	–1,091 <sup>4)</sup>
Dividend	–	–	0	0
<b>Cash flow from financing activities</b>	<b>–553</b>	<b>–77</b>	<b>–668</b>	<b>–1,144</b>
<b>Cash flow for the period excluding exchange-rate differences in cash and cash equivalents</b>				
	<b>–106</b>	<b>–156</b>	<b>–38</b>	<b>12</b>
<b>Cash and cash equivalents at beginning of the period</b>				
	<b>384</b>	<b>356</b>	<b>264</b>	<b>384</b>
Cash flow for the period	–106	–156	–38	12
Exchange-rate differences in cash and cash equivalents	–14	–7	–33	–40
<b>Cash and cash equivalents at period-end</b>	<b>264</b>	<b>193</b>	<b>193</b>	<b>356</b>

1) Impairment amounted to SEK 97 million and pertained to goodwill of SEK 46 million in Pronorm, property and machinery of SEK 23 million in Myresjökök, buildings of SEK 14 million, kitchen displays of SEK 7 million, machinery of SEK 5 million and equipment of SEK 2 million.  
 2) Impairment amounted to SEK 46 million and pertained to goodwill in Pronorm.  
 3) Impairment amounted to SEK 6 million and SEK 4 million pertained to buildings and SEK 2 million to machinery.  
 4) Loan repayments totalling SEK 2,446 million were made and new loans totalling SEK 1,481 million were raised in the January–December period.  
 5) Loan repayments totalling SEK 512 million were made in the period January–March.  
 6) Loan repayments totalling SEK 230 million were made in the period January–March.

SEK m	Jan-Mar		Apr-Mar	
	2010	2011	2010/II	2010
<b>Analysis of net debt</b>				
<b>Opening balance</b>	<b>2,426</b>	<b>1,510</b>	<b>2,204</b>	<b>2,426</b>
Translation differences	–115	–14	–87	–188
Operating cash flow	49	84	–606	–641
Interest paid	4	14	45	35
Divestment of companies	–160	–	–	–160
Change in pension liabilities	0	5	43	38
Dividend	–	–	0	0
<b>Closing balance</b>	<b>2,204</b>	<b>1,599</b>	<b>1,599</b>	<b>1,510</b>



## Parent Company

### Condensed Parent Company income statement

SEK m	Jan–Mar		Apr–Mar		Jan–Dec	
	2010	2011	2010/11	2010	2010	2010
Net sales	12	21	55	46		
Administrative expenses	–23	–42	–127	–108		
Other income/expenses	–33	0	0	–33		
<b>Operating profit/loss</b>	<b>–44</b>	<b>–21</b>	<b>–72</b>	<b>–95</b>		
Profit from shares in Group companies	–	–	100	100		
Other financial income and expenses	–8	–10	–5	–3		
<b>Profit/loss after financial items</b>	<b>–52</b>	<b>–31</b>	<b>23</b>	<b>2</b>		
Tax on profit for the period	–	0	1	1		
<b>Profit/loss for the period</b>	<b>–52</b>	<b>–31</b>	<b>24</b>	<b>3</b>		

### Parent Company balance sheet

SEK m	31 Mar		31 Dec	
	2010	2011	2010	2010
<b>ASSETS</b>				
<b>Fixed assets</b>				
Shares and participations in Group companies		1,379	1,246	1,245
Other investments held as fixed assets		3	0	4
<b>Total fixed assets</b>		<b>1,382</b>	<b>1,246</b>	<b>1,249</b>
<b>Current assets</b>				
Current receivables				
Accounts receivable		8	20	2
Receivables from Group companies		2,504	3,816	3,680
Other receivables		2	3	6
Prepaid expenses and accrued income		14	0	6
Cash and cash equivalents		84	72	169
<b>Total current assets</b>		<b>2,612</b>	<b>3,911</b>	<b>3,863</b>
<b>Total assets</b>		<b>3,994</b>	<b>5,157</b>	<b>5,112</b>
<b>SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES</b>				
<b>Shareholders' equity</b>				
Restricted shareholders' equity				
Share capital		58	58	58
Statutory reserve		1,671	1,671	1,671
		<b>1,729</b>	<b>1,729</b>	<b>1,729</b>
Non-restricted shareholders' equity				
Share premium reserve		52	52	52
Buy-back of shares		–468	–468	–468
Profit brought forward		2,173	2,182	2,179
Profit/loss for the period		–52	–31	3
		<b>1,705</b>	<b>1,735</b>	<b>1,766</b>
<b>Total shareholders' equity</b>		<b>3,434</b>	<b>3,464</b>	<b>3,495</b>
<b>Provisions for pensions</b>		<b>8</b>	<b>7</b>	<b>10</b>
<b>Long-term liabilities</b>				
Liabilities to credit institutes		–	800	800
<b>Current liabilities</b>				
Liabilities to credit institutes		26	184	20
Accounts payable		4	9	11
Liabilities to Group companies		504	655	759
Other liabilities		4	5	1
Accrued expenses and deferred income		14	33	16
<b>Total current liabilities</b>		<b>552</b>	<b>886</b>	<b>807</b>
<b>Total shareholders' equity, provisions and liabilities</b>		<b>3,994</b>	<b>5,157</b>	<b>5,112</b>
Pledged assets		1	0	4
Contingent liabilities		4,069	678	678



## Comparative data per region

Net sales SEK m	Jan–Mar		Apr–Mars		Jan–Dec
	2010	2011	2010/11	2010	2010
UK	1,284	1,142	5,056	5,198	
Nordic	1,208	1,270	5,154	5,092	
Continental Europe	967	798	3,636	3,805	
Other and Group adjustments	–3	–3	–10	–10	
<b>Group</b>	<b>3,456</b>	<b>3,207</b>	<b>13,836</b>	<b>14,085</b>	
Gross profit excluding restructuring costs SEK m	Jan–Mar		Apr–Mars		Jan–Dec
	2010	2011	2010/11	2010	2010
UK	473	442	1,998	2,029	
Nordic	448	466	1,963	1,945	
Continental Europe	358	316	1,459	1,501	
Other and Group adjustments	8	16	40	32	
<b>Group</b>	<b>1,287</b>	<b>1,240</b>	<b>5,460</b>	<b>5,507</b>	
Gross margin excluding restructuring costs %	Jan–Mar		Apr–Mars		Jan–Dec
	2010	2011	2010/11	2010	2010
UK	36.8	38.7	39.5	39.0	
Nordic	37.1	36.7	38.1	38.2	
Continental Europe	37.0	39.6	40.1	39.4	
<b>Group</b>	<b>37.2</b>	<b>38.7</b>	<b>39.5</b>	<b>39.1</b>	
Operating profit excluding restructuring costs SEK m	Jan–Mar		Apr–Mars		Jan–Dec
	2010	2011	2010/11	2010	2010
UK	41	54	339	326	
Nordic	17	75	389	331	
Continental Europe	–60	–34	–7	–33	
Other and Group adjustments	–22	–24	–109	–107	
<b>Group</b>	<b>–24</b>	<b>71</b>	<b>612</b>	<b>517</b>	
Operating margin excluding restructuring costs %	Jan–Mar		Apr–Mars		Jan–Dec
	2010	2011	2010/11	2010	2010
UK	3.2	4.7	6.7	6.3	
Nordic	1.4	5.9	7.5	6.5	
Continental Europe	–6.2	–4.3	–0.2	–0.9	
<b>Group</b>	<b>–0.7</b>	<b>2.2</b>	<b>4.4</b>	<b>3.7</b>	
Operating profit SEK m	Jan–Mar		Apr–Mars		Jan–Dec
	2010	2011	2010/11	2010	2010
UK	41	54	232	219	
Nordic	17	69	301	249	
Continental Europe	–84	–22	–185	–247	
Other and Group adjustments	–122	–38	–131	–215	
<b>Group</b>	<b>–148</b>	<b>63</b>	<b>217</b>	<b>6</b>	
Operating margin %	Jan–Mar		Apr–Mars		Jan–Dec
	2010	2011	2010/11	2010	2010
UK	3.2	4.7	4.6	4.2	
Nordic	1.4	5.4	5.8	4.9	
Continental Europe	–8.7	–2.8	–5.1	–6.5	
<b>Group</b>	<b>–4.3</b>	<b>2.0</b>	<b>1.6</b>	<b>0.0</b>	



## Quarterly data per region

		2010				2011
		I	II	III	IV	I
<b>Net sales</b>	SEK m					
UK		1,284	1,360	1,263	1,291	1,142
Nordic		1,208	1,401	1,091	1,392	1,270
Continental Europe		967	1,040	875	923	798
Other and Group adjustments		-3	-5	-1	-1	-3
<b>Group</b>		<b>3,456</b>	<b>3,796</b>	<b>3,228</b>	<b>3,605</b>	<b>3,207</b>
<b>Gross profit excluding restructuring costs</b>	SEK m	2010				2011
		I	II	III	IV	I
UK		473	543	507	506	442
Nordic		448	550	418	529	466
Continental Europe		358	400	363	380	316
Other and Group adjustments		8	9	12	3	16
<b>Group</b>		<b>1,287</b>	<b>1,502</b>	<b>1,300</b>	<b>1,418</b>	<b>1,240</b>
<b>Gross margin excluding restructuring costs</b>	%	2010				2011
		I	II	III	IV	I
UK		36.8	39.9	40.1	39.2	38.7
Nordic		37.1	39.3	38.3	38.0	36.7
Continental Europe		37.0	38.5	41.5	41.2	39.6
<b>Group</b>		<b>37.2</b>	<b>39.6</b>	<b>40.3</b>	<b>39.3</b>	<b>38.7</b>
<b>Operating profit/loss excluding restructuring costs</b>	SEK m	2010				2011
		I	II	III	IV	I
UK		41	98	101	86	54
Nordic		17	115	63	136	75
Continental Europe		-60	10	6	11	-34
Other and Group adjustments		-22	-28	-17	-40	-24
<b>Group</b>		<b>-24</b>	<b>195</b>	<b>153</b>	<b>193</b>	<b>71</b>
<b>Operating margin excluding restructuring costs</b>	%	2010				2011
		I	II	III	IV	I
UK		3.2	7.2	8.0	6.7	4.7
Nordic		1.4	8.2	5.8	9.8	5.9
Continental Europe		-6.2	1.0	0.7	1.2	-4.3
<b>Group</b>		<b>-0.7</b>	<b>5.1</b>	<b>4.7</b>	<b>5.4</b>	<b>2.2</b>
<b>Operating profit/loss</b>	SEK m	2010				2011
		I	II	III	IV	I
UK		41	89	94	-5	54
Nordic		17	115	15	102	69
Continental Europe		-84	-11	-12	-140	-22
Other and Group adjustments		-122	-28	-20	-45	-38
<b>Group</b>		<b>-148</b>	<b>165</b>	<b>77</b>	<b>-88</b>	<b>63</b>
<b>Operating margin</b>	%	2010				2011
		I	II	III	IV	I
UK		3.2	6.5	7.4	-0.4	4.7
Nordic		1.4	8.2	1.4	7.3	5.4
Continental Europe		-8.7	-1.1	-1.4	-15.2	-2.8
<b>Group</b>		<b>-4.3</b>	<b>4.3</b>	<b>2.4</b>	<b>-2.4</b>	<b>2.0</b>



## Definitions of key figures

**Capital employed**

Total assets less non-interest-bearing provisions and liabilities.

**Debt/equity ratio**

Net debt as a percentage of shareholders' equity, including minority interests.

**Earnings per share**

Profit for the period divided by a weighted average number of outstanding shares during the year.

**EBITDA**

Profit before depreciation and impairment.

**Equity/assets ratio**

Equity including minority interests as a percentage of total assets.

**Gross margin**

Gross profit as a percentage of net sales.

**Net debt**

Interest-bearing liabilities less interest-bearing assets. Interest-bearing liabilities comprise pension liabilities.

**Operating cash flow**

Cash flow from operating activities including cash flow from investing activities, excluding cash flow from acquisitions/divestments of subsidiaries, interest received, increase/decrease of interest-bearing assets.

**Operating margin**

Operating profit as a percentage of net sales.

**Region**

Region corresponds to operating segment according to IFRS 8.

**Return on capital employed**

Profit after financial revenue as a percentage of average capital employed. The calculation of average capital employed has been adjusted for acquisitions and divestments.

**Return on shareholders' equity**

Profit for the period as a percentage of average shareholders' equity. The calculation of average shareholders' equity has been adjusted for increases and decreases in capital.