

# Interim Report January – March 2008

April 22, 2008



## First quarter

- **Order intake rose to SEK 1,586 M (1,527), up 4% - up 2%, adjusted<sup>1</sup>**
- **Net sales advanced to SEK 1,545 M (1,404), up 10% - up 7%, adjusted<sup>1</sup>**
- **Costs for the MEP<sup>2</sup> program (Munters Efficiency Program phase 2) totaled SEK 21 M, according to plan**
- **EBIT before amortization and costs for the MEP<sup>2</sup> program totaled SEK 131 M (128)**
- **Net earnings totaled SEK 58 M (78)**
- **Earnings per share totaled SEK 0.78 (1.04)**

	2008	2007	Change	Adjusted change <sup>1</sup>
Order intake, SEK M	1 586	1 527	4%	2%
Net sales, SEK M	1 545	1 404	10%	7%
EBIT bef. amortization and MEP <sup>2</sup> , SEK M**	131	128	2%	
Net earnings, SEK M	58	78	-25%	
Earnings per share, SEK	0,78	1,04	-25%	

<sup>1</sup> Adjusted for currency fluctuations and acquisitions and disposals of businesses.  
<sup>\*\*</sup> Amortization of intangible assets relating to business acquisitions.

Munters is a global leader in energy efficient air-treatment solutions and restoration services based on expertise in humidity and climate control technologies. Customers are served in a wide range of segments, the most important being the insurance, food, pharma and electronics industries.

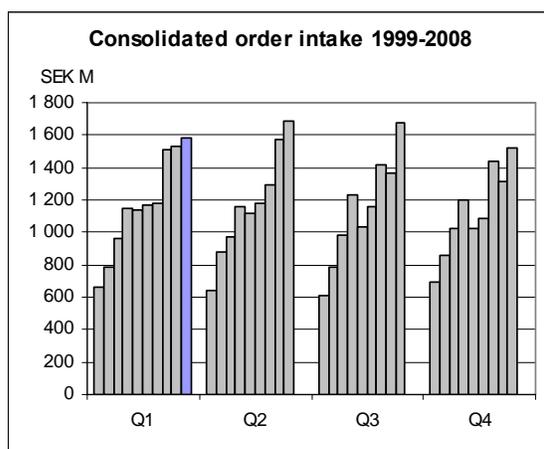
Manufacturing and sales are carried out through the Group's own companies in more than 30 countries. The Group has nearly 4,300 employees and net sales of about SEK 6.3 billion. The Munters share is listed on OMX Nordic Exchange Stockholm. For more information see [www.munters.com](http://www.munters.com)

# First quarter

## Order intake

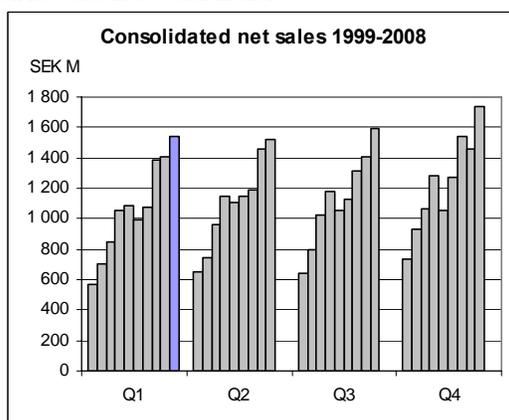
During the first quarter, order intake rose 4% to SEK 1,586 M (1,527). Pro forma, adjusted for currency effects, acquisitions and disposals of operations, the increase was 2%. Dehumidification reported favorable order intake as part of the largest business area, Industrial, but was adversely affected as expected by a sharp downturn in order intake from Wal-Mart in the Commercial business area. MCS enjoyed a favorable order intake, despite a very mild winter. HumiCool reported satisfactory order intake, primarily in AgHort, but was negatively impacted by the anticipated poor order intake from coal-fired power plants in the US.

The order backlog rose by 12% compared with the preceding year and totaled SEK 1,125 M (1,008) at the end of the quarter.



## Net sales

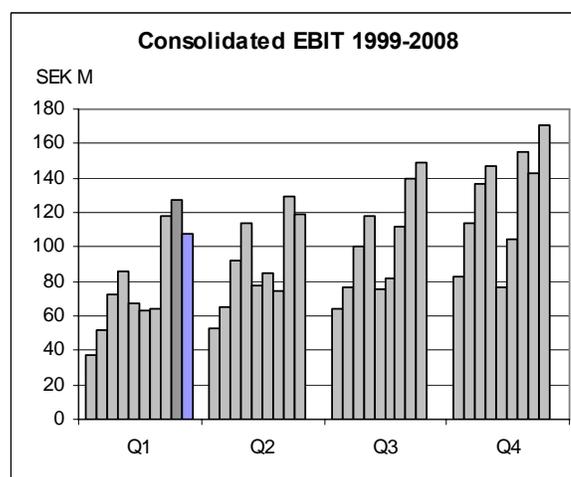
Consolidated net sales rose 10% to SEK 1,545 M (1,404). Adjusted<sup>1</sup>, the increase was 7%. The strong Swedish krona compared with the preceding year had an adverse impact of 2% on net sales in Swedish kronor.



## Earnings

EBIT before amortization and the MEP<sup>2</sup> program amounted to SEK 131 M (128) for the Group. The first phase of the MEP<sup>2</sup> program was conducted as scheduled at a net cost of SEK 21 M during the quarter, distributed by division as shown in the table below. EBIT for the Group totaled SEK 108 M (127). Operating margin was 7.0% (9.0). The Dehumidification Division was adversely affected by low sales and production volumes to Wal-Mart and the uncommonly high warranty costs. MCS' earnings were in line with expectations, particularly in view of the very mild winter. HumiCool delivered strong earnings despite the negative impact of the weak dollar.

	Reported EBITA	MEP <sup>2</sup>	Adjusted EBITA	2007 Q1
DH	33	-4	37	38
MCS	36	-5	41	38
HC	51	-11	62	59
Other	-10	-1	-9	-8
Total	110	-21	131	128



2004 and later years in accordance with IFRS.

Consolidated earnings after financial items totaled SEK 91 M (121). Net earnings for the quarter totaled SEK 58 M (78). Earnings per share totaled to SEK 0.78 (1.04).

## Cash flow

Operating cash flow resulted in a negative SEK 43 M (positive 45). Weak cash flow was due primarily by an increase in inventories ahead of the spring season, and a decline in accounts payable.

<sup>1</sup> Pro forma, adjusted for currency effects, acquisitions and disposals of operations

### Capital expenditure

Consolidated capital expenditure on tangible assets amounted to SEK 43 M (34) during the period, of which SEK 17 M (12) related to investment in MCS equipment. Depreciation and impairments totaled SEK 43 M (37).

### Financial position

The equity ratio was 32% at the end of the period (31 at the start of the year). Interest-bearing assets totaled SEK 242 M (276 at the start of the year) and interest-bearing provisions and liabilities amounted to SEK 1,361 M (1,344 at the start of the year). Net debt during the year rose by SEK 51 M to SEK 1,119 M. The Group has unutilized loan facilities of SEK 1,000 M.

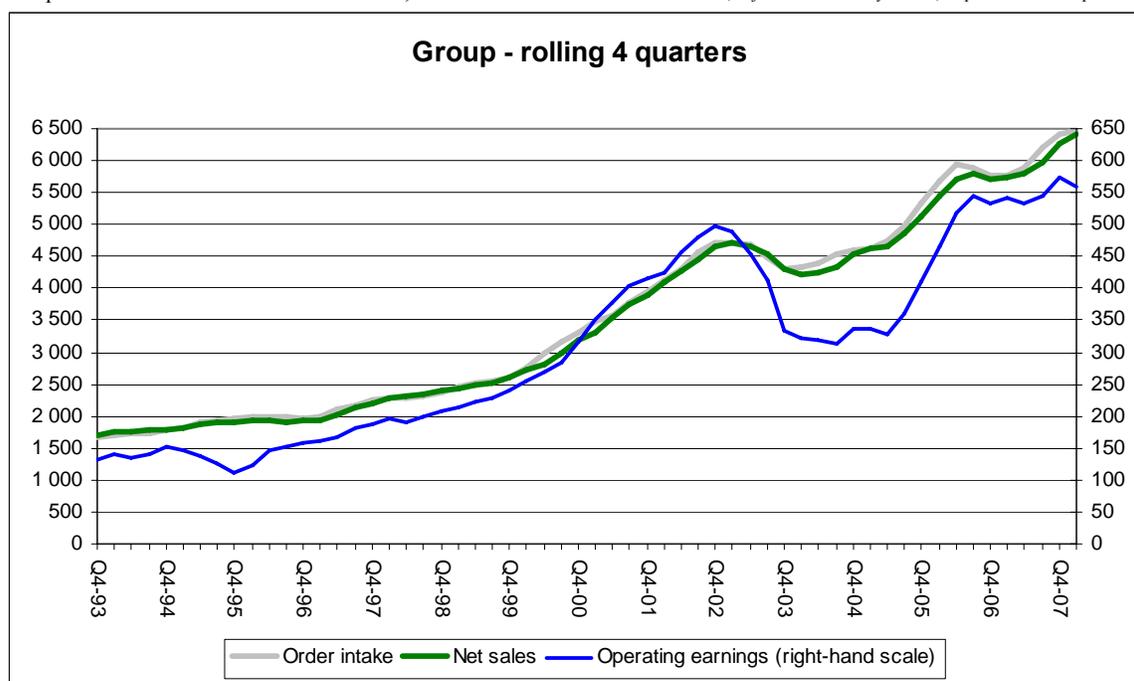
### Personnel

At the end of the period, the number of permanent employees was 4,099, an increase of 56 during the year.

### Second quarter prospects

The MEP<sup>2</sup> program is continuing as planned and with the anticipated impact on earnings. The program is expected to have an adverse impact of some SEK 20 M during the second quarter.

<sup>1</sup> Pro forma, adjusted for currency effects, acquisitions and disposals of operations.



<sup>1</sup> Pro forma, adjusted for currency effects, and acquisitions and disposals of operations.

# Divisional performance

## Dehumidification Division

The Dehumidification Division is divided into three business areas: Industrial Dehumidification, Commercial Dehumidification and Zeol.

SEK M	First quarter	
	2008	2007
Order intake	487	444
Change	10%	
Adjusted change <sup>1</sup>	3%	
Net sales	433	371
Change	17%	
Adjusted change <sup>1</sup>	8%	
Operating earnings b. MEP <sup>2</sup>	37	38
Operating margin	8.5%	10.2%

- **Favorable growth in orders and sales in the Industrial business area**
- **Commercial was adversely affected by WalMart**

### First quarter

The market for industrial dehumidifiers was strong during the quarter with favorable demand worldwide. Growth in Asia continued to rise during the quarter. Commercial Dehumidification was adversely impacted by very low demand from Wal-Mart as a result of the previous announced decrease in new store construction in US. The anticipated offsetting through sales of replacement units to older Wal-Mart stores did not emerge as expected. Other parts of the business area reported steady demand. The market for Zeol's products to the semiconductor industry remained relatively weak. Net sales in the division progressed relatively well during the quarter, despite the decline in sales to Wal-Mart, rising 8%, adjusted for currency effects and acquisition of operations.

The operating margin before MEP<sup>2</sup> was a relatively low during the quarter as a result of the under-absorption of costs at the San Antonio plant in Texas, US, which manufactures products for Wal-Mart. In addition, warranty costs were uncommonly high during the quarter. The MEP<sup>2</sup> program had an adverse impact of some SEK 4 M on operating earnings, primarily due to efficiency-enhancement programs and 20 redundancies at the Tobo plant in Sweden.

### Second quarter prospects

Continuing low demand from Wal-Mart is expected during the quarter, since order intake for replacement units has not yet reached substantial volumes. Demand in Industrial is expected to develop relatively well.

## Moisture Control Services (MCS) Division

The MCS Division has a country based organization divided into three market areas: the Northern Europe, Central Europe, and the US & Asia.

SEK M	First quarter	
	2008	2007
Order intake	672	633
Change	6%	
Adjusted change <sup>1</sup>	6%	
Net sales	669	614
Change	9%	
Adjusted change <sup>1</sup>	9%	
Operating earnings b. MEP <sup>2</sup>	41	38
Operating margin	6.1%	6.2%

- **Favorable growth despite mild winter**
- **Field.Link implementation commenced**

### First quarter

Despite the very mild winter, order intake was favorable in many markets, with a recovery in Australia and to some extent in the US. Net sales also progressed well in most markets. Developments during the quarter included the commencement of Field.Link in a number of key markets and implementation was started in Norway, Germany and the Netherlands during April, leading to MEP<sup>2</sup> costs of some SEK 5 M during the first quarter.

Operating earnings before MEP<sup>2</sup> costs rose slightly, primarily in Germany and the UK compared with the first quarter of 2007, despite a slightly weaker sales mix resulting from the mild weather. The improvement was partly due to lower costs.

### Second quarter prospects

Normally, the second quarter is the weakest period of the year in terms of demand and sales mix, and is expected to remain so in 2008. Major efforts will be made in the implementation of Field.Link and capital efficiency projects initiated in connection with MEP<sup>2</sup> project during the first quarter.

## HumiCool Division

The HumiCool Division is divided into four business areas: AgHort, Mist Elimination, HVAC and PreCooler.

SEK M	First quarter	
	2008	2007
Order intake	436	465
Change	-6%	
Adjusted change <sup>1</sup>	-8%	
Net sales	451	429
Change	5%	
Adjusted change <sup>1</sup>	3%	
Operating earnings b. MEP <sup>2</sup>	62	59
Operating margin	13.7%	13.8%

- **AgHort reported favorable order intake**
- **Low order intake from coal-fired plants in the US**
- **AgHort and Mist Elimination report solid earnings**

### First quarter

Order intake during the quarter fell 8% adjusted<sup>1</sup>, driven by low order intake to Mist Elimination in the US due to the expected slowdown in order intake from manufacturers of treatment plants for coal-fired power plants, which, in turn, was driven by extensive construction delays. Market demand for AgHort products continues to rise in the US and Europe,

### EVENTS AFTER THE CLOSE OF THE QUARTER

Munters has concluded an agreement to acquire 80% of Turkish Munters-Form Endüstri Sistemleri Sanayi ve Ticaret A.Ş. Turkey. Munters-Form has nine employees and annual sales of some EUR 3 M. The acquisition had a marginal effect on Munters earnings per share for 2008.

Munters-Form is primarily active in the dehumidification area, ventilation products for the agricultural sector and coolers for gas turbines. The company is part of the Form Group, which is owned by the Korun family, who will retain 20% ownership in the company. Form Group has been a distributor for Munters dehumidification and HumiCool products in the Turkish market, and some neighboring countries for 22 years.

which commenced in the third quarter of 2007 as a result of rising fodder and meat prices.

Net sales rose 3% during the quarter, adjusted for currency effects and acquisitions. The lower adjusted growth rate was due primarily to a sluggish after-season for heaters supplied by Sial.

Earnings continue to remain robust in all business areas except HVAC, which was affected by the weak close of the season for heaters as a result of the mild weather. The weak USD/EUR exchange rate also continued to burden earnings during the quarter. The MEP<sup>2</sup> project gave rise to SEK 11 M in costs during the quarter, primarily as a result of the relocation of production and redundancies in Tobo, Sweden, as well as the consolidation of the product offering in the US, leading to extra depreciation of machinery.

### Second quarter prospects

The robust demand for AgHort products is expected to continue. However, Mist Elimination in the US is expected to see the persistence of sluggish demand over the first six months, which may extend into the second half of the year. The weak dollar exchange rate is anticipated to continue affecting the Division's earnings.

The MEP<sup>2</sup> program will continue during the second quarter, primarily through the relocation of droplet separators destined for the Chinese market to be relocated from Germany to China.

<sup>1</sup> Pro forma, adjusted for currency effects, and acquisitions and disposals of operation.

### SIGNIFICANT RISKS AND UNCERTAINTY FACTORS

Munters' exposure to risk can be divided into two categories: operational risks such as those due to weather, dependence on key personnel and key customers and geographically dispersed operations involving small operational units, on the one hand; and financial risks, consisting mainly of currency, interest and financing risks, on the other.

Acquisition frequency at Munters has increased, which may result in integration-related risks. During the current and past year, financial risks – primarily interest-rate risks and currency risks – are deemed to have increased somewhat due to increased external borrowing as a result of acquisitions and share redemptions. A more detailed description of the Group's and Parent Company's risk exposure and risk management activity may be found in the "Risk management" section on pages 30-31 of the Munters Annual Report for 2007, which is available on [www.munters.com](http://www.munters.com).

#### FORWARD-LOOKING STATEMENTS

Some statements in this report are forward-looking, and the actual outcomes may be materially different. In addition to the factors explicitly discussed, other factors could have a material effect on the actual outcomes. Such factors include, but are not limited to, general business conditions, fluctuations in exchange rates and interest rates, political risks, the impact of competing products and their pricing, product development, commercialization and technological difficulties, interruptions in supply, and major customer credit losses.

#### TRANSACTIONS WITH RELATED PARTIES

There are no significant contractual relationships or transactions between Munters and its related parties, apart from the remuneration of senior executives.

#### PARENT COMPANY

The Parent Company's earnings after financial items during the period amounted to SEK 36 M (28). There were no external net

sales (as was the case in the preceding year). Cash and cash equivalents at the close of the period amounted to SEK 64 M (5) and the net debt amounted to SEK 1,111 M (246). Capital expenditure amounted to SEK 2 M (1). The number of employees was 28 (28).

#### FUTURE INFORMATION DATES

13 August	January-June interim report
24 October	January-September interim report

#### PRESS AND ANALYSTS CONFERENCE

Munters will hold a press conference for the media, analysts and investors on Tuesday, 22 April at 4.00 pm at Kungsholmen Konferens & Matsal, Fleminggatan 18 (Trygg-Hansa building), Stockholm, in the Brädstapel Room.

The presentation may also be monitored by telephone: +46-8-53 526 407, code 2068648.

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Kista, 22 April 2008

Lars Engström

*President and Chief Executive Officer*

Munters discloses the information provided herein pursuant to the Securities Markets Act and/or the Financial Instruments Trading Act. The information was submitted for publication on 22 April 2008 at 2.00 pm (CET).

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This interim report, along with other information, is available on [www.munters.com](http://www.munters.com)

#### AUDITOR'S REVIEW REPORT

This interim report has not been reviewed by the company's auditor.

<sup>1</sup> Pro forma, adjusted for currency effects, and acquisitions and disposals of operations.

Amounts in SEK M	2008 Jan-Mar 3 months	2007 Jan-Mar 3 months	2007/2008 Apr-Mar 12 months	2007 Jan-Dec 12 months
<b>Order intake</b>	1,586	1,527	6,466	6,407
<b>Income statement</b>				
Net sales	1,545	1,404	6,403	6,262
Cost of goods sold	-1,131	-999	-4,635	-4,503
<b>Gross earnings</b>	<b>414</b>	<b>405</b>	<b>1,768</b>	<b>1,759</b>
Gross margin	26.8%	28.8%	27.6%	28.1%
Other operating income	7	-	7	0
Selling expenses	-167	-154	-666	-653
Administrative expenses	-123	-109	-478	-464
Research and development costs	-19	-15	-74	-70
Other operating expenses	-4	0	-10	-6
<b>EBIT - Earnings before interest and tax</b>	<b>108</b>	<b>127</b>	<b>547</b>	<b>566</b>
EBIT margin	7.0%	9.0%	8.5%	9.0%
Financial income and expenses	-17	-6	-51	-40
<b>Earnings after financial income</b>	<b>91</b>	<b>121</b>	<b>496</b>	<b>526</b>
Taxes	-33	-43	-180	-190
<b>Net earnings</b>	<b>58</b>	<b>78</b>	<b>316</b>	<b>336</b>
Attributable to equity holders of the parent	58	77	313	332
Attributable to minority interest	0	1	3	4
Earnings per share, SEK	0.78	1.04	4.23	4.49
Earnings per share - after dilution, SEK	0.78	1.04	4.23	4.49
<b>Order intake by division</b>				
Dehumidification Division	487	444	2,044	2,001
MCS Division	672	633	2,669	2,630
HumiCool Division	436	465	1,808	1,837
Eliminations	-9	-15	-55	-61
<b>Order intake by division</b>	<b>1,586</b>	<b>1,527</b>	<b>6,466</b>	<b>6,407</b>
<b>Net sales by division</b>				
Dehumidification Division	433	371	1,998	1,936
MCS Division	669	614	2,679	2,624
HumiCool Division	451	429	1,787	1,765
Eliminations	-8	-10	-61	-63
<b>Net sales</b>	<b>1,545</b>	<b>1,404</b>	<b>6,403</b>	<b>6,262</b>
<b>Operating earnings by division</b>				
Dehumidification Division	33	38	229	234
operating margin	7.6%	10.2%	11.5%	12.1%
MCS Division	36	38	127	129
operating margin	5.3%	6.2%	4.7%	4.9%
HumiCool Division	51	59	243	251
operating margin	11.4%	13.8%	13.6%	14.2%
Central, eliminations etc.	-10	-7	-43	-40
<b>EBIT before amortizations</b>	<b>110</b>	<b>128</b>	<b>556</b>	<b>574</b>
Amortizations on acquisitions related to intangible assets	-2	-1	-9	-8
<b>EBIT- Earnings before interest and tax</b>	<b>108</b>	<b>127</b>	<b>547</b>	<b>566</b>

Amounts in SEK M	2008	2007	2007
	31 Mar	31 Dec	31 Mar

## Balance sheet

### Assets

#### Fixed assets

##### Tangible assets

Buildings and land	164	172	176
Plant and machinery	134	144	135
Equipment, tools, fixtures and fittings	250	262	232
Construction in progress	29	22	7
	577	600	550

##### Intangible assets

Patent, licenses, trademarks and similar rights	103	110	47
Goodwill	773	794	562
	876	904	609

#### Other fixed assets

Participation in associated companies	2	2	4
Other long-term receivables	20	19	15
Deferred tax assets	85	62	60
	107	83	79

#### Current assets

Inventory etc.	577	536	498
Accounts receivable	1,197	1,292	1,077
Other receivables	179	171	181
Liquid funds	242	276	216
	2,195	2,275	1,972

<b>Total assets</b>	<b>3,755</b>	<b>3,862</b>	<b>3,210</b>
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### Equity and liabilities

<b>Equity</b>	<b>1,198</b>	<b>1,202</b>	<b>1,640</b>
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#### Long-term liabilities

Interest-bearing liabilities	1,155	1,168	18
Provisions	168	165	180
Deferred tax liabilities	70	47	32
Other liabilities	1	3	3
	1,394	1,383	233

#### Short-term liabilities

Interest-bearing liabilities	59	32	250
Advances from customers	86	99	85
Accounts payable	414	496	416
Provisions	64	66	57
Other liabilities	540	584	529
	1,163	1,277	1,337

<b>Total equity and liabilities</b>	<b>3,755</b>	<b>3,862</b>	<b>3,210</b>
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## Consolidated statement of recognized income and expense

### Income and expenses recognized in equity

Actuarial gains and losses related to pensions, including special employer's contribution	-2	3	0
Cash flow hedges	-3	-1	-1
Exchange differences on translation of foreign operations	-59	10	47
Tax on items reported directly in equity	2	0	0
<b>Total transactions reported in equity</b>	<b>-62</b>	<b>12</b>	<b>46</b>
Net earnings for the period	58	336	78
<b>Total income and expenses recognized for the period, net</b>	<b>-4</b>	<b>348</b>	<b>124</b>
Attributable to:			
Equity holders of the parent	-4	344	123
Minority interest	0	4	1
	-4	348	124

Amounts in SEK	2008 Jan-Mar 3 months	2007 Jan-Mar 3 months	2007/2008 Apr-Mar 12 months	2007 Jan-Dec 12 months
<b>Cash flow statement</b>				
<b>Current operations</b>				
Earnings after financial items	91	121	496	526
Reversal of depreciation etc.	43	37	162	156
Other earnings items not affecting cash flow	-4	-8	-15	-19
Taxes paid	-53	-23	-217	-187
<b>Cash flow from current operations before changes in working capital</b>	<b>77</b>	<b>127</b>	<b>426</b>	<b>476</b>
<i>Cash flow from changes in working capital</i>				
Changes in inventory	-65	-28	-65	-28
Changes in accounts receivable	52	86	-136	-102
Changes in other receivables	-16	-26	-5	-15
Changes in accounts payable	-70	-56	17	31
Changes in other liabilities	22	-20	75	33
<b>Sum of changes in working capital</b>	<b>-77</b>	<b>-44</b>	<b>-114</b>	<b>-81</b>
<b>Cash flow from current operations</b>	<b>0</b>	<b>83</b>	<b>312</b>	<b>395</b>
<b>Investing activities</b>				
Acquisitions and disposals of businesses	0	-2	-314	-316
Investments in intangible assets	-1	-5	-21	-25
Investments in tangible assets	-43	-34	-194	-185
Sales of tangible assets	1	1	4	4
<b>Cash flow from investing activities</b>	<b>-43</b>	<b>-40</b>	<b>-525</b>	<b>-522</b>
<b>Financing activities</b>				
Changes in loans	16	-45	908	847
Dividend paid	-	-	-166	-166
Redemption of shares	-	-	-494	-494
Sale of treasury stock	-	12	-1	11
<b>Cash flow from financing activities</b>	<b>16</b>	<b>-33</b>	<b>247</b>	<b>198</b>
<b>Cash flow for the period</b>	<b>-27</b>	<b>10</b>	<b>34</b>	<b>71</b>
Liquid funds at the beginning of the period	276	201	216	201
Exchange-differences in liquid funds	-7	5	-8	4
<b>Liquid funds at end of the period</b>	<b>242</b>	<b>216</b>	<b>242</b>	<b>276</b>
<b>Operating cash flow</b>	<b>-43</b>	<b>45</b>	<b>101</b>	<b>189</b>
<b>Key figures</b>				
<b>More key figures are disclosed in the quarterly review</b>				
Capital turnover rate, times	-	-	2.6	2.7
Return on capital employed, %	-	-	22.8	24.8
Return on equity, %	-	-	25.4	25.7
Interest coverage ratio, times	6.3	22.2	8.6	10.7
<b>Net debt structure</b>				
Short-term interest-bearing liabilities	-	-	59	32
Long-term interest-bearing liabilities	-	-	1,155	1,168
Defined benefit plans etc.	-	-	147	144
Interest-bearing liabilities	-	-	-242	-276
<b>Net debt</b>	<b>-</b>	<b>-</b>	<b>1,119</b>	<b>1,068</b>

## Quarterly overview - consolidated earnings, share data and cash flow

Amounts in SEK M	2008	2007				2006			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Order intake	1,586	1,518	1,674	1,688	1,527	1,311	1,362	1,573	1,515
<b>Income statement</b>									
Net sales	1,545	1,737	1,597	1,524	1,404	1,462	1,408	1,456	1,386
Operating expenses	-1,437	-1,566	-1,448	-1,405	-1,277	-1,319	-1,268	-1,327	-1,268
<b>EBIT</b>	<b>108</b>	<b>171</b>	<b>149</b>	<b>119</b>	<b>127</b>	<b>143</b>	<b>140</b>	<b>129</b>	<b>118</b>
EBIT margin	7.0%	9.8%	9.3%	7.8%	9.0%	9.8%	9.9%	8.8%	8.5%
Financial income and expense	-17	-12	-13	-9	-6	-3	-4	-4	-5
<b>Earnings after financial items</b>	<b>91</b>	<b>159</b>	<b>136</b>	<b>110</b>	<b>121</b>	<b>140</b>	<b>136</b>	<b>125</b>	<b>113</b>
Taxes	-33	-58	-49	-40	-43	-48	-50	-46	-42
<b>Net earnings</b>	<b>58</b>	<b>101</b>	<b>87</b>	<b>70</b>	<b>78</b>	<b>92</b>	<b>86</b>	<b>79</b>	<b>71</b>
Depreciations and impairments	43	41	40	38	37	28	32	30	46
<b>Share data<sup>1,3</sup></b>									
Earnings per share, SEK	0.78	1.34	1.16	0.95	1.04	1.23	1.15	1.06	0.96
Earnings per share after dilution, SEK	0.78	1.34	1.16	0.95	1.04	1.23	1.15	1.06	0.96
Average no of shares outstanding, thousand	73,933	73,898	73,887	73,863	73,791	73,749	73,743	73,743	73,743
No of shares outstanding at period-end, thousand	73,933	73,933	73,933	73,933	73,933	73,785	73,746	73,743	73,743
Number of treasury shares, thousand	1,067	1,067	1,067	1,067	1,067	1,215	1,254	1,257	1,257
Equity per share, SEK	16.11	16.16	14.51	14.36	22.13	20.33	19.66	18.48	20.04
Stock price at period-end, SEK	68.50	76.75	93.00	107.50	100.67	106	95	80	88
Market cap at period-end, SEK M <sup>2</sup>	5,138	5,756	6,975	8,063	7,550	7,925	7,100	6,013	6,613
<b>Cash flow statement</b>									
From current operations	0	210	42	60	83	112	184	138	96
From investing operations	-43	-49	-128	-305	-40	-210	-45	-28	-4
From financing operations	16	-194	105	320	-33	3	-50	-140	-19
<b>Cash flow for the period</b>	<b>-27</b>	<b>-33</b>	<b>19</b>	<b>75</b>	<b>10</b>	<b>-95</b>	<b>89</b>	<b>-30</b>	<b>73</b>
<b>Operating cash flow</b>	<b>-43</b>	<b>161</b>	<b>-25</b>	<b>8</b>	<b>45</b>	<b>61</b>	<b>138</b>	<b>110</b>	<b>66</b>

<sup>1</sup> The periods Q4 2005 to Q3 2006 have been restated in accordance with new option in IAS 19 applied in 2006.

<sup>2</sup> The market cap is calculated on total number of issued shares, including treasury shares.

<sup>3</sup> Historical data for the share are adjusted for the share split, redemption and bonus issue performed in Q2 2007.

## Quarterly overview - Consolidated balance sheet and key figures

Amounts in SEK M	2008	2007				2006 <sup>1</sup>			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<b>Balance sheet</b>									
<b>Assets</b>									
<b>Fixed assets</b>									
Tangible assets	577	600	581	575	550	538	507	497	520
Intangible assets	876	904	879	843	609	586	370	370	379
Other fixed assets	107	83	101	99	79	80	83	84	85
	1,560	1,587	1,561	1,517	1,238	1,204	960	951	984
<b>Current assets</b>									
Inventory etc.	577	536	614	581	498	458	472	464	471
Accounts receivable	1,197	1,292	1,172	1,096	1,077	1,132	994	1,040	1,066
Other receivables	179	171	182	162	181	149	151	161	150
Liquid funds	242	276	307	291	216	201	297	213	248
	2,195	2,275	2,275	2,130	1,972	1,940	1,914	1,878	1,935
<b>Total assets</b>	<b>3,755</b>	<b>3,862</b>	<b>3,836</b>	<b>3,647</b>	<b>3,210</b>	<b>3,144</b>	<b>2,874</b>	<b>2,829</b>	<b>2,919</b>
<b>Equity and liabilities</b>									
Equity	1,198	1,202	1,077	1,066	1,640	1,506	1,454	1,367	1,483
Long-term liabilities	239	215	234	222	215	204	193	190	183
Interest-bearing liabilities	1,214	1,200	1,401	1,282	268	315	273	323	332
Accounts payable	414	496	445	426	416	435	320	344	328
Other short-term liabilities	690	749	679	651	671	684	634	605	593
<b>Total equity and liabilities</b>	<b>3,755</b>	<b>3,862</b>	<b>3,836</b>	<b>3,647</b>	<b>3,210</b>	<b>3,144</b>	<b>2,874</b>	<b>2,829</b>	<b>2,919</b>
<b>Key figures</b>									
Equity ratio, %	31.8	31.1	28.1	29.2	51.1	47.9	50.6	48.3	50.8
Net debt, SEK M	1,119	1,068	1,245	1,138	209	257	127	258	229
Net debt ratio, times	0.93	0.89	1.16	1.07	0.13	0.17	0.09	0.19	0.15
Interest coverage ratio, times	6.3	8.9	8.9	11.1	22.2	21.1	28.3	27.2	24.9
Investments in tangible assets, SEK M	43	42	56	53	34	53	44	26	30
Number of employees at period-end	4,099	4,043	3,982	3,915	3,669	3,552	3,449	3,400	3,365

<sup>1</sup> The periods Q4 2005 to Q3 2006 have been restated in accordance with new option in IAS 19 in 2006.

Definition of the financial key figures can be found on page 73 in the Annual Report 2007.

## Quarterly overview - Divisions

Amounts in SEK M	2008	2007				2006			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<b>Order intake</b>									
Dehumidification Division	487	460	541	556	444	355	443	465	430
MCS Division	672	673	690	634	633	636	601	654	650
HumiCool Division	436	395	460	518	465	333	340	462	450
Eliminations	-9	-10	-17	-20	-15	-13	-22	-8	-15
<b>Order intake</b>	<b>1,586</b>	<b>1,518</b>	<b>1,674</b>	<b>1,688</b>	<b>1,527</b>	<b>1,311</b>	<b>1,362</b>	<b>1,573</b>	<b>1,515</b>
<b>Net sales</b>									
Dehumidification Division	433	534	504	527	371	432	423	419	360
MCS Division	669	739	666	605	614	686	638	635	660
HumiCool Division	451	476	446	414	429	361	367	411	376
Eliminations	-8	-12	-19	-22	-10	-17	-20	-9	-10
<b>Net sales</b>	<b>1,545</b>	<b>1,737</b>	<b>1,597</b>	<b>1,524</b>	<b>1,404</b>	<b>1,462</b>	<b>1,408</b>	<b>1,456</b>	<b>1,386</b>
<b>Operating earnings</b>									
Dehumidification Division	33	72	55	69	38	65	51	49	29
operating margin	7.6%	13.5%	11.0%	13.1%	10.2%	15.0%	11.9%	11.8%	8.1%
MCS Division	36	39	42	10	38	45	39	29	46
operating margin	5.3%	5.3%	6.3%	1.7%	6.2%	6.5%	6.1%	4.6%	7.0%
HumiCool Division	51	73	64	55	59	44	56	62	51
operating margin	11.4%	15.3%	14.3%	13.3%	13.8%	12.2%	15.2%	15.2%	13.6%
Group overheads, eliminations etc	-12	-13	-12	-15	-8	-11	-6	-11	-8
<b>Earnings before interest and tax</b>	<b>108</b>	<b>171</b>	<b>149</b>	<b>119</b>	<b>127</b>	<b>143</b>	<b>140</b>	<b>129</b>	<b>118</b>
EBIT margin	7.0%	9.8%	9.3%	7.8%	9.0%	9.8%	9.9%	8.8%	8.5%
<b>Operating capital</b>									
Dehumidification Division	476	481	477	488	384	383	394	392	395
MCS Division	871	895	885	790	805	811	779	779	824
HumiCool Division	542	497	494	492	452	391	392	399	436
Central, eliminations	65	69	77	49	30	34	12	16	13
<b>Operating capital</b>	<b>1,954</b>	<b>1,942</b>	<b>1,933</b>	<b>1,819</b>	<b>1,671</b>	<b>1,619</b>	<b>1,577</b>	<b>1,586</b>	<b>1,668</b>
<b>Permanent employees</b>									
Dehumidification Division	1,184	1,180	1,151	1,126	913	900	890	877	867
MCS Division	1,938	1,918	1,903	1,916	1,906	1,845	1,842	1,830	1,784
HumiCool Division	959	924	911	855	832	789	698	672	695
Central	18	21	17	18	18	18	19	21	19
<b>Number of permanent employees</b>	<b>4,099</b>	<b>4,043</b>	<b>3,982</b>	<b>3,915</b>	<b>3,669</b>	<b>3,552</b>	<b>3,449</b>	<b>3,400</b>	<b>3,365</b>

Amounts in SEK M	2008 Jan-Mar 3 months	2007 Jan-Mar 3 months	2007/2008 Apr-Mar 12 months	2007 Jan-Dec 12 months
<b>MUNTERS AB</b>				
<b>Income statement</b>				
Net sales	12	13	50	51
Cost of goods sold	-	-	-	-
<b>Gross earnings</b>	<b>12</b>	<b>13</b>	<b>50</b>	<b>51</b>
Other operating income	1	1	2	2
Selling expenses	0	0	0	0
Administrative expenses	-24	-19	-83	-78
Other operating expenses	0	-	-1	-1
<b>EBIT - Earnings before interest and tax</b>	<b>-11</b>	<b>-5</b>	<b>-32</b>	<b>-26</b>
Financial income and expenses	47	33	297	283
<b>Earnings after financial income</b>	<b>36</b>	<b>28</b>	<b>265</b>	<b>257</b>
Transfer to tax allocation reserve	-	-	-15	-15
Income taxes	9	-7	20	4
<b>Net earnings</b>	<b>45</b>	<b>21</b>	<b>270</b>	<b>246</b>

	2008 31 Mar	2007 31 Dec	2007 31 Mar
<b>Balance sheet</b>			
<b>Assets</b>			
<b>Fixed assets</b>			
<b>Tangible assets</b>			
Equipment, tools, fixtures and fittings	21	19	15
	21	19	15
<b>Intangible assets</b>			
Patent, licenses and similar rights	17	17	4
	17	17	4
<b>Financial assets</b>			
Participation in subsidiaries	690	690	660
Receivables from subsidiaries	1,368	1,385	889
	2,058	2,075	1,549
	<b>2,096</b>	<b>2,111</b>	<b>1,568</b>
<b>Current assets</b>			
Receivables from subsidiaries	93	82	83
Other receivables	22	18	15
Liquid funds	64	75	5
	179	175	103
<b>Total assets</b>	<b>2,275</b>	<b>2,286</b>	<b>1,671</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
	957	912	1,302
<b>Untaxed reserves</b>			
	15	15	-
<b>Long-term liabilities</b>			
Interest-bearing liabilities	1,138	1,137	215
Provisions	37	37	36
	1,175	1,174	251
<b>Short-term liabilities</b>			
Liabilities to subsidiaries	98	152	95
Accounts payable	3	6	5
Other liabilities	27	27	18
	128	185	118
<b>Total equity and liabilities</b>	<b>2,275</b>	<b>2,286</b>	<b>1,671</b>

## Notes

### Note 1. Accounting principles

This interim report has been prepared in accordance with the applicable listing agreement with OMX Nordic Exchange Stockholm. Among other implications, this means that the rules of the Annual Accounts Act and IAS 34, Interim Financial Reporting, have been applied to the consolidated financial statements. The accounting principles applied in this interim report match the accounting principles used in preparing the latest annual report and are described in Note 2 of the Annual Report for 2007.

### Note 2. Changes in equity

	2008	2007	2007
	31 March	31 Dec.	31 March
<b>Equity at the beginning of the year</b>	<b>1,202</b>	<b>1,506</b>	<b>1,506</b>
Total recognized income and expenses for the period	-4	348	124
Change in minority interest	0	-3	-2
Sales of treasury shares	-	11	12
Dividend	-	-166	-
Redemption of treasury shares	-	-494	-
<b>Equity at the end of the period</b>	<b>1,198</b>	<b>1,202</b>	<b>1,640</b>

*This document is a translation of the Swedish version. In the event of any discrepancies between this translation and the Swedish version, the Swedish version shall prevail.*