

## Very strong third quarter for V&S Group

- **Third quarter operating profit up 23% to SEK 677 (549) million.**
- **Third quarter profit after tax up 29% to SEK 423 (329) million.**
- **Group net sales for the third quarter up 5% to SEK 2,666 (2,529) million.**
- **Sales volume increased by 9% to 7.0 (6.4) million 9-litre cases in the third quarter**

"The third quarter was extremely strong for V&S compared to the same quarter last year, as particularly evidenced by the improved operating profit in all three business areas. V&S Absolut Spirits reports one of the best ever figures for a single quarter in terms of Swedish kronor. This only serves to strengthen my conviction that the Group's 2007 figures will be even better than last year," says Bengt Baron, CEO of V&S Group.

The Group's profit after tax for the first nine months of the year increased by a total of 5% to SEK 1,003 (955) million. Operating profit amounted to SEK 1,555 (1,634) million and net sales to SEK 7,349 (7,371) million.

The weaker US dollar compared to the same period last year reduced net sales by SEK -215 million and operating profit by SEK -130 million during the first nine months of the year.

Sales of ABSOLUT VODKA continued to develop well between January and September, both in the United States and on most other prioritized markets. US sales from distributor to retail increased by 4%. After stock reductions among distributors during the first half-year, stock levels at the end of the third quarter are deemed to be on a par with last year.

"V&S has divested several operations in the past year, primarily ones that are not part of our core business. Accounting for this fact and the weaker US dollar, operating profit increased by 7% and net sales by 14% between January and September this year," says Bengt Baron.

The interim report can be found at [www.vsgroup.com](http://www.vsgroup.com)

### Further information

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V&S Group is a Swedish-owned corporation with extensive international operations. Its product portfolio includes both own brands for local, regional and international sales, as well as agency products. The Group has operations in 10 countries and worldwide distribution on 126 markets. The most important brand is ABSOLUT, the fourth biggest premium spirits brand in the world. V&S has approximately 2,300 employees and sales in 2006 amounted to approximately SEK 10.3 billion.