Drottninggatan 2 Box 1661 SE-111 96 Stockholm Sweden
Telephone +46 8-700 17 00 Fax +46 8-10 25 59 www.ratos.se

INTERIM REPORT January-June 2002

LISTEN TO CEO ARNE KARLSSON'S COMMENTS ON THIS REPORT AT WWW.RATOS.SE

TELEPHONE CONFERENCE at 3 p.m., tel no +44 (0)20 8781 0597

Stable development in uncertain business climate

- Improved earnings in holdings
- Pre-tax profit SEK 397m (1,898)
- Hilton, Esselte, Exceed and Kronans Droghandel sold
- Total return on Ratos shares +21%

Important events

Four exits were completed during the period for a total sales amount of approximately SEK 1,750m.

The entire holding in Hilton Group plc was sold in the first quarter for SEK 614m. The deal provided an exit gain of SEK 50m.

On 7 June, Ratos sold its entire holding in Esselte to the American private equity fund J.W. Childs which had made a public offer for the whole of Esselte two weeks earlier. The purchase price amounted to SEK 520m and the deal provided a SEK 98m exit gain.

The sale of the wholly owned subsidiary Exceed to Wilson Logistics Group was completed during the period. The purchase price amounted to approximately SEK160m which meant that Ratos made a capital gain of approximately SEK 90m.

During the period the sale of the holding in Kronans Droghandel was approved by the relevant competition authorities. The purchaser was the Finnish company Orion and the purchase price received by Ratos amounted to SEK 460m and had a positive impact on earnings for the period of SEK 54m, taking Kronans Droghandel's sale of the Norwegian operations into account.

Martinsson, Lindab and Superfos made important strategic follow-on acquisitions during the period. In March Ratos made a DKK 66m follow-on investment in Superfos in connection with the acquisition of Jotipac. A SEK 159m follow-on investment in Arcorus was made in April which increased Ratos's holding from 49% to 77%.

After the end of the period payments were made to owners in Telia Overseas following an earlier decision to reduce the company's share capital. For Ratos, which owns approximately 9% of the capital, this payment corresponded to SEK 264m. Telia Overseas' book value in the Ratos Group therefore decreased to SEK 64m.

Development of the portfolio

The global economy continued to show weak development in the first half of 2002 although there are still major differences between regions and sectors. Nevertheless, Ratos's holdings overall showed a satisfactory earnings trend. The combined EBITA (profit before net financial items, tax and goodwill amortisation) for the subsidiaries and associated companies held by Ratos at the end of the period increased by 13% compared with the first half of 2001. Taking Ratos's different stakes into account, EBITA rose 9%. The corresponding changes in EBT (profit before tax) are +30% and +32% respectively.

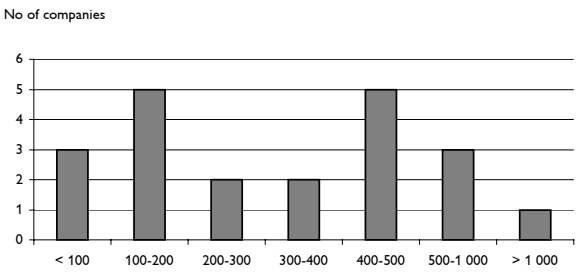
This positive earnings trend was achieved despite many of the holdings operating in a tough market. In several of the companies this was due partly to the extensive action programmes which were launched in 2001 and are now starting to have an effect and partly to new adjustment programmes which were speedily introduced during the year when the sales trend failed to meet expectations.

In general, development for the holdings can be summarised as stable in an uncertain business climate. Five holdings provided pleasant surprises. Dynal Biotech continued its powerful expansion with sustained good margins. Industri Kapital listed three companies which led to favourable value development. Hilding Anders succeeded in maintaining earnings at a good level despite a combination of some highly recessionary markets, primarily Germany, negative currency effects and serious disruptions in one production unit due to flooding. The positive trend for Superfos continued due to a combination of ongoing action programmes and strong development for recently acquired Jotipac. Distribution of funds from Telia Overseas, together with a favourable situation in remaining portfolio holdings, led to a trend which differs positively from the telecom sector in general.

Development for four holdings was less favourable than expected. Atle Industri continues to show weak earnings. However, extensive efforts are under way here, both at Atle Industri and portfolio company level, to handle these problems and a positive EBITA and EBT were achieved in the second quarter. At Gadelius the newly appointed CEO has started extensive efforts to reverse the downward trend for order bookings. DIAB encountered problems in the first half in both its main markets – pleasure boats in the US and the wind power industry – although an improvement can now be seen in the order books. A cost reduction programme has been initiated to improve profitability. At Intervect, efficiency enhancement measures are continuing to provide results and the company's full year result will be positive and considerably better than last year. Nevertheless, development in the second quarter was a disappointment and additional action programmes will now be carried out.

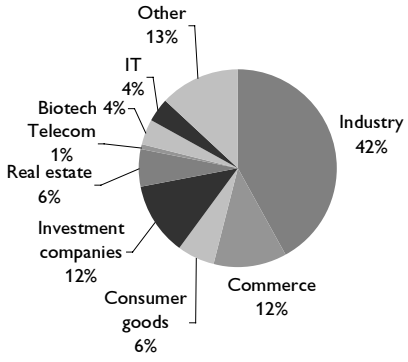
To facilitate analysis an extensive table is provided on page 18 with key figures for all the holdings. A summary of profit and loss accounts and balance sheets for Ratos's unlisted associated companies and subsidiaries is available at www.ratos.se in downloadable Excel files.

Holdings, size breakdown



After the end of the period the number of holdings totalled 21.

Holdings, sector breakdown



The portfolio has a relatively good spread in terms of sectors and holding size.

Ratos's results

The Group's profit before tax amounted to SEK 397m (1,898). This result includes profits and share of profits from the holdings of SEK 115m (87). The SEK 353m (1,753) exit gain mainly relates to the divestment of the holdings in Esselte, Exceed, Hilton and Kronans Droghandel (previous year mainly Scandic Hotels).

Ratos's results

SEKm	Ratos's holding, % [1]	Profit/share of profits 2002 Q 1-2	Of which Ratos's goodwill amortisation 2002 Q 1-2	Profit/share of profits 2001 Q 1-2
Arcorus [2]	77	13	-3	7
Atle Industri	50	-13	-5	-1
Camfil	30	14	-4	10
Capona	47	25	-1	27
Dahl	44	60	-	55
DataVis	44	-3	0	-7
DIAB	48	-1	-14	5
Dynal Biotech	25	27	-	-
Esselte [3]		24	-	-20
Exceed [3]		-7	-2	-7
Gadelius	50	0	-1	4
Giga Consulting	39	-4	0	-3
Haendig	49	4	-2	2
Haglöfs	100	-5	-4	-2
Hilding Anders	27	26	-3	10
HL Display	29	5	-4	5
Intervect	50	0	-2	5
Kronans Droghandel [3]		-57	-4	-4
Lindab	48	0	-	-
Martinsson	50	-2	-1	-1
Q-Labs	50	-7	0	-9
Scandic Hotels		-	-	18
Superfos	33	16	-1	-7
Telia Overseas	9	-	-	-
Total profit/share of profits		**115**	**-51**	**87**
Exit gain				
Esselte		98		
Exceed		90		
Hilton		50		
Industri Kapital		5		2
Kronans Droghandel		110		
Scandic Hotels				1,751
Total exit gain		**353**		**1,753**
Dividends from other companies		15		
Profit from holdings		**483**		**1,840**
Profit from asset management				110
Net expenses		-86		-52
Consolidated profit before tax		**397**		**1,898**

[1] Excl. share buybacks.
[2] Holding increased to 77% in the second quarter.
[3] Entire holding sold after end of period. Share of profits for Kronans Droghandel includes a capital loss of SEK 56m from the sale of the Norwegian operations.

Goodwill

Total goodwill amortisation – including Ratos's share of goodwill amortisation in the holdings – amounted to SEK 157m.

SEKm	30 June 2002	30 June 2001
Profit before tax and goodwill amortisation(EBTA)	554	1,994
Total goodwill amortisation	-157	-96
Profit before tax (EBT)	397	1,898

Central income and expenses

Ratos's central expenses amounted to SEK 51m (62), of which personnel costs accounted for SEK 21m (18). Other expenses, including costs for acquisition and exit processes, amounted to SEK 30m (44). Net financial items amounted to SEK -35m (10), of which SEK -21m is the result from short equity trading. Ratos's consolidated tax expense of SEK 127m (52) comprises subsidiaries' and Ratos's share of associated companies' tax.

Ratos shares

Earnings per share for the period amounted to SEK 3.41 (23.35). A dividend of SEK 6.25 per share was paid in April. The total return on Ratos's shares during the period was 21%. In the same period the SIX Return Index fell 22%.

Net asset value

At 30 June 2002, Ratos reported a net asset value (NAV) of SEK 8,307m corresponding to SEK 105 per share (SEK 8,592m and SEK 109 respectively at 31 March 2002). The reported NAV comprises the consolidated book value for the unlisted holdings and the market value of the listed holdings. The unlisted holdings in Industri Kapital's funds are reported at the market value estimated by Industri Kapital. Listed holdings accounted for 9% of total NAV.

Reported net asset value (NAV)

SEKm	**30 June 2002**	**% of NAV**
Holding		
Lindab	1,051	13
Dahl	723	9
DIAB	668	8
Atle Industri	529	6
Capona	495	6
Arcorus	489	6
Industri Kapital	457	6
Camfil	448	5
Hilding Anders	421	5
Superfos	390	5
Dynal Biotech	305	4
HL Display	276	3
Intervect	213	2
Haendig	170	2
Martinsson	154	2
Gadelius	128	2
DataVis (incl. convertible)	107	1
Haglöfs	104	1
Telia Overseas	64	1
Q-Labs	52	1
Giga Consulting	20	0
Total holdings	7,264	88
Share trading	41	0
Parent company's property	60	1
Liquid assets/liabilities (net) in central companies	942	11
Net asset value (NAV)	**8,307**	100
NAV/share, SEK	**105**	

Number of shares outstanding on 30 June 2002 was 78,942,226.

Parent company

The parent company's pre-tax profit amounted to SEK 259m (2,262). The parent company's liquid assets at the close of the period were SEK 27m (23). Including proceeds not yet received from the sale of shares, liquid assets amounted to SEK 1,270m. Interest-bearing liabilities amounted to SEK 227m.

Accounting principles

This interim report is prepared in accordance with the Swedish Financial Accounting Standards Council's recommendation RR20. The Council's recommendations are applied with effect from 2002. These have not had any effect on the Group's interim report. Otherwise the Group applies the same accounting principles and calculation methods as those used in the 2001 Annual Report.

Reporting the Atle acquisition

At the beginning of May 2001, Ratos and the British company 3i acquired Atle via a 50/50 owned company. The Atle holdings are to be transferred to the parties as conditions for such transfers are met. The financial implications of the agreement are that Ratos acquired shares in 12 companies. Some of these are owned by both Ratos and 3i. In addition, 3i alone acquired 85 holdings from Atle. The remaining Atle holdings were placed in Atle Industri which is controlled equally by Ratos and 3i. At the end of the period under review two companies had not been transferred to Ratos and 3i since the conditions for these transfers had not yet been met.

Holdings

Arcorus

- Sales SEK 695m (641) and EBITA SEK 34m (29)
- Ratos invests a further SEK 159m in Arcorus through buyout of ten minor shareholders
- Weak demand in North America compensated by good sales in growth markets such as China and Brazil
- Successful launch of Hägglunds Drives' new generation of motors
- As in 2001 strong earnings improvement expected in the second half

Arcorus was formed in spring 2000 and comprises Hägglunds Drives, GS Hydro and Lidan Marine. The Group is a leading international supplier of complete hydraulic drive systems, hydraulic motors and pipe laying systems. The customer base is in the industrial, marine and offshore segments.

Ratos's holding in Arcorus at the end of the period was 77% and the consolidated book value in Ratos was SEK 489m.

Atle Industri

- Sales SEK 1,141m (1,137) and EBITA SEK 10m (27)
- New CEO – Hans Åke Norås – takes over in September 2002
- Positive earnings trend in second quarter
- New programme initiated to improve profitability

Atle Industri comprises a portfolio of 15 companies with operations in trading, engineering, waste management and IT/technology, of which 13 are wholly owned. Seven of the companies account for 77% of Ratos's consolidated book value. These are AKA Tempcold (distributes cooling products), Nässtrom (hydraulic products wholesaler), Moving (materials handling systems), Nordhydraulic (hydraulic valves), Elpress (electrical connectors), Pressmaster Tool (crimping tools) and Envac Centralsug (waste management systems).

Ratos's holding in Atle Industri amounts to 50% and the consolidated book value in Ratos amounted to SEK 529m on 30 June 2002.

Camfil

- Sales SEK 1,568 m (1,620) and EBITA SEK 115m (122)
- Effective action programe provides improved gross margin despite weak sales
- Streamlining of US operations continued – Engine Division sold in the second quarter
- Amortisation of acquisition loan strengthens net financial items

Camfil is the world leader in clean air technology and air filters. The Group's products and services contribute to a good indoor climate and protect sensitive manufacturing processes and the surrounding environment. Manufacture takes place on three continents and the Group is represented by subsidiaries and agents in some 55 countries.

Ratos's holding in Camfil amounts to 30% and the consolidated book value was SEK 448m on 30 June 2002.

Capona

- Rental income SEK 146m (138) and EBITA SEK 98m (95)
- Direct yield on property portfolio 9.6% (10.2)
- The fall in demand noted earlier in the year levelled out in the second quarter
- Unchanged forecast for full year 2002 of pre-tax profit of SEK 128m

Capona, which owns and actively manages hotel properties, is one of the leading hotel property companies in the Nordic region. The portfolio comprises some 40 hotel properties, most of them located in Sweden. Capona is listed on the Stockholm Stock Exchange.

Ratos's holding in Capona amounts to 47%. The market value of the Capona holding was SEK 495m on 30 June 2002.

Dahl

- Sales SEK 5,683m (5,530) and EBITA SEK 237m (239)
- Improved net financial items due to strong cash flow
- Strong development in Swedish market continued while demand in Denmark fell slightly
- Results of efficiency enhancement within logistics, administration and sales as planned

Dahl is the Nordic region's leading wholesaler and trading company for products within heating, ventilation & sanitation. The Group has operations in Denmark, Sweden, Norway, Finland, Poland and Estonia. Dahl is the market leader in Denmark, Sweden and Norway and number two in Finland.

Ratos's holding in Dahl amounts to 44% and the consolidated book value was SEK 723m on 30 June 2002.

DataVis

- Sales SEK 100m (134) and EBITA SEK -3m (-6)
- New CEO – Åke Engquist from Teleca AU-system – takes over on 1 October
- Focus on new sales has resulted in several assignments from new customers and two major general agreements

DataVis has three operating areas: Consulting, Technology and Education. The consulting services focus on systems development and systems integration. The largest offices are in Sundsvall, Stockholm and Gothenburg.

Ratos's holding in DataVis amounts to 44% and the consolidated book value was SEK 107m on 30 June 2002.

DIAB

- Sales SEK 352m (362) and EBITA SEK 31m (50)
- Strong order bookings during the period
- Delayed investment decisions in the wind power industry having negative impact on sales
- Cost reduction programme initiated

DIAB is the world-leading niche company within the manufacture of sandwich products based on composite materials. The key applications are hulls and decks for large pleasure boats, blades for wind power stations and components for trains, buses, aircraft and space rockets.

Ratos's holding in DIAB amounts to 48% and the consolidated book value was SEK 668m on 30 June 2002.

Dynal Biotech

- Sales SEK 274m (214) and EBITA SEK 98m (68)
- New CEO – Jon Hindar – appointed
- Continued high EBITA margin, 36%, in second quarter

- Debt reduced by NOK 70m due to exchange gains

The Norwegian company Dynal Biotech is the world leader in research, development and production of magnetic and non-magnetic micro particles known as Dynabeads®. Applications for the products include separation of biological material such as cells, DNA and proteins.

Ratos's holding in Dynal Biotech amounts to 25% and the consolidated book value was SEK 305m on 30 June 2002.

Gadelius

- Sales SEK 408m (508) and EBITA SEK 15m (30)
- Lower order bookings due to continued weak development of Japanese economy
- Extensive action programme initiated

Gadelius is a technology oriented, modern distributor of selected high-tech products for professional niche markets in Japan and Europe. Customers include the IT, medical technology, construction, packaging and food industries, as well as purchasers of mechanical and electronic components.

Ratos's holding in Gadelius amounts to 50% via a Dutch holding company. The consolidated book value in Ratos was SEK 128m on 30 June 2002. This value excludes the holding company.

Giga Consulting (formerly Yarrow)

- Sales SEK 53m (58) and EBITA SEK -9m (-7)
- All operations outside IT and infrastructure sold after end of period
- Remaining operations renamed Giga Consulting – Olle Schmidt new CEO

Giga Consulting is a Stockholm-based IT consulting company with a focus on IT infrastructure. The company works within three competence areas: Windows infrastructure, Internet infrastructure and Project management.

Ratos's holding in Giga Consulting amounts to 39% and the consolidated book value in Ratos was SEK 20m on 30 June 2002.

Haendig

- Sales SEK 640m (566) and EBITA SEK 28m (19)
- Last year's acquisitions, Sven Svensson and Penope, developing well
- Strong sales in Sweden and Norway for bathroom company Hafa
- Continued rationalisation programme in autumn 2002

The Group was formed in 2000 through a merger between HDF-Bolagen and Markt & Co. Haendig is a Nordic distributor to the DIY market and industry. Sales are conducted via retailers such as building materials stores, hypermarkets, heating, ventilation & sanitation suppliers and agricultural suppliers in Sweden, Finland, Norway, Denmark and Poland.

Ratos's holding in Haendig amounts to 49% and the consolidated book value in Ratos was SEK 170m on 30 June 2002.

Haglöfs

- Sales SEK 136m (133) and EBITA SEK -2m (4)
- The focus on product development and logistics, etc., has been charged against earnings for the period
- Strong growth in exports is expected to provide full-year earnings close to the 2001 result

Haglöfs develops, produces and markets equipment and clothing for active outdoor life. Products include rucksacks, sleeping bags, tents, shoes and clothes. The Group is market leader in Sweden and also holds strong positions in the other Nordic countries.

Ratos's holding in Haglöfs amounts to 100% and the consolidated book value in Ratos was SEK 104m on 30 June 2002.

Hilding Anders

- Sales SEK 1,646m (1,456) and EBITA SEK 197m (176)
- Newly acquired Crown Bedding, Pullman, Slumberland and Wifor showed strong development
- German market remained very weak
- Good EBITA maintained despite falling demand

Hilding Anders is Europe's largest bed manufacturer. The Group has expanded considerably through acquisitions in recent years and has its own operations in 14 countries in Europe. Products are marketed under different national brands and private labels.

Ratos's holding in Hilding Anders amounts to 27% and the consolidated book value in Ratos was SEK 421m on 30 June 2002.

HL Display

- Sales SEK 587m (512) and EBITA SEK 40m (35)
- Good order bookings from largest markets France and the UK
- Ongoing restructuring and rationalisation programme expected to have positive impact on margins
- Additional five sales companies set up in new markets worldwide

HL Display is one of Europe's leading suppliers of products and systems for merchandising and in-store communications. The company has subsidiaries in 17 countries in Europe. Manufacture is carried out in Sweden, the US, the UK and the Netherlands. HL Display is listed on the Stockholm Stock Exchange.

Ratos's holding in HL Display amounts to 29%. The market value of Ratos's holding in HL Display was SEK 276m on 30 June 2002.

Industri Kapital

- Three listings completed during the period – Alfa Laval, Intrum Justitia and Nobia
- Investments in food producer Labeyrie and the garden products company Gardena carried out during the period

Industri Kapital is an unlisted private equity company with assets under management of more than EUR 3 billion. Since its formation in 1989, the company has completed some 40 investments in four funds within different sectors in Europe, mainly within engineering, trading and service industries. Ratos has invested in four funds: 1989, 1994, 1997 and 2000.

Industri Kapital's estimation of the market value of Ratos's holding in the company amounts to SEK 457m.

Intervect

- Sales SEK 563m (555) and EBITA SEK 14m (26)
- Slightly weaker sales and EBITA margin in the second quarter
- New financing solution reduces tied-up capital
- Cost reduction programme started in Germany, the US and the Netherlands due to lower demand

Intervect is the world leader within development, manufacture and sales of lifts and platforms for the construction and mining industries and other industrial applications. The company was formed in 2001 when the Swedish company Alimak acquired the Dutch company HEK International. Sales are conducted in 14 sales companies and some 30 agencies worldwide.

Ratos's holding in Intervect amounts to 50% and the consolidated book value in Ratos was SEK 213m on 30 June 2002.

Lindab

- Sales SEK 2,489m (2,452) and EBITA SEK 131m (92)
- New CEO – Kjell Åkesson – recruited
- Favourable development in Eastern Europe
- Extensive re-organisation carried out
- Complementary acquisitions in the Netherlands and Hungary
- Improved raw material prices contributed to improved gross margin

Lindab is a leading manufacturer of building materials made of thin sheet-metal. Operations are divided into two business areas: Ventilation and Profile. Manufacture takes place in 21 countries and concentrates on thin sheet-metal products. Approximately 70% of sales go to countries outside Sweden. In 2001, together with Skandia Liv, the Sixth Swedish National Pension Fund and others, Ratos implemented a buyout of Lindab from the stock exchange via a buyout company, Lindab Intressenter.

Ratos's holding in Lindab amounts to 48% and the consolidated book value in Ratos was SEK 1,051m on 30 June 2002.

Martinsson

- Sales SEK 297m (250) and EBITA SEK 1m (-3)
- IMS consolidated with effect from 1 June and integration going according to plan
- Continued positive cash flow and good liquidity

Martinsson is a nationwide player in servers and server-related services. The company offers its own consulting services and products from world-leading suppliers.

Ratos's holding in Martinsson amounts to 50% and the consolidated book value in Ratos was SEK 154m on 30 June 2002.

Q-Labs

- Sales SEK 95m (117) and EBITA SEK -10m (-13)
- Good profitability in largest markets France and Germany
- Redundancies in the UK had negative impact on earnings

Q-Labs is a consulting company for quality assurance of software development. The company has operations in Europe and the US.

Ratos's holding in Q-Labs amounts to 50% and the consolidated book value in Ratos was SEK 52m on 30 June 2002.

Superfos

- Sales SEK 1,693m (1,487) and EBITA SEK 161m (72)
- Industrial packaging and recently acquired Jotipac made positive contribution to earnings trend
- Action programme started earlier proceeding as planned
- Aerosol operations within IGS continued to show good profitability

Superfos is a Danish international Group with operations in 15 countries. Operations comprise two areas. Superfos Packaging develops, produces and sells thermoformed packaging to the food, chemical-technical and pharmaceutical industries. Superfos Aerosols offers contract filling of aerosols.

Ratos's holding in Superfos amounts to 33% and the consolidated book value in Ratos was SEK 390m on 30 June 2002.

Telia Overseas

- After the end of the period, Ratos received SEK 264m following an earlier decision to reduce the share capital in Telia Overseas
- The holding in India is under divestment
- Remaining portfolio companies are developing well as regards both subscriber growth and cash flows

Telia Overseas acquires, develops and sells telecom licences, mainly for mobile telephony and communications networks in developing countries. Portfolio companies are located in Sri Lanka, India, Hong Kong, Uganda and Namibia.

Ratos's holding in Telia Overseas amounts to 9% and the consolidated book value in Ratos was SEK 64m on 30 June 2002.

Stockholm, 26 August 2002
Ratos AB (publ)

Arne Karlsson
CEO

For additional information, please contact:
Arne Karlsson, CEO, +46 8 700 17 00
Clara Bolinder-Lundberg, Corporate Communications and IR, +46 8 700 17 63

This report has not been reviewed by Ratos's auditors.

Financial calendar for Ratos 2002 and 2003:

Interim Report January-September 2002	13 November 2002
Year-end report 2002	21 February 2003
Annual General Meeting 2003	9 April 2003
Interim Report January-March 2003	12 May 2003
Interim Report January-June 2003	27 August 2003
Interim Report January-September 2003	12 November 2003

Ratos is a listed private equity company. The business concept is to maximise shareholder value over time by investing in, developing and divesting primarily unlisted companies. Ratos thus offers stock market players a unique investment opportunity. The net asset value of Ratos's investments is more than SEK 8 billion. Ratos's holdings include Arcorus, Atle Industri, Camfil, Capona, Dahl, DataVis, DIAB, Dynal Biotech, Gadelius, Giga Consulting, Haendig, Haglöfs, Hilding Anders, HL Display, Industri Kapital, Intervect, Lindab, Martinsson, Q-Labs, Superfos and Telia Overseas.

Consolidated profit and loss account

SEKm	2002 Q 2	2001 Q 2	2002 Q 1 -2	2001 Q 1 -2	2001 full year
Holdings					
Profit/loss from subsidiaries	3	-10	-3	-7	-27
Exit gains, subsidiaries	90		90		
Share of profits of associated companies	91	31	118	94	230
Exit gains, associated companies	208	1,751	208	1,751	1,722
Write-downs, associated companies		-	-	-	-248
Dividends, other companies	15	-	15	-	10
Exit gains, other holdings	6	2	55	2	130
Profit from holdings	413	1,774	483	1,840	1,817
Asset management					
Dividends	-	13	-	17	16
Capital gains	-	120	-	93	218
Profit from asset management	-	133	-	110	234
Central income and expenses					
Management costs	-32	-43	-51	-62	-106
Financial items	-29	10	-35	10	-19
Net expenses	-61	-33	-86	-52	-125
Profit before tax	352	1,874	397	1,898	1,926
Tax	-80	-23	-127	-52	-182
Minority share of net profit	-1		-1		
Profit after tax	271	1,851	269	1,846	1,744
Earnings per share, SEK					
- before and after dilution	3.43	23.41	3.41	23.35	22.07
Number of shares outstanding before and after dilution (millions)					
- at the end of the period	78.9	79.1	78.9	79.1	79.0
- average	79.0	79.1	79.0	79.1	79.0

Consolidated balance sheet

SEKm	30 June 2002	30 June 2001	31 Dec 2001
ASSETS			
Fixed assets			
Intangible	344	64	127
Tangible	226	30	43
Financial	5,957	7,339	7,882
Total fixed assets	6,527	7,433	8,052
Current assets			
Inventories	409	0	76
Current receivables	1,811	240	383
Short-term investments	18	93	73
Cash and bank balances	116	899	57
Total current assets	2,354	1,232	589
Total assets	8,881	8,665	8,641
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	7,907	8,283	8,177
Minority interests	108		
Provisions	87	42	14
Long-term liabilities			
- non-interest bearing	3	5	6
- interest-bearing	116	22	123
Current liabilities			
- non-interest bearing	363	209	244
- interest-bearing	297	104	77
Total shareholders' equity and liabilities	8,881	8,665	8,641

Changes in shareholders' equity

	2002 Q 1-2	2001 Q 1-2	2001 full year
Opening shareholders' equity according to previously adopted balance sheet	8,177	6,780	6,780
Effect of change of accounting principle in associated companies		-2	-2
Opening shareholders' equity adjusted according to new principle	8,177	6,778	6,778
Dividends paid	-493	-435	-435
Buyback of own shares	-2	-8	-16 [1)]
Subscription rights	4		
Effect of associated companies' share buybacks		-3	-3
Translation difference, associated companies and subsidiaries	-94	108	112
Accumulated translation difference in sold associated companies	46	-3	-3
Net profit for the year/period	269	1,846	1,744
Closing shareholders' equity	7,907	8,283	8,177

1) of which, reduction of shareholders' equity SEK 8m.

Consolidated cash flow statement

SEKm	2002 Q 1-2	2001 Q 1-2	2001 full year
Operating activities			
Consolidated profit before tax	397	1,898	1,926
Adjustment for items not included in cash flow	-341	-1,804	-1,812
	56	94	114
Paid tax	0	-2	-27
Cash flow from operating activities before change in working capital	56	92	87
Cash flow from change in working capital			
Increase (-) in inventories	-9		2
Increase (-) in operating receivables	-976	20	19
Increase (+) in operating liabilities	22	-29	-72
Cash flow from operating activities	-907	83	36
Investing activities			
Divestment of subsidiaries	142		
Acquisition of subsidiaries	-381	-	-102
Divestments, holdings	1,896	2,259	2,450
Investments, holdings	-164	-889	-3,793
Divestments, asset management	-	2,844	3,326
Investments, asset management	-	-102	-143
Investments in other financial assets	-11	-	-10
Change in other financial assets	260	-	-1,363
Cash flow from investing activities	1,742	4,112	365
Financing activities			
Share buybacks	-2	-8	-16
Decrease (-) in interest-bearing liabilities	-281	-2,912	48
Dividends paid	-493	-435	-435
Cash flow from financing activities	-776	-3,355	-403
Cash flow for the period	59	840	-2
Liquid assets, opening balance	57	59	59
Liquid assets, closing balance	116	899	57

Consolidated key figures

	2002 Q 1-2	2001 Q 1-2	2001 full year
Return on equity, %	-	-	23
Return on capital employed, %	-	-	27
Equity ratio, %			
- visible	89	96	95
- including hidden reserve	90	96	95
Interest-bearing net debt (+) [1)]	298	-769	73
Key figures per share			
Total return, %	21	25	27
Earnings, SEK	3.41	23.35	22.07
Dividend paid, SEK	-	-	6.25
Market price, SEK	107.00	92.00	93.50
Yield, %	-	-	6.7
Net asset value, SEK [2)]	105	116	108
Number of shares outstanding	78,942,226	79,058,626	78,958,226
Average number of shares [3)]	78,957,872	79,073,626	79,029,299

1) Excluding receivable from Woodrose relating to transfer of Atle companies.

2) Unlisted associated companies are included in NAV at consolidated book value.

3) Taking share buybacks into account.

Parent company profit and loss account

SEKm	2002 Q 2	2001 Q 2	2002 Q 1-2	2001 Q 1-2	2001 full year
Holdings					
Exit gains, subsidiaries	9		9		
Dividends, associated companies	39	54	49	87	87
Exit gains, associated companies	175	2,088	175	2,088	2,088
Write-downs, associated companies	-36		-36		-332
Dividends, other companies	15		15		10
Exit gains, other holdings	6	2	54	2	130
Profit from holdings	208	2,144	266	2,177	1,983
Asset management					
Dividends		12		14	14
Capital gains		115		84	246
Profit from asset management	0	127	0	98	260
Central income and expenses					
Management costs	-30	-26	-46	-45	-86
Financial items	19	33	39	32	83
Net expenses	-11	7	-7	-13	-3
Profit before tax	197	2,278	259	2,262	2,240
Tax	-1		-1		-1
Profit after tax	196	2,278	258	2,262	2,239

Parent company balance sheet

SEKm	30 June 2002	30 June 2001	31 Dec 2001
ASSETS			
Fixed assets			
Tangible	18	15	17
Financial	6,530	4,416	8,026
Total fixed assets	6,548	4,431	8,043
Current assets			
Current receivables	1,472	3,043	259
Cash and bank balances	27	885	23
Total current assets	1,499	3,928	282
Total assets	8,047	8,359	8,325
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	7,782	8,046	8,014
Provisions	5	4	3
Long-term liabilities			
- non-interest bearing	3	3	3
- interest-bearing	141	155	211
Current liabilities			
- non-interest bearing	35	13	22
- interest-bearing	81	138	72
Total shareholders' equity and liabilities	8,047	8,359	8,325

Parent company cash flow statement

SEKm	2002 Q 1-2	2001 Q 1-2	2001 full year
Operating activities			
Profit before tax	259	2,262	2,240
Adjustment for items not included in cash flow	-201	-2,176	-2,130
	58	86	110
Paid tax	-2	0	-1
Cash flow from operating activities before change in working capital	56	86	109
Cash flow from change in working capital			
Increase (-) in operating receivables	-1,019	-19	-68
Increase (+) in operating liabilities	13	-11	-3
Cash flow from operating activities	-950	56	38
Investing activities			
Divestment of subsidiaries	156		
Acquisition of subsidiaries	-462	-	-104
Divestments, holdings	1,896	2,259	2,450
Investments, holdings	-164	-889	-3,793
Divestments, asset management	-	2,810	3,273
Investments, asset management	-	-62	-62
Investment in other financial assets	-2	-1	-3
Change in other financial assets	272	-	-1,407
Cash flow from investing activities	1,696	4,117	354
Financing activities			
Share buybacks	-2	-8	-16
Decrease (-) in interest-bearing liabilities	-249	-2,868	57
Dividends paid	-491	-435	-435
Cash flow from financing activities	-742	-3,311	-394
Cash flow for the period	4	862	-2
Liquid assets, opening balance	23	23	25
Liquid assets, closing balance	27	885	23

Ratos's holdings at 30 June 2002
Company information

SEKm	SIX-MONTH REPORT, ASSOCIATED COMPANIES																	SIX-MONTH REPORT, RATOS				
	NET SALES			EBITA			EBT			Goodwill amortisation	Other depreciation	Invest-ments	Cash flow	Shareholders equity	Interest-bearing net debt	Goodwill	No. of employees	Ratos's consoli-dated value	Investment	Total	Ratos's holding	
	02 Q1-2	01 Q1-2	2001	02 Q1-2	01 Q1-2	2001	02 Q1-2	01 Q1-2	2001	02 Q1-2	02 Q1-2	02 Q1-2	02 Q1-2	02 Q1-2	02 Q1-2	02 Q1-2	2001	jun-02	year	invested	%	
Arcorus	695	641	1 469	34	29	126	21	14	97	5	19	12	61	469	236	136	770	489	2001	462	77	Arcorus
Atle Industri [2]	1 141	1 137	2 384	10	27	26	-15	18	-28	17	19	n/a	n/a	639	303	175	1 374	529	2001	616	50	Atle Industri
Camfil	1 568	1 620	3 237	115	122	232	60	47	96	30	43	44	169	1 051	783	854	2 760	448	2000	450	30	Camfil
Capona	146	138	291	98	95	203	56	60	128	0	14	36	27	785	1 498	0	140	317	1998	224	47	Capona
Dahl	5 683	5 530	11 660	237	239	569	140	127	351	46	59	108	50	2 036	1 487	1 509	3 341	723	1999	562	44	Dahl
DataVis [5]	100	134	215	-3	-6	-31	-5	-10	-131	1	2	1	-6	70	-11	39	241	107	2000	254	44	DataVis
DIAB [1] [7]	352	362	693	31	50	80	28	47	76	0	18	38	-17	277	135	1	596	668	2001	688	48	DIAB
Dynal Biotech [3]	274	214	483	98	68	123	110	60	46	40	14	10	-7	1 221	617	1 428	242	305	2001	292	25	Dynal Biotech
Gadelius [6]	408	508	1 025	15	30	50	8	22	34	5	4	3	49	157	269	53	228	128	2001	140	50	Gadelius
Giga Consulting [4]	53	58	88	-9	-7	-30	-9	-7	-29	0	1	0	-10	22	5	26	91	20	2001	109	39	Giga Consulting
Haendig [1] [7]	640	566	1 213	28	19	42	12	7	14	5	9	6	-5	198	405	125	452	170	2001	169	49	Haendig
Haglöfs	136	133	275	-2	4	14	-4	2	10	0	2	4	-11	45	66	5	102	104	2001	104	100	Haglöfs
Hilding Anders	1 646	1 456	3 100	197	176	381	104	106	289	38	47	n/a	n/a	1 165	1 447	1 119	2 157	421	2001	378	27	Hilding Anders
HL Display	587	512	1 072	40	35	85	32	36	82	n/a	25	26	4	294	n/a	5	892	237	2001	229	29	HL Display
Intervect	563	555	1 166	14	26	-4	2	9	-35	1	36	28	92	314	432	49	854	213	2001	227	50	Intervect
Lindab [3]	2 489	2 452	5 160	131	92	319	0	-49	37	67	95	99	-4	2 169	2 294	2 014	3 635	1 051	2001	1 066	48	Lindab
Martinsson	297	250	482	1	-3	-4	-3	-6	-6	6	4	113	37	227	52	169	218	154	2001	156	50	Martinsson
Q-Labs	95	117	221	-10	-13	-44	-9	-14	-68	0	4	9	-38	93	-65	0	197	52	2000	190	50	Q-Labs
Superfos	1 693	1 487	2 916	161	72	73	55	-18	-108	28	141	129	-769	1 122	2 193	1 008	2 268	390	1999	485	33	Superfos
Telia Overseas	207	185	418	101	2 139	2 315	6	2 202	2 460	4	48	n/a	n/a	4 153	361	0	397	64	1996	64	9	Telia Overseas
Total [8]	**18 564**	**17 870**	**37 150**	**1 186**	**1 054**	**2 209**	**583**	**450**	**855**	**289**	**555**	**664**	**-376**	**12 353**	**12 146**	**8 715**	**20 558**					**Total**
Change, %	**+4%**			**+13%**			**+30%**															

[1] The planned transfer of the holding from Atle to Ratos had not been completed by the end of the period, since the conditions for the transfer had not yet been met.

[2] Atle Industri is not a legal group. Since the extent of the group has been modified since year-end, shareholders' equity has changed.

[3] 2001 full-year and half-year figures for Dynal and Lindab were pro forma for the group including holding company, i.e. incl. goodwill amortisation and net financial items in the holding company.

[4] Giga Consulting's previous figures pertain to Yarrow.

[5] The consolidated value includes a convertible debenture loan of SEK 63m .

[6] Gadelius is owned via a Dutch holding company. These figures exclude the holding company.

[7] The consolidated values relate to value in the event of planned but not completed transfers from Atle to Ratos.

[8] Excluding Telia Overseas which is not an associated company.