

Interim Report January - September 2008

October 24, 2008



Third quarter

- Order intake amounted to SEK 1,582 M (1,674), - down 3% adjusted¹
- Net sales amounted to SEK 1,597 M (1,597), - up 2% adjusted¹
- EBIT before amortization and nonrecurring costs totaled SEK 119 M (152)
- Costs for the MEP² program (Munters Efficiency Program phase 2) and other nonrecurring costs totaled SEK 35 M
- Net earnings after tax totaled SEK 40 M (87)
- Earnings per share amounted to SEK 0.53 kronor (1.16)
- Operating cash flow amounted to SEK 49 M (neg: 25)

	2008	2007	Change	Adjusted change ¹
Order intake, SEK M	1,582	1,674	-5%	-3%
Net sales, SEK M	1,597	1,597	0%	2%
EBIT bef. amortization and nonrecurring costs, SEK M**	119	152	-22%	
EBIT, SEK M	82	149	-45%	
EBIT margin, percent	5.1	9.3		
Net earnings, SEK M	40	87	-54%	
Earnings per share, SEK	0.53	1.16	-54%	

¹ Pro forma, adjusted for currency fluctuations, acquisitions and divestment.
^{**} Amortization of intangible assets relating to business acquisitions.

Interim-report period

- Order intake amounted to SEK 4,854 M (4,889), up 1% adjusted¹
- Net sales increased to SEK 4,689 M (4,525), up 5% adjusted¹
- Net earnings after tax totaled SEK 147 M (235)
- Earnings per share amounted to SEK 1.97 (3.15)

	2008	2007	Change	Adjusted change ¹
Order intake, SEK M	4,854	4,889	-1%	1%
Net sales, SEK M	4,689	4,525	4%	5%
EBIT bef. amortization and nonrecurring costs, SEK M**	367	400	-8%	
EBIT, SEK M	286	395	-28%	
EBIT margin, percent	6.1	8.7		
Net earnings, SEK M	147	235	-37%	
Earnings per share, SEK	1.97	3.15	-37%	

¹ Pro forma, adjusted for currency fluctuations, acquisitions and divestment.
^{**} 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.

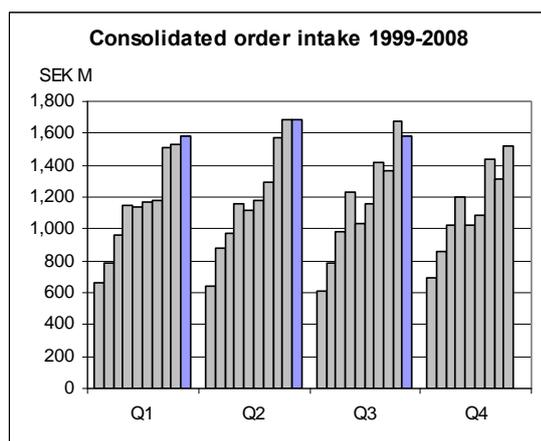
Manufacturing and sales are carried out through the Group's own companies in more than 30 countries. The Group has slightly more than 4 000 employees and net sales of about SEK 6.3 billion. The Munters share is listed on the OMX Nordic Exchange Stockholm. For more information, see www.munters.com.

Third quarter

Order intake

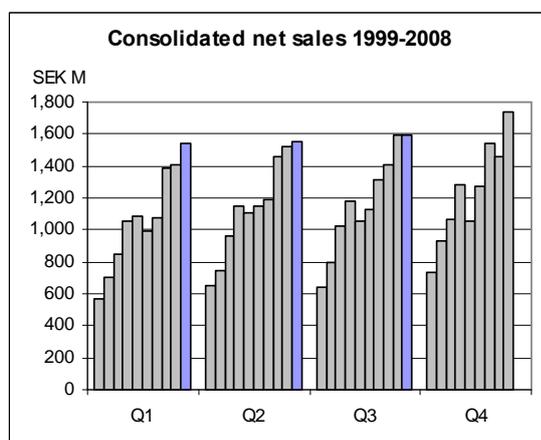
During the third quarter, the order intake declined to SEK 1,582 M (1,674). Pro forma, adjusted for currency effects, acquisitions and disposals of operations, the decrease was 3%. Within the Dehumidification Division, order intake was strong in the industrial process-air segment. Order intake within comfort-oriented climate control applications was also favorable, despite continuing low demand from WalMart. MCS enjoyed a healthy order intake due to weather-related events in the US. Order intake in HumiCool dropped sharply as a result of the continuing weak trend within Mist Elimination Americas and low demand for heaters from distributors due to concerns in the credit market.

The order backlog rose slightly compared with the year-earlier period and totaled SEK 1,377 M (1,365) at the end of the quarter.



Net sales

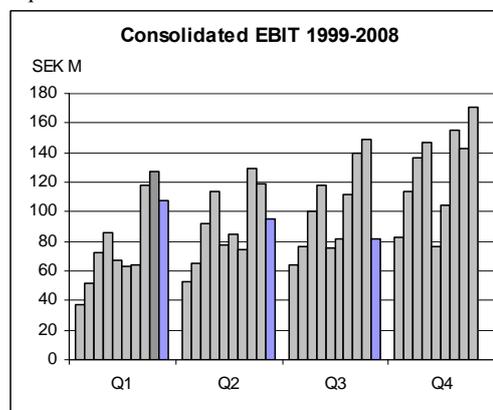
Consolidated net sales remained unchanged at SEK 1,597 M (1,597). Adjusted¹, the increase was 2%. The stronger SEK compared with the year-earlier period had a negative impact of approximately 2% on net sales in Swedish currency.



¹ Pro forma, adjusted for currency effects, acquisitions and divestment.

Earnings

EBIT amounted to SEK 82 M (149) for the Group, corresponding to an operating margin of 5.1% (9.3). Costs relating to the MEP² program was higher than previously planned, and amounted to SEK 25 M (of which SEK 10 M was previously announced). The higher costs pertain to the project aimed at enhancing processes and reducing accounts receivables within MCS, where it is estimated that the possibility of recovering certain outstanding accounts receivables has changed, and a more rapid pace of program implementation. In addition, earnings were negatively impacted by nonrecurring costs of SEK 10 M in the HumiCool Division as a result of a major customer in the US filing for bankruptcy. The Group's EBIT before amortization of intangible assets relating to business acquisitions and nonrecurring costs amounted to SEK 119 M (152). The Dehumidification Division was negatively impacted by low sales volumes at WalMart and the relatively high indirect costs during the quarter. Earnings of the MCS Division continue to be affected by weakening gross margins. The poor trend within Mist Elimination and HVAC resulted in a significantly lower EBIT margin for the HumiCool Division. However, rising raw material prices within product divisions were offset by price increases and productivity improvements.



2004 and later in accordance with IFRS.

Consolidated earnings after financial items amounted to SEK 62 M (136) for the third quarter. Net earnings for the quarter totaled SEK 40 M (87). Earnings per share amounted to SEK 0.53 (1.16).

Cash flow

Operating cash flow increased to SEK 49 M (neg: 25) as an effect of reduced outstanding accounts receivables.

Fourth-quarter prospects

Apart from certain follow-on investments, the MEP² program is largely expected to be completed during the fourth quarter. During the fourth quarter, it is anticipated that the program will entail costs of approximately SEK 10 M. Order intake and, to a certain extent, sales are expected to be influenced by the developments in global credit markets. Measures to improve profitability are discussed in the divisional section.

Interim-report period

Order intake

During the period, the Group's order intake decreased by 1% to SEK 4,854 M (4,889). Adjusted¹, the increase was 1%.

Net sales

Consolidated net sales rose 4% to SEK 4,689 M (4,525). Adjusted¹, the increase was 5%.

Earnings

EBIT for the Group declined by 28% to SEK 286 M (395), corresponding to an EBIT margin of 6.1% (8.7). Earnings for the quarter were impacted by an expense of SEK 65 M for the MEP² program, and SEK 23 M in nonrecurring costs for actual loan losses and extraordinary guarantee commitments.

EBIT before amortization of intangible assets relating to business acquisitions and nonrecurring costs totaled SEK 367 M (400).

Consolidated earnings after financial items totaled SEK 230 M (367) during the period. Net earnings for the period totaled SEK 147 M (235), after a tax charge of 36% (36). Earnings per share amounted to SEK 1.97 (3.15).

Investments

The Group's investments in tangible fixed assets during the period amounted to SEK 113 M (143), of which SEK 35 M (63) pertained to investments in MCS equipment. Depreciation and impairment amounted to SEK 120 M (115).

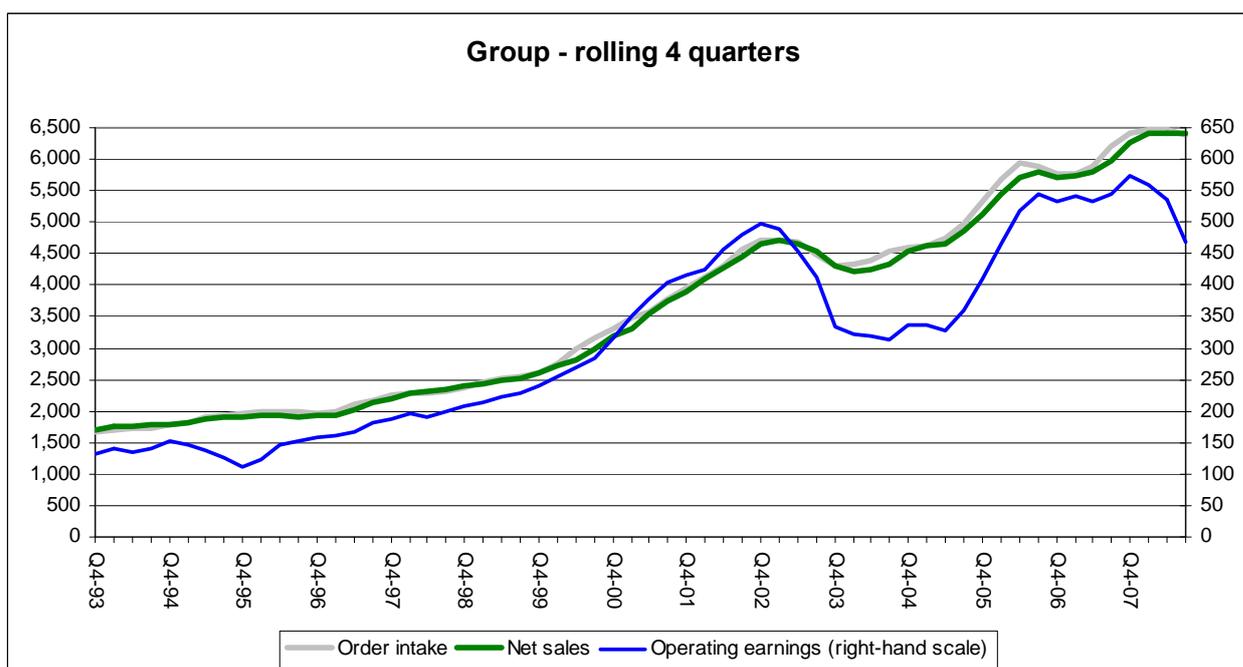
Financial position

The equity ratio decreased slightly to 30% at the end of the period (31 at the start of the year). Interest-bearing assets totaled SEK 251 M (276 at the start of the year) and interest-bearing provisions and liabilities amounted to SEK 1,562 M (1,344 at the start of the year). Net debt during the year rose by SEK 243 M to SEK 1,311 M. The Group has unutilized loan facilities of SEK 812 M.

Personnel

At the end of the period, the number of permanent employees was 4,044, a decrease of 59 since year-end, adjusted for acquisitions. During the third quarter, the net number of permanent employees declined by 39 as a result of efficiency enhancements under the MEP² program. Additional personnel reductions are planned during the fourth quarter.

¹ Pro forma, adjusted for currency effects, acquisitions and divestment.



Divisional performance

Dehumidification Division

The Dehumidification Division is a function-based organization divided into three market areas: Americas, Europe and Asia & Pacific.

SEK M	Third quarter		Jan-Sep	
	2008	2007	2008	2007
Order intake	511	541	1,525	1,541
Change	-6%		-1%	
Adjusted change ¹	-2%		2%	
Net sales	495	504	1,406	1,402
Change	-2%		0%	
Adjusted change ¹	2%		2%	
Operating earnings before one time costs	48	55	146	162
Operating margin	9.6%	11.0%	10.4%	11.5%
Operating earnings	48	55	126	162
Operating margin	9.6%	11.0%	9.0%	11.5%

- Continued favorable order intake in industrial processed air treatment
- Region Americas negatively impacted by WalMart

Third quarter

The market for industrial dehumidifiers remained strong during the quarter based on favorable global demand. Growth in Asia continued to rise during the quarter. Order intake in the Americas Region was favorable in both the processed air and comfort segments, but similar to the second quarter was negatively impacted by weak demand from WalMart. The Europe Region experienced a weaker demand for standard products due to a weaker market. Net sales increased by 2% adjusted for currency effects and acquisitions.

The underlying margin trend remained positive during the quarter. Rising prices of raw materials could be offset by raising prices. However, indirect costs during the quarter were slightly higher than the trend due to staff reductions.

Fourth-quarter prospects

Continued relatively strong trend anticipated within most segments. The division has a healthy order backlog, which is expected to support sales. However, the trend in the credit market amplifies the uncertainty in prospects.

The acquisition of Toussaint Nyssanne is estimated to be completed during the fourth quarter.

¹ Pro forma, adjusted for currency effects, acquisitions and divestment.

Moisture Control Services (MCS) Division

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

SEK M	Third quarter		Jan-Sep	
	2008	2007	2008	2007
Order intake	710	690	2,025	1,957
Change	3%		4%	
Adjusted change ¹	4%		5%	
Net sales	686	666	2,000	1,885
Change	3%		6%	
Adjusted change ¹	5%		8%	
Operating earnings before one time costs	32	42	93	100
Operating margin	4.7%	6.3%	4.7%	5.3%
Operating earnings	7	42	57	90
Operating margin	1.0%	6.3%	2.8%	4.8%

- Favorable demand as a result of hurricanes in the US
- Unfavorable sales mix and inflation pressure on costs
- Major framework agreement signed in the US
- One time costs of SEK 25 M in MEP² program

Third quarter

Demand during the third quarter was relatively favorable; particularly in the US market as a result of weather-related events. In terms of size, the events matched the extent of those in the UK in the preceding year. A new framework agreement was signed with a global insurance company during the third quarter. The agreement pertains to the US market. Adjusted¹, sales increased by 5%.

Costs relating to the MEP² program were higher than previously planned and amounted to SEK 25 M (of which SEK 10 M was previously announced). The higher costs pertain to the project aimed at enhancing processes and reducing accounts receivables, where it is estimated that the possibility of recovering certain outstanding accounts receivables has changed, and a more rapid pace of program implementation.

Operating earnings before MEP² costs were impaired as a result of continuing inflationary pressure on salaries and fuel. Measures to raise prices have had a limited impact, but are still given priority to.

For some time a major restructuring has been in process within the division in order to address the declining trend of margins on the market, and to adapt the organization to the new industry

structure. This will lead to a partly new business model, among other things built on the mobile IT platform Field.Link. The implementation of the IT system has entered an intense phase and 368 employees used the application in their daily work at the end of the quarter.

The new business model will, apart from increase in efficiency, also lead to lower overhead costs. Some markets and services, in which the new model is not assessed to give enough improvements, will be wound up.

Fourth-quarter prospects

The trend with relatively favorable demand, but somewhat weaker sales mix and margin pressure is expected to continue. The order backlog is at a strong level as a result of the hurricane season in the US. However, this should be compared with the preceding year, when tremendous flooding in the UK strengthened sales and profits.

HumiCool Division

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

SEK M	Third quarter		Jan-Sep	
	2008	2007	2008	2007
Order intake	369	460	1,330	1,443
Change	-20%		-8%	
Adjusted change ¹	-19%		-8%	
Net sales	425	446	1,309	1,289
Change	-5%		2%	
Adjusted change ¹	-4%		1%	
Operating earnings before one time costs	46	64	164	178
Operating margin	10.8%	14.3%	12.5%	13.8%
Operating earnings	36	64	132	178
Operating margin	8.5%	14.3%	10.1%	13.8%

- **Continued favorable trend within Aghort**
- **Weak order intake and invoicing within Mist Elimination continued during the quarter**
- **The trend within HVAC Heaters was significantly influenced by the restraint in the credit market**
- **SEK 10 M in bad debt loss due to bankruptcy in US**

Third quarter

Adjusted¹, order intake during the quarter was down by 19%. The order intake at Mist Elimination in the US remained extremely weak. During previous quarters, this was due to delays in major power projects. Investment willingness within the coal-fired power industry has now decreased due to increased political uncertainty relating to emission rights. This means that order intake and sales are expected to remain at a low level for a prolonged period.

Demand for heaters within HVAC was low during the period as a result of the unwillingness of distributors to construct warehouses during the prevailing credit-market turmoil. The underlying market demand for AgHort products remained relatively strong. Net sales declined by 4% adjusted for currency effects and acquisitions.

Low invoicing levels for Mist Elimination in the US and HVAC Heaters resulted in the under absorption of costs in the respective plants and negative earnings mix effects. Operating earnings were also influenced by nonrecurring costs of SEK 10 M due to the largest cooling-medium customer in the US filing for bankruptcy.

The lower market activity within some segments will be addressed with reductions in personnel and other costs, together with changes in the production structure.

Fourth-quarter prospects

Order intake within Mist Elimination has decreased to a level where sales are expected to be significantly affected during the quarters ahead, and measures have been taken to adjust the cost level. For HVAC Heaters, the trend is also expected to be weak during the fourth quarter. A continued positive trend is anticipated within AgHort.

¹ Pro forma, adjusted for currency effects, acquisitions and divestment.

SIGNIFICANT RISKS AND UNCERTAINTIES

Munters' exposure to risk can be divided primarily 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; and financial risks, consisting mainly of currency, interest and financing risks.

Munters' acquisition frequency has increased, which could result in integration-related risks. In addition, it is estimated that the financial risks, primarily interest-rate risks and currency risks, have increased somewhat in the current and past year 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 activities is available in the "Risk management" section on pages 30-31 of the Munters Annual Report for 2007, at 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 impact on actual outcomes. Such factors include 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-related bad debts.

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 67 M (173). There were no external net sales (in common with the year-earlier period). Cash and cash equivalents at the close of the period amounted to SEK 37 M (104) and net debt to SEK 1,383 M (1,256). Capital expenditure totaled SEK 8 M (10). The number of employees at the end of the period was 33 (27).

NOMINATION COMMITTEE

Information on Munters' Nomination Committee for the 2009 Annual General Meeting is available on the company's website at: www.munters.com.

FUTURE INFORMATION DATES

February 12	Year-End Report 2008
April 15	Annual General Meeting. 5:00 p.m. IVA, Grev Turegatan 16, Stockholm
April 23	Interim report January-March 2009

PRESS- AND ANALYST CONFERENCE

Munters will hold a press conference for the media, analysts and investors on Friday, October 24, at 10:00 a.m. at Berns, Berzelii Park, Stockholm, in the Kilsalen venue.

The presentation may also be monitored by telephone: +46-8-5352 6458, code 6549580.

Kista, October 24, 2008
Lars Engström
President and Chief Executive Officer
Board member

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 October 24, 2008 at 8:00 am (CET).

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This interim report, along with other financial information, is available on www.munters.com

AUDITORS' REPORT PERTAINING TO THE REVIEW

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

Amounts in SEK M	2008 Jul-Sep 3 months	2007 Jul-Sep 3 months	2008 Jan-Sep 9 months	2007 Jan-Sep 9 months	2007/2008 Oct-Sep 12 months	2007 Jan-Dec 12 months
Order intake	1,582	1,674	4,854	4,889	6,372	6,407
Income statement						
Net sales	1,597	1,597	4,689	4,525	6,426	6,262
Cost of goods sold	-1,181	-1,151	-3,460	-3,248	-4,715	-4,503
Gross earnings	416	446	1,229	1,277	1,711	1,759
Gross margin	26.0%	27.9%	26.2%	28.3%	26.6%	28.1%
Other operating income	0	-	7	1	6	0
Selling expenses	-197	-159	-524	-480	-697	-653
Administrative expenses	-120	-118	-363	-350	-477	-464
Research and development costs	-19	-18	-60	-51	-79	-70
Other operating expenses	2	-2	-3	-2	-7	-6
EBIT - Earnings before interest and tax	82	149	286	395	457	566
EBIT margin	5.1%	9.3%	6.1%	8.7%	7.1%	9.0%
Financial income and expenses	-20	-13	-56	-28	-68	-40
Earnings after financial income	62	136	230	367	389	526
Taxes	-22	-49	-83	-132	-141	-190
Net earnings	40	87	147	235	248	336
Attributable to equity holders of the parent	40	86	146	233	245	332
Attributable to minority interest	0	1	1	2	3	4
Earnings per share, SEK	0.53	1.16	1.97	3.15	3.31	4.49
Earnings per share - after dilution, SEK	0.53	1.16	1.97	3.15	3.31	4.49
Order intake by division						
Dehumidification Division	511	541	1,525	1,541	1,985	2,001
MCS Division	710	690	2,025	1,957	2,698	2,630
HumiCool Division	369	460	1,330	1,443	1,724	1,837
Eliminations	-8	-17	-26	-52	-35	-61
Order intake by division	1,582	1,674	4,854	4,889	6,372	6,407
Net sales by division						
Dehumidification Division	495	504	1,406	1,402	1,940	1,936
MCS Division	686	666	2,000	1,885	2,739	2,624
HumiCool Division	425	446	1,308	1,289	1,784	1,765
Eliminations	-9	-19	-25	-51	-37	-63
Net sales	1,597	1,597	4,689	4,525	6,426	6,262
Operating earnings by division						
Dehumidification Division	48	55	126	162	198	234
operating margin	9.6%	11.0%	9.0%	11.6%	10.2%	12.1%
MCS Division	7	42	57	90	96	129
operating margin	1.0%	6.3%	2.8%	4.8%	3.5%	4.9%
HumiCool Division	36	64	132	178	205	251
operating margin	8.5%	14.3%	10.1%	13.8%	11.5%	14.2%
Central, eliminations etc.	-7	-9	-23	-30	-33	-40
EBIT before amortizations, interest and tax	84	152	292	400	466	574
Amortizations on acquisition related intangible assets	-2	-3	-6	-5	-9	-8
EBIT - Earnings before interest and tax	82	149	286	395	457	566

Amounts in SEK M	2008 30 Sep	2008 30 Jun	2007 31 Dec	2007 30 Sep
Balance sheet				
Assets				
Fixed assets				
Tangible assets				
Buildings and land	194	185	172	171
Plant and machinery	144	139	144	142
Equipment, tools, fixtures and fittings	269	261	262	253
Construction in progress	12	7	22	15
	619	592	600	581
Intangible assets				
Patent, licenses, trademarks and similar rights	113	107	110	103
Goodwill	852	804	794	776
	965	911	904	879
Other fixed assets				
Participation in associated companies	2	2	2	5
Other long-term receivables	21	19	19	17
Deferred tax assets	92	86	62	79
	115	107	83	101
	1,699	1,610	1,587	1,561
Current assets				
Inventory etc.	668	622	536	614
Accounts receivable	1,174	1,182	1,292	1,172
Other receivables	231	192	171	182
Liquid funds	251	242	276	307
	2,324	2,238	2,275	2,275
Total assets	4,023	3,848	3,862	3,836
Equity and liabilities				
Equity	1,188	1,076	1,202	1,077
Long-term liabilities				
Interest-bearing liabilities	1,385	1,332	1,168	31
Provisions	165	163	165	178
Deferred tax liabilities	72	69	47	53
Other liabilities	8	8	3	3
	1,630	1,572	1,383	265
Short-term liabilities				
Interest-bearing liabilities	33	60	32	1,370
Advances from customers	91	89	99	93
Accounts payable	437	460	496	445
Provisions	77	73	66	60
Other liabilities	567	518	584	526
	1,205	1,200	1,277	2,494
Total equity and liabilities	4,023	3,848	3,862	3,836

Consolidated statement of recognized income and expense

Income and expenses recognized in equity	2008 Jan-Sep	2008 Jan-Jun	2007 Jan-Dec	2007 Jan-Sep
Actuarial gains and losses related to pensions, including special employer's contribution	-1	-1	3	0
Cash flow hedges	1	-1	-1	-2
Exchange differences on translation of foreign operations	26	-44	10	-11
Tax on items reported directly in equity	0	0	0	0
Total transactions reported in equity	26	-46	12	-13
Net earnings for the period	147	107	336	235
Total income and expenses recognized for the period, net	173	61	348	222
Attributable to:				
Equity holders of the parent	172	60	344	220
Minority interest	1	1	4	2
	173	61	348	222

Amounts in SEK M	2008 Jul-Sep 3 months	2007 Jul-Sep 3 months	2008 Jan-Sep 9 months	2007 Jan-Sep 9 months	2007/2008 Oct-Sep 12 months	2007 Jan-Dec 12 months
Cash flow statement						
Current operations						
Earnings after financial items	62	136	230	367	389	526
Reversal of depreciation etc.	39	40	120	115	161	156
Other earnings not affecting cash flow	1	-3	1	-12	-6	-19
Taxes paid	-37	-56	-136	-161	-162	-187
Cash flow from current operations before changes in working capital	65	117	215	309	382	476
<i>Cash flow from changes in working capital</i>						
Changes in inventory	-9	-28	-109	-110	-27	-28
Changes in accounts receivable	68	-82	146	9	35	-102
Changes in other receivables	-23	-17	-42	-24	-33	-15
Changes in accounts payable	-46	31	-74	-17	-26	31
Changes in other liabilities	25	21	-1	18	14	33
Sum of changes in working capital	15	-75	-80	-124	-37	-81
Cash flow from current operations	80	42	135	185	345	395
Investing activities						
Acquisitions and disposals of businesses	-5	-61	-26	-316	-26	-316
Investments in intangible assets	-2	-10	-5	-15	-15	-25
Investments in tangible assets	-29	-56	-113	-143	-155	-185
Sales of tangible assets	0	0	2	1	5	4
Change in other financial assets	0	-1	0	0	0	0
Cash flow from current operations	-36	-128	-142	-473	-191	-522
Financing activities						
Changes in loans	-44	105	164	1,041	-30	847
Dividend paid	-4	-	-189	-166	-189	-166
Redemption of shares	-	-	-	-494	-	-494
Sales of treasury stock	-	-	-	11	-	11
Cash flow from investing activities	-48	105	-25	392	-219	198
Cash flow for the period	-4	19	-32	104	-65	71
Liquid funds at the beginning of the period	242	291	276	201	307	201
Exchange-differences in liquid funds	13	-3	7	2	9	4
Liquid funds at end of the period	251	307	251	307	251	276
Operating cash flow	49	-25	19	28	180	189
Key figures						
More key figures are disclosed in the quarterly review						
Capital turnover rate, times (4 quarters)	-	-	2.5	2.7	2.5	2.7
Return on capital employed, % (4 quarters)	-	-	17.8	24.8	17.8	24.8
Return on equity, % (4 quarters)	-	-	21.4	24.1	21.4	25.7
Return on total capital, % (4 quarters)	-	-	12.1	16.4	12.1	16.4
Interest coverage ratio, times	3.6	8.9	5.0	11.8	6.0	10.7
Net debt structure						
Short-term interest-bearing liabilities	-	-	33	1,370	33	32
Long-term interest-bearing liabilities	-	-	1,385	31	1,385	1,168
Defined benefit plans etc.	-	-	144	151	144	144
Interest-bearing liabilities	-	-	-251	-307	-251	-276
Net debt	-	-	1,311	1,245	1,311	1,068

Quarterly overview - consolidated earnings, share data and cash flow

Amounts in SEK M	2008			2007				2006 ¹			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Order intake	1,582	1,686	1,586	1,518	1,674	1,688	1,527	1,311	1,362	1,573	1,515
Income statement											
Net sales	1,597	1,548	1,545	1,737	1,597	1,524	1,404	1,462	1,408	1,456	1,386
Operating expenses	-1,515	-1,453	-1,437	-1,566	-1,448	-1,405	-1,277	-1,319	-1,268	-1,327	-1,268
EBIT	82	95	108	171	149	119	127	143	140	129	118
EBIT margin	5.1%	6.1%	7.0%	9.8%	9.3%	7.8%	9.0%	9.8%	9.9%	8.8%	8.5%
Financial income and expense	-20	-18	-17	-12	-13	-9	-6	-3	-4	-4	-5
Earnings after financial items	62	77	91	159	136	110	121	140	136	125	113
Taxes	-22	-28	-33	-58	-49	-40	-43	-48	-50	-46	-42
Net earnings	40	49	58	101	87	70	78	92	86	79	71
Depreciations and impairments	39	38	43	41	40	38	37	28	32	30	46
Share data^{1,3}											
Earnings per share, SEK	0.53	0.66	0.78	1.34	1.16	0.95	1.04	1.23	1.15	1.06	0.96
Earnings per share after dilution, SEK	0.53	0.66	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	73,933	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	73,933	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	1,067	1,067	1,215	1,254	1,257	1,257
Equity per share, SEK	15.99	14.48	16.11	16.16	14.51	14.36	22.13	20.33	19.66	18.48	20.04
Stock price at period-end, SEK	48.50	57.25	68.50	76.75	93.00	107.50	100.67	106	95	80	88
Market cap at period-end, SEK M ²	3,638	4,294	5,138	5,756	6,975	8,063	7,550	7,925	7,100	6,013	6,613
Cash flow statement											
From current operations	80	55	0	210	42	60	83	112	184	138	96
From investing operations	-36	-63	-43	-49	-128	-305	-40	-210	-45	-28	-4
From financing operations	-48	7	16	-194	105	320	-33	3	-50	-140	-19
Cash flow for the period	-4	-1	-27	-33	19	75	10	-95	89	-30	73
Operating cash flow	49	13	-43	161	-25	8	45	61	138	110	66

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

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

³ 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 ¹			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Balance sheet											
Assets											
Fixed assets											
Tangible assets	619	592	577	600	581	575	550	538	507	497	520
Intangible assets	965	911	876	904	879	843	609	586	370	370	379
Other fixed assets	115	107	107	83	101	99	79	80	83	84	85
	1,699	1,610	1,560	1,587	1,561	1,517	1,238	1,204	960	951	984
Current assets											
Inventory etc.	668	622	577	536	614	581	498	458	472	464	471
Accounts receivable	1,174	1,182	1,197	1,292	1,172	1,096	1,077	1,132	994	1,040	1,066
Other receivables	231	192	179	171	182	162	181	149	151	161	150
Liquid funds	251	242	242	276	307	291	216	201	297	213	248
	2,324	2,238	2,195	2,275	2,275	2,130	1,972	1,940	1,914	1,878	1,935
Total assets	4,023	3,848	3,755	3,862	3,836	3,647	3,210	3,144	2,874	2,829	2,919
Equity and liabilities											
Equity	1,188	1,076	1,198	1,202	1,077	1,066	1,640	1,506	1,454	1,367	1,483
Long-term liabilities	245	240	239	215	234	222	215	204	193	190	183
Interest-bearing liabilities	1,418	1,392	1,214	1,200	1,401	1,282	268	315	273	323	332
Accounts payable	437	460	414	496	445	426	416	435	320	344	328
Other short-term liabilities	735	680	690	749	679	651	671	684	634	605	593
Total equity and liabilities	4,023	3,848	3,755	3,862	3,836	3,647	3,210	3,144	2,874	2,829	2,919
Key figures											
Equity ratio, %	29.5	28.0	31.8	31.1	28.1	29.2	51.1	47.9	50.6	48.3	50.8
Net debt, SEK M	1,311	1,292	1,119	1,068	1,245	1,138	209	257	127	258	229
Net debt ratio, times	1.10	1.20	0.93	0.89	1.16	1.07	0.13	0.17	0.09	0.19	0.15
Interest coverage ratio, times	3.6	5.5	6.3	8.9	8.9	11.1	22.2	21.1	28.3	27.2	24.9
Investments in tangible assets, SEK M	29	41	43	42	56	53	34	53	44	26	30
Number of employees at period-end	4,044	4,083	4,099	4,043	3,982	3,915	3,669	3,552	3,449	3,400	3,365

¹ The periods Q4 2005 to Q3 2006 have been restated in accordance with new option 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			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Order intake											
Dehumidification Division	511	528	487	460	541	556	444	355	443	465	430
MCS Division	710	643	672	673	690	634	633	636	601	654	650
HumiCool Division	369	525	436	395	460	518	465	333	340	462	450
Eliminations	-8	-10	-9	-10	-17	-20	-15	-13	-22	-8	-15
Order intake	1,582	1,686	1,586	1,518	1,674	1,688	1,527	1,311	1,362	1,573	1,515
Net sales											
Dehumidification Division	495	478	433	534	504	527	371	432	423	419	360
MCS Division	686	645	669	739	666	605	614	686	638	635	660
HumiCool Division	425	433	451	476	446	414	429	361	367	411	376
Eliminations	-9	-8	-8	-12	-19	-22	-10	-17	-20	-9	-10
Net sales	1,597	1,548	1,545	1,737	1,597	1,524	1,404	1,462	1,408	1,456	1,386
Operating earnings											
Dehumidification Division	48	45	33	72	55	69	38	65	51	49	29
operating margin	9.6%	9.5%	7.6%	13.5%	11.0%	13.1%	10.2%	15.0%	11.9%	11.8%	8.1%
MCS Division	7	14	36	39	42	10	38	45	39	29	46
operating margin	1.0%	2.2%	5.3%	5.3%	6.3%	1.7%	6.2%	6.5%	6.1%	4.6%	7.0%
HumiCool Division	36	44	51	73	64	55	59	44	56	62	51
operating margin	8.5%	10.2%	11.4%	15.3%	14.3%	13.3%	13.8%	12.2%	15.2%	15.2%	13.6%
Group overheads, eliminations etc.	-9	-8	-12	-13	-12	-15	-8	-11	-6	-11	-8
Earnings before interest and tax	82	95	108	171	149	119	127	143	140	129	118
EBIT margin	5.1%	6.1%	7.0%	9.8%	9.3%	7.8%	9.0%	9.8%	9.9%	8.8%	8.5%
Operating capital											
Dehumidification Division	524	480	476	481	477	488	384	383	394	392	395
MCS Division	880	856	871	895	885	790	805	811	779	779	824
HumiCool Division	582	567	542	497	494	492	452	391	392	399	436
Central, eliminations	59	52	65	69	77	49	30	34	12	16	13
Operating capital	2,045	1,955	1,954	1,942	1,933	1,819	1,671	1,619	1,577	1,586	1,668
Permanent employees											
Dehumidification Division	1,173	1,196	1,184	1,180	1,151	1,126	913	900	890	877	867
MCS Division	1,942	1,952	1,938	1,918	1,903	1,916	1,906	1,845	1,842	1,830	1,784
HumiCool Division	908	914	959	924	911	855	832	789	698	672	695
Central	21	21	18	21	17	18	18	18	19	21	19
Number of permanent employees	4,044	4,083	4,099	4,043	3,982	3,915	3,669	3,552	3,449	3,400	3,365

Amounts in SEK M	2008 Jul-Sep 3 months	2007 Jul-Sep 3 months	2008 Jan-Sep 9 months	2007 Jan-Sep 9 months	2007/2008 Oct-Sep 12 months	2007 Jan-Dec 12 months
MUNTERS AB						
Income statement						
Net sales	13	13	37	38	50	51
Cost of goods sold	-	-	-	-	-	-
Gross earnings	13	13	37	38	50	51
Other operating income	0	1	2	2	2	2
Selling expenses	0	0	0	0	0	0
Administrative expenses	-20	-19	-70	-59	-89	-78
Other operating expenses	0	0	0	0	-1	-1
EBIT - Earnings before interest and tax	-7	-5	-31	-19	-38	-26
Financial income and expenses	27	34	98	192	189	283
Earnings after financial items	20	29	67	173	151	257
Transfer to tax allocation reserve	-	-	-	-	-15	-15
Income taxes	0	7	11	4	11	4
Net earnings	20	36	78	177	147	246
	2008	2008	2007	2007		
	30 Sep	30 Jun	31 Dec	30 Sep		

Balance sheet

Assets

Fixed assets

Tangible assets

Equipment, tools, fixtures and fittings	23	23	19	19
	23	23	19	19

Intangible assets

Patent, licenses and similar rights	18	18	17	10
	18	18	17	10

Financial assets

Participation in subsidiaries	712	716	690	672
Receivables from subsidiaries	1,495	1,432	1,385	1,360
	2,207	2,148	2,075	2,032
	2,248	2,189	2,111	2,061

Current assets

Receivables from subsidiaries	55	85	82	57
Other receivables	31	21	18	43
Liquid funds	37	0	75	104
	123	106	175	204

Total assets	2,371	2,295	2,286	2,265
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Equity and liabilities

Equity	805	786	912	798
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Untaxed reserves

	15	15	15	-
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Long-term liabilities

Interest-bearing liabilities	1,368	1,316	1,137	-
Provisions	38	38	37	36
	1,406	1,354	1,174	36

Short-term liabilities

Interest-bearing liabilities	14	-	-	1,324
Liabilities to subsidiaries	101	97	152	2
Accounts payable	6	6	6	4
Other liabilities	24	37	27	101
	145	140	185	1,431

Total equity and liabilities	2,371	2,295	2,286	2,265
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Notes

Note 1. Accounting principles

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Annual Accounts Act. The accounting principles and calculation methods applied in this interim report remain unchanged compared with the principles and methods applied in the 2007 Annual Report.

Note 2. Changes in equity

Amounts in SEK M	2008 30 Sep	2008 30 Jun	2007 31 Dec	2007 30 Sep
Equity at the beginning of the year	1,202	1,202	1,506	1,506
Total recognized income and expenses	173	61	348	222
Change in minority interest	-2	-2	-3	-2
Sales of treasury shares	-	-	11	11
Dividend	-185	-185	-166	-166
Redemption of treasury shares	-	-	-494	-494
Equity at the end of the period	1,188	1,076	1,202	1,077

Note 3. Acquisition of operations

Munters Form

On April 30, 2008, Munters acquired 80% of the Turkish company Munters-Form Endüstri Sistemleri Sanayi ve Ticaret A.Ş. Munters-Form is primarily active in the dehumidification area, ventilation products for the agriculture sector and precoolers for gas turbines. The company was consolidated on May 1, 2008. The acquired operations contributed SEK 31 M in revenues and slightly more than SEK 4 M in earnings before tax for the period May 1, 2008 to September 30, 2008. If the acquisition had taken place on January 1, 2008, the company would have contributed SEK 41 M in revenues and slightly more than SEK 5 M in profit.

Information on acquired net assets and goodwill is as follows:

Purchase consideration	
- purchase consideration paid in cash	21
- expenses directly attributable to the acquisition	2
Sub-total acquisition value	23
Additional purchase consideration – estimated	7
Total acquisition value	30
Fair value of acquired net assets	-6
Minority interest	1
Goodwill	25

Goodwill is attributable to anticipated future synergies and expansion opportunities primarily in distribution in the region and neighboring countries.

The acquired company's net assets at the time of acquisition:	Carrying amounts	Fair value adjustment	Fair value
Tangible fixed assets	0		0
Intangible assets – customer relationships	0	5	5
Current assets	5		5
Non-interest-bearing receivables	5		5
Cash and cash equivalents	1		1
Interest-free liabilities (including deferred tax liabilities)	-9	-1	-10
Net identifiable assets and liabilities	2	4	6
Purchase consideration paid in cash and expenses directly attributable to the acquisition		23	
Cash and cash equivalents at the time of the acquisition		-1	
Change in the Group's cash and cash equivalents at the time of the acquisition.		22	

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