



Lindab Group presentation Q1 2011



David Brodetsky, CEO
Per Nilsson, Acting CFO



Agenda

- Highlights
- Group
- Business Areas
- Key activities
- Trends and outlook
- Q & A



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Highlights – Q1 Financial

Profit & loss

- 3rd successive quarter of sales growth. 4th successive quarter of EBIT improvement
- Sales increased 19% (adjusted for structure and currency)
- EBIT improved from SEK -50 m to SEK -7 m (excluding one-off items) mainly due to sales increase
- One-off items SEK -17 m relate to St Petersburg plant closure and change of Ventilation Business Area Manager

Cash

- Operational Cash flow was SEK -239 m (SEK -172 m), mainly due to timing of payments to suppliers



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Highlights – Q1 Market

- Tough winter, but Q1 less harsh than 2010
- Good growth compared to a abnormally low, weather-impacted, Q1 2010. Sweden remains very strong.
- Adjusting for seasonality, main trends confirmed:
 - Non-residential: Conditions remain stable in most markets. No clear signs of growth. Main positive exceptions are Sweden and Russia
 - Residential: Continuing to improve in Nordics



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Profit & Loss Q1 2011 - Group

| SEK m | Q1 2011 | Q1 2010 |
|------------|---------|---------|
| Sales | 1 377 | 1 234 |
| EBIT* | -7 | -50 |
| EBIT* % | -0.5% | -4.1% |
| Fin net | -38 | -40 |
| Tax | 10 | -13 |
| Net profit | -52 | -28 |

| | |
|-----------------|-----|
| Sales growth | 12% |
| Structure | 1% |
| Currency effect | -8% |
| Volume / price | 19% |

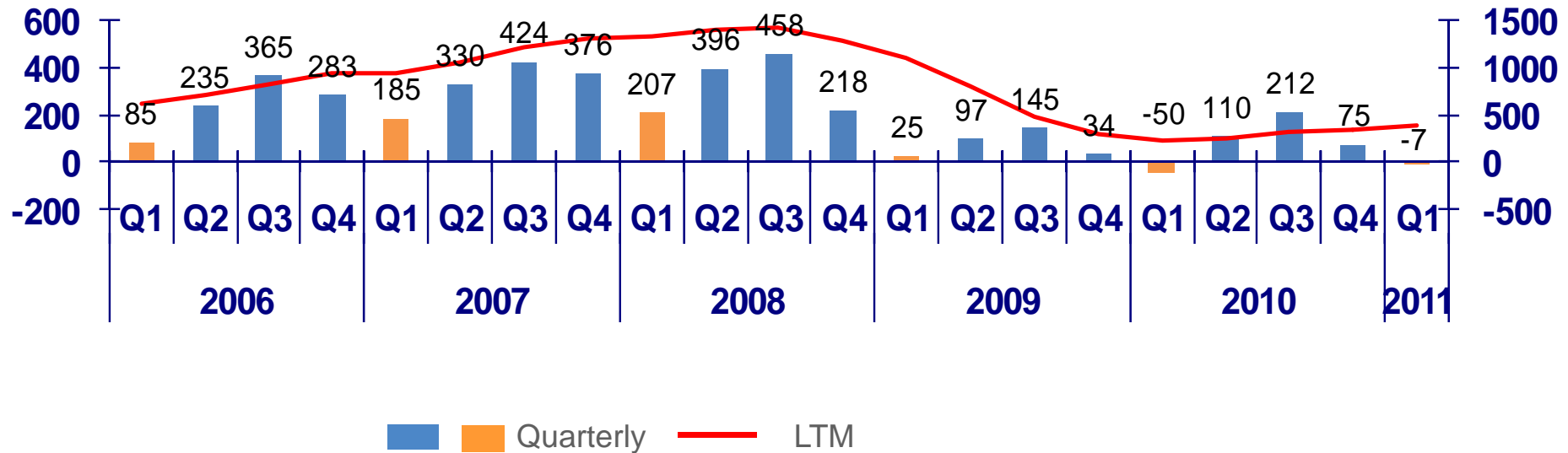
*Q1 2011 EBIT excludes one time cost of SEK -17 m, net profit not adjusted. Q1 2010 EBIT excluding one time gain of SEK 75 m. Net profit not adjusted.

- EBIT improvement mainly due to increased volume
- One time costs relate to St Petersburg move and Ventilation management change



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Quarterly operating profit (EBIT) SEK m



- Seasonal impact – Q1 lowest result, Q3 highest result
- EBIT LTM SEK 390 m, EBIT margin 5.8%

Note. figures excl. one time items



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Cash flow Q1 2011

| | Jan - Mar 2011 | Jan - Mar 2010 |
|--|----------------|----------------|
| Cash flow from | | |
| - operating activities | 32 | -3 |
| - change in working capital | -213 | -82 |
| - investing activities | -12 | 272 |
| - financial net paid | -46 | -44 |
| - tax paid | -12 | -43 |
| Free cash flow | -251 | 100 |
| Proforma free cash flow ¹⁾ | -251 | -189 |

1) Free cash flow 2010 adjusted for sale and lease back of Lux real estate SEK 289 m



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Cash flow Q4 – working capital development

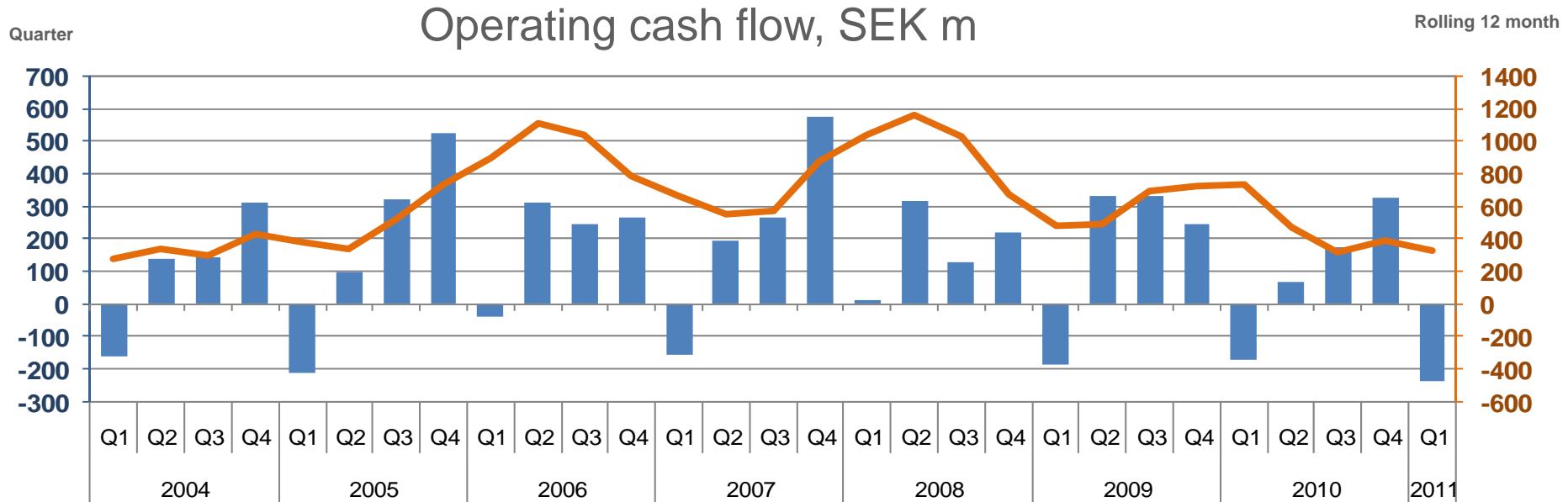
| | 2011 Jan - Mar | 2010 Jan - Mar |
|---------------------------------|-------------------|-------------------|
| Stock | -108 | -141 |
| Operating receivables | -113 | -136 |
| Operating liabilities | 8 | 195 |
| Total change in working capital | -213 | -82 |

- Stock increase, mainly volume related
- Increased receivables in line with seasonality in the business
- Operating liabilities difference against last year, mainly due to timing of payments to suppliers



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Cash flow trend



- LTM cash flow from operating activities amounted to SEK 324 m



Business Areas



BA Ventilation

Profit & Loss Q1 2011

| SEK m | Q1 2011 | Q1 2010 |
|---------|---------|---------|
| Sales | 846 | 827 |
| EBIT* | 49 | 28 |
| EBIT* % | 5.8 | 3.4 |

| | |
|-----------------|-----|
| Sales growth | 2% |
| Structure | 1% |
| Currency effect | -7% |
| Volume / price | 8% |

*) excluding one time cost of SEK 17m in Q1 2011

- Organic sales growth in all regions
- Improved EBIT due to sales growth



BA Building Components Profit & Loss Q1 2011

| SEK m | Q1 2011 | Q1 2010 |
|--------|---------|---------|
| Sales | 354 | 278 |
| EBIT | -17 | -34 |
| EBIT % | -4.8 | -12.2 |

| | |
|-----------------|-----|
| Sales growth | 27% |
| Structure | 0% |
| Currency effect | -7% |
| Volume / price | 34% |

- Less harsh weather conditions supported sales. Strong growth in Nordic & CEE.
- Higher cost mainly connected to marketing activities
- Lower GP, not yet fully compensated for higher steel prices



BA Building Systems

Profit & Loss Q1 2011

| SEK m | Q1 2011 | Q1 2010 |
|--------|---------|---------|
| Sales | 177 | 129 |
| EBIT | -24 | -34 |
| EBIT % | -13.6 | -26.4 |

| | |
|-----------------|------|
| Sales growth | 37% |
| Structure | 0% |
| Currency effect | -15% |
| Volume / price | 52% |

*) excluding one offs of SEK +75 m in Q1 2010

- Strong growth in all main markets, particularly in Russia and Belarus
- Improved result due to volume
- Margins impacted due to some orders booked in 2nd half of 2010



Key Activities



Ventilation

- Nils-Johan Andersson became Business Area Manager in March

- Distribution
 - Acquisition of Juvenco, Denmark in April
 - Residential ventilation product manager recruited

- Profitability improvement actions
 - Decision to move loss-making St Petersburg production (mainly products for Finnish market) to Estonia by Q3. Russian sales force remains
 - New Prague plant on track - Danish Comfort production will be moved in Q2
 - US actions having positive impact – profitable in Q1





Building Components

Extend residential distribution

In WE: extend distribution in 2011 by utilising existing ventilation presence:

- Sth Germany – 2 branches
- France – 1 branch

In CEE/CIS:

- Decision to open production unit and distribution near Moscow, Russia during 2012





Building Systems

- Brand change from "Astron" to "Lindab Buildings"
- Q1 bookings highest since Q3, 2008. Includes a 70 MSEK order in Russia for a key account. Margins on bookings improve versus Q4
- Simplifying construction by
 - Builder dealer pricing software released with Russian cost base

Определение нагрузок: Россия (Уровень ответственности здания 2 или 3)

Снеговая нагрузка
Расчитано в соответствии со СНиП 2.01.07.85* : 2003 Информация

Район: 1 Расчетное значение снеговой нагрузки S_g [кН/м²]: 0,8

Коэффициент возможного увеличения снеговой нагрузки на кровле: 1 Нормативное значение снеговой нагрузки (S_0) [кН/м²]: 0,56

Ветровая нагрузка
Расчитано в соответствии со СНиП 2.01.07.85* : 2003 Информация

Район: Ia Тип местности: А

относительная нулевая отметка от уровня грунта [m]: 0 максимальная высота здания от нулевой отметки [m]: 6,25

Нормативное значение ветрового давления (W_0) [кН/м²]: 0,17 Пульсационное (динамическое) давление (W_m) [кН/м²]: 0,4

Сейсмическая нагрузка
Расчитано в соответствии со СНиП II-7-81* : 2000 Информация

Уровень ответственности здания: 2 сейсмическая интенсивность: 5 Категория грунта: 1

Другое
Дополнительная постоянная нагрузка по умолчанию [кН/м²]: 0

Да Отменить



Lindab Life

- Lindab and social responsibility
- Campaign "Think Less" to promote the benefits of steel and Lindab's solutions that simplify construction

Think about reducing your carbon footprint.



Think Less.

Because less is more. Especially when you use our building components made from steel. Steel is one of few materials that can be infinitely recycled without losing any of its properties. That means less carbon emissions in nature. Steel allows us to design strong solutions yet make them very light. That means less effort on your behalf when putting up the buildings, less costly transportation to the site and less fuel used. Thanks to steel we can also create effective insulation and ventilation solutions. That means less energy wasted. These are a just few examples of how we simplify construction for you, while working for a better environment. Read more at lindab.com

We Simply Construction 

Think about reducing your carbon footprint. **Think Less.**



Think about reducing the usage of natural resources. **Think Less.**

Less is more when you use our products – made from infinitely recyclable steel.



Think about lowering energy consumption. **Think Less.**

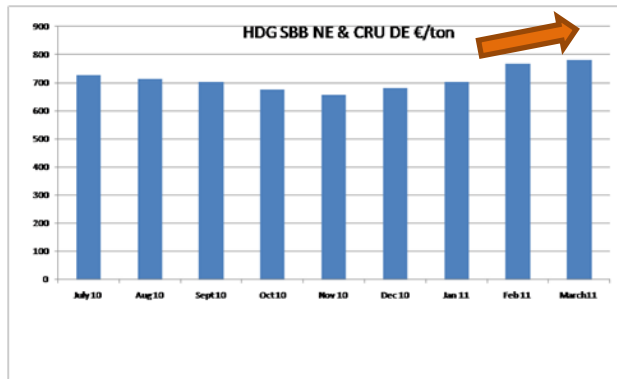




Trends and outlook



Lindab Group Steel



- Steel spot prices increase December
- Will affect Lindab's costs in Q2
- Sales prices being adjusted to compensate



Construction Early Indicators

Building permits & starts

- **Nordic**
 - Very strong residential indicators, especially SE and FI. DK improving
 - Non-residential is improving slowly overall. DK has stabilized

- **Western Europe** (Lindab's geographic markets)
 - Residential construction indicators have started to recover
 - Non-residential indicators stable but no clear signs of recovery

- **CEE**
 - Tough conditions in residential. Indicators still declining. Purchasing power low amongst citizens due to tough austerity packages
 - Non-residential has stabilized (improving from low levels in some markets)



Market Outlook – CEO comment

“Things are moving in the right direction. 3rd successive quarter of sales growth. 4th successive quarter of EBIT improvement

Q1 is a low seasonal quarter and also due to last years extremely tough winter it is not a reliable basis for extrapolating trends.

In the interim report for the fourth quarter 2010 we indicated that it is unlikely that Lindab's organic growth target of 8 percent will be achieved for the full year 2011. This was based on external market growth forecasts and excludes price effects in 2011 to compensate for rising steel prices. The underlying market conditions have not changed since and steel linked price movements are difficult to predict for the full year, consequently we maintain our outlook for 2011. However, as stated before, we expect to outperform the general construction market.”



Thank you

Q & A

