



Drottninggatan 2 Box 1661 SE-111 96 Stockholm Sweden
 Org nr/Corp. Id no. 556008-3585 Phone +46 8-700 17 00 Fax +46 8-10 25 59 www.ratos.se

INTERIM REPORT January-June 2004

CEO ARNE KARLSSON COMMENTS ON THE REPORT AT www.ratos.se
 TELEPHONE CONFERENCE 11 a.m., tel. no. +46 8 505 20 114

- Pre-tax profit SEK 1,682m (315)
- Earnings per share SEK 19.40 (2.83)
- Strong earnings trend in underlying portfolio
- Exit gain from the sale of Dahl SEK 1,355m
- Holding in Q-Labs sold
- Total return on Ratos shares +16%

Important events

In March, an agreement was concluded for the sale of all the shares in Dahl to the French Saint-Gobain Group. The deal was finalised on 12 May following approval from all the relevant competition authorities and provided a capital gain of SEK 1,355m. The investment in Dahl has thus provided an average annual return (IRR) of 35 %. In addition, Industri Kapital carried out major divestments of shares in Nobia, Alfa Laval and Oriflame which made a positive contribution to Ratos's results of SEK 83m.

The holding in Q-Labs was sold in May to Det Norske Veritas and a member of the company's management. This sale has no impact on Ratos's results.

One new company was added to the portfolio during the period. In March, an agreement was concluded on acquisition of BTJ InfoData in conjunction with the group's acquisition of InfoData. Ratos invested SEK 250m corresponding to 49% of the share capital and a convertible which at possible future conversion would provide an additional holding of approximately 7%.

Add-on investments were made in Arcorus, Gadelius and Haendig for a total amount of SEK 310m. As a result of these acquisition these companies are now wholly owned Ratos subsidiaries. This means that there are five wholly owned subsidiaries in the portfolio.

Business environment and market

Ahead of 2004, Ratos's general assessment of the economic outlook was that the "muddle-through plus" scenario we had been working with for some time was now firmly established, and that a classic, self-strengthening, cyclical economic upswing was on its way. This was reinforced by the fact that the world, for the first time in several years, appeared to be about to experience a relatively synchronised boom.

Developments during the first half of the year have fully matched this scenario. Large parts of the global economy and several sectors and niches have shown strong momentum. Our assessment is that this positive economic development will continued during the rest of the year, although probably the rate of increase will gradually slow down and eventually flatten out at a good level.

The positive macro-economic development is also reflected among Ratos's portfolio companies. Combined with the effects of ongoing efforts to enhance efficiency and promote growth in all companies, this has led to an overall strong earnings trend for Ratos's portfolio companies.

Combined sales for the underlying portfolio at the end of the period increased during the first half of 2004 by 3% compared with the same period last year. Taking Ratos's different ownership stakes into account, sales rose by just over 3%. The corresponding changes in operating profit (EBITA = profit before net financial items, tax and goodwill amortisation) were +44% and +34% respectively, while profit before tax (EBT) increased by 155% and 210% respectively. The above change figures exclude LRT/Tornet.

The conditions for a positive earnings trend for Ratos's portfolio companies in the second half as well are judged as good.

To facilitate analysis, an extensive table is provide on page 18 with key figures for all the Ratos holdings. A summary of income statements, balance sheets, etc., for Ratos's associated companies and subsidiaries is available at www.ratos.se in downloadable Excel files.

Ratos's results

The Group's profit before tax amounted to SEK 1,682m (315). This result includes profits from the holdings of SEK 1,709m, of which exits accounted for SEK 1,438m (328, of which exits SEK 203m). Exit gains are attributable to the sale of Dahl, SEK 1,355m, and sales made within Industri Kapital of SEK 83m.

Goodwill

Total goodwill amortisation – including Ratos's share of holdings' goodwill – amounted to SEK 150m (155). If Ratos had not carried out any goodwill amortisation, current earnings would increase by a corresponding amount as shown in table 1.

Table 1 Ratos's results and total goodwill amortisation

SEKm	2004	2003
	Jan-June	Jan-June
Profit before tax and goodwill amortisation (EBTA)	1,832	470
Total goodwill amortisation	-150	-155
Profit before tax (EBT)	1,682	315

In the same way the aggregated results for Ratos's holdings – without taking Ratos's holding into account – would increase by SEK 221m if no goodwill amortisation was carried out in the holdings as shown in table 2.

Table 2 Holdings' aggregated results and goodwill amortisation

SEKm	2004	2003
	Jan-June	Jan-June
Profit before tax and goodwill amortisation (EBTA)	906	671
Holding's goodwill amortisation	-221	-224
Profit before tax (EBT)	685	447

Central income and expenses

Ratos's net income and expenses amounted to SEK -27m (-13) of which personnel costs amounted to SEK 25m (24). Other management costs, including costs for acquisition and exit processes not carried out, amounted to, SEK 28m (23). Net financial items amounted to SEK 26m (34).

Tax

Ratos's consolidated tax expense currently comprises subsidiaries' and Ratos's share of tax in associated companies. The tax rate in the consolidated income statement is affected, among other things, by the company's investment company status and non-deductible goodwill amortisation.

Ratos's results January-June 2004

	Ratos's holding,%	Profit incl. goodwill amortisation		Profit excl. goodwill amortisation	
		2004 Q2	2003 Q2	2004 Q2	2003 Q2
Arcorus	100	32	19	41	28
Atle Industri	50	6	2	19	15
Bluegarden	100	4	-	12	-
BTJ InfoData	49	9	-	16	-
Camfil	30	21	13	31	24
Dahl	41	27	47	37	65
DIAB	48	6	-5	21	10
Dynal Biotech	25	9	7	21	19
Gadelius	100	0	1	5	5
Giga Consulting	50		-1	-	0
Haendig	100	20	7	26	11
Haglöfs	100	-5	-7	-3	-5
HL Display	29	8	-3	12	2
Intervect	50	11	-14	13	-11
Lindab	48	5	-14	36	15
LRT/Tornet	40	66	-	66	-
Martinsson	50	1	-3	7	3
Overseas Telecom	9	-	-	-	-
Q-Labs	48	1	0	1	0
Superfos	33	22	-5	32	4
Capona			23		24
DataVis			-1		0
Hilding Anders			38		50
Total profit/share of profits		243	104	393	259
Exit gains					
Dahl		1,355		1,355	
Industri Kapital		83	8	83	8
Q-Labs		0		0	
Capona			195		195
Total exit gains		1,438	203	1,438	203
Dividends from other companies		28	21	28	21
Profit from holdings		1,709	328	1,859	483
Net expenses		-27	-13	-27	-13
Consolidated profit before tax		1,682	315	1,832	470

Ratos's reporting of subsidiaries' profits and share of profits from associates is affected, among other things, by changed accounting principles, ownership duration, ownership stake and financial structure, which makes comparability between the years difficult. To facilitate analysis of the holdings, a table is provided on page 18.

Financial position

Cash flow from operating activities and investing activities was SEK 881m (1 039) and the Group's cash and cash equivalents at the end of the period amounted to SEK 2,164m (1,583).

Parent company

The parent company's pre-tax profit was SEK 1,497m (381). The parent company's cash and cash equivalents, including short-term interest bearing investments, amounted to SEK 2,034m (1,446). Interest-bearing liabilities amounted to SEK 159m (129) and relate to liabilities to group companies.

Ratos shares

Earnings per share amounted to SEK 19.40 (2.83). A dividend totalling SEK 573m was paid in April 2004. The total return on Ratos shares during the period was 16%. During the same period the SIX Return Index rose 12%.

Share buy-backs

The 2004 Annual General Meeting gave the Board a mandate to acquire up to 7% of the company's shares until the next Annual General Meeting on 6 April 2005. Share repurchases are to be effected on the Stockholm Stock Exchange. In 2004 until and including 25 August, 48,200 Ratos shares were acquired for an average price of SEK 110.89. In total since 2000, 2,893,986 B shares have been repurchased of which 657,800 have been cancelled. Ratos thus owns 2,236,186 B shares, corresponding to 2.8% of existing shares.

Cancellation of shares after the end of the period

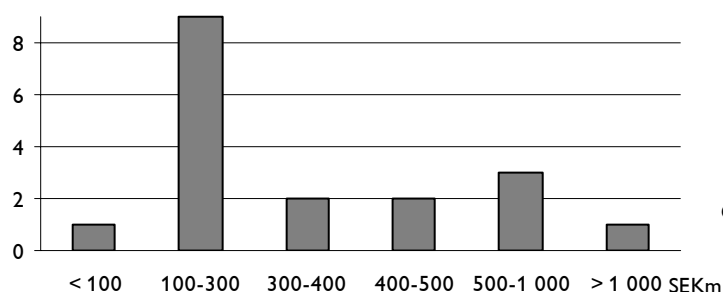
After the end of the period, Ratos's equity was reduced by SEK 6,250,000 through cancellation without repayment of 500,000 repurchased B shares following a decision at the Annual General Meeting. The number of outstanding shares is 78,938,440.

Reported shareholders' equity

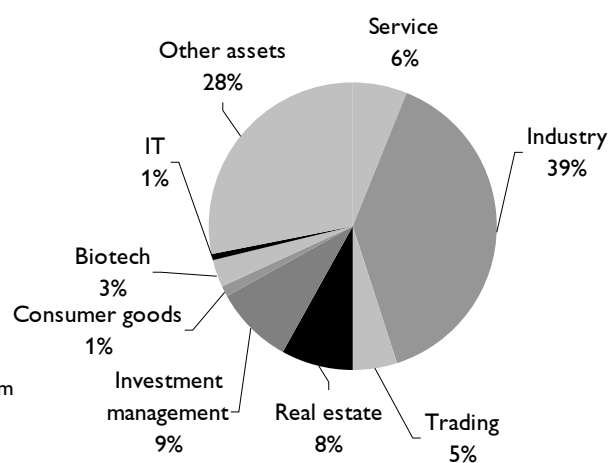
SEKm	30 June 2004	% of equity
Holding		
Arcorus	550	6
Atle Industri	469	5
Bluegarden	226	3
BTJ InfoData	254	3
Camfil	435	5
DIAB	638	7
Dynal Biotech	271	3
Gadelius	169	2
Haendig	296	3
Haglöfs	111	1
HL Display	225	3
Industri Kapital	314	4
Intervect	189	2
Lindab	1,054	12
LRT/Tornet	658	8
Martinsson	119	1
Superfos	347	4
Overseas Telecom	27	0
Total holdings	6,352	72
Share trading	74	1
Parent company's property	11	0
Liquid assets/liabilities (net) in central companies	2,393	27
Shareholders' equity	8,830	100
Equity per share, SEK	112	

Holdings, size breakdown, equity

No of companies



Holdings, sector breakdown, % of equity



Shareholders' equity

With effect from 2004 Ratos reports shareholders' equity instead of net asset value. Since approximately 90% of Ratos's assets comprise unlisted assets and are reported at consolidated book value, the measure net asset value has become less relevant to an external observer of Ratos. The measure net asset value can also mislead the observer to perceive the book values as market values. At 30 June 2004, equity per share amounted to SEK 112 (SEK 100 at 31 December 2003).

Credit facilities

The parent company has a loan facility until year-end 2007 which amounts to SEK 1.3 billion including an overdraft facility. Normally the parent company should be unleveraged. The purpose of the facility is to be able to use it when bridging financing is required for acquisitions, and to be able to finance dividends and day-to-day running costs in periods of few or no exits. At the end of the period the credit facility was unutilised.

Accounting principles

This interim report is prepared in accordance with the Swedish Financial Accounting Standards Council's recommendation RR20. The Group applies the same accounting principles and calculation methods as those used in the 2003 annual report, with the addition of the Swedish Financial Accounting Standards Council's recommendation on employee benefits, RR29.

New rules for pensions according to RR29

The transfer to RR29 represents a change of accounting principle which is reported directly in opening shareholders' equity. The effect is marginal and relates to defined benefit pension plans about which the company has information. Recalculation of comparative years will not be carried out.

Ratos also has defined benefit pension plans with the insurance company Alecta. These plans are reported as defined contribution pension plans since Alecta has so far been unable to provide sufficient information for these to be reported as defined benefit plans. When sufficient information is obtained, so that a recalculation can be made, this will be reported as a changed accounting principle.

Dilution effect of options

The dilution effect of option programmes on earnings per share is calculated on the basis of net profit after tax divided by the average number of shares outstanding, and with an estimated number of shares taking outstanding options into account. Calculation of the number of shares is based on the difference between the discounted exercise price for all outstanding options and the present market value of a corresponding number of shares. This difference corresponds, at the present market price for Ratos shares, to a certain number of shares. These shares, together with the present number of shares, provide an estimated number of shares which is used to obtain the dilution effect. (According to RR18, Earnings per share.)

Conversion of shares

The 2003 Annual General Meeting resolved that a conversion clause allowing conversion of A shares to B shares should be added to the articles of association. This means that owners of A shares have an ongoing right to convert them to B shares. At 30 June, 396,469 A shares had been submitted for conversion into B shares.

Holdings

Arcorus

- Sales SEK 723m (673) and EBITA SEK 45m (36)
- Continued very strong development for Hägglunds Drives in most areas while GS-Hydro was negatively affected by a weak Norwegian market
- Ratos received a dividend of SEK 73m in the second quarter

Arcorus is a group comprising the subsidiaries Hägglunds Drives, GS Hydro and Lidan Marine. The subsidiaries are leading international suppliers of complete hydraulic drive systems, hydraulic motors and piping systems. The customer base is in the industrial, marine and offshore segments.

Ratos's holding in Arcorus at the end of the period was 100% and the consolidated book value in Ratos was SEK 550m at 30 June 2004.

Atle Industri

- Sales SEK 1,045m (1,208) and EBITA SEK 44m (41)
- Good development in most companies due to improved market conditions
- Sale of Navigera in the second quarter and Näsström System after the end of the period. The number of operating companies now amounts to 10
- Strong cash flow, SEK +62m

Atle Industri comprises a portfolio of 10 companies, of which 8 are wholly owned. The portfolio was created when Ratos acquired Atle. The companies in the portfolio operate in the engineering industry, trading, waste management and IT/technology sectors. The companies are Elpress (electrical connectors), Envac (waste management systems), Moving (materials handling systems), Nordhydraulic (hydraulic valves), Pressmaster Tool (crimping tools) and Tempcold (distributes cooling products).

Ratos's holding in Atle Industri amounts to 50% and the consolidated book value in Ratos was SEK 469m at 30 June 2004.

Bluegarden

- Sales SEK 181m (212) and EBITA SEK 13m (24)
- Reduced sales due to the weakening of the Norwegian krone and implementation work at the company's largest customer
- Earnings affected by non-recurring costs for staff reductions of SEK 9m
- Customer base trebled through strategic co-operation agreement with Danish company Multidata

Bluegarden is one of the five largest players in human resources management in the Nordic region. Operations focus on standardised payroll processing systems, IT-supported outsourcing of HRM departments and consulting services. The company has offices in seven locations in Norway and Denmark.

Ratos's holding at 30 June 2004 amounted to 100% and the consolidated book value of the holding was SEK 226m at 30 June 2004.

BTJ InfoData

- Sales SEK 1,043m (919) and EBITA SEK 102m (87)
- Strong development in InfoData
- The competition authorities approved Ratos's acquisition in April
- New CEO – Fredrik Åkerman – takes over on 1 September

BTJ InfoData consists of the operating areas BTJ Group and InfoData. BTJ Group's operations include Bibliotekstjänst, Seelig and PriInfo. InfoData, which was acquired in spring 2004, is a leading supplier of database and direct marketing services in Sweden.

Ratos's holding amounts to 49% and the consolidated book value of the holding was SEK 254m at 30 June 2004.

Camfil

- Sales SEK 1,441m (1,369) and EBITA SEK 122m (96)
- Improved earnings as a result of better market conditions and work on efficiency enhancements
- EBITA margin 8.5% (7.0)

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

Ratos's holding in Camfil amounts to 30% and the consolidated book value was SEK 435m at 30 June 2004.

DIAB

- Sales SEK 385m (332) and EBITA SEK 46m (23)
- Good order bookings in all markets
- Action programmes and volume growth contributed to a substantial earnings improvement
- Improved EBITA margin 11.9% (6.9)

DIAB is a world-leading company that manufactures and develops core materials for composite structures. Key applications include blades for wind turbines, hulls and decks for boats, and components for aircraft, trains, buses and space rockets. The material has a unique combination of characteristics such as low weight, high strength, insulation properties and chemical resistance.

Ratos's holding in DIAB amounts to 48% and the consolidated book value was SEK 638m at 30 June 2004.

Dynal Biotech

- Sales SEK 339m (303) and EBITA SEK 100m (95)
- Strong development in the largest business area, Molecular Systems
- EBITA margin remains high, +29%

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

Ratos's holding in Dynal Biotech amounts to 25% and the consolidated book value was SEK 271m at 30 June 2004.

Gadelius

- Sales SEK 298m (299) and EBITA SEK 9m (13)
- Good order bookings following SEK 40m order for slaughter line equipment
- Entire decline in sales due to the weakened Japanese yen

Gadelius is a technology oriented, modern distributor of selected high-tech products for professional niche markets in Japan and Europe. Customers include the IT, medical technology, construction, packaging, food and engineering/electronics industries.

Ratos's holding in Gadelius is 100% via a Dutch holding company. The consolidated book value in Ratos was SEK 169m at 30 June 2004. This figure excludes the holding company.

Haendig

- Sales SEK 625m (588) and EBITA SEK 33m (32)
- Good sales trend for most subsidiaries
- Strong earnings development within Markt and Penope

Haendig is an active owner of small and medium-sized wholesalers with a focus on the DIY market and the professional sector in the Nordic region. The Group includes the subsidiaries HDF-Bolagen, Markt, Hafa, Duri, Sven Svenssons and Penope.

Ratos's holding in Haendig amounts to 100% and the consolidated book value in Ratos was SEK 296m at 30 June 2004.

Haglöfs

- Sales SEK 143m (146) and EBITA SEK -2m (-4)
- Completed efficiency enhancements have positive earnings impact
- Continued success in export markets and textiles

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

Ratos's holding in Haglöfs amounts to 100% and the consolidated book value in Ratos was SEK 111m at 30 June 2004.

HL Display

- Sales SEK 680m (567) and EBITA SEK 48m (8)
- Sales successes in the largest markets, France and the UK
- Strong improvement in earnings due to efficiency enhancement programmes and increased volumes

HL Display is a global, market-leading supplier of products and systems for merchandising and in-store communication. The company has subsidiaries in 25 countries. Manufacture takes place in Sweden, the UK and the US. HL Display is listed on the Stockholm Stock Exchange.

Ratos's holding in HL Display amounts to 29%. Consolidated book value of Ratos's holding in HL Display was SEK 225m at 30 June 2004.

Industri Kapital

- Divestment of major shareholdings in Alfa Laval
- SEK 83m exit gain reported in Ratos mainly relates to share divestments in Nobia, Oriflame and Alfa Laval
- Add-on investments in CB Foods and Dynea

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

The consolidated book value of Ratos's holding in Industri Kapital amounted to SEK 314m at 30 June 2004.

Intervect

- Sales SEK 489m (510) and EBITA SEK 32m (6)
- Decline in sales mainly due to currency effects
- Improved earnings due to efficiency enhancements
- Strong order bookings

Intervect is a world leader in development, manufacture and sales of rack and pinion driven equipment for vertical access – hoists and platforms for customers in the construction, offshore and other industries. The company was formed in 2001 when the Swedish company Alimak merged with the Dutch company HEK International.

Ratos's holding in Intervect amounts to 50% and the consolidated book value in Ratos was SEK 189m at 30 June 2004.

Lindab

- Sales SEK 2,600m (2,502) and EBITA SEK 112m (75)
- Organic growth in second quarter 9%
- Strong growth, particularly in Eastern Europe and the US

Lindab is a world leader in circular ventilation ducts and accessories and is also a leading manufacturer of thin sheet-metal building materials. Production takes place in 21 countries and is concentrated to thin sheet-metal products. Approximately 70% of sales go to countries outside Sweden. In 2001, together with companies including Skandia Liv and the Sixth Swedish National Pension Fund, Ratos implemented a buy-out of Lindab from the stock exchange via a buy-out company, Lindab Intressenter.

Ratos's holding in Lindab amounts to 48% and the consolidated book value in Ratos was SEK 1,054m at 30 June 2004.

LRT/Tornet

- Rental income SEK 1,148m (1 217) and EBITA SEK 756m (850)
- New strategy adopted for the Tornet Group where all assets will be liquidated and released capital returned to shareholders
- New capital structure in Tornet implemented after the end of the period. LRT Acquisition received a dividend of SEK 2.7 billion

LRT Acquisition AB owns approximately 82.4% of Fastighets AB Tornet which is one of the largest listed property companies in Sweden. The properties are concentrated to Sweden's six largest cities, as well as Norrköping and Karlstad. At 30 June 2004, Tornet owned 403 properties.

Ratos's holding in LRT Acquisition AB amounts to 40% and the consolidated book value in Ratos was SEK 658m at 30 June 2004.

Martinsson

- Sales SEK 669m (639) and EBITA SEK 15m (6)
- Improved charging rate for consultants explains improved earnings
- Retained margins despite price pressure within the hardware segment

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

Ratos's holding in Martinsson amounts to 50% and the consolidated book value in Ratos was SEK 119m at 30 June 2004.

Overseas Telecom

- Entire holding in PTC in Hong Kong was sold in conjunction with stock exchange listing – OVS exit gain SEK 136m
- Portfolio company in Namibia sold – OVS exit gain approximately SEK 200m
- Favourable development in the two remaining portfolio companies
- Ratos received a dividend of SEK 28m

Overseas Telecom acquires, develops and sells telecom licences, primarily for mobile telephony, and communications networks in developing countries. Portfolio companies are located in Sri Lanka and Uganda.

Ratos's holding in Overseas Telecom amounts to 9% of the capital and, after a change in June, 19% of the voting rights. The consolidated book value in Ratos was SEK 27m at 30 June 2004.

Superfos

- Sales SEK 1 658m (1 667) and EBITA SEK 161m (75)
- Strong improvement in earnings due to completed efficiency enhancements and lower raw material prices
- Continued favourable earnings trend in the Pharma and USA divisions

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

Ratos's holding in Superfos amounts to 33% and the consolidated book value in Ratos was SEK 347m at 30 June 2004.

Stockholm, 25 August 2004

Ratos AB (publ)

Arne Karlsson
CEO

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

For additional information, please contact:

Arne Karlsson, CEO, +46 8 700 17 00

Clara Bolinder-Lundberg, IR, +46 8 700 17 63, +46 70 719 84 43

Financial calendar:

Interim report January-September 2004

Year-end report 2004

Interim report January-March 2005

Interim report January-June 2005

Interim report January-September 2005

12 November 2004

23 February 2005

12 May 2005

23 August 2005

11 November 2005

Consolidated income statement

SEKm	2004 Q2	2003 Q2	2004 Q1-2	2003 Q1-2	2003 full year
Holdings					
Profit from subsidiaries	21	9	48	12	91
Share of profits of associates	85	82	195	92	297
Exit gains, associates	1,355	195	1,355	195	412
Impairment loss, associates	-	-	-	-	-7
Dividends, other companies	28	21	28	21	21
Exit gains, other holdings	5	-	83	8	32
Profit from holdings	1,494	307	1,709	328	846
Central income and expenses					
Management costs	-33	-26	-53	-47	-100
Financial items	7	13	26	34	66
Net expenses	-26	-13	-27	-13	-34
Profit before tax	1,468	294	1,682	315	812
Tax	-73	-59	-149	-90	-193
Minority share of net profit	0	-2	-3	-2	-13
Profit after tax	1,395	233	1,530	223	606
Earnings per share, SEK					
- before dilution	17.67	2.96	19.40	2.83	7.71
- after dilution	17.62	2.96	19.36	2.83	7.69
Number of shares outstanding					
- average before dilution	78,963,040	78,683,432	78,865,653	78,664,016	78,610,824
- average after dilution	79,159,327	78,799,588	79,046,750	78,788,919	78,834,535
- at the end of the period	78,938,440	78,564,640	78,938,440	78,564,640	78,554,640

Consolidated balance sheet

SEKm	30 June 2004	30 June 2003	31 Dec 2003
ASSETS			
Fixed assets			
Intangible	926	334	693
Tangible	369	205	217
Financial	5,207	4,764	5,119
Total fixed assets	6,502	5,303	6,029
Current assets			
Inventories	773	395	365
Current receivables	1,226	1,078	705
Short-term investments, equities	19	23	27
Short-term investments, other	1,921	1,368	1,462
Cash and bank balances	243	215	170
Total current assets	4,182	3,079	2,729
Total assets	10,684	8,382	8,758
EQUITY AND LIABILITIES			
Shareholders' equity	8,830	7,504	7,827
Minority interests	0	114	107
Provisions	145	75	83
Non-current liabilities			
- non-interest bearing	1	6	1
- interest-bearing	569	129	87
Current liabilities			
- non-interest bearing	643	331	392
- interest-bearing	496	223	261
Total equity and liabilities	10,684	8,382	8,758
Changes in shareholders' equity			
	2004	2003	2003
	Q1-2	Q1-2	full year
Opening equity according to previously adopted balance sheet	7,827	8,037	8,037
Effect of changed accounting principles	-7	-	-
Restated opening balance	7,820	8,037	8,037
Dividend paid	-573	-531	-531
New issue	35	6	6
Option premiums	0	3	
Buy-back of own shares	-5	-14	-15
Option premiums, associates	1	-	3
Effect of associates' buy-back of own shares	-	1	1
Translation difference in associates and subsidiaries	24	-228	-308
Effect of currency hedging	-	12	11
Accumulated translation difference in sold associate	-2	-5	17
Net profit for the period	1,530	223	606
Closing equity	8,830	7,504	7,827

Consolidated cash flow statement

SEKm	2004 Q1-2	2003 Q1-2	2003 full year
Operating activities			
Consolidated profit before tax	1,682	315	812
Adjustment for items not included in cash flow	-1,512	-198	-569
	170	117	243
Paid tax	-36	-27	-39
Cash flow from operating activities before change in working capital	134	90	204
Cash flow from changes in working capital			
Increase (-) in inventories	-76	-32	-7
Increase (-) in operating receivables	-111	-428	-66
Increase (+) in operating liabilities	9	-3	0
Cash flow from operating activities	-44	-373	131
Investing activities			
Purchases, subsidiaries	-234	-	-352
Sales, holdings	1,462	603	1,398
Purchases, holdings	-188	-236	-681
Purchase of other intangible/tangible fixed assets	-21	-19	-53
Change, financial assets	-94	1,064	701
Cash flow from investing activities	925	1,412	1,013
Financing activities			
Buy-back of own shares	-5	-14	-15
Option premiums	0	3	3
New issue	35	6	6
Dividend paid	-573	-531	-531
Increase (+) in interest-bearing liabilities	194	-4	-53
Cash flow from financing activities	-349	-540	-590
Cash flow for the period	532	499	554
Cash and cash equivalents, opening balance	1,632	1,084	1,084
Exchange difference in cash and cash equivalents	0	0	-6
Cash and cash equivalents, closing balance	2,164	1,583	1,632
Consolidated key figures			
Return on equity, %	-	-	8
Equity ratio, %	83	91	91
Interest-bearing receivable (excl. receivable from Woodrose relating to transfer of Atle companies)	1,253	1,458	1,858
Key figures per share			
Total return, %	16	3	27
Yield, %	-	-	6
Market price, SEK	124	92	113
Dividend, SEK	-	-	7.25
Equity, SEK	112	96	100

Parent company income statement

SEKm	2004 Q2	2003 Q2	2004 Q1-2	2003 Q1-2	2003 full year
Holdings					
Dividends, subsidiaries	73	33	73	44	56
Dividends, associates	-	-	12	-	44
Exit gains, associates	1,284	288	1,290	288	634
Impairment loss, associates	-	-1	-	-1	-30
Dividends, other companies	28	21	28	21	21
Exit gains, other holdings	5	-	83	8	33
Profit from holdings	1,390	341	1,486	360	758
Central income and expenses					
Management costs	-23	-25	-42	-44	-95
Financial items	32	30	53	65	115
Net expenses	9	5	11	21	20
Profit before tax	1,399	346	1,497	381	778
Tax	-	-	-	-	-
Profit after tax	1,399	346	1,497	381	778

Parent company balance sheet

SEKm	30 June 2004	30 June 2003	31 Dec 2003
ASSETS			
Fixed assets			
Tangible	14	16	15
Financial	6,860	5,667	6,499
Total fixed assets	6,874	5,683	6,514
Current assets			
Current receivables	329	727	266
Short-term investments	1,921	1,368	1,462
Cash and bank balances	113	78	38
Total current assets	2,363	2,173	1,766
Total assets	9,237	7,856	8,280
EQUITY AND LIABILITIES			
Shareholders' equity	9,041	7,691	8,087
Provisions	3	4	3
Non-current liabilities			
- non-interest bearing	-	2	-
- interest-bearing	129	126	128
Current liabilities			
- non-interest bearing	34	30	58
- interest-bearing	30	3	4
Total equity and liabilities	9,237	7,856	8,280
Changes in shareholders' equity			
	2004	2003	2003
	Q1-2	Q1-2	full year
Opening balance according to previously adopted balance sheet	8,087	7,846	7,846
Dividend paid	-573	-531	-531
New issue	35	6	6
Buy-back of own shares	-5	-14	-15
Option premiums	0	3	3
Net profit for the period	1,497	381	778
Closing equity	9,041	7,691	8,087

Parent company cash flow statement

SEKm	2004 Q1-2	2003 Q1-2	2003 full year
Operating activities			
Profit before tax	1,497	381	778
Adjustment for items not included in cash flow	-1,365	-294	-643
	132	87	135
Paid tax	-1	-1	-
Cash flow from operating activities before change in working capital	131	86	135
Cash flow from change in working capital			
Increase (-) in operating receivables	-37	-439	-50
Decrease (-) in operating liabilities	-25	-8	19
Cash flow from operating activities	69	-361	104
Investing activities			
Acquisition of subsidiaries	-265	-	-422
Sale of subsidiaries	162	-	0
Sales, holdings	1,463	603	1,398
Purchases, holdings	-188	-236	-659
Purchase of other tangible fixed assets	0	0	-1
Change, financial assets	-191	1,091	730
Cash flow from investing activities	981	1,458	1,046
Financing activities			
Buy-back of own shares	-5	-14	-15
Option premiums	0	3	3
New issue	35	6	6
Dividend paid	-573	-531	-531
Increase (+) in interest-bearing liabilities	27	-99	-97
Cash flow from financing activities	-516	-635	-634
Cash flow for the period	534	462	516
Cash and cash equivalents, opening balance	1,500	984	984
Cash and cash equivalents, closing balance	2,034	1,446	1,500

Ratos's holdings 30 June 2004

SEKm	NET SALES			EBITA			EBT			Items affecting comparability	Goodwill amortisation	Other amortisation	Investments	Cash flow *	Shareholders' equity	Interest-bearing net debt	Goodwill	Average no. employees	Ratos's consolidated value	Total Investment	Investment year	Ratos's share of capital %		
	04 Q1-2	03 Q1-2	2003	04 Q1-2	03 Q1-2	2003	04 Q1-2	03 Q1-2	2003															04 Q1-2
Arcorus	723	673	1 416	45	36	111	36	23	86	0	0	5	18	24	23	411	312	128	822	550	597	2001	100	Arcorus
Atle Industri ¹⁾	1 045	1 208	2 375	44	41	84	24	15	36	0	0	17	16	23	62	667	65	94	1 313	469	616	2001	50	Atle Industri
Bluegarden ²⁾	181	212	392	13	24	39	11	22	34	-9	0	2	11	5	-36	237	127	283	325	226	255	2003	100	Bluegarden
BT InfoData ³⁾⁷⁾	1 043	919	1 756	102	87	209	53	42	126	-2	0	28	10	758	-545	260	496	862	909	254	250	2004	49	BT InfoData
Camfil	1 441	1 369	2 691	122	96	208	82	57	139	0	0	22	39	53	6	1 057	586	603	2 602	435	450	2000	30	Camfil
DIAB ⁴⁾	385	332	658	46	23	58	43	20	52	0	0	0	18	13	30	333	90	0	654	638	688	2001	48	DIAB
Dynal Biotech	339	303	595	100	95	161	37	24	38	0	0	46	17	25	77	1 092	416	1 148	405	271	292	2001	25	Dynal Biotech
Gadellius ⁵⁾⁶⁾	298	299	620	9	13	25	8	12	23	0	-1	0	2	0	9	107	144	4	188	169	205	2001	100	Gadellius
Haendig ⁷⁾	625	588	1 194	33	32	65	21	18	39	0	0	5	6	0	-33	236	333	113	399	296	275	2001	100	Haendig
Haglöfs	143	146	341	-2	-4	19	-3	-6	15	0	0	0	2	2	-11	58	64	3	120	111	104	2001	100	Haglöfs
HL Display	680	567	1 129	48	8	-2	43	5	-9	0	0	1	22	23	-3	308	76	1	975	225	229	2001	29	HL Display
Intervect	489	510	990	32	6	-8	24	-5	-33	0	0	1	19	8	-12	278	334	42	766	189	227	2001	50	Intervect
Lindab	2 600	2 502	5 302	112	75	305	10	-31	92	0	0	64	88	60	-64	2 186	1 858	1 927	3 920	1 054	1 061	2001	48	Lindab
LRT/Tornet ⁸⁾	1 148	1 217	2 403	756	850	1 488	216	263	450	196	239	0	100	268	857	1 714	14 717	0	259	658	671	2003	33	LRT/Tornet
Martínsson ^{7) 9)}	669	639	1 247	15	6	15	11	3	9	0	0	3	1	5	-5	67	20	49	487	119	122	2001	50	Martínsson
Overseas Telecom	142	156	307	228	112	196	389	114	194	0	0	0	37	n/a	n/a	711	-303	2	406	27	27	1996	9	Overseas Telecom
Superfos	1 658	1 667	3 217	161	75	121	69	-15	-52	-3	-1	27	132	158	21	1 001	2 176	884	2 150	347	405	1999	33	Superfos
Total incl. LRT/Tornet ¹⁰⁾	13 467	13 151	26 326	1 636	1 463	2 898	685	447	1 045															

Change incl. LRT/TORNET 2% 12% 53%

Change excl. LRT/TORNET 3% 44% 155%

¹⁾ Ade Industri is not a legal group.

²⁾ Income statement items relate to the underlying group. Balance sheet items take refinancing into account. Investments and cash flow relate to the operating activities.

³⁾ Income statement items are pro forma since InfoData, which was acquired in the spring, is included from the start of the year. Investments and cash flow include acquisition of InfoData.

⁴⁾ The planned transfer of the holding from Atle to Ratos had not been carried out by the end of the period, since the conditions for the transfer had not been met.

⁵⁾ Gadellius is owned via a Dutch holding company. Figures exclude the holding company.

⁶⁾ Changed accounting principle. Comparative figures have been restated.

⁷⁾ "Total Invested" includes convertible loan.

⁸⁾ EBITA and EBT for the half and full-year 2003 are pro forma taking account of the new group formed at 31 December 2003. Cash flow and investments relate to Fastighets AB Tornet. Holding relates to indirect ownership in Fastighets AB Tornet.

⁹⁾ EBT for half and full-year are pro forma taking the new group into account.

¹⁰⁾ Excluding Overseas Telecom which is not an associated company.

* Cash flow refers to cash flow from operating activities and investing activities.