



## Second quarter 2010

- Sales revenue decreased by 6 percent to SEK 1,715 m (1,821), when adjusted for currency and structure sales were unchanged.
- Operating profit (EBIT) increased by 13 percent to SEK 110 m (97), excluding one-off items of SEK -21 m (-12).
- The operating margin (EBIT), excluding one-off items, amounted to 6.4 percent (5.3).
- The after-tax result amounted to SEK 27 m (13).
- Earnings per share amounted to SEK 0.36 (0.17).
- Cash flow from operating activities amounted to SEK 67 m (332).
- Updated vision, strategy and financial targets.

## January–June 2010

- Sales revenue decreased by 18 percent to SEK 2,949 m (3,592), a decrease of 13 percent when adjusted for currency and structure.
- Operating profit (EBIT) amounted to SEK 60 m (122), excluding one-off items of SEK 54 m (-12).
- The operating margin (EBIT), excluding one-off items, amounted to 2.0 percent (3.4).
- The after-tax result amounted to SEK -1 m (-8).
- Earnings per share amounted to SEK -0.01 (-0.11).
- Cash flow from operating activities amounted to SEK -105 m (145).
- A contract concerning the sale and lease-back of property in January 2010 generated cash flow of SEK 285 m, with a capital gain of SEK 73 m.
- Acquisition of the Finnish ventilation company IVK-Tuote Oy.





David Brodetsky  
President and CEO

### Lindab's President and CEO, David Brodetsky comments:



After a hard winter, the downward sales trend has been broken in the 2nd quarter. However, it is still too early to determine to what extent this reflects business that was deferred due to the winter and how much is due to a recovery in the underlying demand. The positive signals seen in the second quarter are primarily improved demand in residential construction, which has a favourable impact on the Building Components business area in particular. Demand in the Ventilation business area indicates a stabilisation, but the recovery has not yet got under way. Building Systems has had a weak quarter, but the order intake is now increasing. From a geographic perspective, the Nordic region stands out positively. The underlying demand in both Western Europe and CEE/CIS has recovered to pre-winter levels.

Purchase prices for steel will be rising sharply in the third quarter. We will compensate for this with increased prices, which have already been announced to our customers.

The market outlook is largely unchanged. According to macroeconomic indicators, the demand in Lindab's largest market segment, non-residential construction, is predicted to remain weak in the coming year. For the residential segment, the recovery has begun and is expected to continue in the second half of the year.

Lindab's updated strategy takes into account new market conditions, including greater demand for environmentally friendly and energy efficient solutions, high growth potential in Eastern Europe and Russia/CIS and other trends. Focus and resources will be concentrated primarily on the most profitable product and market segments where Lindab's scale, strength and position suggest the strongest growth potential. Lindab's new vision emphasises the importance of relations with our European customer base – ***To be the preferred partner for building professionals in our core products Europe-wide.*** The new vision and the updated strategy entail a stronger focus which will support our revised financial targets.

# The Lindab Group, second quarter and the period January–June 2010

## Sales and markets

Sales revenue during the second quarter amounted to SEK 1,715 m (1,821), which is a decrease of 6 percent compared with the second quarter of 2009. Adjusted for currency effects and structural changes, the sales figure was unchanged compared with the same period the previous year. Currency effects have negatively affected sales revenue by 6 percent during the period. Structural changes, relating to the sale of Folke Perforering in the third quarter of 2009 and the acquisition of the Finnish ventilation company IVK-Tuote Oy in the first half of 2010, have altogether had a marginal impact on sales.

During the quarter, sales in the Nordic region have risen by 3 percent. Adjusted for currency and structure the increase was 6 percent. Sales in Western Europe decreased by 8 percent, when adjusted for currency effects, sales increased during the quarter by 1 percent. Sales in the CEE/CIS decreased by 14 percent, after adjustment for currency the decrease was 9 percent.

The winter of 2009/2010 was unusually harsh, with extreme cold and snow in most of Lindab's markets, which meant that a proportion of sales have shifted from the first to the second quarter.

The demand situation differs between the various market segments. The residential market shows the clearest improvement in demand, which has a positive impact on sales within Building Com-

ponents. Non-residential construction, which is the main market for Building Systems and Ventilation, is showing continued weak demand in general with a few exceptions. The Russian market is recovering more quickly, which is having a positive impact on the order intake for Building Systems. Overall, the Swedish market is also showing greater strength.

Net sales for the period January–June amounted to SEK 2,949 m (3,592), which is a decrease of 18 percent compared with the corresponding period the previous year. Adjusted for currency and structure the decrease amounted to 13 percent. Currency effects have decreased sales by 5 percent during the first six months.

## Profit

Operating profit (EBIT) for the second quarter increased by 13 percent to SEK 110 m (97), excluding one-off items of SEK -21 m (-12). One-off items comprise costs primarily relating to the closure of the Building Systems plant in Hungary and restructuring work within the Ventilation business area.

Reduced costs are the main reason for the increased profit. The previously announced cost-reduction programmes lowered fixed costs by a further SEK 20 m during the quarter, meaning that the total cumulative effect of the cost-reduction programmes amounts to SEK 560 per annum compared with the situation in 2008.

The SEK 40 m cost-reduction programme for Building Systems announced in the first quarter will not be fully implemented since the improved order intake requires resources for future volume growth.

The price of steel, which is Lindab's main raw material, has in principle remained unchanged during the quarter. Lindab has entered into agreements with steel suppliers that imply substantial price increases from the start of the third quarter. Lindab has announced price increases to compensate for this cost increase.

The operating margin (EBIT) for the period April–June, excluding one-off items, amounted to 6.4 percent (5.3).

The pre-tax result for the period amounted to SEK 47 m (51). The after-tax result increased to SEK 27 m (13). Earnings per share amounted to SEK 0.36 (0.17). Dilutive effects have not been taken into account for the share warrants in the incentive programmes since the current share price is lower than the conversion rates in each of the programmes.

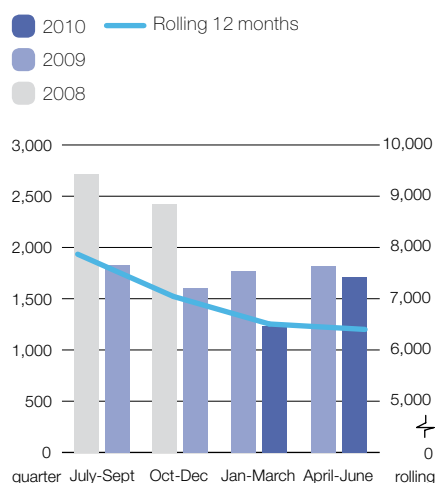
The operating profit (EBIT) for the period January–June, excluding one-off items, amounted to SEK 60 m, compared with the previous year's profit of SEK 122 m. The profit including one-off items amounted to SEK 114 m (110). One-off items for the year total SEK 54 m, with SEK 19 m comprising costs for restructuring measures and an overall capital gain of SEK 73 m from the property transaction completed in the first quarter in Luxembourg. The gain was preliminarily estimated at SEK 75 m. In 2009, the profit was affected by SEK 12 m for the closure of the Building Components production unit in Edsvära, Sweden.

The operating margin (EBIT) for the same period, excluding one-off items, amounted to 2.0 percent (3.4).

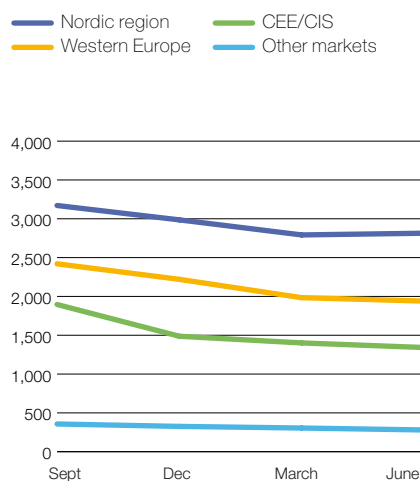
The pre-tax result for the period amounted to SEK 32 m (45). The after-tax result amounted to SEK -1 m (-8).

Earnings per share amounted to SEK -0.01 (-0.11).

## Sales revenue, SEK m



## Sales revenue per market Rolling 12 months, SEK m



### 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 quarter, which gradually becomes a stock reduction during the second and third quarters as a result of increased activity within the construction market.

### Investments

Net investments for the quarter including acquisitions and divestments amounted to SEK 3 m (44). Investments excluding acquisitions and divestments amounted to SEK 27 m (38). Divestments amounted to SEK 24 m (6), consisting primarily of the sale of the Building Systems production facility in Hungary. The sale price of the plant, including some equipment amounted to HUF 335 m, equivalent to SEK 12 m. The capital loss was SEK 5 m.

Investments for the first six months excluding acquisitions and divestments amounted to SEK 45 m (107). Shares in IVK-Tuote Oy, Finland, were acquired for SEK 43 m. Because the acquisition was paid for using treasury shares, the cash flow from investing activities has only been affected by the company's SEK 4 m in cash and cash equivalents. Sales of fixed assets amounted to SEK 310 m (12), of which the announced

sale and leaseback transaction for the Building Systems plant in Luxembourg accounted for SEK 285 m.

### Cash flow

Cash flow from operating activities amounted to SEK 67 m for the second quarter compared with SEK 332 m for the same period the previous year. The difference consists primarily of the change in working capital between the years. Normally, more working capital is tied up in the first six months due to seasonal variations, but in the previous year working capital decreased by SEK 259 m net, as a result of reduced activity in the market. Cash flow was then affected positively by the SEK 313 m decrease in stock.

During the year, the working capital has reverted to a more normal seasonal trend but at a lower level. The increase for the quarter amounted to SEK 34 m, which negatively affected the cash flow from operating activities.

The cash flow from investing activities amounted to SEK -3 m (-44). Adjusted for acquisitions and divestments this was SEK -3 m (-32). Gross assets were acquired for SEK 27 m (38) and divested for SEK 24 m (6), of which the sale of the Building Systems production facility in Hungary comprised SEK 12 m.

For the first six months, cash flow from operating activities amounted to SEK -105 m (145). Working capital increased by SEK 116 m (-181), due to higher capital tied up in stock and operating receivables, partially offset by increased accounts receivable. In the previous year the stock was reduced substantially, positively affecting the cash flow.

The cash flow from investing activities amounted to SEK 269 m (-108). When adjusted for acquisitions and divestments this was SEK 265 m (-95). In the first six months, shares in IVK-Tuote Oy, Finland, were acquired for SEK 43 m. Because the acquisition was paid for using treasury shares, the cash flow from investing activities has only been affected by the company's SEK 4 m in cash and cash equivalents. Furthermore, the property transaction in Luxembourg was completed. The sale price was SEK 285 m.

Financing activities for the half year resulted in a net cash flow of SEK -114 m (12) consisting of changes in borrowing of SEK -120 m (218) and the payment of SEK 6 m (-) in premiums for war-rants in the third incentive programme.

### Financial position

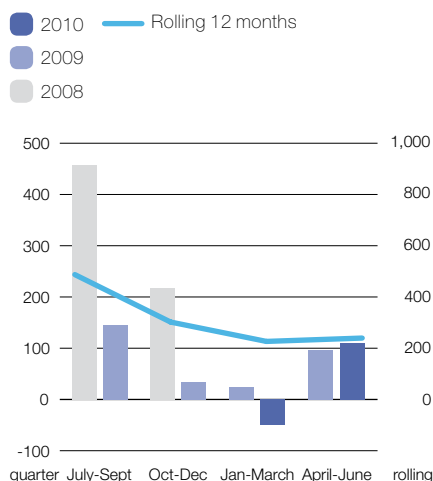
The net debt was SEK 2,243 m (2,906) at 30 June 2010. The equity/assets ratio amounted to 38 percent (38) and the net debt-equity ratio was 0.8 (0.9).

Net financial income during the quarter was SEK -42 m (-34). For the six-month period, the net financial income amounted to SEK -82 m (-65). The deterioration is due to increased interest expenses resulting from raised interest rates.

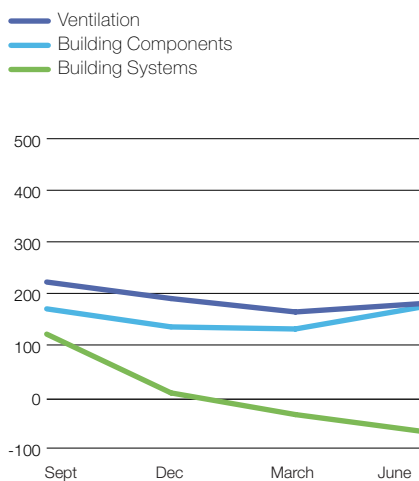
Unused credit facilities amounted to SEK 1,566 m (2,028).

Since December 2007, Lindab has had a binding five-year credit agreement with Nordea and Handelsbanken. The total credit limit is SEK 3.5 bn with a maturity date of 17 December 2012.

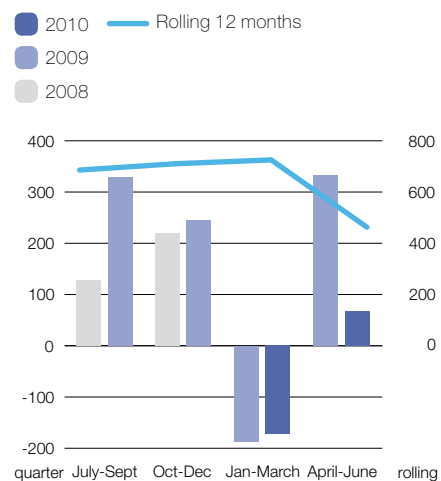
### Operating profit (EBIT), SEK m\*)



### Operating profit (EBIT) Rolling 12 months, SEK m\*)



### Cash flow from operating activities, SEK m



\*) Adjusted for one-off items.

## Company acquisitions

The Finnish company IVK-Tuote Oy was acquired at the end of March. The company produces and sells ventilation products for indoor climate. In 2009, the company had sales of EUR 6 m and an operating profit of EUR 0.7 m. It has 57 employees. The purchase price amounted to EUR 4.4 m which was paid through the transfer of 559,553 Lindab treasury shares. The acquisition means that the net debt increased by SEK 10 m and consolidated goodwill increased by SEK 9 m.

## Depreciation/amortisation

The total depreciation/amortisation for the quarter was SEK 45 m (56), of which SEK 2 m (2) related to consolidated amortisation of surplus value on intangible assets. The total depreciation/amortisation for the half-year was SEK 92 m (112), of which SEK 5 m (5) related to consolidated amortisation of surplus value on intangible assets.

The lower depreciation is due mainly to restructuring measures and suspended expansion investments. The sale of the property in Luxembourg has also affected the depreciation costs.

## Tax

Tax expenses for the quarter amounted to SEK 20 m (38). The pre-tax result amounted to SEK 47 m (51).

Tax expenses for the half-year were SEK 33 m (53). The pre-tax result amounted to SEK 32 m (45).

The high tax expenses relative to the negative result is partly caused by the tax rate in Luxembourg being higher than the average rate in the Group, and the deferred tax on the capital gain from the sale of property thereby contributing to higher tax expenses. Moreover, fiscal adjustments (e.g. for non-deductible expenses) to the reported profit have a greater impact on the tax rate for low profits than when profit levels are more normal. Furthermore, the deferred tax has not been activated on certain deficits.

The capital gain on the sale of property in Luxembourg has been charged with deferred tax in accordance with IFRS. Under local rules in Luxembourg however, the tax payment can be avoided if the capital gain is reinvested. The capital gain has been reinvested in the subsidiary LA Services S.à.r.l in Luxembourg, and the payment of taxes can thereby be deferred as long as the holding remains.

## Pledged assets and contingent liabilities

During the first quarter, Lindab submitted floating

charges equivalent to SEK 313 m as security for its credit agreement. Otherwise, there have not been any significant changes to pledged assets and contingent liabilities.

## The Parent Company

The parent company had no sales during the quarter. The after-tax result for the period amounted to SEK -17 m (-12). For the period January-June, the corresponding figure was SEK -33 m (-23).

## Noteworthy risks and uncertainties

There have been no other changes to what was stated by Lindab in its Annual Report for 2009 regarding Noteworthy risks and uncertainties (pages 93-97).

## Annual General Meeting 2010

Lindab International AB's Annual General Meeting on 11 May 2010 decided on the following:

- Not to pay a dividend to shareholders.
- Svend Holst-Nielsen, Erik Eberhardson, Per Frankling, Ulf Gundemark, Anders C Karlsson, Stig Karlsson and Annette Sadolin were re-elected as members of the Board for the period until the end of the 2011 Annual General Meeting. Hans-Olov Olsson had declined to be re-elected. Svend Holst-Nielsen was re-elected to be the Chairman of the Board for the same period.
- Fees to Board members will amount to a total of SEK 2,660,000 (2,960,000), a decrease of SEK 300,000 as a result of the reduced number of Board members.
- The Chairman of the Board, in consultation with the company's major shareholders, has been instructed to appoint a Nomination Committee consisting of at least four members including the Chairman of the Board.
- Principles of remuneration to Senior Executives.
- The Incentive Programme is continuing in accordance with the three-year programme that was launched in 2008, see below.
- Authorisation for the Board to decide upon the transfer of treasury shares during the period until the next Annual General Meeting and approval regarding the transfer of treasury shares for the acquisition of the IVK-Tuote Oy.

## Strategy and financial targets

Lindab hosted an Investor Day in Stockholm on 14 June at which the company's new vision, updated strategy and financial targets were presented.

The vision is: "to be the preferred partner for building professionals in Lindab's core products Europe-wide"

The updated strategy focuses on profitable growth with clearer and more detailed action plans for the future direction of the three business areas. The strategies for the business areas can be summarised as follows:

- Ventilation: A clearer organisational distinction between supply and distribution. The leading product group of duct fittings is given top priority along with the streamlining and strengthening of distribution channels. The Comfort division's operations must grow substantially and increase profitability.
- Building Components: Efforts are to be focused on two distinct segments: residential and non-residential construction. The core product of roof drainage has the greatest priority. Efforts within the non-residential construction segment will primarily be carried out within existing core markets.
- Building Systems: The focus will be on large industrial buildings and particularly in Eastern Europe and Russia. In parallel with expansion of the network of Builder-dealers, there will be a focus on direct sales, mainly in the Russian market.

The same occasion was used to communicate the revised financial targets. The growth target regarding annual organic sales has been raised from 6 percent to 8 percent, in light of the updated strategy and the assumptions for market growth. The operating margin remains at 14 percent and this is judged to be realistic in good economic conditions. The target for the net debt-equity ratio has been lowered from an interval of 1.0-1.4 times to 0.8-1.2 times, which is in line with historical levels.

## Incentive programme

The 2010 Annual General Meeting decided to continue the three-year Incentive Programme introduced in 2008, with stage three implemented in May. Of the programme's 784,000 warrants, 52,000 have been reserved for incoming executives in 2010. The remaining 732,000 warrants have been fully subscribed to by participants in the programme. Newly recruited executives will be invited to subscribe later in the year, but with conditions applicable at this later date based on the Black-Scholes option pricing model.

The price per warrant was established at SEK 8.40, entitling the holder to one share in Lindab International for SEK 93.00 between 1 June 2012 and 31 May 2013. The warrants have been valued according to the Black-Scholes option pricing model.

The Incentive Programme has the same structure as the programmes that were subscribed to in

2008 and 2009. The programme also entitles the holder to reimbursements, which means everyone who remains employed and continues to own the warrants will receive 50 percent of the purchase price after tax, divided among three occasions during the term. The annual cost for Lindab is estimated to total approximately SEK 3 m. The dilutive effect may be approximately 1 percent of the share capital per incentive programme. Dilutive effects have not been taken into account since the current share price is lower than the conversion rates in each of the programmes. Upon redemption, Lindab has the opportunity to transfer parts of its treasury shares that were repurchased in 2008.

### Employees

The number of employees at the end of the quarter, converted to full-time employment, totalled 4,444 (4,898) which is an increase of 9 people since the start of the year. Adjusted for the acquisition of IVK-Tuote Oy, the number of employees decreased by 48.

### The Lindab Share

The highest price paid for Lindab shares during the period January–June was SEK 89.50 on 21 April, and the lowest was SEK 61.25 on 26 February. The share price on 30 June 2010 was SEK 82.25. The average daily trading volume of Lindab shares was 163,596 shares per day (127,527).

Lindab holds 3,375,838 treasury shares (3,935,391), equivalent to 4.3 percent (5.0) of the total number of Lindab shares. The share buy-back was completed in 2008. The decrease is due to the acquisition of IVK-Tuote Oy through Lindab treasury shares, in which 559,553 shares were transferred to the seller of the company. The number of outstanding shares has therefore increased to 75,331,982 (74,772,429).

The largest shareholders in relation to the number of outstanding shares are Ratos AB with 23.5 percent (23.7), Livförsäkringsaktiebolaget Skandia with 11.6 percent (12.6), Sjätte AP-fonden with 10.7 percent (11.8), Robur/Swedbank with 8.4 percent (7.9) and Lannebo Fonder with 4.5 percent (4.2). The holdings of the ten largest shareholders constitute 74.4 percent of the shares (74.2), excluding Lindab's own holding.

### New segment reporting

From 1 January 2010, Lindab reports in three segments: the business areas of Ventilation, Building Components and Building Systems (the latter two were formerly included in the Profile business area). Historical financial information for the new

segment breakdown is available on the Group's website, [www.lindabgroup.com](http://www.lindabgroup.com), under Investor Relations, Financial information.

### Accounting principles

See note 1, page 18.

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

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

## Sales revenue and growth

	April-June 2010	April-June 2009	Jan-June 2010	Jan-June 2009	Jan-Dec 2009
Sales revenue, SEK m	1,715	1,821	2,949	3,592	7,019
Change, SEK m	-106	-746	-643	-1,104	-2,821
Change, %	-6	-29	-18	-24	-29
Of which					
Volumes and prices, %	0	-37	-13	-32	-33
Acquisitions/divestments, %	0	2	0	2	1
Currency effects, %	6	6	-5	6	3

## Sales revenue per market

SEK m	April-June 2010	April-June 2009	Jan-June 2010	Jan-June 2009	Jan-Dec 2009
Nordic region	776	754	1,337	1,509	2,986
Western Europe	513	557	926	1,206	2,220
CEE/CIS	353	412	547	692	1,487
Other markets	73	98	139	185	326
<b>Total</b>	<b>1,715</b>	<b>1,821</b>	<b>2,949</b>	<b>3,592</b>	<b>7,019</b>

## Sales revenue from external customers by segment (Sales revenue per business area)

SEK m	April-June 2010	April-June 2009	Jan-June 2010	Jan-June 2009	Jan-Dec 2009
Ventilation	914	987	1,741	2,064	3,878
Building Components	607	550	885	951	2,144
Building Systems	194	277	323	561	978
Other Operations	-	7	-	16	19
<b>Total</b>	<b>1,715</b>	<b>1,821</b>	<b>2,949</b>	<b>3,592</b>	<b>7,019</b>
<b>Gross internal sales all segments</b>	<b>6</b>	<b>5</b>	<b>11</b>	<b>12</b>	<b>28</b>

## Operating profit (EBIT) and result before tax (EBT)

SEK m	April-June 2010	April-June 2009	Jan-June 2010	Jan-June 2009	Jan-Dec 2009
Ventilation	59	43	87	97	190
Building Components	70	28	36	-2	135
Building Systems	-3	29	-37	37	7
Other Operations	-16	-3	-26	-10	-31
One-off items <sup>1)</sup>	-21	-12	54	-12	-47
<b>Total (EBIT)</b>	<b>89</b>	<b>85</b>	<b>114</b>	<b>110</b>	<b>254</b>
Net financial income	-42	-34	-82	-65	-135
<b>Result before tax (EBT)</b>	<b>47</b>	<b>51</b>	<b>32</b>	<b>45</b>	<b>119</b>

1) One-off items relating to the second quarter of 2010 mainly consist of restructuring costs.

For the first six months of 2010, there is an additional preliminary estimated capital gain of SEK 75 m on the sale of property in Luxembourg.

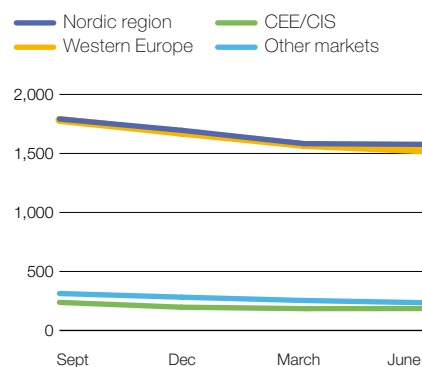
One-off items relating to 2009 comprise SEK 57 m for the cost reduction programme plus a return of SEK 10 m from the sale of Folke Perforering.

## Ventilation business area

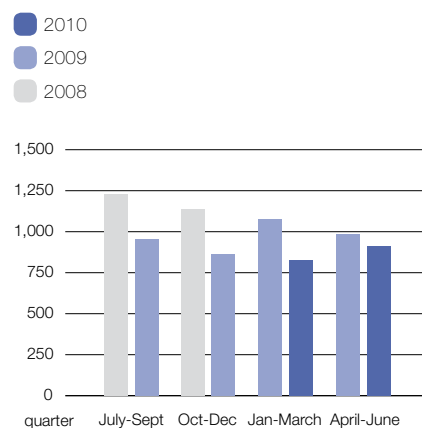
- Sales revenue during the second quarter amounted to SEK 914 m (987), a decrease of 7 percent. Adjusted for currency effects and structure the decrease was 3 percent.
- Operating profit (EBIT), excluding one-off items, increased by 37 percent to SEK 59 m (43).
- No clear signs of a recovery in demand.



Sales revenue per market  
Rolling 12 months, SEK m



Sales revenue per quarter, SEK m



### Sales and markets

Sales revenue during the second quarter fell by 7 percent to SEK 914 m (987). Currency effects have reduced sales by 6 percentage points. The acquisition of IVK-Toute Oy has positively affected sales by 2 percentage points.

Demand within non-residential construction has been weak in most markets during the year, particularly in new construction which represents more than half of sales. The main regions for Ventilation, Nordic and Western Europe, both show stabilisation in demand but with large variations between countries. Positive signs are emerging from the Swedish market, while the Danish market continues to show a decline in demand.

The Finnish company acquired in the first quarter, IVK-Tuote Oy, has performed positively and the integration work has begun.

Sales for the first six months decreased by 16 percent to SEK 1,741 m (2,064). Adjusted for currency and structure the decrease was 11 percent.

### Profit

Operating profit (EBIT) for the second quarter, excluding one-off items, increased to SEK 59 m (43), which is an increase of 37 percent compared with the previous year. The operating margin (EBIT) amounted to 6.5 percent (4.4). The improved margin can mainly be explained by lower fixed costs. One-off items amounted to SEK -11 m.

Price increases have been announced during the quarter to compensate for higher steel prices in the third quarter.

Operating profit (EBIT) for the half-year, excluding one-off items, amounted to SEK 87 m (97), which is a decrease of 10 percent.

### Other

During the second quarter, a reorganisation was completed in line with the new strategy. This involved a clearer distinction between supply and distribution.

## Key figures Ventilation

	April-June 2010	April-June 2009	Jan-June 2010	Jan-June 2009	Jan-Dec 2009
Sales revenue, SEK m	914	987	1,741	2,064	3,878
Operating profit (EBIT), SEK m <sup>1)</sup>	59	43	87	97	190
Operating margin (EBIT), % <sup>1)</sup>	6.5	4.4	5.0	4.7	4.9
No. of employees at close of period	2,560	2,773	2,560	2,773	2,555

1) Operating profit (EBIT) for the second quarter of 2010 has been adjusted by SEK 11 m in restructuring costs. The operating profit (EBIT) for 2009 has been adjusted for one-off items of SEK 19 m relating to the cost-reduction programme.



# Building Components business area

- Sales revenue during the second quarter amounted to SEK 607 m (550), an increase of 10 percent. Adjusted for currency effects the increase was 15 percent.
- Operating profit (EBIT), excluding one-off items, increased substantially to SEK 70 m (28).
- Gradually improved demand during the quarter.

Residential house in Sweden with Rainline and Lindab tile effect roofing



## Sales and markets

Sales revenue rose by 10 percent to SEK 607 m (550) for the second quarter. Adjusted for currency fluctuations, sales increased by 15 percent during the quarter.

Building Components has noticed a gradually improved demand during the quarter, driven mainly by the important Swedish market. All regions have shown growth during the quarter. This growth is a combination of a recovery from the weak first quarter and an improvement in the underlying demand.

Sales for the first six months decreased by 7 percent to SEK 885 m (951). Adjusted for currency and structure the decrease was 3 percent.

## Profit

Operating profit (EBIT) for the quarter, excluding one-off items, amounted to SEK 70 m (28), which is an improvement of 150 percent compared with the previous year. The operating margin (EBIT) amounted to 11.5 percent (5.1) for the quarter. The second quarter of 2009 included one-off items of SEK -12 m relating to the closure of the production facility in Edsvära, Sweden.

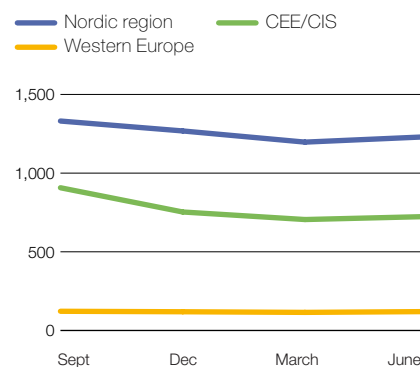
Higher volumes are the main reason for the increased profit. Price increases have been announced during the quarter to compensate for higher steel prices in the third quarter.

Operating profit (EBIT) for the first half-year, excluding one-off items amounted to SEK 36 m (-2).

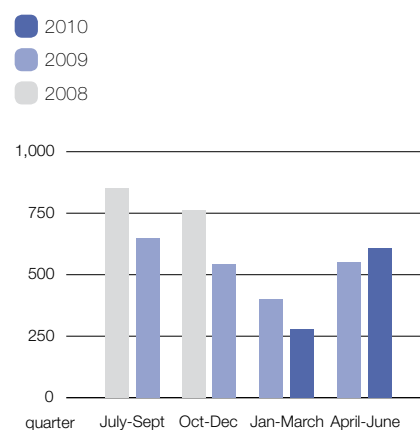
## Other

Market activities that took place during the quarter to support the new strategy include the opening of more than 30 new Rainline Centres in Eastern Europe and new agreements with builders' merchants in the Nordic countries, providing an additional 250 potential sales outlets.

## Sales revenue per market Rolling 12 months, SEK m



## Sales revenue per quarter, SEK m



## Key figures Building Components

	April-June 2010	April-June 2009	Jan-June 2010	Jan-June 2009	Jan-Dec 2009
Sales revenue, SEK m	607	550	885	951	2,144
Operating profit (EBIT), SEK m <sup>1)</sup>	70	28	36	-2	135
Operating margin (EBIT), % <sup>1)</sup>	11.5	5.1	4.1	-0.2	6.3
No. of employees at close of period	1,038	1,122	1,038	1,122	1,003

1) Operating profit (EBIT) for 2009 has been adjusted with one-off costs of SEK 12 m relating to Lindab Plåt in Edsvära, as part of the cost reduction programme.

# Building Systems business area

- Sales revenue during the second quarter amounted to SEK 194 m (277), a decrease of 30 percent. Adjusted for currency effects the decrease was 24 percent.
- Operating profit (EBIT), excluding one-off items, amounted to SEK -3 m (29).
- Improved order intake during the quarter curtailing the planned cost saving programme.

## Sales and markets

Sales revenue fell by 30 percent to SEK 194 m (277) during the second quarter. Currency effects have negatively affected sales by 6 percent during the quarter.

Market conditions for Building Systems continue to be difficult, with the main market for the new construction of industrial buildings remaining weak in general. However, the order intake during the quarter has gradually improved, driven mainly by the Russian market.

Sales for the first six months decreased by 42 percent to SEK 323 m (561). Adjusted for currency and structure the decrease was 37 percent.

## Profit

Operating profit (EBIT) for the period, excluding one-off items, amounted to SEK -3 m (29). The operating margin (EBIT) amounted to -1.5 percent (10.5) for the quarter. One-off items amounted to SEK -10 m (0) and refer primarily to costs relating to the closure of the production unit in Hungary.

The lower profit is explained by decreased volumes.

The cost reduction programme of SEK 40 m that was announced in the first quarter will not be fully implemented since the order intake has strengthened. Some of the planned measures including reduced working hours may not be implemented since resources are needed for the expected volume increases.

Operating profit (EBIT) for the first half-year, excluding one-off items, amounted to SEK -37 m (37).

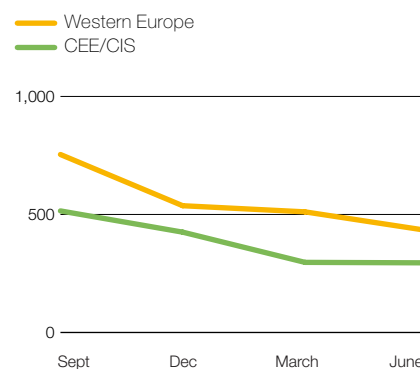
In the first quarter, a property was sold in Luxembourg generating SEK 285 m in cash flow and a capital gain of SEK 73 m. A lease-back agreement was simultaneously agreed for the same property.

## Other

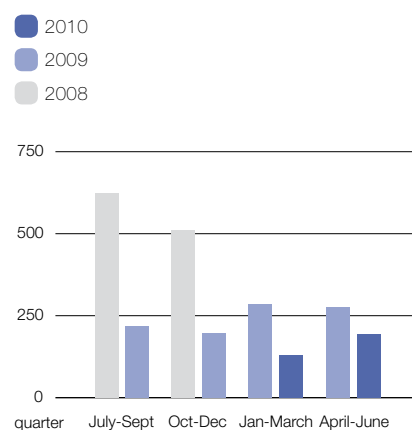
Increased focus on direct sales in Russia has generated two large orders during the quarter, which is in line with the updated strategy.



Sales revenue per market  
Rolling 12 months, SEK m



Sales revenue per quarter, SEK m



## Key figures Building Systems

	April-June 2010	April-June 2009	Jan-June 2010	Jan-June 2009	Jan-Dec 2009
Sales revenue, SEK m	194	277	323	561	978
Operating profit (EBIT), SEK m <sup>1)</sup>	-3	29	-37	37	7
Operating margin (EBIT), % <sup>1)</sup>	-1.5	10.5	-11.5	6.6	0.7
No. of employees at close of period	739	872	739	872	756

1) Operating profit (EBIT) for the second quarter of 2010 has been adjusted by SEK 10 m, primarily relating to costs for the closure of the Building Systems facility in Hungary.  
For the first six months of 2010, there is an additional preliminary estimated capital gain of SEK 75 m on the sale of property in Luxembourg.

# Statement of comprehensive income

(Income statement)

<i>Amounts in SEK m</i>	April-June 2010	April-June 2009	Jan-June 2010	Jan-June 2009	Rolling 12 M July 2009– June 2010	Jan-Dec 2009
Sales revenue	1,715	1,821	2,949	3,592	6,376	7,019
Cost of goods sold	-1,228	-1,329	-2,141	-2,645	-4,633	-5,137
<b>Gross profit</b>	<b>487</b>	<b>492</b>	<b>808</b>	<b>947</b>	<b>1,743</b>	<b>1,882</b>
Other operating income	36	31	139	87	197	145
Selling expenses	-234	-250	-468	-532	-972	-1,036
Administrative expenses	-138	-127	-263	-282	-520	-539
R & D costs	-9	-13	-18	-26	-39	-47
Other operating expenses	-53	-48	-84	-84	-151	-151
<b>Operating profit (EBIT)<sup>1)</sup></b>	<b>89</b>	<b>85</b>	<b>114</b>	<b>110</b>	<b>258</b>	<b>254</b>
Interest income	2	3	3	6	10	13
Interest expenses	-45	-35	-87	-68	-161	-142
Other financial income and expenses	1	-2	2	-3	-1	-6
<b>Net financial income</b>	<b>-42</b>	<b>-34</b>	<b>-82</b>	<b>-65</b>	<b>-152</b>	<b>-135</b>
<b>Result before tax (EBT)</b>	<b>47</b>	<b>51</b>	<b>32</b>	<b>45</b>	<b>106</b>	<b>119</b>
Tax	-20	-38	-33	-53	-65	-85
<b>After tax result</b>	<b>27</b>	<b>13</b>	<b>-1</b>	<b>-8</b>	<b>41</b>	<b>34</b>
<i>-thereof attributable to parent company shareholders</i>	<i>27</i>	<i>13</i>	<i>-1</i>	<i>-8</i>	<i>41</i>	<i>34</i>
<b>Other comprehensive income</b>						
Cash flow hedges	-4	-	-15	-	-26	-11
Translation differences, foreign operations	-50	40	-171	-13	-326	-168
Income tax attributable to cash flow hedges	1	-	4	-	7	3
<b>Other comprehensive income</b>	<b>-53</b>	<b>40</b>	<b>-182</b>	<b>-13</b>	<b>-345</b>	<b>-176</b>
<b>Total comprehensive income</b>	<b>-26</b>	<b>53</b>	<b>-183</b>	<b>-21</b>	<b>-304</b>	<b>-142</b>
<i>-thereof attributable to parent company shareholders</i>	<i>-26</i>	<i>53</i>	<i>-183</i>	<i>-21</i>	<i>-304</i>	<i>-142</i>

## Earnings per share, SEK

Undiluted	0.36	0.17	-0.01	-0.11	0.55	0.45
Diluted	0.36	0.17	-0.01	-0.11	0.55	0.45

*Dilutive effects have not been taken into account for share warrants in incentive programmes since the current share price is lower than the conversion rates in each of the programmes.*

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

amounting to:	-21	-12	54	-12	19	-47
Operating profit (EBIT) excl. one-off items	110	97	60	122	239	301

*One-off items relating to the second quarter of 2010 mainly consist of restructuring costs.*

*For the first six months of 2010, there is an additional preliminary estimated capital gain of SEK 75 m on the sale of property in Luxembourg.*

*One-off items relating to 2009 comprise SEK 57 m for the cost reduction programme, plus a return of SEK 10 m from the sale of Folke Perfering.*

# Statement of financial position

(Balance sheet)

<i>Amounts in SEK m</i>	30 June 2010	30 June 2009	31 Dec 2009
<b>Assets</b>			
Fixed assets			
Goodwill	2,813	2,997	2,922
Other intangible fixed assets	51	68	61
Tangible fixed assets <sup>1)</sup>	1,230	1,670	1,336
Financial fixed assets, interest bearing	25	7	25
Other financial fixed assets	398	388	454
<b>Total fixed assets</b>	<b>4,517</b>	<b>5,130</b>	<b>4,798</b>
Current assets			
Stock	1,106	1,199	896
Accounts receivable	1,200	1,259	976
Other current assets	356	305	304
Other receivables, interest bearing	22	26	3
Non-current assets held for sale <sup>1)</sup>	0	-	217
Cash and bank	281	307	248
<b>Total current assets</b>	<b>2,965</b>	<b>3,096</b>	<b>2,644</b>
<b>TOTAL ASSETS</b>	<b>7,482</b>	<b>8,226</b>	<b>7,442</b>
<b>Shareholders' equity and liabilities</b>			
<b>Shareholders' equity</b>	<b>2,869</b>	<b>3,119</b>	<b>3,003</b>
Long-term liabilities			
Interest-bearing provisions	126	107	133
Interest-bearing liabilities	2,198	2,983	2,384
Provisions	368	365	444
Other long-term liabilities	13	16	15
<b>Total long-term liabilities</b>	<b>2,705</b>	<b>3,471</b>	<b>2,976</b>
Current liabilities			
Interest-bearing liabilities	247	156	181
Provisions	60	88	74
Accounts payable	815	621	550
Other short-term liabilities	786	771	658
<b>Total current liabilities</b>	<b>1,908</b>	<b>1,636</b>	<b>1,463</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>7,482</b>	<b>8,226</b>	<b>7,442</b>

1) Non-current assets held for sale at 31-12-2009 refer to the Building Systems production facilities in Nyiregyháza, Hungary and in Diekirch, Luxembourg.

# Statement of cash flows

(Indirect method)

<i>Amounts in SEK m</i>	April-June 2010	April-June 2009	Jan-June 2010	Jan-June 2009	Rolling 12 M July 2009– June 2010	Jan-Dec 2009
<b>Operating activities</b>						
Operating profit	89	85	114	110	258	254
Reversal of depreciation/amortisation	45	56	92	112	205	225
Reversal of capital gains (-) / losses (+) reported in operating profit	7	-1	-90	0	-87	3
Provisions, not affecting cash flow	-4	-35	-22	-63	-26	-67
Adjustment for other items not affecting cash flow	4	8	44	-8	46	-6
<b>Total</b>	<b>141</b>	<b>113</b>	<b>138</b>	<b>151</b>	<b>396</b>	<b>409</b>
Interest received	6	3	6	3	14	11
Interest paid	-32	-40	-76	-92	-144	-160
Tax paid	-14	-3	-57	-98	-83	-124
<b>Cash flow from operating activities before change in working capital</b>	<b>101</b>	<b>73</b>	<b>11</b>	<b>-36</b>	<b>183</b>	<b>136</b>
<b>Change in working capital</b>						
Stock (increase - /decrease +)	-93	313	-234	446	42	722
Operating receivables (increase - /decrease +)	-193	-5	-329	-4	-23	302
Operating liabilities (increase + /decrease -)	252	-49	447	-261	267	-441
<b>Total change in working capital</b>	<b>-34</b>	<b>259</b>	<b>-116</b>	<b>181</b>	<b>286</b>	<b>583</b>
<b>Cash flow from operating activities</b>	<b>67</b>	<b>332</b>	<b>-105</b>	<b>145</b>	<b>469</b>	<b>719</b>
<b>Investing activities</b>						
Acquisition of Group companies	0	-12	4	-13	-28	-45
Divestment of operations	-	-	-	-	15	15
Investments in intangible fixed assets	-3	-6	-5	-9	-16	-20
Investments in tangible fixed assets	-24	-32	-40	-98	-104	-162
Change in financial fixed assets	0	0	0	0	1	1
Sale/disposal of intangible fixed assets	0	0	0	0	2	2
Sale/disposal of tangible fixed assets	24	6	310	12	319	21
<b>Cash flow from investing activities</b>	<b>-3</b>	<b>-44</b>	<b>269</b>	<b>-108</b>	<b>189</b>	<b>-188</b>
<b>Financing activities</b>						
Increase +/decrease - in borrowing	28	-28	-120	218	-678	-340
Warrant premium payments	6	-	6	-	11	5
Dividend to shareholders	-	-206	-	-206	-	-206
<b>Cash flow from financing activities</b>	<b>34</b>	<b>-234</b>	<b>-114</b>	<b>12</b>	<b>-667</b>	<b>-541</b>
<b>Cash flow for the period</b>	<b>98</b>	<b>54</b>	<b>50</b>	<b>49</b>	<b>-9</b>	<b>-10</b>
Cash and cash equivalents at start of the period	193	249	248	258	307	258
Effect of exchange rate changes on cash and cash equivalents	-10	4	-17	0	-17	0
<b>Cash and cash equivalents at end of the period</b>	<b>281</b>	<b>307</b>	<b>281</b>	<b>307</b>	<b>281</b>	<b>248</b>

# Statement of changes in equity

Amounts in SEK m	Equity relating to the parent company's shareholders					Total equity
	Share capital	Other contributed capital	Hedging reserve	Foreign currency transl. adj.	Profit brought forward	
<b>Opening balance, 1 January 2009</b>	<b>79</b>	<b>2,239</b>	<b>-</b>	<b>540</b>	<b>488</b>	<b>3,346</b>
Total comprehensive income			-8	-168	34	-142
Premiums for warrants <sup>1)</sup>		5				5
Dividend to shareholders					-206	-206
<b>Closing balance, 31 December 2009</b>	<b>79</b>	<b>2,244</b>	<b>-8</b>	<b>372</b>	<b>316</b>	<b>3,003</b>
<b>Opening balance, 1 January 2010</b>	<b>79</b>	<b>2,244</b>	<b>-8</b>	<b>372</b>	<b>316</b>	<b>3,003</b>
Total comprehensive income			-11	-171	-1	-183
Premiums for warrants <sup>2)</sup>		6				6
Transfer of treasury shares in company acquisition					43	43
<b>Closing balance, 30 June 2010</b>	<b>79</b>	<b>2,250</b>	<b>-19</b>	<b>201</b>	<b>358</b>	<b>2,869</b>

1) The Annual General Meeting in 2009 resolved to issue 784,000 warrants to senior executives. SEK 5 m has been received as payment regarding these.

2) The Annual General Meeting in 2010 resolved to issue 784,000 warrants to senior executives. SEK 6 m has been received as payment regarding these

## Dividend to shareholders for the financial year 2009

The Annual General Meeting held of 11 May 2010 resolved that no dividend would be paid to shareholders.

## Warrants

The 2010 Annual General Meeting resolved to continue the three year incentive programme that was introduced in 2008. The programme has the same structure as the ones subscribed to in 2008 and 2009.

## Transfer of treasury shares in company acquisitions

The Finnish company IVK-Tuote Oy was acquired at the end of March. The purchase price amounted to EUR 4.4 m, equivalent to SEK 43 m, which was paid through the transfer of 559,553 treasury shares. Following this transfer, the holding of treasury shares amounts to 3,375,838 (3,935,391), equivalent to 4.3 percent (5.0) of the total number of Lindab shares.

# Parent company

## Income statement

<i>Amounts in SEK m</i>	April-June 2010	April-June 2009	Jan-June 2010	Jan-June 2009	Jan-Dec 2009
Administrative expenses	-3	-5	-4	-8	-15
Other operating expenses	-	-	-	-1	-
<b>Operating profit</b>	<b>-3</b>	<b>-5</b>	<b>-4</b>	<b>-9</b>	<b>-15</b>
Profit from subsidiaries	-	-	-	-	186
Interest expenses, internal	-21	-11	-41	-21	-40
<b>Result before tax</b>	<b>-24</b>	<b>-16</b>	<b>-45</b>	<b>-30</b>	<b>131</b>
Tax on profit for the period	7	4	12	7	-4
<b>After tax result</b>	<b>-17</b>	<b>-12</b>	<b>-33</b>	<b>-23</b>	<b>127</b>

## Balance sheet

<i>Amounts in SEK m</i>	30 June 2010	30 June 2009	31 Dec 2009
<b>Assets</b>			
Fixed assets			
Shares in Group companies	3,467	3,467	3,467
Financial fixed assets, interest bearing	11	-	11
Other long-term receivables	14	7	2
<b>Total fixed assets</b>	<b>3,492</b>	<b>3,474</b>	<b>3,480</b>
Current assets			
Other receivables	9	20	18
Cash and bank	1	-	0
<b>Total current assets</b>	<b>10</b>	<b>20</b>	<b>18</b>
<b>TOTAL ASSETS</b>	<b>3,502</b>	<b>3,494</b>	<b>3,498</b>
<b>Shareholders' equity and liabilities</b>			
<b>Shareholders' equity</b>	<b>1,440</b>	<b>1,281</b>	<b>1,430</b>
Long-term liabilities			
Interest-bearing provisions	11	-	11
Liabilities to Group companies	2,046	2,204	2,051
<b>Total long-term liabilities</b>	<b>2,057</b>	<b>2,204</b>	<b>2,062</b>
Current liabilities			
Non-interest-bearing liabilities	5	9	6
<b>Total current liabilities</b>	<b>5</b>	<b>9</b>	<b>6</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>3,502</b>	<b>3,494</b>	<b>3,498</b>

# Key figures

	Quarterly Periods									
	2010				2009				2008	
	April-June	Jan-March	Oct-Dec	July-Sept	April-June	Jan-March	Oct-Dec	July-Sept	April-June	Jan-March
<i>SEK m unless otherwise specified</i>										
Sales revenue	1,715	1,234	1,602	1,825	1,821	1,771	2,427	2,717	2,567	2,129
Operating profit, (EBITDA) <sup>1)</sup>	134	72	92	165	142	80	182	496	448	262
Operating profit, (EBITA) <sup>2)</sup>	92	27	37	113	88	27	117	447	399	209
Depreciation/amortisation	45	47	57	56	56	56	66	52	52	55
Operating profit, (EBIT) <sup>3)</sup>	89	25	34	110	85	25	115	445	396	207
Operating profit, (EBIT), excluding one-off items	110	-50	34	145	97	25	218	458	396	207
After tax result	27	-28	5	37	13	-21	46	294	266	117
Total comprehensive income	-26	-157	29	-150	53	-74	295	404	345	80
Operating margin (EBITA), % <sup>4)</sup>	5.4	2.2	2.3	6.2	4.8	1.5	4.8	16.5	15.5	9.8
Operating margin (EBIT), % <sup>5)</sup>	5.2	2.0	2.1	6.0	4.7	1.4	4.7	16.4	15.4	9.7
Operating margin (EBIT), excluding one-off items, %	6.4	-4.1	2.1	7.9	5.3	1.4	9.0	16.9	15.4	9.7
Undiluted average number of shares, (000's)	75,332	74,810	74,772	74,772	74,772	74,772	75,299	77,502	78,708	78,708
Diluted average number of shares, (000's) <sup>6)</sup>	75,332	74,810	74,772	74,772	74,772	74,772	75,299	77,502	78,708	78,708
Undiluted number of shares, (000's)	75,332	75,332	74,772	74,772	74,772	74,772	74,772	75,770	78,708	78,708
Diluted number of shares, (000's)	75,332	75,332	74,772	74,772	74,772	74,772	74,772	75,770	78,708	78,708
Undiluted earnings per share, SEK <sup>7)</sup>	0.36	-0.37	0.07	0.49	0.17	-0.28	0.61	3.79	3.38	1.49
Diluted earnings per share, SEK <sup>8)</sup>	0.36	-0.37	0.07	0.49	0.17	-0.28	0.61	3.79	3.38	1.49
Cash flow from operating activities	67	-172	245	329	332	-187	220	127	317	17
Cash flow from operating activities per share, SEK <sup>9)</sup>	0.89	-2.30	3.28	4.40	4.44	-2.50	2.92	1.64	4.03	0.22
Total assets	7,482	7,206	7,442	7,781	8,226	8,492	8,625	9,059	8,320	7,652
Net debt <sup>10)</sup>	2,243	2,286	2,422	2,600	2,906	3,004	2,774	2,863	2,430	2,270
Net debt/equity ratio, times <sup>11)</sup>	0.8	0.8	0.8	0.9	0.9	0.9	0.8	0.9	0.8	0.7
Equity	2,869	2,889	3,003	2,969	3,119	3,272	3,346	3,102	2,995	3,049
Undiluted equity per share, SEK <sup>12)</sup>	38.08	38.35	40.16	39.71	41.71	43.76	44.75	40.94	38.05	38.74
Diluted equity per share, SEK <sup>13)</sup>	38.08	38.35	40.16	39.71	41.71	43.76	44.75	40.94	38.05	38.74
Equity/asset ratio, % <sup>14)</sup>	38.3	40.1	40.4	38.2	37.9	38.5	38.8	34.2	36.0	39.8
Return on equity, % <sup>15)</sup>	1.4	0.9	1.1	2.4	10.5	18.6	23.4	31.3	33.9	33.8
Return on capital employed, % <sup>16)</sup>	4.7	4.5	4.3	5.4	10.9	16.0	20.0	25.0	25.3	24.4
Return on operating capital, % <sup>17)</sup>	4.7	4.5	4.3	5.6	11.2	16.9	20.7	26.0	26.3	25.3
Return on operating capital, excluding one-off items, %	4.4	4.0	5.1	8.1	13.4	18.8	22.8	26.3	26.3	25.3
Return on (total) assets, % <sup>18)</sup>	3.5	3.4	3.3	4.0	8.0	11.6	14.3	17.7	18.0	17.5
Interest coverage ratio, times <sup>19)</sup>	2.0	0.6	1.0	3.1	2.5	0.1	2.0	9.2	9.6	5.0
No. of employees at close of period <sup>20)</sup>	4,444	4,394	4,435	4,714	4,898	4,981	5,291	5,576	5,366	5,206

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

## Definitions

- 1) The operating profit (EBITDA) comprises results before planned depreciation and before consolidated amortisation of surplus value on intangible assets.
- 2) The operating profit (EBITA) comprises results following planned 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 in accordance with IAS 33. The calculation is made only when it can be assumed that the warrants will be redeemed, i.e. when the conversion rate for the shares is lower than the share price on the reporting date.
- 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.



2007 April- June	2006 April- June	2005 April- June	Year-to-date Jan-June						Full-year Periods				
			2010	2009	2008	2007	2006	2005	2009	2008	2007	2006	2005
2,329	1,918	1,494	2,949	3,592	4,696	4,301	3,412	2,675	7,019	9,840	9,280	7,609	6,214
382	284	178	206	222	710	619	419	244	479	1,388	1,512	1,103	751
332	235	130	119	115	608	520	320	150	265	1,172	1,318	942*	553*
52	51	48	92	112	107	104	104	94	225	225	203	209	194
330	233	130	114	110	603	515	315	150	254	1,163	1,309	894	557
330	233	130	60	122	603	515	315	150	301	1,279	1,309	933	550
221	158	74	-1	-8	383	333	209	77	34	723	901	585	351
213	59	162	-183	-21	425	421	72	214	-142	1,124	1,035	439	485
14.3	12.3	8.7	4.0	3.2	12.9	12.1	9.4	5.6	3.8	11.9	14.2	12.4*	8.9*
14.2	12.1	8.7	3.9	3.1	12.8	12.0	9.2	5.6	3.6	11.8	14.1	11.7	9.0
14.2	12.1	8.7	2.0	3.4	12.8	12.0	9.2	5.6	4.3	13.0	14.1	12.3	8.9
78,708	75,168	120,000	75,072	74,772	78,708	78,708	97,583	120,000	74,772	77,548	78,708	90,702	120,000
78,708	78,708	122,940	75,072	74,772	78,708	78,708	99,538	122,940	74,772	77,548	78,708	93,062	122,940
78,708	75,168	120,000	75,332	74,772	78,708	78,708	75,168	120,000	74,772	74,772	78,708	78,708	120,000
78,708	78,708	122,940	75,332	74,772	78,708	78,708	78,708	122,940	74,772	74,772	78,708	78,708	122,940
2.81	2.10	0.62	-0.01	-0.11	4.87	4.23	2.14	0.64	0.45	9.32	11.45	6.45	2.93
2.81	2.01	0.60	-0.01	-0.11	4.87	4.23	2.10	0.63	0.45	9.32	11.45	6.29	2.86
193	311	99	-105	145	326	36	269	-112	719	673	875	778	730
2.45	4.14	0.83	-1.40	1.94	4.14	0.46	2.76	-0.85	9.62	8.68	11.12	8.58	6.08
7,878	6,788	5,823	7,482	8,226	8,320	7,878	6,788	5,823	7,442	8,625	7,700	7,082	6,606
2,903	2,860	2,030	2,243	2,906	2,430	2,903	2,860	2,030	2,422	2,774	2,238	2,602	1,846
1.2	1.6	0.8	0.8	0.9	0.8	1.2	1.6	0.8	0.8	0.8	0.8	1.2	0.7
2,355	1,732	2,511	2,869	3,119	2,995	2,355	1,732	2,511	3,003	3,346	2,969	2,190	2,853
29.92	23.04	20.93	38.08	41.71	38.05	29.92	23.04	20.93	40.16	44.75	37.72	27.82	23.77
29.92	22.01	20.42	38.08	41.71	38.05	29.92	22.01	20.42	40.16	44.75	37.72	27.82	23.21
29.9	25.5	43.1	38.3	37.9	36.0	29.9	25.5	43.1	40.4	38.8	38.6	30.9	43.7
33.2	19.0	10.2	1.4	10.5	33.9	33.2	19.0	10.2	1.1	23.4	35.9	25.1	13.7
21.5	14.8	11.3	4.7	10.9	25.3	21.5	14.8	11.3	4.3	20.0	24.5	18.2	11.9
22.4	15.4	9.8	4.7	11.2	26.3	22.4	15.4	9.8	4.3	20.7	25.4	19.1	12.2
23.2	15.0	9.8	4.4	13.4	26.3	23.2	15.0	9.8	5.1	22.8	25.4	19.9	11.8
15.3	11.2	9.0	3.5	8.0	18.0	15.3	11.2	9.0	3.3	14.3	17.4	13.3	9.4
9.3	8.3	6.6	1.4	1.7	7.3	7.4	6.8	3.8	1.8	6.1	8.6	8.4	6.9
5,069	4,144	3,553	4,444	4,898	5,366	5,069	4,144	3,553	4,435	5,291	5,256	4,942	4,479

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

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

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

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

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

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

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

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

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

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

# Notes

## Note 1 Accounting principles

The consolidated accounts for the first quarter of 2010, as for the annual accounts for 2009, 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 1.2, Supplementary Accounting Rules for Groups. However, from 1 January 2010 the name has been changed to RFR 1.3.

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 2009 with the following exceptions, owing to new or revised standards, interpretations and improvements that have been adopted by the EU and which must be applied from 1 January 2010. Only those changes that have had an effect on the Group are presented.

The parent company's financial statements are prepared in accordance with the Annual Accounts Act and RFR 2.3, Accounting for Legal Entities. Changes have been introduced in both regulatory frameworks from 1 January 2010. The Swedish Financial Accounting Standards Council has decided that the accounts must comply with IAS 1 as far as possible; however the alternative with an income statement and a separate statement of comprehensive income must be applied. The changes have not had any effect on the reports in question and they can be considered to have been prepared according to the same principles that were applied to the Annual Report for 2009.

## New or revised standards

### IFRS 3, Business Combinations (revised)

The revised standard continues to require the application of the acquisition method for business combinations but with some substantial changes. All payments when buying a business must be carried at fair value on the acquisition date, while subsequent contingent payments are to be classified as liabilities that are subsequently re-evaluated via the income statement. All transaction costs relating to acquisitions must be carried as expenses. Holdings without a controlling interest in an acquired business may, optionally for each acquisition, be valued either at fair value or at the proportional share of the net assets of the acquired business, held by the bearer without a controlling interest.

The revised standard is applicable for financial years commencing from 1 July 2009. These changes have been taken into account for the acquisition made in the first quarter.

### IAS 27R, Consolidated and Separate Financial Statements (revised)

The standard has changed regarding the reporting of changes in equity in subsidiaries, transactions with minority shareholders, and loss of control. The new rules will apply when relevant, but they have not had any direct impact on Lindab in this interim report.

### Note 2 Effects of changes in accounting estimates

Significant estimates and assumptions are described in Note 4 in the Annual Report for 2009.

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

### Note 3 Operating Segments

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

Lindab's operations are managed and reported by business area. From January 2010, Lindab reports in three segments: the business areas of Ventilation, Building Components and Building Systems (the latter two formerly constituted the Profile business area).

The Ventilation business area covers the Group's entire ventilation and indoor climate operations. The Building Components business area provides the construction industry with complete systems for roof drainage, lightweight construction and roof and facade solutions in steel. The Building Systems business area produces and sells pre-engineered steel building systems. Other comprises parent company functions including Group Treasury. Until 2009 also certain steel processing for external customers.

Information about revenues from external customers, operating profit and the pre-tax result by operating segment is shown in the tables on page 6.

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. The assets of each segment for the six-month period were slightly lower or unchanged compared with the corresponding period last year and at the end of 2009. The biggest changes are in the stock value compared with the corresponding period last year, and in fixed assets compared to the end of 2009.

### Note 4 Transactions with Related Parties

Lindab's inner circle and the extent of transactions with related parties are described in note 30 of the 2009 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.

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

Båstad 15 July 2010



Svend Holst-Nielsen  
Chairman



David Brodetsky  
President and CEO



Erik Eberhardson



Per Frankling



Ulf Gundemark



Anders C. Karlsson



Stig Karlsson



Annette Sadolin



Pontus Andersson



Markku Rantala

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

## 2010/2011 financial reporting dates

Interim Report January–October, Q3  
Fourth quarter and Year End Report 2010  
Annual Report 2010

1 November  
February 2011  
March/April 2011

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

The information here is that which Lindab International AB has willingly chosen to make public or that which it is obliged to make public according to the Swedish Securities Market Act and/or the Financial Instruments Trading Act. The information was made public on 16 July 2010 at 07.40.

## Lindab in brief

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

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

The Group had net sales of SEK 7,019 m in 2009, was established in 31 countries and had approximately 4,500 employees.

The main market is non-residential construction, which accounts for 80 percent of sales, while residential accounts for 20 percent of sales. During 2009, the Nordic market accounted for 42 percent, CEE/CIS (Central and Eastern Europe as well as other former Soviet states) for 21 percent, Western Europe for 32 percent and other markets for 5 percent of total sales.

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

### Business Areas:

#### Ventilation

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

#### Building Components

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

#### Building Systems

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



Ventilation



Building Components



Building Systems

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