

Good margin in weaker consumer market

April – June 2011

- Net sales amounted to SEK 1,351 million (1,384), which adjusted for currency effects represents an increase of 1 percent
- Operating profit (EBITA) amounted to SEK 151 million (165)
- The operating margin (EBITA) amounted to 11.2 percent (11.9)
- Adjusted for items affecting comparability, the operating margin (EBITA) was 12.0 percent (11.9)
- Profit after tax was SEK 83 million (99)
- Cash flow from operating activities was SEK 120 million (106)
- Inwido signed an agreement to acquire Pro Tec Vinduer A/S in Denmark

January – June 2011

- Net sales amounted to SEK 2,350 million (2,482), which adjusted for currency effects represents a decline of 1 percent
- Operating profit (EBITA) amounted to SEK 182 million (194)
- The operating margin (EBITA) amounted to 7.8 percent (7.8)
- Adjusted for items affecting comparability, the operating margin (EBITA) was 8.3 percent (8.7)
- Profit after tax was SEK 91 million (100)
- Cash flow from operating activities was negative in the amount of SEK 52 million (112)
- Net debt amounted to SEK 1,622 million at 30 June 2011, SEK 414 million lower compared with the year-earlier period

CEO Håkan Jeppsson comments:



“As we have previously stated, the beginning of 2011 was weaker than expected. With another quarter now having passed, we can note that sales to the consumer market were relatively good in the first half of the quarter but then weakened again. At the same time, sales to the industrial market continued to rise. Despite somewhat lower sales overall during the quarter, I am very pleased with our improved profitability as a result of applied price increases and improved efficiency. In the Nordic region, with the exception of Norway, we continue to capture market shares. It is also positive that we have been able to increase our sales in the UK and Russia, which has improved the combined outcome for Europe, even though we continue to experience weakness in Ireland and Poland.

During the quarter, we acquired Pro Tec, one of Denmark’s leading suppliers of innovative windows and doors, and have begun to integrate it into our operations. The addition of Pro Tec broadens our offering, particularly towards architects and building companies.

Since most of our sales are made to consumers who are renovating or building their own properties, we are impacted by weaker confidence in the future among consumers who, in turn, are also likely to be affected by the general uncertainty prevalent in the global economy. In the current situation, it is unusually difficult to make projections regarding the future. The uncertainty surrounding the debt-burdened euro countries and the slow-down in the US economy are affecting the recovery, while mortgage ceilings and the removal of government subsidies are having a restraining effect on residential investment in the Nordic countries. We are monitoring developments in our markets carefully and implementing adjustments and efficiency measures in pace with changing circumstances. However, we see favourable opportunities to benefit from the increasing need for energy-saving measures and are persisting with our strategic focus on consumers and their well-being.”

| | Apr-Jun 2011 | Apr-Jun 2010 | Jan-Jun 2011 | Jan-Jun 2010 | Latest 12 mos | Jan-Dec 2010 |
|---|-----------------|-----------------|-----------------|-----------------|------------------|-----------------|
| <i>SEKm (unless otherwise stated)</i> | | | | | | |
| Net sales | 1,351 | 1,384 | 2,350 | 2,482 | 5,018 | 5,149 |
| Operating profit, EBITDA | 179 | 198 | 240 | 259 | 606 | 625 |
| Operating profit, EBITA | 151 | 165 | 182 | 194 | 435 | 446 |
| Operating profit, EBITA, excl items affecting comparability | 163 | 164 | 194 | 215 | 506 | 527 |
| Net sales increase | -2.4% | 6.9% | -5.3% | 11.1% | -4.8% | 2.5% |
| Operating margin, EBITDA | 13.3% | 14.3% | 10.2% | 10.4% | 12.1% | 12.1% |
| Operating margin, EBITA | 11.2% | 11.9% | 7.8% | 7.8% | 8.7% | 8.7% |
| Operating margin, EBITA, excl items affecting comparability | 12.0% | 11.9% | 8.3% | 8.7% | 10.1% | 10.2% |
| Return on operating capital | 10.1% | 10.1% | 10.1% | 10.1% | 10.1% | 10.7% |

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Inwido AB – Corporate registration number 556633-3828

The Group

Net sales and profit in the second quarter of 2011

The Group's net sales for the second quarter amounted to SEK 1,351 million (1,384), corresponding to an organic decline of 2 percent compared with the year-earlier period. Adjusted for currency effects, net sales increased by 1 percent, which can be compared with a corresponding decline of 4 percent in the first quarter of 2011.

During the second quarter, Inwido noted generally good sales to the industrial market, while sales to the consumer market were weaker.

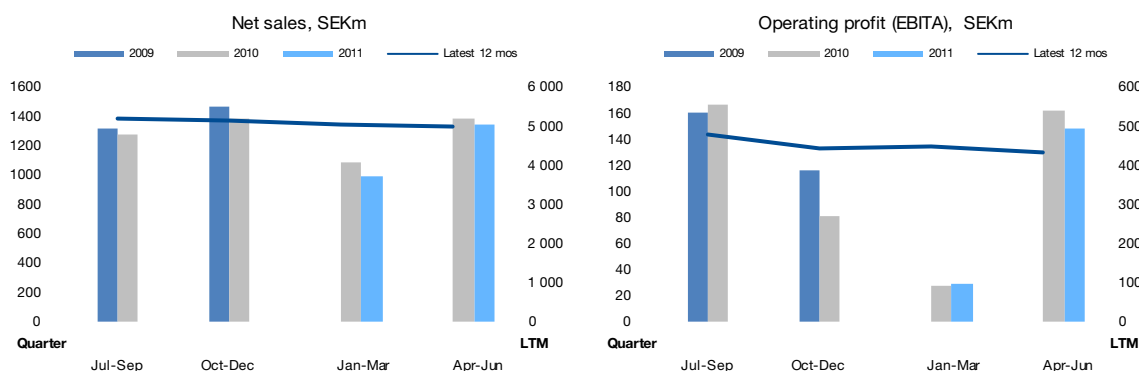
In Sweden, increased sales were noted compared with the year-earlier period. The increase in sales was driven by continued high demand in the industrial market. In Denmark and Finland, unchanged sales were noted, measured in local currencies, with a continued favourable trend in the industrial market but weakened demand in the consumer market. In Norway, sales fell. Outside the Nordic region, development was mixed with a continued favourable sales trend in the UK and Russia. In Poland and Ireland, decreased sales were noted with the decline in Poland mainly being attributable to the ongoing repositioning of operations, while the Irish market continues to be characterised by very difficult economic conditions.

Towards the end of the second quarter, order bookings in several of Inwido's markets fell compared with the year-earlier period. The Group's order backlog at the end of the period amounted to SEK 711 million (831), which is 14 percent lower than the year-earlier period. In the UK, however, a larger order backlog was noted, while Sweden reported an unchanged order backlog.

Operating profit (EBITA) for the second quarter amounted to SEK 151 million (165) and the operating margin (EBITA) was 11.2 percent (11.9). Adjusted for items affecting comparability, operating profit (EBITA) for the second quarter amounted to SEK 163 million (164) and the adjusted operating margin (EBITA) was 12.0 percent (11.9). The lower sales volumes were offset by applied price increases and improved efficiency resulting in higher gross margins.

Financial income and expenses in the second quarter amounted to a negative net of SEK 20 million (30). Higher interest rate levels were offset by a significant reduction in net debt, as well as positive currency effects resulting from the stronger SEK.

Profit before tax amounted to SEK 129 million (133). Profit after tax was SEK 83 million (99).



Future prospects

Following a strong year in 2010, with rising demand in several of Inwido's markets, a more cautious stance could be noted in early 2011. In general, this market trend continued in the second quarter of the year.

The assessment for the current year by the independent research institute Euroconstruct from June 2011 indicates positive growth in the residential market in all of Inwido's markets except Ireland and the UK. However, the economic situation and direction of development are unusually difficult to assess, with questions surrounding the strength and sustainability of the global recovery accumulating over the summer. The uncertainty regarding the long-term trend in the debt-burdened euro countries remains while growth in the US economy is weakening. The basic question is whether this is a temporary setback or if the underlying problems will entail a more tangible delay in the recovery.

In Inwido's assessment, the uncertainty is high regarding the demand for the company's products and services, primarily within the consumer market, over the remainder of 2011. At the same time, the industrial market will continue to develop positively in the near term.

Net sales and profit, January-June 2011

Net sales for the period January-June amounted to SEK 2,350 million (2,482), corresponding to an organic decrease of 5 percent compared with the previous year. Adjusted for currency effects, net sales decreased by 1 percent.

Operating profit (EBITA) for the period January-June amounted to SEK 182 million (194) and the operating margin (EBITA) for the same period was 7.8 percent (7.8). Adjusted for items affecting comparability, operating profit (EBITA) amounted to SEK 194 million (215) and the adjusted operating margin (EBITA) was 8.3 percent (8.7).

Financial income and expenses improved to a negative net of SEK 36 million (negative 52).

Profit before tax amounted to SEK 143 million (138). Profit after tax was SEK 91 million (100).

Investments, depreciation and amortization

Net investments of SEK 23 million (10) were made in the second quarter. For the period January-June, net investments amounted to SEK 38 million (26).

Amortisation for the second quarter amounted to SEK 30 million (43), of which SEK 2 million (2) involved amortisations of consolidated surplus values in intangible assets. Amortisation for the first two quarters of the year amounted to SEK 61 million (77), of which SEK 4 million (4) involved amortisations of consolidated surplus values in intangible assets.

Cash flow

Cash flow from operating activities in the second quarter amounted to SEK 120 million (106). For the period January-June, cash flow from operating activities was negative in the amount of SEK 52 million (112). The improvement in cash flow is attributable mainly to reduced working capital.

Financial status

Consolidated net debt was SEK 1,622 million (2,036) at the end of the period.

At the end of the period, the equity/assets ratio amounted to 43 percent (38), while the net debt/equity ratio amounted to 0.7 (0.9).

Consolidated cash and equivalents were SEK 297 million (397) at the end of the period. Available funds, including unutilised credit facilities, amounted to SEK 635 million.

Pledged assets and contingent liabilities

No significant changes in pledged assets or contingent liabilities occurred during the period.

Parent Company

The Parent Company had no sales during the quarter. The loss after tax for the period was SEK 18 million (32). This outcome is mainly attributable to wages, other remunerations and interest expenses. For the period January-June, the loss after tax was SEK 29 million (48).

Significant events after the end of the period

In July, Inwido paid dividends totalling SEK 301 million. Inwido raised no additional loans in connection with the dividends.

Acquisitions

On 28 April 2011, Inwido Denmark A/S signed an agreement regarding the acquisition of the Danish company Pro Tec Vinduer A/S and its subsidiary Pro Tec Windows UK Ltd. The acquisition is consolidated into the Inwido Group effective from 1 July 2011. Pro Tec Vinduer is a leading supplier of innovative windows and doors and holds a strong market position among architects and developers, complementing Inwido's existing operations in Denmark well. In 2010, Pro Tec generated sales of about DKK 170 million. In connection with the acquisition, Inwido Denmark A/S decided to close its production at the Danish unit Dansk Vindues Industri (DVI). The acquisition of Pro Tec will also result in a process of consolidation in Inwido's Danish brand portfolio.

Significant risks and uncertainties in the Group and Parent Company

The Group's risks are described in its Annual Report for 2010. Beyond these, no significant additional risks or uncertainties have arisen.

Accounting principles

The Group applies the International Financial Reporting Standards (IFRS). These interim financial statements for the Group have been prepared in accordance with IAS 34, Interim Reporting and the interim financial statements for the Parent Company have been prepared in accordance with the Swedish Annual Accounts Act. The Group has applied the same accounting principles and calculation methods as in its most recent Annual Report. Unless otherwise stated, the information presented pertains to the Groups as a whole. Figures in parentheses indicate comparison data for the year-earlier period.

The financial reports are presented in SEK, rounded off to the nearest hundred thousand, unless otherwise stated. This process of rounding off can result in the total of the subitems in one or more rows or columns not corresponding to the sum total for the row or column.

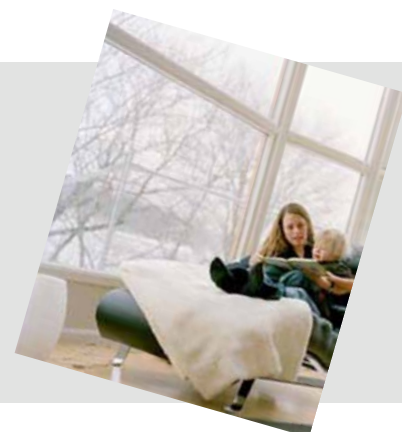
Review

This Report has not been subject to review by Inwido's auditors.

Sweden

Second quarter

- Net sales for the second quarter amounted to SEK 616 million (581)
- Operating profit (EBITA) amounted to SEK 120 million (117)
- The industrial market continued to show considerable growth
- Weaker order bookings were noted in the consumer market



| | Apr-Jun 2011 | Apr-Jun 2010 | Jan-Jun 2011 | Jan-Jun 2010 | Latest 12 mos | Jan-Dec 2010 |
|--------------------------------|-----------------|-----------------|-----------------|-----------------|------------------|-----------------|
| Net sales, SEKm | 616 | 581 | 1,037 | 1,012 | 2,150 | 2,125 |
| Operating profit (EBITA), SEKm | 120 | 117 | 167 | 171 | 369 | 373 |
| Operating margin, % | 19.5% | 20.1% | 16.1% | 16.9% | 17.2% | 17.6% |

Net sales and market

Net sales for the second quarter were SEK 616 million (581), corresponding to an increase of 6 percent.

The level of demand in the industrial market continued to develop well during the second quarter of the year. Demand was driven by a continued high level of activity in new residential building. Sales were further boosted by the building companies in particular, although sales to manufacturers of prefabricated homes also saw a relatively stable trend. The consumer market generated lower sales compared with the year-earlier period. The increased order bookings noted in the spring were short-lived and weakened towards the end of the second quarter.

During the period January-June, net sales amounted to SEK 1,037 million (1,012), an increase of 2 percent.

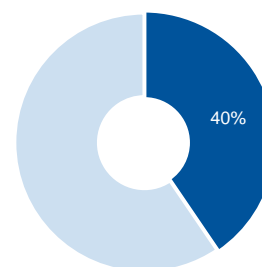
Earnings

Operating profit (EBITA) for the second quarter amounted to SEK 120 million (117) and the operating margin (EBITA) was 19.5 percent (20.1).

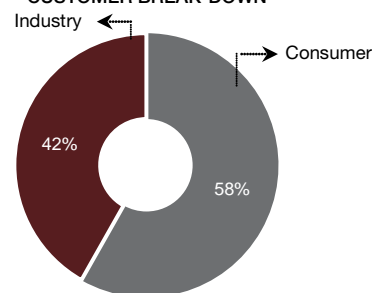
The improvement in operating profit was mainly attributable to higher volumes, a favourable price trend and improved efficiency. The somewhat lower operating margin was mainly the result of a higher proportion of sales to the industrial market.

Operating profit (EBITA) for the period January-June amounted to SEK 167 million (171) and the operating margin (EBITA) was 16.1 percent (16.9).

SHARE OF NET SALES



CUSTOMER BREAK-DOWN



Nordic Region

Second quarter

- Net sales for the second quarter amounted to SEK 586 million (641)
- Operating profit (EBITA) amounted to SEK 47 million (73)
- In Finland and Denmark, unchanged sales were reported
- In Norway, development was weak
- On the whole, weaker order bookings were noted towards the end of the quarter



| | Apr-Jun 2011 | Apr-Jun 2010 | Jan-Jun 2011 | Jan-Jun 2010 | Latest 12 mos | Jan-Dec 2010 |
|--------------------------------|-----------------|-----------------|-----------------|-----------------|------------------|-----------------|
| Net sales, SEKm | 586 | 641 | 1,026 | 1,159 | 2,284 | 2,418 |
| Operating profit (EBITA), SEKm | 47 | 73 | 52 | 82 | 153 | 183 |
| Operating margin, % | 8.0% | 11.4% | 5.1% | 7.1% | 6.7% | 7.6% |

Net sales and market

Net sales amounted to SEK 586 million (641), corresponding to a decrease of 1 percent, adjusted for currency effects.

In Denmark, sales were in line with the year-earlier period. Activity in the Danish market remains relatively low, although competition in terms of prices has diminished somewhat.

In Finland, Inwido noted somewhat higher sales than in the year-earlier period. However, the Finnish operations did note weakened order bookings towards the end of the second quarter.

In Norway, sales decreased compared with the year-earlier period.

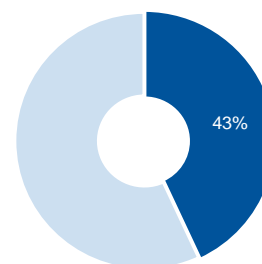
Net sales for the period January-June amounted to SEK 1,026 million (1,159), corresponding to a decrease of 4 percent adjusted for currency effects.

Earnings

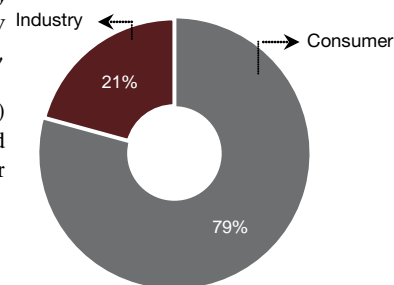
Operating profit (EBITA) for the second quarter amounted to SEK 47 million (73) and the operating margin (EBITA) was 8.0 percent (11.4). The operating profit (EBITA) included items affecting comparability amounting to a negative SEK 12 million (0), attributable to the closure of the Danish production unit DVI. Adjusted for items affecting comparability, the operating margin (EBITA) was 10.1 percent (11.4). Weakened profitability, particularly in Norway, was partly offset by a generally favourable price trend and improved efficiency, particularly in Finland.

Operating profit (EBITA) for the period January-June amounted to SEK 52 million (82) and the operating margin (EBITA) was 5.1 percent (7.1). Operating profit (EBITA) included items affecting comparability amounting to a negative SEK 12 million (5). Adjusted for items affecting comparability, the operating margin (EBITA) was 6.2 percent (7.5).

SHARE OF NET SALES



CUSTOMER BREAK-DOWN



Europe

Second quarter

- Net sales for the second quarter amounted to SEK 70 million (87)
- Operating loss (EBITA) amounted to SEK 7 million (17)
- Continued positive trend in the UK and Russia
- In Poland, the realignment towards the consumer market continues



| | Apr-Jun 2011 | Apr-Jun 2010 | Jan-Jun 2011 | Jan-Jun 2010 | Latest 12 mos | Jan-Dec 2010 |
|--------------------------------|-----------------|-----------------|-----------------|-----------------|------------------|-----------------|
| Net sales, SEKm | 70 | 87 | 129 | 160 | 291 | 322 |
| Operating profit (EBITA), SEKm | -7 | -17 | -18 | -38 | -47 | -67 |
| Operating margin, % | -10.7% | -20.1% | -13.9% | -23.8% | -16.0% | -20.7% |

Net sales and market

Net sales amounted to SEK 70 million (87), corresponding to a decrease of 12 percent, adjusted for currency effects.

In Poland, the market as a whole continued to develop positively, although it continues to be pervaded by fierce competition. Inwido is continuing its efforts in line with its new strategic focus to, among other things, increase the proportion of consumer sales via proprietary stores and other retailers. In connection with the strategic shift from focusing on volumes and the industrial segment to an increased consumer focus, Inwido's sales decreased compared with the year-earlier period.

In the UK, the positive sales trend begun in early 2011 continued. An increased drive in consumer sales, with a more focused offering, has resulted in Inwido advancing its position and capturing market shares.

In Ireland, the tough market climate persists. The weak market trend has also resulted in persistently tough price competition.

In Russia, efforts continue to implement a more consumer-oriented market strategy, including an extended retailer network.

Net sales for the period January-June amounted to SEK 129 million (160), corresponding to a decrease of 12 percent adjusted for currency effects.

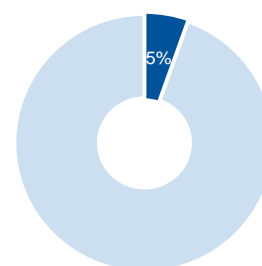
Earnings

The operating loss (EBITA) for the second quarter amounted to SEK 7 million (17) and the operating margin (EBITA) was a negative 10.7 percent (20.1).

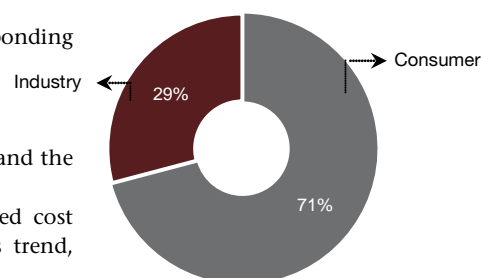
The implemented programme of measures has improved efficiency and reduced cost levels compared with the year-earlier period. Combined with a favourable sales trend, particularly in the UK and Russia, this has improved the overall result.

The operating loss (EBITA) for the period January-June amounted to SEK 18 million (38) and the operating margin (EBITA) was a negative 13.9 percent (23.8). The operating loss (EBITA) for the year-earlier period included items affecting comparability amounting to a negative SEK 5 million.

SHARE OF NET SALES



CUSTOMER BREAK-DOWN



Home Improvement & Supply

Second quarter

- Net sales for the second quarter amounted to SEK 160 million (138)
- Operating profit (EBITA) amounted to SEK 6 million (7)
- Positive trend for the Home Improvement business area
- Profitability for the Supply business area weakened temporarily due to the relocation of a production unit



| | Apr-Jun 2011 | Apr-Jun 2010 | Jan-Jun 2011 | Jan-Jun 2010 | Latest 12 mos | Jan-Dec 2010 |
|--------------------------------|-----------------|-----------------|-----------------|-----------------|------------------|-----------------|
| Net sales, SEKm | 160 | 138 | 311 | 267 | 585 | 542 |
| Operating profit (EBITA), SEKm | 6 | 7 | 10 | 15 | 21 | 26 |
| Operating margin, % | 4.0% | 4.8% | 3.2% | 5.4% | 3.6% | 4.7% |

Net sales and market

Net sales in the second quarter amounted to SEK 160 million (138).

The Home Improvement business area noted a continued positive sales trend. Home Improvement's newly launched concept within storage, featuring customised sliding doors and shelving systems, as well as a continued high level of demand from professional segments, contributed to the positive trend. The Nordic expansion plan is progressing according to schedule, resulting in strengthened sales and marketing in the Nordic region.

The Supply business area also noted an increase in net sales compared with the previous year.

Net sales for the period January-June amounted to SEK 311 million (267).

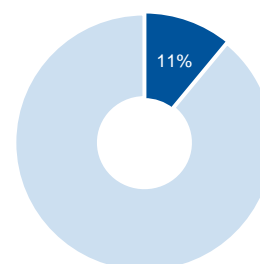
Earnings

Operating profit (EBITA) for the second quarter amounted to SEK 6 million (7) and the operating margin (EBITA) was 4.0 percent (4.8).

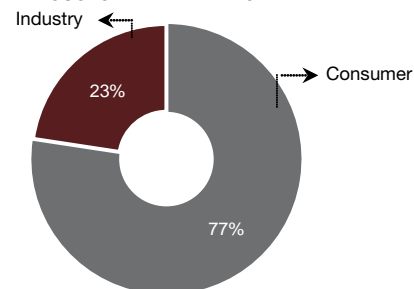
Home Improvement reported higher operating profit for the second quarter compared with the year-earlier period, primarily as a consequence of continued volume increases. At the same time, start-up costs in connection with the changed production structure, combined with a less favourable product mix in the Supply business area, resulted in a somewhat lower operating profit, despite higher net sales.

Operating profit (EBITA) for the period January-June amounted to SEK 10 million (15) and the operating margin (EBITA) was 3.2 percent (5.4).

SHARE OF NET SALES



CUSTOMER BREAK-DOWN



DURI

Key data

| <i>SEKm (unless otherwise stated)</i> | Apr-Jun 2011 | Apr-Jun 2010 | Jan-Jun 2011 | Jan-Jun 2010 | Latest 12 mos | Jan-Dec 2010 |
|---|-------------------------|-------------------------|-------------------------|-------------------------|--------------------------|-------------------------|
| Income measures | | | | | | |
| Net sales | 1,351 | 1,384 | 2,350 | 2,482 | 5,018 | 5,149 |
| Gross profit | 336 | 345 | 535 | 564 | 1,140 | 1,170 |
| Operating profit, EBITDA | 179 | 198 | 240 | 259 | 606 | 625 |
| Operating profit, EBITA | 151 | 165 | 182 | 194 | 435 | 446 |
| Operating profit, EBITA, excl items affecting comparability | 163 | 164 | 194 | 215 | 506 | 527 |
| Operating profit, EBIT | 149 | 163 | 179 | 190 | 428 | 439 |
| Margin measures | | | | | | |
| Gross margin | 24.9% | 24.9% | 22.8% | 22.7% | 22.7% | 22.7% |
| Operating margin, EBITDA | 13.3% | 14.3% | 10.2% | 10.4% | 12.1% | 12.1% |
| Operating margin, EBITA | 11.2% | 11.9% | 7.8% | 7.8% | 8.7% | 8.7% |
| Operating margin, EBITA, excl items affecting comparability | 12.0% | 11.9% | 8.3% | 8.7% | 10.1% | 10.2% |
| Operating margin, EBIT | 11.0% | 11.8% | 7.6% | 7.7% | 8.5% | 8.5% |
| Capital structure | | | | | | |
| Net debt | 1,622 | 2,036 | 1,622 | 2,036 | - | 1,501 |
| Net debt/equity ratio, multiple | 0.7 | 0.9 | 0.7 | 0.9 | - | 0.6 |
| Interest coverage ratio, multiple | 6.1 | 4.4 | 3.8 | 2.9 | - | 3.2 |
| Shareholders' equity | 2,437 | 2,287 | 2,437 | 2,287 | - | 2,340 |
| Equity/assets ratio | 42.8% | 37.9% | 42.8% | 37.9% | - | 40.7% |
| Capital employed | 4,430 | 4,744 | 4,430 | 4,744 | - | 4,382 |
| Operating capital | 4,110 | 4,323 | 4,110 | 4,323 | - | 3,841 |
| Return measures | | | | | | |
| Return on shareholders' equity | 8.4% | 10.8% | 8.4% | 10.8% | 8.4% | 9.2% |
| Return on capital employed | 10.0% | 9.8% | 10.0% | 9.8% | 10.0% | 10.1% |
| Return on operating capital | 10.1% | 10.1% | 10.1% | 10.1% | 10.1% | 10.7% |
| Return on operating capital, excl items affecting comparability | 11.8% | 11.3% | 11.8% | 11.3% | 11.8% | 12.6% |

Net sales per segment

| <i>SEKm</i> | Apr-Jun 2011 | Apr-Jun 2010 | Jan-Jun 2011 | Jan-Jun 2010 | Latest 12 mos | Jan-Dec 2010 |
|---------------------------|-------------------------|-------------------------|-------------------------|-------------------------|--------------------------|-------------------------|
| Sweden | 616 | 581 | 1,037 | 1,012 | 2,150 | 2,125 |
| Nordic | 586 | 641 | 1,026 | 1,159 | 2,284 | 2,418 |
| Europe | 70 | 87 | 129 | 160 | 291 | 322 |
| Home Improvement & Supply | 160 | 138 | 311 | 267 | 585 | 542 |
| Internal sales | -82 | -62 | -152 | -116 | -291 | -256 |
| Total | 1,351 | 1,384 | 2,350 | 2,482 | 5,018 | 5,149 |

Operating profit/loss by segment (EBITA)

| <i>SEKm</i> | Apr-Jun 2011 | Apr-Jun 2010 | Jan-Jun 2011 | Jan-Jun 2010 | Latest 12 mos | Jan-Dec 2010 |
|---------------------------|-------------------------|-------------------------|-------------------------|-------------------------|--------------------------|-------------------------|
| Sweden | 120 | 117 | 167 | 171 | 369 | 373 |
| Nordic | 47 | 73 | 52 | 82 | 153 | 183 |
| Europe | -7 | -17 | -18 | -38 | -47 | -67 |
| Home Improvement & Supply | 6 | 7 | 10 | 15 | 21 | 26 |
| Parent Company | -15 | -14 | -29 | -36 | -62 | -69 |
| Total | 151 | 165 | 182 | 194 | 435 | 446 |

Consolidated statement of comprehensive income

| <i>Amounts in SEKm</i> | Apr-Jun 2011 | Apr-Jun 2010 | Jan-Jun 2011 | Jan-Jun 2010 | Latest 12 mos | Jan-Dec 2010 |
|---|-------------------------|-------------------------|-------------------------|-------------------------|--------------------------|-------------------------|
| Net sales | 1,350.8 | 1,384.2 | 2,350.5 | 2,481.8 | 5,018.0 | 5,149.3 |
| Cost of goods sold | -1,014.3 | -1,039.1 | -1,815.7 | -1,917.4 | -3,877.9 | -3,979.5 |
| Gross profit | 336.5 | 345.1 | 534.8 | 564.4 | 1,140.1 | 1,169.7 |
| Other operating income | 2.7 | 3.0 | 6.8 | 7.3 | 13.4 | 13.9 |
| Selling expenses | -116.0 | -112.4 | -218.4 | -213.8 | -421.0 | -416.4 |
| Administrative expenses | -70.1 | -67.5 | -135.0 | -158.4 | -283.1 | -306.5 |
| Research and development expenses | -4.1 | -3.8 | -7.8 | -7.7 | -15.6 | -15.4 |
| Other operating expenses | -0.8 | -1.9 | -2.7 | -2.4 | -8.2 | -8.0 |
| Participations in the profit of associated companies and joint ventures | 0.7 | 0.5 | 1.1 | 0.9 | 2.3 | 2.0 |
| Operating profit | 148.9 | 162.9 | 178.9 | 190.3 | 427.9 | 439.3 |
| Financial income | 5.8 | 9.2 | 14.8 | 20.2 | 29.7 | 35.2 |
| Financial expenses | -25.5 | -39.1 | -50.8 | -72.3 | -125.0 | -146.5 |
| Net financial items | -19.6 | -29.8 | -36.0 | -52.1 | -95.2 | -111.3 |
| Profit before tax | 129.2 | 133.0 | 142.9 | 138.2 | 332.7 | 328.0 |
| Taxes | -46.2 | -34.3 | -52.1 | -38.1 | -134.7 | -120.7 |
| Profit after tax | 83.0 | 98.8 | 90.8 | 100.1 | 198.0 | 207.3 |
| Other comprehensive income | | | | | | |
| Translation differences, foreign operations | 25.7 | -24.9 | 17.9 | -80.9 | -32.7 | -131.5 |
| Total other comprehensive income after tax | 108.7 | 73.8 | 108.7 | 19.2 | 165.3 | 75.8 |
| Profit after tax attributable to: | | | | | | |
| Parent Company shareholders | 82.9 | 98.4 | 90.7 | 102.3 | 196.6 | 208.2 |
| Non-controlling interest | 0.1 | 0.3 | 0.1 | -2.2 | 1.4 | -0.9 |
| Other comprehensive income attributable to: | | | | | | |
| Parent Company shareholders | 108.3 | 76.7 | 108.7 | 32.8 | 170.0 | 94.1 |
| Non-controlling interest | 0.4 | -2.9 | 0.0 | -13.6 | -4.8 | -18.3 |

Consolidated statement of financial position

| <i>Amounts in SEKm</i> | Jun 2011 | Jun 2010 | Dec 2010 | dec 2009 |
|---|---------------------|---------------------|---------------------|---------------------|
| ASSETS | | | | |
| Goodwill | 3,190.3 | 3,263.7 | 3,159.4 | 3422.7 |
| Other intangible fixed assets | 21.0 | 49.9 | 25.6 | 60.6 |
| Tangible fixed assets | 675.4 | 767.5 | 687.3 | 839.2 |
| Participations in associated companies and joint ventures | 4.1 | 2.9 | 4.1 | 2.8 |
| Financial investments | 27.2 | 27.7 | 26.6 | 37.8 |
| Other long-term receivables | 82.4 | 77.8 | 79.2 | 97.2 |
| Total fixed assets | 4,000.3 | 4,189.5 | 3,982.3 | 4460.3 |
| Receivables from Group companies | 0.0 | 0.0 | 145.0 | 0.0 |
| Inventories | 616.6 | 619.5 | 522.5 | 537.6 |
| Accounts receivable | 643.8 | 685.6 | 493.4 | 512.8 |
| Other receivables | 138.6 | 135.6 | 94.0 | 102.2 |
| Cash and equivalents | 296.6 | 396.6 | 517.2 | 618.1 |
| Total current assets | 1,695.6 | 1,837.3 | 1,772.1 | 1770.7 |
| TOTAL ASSETS | 5,695.9 | 6,026.8 | 5,754.4 | 6231.0 |
| SHAREHOLDERS' EQUITY AND LIABILITIES | | | | |
| Equity attributable to Parent Company shareholders | 2,433.6 | 2,256.9 | 2,313.9 | 2208.4 |
| Non-controlling interest | 3.5 | 30.2 | 26.1 | 207.9 |
| Total shareholders' equity | 2,437.2 | 2,287.1 | 2,340.0 | 2416.3 |
| Interest-bearing provisions | 0.4 | 7.9 | 0.3 | 7.7 |
| Interest-bearing liabilities | 1,491.4 | 1,928.7 | 1,593.0 | 2199.4 |
| Non-interest-bearing provisions | 122.4 | 94.5 | 122.1 | 98.1 |
| Non-interest-bearing liabilities | 114.0 | 130.9 | 115.4 | 14.2 |
| Total long-term liabilities | 1,728.1 | 2,162.0 | 1,830.7 | 2319.4 |
| Liabilities to Group companies | 50.5 | 0.0 | 196.8 | 0.0 |
| Interest-bearing liabilities | 450.9 | 520.7 | 448.4 | 437.7 |
| Non-interest-bearing provisions | 31.8 | 19.2 | 27.0 | 29.3 |
| Non-interest-bearing liabilities | 997.4 | 1,037.8 | 911.5 | 1028.4 |
| Total current liabilities | 1,530.7 | 1,577.7 | 1,583.7 | 1495.3 |
| TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES | 5,695.9 | 6,026.8 | 5,754.4 | 6231.0 |

Consolidated statement of cash flow

| <i>Amounts in SEKm</i> | Apr-Jun 2011 | Apr-Jun 2010 | Jan-Jun 2011 | Jan-Jun 2010 | Latest 12 mos | Jan-Dec 2010 |
|--|-------------------------|-------------------------|-------------------------|-------------------------|--------------------------|-------------------------|
| Operating activities | | | | | | |
| Profit before tax | 129.2 | 133.0 | 142.9 | 138.2 | 332.7 | 328.0 |
| Adjustment for items not included in cash flow: | | | | | | |
| - Depreciation/amortisation and impairment of assets | 30.5 | 43.5 | 60.9 | 77.5 | 178.2 | 194.7 |
| - Provisions | 8.9 | -4.2 | 4.4 | -9.2 | 5.4 | -8.3 |
| - Unrealised exchange rate differences | -9.6 | -6.0 | -6.7 | -15.1 | -4.2 | -12.6 |
| - Capital gains | -0.7 | -0.3 | -0.9 | 0.0 | 0.5 | 1.3 |
| - Change in provision for synthetic option | 0.0 | 0.0 | 0.0 | 0.0 | 19.2 | 19.2 |
| - Change in value, derivatives | 1.6 | 0.0 | -3.2 | 0.0 | 0.0 | -3.7 |
| Participations in profit of associated companies | -0.6 | -0.4 | -0.9 | -0.7 | -1.9 | -1.7 |
| Income tax paid | 1.8 | -6.4 | -6.7 | -12.0 | -23.6 | -28.9 |
| Cash flow from operating activities before changes in working capital | 161.2 | 159.2 | 189.8 | 178.6 | 506.1 | 488.0 |
| Changes in working capital | | | | | | |
| Increase(-)/decrease(+) in inventories | 22.4 | 8.1 | -88.2 | -98.8 | -5.0 | -15.6 |
| Increase(-)/decrease(+) in operating receivables | -127.8 | -132.2 | -169.7 | -193.7 | 7.1 | -16.9 |
| Increase(-)/decrease(+) in operating liabilities | 64.4 | 70.6 | 16.1 | 1.4 | -57.4 | -72.1 |
| Cash flow from operating activities | 120.2 | 105.8 | -51.9 | -112.4 | 450.8 | 383.3 |
| Investing activities | | | | | | |
| Net investments in intangible and tangible fixed assets | -23.9 | -9.0 | -38.3 | -25.3 | -74.2 | -61.3 |
| Acquisitions of subsidiary companies/businesses, net effect on liquidity | 0.0 | 0.0 | 0.0 | 0.0 | -0.1 | -0.1 |
| Change in financial fixed assets | 0.8 | -0.7 | 0.4 | -0.9 | 0.1 | -1.2 |
| Cash flow from investing activities | -23.1 | -9.7 | -37.9 | -26.2 | -74.3 | -62.6 |
| Financing activities | | | | | | |
| Dividends to non-controlling interest | -2.0 | 0.0 | -2.0 | 0.0 | -5.8 | -3.8 |
| Acquisition of non-controlling interest | 0.0 | -15.8 | -9.7 | -33.0 | -9.7 | -33.0 |
| Increase(+)/decrease(-) in borrowing | -145.0 | -5.1 | -119.4 | -39.1 | -444.2 | -363.9 |
| Cash flow from financing activities | -147.0 | -20.9 | -131.1 | -72.0 | -459.7 | -400.7 |

Consolidated statement of changes in equity

| <i>Amounts in SEKm</i> | Apr-Jun 2011 | Apr-Jun 2010 | Jan-Jun 2011 | Jan-Jun 2010 | Jan-Dec 2010 |
|--|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| <i>Attributable to Parent Company shareholders</i> | | | | | |
| Opening balance | 2,325.1 | 2,182.8 | 2,313.9 | 2,208.4 | 2,208.4 |
| Total recognised gains and losses | 108.3 | 76.7 | 108.7 | 32.8 | 94.1 |
| Other changes in net wealth | 0.1 | -2.6 | 11.0 | 15.7 | 11.4 |
| Closing balance | 2,433.6 | 2,256.9 | 2,433.6 | 2,256.9 | 2,313.9 |
| <i>Non-controlling interests</i> | | | | | |
| Opening balance | 5.1 | 30.6 | 26.1 | 207.9 | 207.9 |
| Total recognised gains and losses | 0.4 | -2.9 | 0.0 | -13.6 | -18.3 |
| Acquisition of non-controlling interest | -0.2 | 2.5 | -20.7 | -164.7 | -159.6 |
| Other changes in net wealth | -2.0 | 0.0 | -2.0 | 0.0 | -3.9 |
| Dividends | 0.2 | 0.0 | 0.2 | 0.6 | 0.0 |
| Closing balance | 3.5 | 30.2 | 3.5 | 30.2 | 26.1 |
| Total shareholders' equity at close of period | 2,437.2 | 2,287.1 | 2,437.2 | 2,287.1 | 2,340.0 |

Income Statement, Parent Company

| <i>Amounts in SEKm</i> | Apr-Jun 2011 | Apr-Jun 2010 | Jan-Jun 2011 | Jan-Jun 2010 | Latest 12 mos | Jan-Dec 2010 |
|--|-------------------------|-------------------------|-------------------------|-------------------------|--------------------------|-------------------------|
| Net sales | 0.0 | 0.0 | 0.0 | 0.0 | 50.1 | 50.1 |
| Gross profit | 0.0 | 0.0 | 0.0 | 0.0 | 50.1 | 50.1 |
| Administrative expenses | -15.9 | -14.1 | -30.1 | -40.3 | -62.8 | -73.0 |
| Other operating income | 0.4 | 0.1 | 0.8 | 0.1 | 1.0 | 0.3 |
| Other operating expenses | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Operating profit | -15.5 | -14.0 | -29.3 | -40.2 | -11.7 | -22.6 |
| <i>Result from financial items:</i> | | | | | | |
| Participations in earnings of Group companies | -7.6 | -27.6 | -8.8 | -27.6 | -55.1 | -73.9 |
| Other interest income and similar profit/loss items | 7.6 | 8.7 | 14.8 | 18.9 | 26.9 | 31.1 |
| Interest expense and similar profit items | -6.2 | -0.9 | -13.8 | -6.9 | -42.5 | -35.6 |
| Profit after financial items | -21.7 | -33.8 | -37.1 | -55.8 | -82.3 | -101.0 |
| Difference between depreciation/ amortisation according to plan and reported depreciation/amortisation | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 | 0.1 |
| Profit before tax | -21.7 | -33.8 | -37.1 | -55.8 | -82.2 | -100.9 |
| Taxes | 4.1 | 1.8 | 7.8 | 7.6 | 3.0 | 2.7 |
| Profit for the period | -17.7 | -32.0 | -29.2 | -48.2 | -79.2 | -98.2 |

Statement of comprehensive income, Parent Company

| <i>Amounts in SEKm</i> | Apr-Jun 2011 | Apr-Jun 2010 | Jan-Jun 2011 | Jan-Jun 2010 | Latest 12 mos | Jan-Dec 2010 |
|---|-------------------------|-------------------------|-------------------------|-------------------------|--------------------------|-------------------------|
| Profit for the period | -17.7 | -32.0 | -29.2 | -48.2 | -79.2 | -98.2 |
| Other comprehensive income | | | | | | |
| Group contributions received | 0.0 | 0.0 | 0.0 | 0.0 | 208.0 | 208.0 |
| Tax related to other comprehensive income | 0.0 | 0.0 | 0.0 | 0.0 | -54.7 | -54.7 |
| Other comprehensive income after tax | 0.0 | 0.0 | 0.0 | 0.0 | 153.3 | 153.3 |
| Total comprehensive income after tax | -17.7 | -32.0 | -29.2 | -48.2 | 74.1 | 55.1 |

Balance Sheet, Parent Company

| <i>Amounts in SEKm</i> | Jun 2011 | Jun 2010 | Dec 2010 |
|---|---------------------|---------------------|---------------------|
| ASSETS | | | |
| Equipment | 0.4 | 0.5 | 0.5 |
| Participations in Group companies | 1,788.0 | 1,778.2 | 1,778.2 |
| Receivables from Group companies | 256.7 | 269.5 | 151.5 |
| Other long-term receivables | 7.3 | 6.6 | 6.3 |
| Total fixed assets | 2,052.4 | 2,054.8 | 1,936.5 |
| Receivables from Group companies | 0.0 | 0.0 | 145.0 |
| Other receivables | 14.2 | 12.0 | 3.7 |
| Cash and equivalents | 237.7 | 0.0 | 352.7 |
| Total current assets | 251.8 | 12.0 | 501.4 |
| TOTAL ASSETS | 2,304.2 | 2,066.8 | 2,437.9 |
| SHAREHOLDERS' EQUITY AND LIABILITIES | | | |
| Shareholders' equity | 1,678.8 | 1,604.7 | 1,708.0 |
| Total shareholders' equity | 1,678.8 | 1,604.7 | 1,708.0 |
| Accumulated depreciation/amortisation in addition to plan | 0.0 | 0.1 | 0.0 |
| Untaxed reserves | 0.0 | 0.1 | 0.0 |
| Liabilities to Group companies | 193.6 | 1.4 | 103.0 |
| Interest-bearing liabilities | 141.0 | 222.2 | 178.0 |
| Non-interest-bearing provisions | 0.0 | 0.0 | 0.0 |
| Other liabilities | 137.5 | 127.0 | 136.2 |
| Total long-term liabilities | 472.0 | 350.6 | 417.3 |
| Liabilities to Group companies | 50.5 | 0.0 | 196.8 |
| Interest-bearing liabilities | 78.3 | 82.2 | 80.1 |
| Non-interest-bearing liabilities | 24.6 | 29.2 | 35.8 |
| Total current liabilities | 153.5 | 111.4 | 312.6 |
| TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES | 2,304.2 | 2,066.8 | 2,437.9 |

Summary of changes in equity, Parent Company

| <i>Amounts in SEKm</i> | Apr-Jun 2011 | Apr-Jun 2010 | Jan-Jun 2011 | Jan-Jun 2010 | Jan-Dec 2010 |
|--|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Shareholders' equity at the beginning of the period | 1,696.4 | 1,636.7 | 1,708.0 | 1,652.9 | 1,652.9 |
| Group contributions received | 0.0 | 0.0 | 0.0 | 0.0 | -196.8 |
| Tax attributable to Group contributions | 0.0 | 0.0 | 0.0 | 0.0 | 51.7 |
| Shareholders' contribution | 0.0 | 0.0 | 0.0 | 0.0 | 145.1 |
| Profit for the period | -17.7 | -32.0 | -29.2 | -48.2 | 55.1 |
| Shareholders' equity at the end of the period | 1,678.8 | 1,604.7 | 1,678.8 | 1,604.7 | 1,708.0 |

Financial definitions

Income measures

| | |
|--------------------------------|--|
| Gross profit/loss | Net sales less costs of goods sold. |
| Operating profit/loss (EBITDA) | (Earnings before interest, tax, depreciation and amortisation). Operating profit/loss before depreciation and impairment. |
| Operating profit/loss (EBITA) | (Earnings before interest, tax and amortisation). Operating profit/loss after depreciation and impairment but before deduction for impairment of goodwill as well as amortisation and impairment of other intangible assets that arose in conjunction with business combinations. |
| Operating profit/loss (EBIT) | Operating profit/loss before financial items and tax. |

Margin measures

| | |
|---------------------------|---|
| Gross margin | Gross profit/loss as a percentage of net sales for the period. |
| Operating margin (EBITDA) | Operating profit/loss (EBITDA) as a percentage of net sales for the period. |
| Operating margin (EBITA) | Operating profit/loss (EBITA) as a percentage of net sales for the period. |
| Operating margin (EBIT) | Operating profit/loss (EBIT) as a percentage of net sales for the period. |

Capital structure

| | |
|-------------------------|--|
| Net debt | Interest-bearing liabilities and interest-bearing provisions less interest-bearing assets, including cash and equivalents. |
| Net debt/equity ratio | Net debt in relation to shareholders' equity. |
| Interest coverage ratio | Profit/loss after net financial items plus financial costs in relation to financial costs. |
| Equity/assets ratio | Shareholders' equity including non-controlling interests as a percentage of total assets. |
| Capital employed | Total assets less non-interest-bearing provisions and liabilities. |
| Operating capital | Total assets less cash and equivalents, other interest-bearing assets and non-interest-bearing provisions and liabilities. |

Return measures 1

| | |
|--------------------------------|--|
| Return on shareholders' equity | Profit/loss after tax for the period attributable to the Parent Company's shareholders as a percentage of average shareholders' equity, excluding non-controlling interests. |
| Return on capital employed | Profit/loss after net financial items plus financial expenses as a percentage of average capital employed. |
| Return on operating capital | Operating profit/loss (EBIT) as a percentage of average operating capital. |

¹ Return measures are calculated on a 12-month rolling basis.

About Inwido

Inwido is Northern Europe's largest producer of innovative, environmentally friendly, wood-based window and door solutions.

Inwido has operations in Sweden, Denmark, Finland, Norway, Poland, Russia, the UK and Ireland, as well as exports to a large number of other countries.

Operations are divided into four segments: Sweden, the Nordic region, Europe and Home Improvement & Supply.

Inwido has approximately 3,800 employees and generated sales of SEK 5.1 billion in 2010. The Group's headquarters are located in Malmö, Sweden.



Inwido reaches customers through local brands focusing on the consumer and industrial markets, thereby achieving broad market coverage. In 2010, sales to the consumer market accounted for about 70 percent of the total, while sales to the industrial market accounted for about 30 percent.

The consumer market is dominated by renovation, remodelling and extension projects. Industrial customers are mainly major building companies and manufacturers of prefabricated homes who generally procure framework agreements or larger volumes for specific building projects.

Inwido's principal owner is Ratos, a private equity conglomerate listed on the Stockholm Stock Exchange. Ratos focuses on investments in unlisted companies in the Nordic region. Ratos owns 96 percent of Inwido AB, with senior executives holding the remaining 4 percent.

Financial information

Financial calendar

Interim report, January-September 2011, 9 November 2011

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