

Interim report January – September 2008

Stable growth for the third quarter and continued high profit level

Quarter 3:

- Sales reached SEK 311m (254), an increase of 23%.
- Incoming orders amounted to SEK 309m (254), an increase of 21%.
- Operating profit was SEK 34m (29), an increase of 19%.
Operating margin was 11,1% (11,4).
- Net profit was SEK 22m (19) an increase of 16%.
- Earnings per share were SEK 1,84 (1,59).

First nine months:

- Sales amounted to SEK 920m (738), an increase of 25%.
- Incoming orders were SEK 936m (760), an increase of 23%.
- Operating profit was SEK 103m (80), an increase of 29%.
Operating margin was 11,2% (10,8).
- Net profit was SEK 67m (52) an increase of 28%.
- Earnings per share were SEK 5,70 (4,44).

Comparable figures for the previous year exclude costs for the IPO which had an impact of SEK 6.0m on operating profit and SEK 4.3m on net profit in the first quarter.

Key Figures, Group

SEK 000	1 July - 30 Sept		1 Jan - 30 Sept		Full year 2007 *)	Oct-Sept 12 months *)
	2008	2007 *)	2008	2007 *)		
Net sales	311 263	253 627	920 081	738 372	1 041 359	1 223 068
Operating profit / loss	34 403	28 851	103 271	80 068	114 071	137 274
Operating margin, %	11,1	11,4	11,2	10,8	11,0	11,2
Profit before tax	30 549	26 096	93 479	73 183	105 338	125 634
Net profit / loss	21 598	18 601	66 726	52 014	75 186	89 898
Earnings per share	1,84	1,59	5,70	4,44	6,42	7,67
Operating cash flow	10 322	-16 014	53 754	46 791	88 496	95 459
Return on shareholders' equity, %	18,1	17,8	18,8	17,3	18,2	19,5
Return on operating capital, %	20,7	20,2	21,5	19,0	20,0	21,5
Net debt	191 938	164 892	191 938	164 892	145 625	191 938
Net debt / equity ratio, %	38,9	38,6	38,9	38,6	32,2	38,9
Average no. of employees			710	546	568	628

*) Before IPO-costs

Market

Over the first nine months Nederman's business in the **Nordic markets** rose by 50 per cent compared with the same period in 2007, of which 19 per cent was through acquisitions, 29 per cent through organic growth and around two per cent through positive currency effects. All markets have seen good organic growth, but the Danish market distinguished itself through an increase of more than 80 per cent, which is mainly due to the successes Nederman has had with Danish wind turbine manufacturers.

The UK climbed 33 per cent over the first three quarters of the year, of which 36 per cent was through acquisitions, eight per cent through organic growth and negative currency effects of eleven per cent.

Other European markets climbed by 23 per cent, of which 19 was on the back of local currency and four per cent through positive currency effects over the nine-month period.

The **North American markets** fell by 21 per cent over the nine-month period, of which 14 per cent was in local currency and around seven per cent was due to currency effects. Lower sales in the US are entirely due to considerably lower federal contributions to investment in emergency vehicle facilities. Sales have risen somewhat in local currency in other market segments in the US.

Other markets outside North America and Europe rose by 42 per cent over the period in local currency, of which eight per cent through acquisitions and 34 per cent through organic growth.

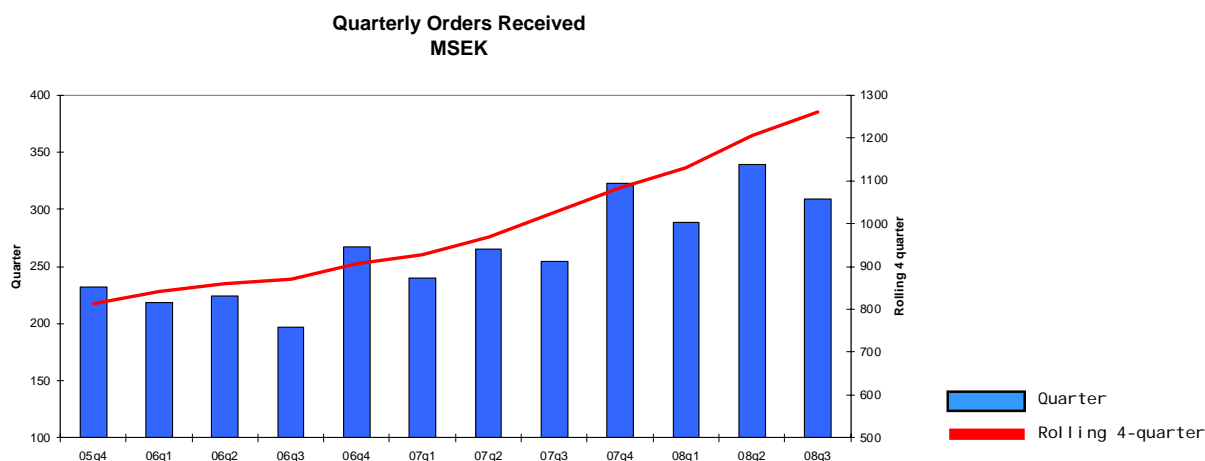
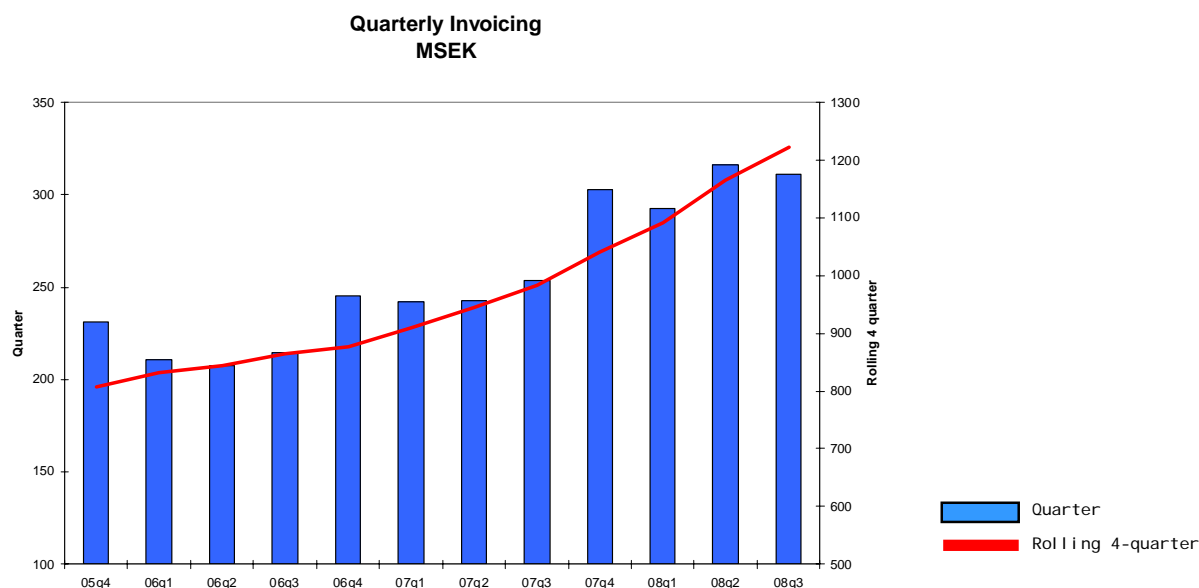
Nederman signed a five-year contract in Q3 worth around SEK 25 million with the New York City Fire Department, covering a total of 250 fire stations. The contract is for upgrading and modernising existing extraction equipment for extracting exhaust fumes and preventative maintenance and service of installed systems.

Acquisitions

AB Norclean of Varberg was acquired in Q3. The company has sold Nederman Norclean products since 1968 on the Swedish market and has annual sales of around SEK 30 million. The company's results in the Nederman Group will only have a marginally positive impact in 2008.

Outlook

So far, the company expects demand in Q4 2008 to remain good in Europe and the rest of the world. The North American market is expected to see a continued lacklustre performance. Due to the financial turmoil even the near future is difficult to predict.



Sales and incoming orders

Net sales for the **third quarter** 2008 amounted to SEK 311m (254), an increase of 23 per cent compared with the same period last year. Incoming orders were SEK 309m (254), which is an increase of 21 per cent compared with the previous year.

Net sales for the **first nine months** were SEK 920m (738), an increase of 25 per cent compared with the same period 2007. The increase in local currency was also 25 per cent. 11 per cent of the increase was through acquisitions and 14 per cent was organic growth. Incoming orders for the same period were SEK 936m (760), which is an increase of 23 per cent compared with the same period 2007.

Profits

The consolidated **operating profit** for the third quarter was SEK 34m (29), an increase of 19 per cent compared with the third quarter 2007. This corresponds to an operating margin of 11,1 per cent (11,4). The consolidated operating profit for the first nine months increased to SEK 103m (80), an increase of 29 per cent compared with the same period the previous year. This corresponds to an operating margin of 11,2 per cent (10,8).

Profit before tax increased to SEK 31m (26) for the third quarter and to SEK 93m (73) for the first nine months.

Net profit increased to SEK 22m (19) for the third quarter and to SEK 67m (52) for the first nine months.

Gross investments for the third quarter amounted to SEK 5m (4) and for the first nine months to SEK 13m (13).

The **liquidity**: The Group had at the close of the period SEK 64m in cash and cash equivalents and SEK 68m in available but unutilised overdraft facilities.

Shareholders' equity in the Group amounted to SEK 493m. An ordinary **dividend** of 2.50 per share was paid to the shareholders in the second quarter, amounting in total to SEK 29.3m. Total **number of shares** at the close of the period was 11 715 340.

The Group's **equity/assets ratio** was 48,3 per cent on 30 September 2008 (50,4) and the **financial net debt/equity ratio**, calculated as the net debt in relation to the shareholders' equity, was 38,9 per cent (38,6).

Employees

The average number of employees for the first nine months was 710 (546). The number of employees at the end of the period was 761 (564).

Business areas

In the business area **Extraction & Filter Systems**, net sales increased for the third quarter to SEK 265m (212) or with 25 per cent compared with the third quarter 2007. Net sales for the first nine months were SEK 779m (613), an increase of 27 per cent compared with the first nine months of 2007, of which 12 percentage units were through acquisitions.

Operating profit for the third quarter increased to SEK 29m (26), corresponding to an operating margin of 11,0 per cent (12,3). Profit for the period was SEK 91m (71), an operating margin of 11,7 per cent (11,6).

In the business area **Hose & Cable Reels**, net sales for the third quarter increased to SEK 46m (42) or with 11 per cent compared with the third quarter 2007. Net sales for the first nine months amounted to SEK 142m (125), an increase of 14 per cent compared with the same period the previous year, of which 4 percentage units were through acquisitions.

The business area's operating profit for the third quarter amounted to SEK 5m (1), which is equivalent to an operating margin of 10,8 per cent (3,2). The operating profit for the period was SEK 12m (9), an operating margin of 8,5 per cent (7,2).

Risks and uncertainties

The Group and the parent company are exposed to a number of risks primarily connected with the buying and selling of products in foreign currency. These risks are described in detail on page 27 and in note 26 of the company's annual report for the 2007 financial year. During the reporting period no circumstances have arisen to change the assessment of the identified risks.

Nominations committee

Ahead of the AGM in 2009, shareholders representing more than 51 per cent of the shares have decided that the nominations committee will consist of Jan Svensson (chair) Eric Hielte and Peter Rönström. For questions about the nominations committee's work, please contact jan.svensson@latour.se.

Accounting principles

This financial report has been prepared in accordance with International Financial Reporting Standards, IFRS, as approved by the EU Commission for application within the EU. The report is also prepared in accordance with IAS 34, Interim Financial Reporting, which is in accordance with the requirements of recommendation RR31, Interim Reports for Groups, of the Swedish Financial Accounting Standards Council. For a description of the Group's accounting principles and definitions, please see the 2007 annual report. The principles applied are unchanged.

Consolidated income statement

SEK 000	1 July - 30 Sept		1 Jan - 30 Sept		Full year	Oct-Sept
	2008	2007	2008	2007	2007	12 months
Net sales	311 263	253 627	920 081	738 372	1 041 359	1 223 068
Cost of goods sold	-159 237	-127 968	-464 101	-370 038	-525 787	-619 850
Gross profit / loss	152 026	125 659	455 980	368 334	515 572	603 218
Selling expenses	-93 345	-76 386	-274 547	-228 491	-315 295	-361 351
Administrative expenses	-21 121	-16 978	-66 613	-48 016	-66 829	-85 426
Research and development expenses	-2 942	-4 040	-12 293	-10 996	-15 146	-16 443
Other operating income/expenses	-215	553	744	-6 806	-10 925	-3 375
Operating profit / loss	34 403	28 808	103 271	74 025	107 377	136 623
Financial income	502	996	1 232	1 981	3 474	2 725
Financial expenses	-4 356	-3 751	-11 024	-8 866	-12 207	-14 365
Net financial items	-3 854	-2 755	-9 792	-6 885	-8 733	-11 640
Profit before tax	30 549	26 053	93 479	67 140	98 644	124 983
Tax	-8 951	-7 483	-26 753	-19 477	-28 278	-35 554
Net profit / loss	21 598	18 570	66 726	47 663	70 366	89 429
Earnings per share, SEK	1,84	1,59	5,70	4,07	6,01	7,63
Earnings per share after dilution, SEK	1,84	1,59	5,70	4,07	6,01	7,63
Average number of shares	11 715 340	11 715 340	11 715 340	11 715 340	11 715 340	11 715 340
Average number of shares after dilution	11 715 340	11 715 340	11 715 340	11 715 340	11 715 340	11 715 340
Number of shares at end of period	11 715 340	11 715 340	11 715 340	11 715 340	11 715 340	11 715 340

Consolidated balance sheet

SEK 000	30 Sept		31 Dec
	2008	2007	2007
Assets			
Goodwill	399 190	360 546	370 336
Other intangible fixed assets	26 419	24 136	24 197
Tangible fixed assets	34 547	36 342	40 987
Long-term receivables	451	1 093	497
Deferred tax assets	20 436	12 747	12 924
Total fixed assets	481 043	434 864	448 941
Inventories	168 566	117 290	121 600
Accounts receivable	259 302	211 289	234 844
Other current receivables	49 079	37 257	27 980
Cash and cash equivalents	63 500	46 856	76 439
Total current assets	540 447	412 692	460 863
Total assets	1 021 490	847 556	909 804
Shareholder's equity	492 878	427 317	451 764
Liabilities			
Long-term interest-bearing liabilities	206 245	150 321	158 111
Other long-term liabilities	211	3 657	566
Provisions for pensions	31 392	29 351	30 207
Deferred tax liabilities	12 513	10 775	13 089
Total long-term liabilities	250 361	194 104	201 973
Current interest-bearing liabilities	17 801	32 076	33 746
Accounts payable	94 935	84 120	104 847
Other current liabilities	165 515	109 939	117 474
Total current liabilities	278 251	226 135	256 067
Total liabilities	528 612	420 239	458 040
Total shareholders' equity and liabilities	1 021 490	847 556	909 804

Summary of changes in the Group's shareholders' equity

SEK 000	30 Sept		31 Dec
	2008	2007	2007
Shareholders' equity on 1 January	451 764	376 587	376 587
Dividend	-29 288		
Changes in translation reserve for the period	3 676	3 067	4 811
Profit / loss for the period	66 726	47 663	70 366
Shareholders' equity at end of period	492 878	427 317	451 764

Consolidated cash flow statement

SEK 000	1 Jan - 30 Sept		Full year	Oct-Sept
	2008	2007	2007	12 months
Operating profit / loss	103 271	74 025	107 377	136 623
Adjustments for:				
Depreciation of fixed assets	13 321	12 235	17 793	18 879
Other adjustments	5 186	3 832	3 737	5 091
Interest received and paid incl. other financial items	-9 003	-6 757	-8 605	-10 851
Taxes paid	-23 704	-18 765	-21 441	-26 380
Cash flow from operating activities before changes in working capital	89 071	64 570	98 861	123 362
Cash flow from changes in working capital	-56 238	-36 559	-30 392	-50 071
Cash flow from operating activities	32 833	28 011	68 469	73 291
Net investments in fixed assets	-11 786	-12 785	-16 713	-15 714
Acquired units	-41 807	-14 645	-31 149	-58 311
Cash flow before financing activities	-20 760	581	20 607	-734
Dividend	-29 288	0	0	-29 288
Cash flow from other financing activities	37 002	-5 436	3 845	46 283
Cash flow for the period	-13 046	-4 855	24 452	16 261
Cash and cash equivalents at the beginning of the period	76 439	50 235	50 235	46 856
Exchange rate differences	107	1 476	1 752	383
Cash and cash equivalents at the end of the period	63 500	46 856	76 439	63 500

Specification of acquisitions (preliminary, not finally settled)

Acquisition price incl direct costs	45 307
Fair value of acquired net sales	13 502
Goodwill	31 805

Purchase price not yet paid 3 500

Acquired assets and liabilities

Intangible fixed assets	147
Tangible fixed assets	3 687
Financial fixed assets	233
Inventories	18 468
Accounts receivable and other receivables	21 324
Cash	11 597
Interest-bearing liabilities	-1 579
Accounts payable and other operating liabilities	-28 023
Tax liabilities	-475
Deferred tax liabilities	-280
Net assets	25 099
Of which cash / interest-bearing liabilities in acquired units	-11 597
Fair value of acquired net assets	13 502

Net profit / loss during ownership period	-1 007
Net sales in the acquired units during the period	65 551
Net profit / loss in the acquired units during the period	875

The acquisition of the assets and liabilities of Assalub is now completely integrated into Nederman's Swedish sales organisation and is not included in the above report.

Income statement for the parent company

SEK 000	1 July - 30 Sept		1 Jan - 30 Sept		Full year	Oct-Sept
	2008	2007	2008	2007	2007	12 months
Operating profit / loss	-3 525	-2 947	-15 538	-15 271	-20 672	-20 939
Net financial items	-979	2 100	510	-1 283	6 859	8 652
Profit / loss after financial items	-4 504	-847	-15 028	-16 554	-13 813	-12 287
Transfers to/from untaxed reserves	0	0	0	0	-5 473	-5 473
Profit / loss before tax	-4 504	-847	-15 028	-16 554	-19 286	-17 760
Tax	1 966	929	6 666	5 299	8 851	10 218
Profit / loss for the period	-2 538	82	-8 362	-11 255	-10 435	-7 542

Balance Sheet for the parent company

SEK 000	30 Sept		31 Dec
	2008	2007	2007
<u>Assets</u>			
Total fixed assets	551 243	520 142	520 407
Total current assets	26 191	14 706	67 863
Total assets	577 434	534 848	588 270
<hr/>			
Total shareholders' equity	335 819	337 369	373 469
Untaxed reserves	6 489	1 016	6 489
<u>Liabilities</u>			
Total long-term liabilities	205 000	145 000	150 000
Total current liabilities	30 126	51 463	58 312
Total liabilities	235 126	196 463	208 312
Total shareholders' equity and liabilities	577 434	534 848	588 270

Related parties

SEK 000	Period Jan - Sept	Other revenues	Dividend received	Financial income and Expenses	Receivable related parties 30 Sept	Liabilities related parties 30 Sept
Subsidiaries		6 349	8 780	43	16 687	13 144

There have been no significant changes in the relationships or transactions with related parties for the Group or Parent company compared with the information given in the Annual Report 2007.

Date for the publication of financial information

Release of unaudited annual earnings figures	13 February 2009
Q 1 report	28 April 2009
Annual General Meeting	28 April 2009

The interim report gives a fair picture of the Group's and parent company's activities, position and results. The report also describes the significant risks and uncertainties facing the parent company and Group companies.

Helsingborg, Sweden 30 October 2008

Sven Kristensson
President and CEO

Report on Review of Interim Financial Information

Introduction

We have reviewed the accompanying interim report of Nederman Holding AB as of September 30, 2008 and the nine-month period then ended. The Board of Directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with Standard on Review Engagements (SÖG) 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Swedish Standards on Auditing RS and other generally accepted auditing standards in Sweden and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim report is not prepared, in all material respects, for the Group in accordance with IAS 34 and the Annual Accounts Act and for the Parent company in accordance with the Annual Accounts Act.

Helsingborg 30 October 2008
KPMG AB

Alf Svensson
Chartered Accountant

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Facts about Nederman

Nederman, one of the world's leading environment technology companies, develops, produces and markets its own products and systems for the extraction of dust, smoke, vehicle exhaust fumes and equipment for industrial cleaning. These are based on vacuum technology covering the entire scale from high vacuum to middle and low vacuum. Nederman also produces and sells a comprehensive range of hose and cable reels for water, air, oil and other media.

Nederman's systems contribute in many ways to creating clean, efficient and safe workplaces around the world.

The company's commitments to customers include everything from pre-studies and project work to installation, operational start-up and service.

Manufacturing is certified according to ISO 9001 and ISO 14000. The company has production and assembly units in Sweden, Norway, Canada and China.

Nederman's products and systems are marketed via its own subsidiaries in 25 countries and via agents and distributors in more than 50 countries. The Group has around 760 employees.