

YEAR-END REPORT 2005

16 February 2006

FULL YEAR

- Order intake increased by 14 percent currency adjusted to SEK 5,340 M (4,598).
- Net sales increased by 11 percent currency adjusted to SEK 5,130 M (4,543).
- Net earnings of SEK 252 M (200).
- Earnings per share of SEK 10.17 (8.20).
- Improved earnings and sales in all divisions.
- New dividend policy – increased to 50 percent of net earnings.
- The Board of Directors proposes a dividend increase of SEK 1.50 to SEK 5.50 per share.

	2005	2004 ¹	Change	Adjusted change ²
Order intake, SEK M	5,340	4,598	16%	14%
Net sales, SEK M	5,130	4,543	13%	11%
EBIT, SEK M	405	334	21%	18%
EBIT margin, percent	7.9	7.3		
Net earnings, SEK M	252	200	26%	22%
Earnings per share, SEK	10.17	8.20	24%	

FOURTH QUARTER

- Order intake increased by 21 percent currency adjusted to SEK 1,440 M (1,089).
- Net sales increased by 13 percent currency adjusted to SEK 1,543 M (1,270).
- The operating margin for the quarter exceeded 10 percent.
- Net earnings of SEK 104 M (65).
- Earnings per share SEK 4.19 (2.67).
- Strong earnings trend in all divisions.
- Invoicing of SEK 160 M attributable to hurricane Katrina, which was SEK 59 M more than for similar events during the preceding year.

	2005	2004 ¹	Change	Adjusted change ²
Order intake, SEK M	1,440	1,089	32%	21%
Net sales, SEK M	1,543	1,270	21%	13%
EBIT, SEK M	155	104	50%	37%
EBIT margin, percent	10.1	8.2		
Net earnings, SEK M	104	65	59%	46%
Earnings per share, SEK	4.19	2.67	57%	

¹ Figures for the preceding year are restated due to transition to IFRS.

² Adjusted for currency fluctuations.

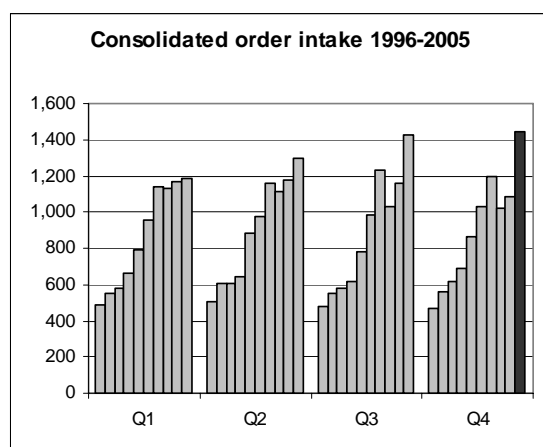
MUNTERS OPERATIONS

Munters is the world leader in humidity control with services and products for water and fire damage restoration, dehumidification, humidification and cooling of air. Operations are organized into three divisions: Dehumidification, Moisture Control Services (MCS) and HumiCool. Manufacturing, sales and services are carried out through the Group's own companies in 30 countries, which have 3,245 full-time employees. Munters' shares are quoted on the O-list of the Stockholm Stock Exchange.

On 1 July 2005, Munters implemented a new organization with global divisions. The Group was previously organized in the three regions: Europe, the Americas and Asia.

FOURTH QUARTER

Order intake



During the fourth quarter, order intake increased by 32 percent to SEK 1,440 M (1,089). Currency adjusted, the increase was 21 percent.

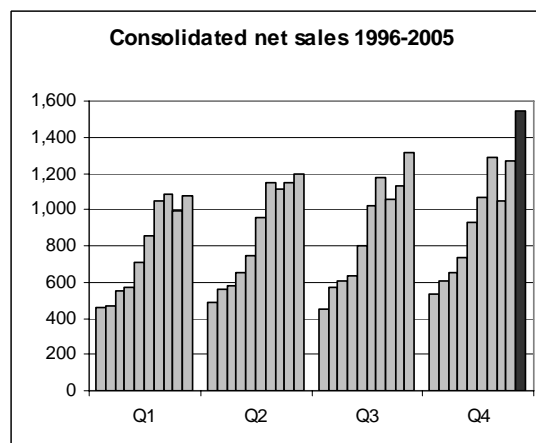
The order backlog rose by 45 percent, compared with the preceding year, and was SEK 849 M (585) at year-end. Currency adjusted, the backlog increased by 30 percent.

Order intake was strong in all divisions during the quarter, even when currency adjusted.

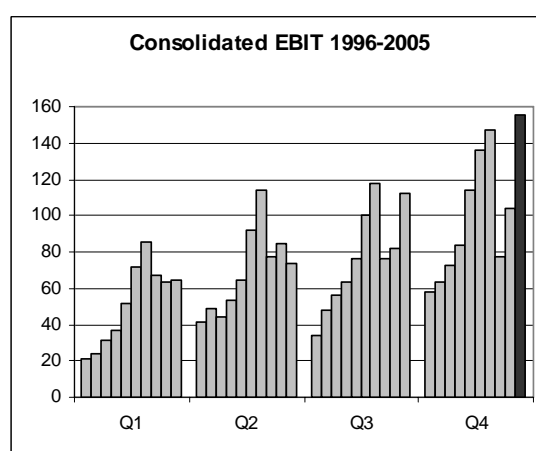
Net sales

Consolidated net sales increased by 21 percent to SEK 1,543 M (1,270). Currency adjusted, the increase was 13 percent.

Sales increased in all divisions during the quarter.



Earnings



Year 2003 and earlier years are according to previous accounting principles..

EBIT increased by 50 percent to SEK 155 M (104). Currency adjusted, the increase was 37 percent. The EBIT margin amounted to 10.1 percent (8.2). All divisions improved operating earnings and operating margin in the fourth quarter, compared with the corresponding period in the preceding year.

The corresponding quarter of the preceding year was charged with SEK 9 M in costs in conjunction with the action plan within MCS and the relocation of plants carried out within HumiCool.

Consolidated earnings after net financial items amounted to SEK 153 M (99). Net earning for the quarter increased to SEK 104 M (65) after an effective tax rate of 32 percent (34). Earnings per share amounted to SEK 4.19 (2.67), corresponding to an increase of 57 percent.

FULL YEAR

Order intake

For the full year, the Group's order intake increased by 16 percent to SEK 5,340 M (4,598). Currency adjusted, the increase was 14 percent. All divisions reported very favorable order growth during the year.

Net sales

Consolidated net sales increased by 13 percent to SEK 5,130 M (4,543). Currency adjusted, the increase was 11 percent. All divisions experienced high growth during the year.

Earnings

EBIT increased by 21 percent to SEK 405 M (334). Currency adjusted, the increase was 18 percent. The EBIT margin for the full year amounted to 7.9 percent (7.3).

Total costs of SEK 19 M booked against earnings included SEK 11 M relating to action programs within MCS; SEK 2 M in conjunction with the start-up of production units within HumiCool, SEK 3 M attributable to impairment of goodwill and SEK 3 M resulting from negative effects of fair value accounting of currency-hedging contracts at year-end. During the preceding year, similar costs totaling SEK 33 M were booked against earnings.

Consolidated earnings after net financial items amounted to SEK 391 M (318). Net earnings for the year increased to SEK 252 M (200) after an effective tax rate of 36 percent (37). Earnings per share amounted to SEK 10.17 (8.20), corresponding to an increase of 24 percent.

Capital expenditures

The Group's investments in tangible fixed assets amounted to SEK 126 M (108) during the year. The major part, SEK 87 M (62), was attributable to investments in MCS equipment. Depreciation and write-downs amounted to SEK 141 M (144).

Financial position

The equity ratio at year-end amounted to 50 percent (47). Interest-bearing assets amounted to SEK 178 M (123), while interest-bearing liabilities amounted to SEK 460 M (474). During the year, net debt decreased by SEK 69 M to SEK 282 M. During the year, Munters received SEK 29 M from the sale of own shares in conjunction with the expiration of 202,700 outstanding call options. In addition, SEK 98 M was paid as a dividend to shareholders, while

a supplementary purchase payment of SEK 41 M was made for the previous acquisition of Polygon in Norway. The Group had unutilized credit facilities of SEK 185 M.

Personnel

The number of permanent employees was 3,245 persons at 31 December 2005, an increase of 181 persons during the year. The number of employees increased by 72 persons in the Dehumidification Division, by 91 persons in the MCS Division and by 19 persons in the HumiCool Division.

Jonas Samuelson assumed the position of CFO on December 15.

DEVELOPMENT BY DIVISION

Dehumidification Division

	4th quarter		Full year	
	2005	2004	2005	2004
Order intake	355	316	1,500	1,352
Net sales	431	395	1,514	1,344
Growth	9%		13%	
Curr adj growth	1%		11%	
Operating earnings	58	46	159	138
Growth	27%		15%	
Curr adj growth	17%		13%	
Operating margin	13.5%	11.6%	10.5%	10.3%

Fourth quarter

Dehumidification experienced continued strong demand for DesiCool™ systems, which enable creation of an optimal indoor climate for, e.g., grocery stores, schools and restaurants, by controlling both humidity and temperature. Dehumidification in industrial environments also showed strong demand, particularly in Europe, which offset somewhat weaker demand for industrial dehumidification systems in the US. The food industry's share of the division's sales continued to increase.

Operating earnings and operating margin were positively affected by improved earnings in industrial dehumidification operations in Europe, while earnings were maintained in other operations.

Full year

During the year, the division showed a favorable trend with strong sales growth and an operating margin exceeding 10 percent. Industrial operations showed strong growth primarily in Europe, with favorable growth for the ProDry products used for water damage restoration. The DesiCool™ products for commercial applications showed strong growth during the year. Accordingly, it was decided

to expand the plant in San Antonio, Texas in which DesiCool™ products are manufactured. Construction is scheduled to be completed during the second half of 2006. The expected investment amount is about USD 3 M.

The Dehumidification Division focused its strategy on continuing the rapid growth within commercial dehumidification and on improving margins through implementation of the Munters Efficiency Program.

MCS Division

	4th quarter		Full year	
	2005	2004	2005	2004
Order intake	769	547	2,444	2,102
Net sales	775	620	2,335	2,095
Growth	25%		11%	
Curr adj growth	18%		9%	
Operating earnings	74	59	153	141
Growth	27%		8%	
Curr adj growth	19%		5%	
Operating margin	9.6%	9.5%	6.5%	6.7%

Fourth quarter

Order intake remained strong during the fourth quarter. Hurricanes Katrina and Rita accounted for SEK 84 M of the order intake during the quarter.

Sales increased by 18 percent after currency adjustment and 10 percent when invoicing attributable to natural disasters was eliminated for both 2004 and 2005. SEK 160 M of fourth-quarter invoicing was attributable to Katrina and Rita. This can be compared with SEK 101 M in the fourth quarter of 2004 following the hurricanes in Florida.

Earnings in Sweden and France developed positively during the quarter, following implementation of restructuring programs, while the trend in Germany remained negative. Action programs were initiated in Germany. Most markets have a positive development.

Full year

Following a sharp decline during the first six months, the second half showed a positive trend, even if excluding order intake related to Katrina and Rita. SEK 254 M of the order intake and SEK 166 M of sales in 2005 were attributable to Katrina and Rita. This can be compared with SEK 101 M in orders and invoicing following the hurricanes in Florida in 2004.

The MCS Division is focusing efforts on stabilizing the organization in Germany and on improving margins. The following areas are prioritized: key account management and large claims business,

personnel management, project control, productivity and IT system.

HumiCool Division

	4th quarter		Full year	
	2005	2004	2005	2004
Order intake	330	235	1,460	1,178
Net sales	347	264	1,343	1,138
Growth	32%		18%	
Curr adj growth	20%		16%	
Operating earnings	30	7	135	88
Growth	314%		53%	
Curr adj growth	210%		49%	
Operating margin	8.7%	2.8%	10.1%	7.8%

Fourth quarter

Order intake, sales and earnings were strong during the quarter in the division's most important customer segments.

HumiCool experienced continued high demand with respect to components for the power industry (so-called mist eliminators) for emission control from coal-fired power plants. Demand for poultry declined in certain countries as a result of avian flu, while at the same time there is an increased demand for closed poultry houses to reduce the risk of spreading the disease. This is expected to result in increased demand, particularly in Asia. Overall, demand for AgHort products remained favorable during the quarter.

In 2004, costs totaling SEK 7 M were charged against fourth-quarter earnings for the relocation of three plants, which took place during the latter part of 2004 and to a certain extent in early 2005.

Full year

Order intake, sales and earnings showed very strong growth during the year, with growth accelerating during the final six months. Demand is strong in the division's primary segments AgHort and coal-fired power plants (mist eliminators). The measures implemented in recent years with respect to plant relocations in Italy, Mexico and Germany, as well as actions to improve margins, also had a positive impact on earnings.

The HumiCool Division is focused on margin improvement activities, mainly global purchasing of main components, joint product development projects and standardization of the product range.

ANNUAL GENERAL MEETING

The Annual General Meeting will be held on Wednesday, 26 April 2006 at 5:00 p.m. in the auditorium at Almegahuset, Blasieholmsgatan 5 in Stockholm, Sweden.

Dividend Policy and Proposed Dividend

The Board of Directors has decided to change the company's dividend policy to state that the annual dividend shall correspond to about one half of the Group's average net earnings measured over a period of several years from the previous wording that the annual dividend shall correspond to about one third of the Group's average net earnings measured over a period of several years.

In accordance with the change in policy, the Board has decided to propose a dividend to the Annual General Meeting of SEK 5.50 (4.00) per share, totaling SEK 135 M.

Stock options program

The Board intends to propose to the Annual General Meeting that the company be granted the right to issue a stock option program to senior executives within Munters, in accordance with similar principles for programs in prior years. The scope of the program and the terms and conditions are currently being considered and are intended to be presented in adequate time prior to the Annual General Meeting.

Possibility to buy-back shares

The Board intends to propose to the Annual General Meeting to grant the Board renewed authority to decide on the buy-back of own shares for the purpose of hedging the company's undertakings in accordance with existing and proposed stock options programs. The complete proposal will be pre-

sented in adequate time prior to the Annual General Meeting.

EVENTS AFTER THE CLOSING DATE

Munters has signed an agreement to sell the Water business unit to the German industrial group GEA Group AG. In 2005, the business unit had sales of SEK 62 M. The contract is dated 31 January 2006 and is subject to approval by the competition authorities.

The CEO, Lennart Evrell, announced on 1 February that he is leaving his position at Munters to assume the position as CEO of SAPA. The Board has initiated a recruiting process to find a replacement. During the six-month period for notice of termination, Lennart will continue as CEO of Munters and ensure the transfer to his successor.

FUTURE INFORMATION DATES

The Swedish annual report will be published on the Munters website on 20 March. The printed version will be available at the company's office in late-March, when it will be distributed to all registered shareholders. The English version will be published on the Munters web site on 21 April.

26 April	Interim report January-March
9 August	Interim report January-June
30 October	Interim report January-September

Sollentuna, 16 February 2006

Munters AB (publ)

Board of Directors

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Review report

We have reviewed this year-end report in accordance with the recommendation issued by the Swedish Institute of Authorized Public Accountants. A review is based on limited assurance compared with an audit. During our review, nothing has emerged which causes us to believe that the year-end report does not comply with the requirements for interim reports stipulated in the Annual Accounts Act and IAS 34.

Stockholm, 16 February 2006

Ernst & Young AB

Björn Fernström

Authorized Public Accountant

Amounts in SEK M	2005 Oct-Dec 3 months	2004 ¹ Oct-Dec 3 months	2005 Jan-Dec 12 months	2004 ¹ Jan-Dec 12 months
Order intake	1,440	1,089	5,340	4,598
Income statement				
Net sales	1,543	1,270	5,130	4,543
Cost of goods sold	-1,098	-908	-3,701	-3,256
Gross earnings	445	362	1,429	1,287
Selling expenses	-169	-136	-580	-525
Administrative expenses	-108	-110	-389	-387
Research and development costs	-12	-12	-46	-40
Other operating expenses	-1	0	-9	-1
EBIT - Earnings before interest and tax	155	104	405	334
EBIT margin	10.1%	8.2%	7.9%	7.3%
Financial income and expenses	-2	-5	-14	-16
Earnings after financial items	153	99	391	318
Income taxes	-49	-34	-139	-118
Net earnings	104	65	252	200
Profit attributable to minority interest	1	0	2	1
Profit attributable to equity holders of the parent	103	65	250	199
Earnings per share, SEK	4.19	2.67	10.17	8.20
Earnings per share after dilution, SEK	4.19	2.66	10.17	8.18
Order intake by division				
Dehumidification Division	355	316	1,500	1,352
MCS Division	769	547	2,444	2,102
HumiCool Division	330	235	1,460	1,178
Eliminations	-14	-9	-64	-34
Order intake	1,440	1,089	5,340	4,598
Net sales by division				
Dehumidification Division	431	395	1,514	1,344
MCS Division	775	620	2,335	2,095
HumiCool Division	347	264	1,343	1,138
Eliminations	-10	-9	-62	-34
Net sales	1,543	1,270	5,130	4,543
Operating earnings by division				
Dehumidification Division	58	46	159	138
operating margin	13.5%	11.6%	10.5%	10.3%
MCS Division	74	59	153	141
operating margin	9.6%	9.5%	6.5%	6.7%
HumiCool Division	30	7	135	88
operating margin	8.7%	2.8%	10.1%	7.8%
Central, write-down of goodwill, eliminations etc	-7	-8	-42	-33
EBIT	155	104	405	334

¹ Figures for the preceding year are restated due to transition to IFRS.

Amounts in SEK M	2005 Oct-Dec 3 months	2004 ¹ Oct-Dec 3 months	2005 Jan-Dec 12 months	2004 ¹ Jan-Dec 12 months
Cash flow statement				
Current operations				
Earnings after financial items	153	99	391	318
Reversal of depreciation etc	35	33	141	144
Other earnings items not affecting cash flow	3	4	-3	-8
Taxes paid	-67	-36	-163	-126
Cash flow from current operations before changes in working capital	124	100	366	328
<i>Cash flow from changes in working capital</i>				
Changes in inventory	-18	58	-89	-70
Changes in accounts receivable	-153	-125	-118	-155
Changes in other receivables	3	14	-6	4
Changes in accounts payable	83	46	40	51
Changes in other liabilities	35	-27	113	51
Cash flow from current operations	74	66	306	209
Investing activities				
Acquisitions of enterprises	-	-	-41	-40
Investments in intangible assets	-1	-2	-2	-3
Investments in tangible assets	-37	-38	-126	-108
Sales of tangible assets	2	27	5	28
Changes in other financial assets	-1	-6	-2	-5
Cash flow from investing activities	-37	-19	-166	-128
Financing activities				
Payment received for issued stock options	-	-	-	1
Changes in loans	-22	-44	-26	-3
Dividend paid	-	-	-98	-85
Sale of own shares	-	-	29	-
Cash flow from financing activities	-22	-44	-95	-87
Cash flow for the period	15	3	45	-6
Liquid funds at the beginning of the period	158	116	117	125
Exchange-rate differences in liquid funds	3	-2	14	-2
Liquid funds at end of the period	176	117	176	117
Operating cash flow	37	47	181	121
Key figures				
More key figures are disclosed in the quarterly review				
Capital turnover rate, times ²	-	-	2.8	2.8
Return on capital employed, % ²	-	-	22.8	21.0
Return on equity, % ²	-	-	19.2	17.8
Interest coverage ratio, times	33.6	20.6	20.2	17.7
Net debt structure				
Short-term liabilities	-	-	348	321
Long-term liabilities	-	-	3	46
Defined benefit plans etc	-	-	109	107
Interest-bearing assets	-	-	-178	-123
Net debt	-	-	282	351

¹ Figures for the preceding year's earnings and reversal of depreciation are restated due to transition to IFRS.

² Calculated on rolling 12 months.

Amounts in SEK M	2005 Dec 31	2005 Sep 30	2004 ¹ Dec 31
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Balance sheet

Assets

Fixed assets

Tangible assets

Buildings and land	176	176	167
Plant and machinery	158	155	152
Equipment, tools, fixtures and fittings	216	214	198
Construction in progress	6	6	6

556 551 523

Intangible assets

Patent, licences and similar rights	18	18	19
Goodwill	364	362	342

382 380 361

Financial assets

Participation in associated companies	6	6	6
Deferred tax assets	60	57	48
Other long-term receivables	20	18	16

86 81 70

1,024 1,012 954

Current assets

Inventory etc.	469	442	329
Accounts receivable	1,140	953	914
Other receivables	125	141	126
Liquid funds	176	158	117

1,910 1,694 1,486

Total assets

2,934 2,706 2,440

Equity and liabilities

Equity

1,469 1,350 1,148

Long-term liabilities

Interest-bearing liabilities	3	2	46
Provisions	122	121	116
Deferred tax liabilities	24	27	29
Other liabilities	3	3	0

152 153 191

Short-term liabilities

Interest-bearing liabilities	348	372	321
Advances from customers	89	48	28
Accounts payable	355	263	286
Provisions	42	44	39
Other liabilities	479	476	427

1,313 1,203 1,101

Total equity and liabilities

2,934 2,706 2,440

Changes in equity

Opening balance	1,148	1,148	1,089
Financial instruments (implementation of IAS 39)	2	2	-
Opening balance in accordance with new principles	1,150	1,150	1,089
Exchange-rate differences in translating subsidiaries	140	121	-57
Cash flow hedges	-3	-	-
Net earnings	252	148	200
Change in minority interest	-1	-	-
Dividend	-98	-98	-85
Sale of own shares	29	29	-
Received payment for stock option program	-	-	1
Closing balance	1,469	1,350	1,148
Minority share of equity	5	4	4

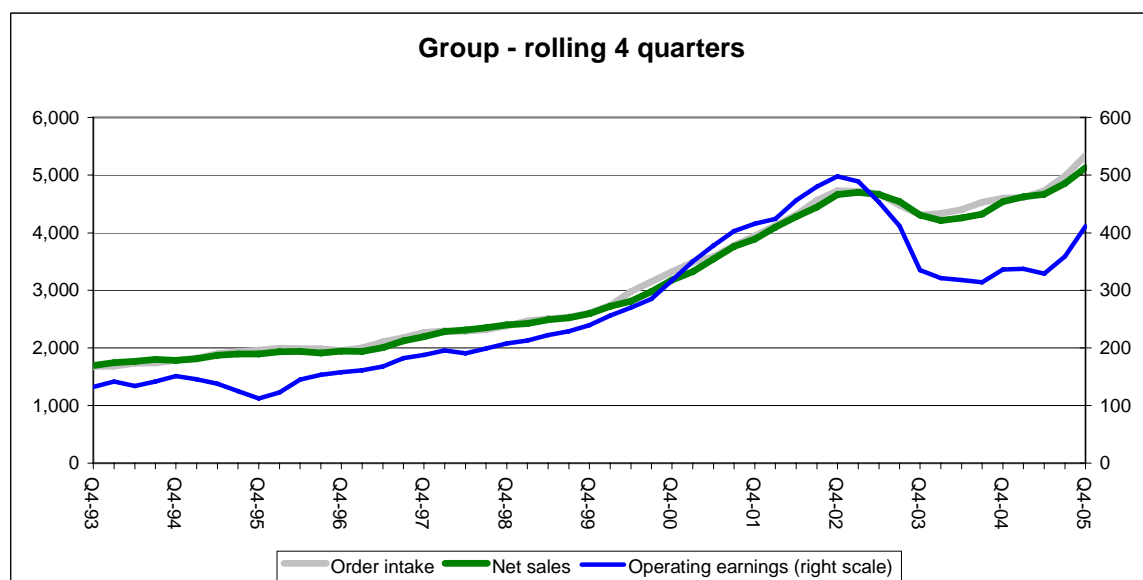
¹ Figures for the preceding year are restated due to transition to IFRS.

Quarterly overview - Consolidated earnings, share data and cash flow

Amounts in SEK M	2005				2004 ¹				2003 ²			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Order intake	1,440	1,422	1,294	1,184	1,089	1,161	1,181	1,167	1,025	1,032	1,114	1,134
Income statement												
Net sales	1,543	1,317	1,192	1,079	1,270	1,127	1,150	996	1,052	1,059	1,109	1,089
Operating expenses	-1,388	-1,205	-1,118	-1,015	-1,166	-1,045	-1,065	-933	-977	-983	-1,031	-1,022
Shares in earnings of associates	-	-	-	-	-	-	0	0	2	-	-	-
EBIT	155	112	74	64	104	82	85	63	77	76	78	67
EBIT margin	10.1%	8.5%	6.2%	5.9%	8.2%	7.2%	7.4%	6.4%	7.4%	7.2%	7.0%	6.2%
Financial income and expense	-2	-6	-2	-3	-5	-4	-3	-4	1	-7	-5	-7
Earnings after financial items	153	106	72	61	99	78	82	59	78	69	73	60
Taxes	-49	-38	-29	-24	-34	-29	-32	-23	-22	-26	-33	-27
Net earnings	104	68	43	37	65	49	50	36	56	43	40	33
Depreciation and write-downs	35	35	38	33	33	35	41	36	38	43	44	45
Share data												
Earnings per share, SEK	4.19	2.76	1.71	1.51	2.67	1.97	2.08	1.48	2.31	1.73	1.66	1.34
Earnings per share after dilution, SEK	4.19	2.76	1.71	1.51	2.66	1.97	2.07	1.48	2.30	1.73	1.66	1.34
Average no of shares, thousand	24,581	24,524	24,495	24,407	24,378	24,378	24,378	24,378	24,379	24,436	24,438	24,438
No of shares at period-end, thousand	24,581	24,581	24,581	24,571	24,378	24,378	24,378	24,378	24,378	24,429	24,438	24,438
Holding of own shares, thousand	419	419	419	429	622	622	622	622	622	571	562	562
Equity per share, SEK	59.56	54.84	52.36	51.17	46.96	46.31	45.42	47.55	44.53	42.99	43.29	46.08
Stock price at period-end, SEK	219	183	173	190	200	180	189	186	174	168	174	178
Market cap at period-end, SEK M	5,475	4,575	4,325	4,750	5,000	4,500	4,725	4,650	4,350	4,200	4,350	4,450
Cash flow statement												
From current operations	74	112	66	54	66	31	61	51	83	84	46	43
From investing activities	-37	-37	-70	-22	-19	-22	-64	-23	-40	-28	-54	-35
From financing activities	-22	-100	2	25	-44	-12	3	-34	-52	-36	10	-20
Cash flow for the period	15	-25	-2	57	3	-3	0	-6	-9	20	2	-12
Operating cash flow	37	75	37	32	47	9	37	28	47	56	14	8

¹ Figures for the preceding year are restated due to transition to IFRS.

² In accordance with previous accounting principles.



Quarterly overview - Consolidated balance sheet and key figures

Amounts in SEK M	2005				2004 ¹				2003 ²			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Balance sheet												
Assets												
Fixed assets												
Tangible assets	556	551	555	529	523	541	581	603	600	600	629	653
Intangible assets	382	380	383	369	361	380	384	379	372	416	438	460
Financial assets	86	81	78	72	70	73	72	65	72	92	92	93
	1,024	1,012	1,016	970	954	994	1,037	1,047	1,044	1,108	1,159	1,206
Current assets												
Inventory etc.	469	442	431	369	329	405	367	340	276	347	355	376
Accounts receivable	1,140	953	923	898	914	823	815	778	792	791	805	822
Other receivables	125	141	144	146	126	176	155	140	128	123	126	84
Liquid funds	176	158	184	178	117	116	121	122	125	137	120	119
	1,910	1,694	1,682	1,591	1,486	1,520	1,458	1,380	1,321	1,398	1,406	1,401
Total assets	2,934	2,706	2,698	2,561	2,440	2,514	2,495	2,427	2,365	2,506	2,565	2,607
Equity and liabilities												
Equity	1,469	1,350	1,291	1,261	1,148	1,132	1,110	1,164	1,086	1,050	1,058	1,126
Minority interest	-	-	-	-	-	-	-	-	4	4	4	5
Provisions	-	-	-	-	-	-	-	-	190	195	212	213
Long-term liabilities	149	151	151	147	145	199	202	200	51	99	101	106
Interest-bearing liabilities	351	374	481	371	367	419	427	350	377	455	492	419
Accounts payable	355	263	282	280	286	251	292	266	246	258	265	278
Other short-term liabilities	610	568	493	502	494	513	464	447	411	445	433	460
Total equity and liabilities	2,934	2,706	2,698	2,561	2,440	2,514	2,495	2,427	2,365	2,506	2,565	2,607
Key figures												
Equity ratio, %	50.1	50.0	47.9	49.2	47.0	45.0	44.5	47.9	46.1	42.1	41.4	43.4
Net debt, SEK M	282	318	397	296	351	389	389	311	338	403	456	383
Net deb ratio, times	0.19	0.23	0.31	0.23	0.31	0.34	0.35	0.27	0.31	0.38	0.43	0.34
Interest coverage ratio, times	33.6	27.7	12.3	12.3	20.6	19.2	20.1	11.9	14.6	11.3	11.4	8.9
Investments tangible assets, SEK M	37	37	31	21	38	23	25	22	35	28	32	35
Number of employees at period-end	3,245	3,180	3,122	3,128	3,064	3,003	3,038	3,036	3,070	3,126	3,147	3,164

¹ Figures for the preceding year are restated due to transition to IFRS.

² In accordance with previous accounting principles.

Quarterly overview - Divisions

Amounts in SEK M	2005				2004 ¹				2003 ²			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Order intake												
Dehumidification Division	355	412	389	344	316	356	348	333	324	297	348	306
MCS Division	769	665	501	509	547	554	485	516	498	487	458	544
HumiCool Division	330	366	419	345	235	257	358	327	207	254	321	297
Eliminations	-14	-21	-15	-14	-9	-6	-10	-9	-4	-6	-13	-13
Order intake	1,440	1,422	1,294	1,184	1,089	1,161	1,181	1,167	1,025	1,032	1,114	1,134
Net sales												
Dehumidification Division	431	404	354	325	395	323	350	276	322	315	312	313
MCS Division	775	562	504	494	620	512	479	484	506	474	479	523
HumiCool Division	347	374	352	269	264	300	333	241	230	278	334	260
Eliminations	-10	-23	-18	-9	-9	-8	-12	-5	-6	-8	-16	-7
Net sales	1,543	1,317	1,192	1,079	1,270	1,127	1,150	996	1,052	1,059	1,109	1,089
Operating earnings												
Dehumidification Division	58	45	32	24	46	30	42	21	36	31	26	17
operating margin	13.5%	11.2%	9.1%	7.3%	11.6%	9.3%	12.0%	7.5%	11.3%	9.7%	8.2%	5.3%
MCS Division	74	32	14	31	59	36	14	33	24	33	22	43
operating margin	9.6%	5.8%	2.9%	6.4%	9.5%	6.9%	2.8%	6.9%	4.7%	6.9%	4.6%	8.3%
HumiCool Division	30	46	41	18	7	24	38	20	19	32	49	26
operating margin	8.7%	12.4%	11.8%	6.5%	2.8%	7.9%	11.4%	8.1%	8.5%	11.5%	14.8%	9.9%
Group overhead, eliminations etc ³	-7	-11	-13	-9	-8	-8	-9	-11	-2	-20	-19	-19
Earnings before interest and tax	155	112	74	64	104	82	85	63	77	76	78	67
EBIT margin	10.1%	8.5%	6.2%	5.9%	8.2%	7.2%	7.4%	6.4%	7.4%	7.2%	7.0%	6.2%
Operating capital												
Dehumidification Division	422	408	395	384	362	364	352	351	369	373	384	367
MCS Division	862	715	666	658	683	648	586	598	580	602	606	659
HumiCool Division	440	514	527	442	432	471	512	496	474	500	534	525
Central, eliminations ⁴	15	16	18	12	-5	-5	1	0	-1	-1	1	8
Operating capital	1,739	1,653	1,606	1,496	1,472	1,478	1,451	1,445	1,422	1,474	1,525	1,559
Employees												
Dehumidification Division	853	848	831	826	781	756	758	744	771	791	796	812
MCS Division	1,706	1,650	1,625	1,641	1,615	1,577	1,603	1,617	1,618	1,633	1,635	1,642
HumiCool Division	668	663	647	642	649	651	659	656	661	681	695	695
Central	18	19	19	19	19	19	18	19	20	21	21	15
Number of employees	3,245	3,180	3,122	3,128	3,064	3,003	3,038	3,036	3,070	3,126	3,147	3,164

¹ Figures for the preceding year are restated due to transition to IFRS.

² In accordance with previous accounting principles.

³ Year 2003 includes depreciation on goodwill. Q2-2005 includes write-down of goodwill 3,4 MSEK.

⁴ The new organization affects the internal eliminations in year 2005.

Notes

Note 1. Accounting principles

This interim report has been prepared in accordance with IAS 34, Interim reporting, which is in accordance with the Swedish Financial Accounting Standards Council's recommendation RR 31, Interim reporting for groups.

The accounting standards applied in this interim report are those described in the consolidated accounts for 2004, note 1 and 2. They make it clear that International Financial Reporting Standards (IFRS) will be applied from 2005 and that comparative figures relating to 2004 have been recalculated in accordance with the new principles with the exception of the principles applying to financial instruments. In accordance with the rules for changeover to IFRS, the new principles for financial instruments are only applied in the part of the accounts which relate to 2005. The effect on equity at the start of the year of recalculation to the new principles is stated in note 2 in the Annual Report for 2004.

The new accounting principles for financial instruments imply among other things that exchange contracts related to forecasted future cash flows shall be valued at actual value in the balance sheet at every end of accounting period. These have not previously been reported in the balance sheet. It means that the reported result will show greater volatility where the change in the value of the hedging instruments will be reported currently in the result.

Note 2. Effects from the changeover to IFRS

The reporting is prepared in accordance with the IFRS standards which apply on 31 December 2005. In addition, these standards have been approved by the EU, except for IAS 39 which is implemented from 1 January 2005.

The change in the income statement is fully related to different accounting for goodwill. In the balance sheet, changed accounting of minority interest is also included.

Comparative figures relating to the fourth quarter and the full year 2004

(SEK M unless otherwise stated)	Oct-Dec Earlier	Change	Oct-Dec IFRS	Jan-Dec Earlier	Change	Jan-Dec IFRS
Income statement						
EBIT	96	8	104	298	36	334
EBIT margin, percent	7.6	0.6	8.2	6.6	0.7	7.3
Earnings after financial items	92	8	99	283	36	318
Taxes	-33	-1	-34	-115	-3	-118
Net earnings	58	7	65	167	34	200
Earnings per share, SEK	2.39	0.28	2.67	6.84	1.36	8.20
Balance sheet						
Assets						
Goodwill				308	34	342
Deferred tax assets				50	-2	48
Other assets				2,050	-	2,050
Total assets				2,408	32	2,440
Equity and liabilities						
Equity				1,112	36	1,148
Minority interest				4	-4	-
Other liabilities				1,292	-	1,292
Total equity and liabilities				2,408	32	2,440
Key figures						
Return on capital employed, percent				19.0	2.0	21.0
Return on equity, percent				15.0	2.8	17.8
Capital turnover rate, times ¹				2.9	-0.1	2.8
Equity ratio, percent				46.3	0.7	47.0
Equity per share, SEK				45.61	1.35	46.96

¹ Calculated on rolling 12 months.