

Year-end report 2007

8 February 2008



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Earnings per share up by 12%

Full year 2007

- Net sales up by 7% to SEK 16,622 m (15,590)
- Organic growth was 7%
- Operating profit (EBIT) up by 2% to SEK 1,353 m (1,327)
- Net profit was SEK 958 m (865)
- EPS after dilution was up 12% to SEK 5.50 (4.93)
- Operating margin was 8.1% (8.5)
- Operating cash flow was SEK 949 m (881)

2007 in brief

Culinoma established in Germany

- Three acquisitions during the year; 77 stores in total

Store expansion planned over the next 3-4 years

- Magnet in the UK: 100 stores
- Hygena in France: 50-75 stores
- Poggenpohl in Europe and US: 40-60 stores
- Establish the Hygena concept in Spain 2008

Strengthened market positions

- UK: +9 stores
- Continental Europe: +7 stores

Greater internal efficiency

- Delivery ability restored in HTH
- Coordinated supply chain and adapted organisation
- Integration of Hygena to be completed in 2008

Events during Q1 2008

- Sale of British bathroom chain C.P. Hart
- Consolidation of business units in Norway (Sigdal and Norema) and Sweden (Marbodal and Myresjökök)

Net sales analysis

	Oct-Dec SEK m	Change	Jan-Dec SEK m	Change
2006	4,056		15,590	
Organic growth	222	6%	933	7%
- UK region*	202	14%	595	11%
- Nordic region*	71	5%	362	7%
- Continental European region*	-52	-7%	-22	-1%
Currency effects	-11	0%	-65	0%
Acquisitions	58	1%	275	2%
Discontinued operations	-27	-1%	-111	-1%
2007	4,298	6%	16,662	7%

* Organic growth within each region.

Three regions

Share of Group
net sales Q4

Organic growth
during Q4

36%

+14%

UK

34%

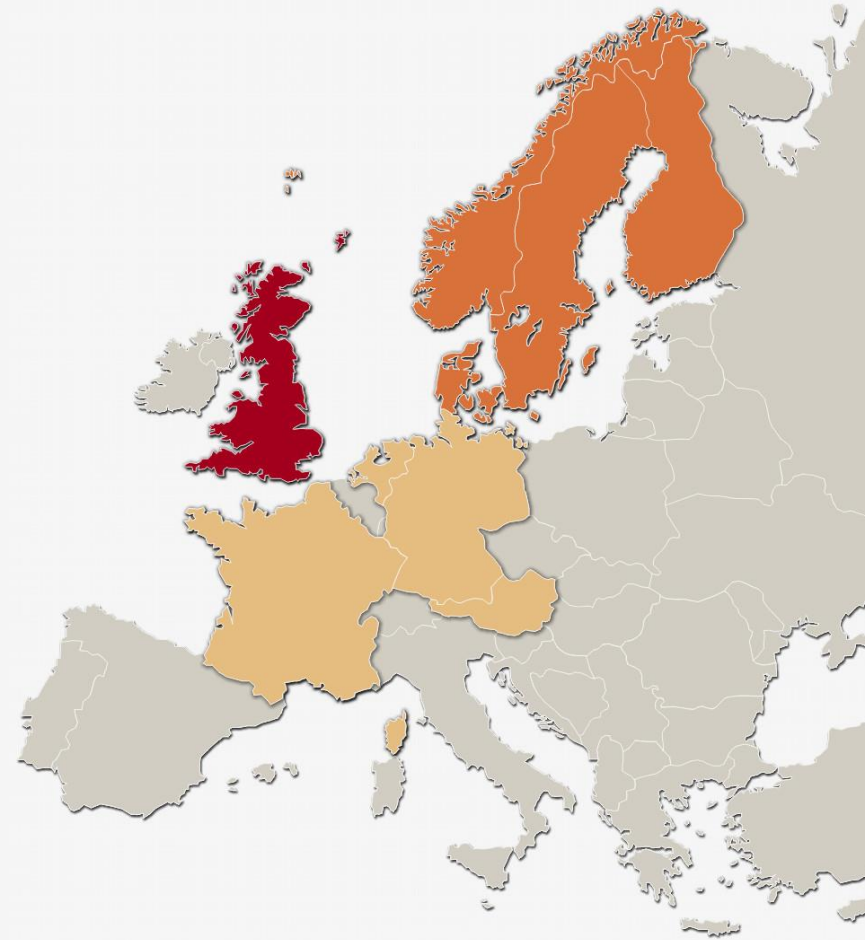
+5%

Nordic

30%

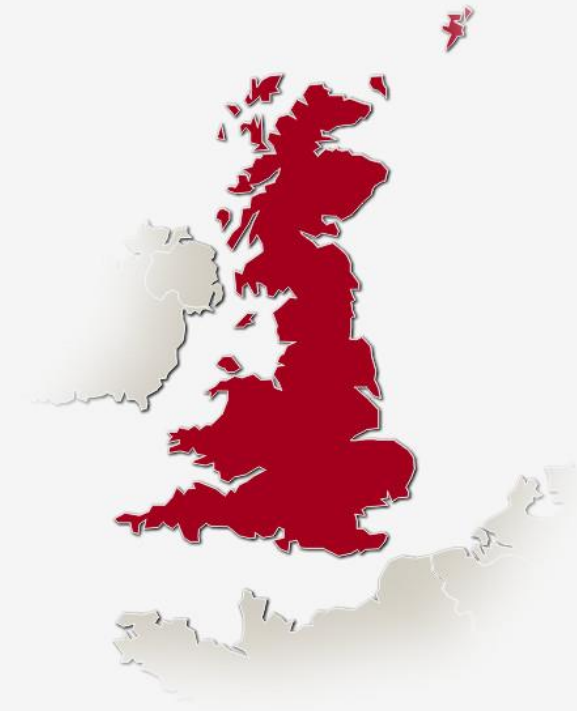
-7%

Continental Europe



Market situation in UK region in Q4

- Slight weakening towards the end of the quarter

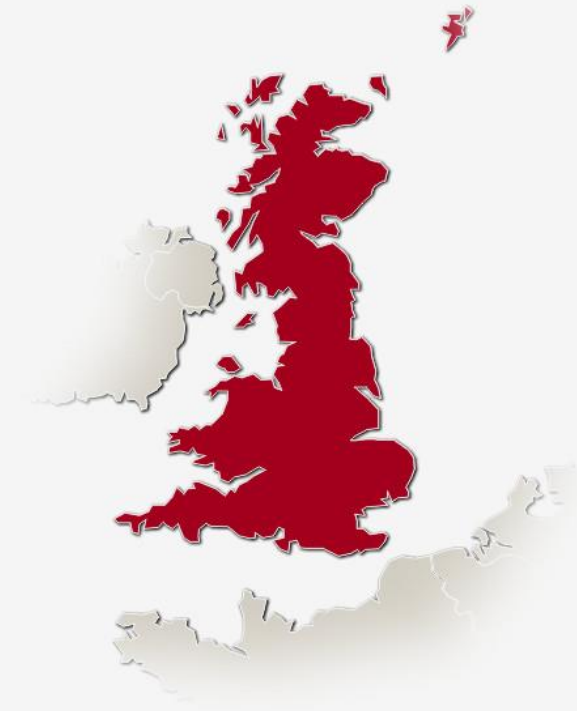


UK region in Q4

	2007 Oct-Dec	2006 Oct-Dec	Change
Net sales, SEK m	1,565	1,416	11%
Operating profit, SEK m	130	134*	-3%
Operating margin	8.3%	9.5%	

*Includes nonrecurring items amounting to SEK 27 m

Number of stores 197



Magnet

Gower

UK region in Q4

- Favourable sales development in all segments, especially Magnet Trade
- 100 more stores planned over the next three years
- Excluding a positive nonrecurring item in 2007, operating profit improved by 21%
- Rapid roll-out of stores and Trade concept initially pressed operating margin
- Decision to sell C.P. Hart at the end of the quarter



New Magnet mixed site store in Gateshead

Market situation in the Nordic region Q4

- Demand for new-build developed positively in Sweden
- Demand in the new-build segment in Finland, Norway and Denmark weakened



Nordic region Q4

	2007 Oct-Dec	2006 Oct-Dec	Change
Net sales, SEK m	1,485	1,380	8%
Operating profit, SEK m	157	176*	-11%
Operating margin	10.6%	12.8%	

* Includes nonrecurring items amounting to an expense of SEK 19 m

Number of stores 285



Nordic region in Q4

- Organic growth primarily driven by increased sales of accessories
- Positive sales trend weakened slightly due to Danish and Finnish new-build markets
- Improved productivity in HTH; delivery problems resolved
- Operating profit negatively affected by raw material prices
- Consolidation of business units in Norway and Sweden during Q1

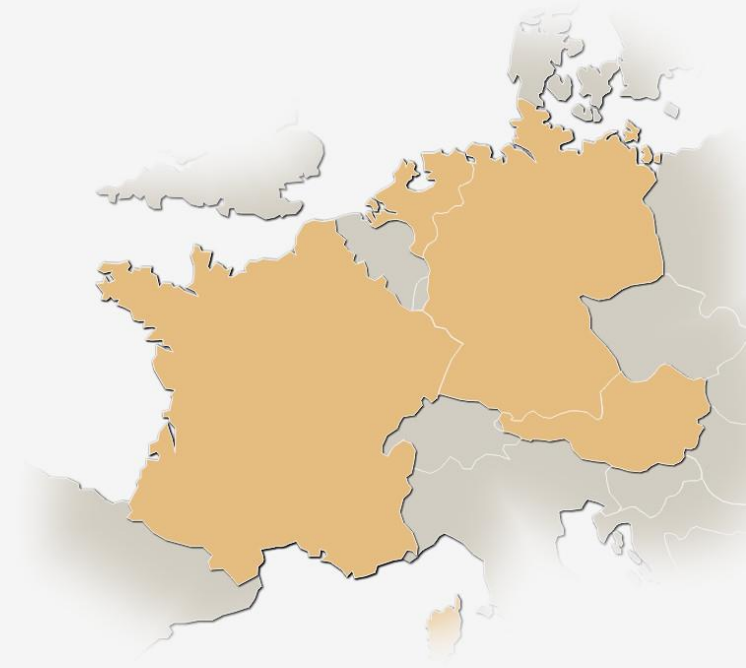


*Norema opened
a new store in
Jessheim*



Market situation in the CE region Q4

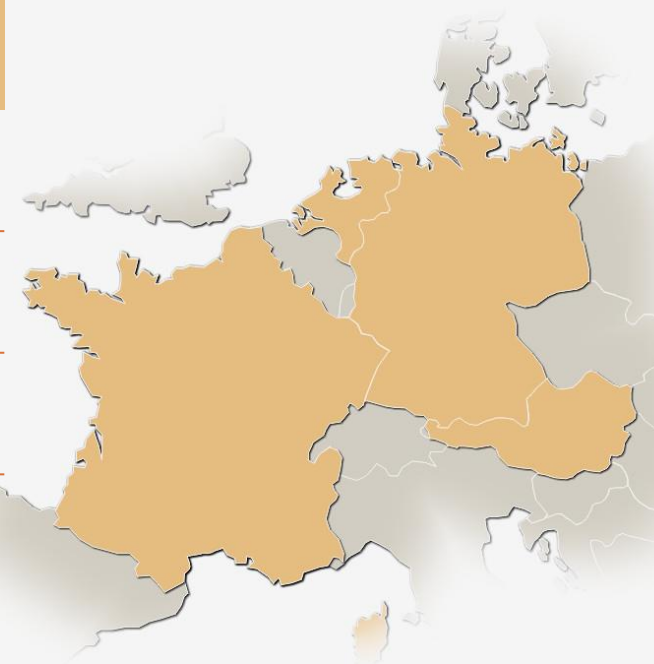
- Stable demand in France
- Falling demand in Germany, Netherlands and Austria



Continental Europe region Q4

	2007 Oct-Dec	2006 Oct-Dec	Change
Net sales, SEK m	1,272	1,286	-1%
Operating profit, SEK m	85	81*	5%
Operating margin	6.7%	6.3%	

*Includes nonrecurring items amounting to an expense of SEK 13 m



Number of stores 173



Continental Europe in Q4

- Sales growth in wholly owned stores (Hygena and Poggenpohl)
- Sales decline in Germany, Netherlands, Austria and exports outside Europe
- Store expansion plans announced for Poggenpohl
- Culinoma impacted operating profit in an expense of SEK 2 million
- Lower sales volumes
- Negative currency effects
- Transfer of Hygena's supply chain to be completed first half of 2008



One of Hygena's newest stores is in Marne la Vallée near Paris

Performance by region 2007

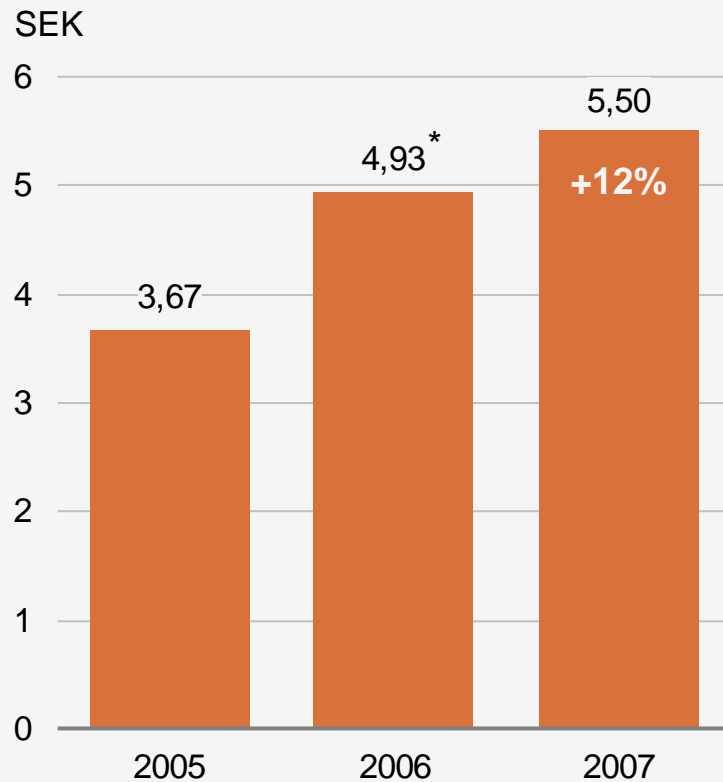
SEK m	Net sales Jan-Dec		Operating profit Jan-Dec		Operating margin Jan-Dec	
	2007	Change	2007	Change	2007	2006
UK	6,106	10%	517	18%	8.5%	7.9%
Nordic	5,774	7%	685	-8%	11.9%	13.7%
Continental Europe	4,852	3%	273	-6%	5.6%	6.1%
Other and Group adjustments	-110		-122			
Group	16,622	7%	1,353	2%	8.1%	8.5%

Profit development

SEK m	2007 Oct-Dec	Change	2007 Jan-Dec	Change
Operating profit before depreciation, SEK m (EBITDA)	452	-1%	1,790	3%
Operating profit, SEK m (EBIT)	349	1%	1,353	2%
Pre-tax profit	325	1%	1,247	3%
Net profit	282	23%	958	11%

- Increase in raw material prices
- Currency effects
- Costs for quality shortcomings

Earnings per share in line with Nobia's targets



■ Earnings per share after dilution and split 3:1

*) Earnings per share were SEK 4.72 in 2006 for comparable units.

Nobia's goal for profit growth:

Earnings per share shall increase over a business cycle by an average of 12 per cent annually.

Average increase 2001-2007 is 18%

Financial position

SEK m	2007 Jan-Dec	2006 Jan-Dec
Investments	678	532
Operating cash flow	949	881

SEK m	2007 31 Dec	2006 31 Dec
Net debt	2,224	2,460
Net debt/equity	54%	66%

Proposed dividend

- SEK 2.50 per share (2.00 after the 3:1 split)
- The total dividend amounts to SEK 428,789,525 based on the number of shares at year-end 2007
- Corresponds to 45% of net profit for the year attributable to the Parent Company's shareholders

Main priorities

- Develop the retail base
- Supply chain management
- Further growth
 - Organic and acquired

**Annual General Meeting
1 April**

**Next report
25 April**



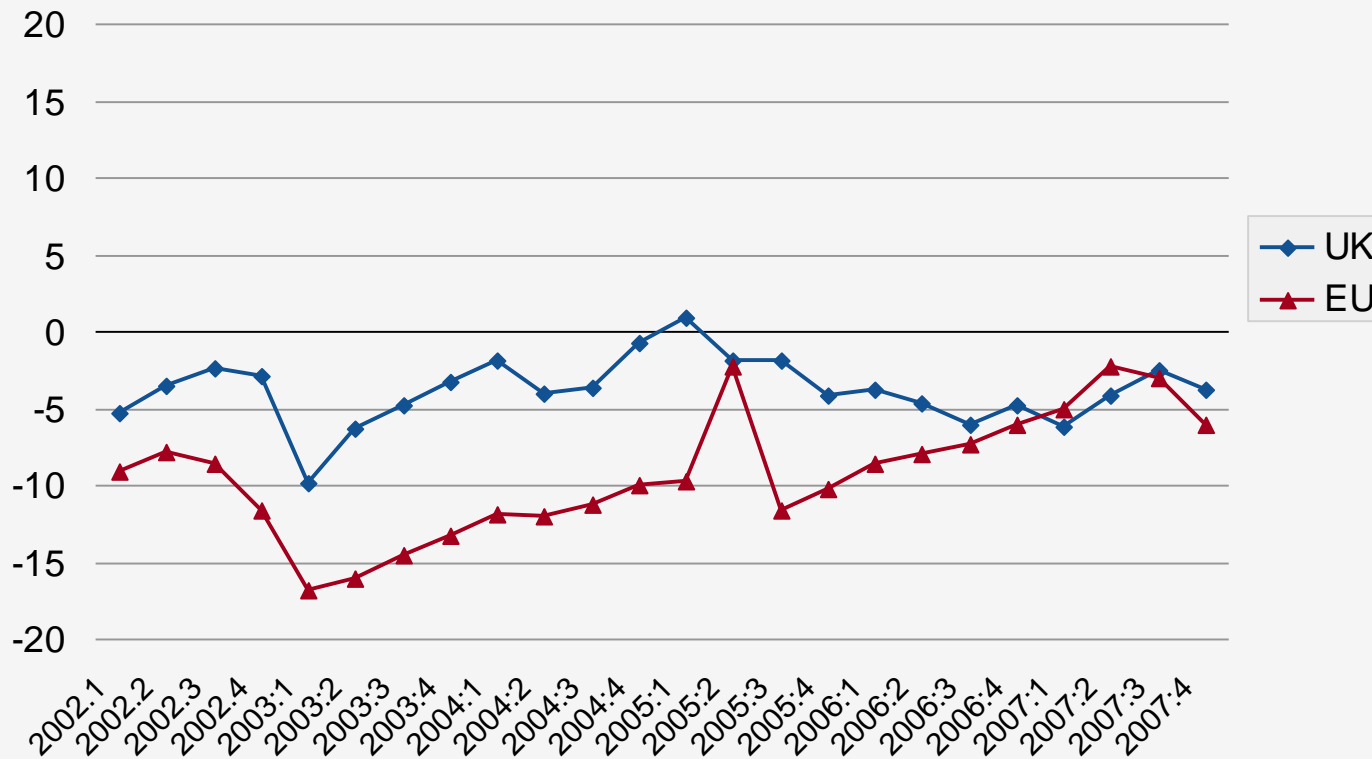
Thank you for your attention

Time for questions



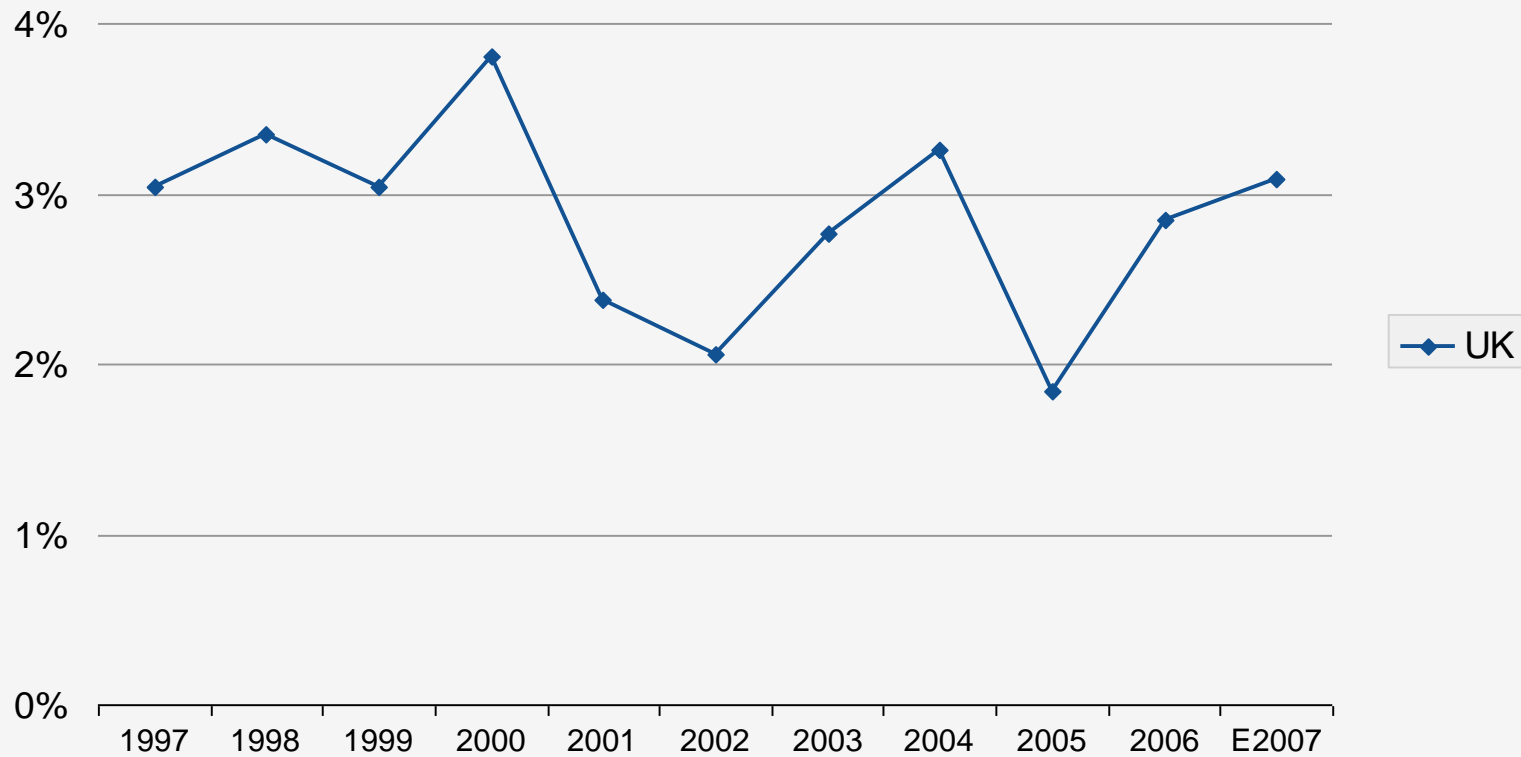
Appendix

Consumer confidence indicator – UK and EU



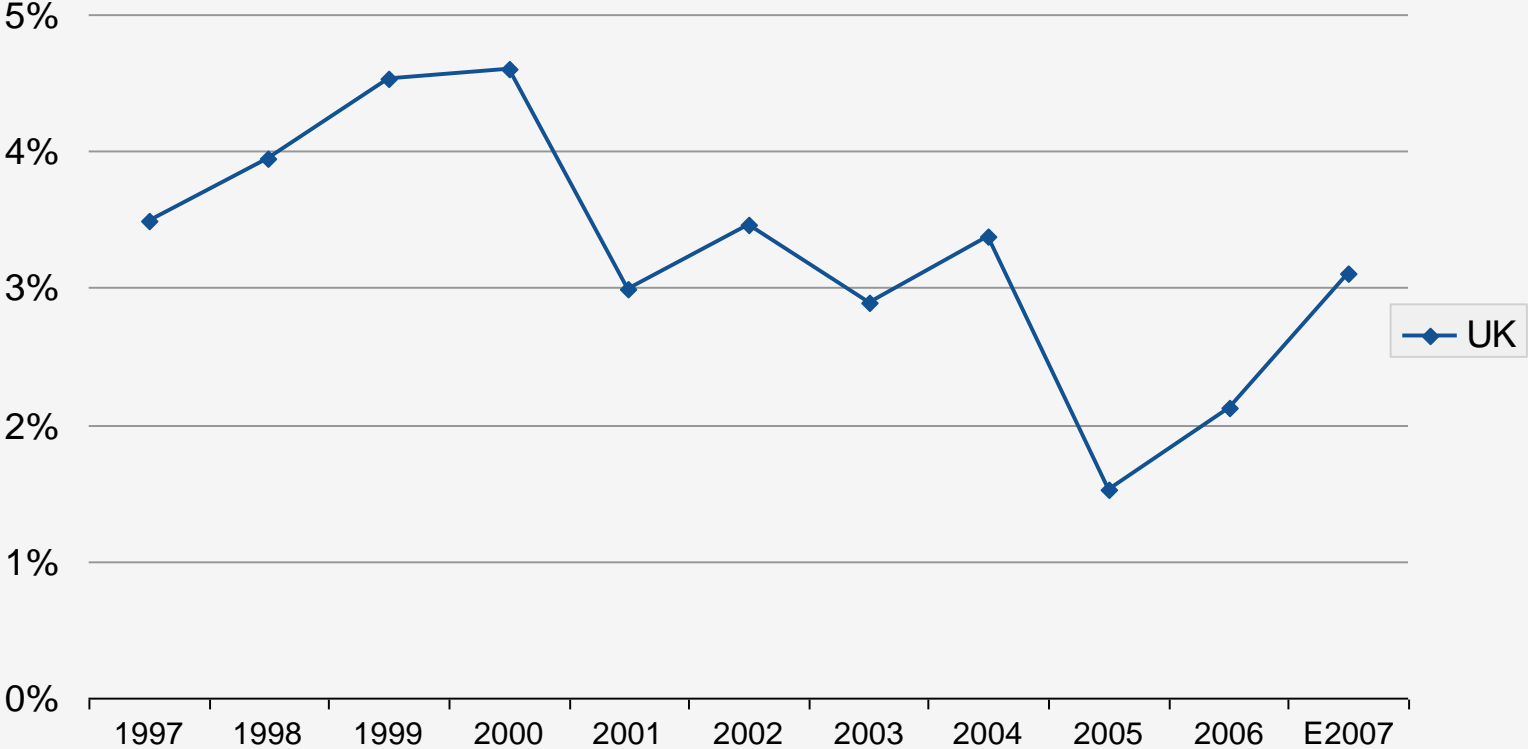
Source: Prognoscentret, Jan 2008

GDP annual growth rate – UK



Source: Prognoscentret, Jan 2008

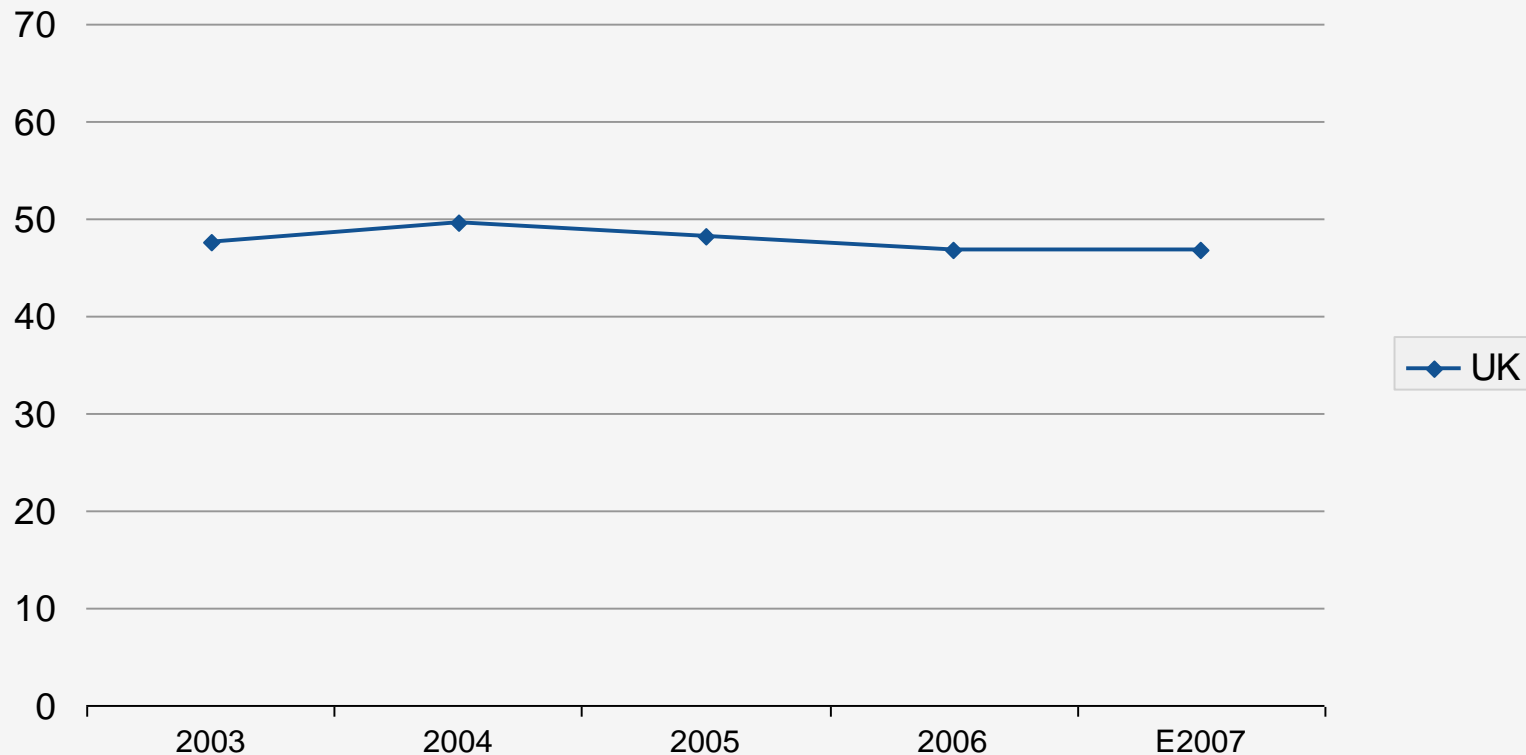
Private consumption, annual growth rate – UK



Source: Prognoscentret, Jan 2008

R&M residential buildings – UK

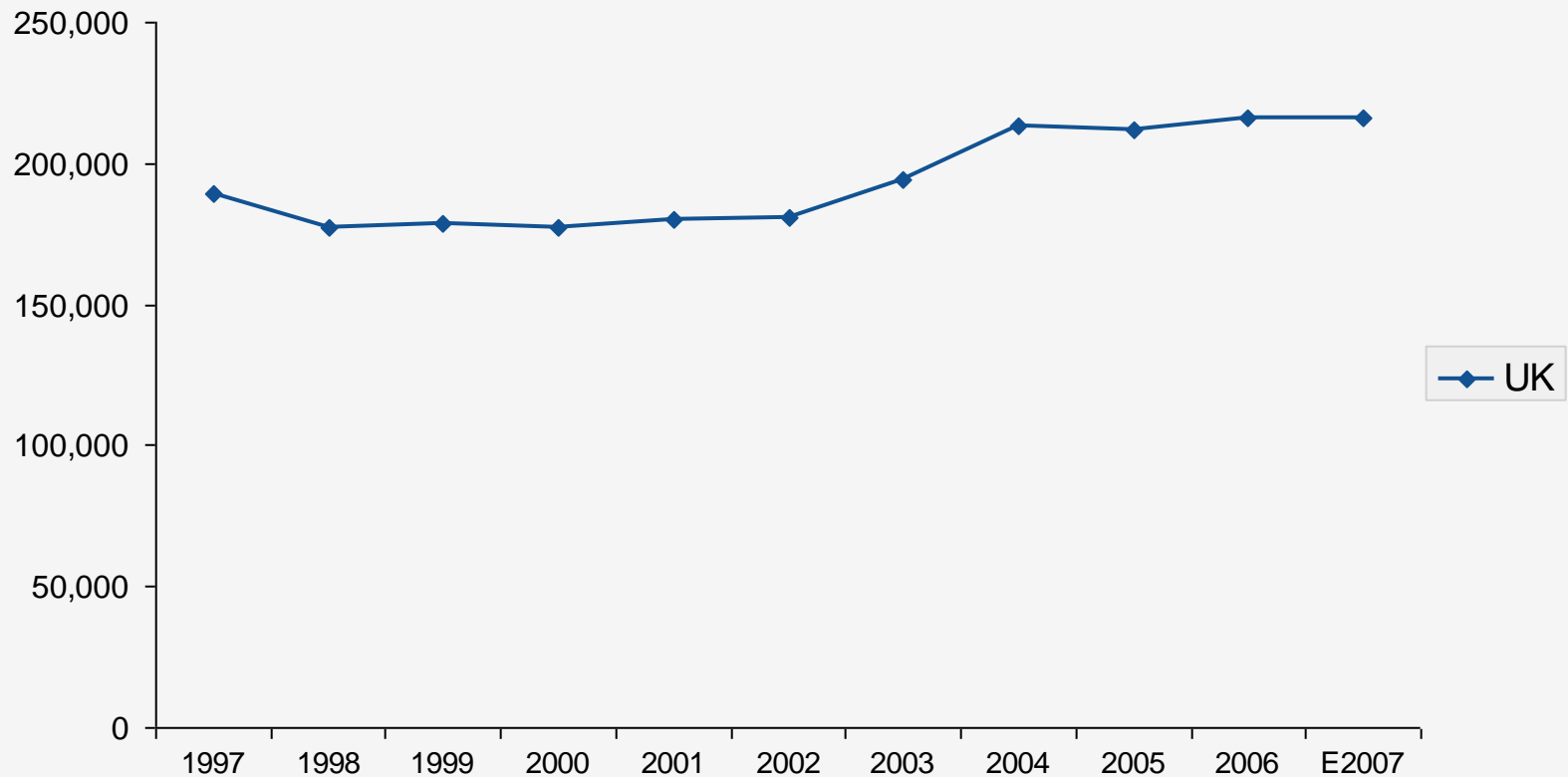
Building investments 2003-2007 (EUR bn in 2006 prices)



Source: Prognoscentret, Jan 2008

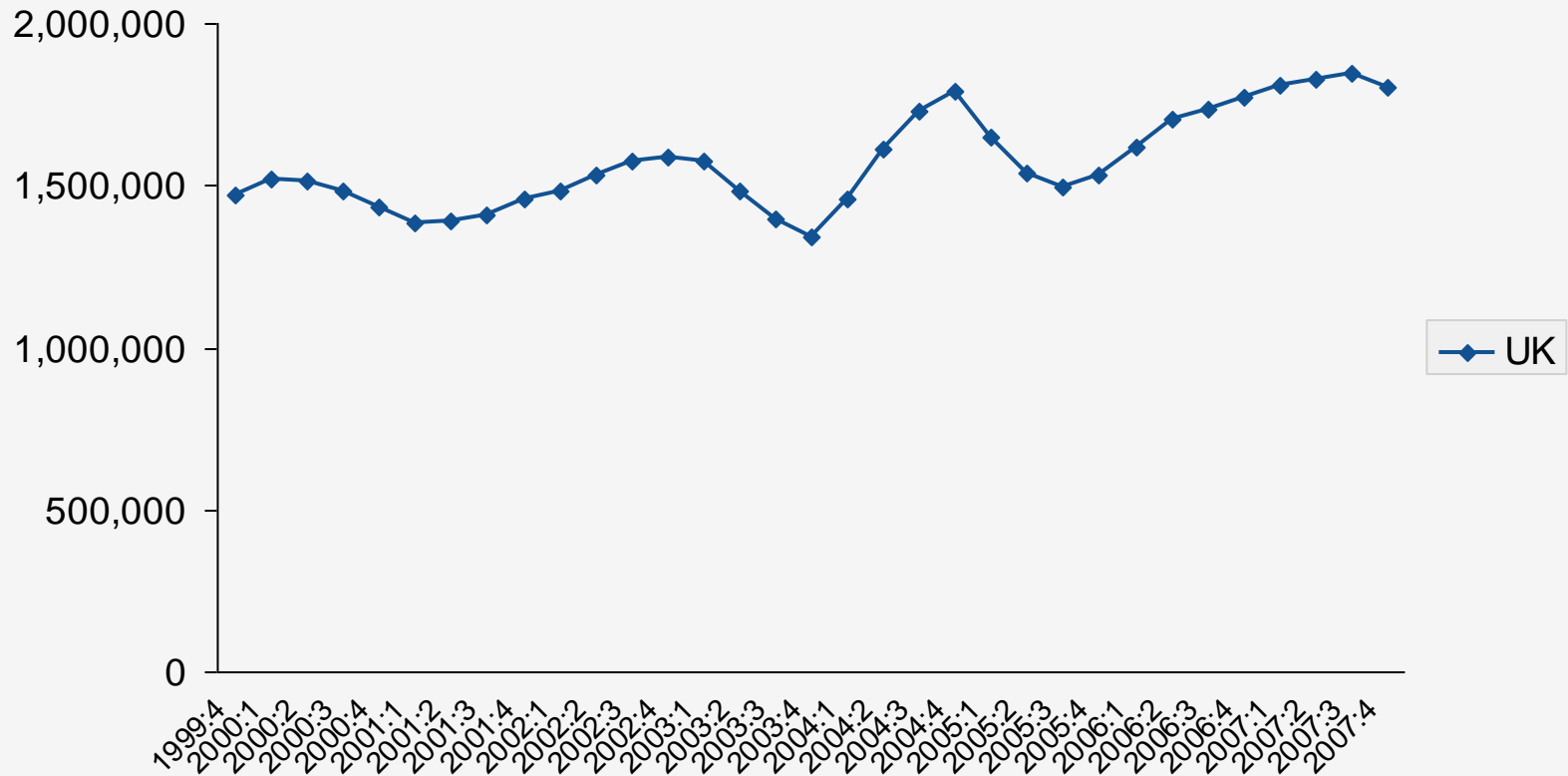
New residential buildings – UK

Housing starts 1997-2007



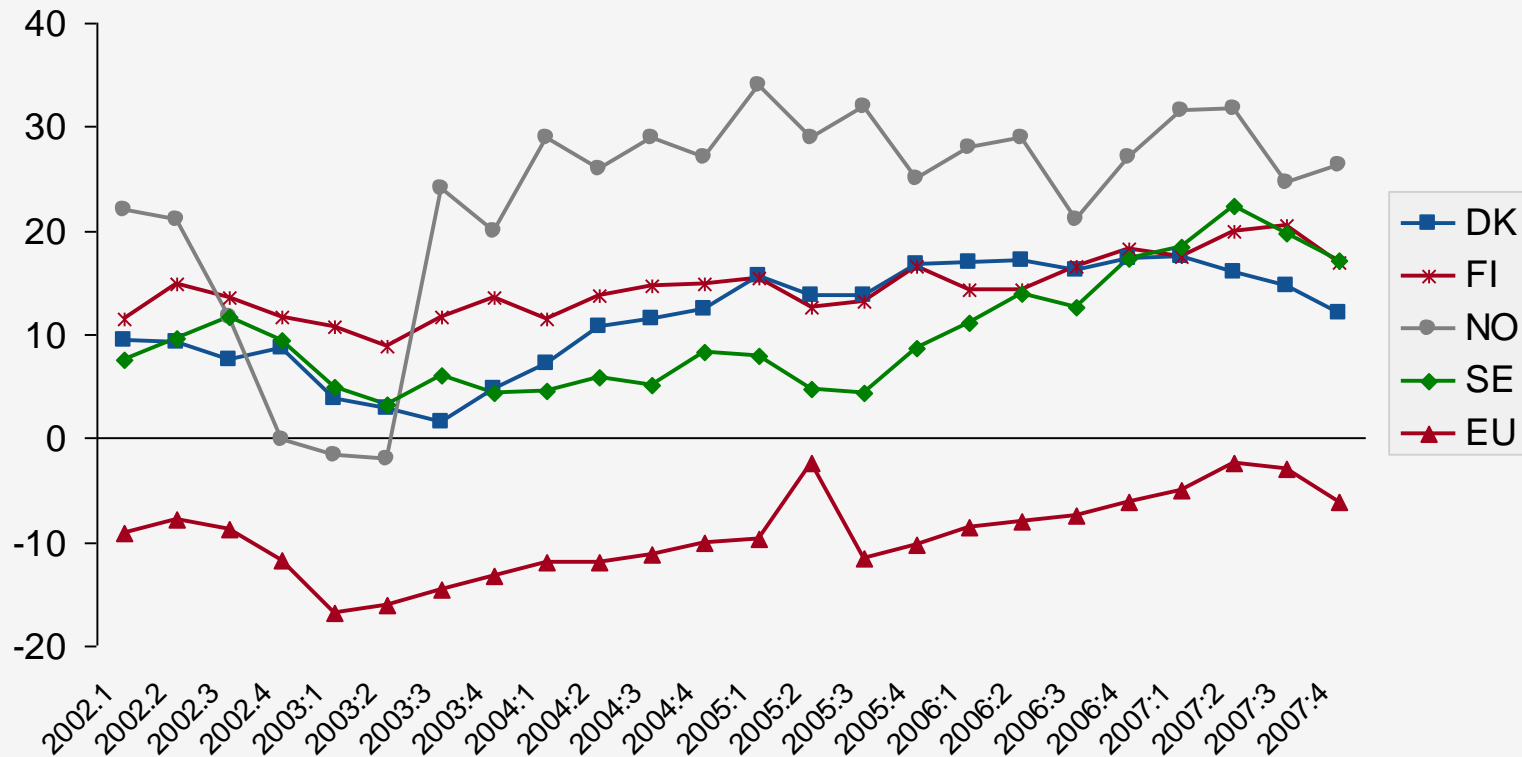
Source: Prognoscentret, Jan 2008

Housing transactions – UK (yearly rate)



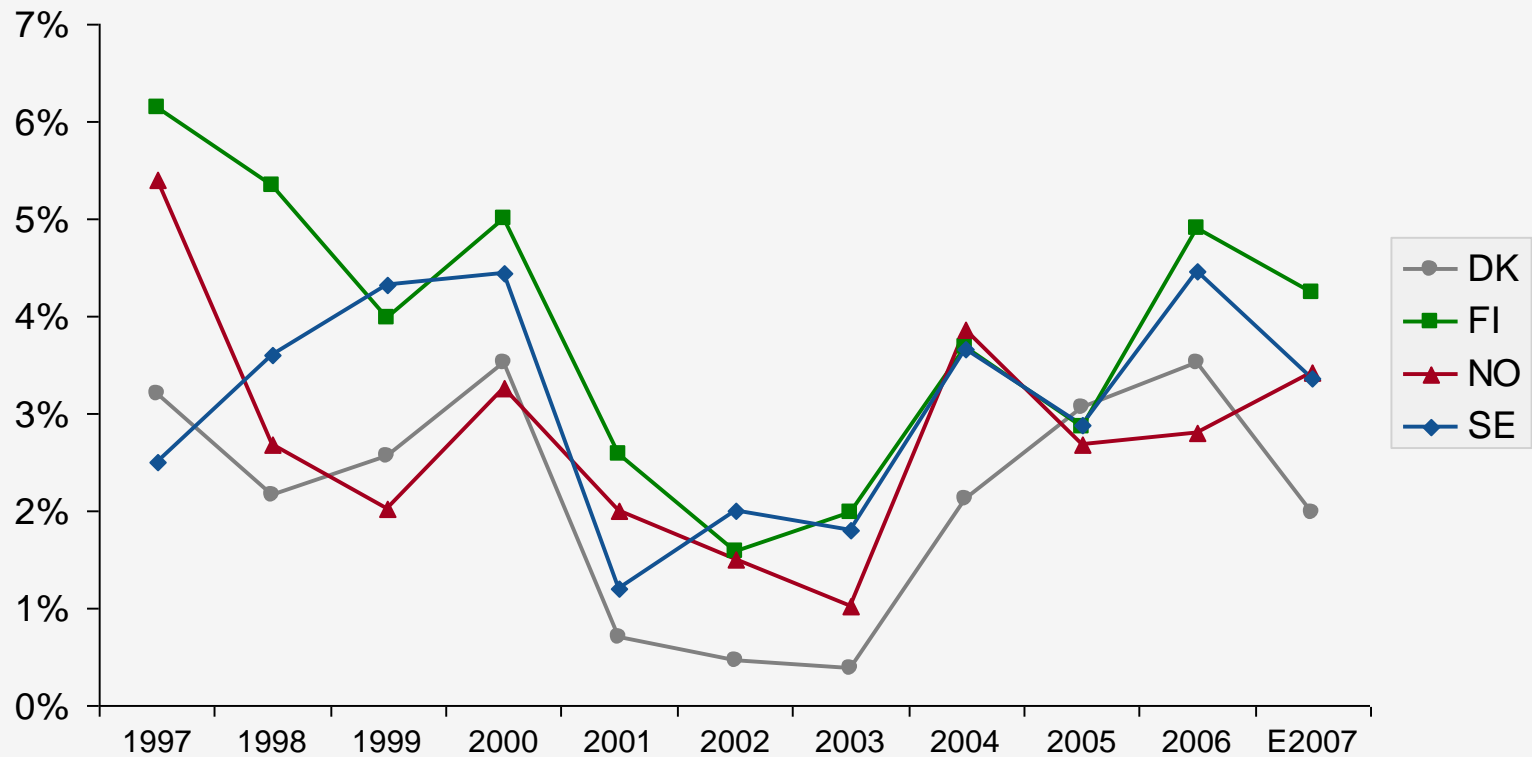
Source: Prognoscentret, Jan 2008

Consumer confidence indicator – Nordic and EU



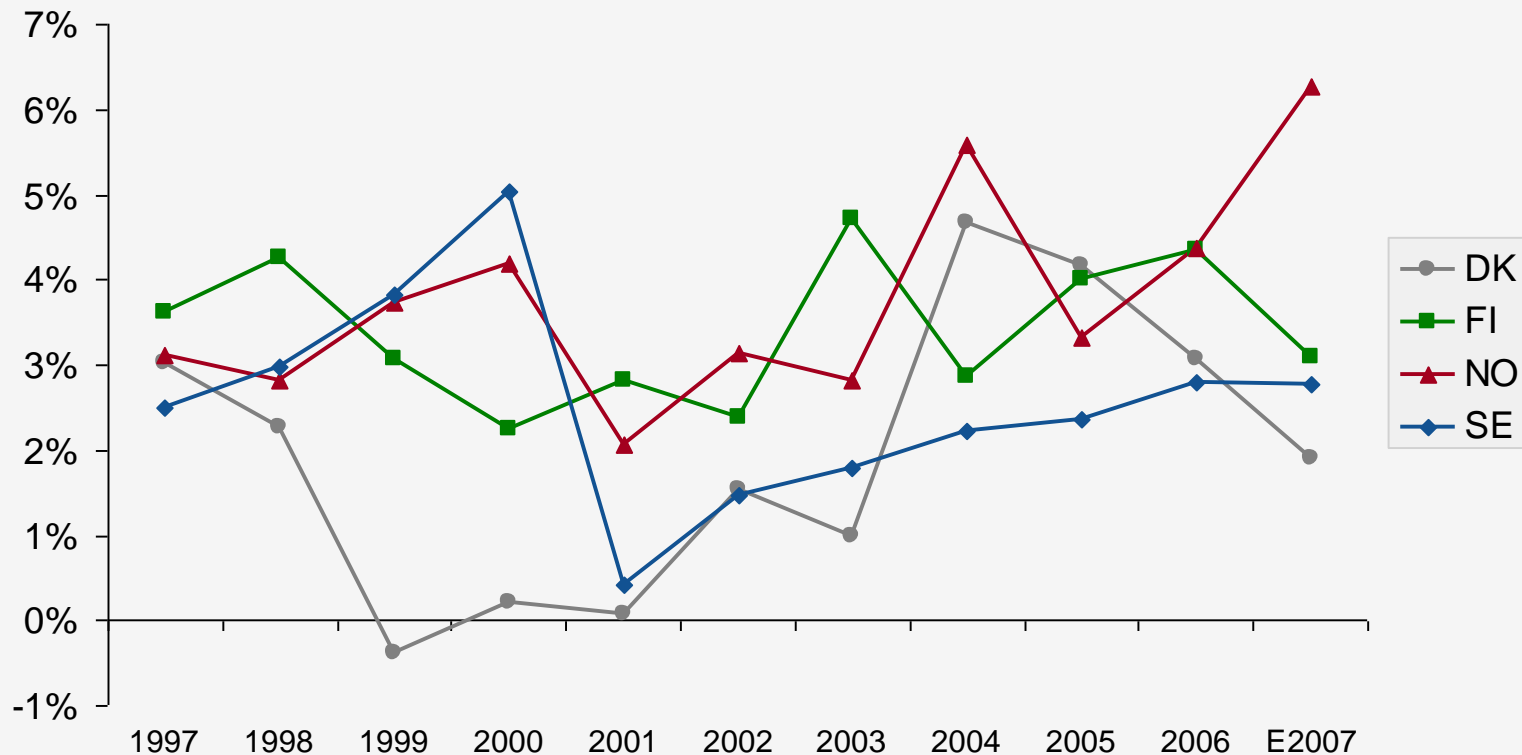
Source: Prognoscentret, Jan 2008

GDP annual growth rate – Nordic



Source: Prognoscentret, Jan 2008

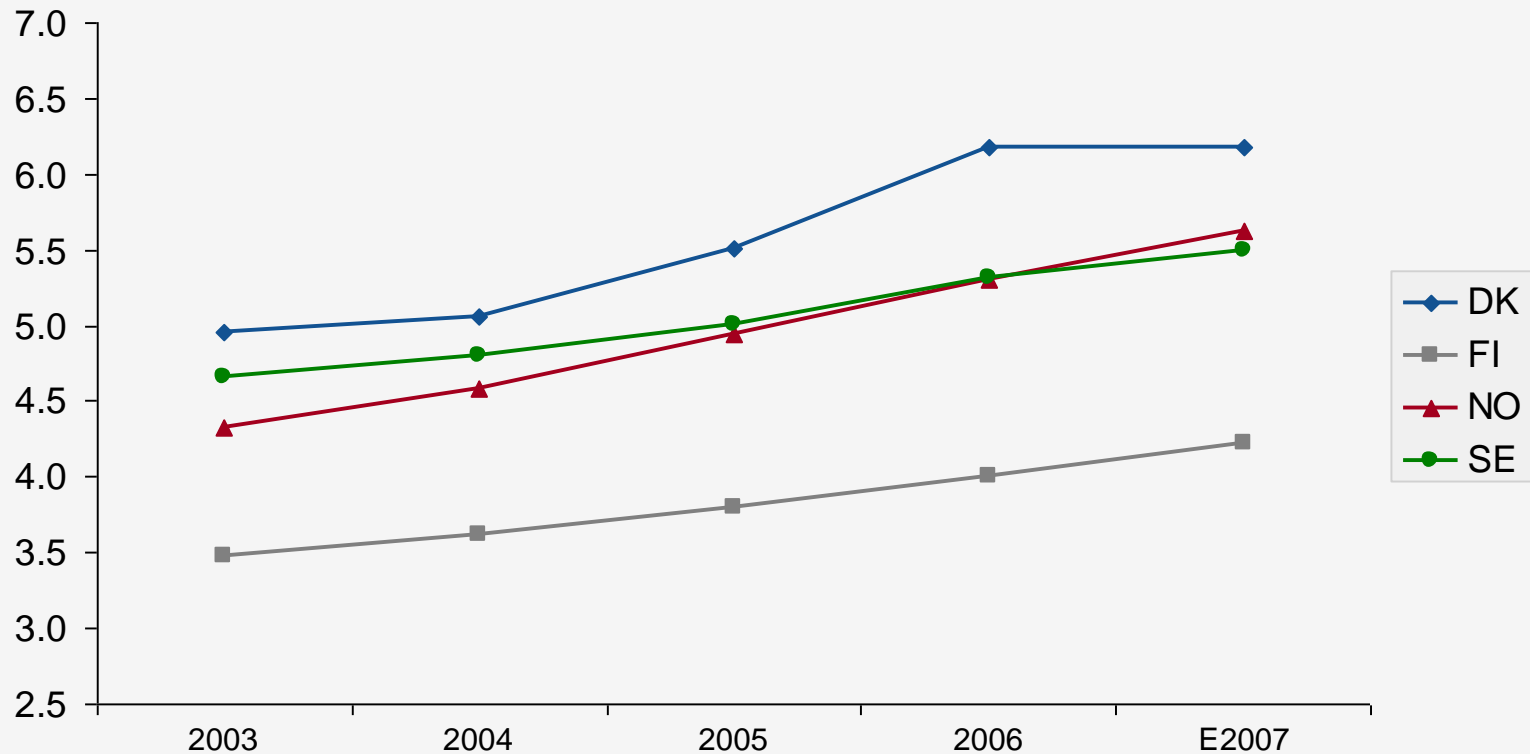
Private consumption, annual growth rate – Nordic



Source: Prognoscentret, Jan 2008

R&M residential buildings – Nordic

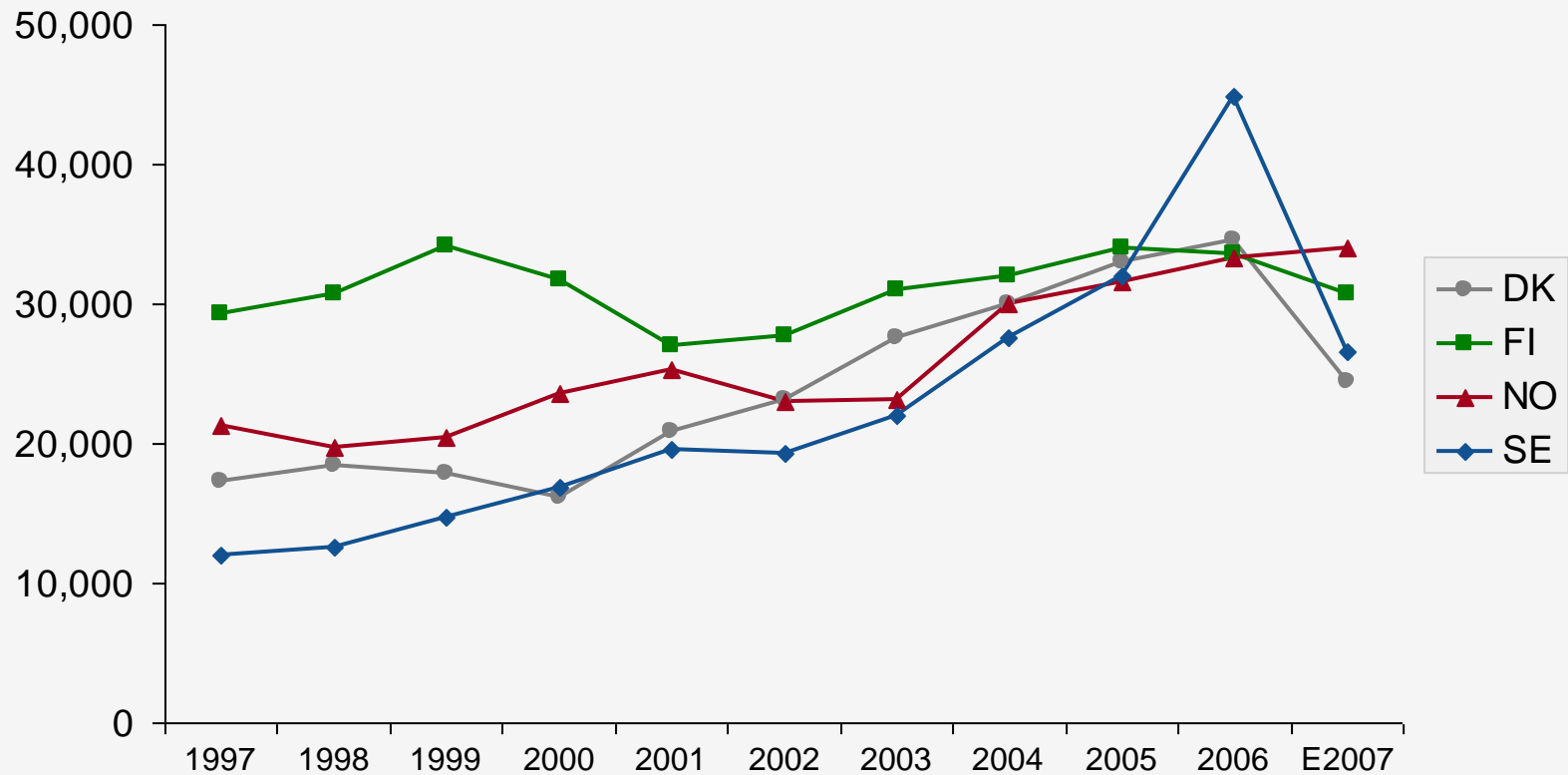
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Source: Prognoscentret, Jan 2008

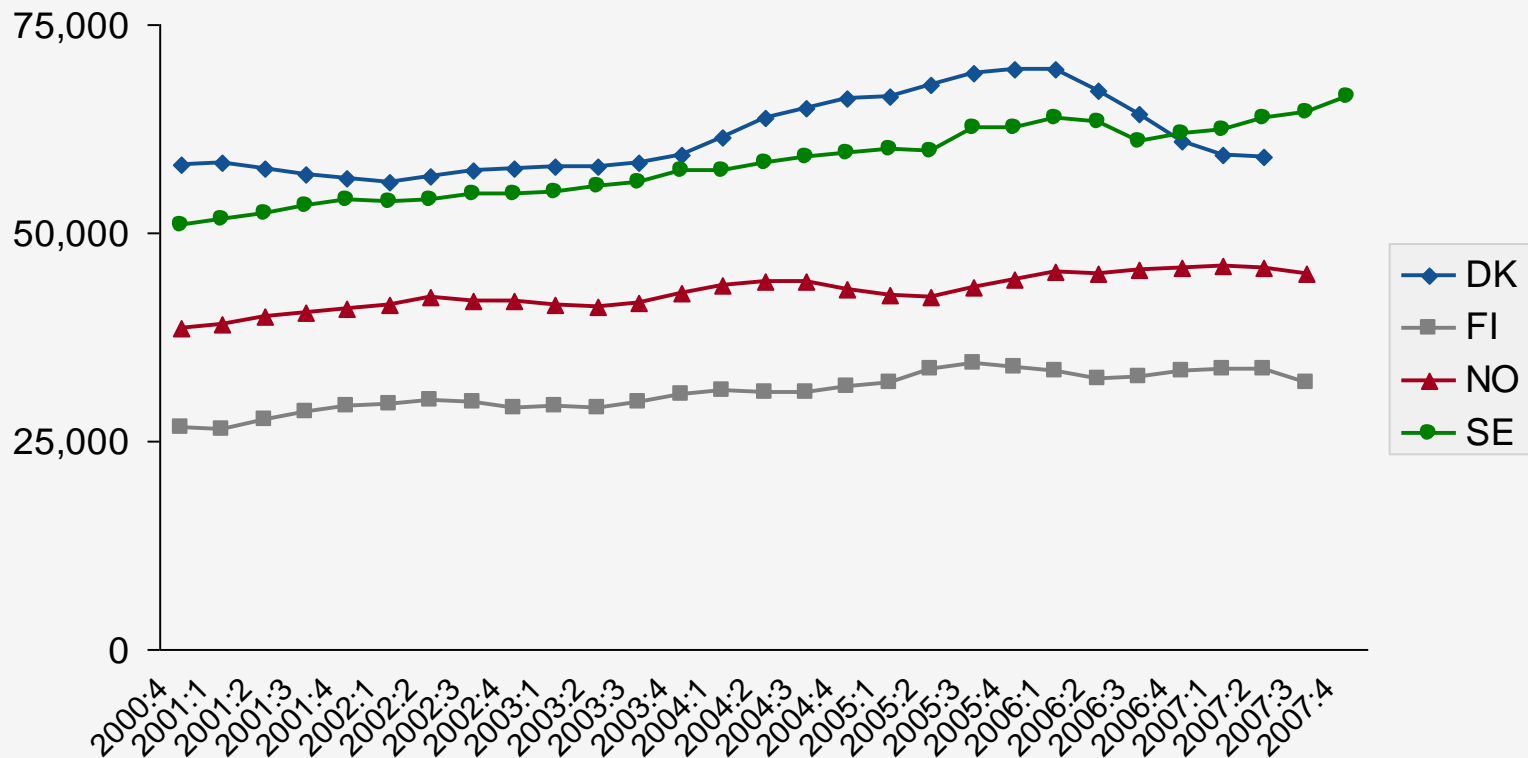
New residential buildings – Nordic

Housing starts 1997-2007



Source: Prognoscentret, Jan 2008

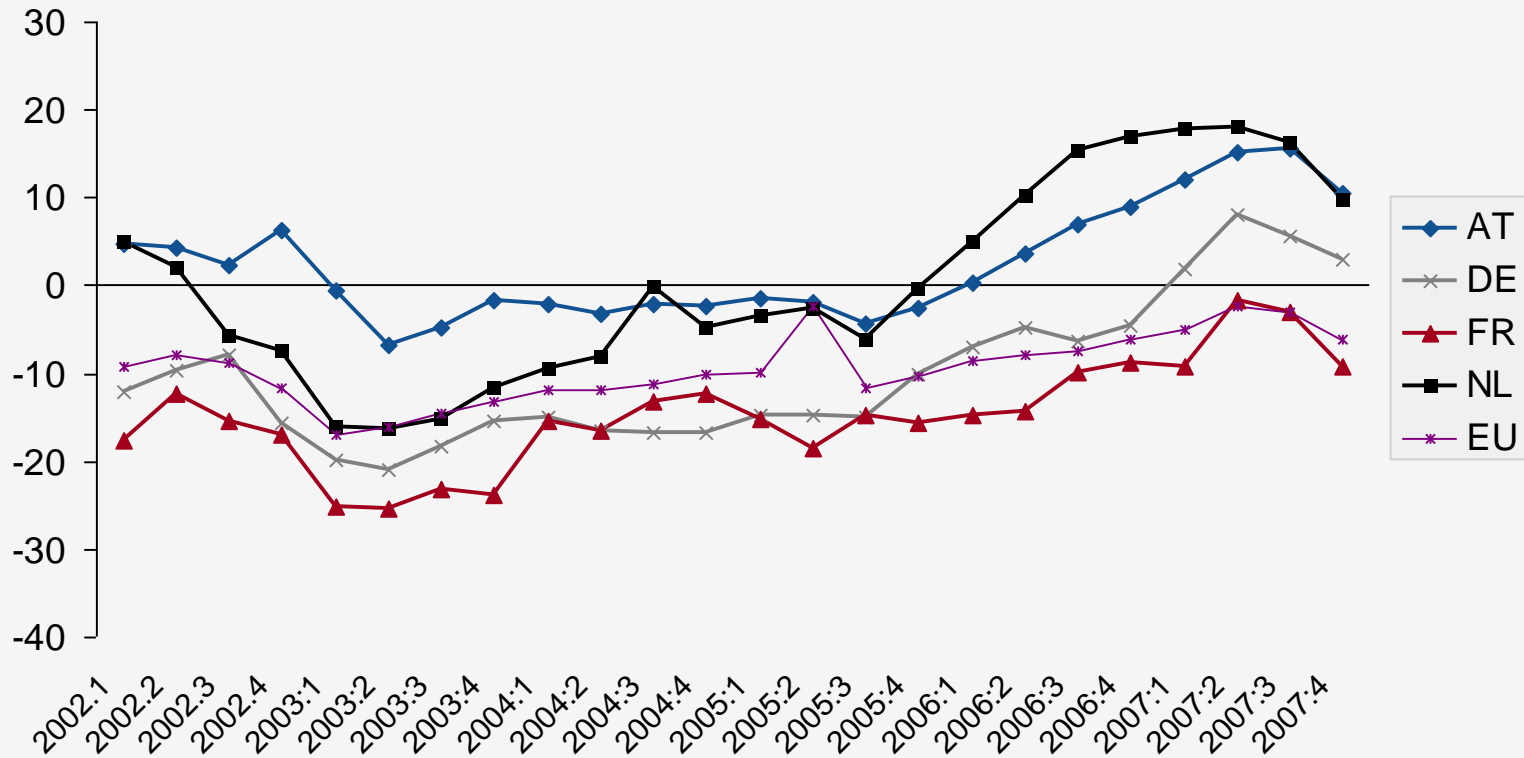
Housing transactions – Nordic (yearly rate)



Source: Prognoscentret, Jan 2008

Consumer confidence indicator

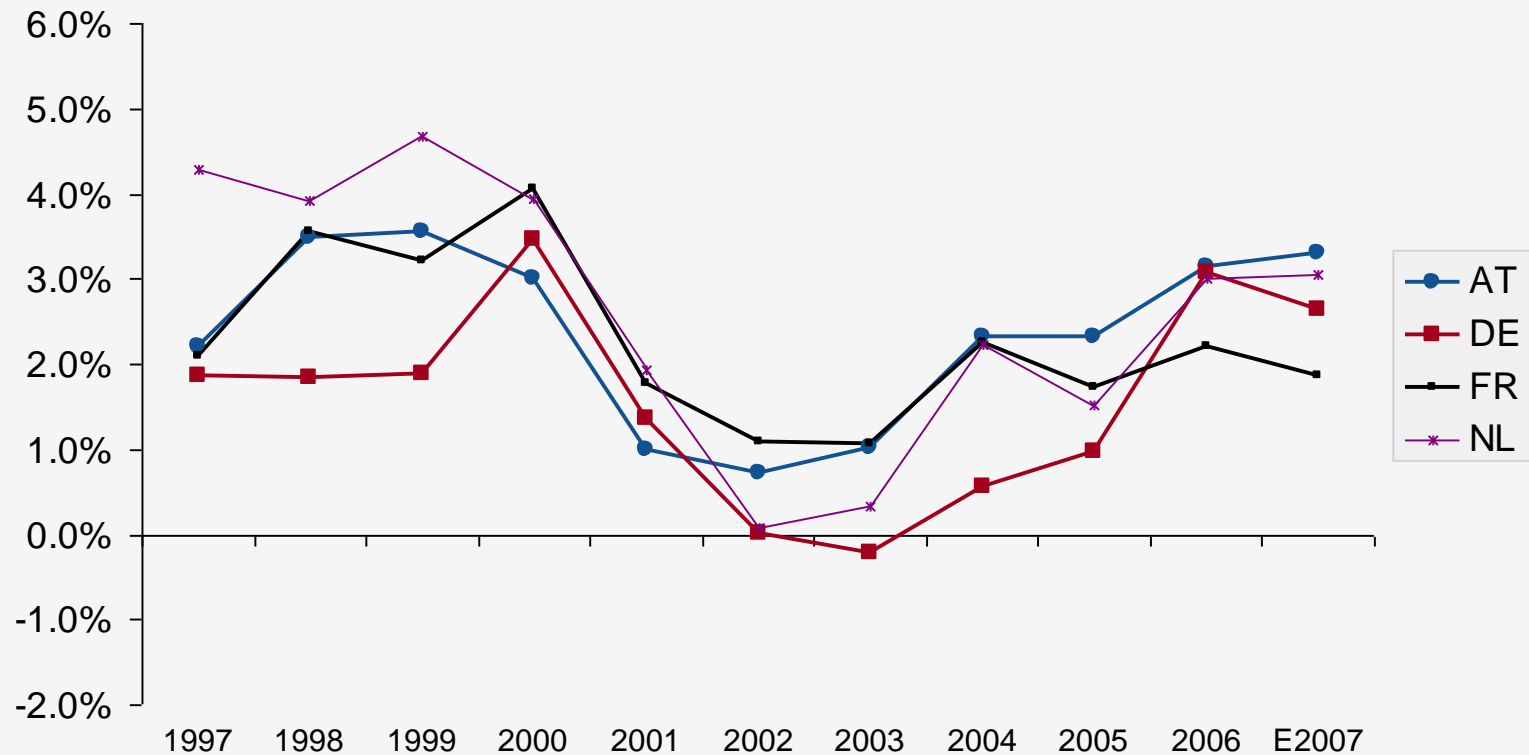
Germany, Netherlands, Austria, France and EU



Source: Prognoscentret, Jan 2008

GDP annual growth rate

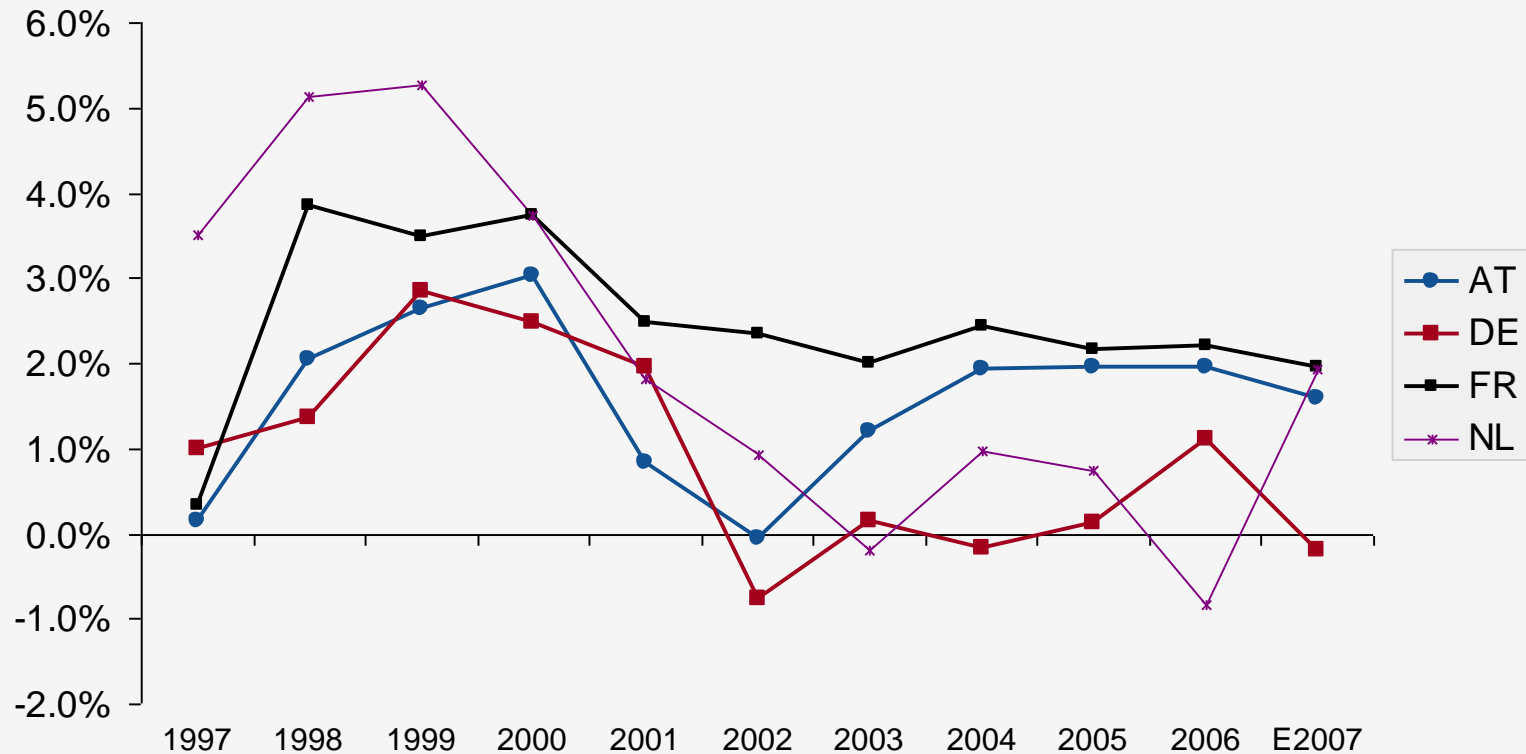
Germany, Netherlands, Austria and France



Source: Prognoscentret, Jan 2008

Private consumption, annual growth rate

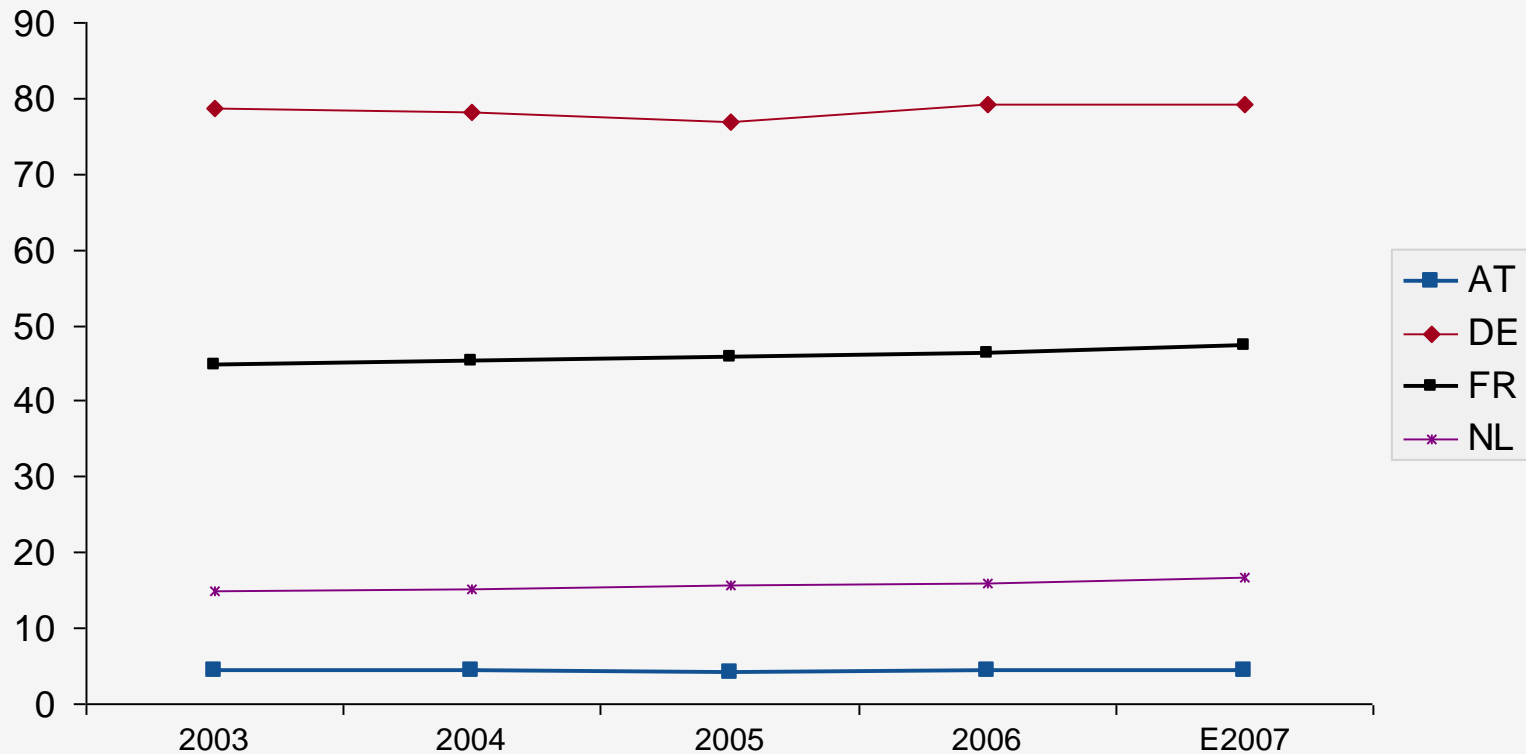
Germany, Netherlands, Austria and France



Source: Prognoscentret, Jan 2008

R&M residential buildings

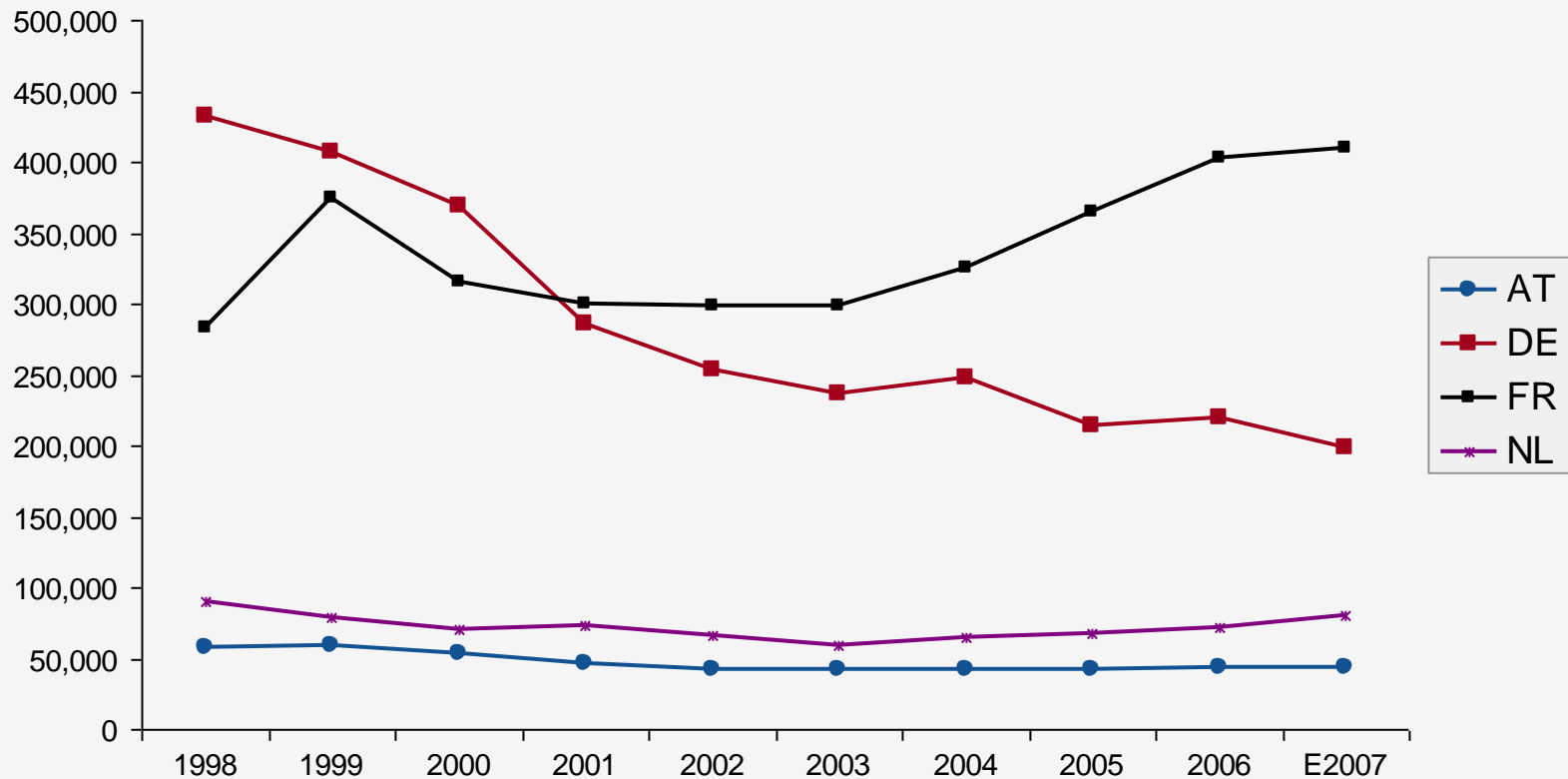
Building investments 2003-2007 (EUR bn in 2006 prices)



Source: Prognoscentret, Jan 2008

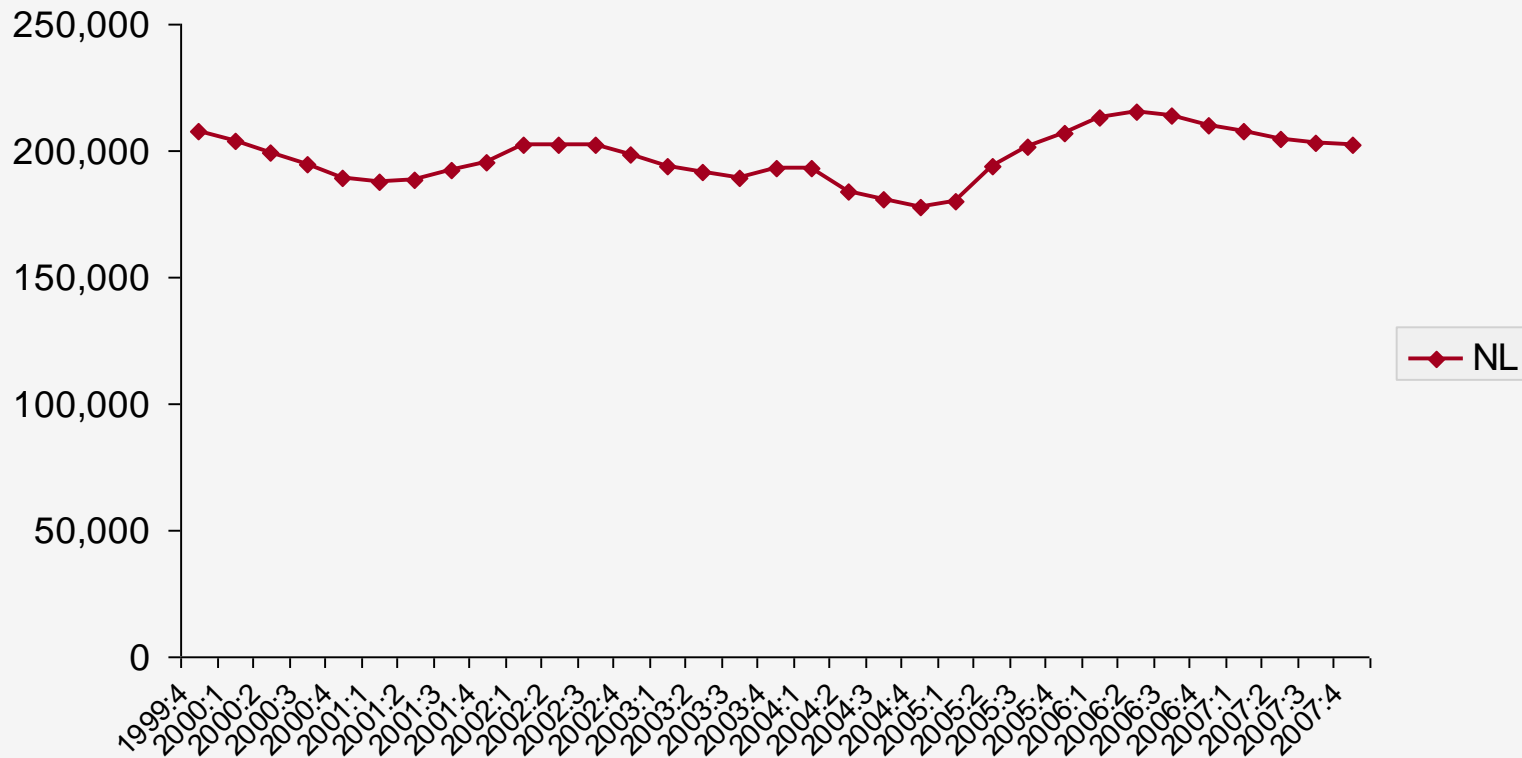
New residential buildings

Housing starts 1998-2007 - Germany, Netherlands, Austria and France



Source: Prognoscentret, Jan 2008

Housing transactions – Netherlands (yearly rate)



Source: Prognoscentret, Jan 2008