

Interim Report

January – March 2009

Q1

- **Profit before tax SEK 150m (269)**
- **Earnings per share before dilution SEK 0.56 (1.46)**
- **Mixed but overall satisfactory development in the holdings**
- **Add-on investment in DIAB, holding increased to 94%**
- **Total return on Ratos shares -7%**

Ratos in summary

SEKm	2009 Q 1	2008 Q 1	2008
Profit/share of profit	99	245	1,554
Exit gains		1	4,449
Impairments			-92
Profit from holdings	99	246	5,911
Net expenses	51	23	-240
Profit before tax	150	269	5,671

Important events

■ During the quarter Ratos concluded an agreement to acquire 3i's shares in DIAB. The purchase price for Ratos's shareholding amounted to SEK 387m. As a result of this acquisition DIAB became a subsidiary of Ratos where Ratos's holding amounts to 94%. Other owners are DIAB's board and management. The acquisition was completed in March.

■ During the quarter, Ratos provided capital to financially strengthen some of the holdings. Capital contributions decided earlier to Contex Holding (SEK 165m) and

Inwido (SEK 400m) were paid in the first quarter, while a payment to Jøtul (SEK 63m) will be made in the second quarter. During the first quarter a decision was also made on a capital contribution to DIAB of SEK 80m, of which SEK 50m was paid in the first quarter.

■ Ratos received a dividend of SEK 137m from the now liquidated holding in Atle Industri.

More information about important events in the holdings is provided on pages 6-11.

RATOS

CEO's comments

Our estimate that 2009 will be a tough and challenging year still applies where a fast-changing business environment requires us to be proactive and take action where necessary. The level of activity and preparedness at Ratos is high and we are monitoring events in our business environment carefully. We have looked at a number of investment opportunities over the past six months, but our demands are high, we are not in a hurry and we remain careful with our finances.

Naturally our holdings have been affected by the global recession. Overall, however, the portfolio met our expectations of being less sensitive to economic fluctuations than the average economy. Performance was weak, but not dramatic, and some holdings even achieved strong growth.



Arne Karlsson

Further CEO comments at www.ratos.se

Business environment and market

The start of 2009 was extremely tough from a global macroeconomic perspective with negative demand while the effects of the collapse of the financial system continued to inhibit activity. Furthermore, comparisons with 2008 were affected by a number of temporary factors (fewer working days in January in many countries, the Chinese New Year, extensive production shutdowns over Christmas/New Year which meant that production did not fully get under way until the second half of January, and so on).

Towards the end of the quarter, however, some recovery could be noted in several markets, in some cases a marked recovery. It should be noted, however, that development in March was also affected by effects that distort comparisons, in this case a positive Easter effect.

Naturally Ratos's holdings were affected by the global recession. Overall, however, the portfolio met our expectations of being less sensitive to economic fluctuations than the average economy. Performance was weak, but not dramatic, and some holdings even achieved strong growth.

Combined sales for the underlying portfolio of companies decreased by 1% during the quarter compared with the previous year. Taking Ratos's different ownership stakes into account, sales rose 1%. The corresponding figures for operating profit (EBITA) were -28% and -25% respectively, and for profit before tax -32% and -27% respectively.

As always, however, percentage changes for the first quarter should be interpreted with caution. For the port-

folio as a whole, most earnings capacity (in proportional terms) is generated after the first quarter. This means that minor changes in absolute numbers can have a considerable effect on percentage changes.

The following should also be noted regarding the earnings trend for the first quarter:

- even though the portfolio contains a mix of companies whose earnings increased and decreased respectively, two holdings, Inwido and Lindab, account for a large part of the decline in earnings. If these two companies are excluded from the comparison, operating profit (EBITA) for the other companies rose 1% compared with the previous year (-6% taking Ratos's ownership stakes into account)
- the slightly higher activity towards the end of the quarter meant that performance in March was strong, with a sales increase of 8% (+11% taking Ratos's ownership stakes into account), an increase in operating profit of 9% (+19%) and an increase in profit before tax of 69% (+147%). Again, it should be noted that March was positively affected by the Easter effect (i.e. the fact that Easter was in the second quarter compared with in the first quarter in 2008)

To facilitate analysis, an extensive table is provided on page 11 with key figures for Ratos's holdings. A summary of income statements, balance sheet, etc., for Ratos's associates and subsidiaries is available in downloadable Excel files at www.ratos.se.

Performance Ratos's holdings

	2009 Q 1	
	100%	Ratos's share
Sales	-1%	+1%
EBITA	-28%	-25%
EBT	-32%	-27%

Ratos's results

SEKm	2009 Q 1	2008 Q 1
Profit/share of profits before tax ¹⁾		
AH Industries (66%)	15	19
Anticimex (85%)	25	12
Arcus Gruppen (83%)	-41	-24
Bisnode (70%)	16	28
Camfil (30%)	9	14
Contex Holding (98%)	-25	5
DIAB (94%) ²⁾	18	16
EuroMaint (100%)	7	15
GS-Hydro (100%)	12	15
Hafa Bathroom Group (100%)	10	13
Haglöfs (100%)	19	13
HL Display (29%)	5	8
Inwido (96%)	-84	-7
Jøtul (63%)	23	-33
Lindab (22%)	-1	38
MCC (100%)	29	33
Medisize (93%)	5	-9
Scandinavian Business Seating (85%)	29	17
Superfos (33%)	28	10
Other holdings ³⁾	0	0
Hägglunds Drives ⁴⁾		62
Total profit/share of profits	99	245
Other holdings ⁵⁾		1
Total exit gains		1
Profit from holdings	99	246
Central income and expenses	51	23
Consolidated profit before tax	150	269

¹⁾ Subsidiaries' profits included with 100% and associates' profits with respective holding percentage.

²⁾ DIAB included with 48% holding through February 2009.

³⁾ Relates to subsidiary BTJ Group. Previous year's figures also included Atle Industri.

⁴⁾ Hägglunds Drives was sold in December 2008.

⁵⁾ Relates to holdings in Overseas Telecom and IK Investment Partners.

Ratos's results

Profit before tax for the first quarter of 2009 amounted to SEK 150m (269). This lower result is due to a weaker earnings trend above all in the construction-related holdings and the inclusion in earnings for 2008 of the sold holding Hägglunds Drives. The result includes profit/share of profits from the holdings of SEK 99m (245) and exit gains of SEK 0m (1m).

Central income and expenses

Ratos's net income and expenses amounted to SEK +51m (+23), of which personnel costs amounted to SEK -26m (-23). The higher net income and expenses is mainly due to interest received from outstanding shareholder loans to holdings. The variable portion of personnel costs amounted to SEK 0m (0). Other management costs were SEK -9m (-23). Net financial items amounted to SEK +86m (+69).

Tax

Ratos's consolidated tax expense comprises subsidiaries' and Ratos's share of tax in associates. The tax rate in the consolidated income statement is affected, among other things, by the parent company's investment company status, capitalisation of loss carry forwards and by non-taxable capital gains.

Financial position

Cash flow from operating activities and investing activities was SEK -700m (-487) and the Group's cash and cash equivalents at the end of the period amounted to SEK 6,707m (4,720), of which short-term interest-bearing investments accounted for SEK 3,027m (2,584). Interest-bearing liabilities including pension provisions amounted to SEK 17,419m (15,174).

Parent company

The parent company's profit before tax amounted to SEK 208m (1,049). The parent company's cash and cash equivalents, including short-term interest-bearing investments, amounted to SEK 4,659m (3,031). Taking into account financial transactions agreed but not yet carried out, at today's date Ratos has a liquid investment capacity in excess of SEK 3 billion without needing to utilise existing credit facilities.

Risks and uncertainties

A description of the Group's and parent company's material risks and uncertainties is provided in the Directors' report and in Note 30 and 36 in the 2008 Annual Report. An assessment for the coming months is provided in the *Business environment and market* section on page 2.

Ratos's equity ¹⁾

SEKm	31 March 2009	% of equity
AH Industries	425	3
Anticimex	756	5
Arcus Gruppen	676	4
Bisnode	1,216	7
Camfil	210	1
Contex Holding	964	6
DIAB	918	6
EuroMaint	446	3
GS-Hydro	-154	-1
Hafa Bathroom Group	210	1
Haglöfs	125	1
HL Display	302	2
Inwido	1,745	11
Jøtul	205	1
Lindab	736	5
MCC	591	4
Medisize	692	4
Scandinavian Business Seating	997	6
Superfos	481	3
Other holdings ²⁾	180	1
Total	11,721	73
Other net assets in central companies	4,442	27
Equity (attributable to equity holders of the parent)	16,163	100
Equity per share, SEK	102	

¹⁾ Holdings are shown at consolidated figures, which correspond to the Group's share of the holdings' equity, any residual values on consolidated surplus and deficit values minus any intra-group profits. Shareholder loans and capitalised interest on such loans are also included.

²⁾ Other holdings include the subsidiary BTJ Group and holdings in Overseas Telecom and IK Investment Partners.

Related-party transactions

Shareholder contributions and shareholder loans were granted to subsidiaries. The parent company received dividends from subsidiaries and associates of SEK 162m (490).

During the first quarter Ratos provided capital to Inwido of SEK 400m, Contex Holding SEK 165m and DIAB SEK 50m.

Ratos shares

Earnings per share before dilution amounted to SEK 0.56 (1.46). The total return on Ratos shares in the first quarter amounted to -7%, compared with the performance of the SIX Return Index which was -2%.

Buy-backs and number of shares

No shares were repurchased during the first quarter of 2009. The number of call options exercised corresponded to 174,150 shares. At the end of the period Ratos owned 3,237,247 B shares, corresponding to 2% of the total number of shares repurchased for an average price of SEK 121. The average number of B treasury shares owned by Ratos in the first quarter of 2009 was 3,396,228 (2,773,222 in the full-year 2008). The total number of shares outstanding at 31 March was 158,112,005.

Equity

At 31 March 2009 Ratos's equity (attributable to equity holders of the parent) amounted to SEK 16,163m (SEK 15,825m at 31 December 2008) corresponding to SEK 102 per outstanding share (SEK 100 at 31 December 2008).

Credit facilities

The parent company has a five-year rolling credit facility of SEK 3.2 billion including a bank overdraft facility. The purpose of the facility is to be able to use it when bridge 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. The parent company should normally be unleveraged. The credit facility was unutilised at the end of the period.

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. No conversions took place during the first quarter.

Other

Annual General Meeting decisions

- At the Annual General Meeting held on 2 April 2009, in accordance with the Nomination Committee's proposal, Board members Olof Stenhammar, Lars Berg, Staffan Bohman, Arne Karlsson (CEO), Annette Sadolin, Jan Söderberg and Per-Olof Söderberg were re-elected. Margareth Øvrum was elected as a new member of the Board. Olof Stenhammar was also elected as Chairman of the Board
- The ordinary dividend for 2008 was decided at SEK 9.00 per share (9.00). The record date for dividends was 7 April and payments from Euroclear Sweden (formerly VPC) were made on 14 April 2009
- The Annual General Meeting gave the Board a mandate to decide, during the period before the next Annual General Meeting, on repurchase of a maximum number of shares so that the company's holding of treasury shares does not exceed 7% of all the shares in the company
- At a subsequent statutory meeting, the Board decided to give the CEO, in consultation with the Chairman, a mandate to carry out repurchases in accordance with the mandate given to the Board by the Annual General Meeting
- The Meeting also resolved to issue a maximum of 650,000 call options on repurchased Ratos shares to be transferred at a market price to key people within Ratos. The Meeting further decided to transfer a maximum of 650,000 shares in the company in conjunction with exercise of the above-mentioned options
- The Meeting also decided, as in the previous year, on a cash-settled option programme related to Ratos's investments in holdings. The programme will be carried out through issuance of synthetic options which key people within Ratos will be entitled to acquire
- The Meeting also resolved to authorise the Board to decide on set-off or non-cash share issues in conjunction with company acquisitions. This authorisation shall comprise a maximum of 30 million B shares.

Holdings

AH Industries

- Sales SEK 181m (173) and EBITA SEK 21m (26)
- Stable sales development. Costs for action programmes and falling steel prices had a negative impact on earnings
- Major market uncertainty in the short term due to financial anxiety and its effect on available project financing. The long-term positive driving forces for wind power are still considered good
- Action programmes carried out to adjust to new market conditions

Ratos's holding in AH Industries amounted to 66% and the consolidated book value was SEK 425m at 31 March 2009.

AH Industries is a Danish leading supplier of metal components and services to the wind power, offshore and marine industries. The company is specialised in the manufacture and machining of heavy metal components with high precision requirements. Operations are conducted in four business areas: AH Flanges, AH Components, AH Projects and AH Transport.

Anticimex

- Sales SEK 435m (401) and EBITA SEK 44m (38)
- Continued good organic sales growth, +8%
- Good margin development, EBITA margin for the quarter rose to 10.2% (9.4)
- Energy declarations for single-family homes in Sweden showed very strong growth

Ratos's holding in Anticimex amounted to 85% and the consolidated book value was SEK 756m at 31 March 2009.

Anticimex is a service company that offers a broad range of services for healthy and safe indoor environments. Services include pest assurance, hygiene assurance, insurance, dehumidifying, fire protection as well as property transfer and energy inspections. The Group is currently represented in Sweden, Finland, Denmark, Norway, Germany and the Netherlands.

Arcus Gruppen

- Sales SEK 357m (310) and EBITA SEK -32m (-24)
- Good sales growth, +11% in the reporting currency (NOK), above all for wine. More retail selling days in March compared with the previous year had some positive impact on sales
- EBITA was negatively affected by exchange rate fluctuations since large parts of purchases are in euros, while sales are in Norwegian and Swedish kronor
- EBT includes a non-recurring cost of approximately SEK 10m
- Acquisition of the three brands Star Gin, Red Port and Dry Anis from Pernod Ricard completed

Ratos's holding in Arcus Gruppen amounted to 83% and the consolidated book value was SEK 676m at 31 March 2009.

Arcus Gruppen is Norway's leading wine and spirits producer. The company was formed in 1996 on the initiative of the Norwegian government and privatised in 2001. The group's best-known brands include Braastad Cognac, Vikingfjord Vodka, Løiten and Linie Aquavit.

Bisnode

- Sales SEK 1,280m (1,122) and EBITA SEK 146m (145)
- Continued good sales growth and positive earnings development. Organic growth was 9% (2% adjusted for currency effects). Earnings for the first quarter of 2008 included capital gains of SEK 16m
- New organisational structure as of 1 January 2009 with six regions and two separate product areas
- Integration of WLW, acquired at the end of December 2008, is proceeding according to plan

Ratos's holding in Bisnode amounted to 70% and the consolidated book value of the holding after completed refinancing was SEK 1,216m at 31 March 2009.

Bisnode is a leading European provider of digital business information with services within market, credit and product information with information about consumers and companies. Operations are conducted in 20 countries in Europe.

Camfil

- Sales SEK 1,065m (989) and EBITA SEK 75m (61)
- Strong development in Asia and Europe while the trend in North America was weaker
- Positive margin development due to operational improvements
- Strong cash flow from operating activities
- Acquisition of Mecke Klima GmbH, Camfil's former distributor in Austria. Mecke Klima had sales in excess of SEK 40m in 2007

Ratos's holding in Camfil amounted to 30% and the consolidated book value after completed refinancing was SEK 210m at 31 March 2009.

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 in 23 plants on four continents and the Group is represented by subsidiaries and agents in over 50 countries.

Contex Holding

- Sales SEK 195m (187) and EBITA SEK 1m (27)
- Continued weak sales development due to weak business climate
- Extensive cost-cutting programme amounting to approximately SEK 80m under way in all operations
- Ratos provided capital of SEK 165m

Ratos's holding in Contex Holding amounted to 98% and the consolidated book value was SEK 964m at 31 March 2009.

The Danish company Contex Holding is a world-leading developer and manufacturer of innovative 2D and 3D digital imaging solutions. The Group has three operating areas: Contex A/S is the world's largest manufacturer of wide-format scanners, Z Corporation manufactures 3D printers and Vidar Systems Corporation manufactures products for medical imaging. The Group's products are sold throughout the world.

DIAB

- Sales SEK 356m (338) and EBITA SEK 49m (61)
- Good growth in the wind segment in Asia and positive currency effects compensated for a decline in other markets
- Cost adjustments carried out to adapt to the current lower volume
- Since March, Ratos's holding amounts to 94% following acquisition of 3i's shareholding
- Ratos provided capital of SEK 50m and will provide an additional SEK 30m during the year

Ratos's holding in DIAB amounted to 94% and the consolidated book value was SEK 918m at 31 March 2009.

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

EuroMaint

- Sales SEK 579m (576) and EBITA SEK 28m (35)
- Continued positive sales trend for passenger traffic. Weaker within goods traffic and manufacturing industry
- Significant measures to improve efficiency
- EuroMaint Industry took over Husqvarna's maintenance and tools operations from the start of the year

Ratos's holding in EuroMaint amounted to 100% and the consolidated book value was SEK 446m at 31 March 2009.

EuroMaint is one of Sweden's leading maintenance companies and offers advanced maintenance services to the rail transport sector and manufacturing industry. Operations are conducted in two subsidiaries: EuroMaint Rail and EuroMaint Industry. EuroMaint conducts operations at 18 locations in Sweden, Latvia and the US.

GS-Hydro

- Sales SEK 395m (336) and EBITA SEK 28m (25)
- Weaker order bookings within land-based industry. Continued good sales to offshore and marine segments
- Cost-cutting measures implemented to adapt operations to lower order bookings
- Spanish company Pine with annual sales of approximately EUR 2m was acquired through an asset deal

Ratos's holding in GS-Hydro amounted to 100% and the consolidated book value in Ratos after completed refinancing was SEK -154m at 31 March 2009.

GS-Hydro is a leading supplier of non-welded piping systems. Products are mainly used in the marine and offshore industries as well as in the pulp and paper, metals and mining, automotive and aerospace and defence industries. The head office is located in Finland.

Hafa Bathroom Group

- Net sales SEK 98m (117) and EBITA SEK 13m (15)
- Weak business climate and price pressure had negative impact on sales at the start of the year. Clear improvement towards the end of the quarter due to introduction of the "ROT-avdrag" (tax reductions on refurbishments and extensions) and lower market interest rates
- Completed cost-cutting and price adjustments largely compensated for lower sales volumes
- Hafa Bathroom Group is reported as an individual holding from 1 January 2009 (previously included in Other holdings)

Ratos's holding in Hafa Bathroom Group amounted to 100% and the consolidated book value in Ratos was SEK 210m at 31 March 2009.

Hafa Bathroom Group with the Hafa and Westerbergs brands is one of the Nordic region's leading bathroom furnishings companies.

Haglöfs

- Sales SEK 165m (130) and EBITA SEK 21m (15)
- Strong sales trend, +27% (+12% adjusted for currency effects)
- Strong development in most markets and all three business areas
- Good order book ahead of autumn 2009

Ratos's holding in Haglöfs amounted to 100% and the consolidated book value in Ratos was SEK 125m at 31 March 2009.

Haglöfs is a Nordic market leader in equipment and clothes for an active outdoor life. The company develops and markets high-quality clothes, sleeping bags, footwear, and rucksacks. The company is represented in 19 countries in the Nordic region and the rest of Europe.

HL Display

- Sales SEK 353m (383) and EBITA SEK 18m (31)
- Weak sales due to reduced or postponed investments by customers. Major geographic variations in demand with the weakest development in eastern Europe. Continued growth in Asia, among other regions
- Currency effects had a positive impact on sales of SEK 24m during the quarter and on EBITA of SEK 2m
- Continued measures to reduce operating expenses

Ratos's holding in HL Display amounted to 29% and the consolidated book value in Ratos was SEK 302m at 31 March 2009.

HL Display is a global, market leading supplier of products and systems for merchandising and in-store communication with operations in 33 countries. Manufacture takes place in China, the UK, Sweden and the US. HL Display is listed on NASDAQ OMX Stockholm, Small Cap list.

Inwido

- Sales SEK 940m (1,243) and EBITA SEK -27m (48)
- Weak market had negative impact on sales and earnings. Organic growth was -20%
- Action programmes implemented so far will reduce costs in 2009 by approximately SEK 300m compared with 2008
- New measures initiated with a total effect of approximately SEK 40m
- Some recovery in the consumer segment in Sweden and Finland led to recruitment of new employees in April. New "ROT" programmes (tax reductions on refurbishments and extensions) in the Nordic countries are expected to increase activity during the remainder of 2009
- Ratos provided capital totalling SEK 400m

Ratos's holding in Inwido amounted to 96% and the consolidated book value in Ratos was SEK 1,745m at 31 March 2009.

Inwido develops, manufactures and sells a full range of windows and doors to consumers, construction companies and modular home manufacturers. Operations are conducted in all the Nordic countries as well as in the UK, Ireland, Poland and Russia. The company's brands include Elitfönster, SnickarPer, Tiivi, KPK, Lyssand and Allan Brothers.

Jøtul

- Sales SEK 230m (198) and EBITA SEK 4m (-12)
- Stable sales adjusted for currency effects. Good sales development in countries including Sweden, France and the UK due to a cold winter and increased market shares
- Completed cost-cutting measures combined with positive currency effects and raw material price development improved profitability
- Ratos will make a capital contribution of SEK 63m during the second quarter

Ratos's holding in Jøtul amounted to 63% and the consolidated book value in Ratos was SEK 205m at 31 March 2009.

The Norwegian company Jøtul is Europe's largest manufacturer of stoves and fireplaces with production facilities in Norway, Denmark, France, Poland and the US. The company dates back to 1853 and the products are sold worldwide, primarily through speciality stores, but also through the DIY trade.

Lindab

- Sales SEK 1,771m (2,129) and EBITA SEK 28m (209)
- Sales decreased by 17%. Adjusted for currency effects and restructuring sales decreased by 25%
- Economic downturn and funding difficulties for customers' projects had a negative impact on demand, particularly in Central and Eastern Europe
- Completed cost-cutting measures had an effect sooner than expected

Ratos's holding in Lindab amounted to 22% and the consolidated book value in Ratos was SEK 736m at 31 March 2009.

Lindab is a leading European company within development, production, marketing and distribution of systems and products in sheet metal and steel for the construction industry. The group is established in 30 countries. Approximately 60% of sales go to countries outside the Nordic region. Lindab is listed on NASDAQ OMX Stockholm Large Cap List.

MCC

- Sales SEK 348m (217) and EBITA SEK 48m (42)
- Strong sales development mainly due to acquisition of ACME in the US during 2008 and currency effects
- Sharp fall in volume within the off road segment but more stable development in the bus and military segments
- Action programmes carried out in Canada and Sweden during the quarter

Ratos's holding in MCC amounted to 100% and the consolidated book value in Ratos was SEK 591m at 31 March 2009.

Mobile Climate Control (MCC) offers complete climate comfort systems for three main customer segments: buses, off road and military vehicles. Approximately 70% of the company's sales take place in North America and 30% in Europe. Major production plants are located in Toronto (Canada), Goshen (USA), Norrköping and Norrtälje (Sweden), and Wroclaw (Poland).

Medisize

- Sales SEK 301m (257) and EBITA SEK 23m (12)
- Strong growth in the Drug Delivery Devices segment while development was weak for Primary Pharmaceutical Packaging
- Preparations for the extended order from the customer sanofi-aventis for large-scale production of insulin pens are going according to plan
- Cost savings implemented in the Primary Pharmaceutical Packaging segment

Ratos's holding in Medisize amounted to 93% and the consolidated book value in Ratos was SEK 692m at 31 March 2009.

Medisize is an international contract manufacturer specialised in medical devices for delivery and administration of drugs and pharmaceutical packaging (Development & Manufacturing) as well as development, manufacture and distribution of single-use plastic products for anaesthesia and intensive care (Airway Management).

Scandinavian Business Seating

- Sales SEK 359m (405) and EBITA SEK 33m (66)
- Economic downturn had a negative impact in most markets. In the reporting currency (NOK) sales fell 14%
- Action programmes carried out due to weaker business climate
- The factory in Fjerritslev, Denmark, will be closed in 2009 and production relocated to the existing factory in Nässjö, Sweden

Ratos's holding in Scandinavian Business Seating amounted to 85% and the consolidated book value in Ratos was SEK 997m at 31 March 2009.

Scandinavian Business Seating develops and produces ergonomic seating solutions in Scandinavian design for companies and public environments. The group markets three strong brands: HÅG, RH and RBM which are mainly sold through retail outlets. The group is represented today in Norway, Sweden, Denmark, Germany, the UK, Benelux and France.

Superfos

- Sales SEK 875m (865) and EBITA SEK 110m (57)
- Improved earnings due to completed action programmes and improved gross margins
- In the reporting currency (EUR) sales fell 13%. A weak European construction market had a negative impact on the paint segment. Products for consumer foods are more independent of the economic climate and showed more stable development

Ratos's holding in Superfos amounted to 33% and the consolidated book value in Ratos was SEK 481m at 31 March 2009.

Superfos is an international Danish group with operations in 18 countries in Europe and the US. The company develops, produces and sells injection moulded packaging for the food, paint and chemical industries.

Other holdings

- Jonas Arvidsson took over as the new CEO of BTJ Group on 1 February 2009. A new action programme is under way to improve profitability
- Continued disturbances in Sri Lanka had a negative impact on operations and earnings for Overseas Telecom

The total consolidated book value for Other holdings in Ratos was SEK 180m at 31 March 2009.

Other holdings comprise three holdings: BTJ Group, IK Investment Partners and Overseas Telecom.

Ratos's holdings at 31 March 2009

SEKm	Net sales			EBITA			EBT ¹⁾		
	2009 Q 1	2008 Q 1	2008	2009 Q 1	2008 Q 1	2008	2009 Q 1	2008 Q 1	2008
AH Industries	181	173	751	21	26	110	15	20	83
Anticimex	435	401	1,688	44	38	181	32	18	111
Arcus Gruppen	357	310	1,532	-32	-24	168	-41	-24	132
Bisnode ¹⁾	1,280	1,122	4,534	146	145	528	37	43	70
Camfil ²⁾	1,065	989	4,361	75	61	400	58	50	357
Contex Holding	195	187	818	1	27	92	-25	-10	2
DIAB	356	338	1,414	49	61	220	29	33	178
EuroMaint	579	576	2,324	28	35	122	15	21	60
GS-Hydro ³⁾	395	336	1,528	28	25	169	12	6	83
Hafa Bathroom Group	98	117	391	13	15	41	12	13	35
Haglöfs	165	130	495	21	15	53	19	13	40
HL Display	353	383	1,536	18	31	130	18	28	136
Inwido	940	1,243	5,639	-27	48	323	-72	0	107
Jøtul	230	198	1,060	4	-12	46	33	-25	-23
Lindab	1,771	2,129	9,840	28	209	1,172	-6	169	989
MCC ⁴⁾	348	217	1,024	48	42	167	29	33	115
Medisize ⁵⁾	301	257	1,021	23	12	18	5	-4	-34
Scandinavian Business Seating	359	405	1,509	33	66	242	49	36	104
Superfos	875	865	3,481	110	57	180	88	30	43
Other holdings ⁶⁾	166	167	845	0	2	-10	0	1	-13
Total	10,449	10,544	45,788	630	878	4,353	306	452	2,573
Change		-1%			-28%			-32%	

SEKm	Depreciation 2009 Q 1	Investments ^{**)} 2009 Q 1	Cash flow ^{***)} 2009 Q 1	Equity ^{****)} 31 Mar 2009	Interest-bearing net debt ^{****)} 31 Mar 2009	Average number of employees 2008	Consolidated	Ratos's
							value 31 Mar 2009	holding 31 Mar 2009
AH Industries	9	11	25	629	540	253	425	66%
Anticimex	9	9	24	873	783	1,175	756	85%
Arcus Gruppen	9	12	-294	851	45	461	676	83%
Bisnode ¹⁾	36	27	133	2,286	3,023	3,182	1,216	70%
Camfil ²⁾	33	80	118	1,853	799	3,321	210	30%
Contex Holding	14	10	-24	982	1,081	467	964	98%
DIAB	23	3	78	1,064	1,152	1,280	918	94%
EuroMaint	9	15	9	446	728	1,793	446	100%
GS-Hydro ³⁾	8	11	21	297	865	641	-154	100%
Hafa Bathroom Group	1	2	-5	99	79	168	210	100%
Haglöfs	1	2	-10	269	116	100	125	100%
HL Display	9	6	4	563	-120	973	302	29%
Inwido	35	20	-214	2,318	2,765	4,115	1,745	96%
Jøtul	15	10	-9	433	813	781	205	63%
Lindab	53	69	-250	3,272	3,004	5,456	736	22%
MCC ⁴⁾	4	5	44	618	673	727	591	100%
Medisize ⁵⁾	14	16	-58	761	452	994	692	93%
Scandinavian Business Seating	13	7	18	1,060	1,046	633	997	85%
Superfos	67	116	50	1,401	1,398	1,549	481	33%
Other holdings ⁶⁾	3	2	-19	78	28	294	23	-

¹⁾ Earnings with restored interest expenses on shareholder loan.

^{**)} Investments excluding company acquisitions.

^{***)} Cash flow refers to cash flow from operating activities including paid interest and investing activities before acquisition and divestment of companies.

^{****)} Equity includes shareholder loan. Interest-bearing debt excludes shareholder loan.

¹⁾ Earnings for the first quarter of 2008 include share of profits as well as capital gains in subsidiaries and associates totalling SEK 16m (SEK -17m for the full-year 2008 which also includes impairment of IT investments carried out earlier).

²⁾ Ratos refinanced its holding in Camfil in 2008 and has an interest-bearing net debt at 31 March 2009 of SEK 465m, which is not included in Camfil's income statement and balance sheet. Ratos's consolidated book value has been adjusted to take the refinancing into account.

³⁾ GS-Hydro was refinanced in September 2008. Earnings for 2008 are calculated pro forma, taking new financing and group structure into account.

⁴⁾ ACME is included in earnings for 2008 with effect from 1 September.

⁵⁾ Earnings for 2008 and average number of employees are pro forma, taking the acquisition of Medisize Medical into account.

⁶⁾ "Other holdings" includes the subsidiary BTJ Group.

Telephone conference

7 May

10.00 CET

+46 8 505 201 10

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www.ratos.se

Financial calendar 2009

20 Aug Interim report Jan-June

5 Nov Interim report Jan-Sept

Stockholm, 7 May 2009



Arne Karlsson
CEO

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

Consolidated income statement

SEKm	2009 Q 1	2008 Q 1	2008
Net sales	6,147	6,119	26,836
Other operating income	52	36	237
Change in inventories	89	80	-12
Raw materials and consumables	-2,333	-2,305	-10,047
Employee benefit costs	-2,125	-2,050	-8,286
Depreciation and impairment of tangible and intangible non-current assets	-243	-186	-949
Other costs	-1,305	-1,271	-5,928
Profit on sale of group companies		-1	4,412
Profit on sale of associates			31
Share of profit of associates	57	87	582
Operating profit	339	509	6,876
Financial income	84	77	264
Financial expenses	-273	-317	-1,469
Net financial items	-189	-240	-1,205
Profit before tax	150	269	5,671
Tax	-60	-21	-382
Profit for the period	90	248	5,289
Profit for the period attributable to			
Equity holders of the parent	89	231	5,172
Minority interests	1	17	117
Earnings per share, SEK			
– before dilution	0.56	1.46	32.62
– after dilution	0.56	1.45	32.54

Summary consolidated statement of comprehensive income

SEKm	2009 Q 1	2008 Q 1	2008
Profit for the period	90	248	5,289
Other comprehensive income			
Translation reserves for the period	165	-199	869
Hedging reserve	-4	-9	-393
Fair value reserve	97	-15	-117
Tax attributable to other comprehensive income	-1	2	99
Other comprehensive income for the period	257	-221	458
Total comprehensive income for the period	347	27	5,747
Total comprehensive income for the period attributable to			
Equity holders of the parent	324	37	5,548
Minority interests	23	-10	199

Summary consolidated statement of financial position

SEKm	31 March 2009	31 March 2008	31 Dec 2008
ASSETS			
Non-current assets			
Goodwill	19,063	16,111	17,621
Other intangible assets	2,132	1,800	2,065
Property, plant and equipment	4,115	3,120	3,378
Financial assets	2,700	2,843	3,435
Deferred tax assets	535	379	471
Total non-current assets	28,545	24,253	26,970
Current assets			
Inventories	3,195	3,152	2,802
Current receivables	6,081	5,129	5,493
Cash and cash equivalents	6,707	4,720	7,485
Total current assets	15,983	13,001	15,780
Total assets	44,528	37,254	42,750
EQUITY AND LIABILITIES			
Equity including minority interests	17,702	13,847	17,290
Non-current liabilities			
– interest-bearing	14,462	12,438	13,643
– non-interest bearing	439	405	508
– pension provisions	537	620	486
– other provisions	621	423	679
– deferred tax liabilities	747	715	780
Total non-current liabilities	16,806	14,601	16,096
Current liabilities			
– interest-bearing	2,420	2,116	1,798
– non-interest bearing	7,066	6,199	7,097
– provisions	534	491	469
Total current liabilities	10,020	8,806	9,364
Total equity and liabilities	44,528	37,254	42,750

Summary statement of changes in consolidated equity

SEKm	31 March 2009			31 March 2008			31 Dec 2008		
	Equity holders of the parent	Minority interest	Total equity	Equity holders of the parent	Minority interest	Total equity	Equity holders of the parent	Minority interest	Total equity
Opening balance, 1 Jan	15,825	1,465	17,290	11,905	1,965	13,870	11,905	1,965	13,870
Total comprehensive income for the period	324	23	347	37	-10	27	5,548	199	5,747
Dividend					-135	-135	-1,430	-175	-1,605
Purchase/sale of treasury shares	14		14	3		3	-141		-141
Purchase of treasury shares in associates					76	76	-78		-78
New issue							11	228	239
Redemptions/impairment								-405	-405
Option premiums							10		10
Acquired minority		-9	-9					-320	-320
Minority at acquisition		60	60		6	6		4	4
Minority in sold company								-31	-31
Closing equity	16,163	1,539	17,702	11,945	1,902	13,847	15,825	1,465	17,290

Consolidated statement of cash flows

SEKm	2009 Q 1	2008 Q 1	2008
Operating activities			
Profit before tax	150	269	5,671
Adjustment for non-cash items	268	201	-3,193
	418	470	2,478
Income tax paid	-60	-230	-514
Cash flow from operating activities before change in working capital	358	240	1,964
Cash flow from change in working capital			
Increase (-)/Decrease (+) in inventories	-28	-239	-76
Increase (-)/Decrease (+) in operating receivables	89	291	-389
Increase (+)/Decrease (-) in operating liabilities	-630	-430	471
Cash flow from operating activities	-211	-138	1,970
Investing activities			
Acquisition, group companies	-331	-78	-1,854
Divestment, group companies	4		4,245
Acquisition, shares in associates and other holdings		-2	-108
Sale, shares in associates and other holdings	6	14	148
Acquisition, other intangible/tangible assets	-203	-239	-937
Sale, other intangible/tangible assets	41	4	161
Investment, financial assets	-6	-54	-71
Sale, financial assets		6	33
Cash flow from investing activities	-489	-349	1,617
Financing activities			
Purchase of treasury shares		-24	-168
Transfer of treasury shares	14	27	27
Option premiums			15
Minority share in new issue/capital contribution	1	76	238
Dividends paid			-1,430
Dividend paid/redemption, minority		-135	-580
Loans raised	434	3,532	6,645
Amortisation of loans	-606	-2,475	-5,095
Cash flow from financing activities	-157	1,001	-348
Cash flow for the period	-857	514	3,239
Cash and cash equivalents at beginning of the year	7,485	4,240	4,240
Exchange differences in cash and cash equivalents	79	-34	6
Cash and cash equivalents at the end of the period	6,707	4,720	7,485

Consolidated key figures

	2009 Q 1	2008 Q 1	2008
Return on equity, %			37
Equity ratio, %	40	37	40
Interest-bearing net debt, SEKm	10,518	10,294	8,255
Key figures per share			
Total return, %	-7	14	-20
Dividend yield, %			6.7
Market price, SEK	125.25	200.00	135.00
Dividend, SEK			9
Equity attributable to equity holders of the parent, SEK	102	75	100
Average number of shares outstanding			
– before dilution	157,953,024	158,413,523	158,576,030
– after dilution	158,019,422	159,035,780	158,919,119
Total number of registered shares			
Number of shares outstanding	161,349,252	161,349,252	161,349,252
– of which A shares	158,112,005	158,834,355	157,937,855
– of which B shares	42,328,530	42,328,770	42,328,530
	115,783,475	116,505,585	115,609,325

Parent company income statement

SEKm	2009 Q 1	2008 Q 1	2008
Other operating income		1	4
Other external costs	-9	-18	-267
Personnel costs	-22	-23	-248
Depreciation of property, plant and equipment	0	0	-1
Other operating expenses	-1	-1	-5
Operating profit/loss	-32	-41	-517
Profit on sale of participations in group companies			3,556
Dividends from group companies	25	490	639
Impairment of shares in group companies			-197
Profit from sale of interests in associates		550	551
Dividends from associates	137		118
Impairment of interests in associates			-13
Result from other securities and receivables accounted for as non-current assets	68	46	242
Other interest income and similar profit/loss items	22	25	89
Interest expenses and similar profit/loss items	-12	-21	-30
Profit after financial items	208	1,049	4,438
Tax			
Profit for the period	208	1,049	4,438

Summary parent company balance sheet

SEKm	31 March 2009	31 March 2008	31 Dec 2008
ASSETS			
Non-current assets			
Property, plant and equipment	60	14	38
Financial assets	10,217	9,685	9,111
Total non-current assets	10,277	9,699	9,149
Current assets			
Current receivables	156	28	22
Cash and cash equivalents	4,659	3,031	5,700
Total current assets	4,815	3,059	5,722
Total assets	15,092	12,758	14,871
EQUITY AND LIABILITIES			
Equity	14,304	12,205	13,988
Non-current provisions			
– pension provisions	2	3	2
– other	179		178
Non-current liabilities			
– non-interest bearing	130	178	193
– interest bearing	203	188	228
Current provisions	63		57
Current liabilities			
– non-interest bearing	211	117	223
– interest-bearing		67	2
Total equity and liabilities	15,092	12,758	14,871
Pledged assets and contingent liabilities	none	none	none

Summary statement of changes in parent company's equity

SEKm	31 March 2009	31 March 2008	31 Dec 2008
Opening equity, 1 Jan	13,988	11,168	11,168
Change in fair value reserve for the period	94	-15	-63
Profit for the period	208	1,049	4,438
Total income excluding transactions with equity holders	14,290	12,202	15,543
Dividend			-1,430
Purchase of treasury shares		-24	-168
Transfer of treasury shares	14	27	27
Option premiums			16
Closing equity	14,304	12,205	13,988

Parent company cash flow statement

SEKm	2009 Q 1	2008 Q 1	2008
Operating activities			
Profit before tax	208	1,049	4,438
Adjustment for non-cash items	-67	-578	-3,887
	141	471	551
Income tax paid	-	-	-
Cash flow from operating activities before change in working capital	141	471	551
Cash flow from change in working capital			
Increase (-)/Decrease (+) in operating receivables	13	109	106
Increase (+)/Decrease (-) in operating liabilities	-76	-45	-79
Cash flow from operating activities	78	535	578
Investing activities			
Acquisition, shares in subsidiaries	-551		-953
Sale and redemption, shares in subsidiaries			5,024
Acquisition, shares in associates and other holdings		-2	-87
Sale and redemption, shares in associates and other holdings	6	457	497
Acquisition, other property, plant and equipment	-23		-25
Investment, financial assets	-538	-116	-115
Sale, financial assets			25
Cash flow from investing activities	-1,106	339	4,366
Financing activities			
Purchase of treasury shares		-24	-168
Transfer of treasury shares	14	27	27
Option premiums			15
Dividend paid			-1,430
Loans raised			32
Amortisation of loans	-27	-142	-16
Cash flow from financing activities	-13	-139	-1,540
Cash flow for the period	-1,041	735	3,404
Cash and cash equivalent at the beginning of the year	5,700	2,296	2,296
Cash and cash equivalents at the end of the period	4,659	3,031	5,700

Operating segments

SEKm	Sales			EBT ¹⁾		
	2009 Q 1	2008 Q 1	2008	2009 Q 1	2008 Q 1	2008
Holdings						
AH Industries	181	173	751	15	19	83
Anticimex	435	401	1,688	25	12	84
Arcus Gruppen	352	307	1,511	-41	-24	132
Bisnode	1,280	1,122	4,534	16	28	15
Camfil				9	14	81
Contex Holding	195	187	818	-25	5	2
DIAB ²⁾	129			18	16	88
EuroMaint	574	575	2,316	7	15	33
GS-Hydro	395	336	1,527	12	15	104
Hafa Bathroom Group	98	117	391	10	13	35
Haglöfs	165	130	495	19	13	40
HL Display				5	8	39
Inwido	940	1,243	5,639	-84	-7	67
Jøtul	229	198	1,058	23	-33	-57
Lindab				-1	38	222
MCC	348	217	1,024	29	33	115
Medisize	301	102	810	5	-9	-45
Scandinavian Business Seating	359	402	1,509	29	17	31
Superfos				28	10	14
Other holdings ³⁾	166	167	845	0	0	92
Hägglands Drives ⁴⁾		440	1,910		62	379
Total holdings	6,147	6,117	26,826	99	245	1,554
DIAB						31
Hägglands Drives						4,405
Other holdings ⁵⁾					1	13
Exit gains					1	4,449
Impairment, Jøtul						-92
Profit from holdings	6,147	6,117	26,826	99	246	5,911
Central income and expenses		2	10	51	23	-240
Consolidated profit before tax	6,147	6,119	26,836	150	269	5,671

¹⁾ Subsidiaries' profits included with 100% and associates' profits with respective holding percentage.

²⁾ DIAB included with 48% holding through February 2009.

³⁾ Relates to subsidiary BTJ Group. Previous year's figures also included Atle Industri.

⁴⁾ Hägglands Drives was sold in December 2008.

⁵⁾ Relates to holdings in Overseas Telecom and IK Investment Partners.

Accounting principles in accordance with IFRS

The consolidated accounts are prepared in accordance with International Financial Reporting Standards (IFRS). The interim report is prepared in accordance with IAS 34, Interim Financial Reporting. Pertinent regulations in the Annual Accounts Act and the Swedish Securities Exchange and Clearing Operations Act are also applied.

In the interim report the parent company is prepared in accordance with the Annual Accounts Act and the Swedish Securities Exchange and Clearing Operations Act which are in accordance with the regulations in RFR 2.2 Accounting for Legal Entities.

Except where specified below, the accounting principles and basis of calculation are the same as those applied for the Group and the parent company in preparation of the most recent annual report.

New accounting principles for 2009

Revised IAS 1 Presentation of Financial Statements is applied with effect from 1 January 2009. This change means that Ratos presents two income statements: (i) an unchanged consolidated statement of income and (ii) a new income statement entitled "Consolidated statement of comprehensive income". Other comprehensive income includes income and expenses such as change in exchange differences, change in hedging and fair value reserve. These items were previously recognised in equity. The consolidated balance sheet is now entitled "Consolidated statement of financial position".

IFRS 8 Operating Segments is applied with effect from 1 January 2009. Ratos has chosen to report its holdings as segments, the manner in which Ratos's management monitors business operations. On the other hand Ratos, in conformity with the earlier IAS 14 Segment Reporting, does not report the information required on "Products and services, geographic regions and major customers" since this would be misleading. Segments – relating to geography, sector or other – lack practical interest, both for internal governance and reporting and for external monitoring of Ratos. Nor are investment decisions made in relation to a set segment. Reporting segments relating to geography, sector or other provides a fictitious picture of structure and risk exposure.

With effect from 1 January 2009 the parent company recognises dividends from subsidiaries and associates as income when the right to receive dividends is established.

Significant accounting and valuation principles

A brief summary of Ratos's key accounting principles is provided below.

Associates

As previously, Ratos applies the equity method for consolidation of associates. IFRS requires uniform accounting principles to be applied within a group. This requirement relates to both associates and subsidiaries.

Purchase price allocations

Purchase price allocations (PPAs) are preliminary until adopted, which must take place within 12 months from the acquisition. In cases where a PPA is changed, income statements and balance sheets are adjusted for the comparative period.

Ratos has increased its holding in Contex Holding to 98.2%.

In March, Ratos acquired an additional 46% in DIAB, the purchase price amounted to SEK 387m. As a result of this acquisition DIAB, which was previously an associate, is consolidated as a subsidiary in the Ratos Group. In the preliminary purchase price allocation the difference between the cost and fair value of acquired identifiable assets and liabilities was attributed to goodwill.

DIAB Group

SEKm	
Intangible non-current assets	26
Property, plant and equipment	723
Deferred tax assets	80
Current assets	627
Cash and cash equivalents	70
Non-current liabilities and provisions	-888
Current liabilities	-706
Net identifiable assets and liabilities	-68
Consolidated goodwill	1 008
Less minority interests	-60
Reclassification from associate	-491
Purchase price including costs directly attributable to the acquisition	389
of which costs directly attributable to the acquisition	-2
Purchase price paid	387

Goodwill and intangible assets

IFRS represents a requirement to identify and measure intangible assets at acquisition. To the extent intangible assets can be identified and measured, goodwill decreases correspondingly.

Goodwill is not amortised but is subject to an annual test for impairment. Other intangible assets are amortised to the extent an amortisation period can be determined. In such cases, testing for impairment is only carried out when there is an indication of a decline in value. If the amortisation period cannot be determined and amortisation is therefore not effected, an annual impairment test must be performed regardless of whether or not there is any indication of impairment.

When testing for impairment goodwill and other intangible assets with an indeterminable useful life are attributable to cash-generating units, which constitute separate subsidiaries (holdings). All holdings' carrying amounts, including the value of goodwill and intangible non-current assets, attributable to the acquisition are tested by calculating the recoverable amount for the holdings. Holdings are tested for impairment annually regardless of whether or not there is any indication of impairment. Testing is conducted between annual periods if there is any indication of impairment.

This information is disclosed in accordance with the Securities Markets Act, the Financial Instruments Trading Act or demands made in the exchange rules.

The logo for RATOS, consisting of the word "RATOS" in a bold, white, sans-serif font, centered within a dark blue rectangular background.

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