Annual Report 2001

nobia

This is Nobia

As Europe's largest kitchen interiors company, Nobia is leading the consolidation of the European kitchen sector. The strong Nobia brand portfolio offers customers individual kitchen solutions. The majority of sales are performed at the company's own stores and at stores operated under franchise.

The Nordic region, continental Europe and the UK are the main areas of activity. The UK operation accounted for 41%, Nordic operation 34% and Continental European operation for 25% of pro forma sales in 2001. Nobia's brands include A la carte, C.P. Hart, Goldreif, HTH, Invita, Magnet, Marbodal, Myresjökök, Norema, Optifit, Parma, Petra, Poggenpohl, Pronorm, Sigdal and Uno form.

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Year in summary

- The profit after financial items rose to SEK 414 million (220 m).
- Sales rose to SEK 8,283 million (4,102 m).
- Earnings per share after full dilution increased to SEK 51.10 (29.97).
- In May 2001 Nobia acquired the UK kitchen group Magnet, thereby securing its position as Europe’s largest kitchen interiors company.
- 71% of sales were via sales channels where Nobia has a direct or significant indirect relationship with the end-customer, i.e. through the Group’s own kitchen studios, franchise stores and direct sales from factories.

Key figures

	2001	2000
Net sales, SEK m	8,283	4,102
Operating profit before depreciation and amortisation (EBITDA), SEK m	821	356
Operating profit before amortisation (EBITA), SEK m	588	270
Operating profit (EBIT), SEK m	537	261
Operating margin, %	6.5	6.4
Profit after financial items, SEK m	414	220
Earnings per share, after full dilution, SEK	51.10	28.97
Return on capital employed, %	15.5	22.2
Return on shareholders’ equity, %	16.2	17.2

CEO's statement

During 2001 Nobia secured its position as Europe's leading kitchen interiors company. Focus, growth in core activities and improved profits characterised the company's operations. Organic growth and the strategic acquisitions carried out at the end of 2000 and during 2001 doubled sales to nearly SEK 8.3 billion. Operating profits improved in all regions despite a weak European market.

The ability to unite growth with sound profitability is crucial for Nobia. We were able to increase profits at the same rate as sales through continued improvements in efficiency by existing and acquired units. Our cash flow improved considerably and the integration of the acquired units proceeded according to plan.

I am satisfied with our achievements so far and with our present position. Our experience, market position and business model give us a strong platform on a market that in our estimation is facing modernisation and consolidation. Nobia currently has twelve business units with strong kitchen brands and a good geographic coverage on the largest European markets.

Through our storage solutions we also have activities in the bathroom and bedroom sectors, which offer further growth potential.

Continued expansion and refinement

The acquisition in May 2001 of Magnet, the UK kitchen group, increases our geographic coverage considerably. The company fits in well with our activities and adds further competence in retailing and customer purchase patterns that other business units are benefiting from. Magnet's market position, well-known brand and product range strengthen Nobia's position as Europe's leading kitchen interiors company.

To increase profitability and efficiency, Magnet has begun implementing a rationalisation scheme that was planned during 2001.

As part of the strategy of focusing on kitchens, bathrooms and cabinet components, the building material wholesaler Star Byggprodukter was divested in January 2001.

Successful integration of acquired kitchen interiors activities

Nobia has worked aggressively for several years to transfer know-how between the Group's business units and with an industrial approach. This approach has gradually improved profit margins at existing and acquired companies. We are now further developing this approach in production, purchasing and other activity-critical areas. The aim is to improve profitability, increase competitive strength and offer our customers greater choice.

Integration and rationalisation were the main focus during the year for the seven business units acquired during the autumn 2000. The primary purpose is to create an effective cost structure. The Star Beka factory in Germany was closed. Overall, the Group reduced the number of employees by 450 people.

Joint supplies of components

Work continued during the year to establish centres of excellence where production of components is carried out in specialist plants. Nobia currently has three such plants of significance. Our K-20 standard for carcasses allows for further possibilities for the co-ordination of production and purchasing. It is currently used at four business units and is expected to be introduced at more business units over the next few years.

Improved purchase cooperation

The acquisitions of recent years have led to a dynamic increase in purchase volumes and allow for further synergies in purchasing. In 2001 a new purchasing organisation was started which will significantly improve joint Group purchasing. The aim is for long-term relationships with strategic business partners to replace short-term supplier contracts.

The joint Group purchasing strategy makes it easier for a business unit to decide whether to manufacture or purchase a component. Co-ordination is developing according to plan and will lead to increased choice of components for each business unit, despite the total number of components falling. Co-ordination will speed up product development and improve product quality, while customer benefits and profitability increase. In 2001 we achieved cost savings equivalent to around 2% of the pro forma purchasing costs. We estimate that we can halve the number of suppliers of direct material over the next two to three years.

Market investments and increased integration with the end-customer

Through its own kitchen studios, franchise stores and strong business partners, Nobia offers its customers individually adapted complete solutions involving not just kitchen interiors but also white goods, accessories, measuring and design help plus installation. Close to three quarters of our sales currently come from stores owned by Nobia or from franchised retail outlets and direct sales.

Integration in the sales chain continues, increasing the contacts with the end-customer, improving overall control and the differentiation of the range, strengthening the brands and boosting organic growth. Proximity to distribution allows our business units to broaden the overall range and take advantage of the development of an ever increasing average order value with larger kitchens, improved material quality, plus increased sales of accessories and services.

Over the past year the business units made considerable market investments. This included the upgrading of 40 Magnet outlets and introducing a new, uniform store concept at Poggenpohl.

Corporate culture with respect for the individual

Nobia's activities are run in business units with a high degree of independence, decentralised leadership and complete responsibility for profits in a clear business process. Decentralisation brings the company closer to the local market and strengthens the relationship with the end-customer.

Our work methods place strict demands on employees. We aim to provide space for the individual employee's creativity and initiative, while giving extensive personal freedom in everyday work. Management have a major and direct responsibility to create trust, confidence and a positive working environment where each employee is respected.

Nobia is creating shareholder value

Since its formation in 1996, Nobia has created considerable value for its shareholders. In 2000 the door and window operations were divested, and in 2001 the builders merchants activity was also divested. The total debt-free remuneration for these activities amounted to around SEK 1.2 billion. Of this, shares and cash totalling around SEK 590 million was distributed to Nobia's shareholders.

The measures taken to continually strengthen the consolidated cash flow are a central part of our efforts to create shareholder value.

Outlook for 2002

Like many other industries, the kitchen industry is undergoing modernisation. The European kitchen market is fragmented, creating opportunities for Nobia to grow through further acquisitions.

We consider that we have the size, scope and broad range of operations required for continued expansion, and furthermore a working method that facilitates the integration of acquired companies. Strong brands, integration into the sales process and an efficient organisation with management focused on profitability are all crucial for success. Nobia continues to be interested in acquisitions that provide profitable growth. The organic growth will over time be in excess of the growth of the market.

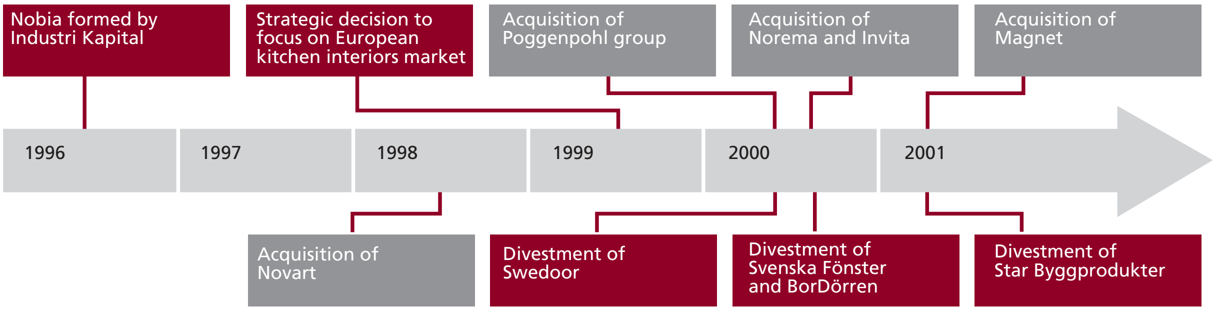
Over the past six years the Group's profits have improved each year. We look forward to continued successful development in sales and profits over the next few years, and we are prepared to continue leading the modernisation of the European kitchen industry.

Stockholm, April 2002

Fredrik Cappelen

Group summary

Becoming a focused kitchen interiors company



Nobia was formed in 1996 when IndustriKapital 1994 Fund acquired Stora Byggprodukter AB from Stora AB. Since then Nobia has developed from being an unprofitable kitchen, door and window manufacturer and builders merchants, mainly operating in the Nordic region, to becoming Europe's leading kitchen interiors group.

Since 1996 Nobia turned loss into profit for the now divested door manufacturers Swedoor and BorDörren, window manufacturers Svenska Fönster, and the builders merchants, Star Byggprodukter. Nobia has also improved margins by rationalising production, increasing brand awareness, improving efficiency and by reorganising, divesting or closing other non-core activities. In 1998 Finland's leading kitchen manufacturer, Novart, was acquired. This acquisition made Nobia the leading kitchen company in the Nordic region.

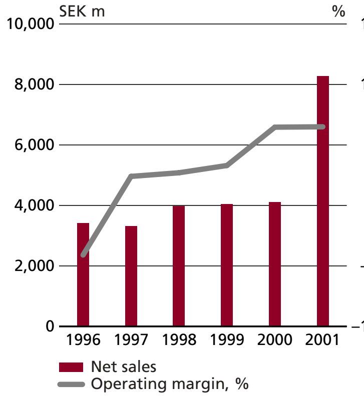
Focusing on kitchens

In the autumn of 1999 a strategic decision was made to focus on kitchen interiors and grow outside the Nordic region. The fragmented kitchen interiors industry offers significant opportunities for a company with the capacity to lead consolidation and modernisation.

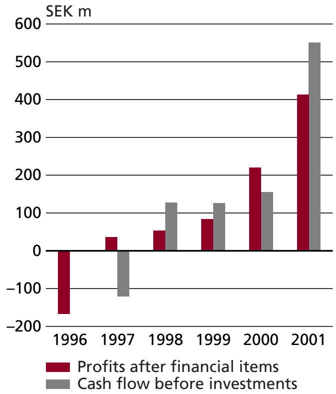
As part of this strategy companies not part of core activities were divested in 2000 and 2001. The Group's presence was meanwhile strengthened on the European market with the acquisition of the German Poggenpohl Group in 2000, which included Poggenpohl, Goldreif, Pronorm, Optifit and Myresjökök of Sweden. The same year saw the acquisition of Norwegian Norema and Danish Invita. In 2001 the UK group, Magnet, was acquired. From 1998 to 2001 the operations acquired had sales of around SEK 7.3 billion. During the same period activities with sales of around SEK 2.3 billion were divested.

Nobia currently operates through 12 decentralised business units, of which seven are in the Nordic region (HTH, Invita, Marbodal, Myresjökök, Norema, Novart and Sigdal), four in Continental Europe (Goldreif, Optifit, Poggenpohl and Pronorm), and one in the UK (Magnet).

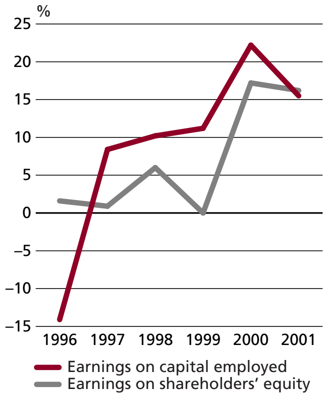
Net sales and operating margin



Profits and cash flow



Earning capacity



Developments in 2001

Focus, growth in core activities and efficiency measures characterised 2001. As a result of the acquisitions in the past two years, net sales increased by 102% to SEK 8,283 million (4,102 m). Organic growth in comparable units, i.e. excluding acquired and divested units amounted to 4%. Operating profit increased by 106% to SEK 537 million (261 m). Operating margins improved to 6.5% (6.4). Integration of acquired units developed according to plan.

The builders merchants Star Byggprodukter was divested with effect from 1 January 2001.

Net sales for the Nordic operation amounted to SEK 3,311 million (2,327 m). Comparable units' sales increased by 15%, of which exchange rate fluctuations were responsible for 7%. The organic growth amounted to 8% with strengthened market positions and increased average order values. Operating profit rose by 50% to SEK 355 million (237 m) and the operating margin amounted to 10.7% (10.2).

The Continental European operation continued the rationalisation scheme which started in 2000 to result in reduced costs. The Star Beka production unit was closed, and production moved to Pronorm and Optifit. Net sales in 2001 amounted to SEK 2,459 million (782 m). A general weakening of the market, the closure of Star Beka and the discontinuation of unprofitable sales channels led to a sales reduction of SEK 72 million for comparable units, of which around half was due to the divestment of Star Beka. The operating profit increased to SEK 70 million (-4 m) excluding costs for the divestment of Star Beka, which affected the Group's restructuring reserve. The operating margin was 2.8% (-0.5).

The UK operation comprises the Magnet business unit, acquired in May 2001. Magnet further strengthens Nobia's geographic coverage and position as Europe's leading supplier of kitchens. Magnet manufactures and sells interior products mainly for kitchens, bathrooms and bedrooms, and has annual sales of around SEK 4 billion. Between May and December 2001 net sales amounted to SEK 2,527 million, the operating profit was SEK 219 million and the operating margin was 8.7%. In 2001 a cost rationalisation programme was initiated alongside an investment programme for the retail network.

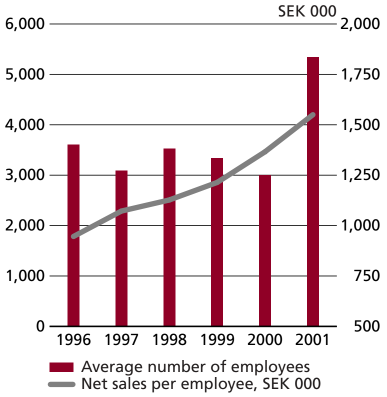
Integration in sales channels

Following the integration of Magnet, 71% of pro forma sales occur through the Group's own kitchen studios, franchise stores, factory sales or other channels where Nobia has a direct or significant indirect relationship with the end-customer. In 2001 the Group owned 518 stores or franchise stores.

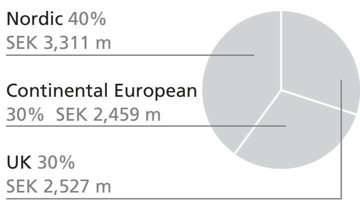
Cash flow

Cash flow from current activities before investments in 2001 amounted to SEK 551 million (156 m). Working capital excluding currency effects fell by SEK 137 million, mainly explained by a reduction of stock and accounts receivable in the units acquired in 2000 and 2001.

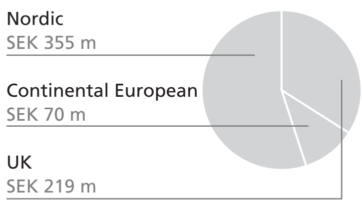
Number of employees and net sales per employee



Net sales per operation 2001



Operating profit per operation 2001



Magnet is included for May–December 2001. Of the Group's pro forma sales in 2001 the UK operation accounted for 41%, the Nordic operation for 34% and the Continental European operation for 25%.

Strategy and business model

Nobia's business concept

We develop, manufacture and market a customer-oriented range of interiors for kitchens, bathrooms and storage solution via our strong brands. Through efficiency improvements, co-ordination and by learning from each other within the areas of purchasing, manufacturing and marketing, we create added value for both our customers and our shareholders.

Strategy

Nobia's strategy is to lead the consolidation and modernisation of the European kitchen market and further secure the Group's position as market leader.

Nobia's efforts are industrial and are based on efficiency and co-ordination within production and purchasing, internal benchmarking and the application of best practice between business units. Nobia's size, scope and broad range of operations, together with a business model that facilitates integration of acquired companies, are the conditions required to achieve the aim of continued growth both organically and through synergistic acquisitions.

Nobia intends to continue integrating sales channels, increasing contact with the end-customer, improving control and the differentiation of the range and strengthening the brands. This allows Nobia's business units to broaden their overall range and also benefit from the trend of increasing average order values.

Business model

The business units run activities with a high degree of independence, decentralised leadership and complete profit responsibility. Group management supports the business units in creating and utilising scalable benefits. The business model is built on six corner stones:

- Efficient production
- Internal benchmarking and best practice
- Coordinated purchasing
- Strong brands and integration in the sales channels
- IT
- Consolidating through acquisitions

Efficient production

Manufacturing a kitchen involves a vast number of components, providing excellent opportunities for co-ordination and efficiency of production and purchasing. Nobia strives to concentrate component production and services at its centres of excellence. Nobia has also created and introduced the joint K-20 platform for carcasses at three Nordic business units and at one in Germany. The K-20 system will facilitate the further consolidation of production of components such as fronts and kitchen work tops, as well as enabling the co-ordination of purchasing.

Internal benchmarking and best practice

Focusing on kitchens and far-reaching local responsibility combined with central co-ordination has a number of advantages in a geographically widespread market with strong local brands. The proximity to the market strengthens the relationship with the end-customer while a joint reporting system facilitates the transfer of information within the Group. The use of benchmarking and internal best practice is part of Nobia's business model. Costs are systematically compared between business units using a number of fixed key figures. These key figure analyses are also the first stage in identifying opportunities for improvement and synergies in potential acquisitions.

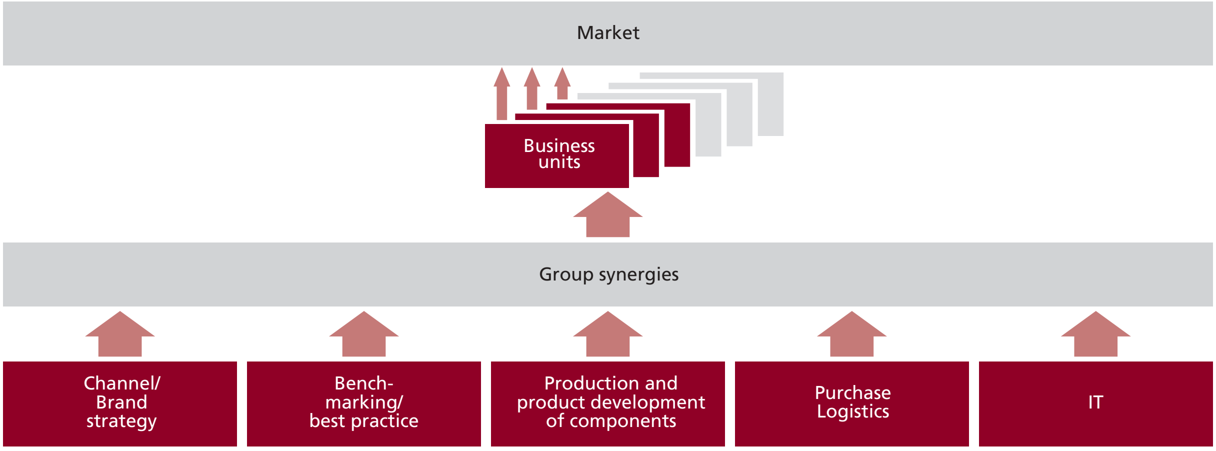
On the market side joint know-how is gathered to support the business units' decisions concerning product development, brand-building and marketing issues.

For example, Magnet's retail trade know-how and "full circle service" customer care programme together with HTH's know-how about franchising will be very valuable for other business units as they increase integration and broaden the range offered to the end-customer.

Co-ordinated purchasing

Nobia has developed and utilises a groupwide purchasing organisation and strategy whereby the purchasing of the business units is co-ordinated to create benefits of scale. Because the strategy concerns the entire Group, Nobia receives better agreements concerning prices while reducing the number of suppliers and providing the business units with shared information when deciding whether to purchase or manufacture a component. Co-ordination leads to greater choice of components for each individual business unit, while the total number of components in the Group declines. Product development

Business units operate independently whilst exploiting synergies



can be speeded up and product quality can be improved by utilising purchase synergies, which in turn benefit the end-customer.

According to Nobia's estimations, co-ordinated purchasing gave a total saving in 2001 equivalent to 2% of pro forma purchasing costs. At year-end 2001 Nobia had around 1,450 suppliers of direct material. The aim is for this number to be halved over the next two to three years.

Well-known brands and integration of the sales channels

Nobia's strategy for the brands and sales channels aims to secure a presence in the most important sales channels on each market. Strong brands are the foundation of activities.

Nobia's business units market products under a number of different brands through many different sales channels. A common aim is to increase participation in the sales process, strengthen relationships with end-consumers and increase the range so as to benefit from the trend towards increased average order value.

The importance of strong brands is increasing. A kitchen is now a consumer product that has high levels of design and status. Over the past decade there has also been a polarisation of the kitchen market, where customers in the top and upper-middle segments are willing to use a larger part of their disposable income to buy a kitchen. Nobia's brands are mainly aimed at customers in the upper-middle segment.

IT

Nobia has a joint reporting system, well-developed production management systems, a joint platform for internet marketing and IT centres of excellence.

The joint reporting system is crucial for measuring and comparing activities' profitability in areas such as product, customer and sales channels. The integration of newly acquired companies therefore begins with the introduction of the system.

With respect to production management systems, the Group has, based on a standard platform and together with a computer software manufacturer, developed a joint application adapted for industrial manufacturing of kitchens. A joint technical solution has also been developed for internet marketing. It is based on advanced modular technology and allows the consumer to build and work with different solutions when buying a kitchen.

To achieve increased efficiency and IT security, Nobia has introduced a centre of excellence at Marbodal, which is currently responsible for co-ordination of IT solutions for business units in Denmark, Norway and Sweden.

Consolidation through acquisitions

Nobia will continue to grow through synergistic acquisitions. The company's relative size, financial strength and documented ability to improve profitability now gives the company a strong position to increase the potential to carry out advantageous acquisitions. Nobia also has a business model that facilitates effective integration of acquired companies.

Competitive advantages

A number of competitive advantages support the possibility to apply the business model.

EXPERIENCE. The business model is a proven, successful tool for restructuring activities, reducing costs, integrating acquired units, making the most of economies of scale and further integration. Nobia will therefore continue to apply the model in existing units and new acquisitions.

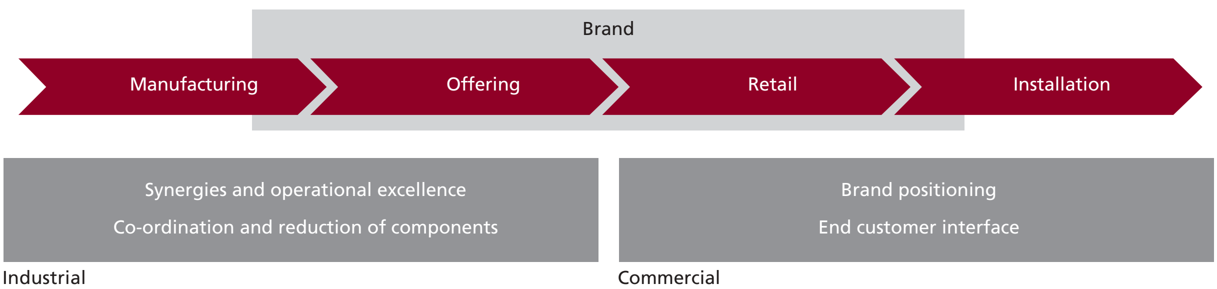
STRONG BRAND PORTFOLIO AND WIDE DISTRIBUTION. Nobia has strong, well-positioned brands and a broad coverage in different sales channels. This facilitates communication with the end-customer.

SIZE, SCOPE AND BROAD RANGE OF OPERATIONS. The comprehensive activities on a number of the largest European markets create opportunities to attain economies of scale and synergies. The business model is scalable and proximity to a number of markets gives better possibilities to compensate economic downturn on local markets.

CAPACITY TO LEAD CONSOLIDATION. A successful business model and financial strength enable Nobia to choose the most interesting acquisitions.

A SUPPORTING CORPORATE CULTURE. The decentralised organisation's business units have singular profit accountability for the business and the brand. Best practice is combined with sound competition between the business units.

Integrated retailer



Organisation and corporate culture

Organisation

Nobia's organisation reflects the company's business model and strategy, and combines local accountability with co-ordination from Group management. The 12 business units operate with high levels of independence, decentralised leadership and complete profit responsibility.

Decentralisation gives proximity to the local market and strengthens the relationship with the end-customer, while a joint reporting system facilitates the exchange of information within the Group. The organisation consists of few levels and few split functions.

Corporate culture

The corporate culture builds on joint values, where the fundamentals are that each employee is respected, heard and taken seriously. The conditions for achieving the company's aims are personal involvement, openness for change and desire for development. Employees should feel a sense of belonging to their business units and their brand, while being proud to be part of the Nobia Group.

The decision channels are short and communication open. The managers have a huge, direct responsibility in creating trust, confidence and a positive working environment.

Nobia focuses on customer and profit satisfaction with a non-bureaucratic working method and openness to change. By benchmarking and best practice being built into the business model the business units can encourage each other, stimulating business co-operation with healthy internal competition.

Central functions

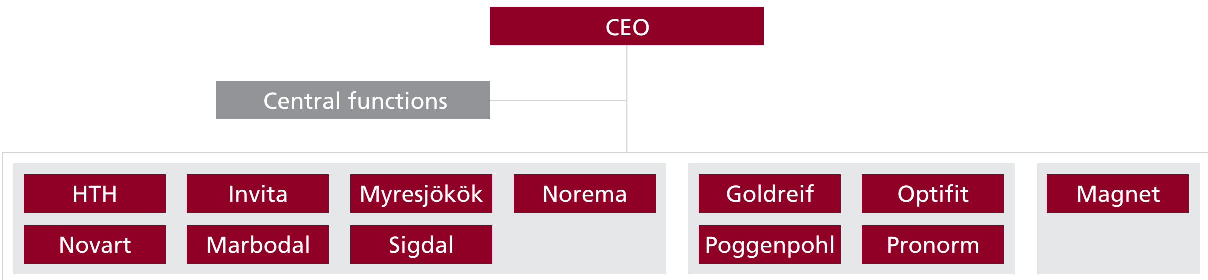
Group management and central functions support the business units to create synergies and best practice within the Group. At year-end 2001 the head office had 14 employees.

The Purchasing/production/logistics function is responsible for co-ordination together with selected individuals from the business units. In 2001 the joint purchasing programme was strengthened with more resources and a new purchasing organisation was introduced. This is also a clear example of Nobia's conviction that Group operations should be small and efficient, and that co-ordination and development activities should be run as much as possible in project form together with the business units' organisation.

The marketing function is responsible for co-ordinating Nobia's brand positioning and sales channel strategy, based on continual attitude monitoring. In its role as co-ordinator, the marketing operation ensures that the brand portfolio on the individual market is optimised and that market and global information is utilised throughout the entire Group.

The Finance/accounting/Information Technology function is responsible for accounting, financing and financial reports, plus systemisation of the comparable key figures made between the business units. The operation also co-ordinates company acquisitions and large IT projects including the development and introduction of strategic IT systems.

The Business development/human resources/communications function ensures that work with business



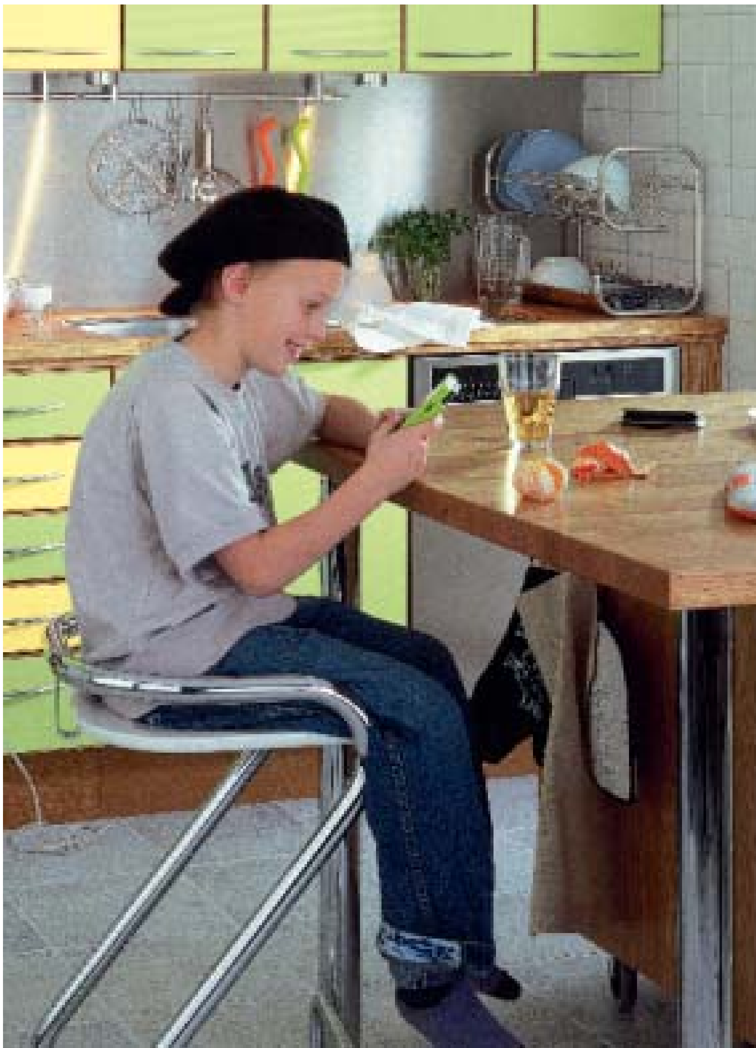
development, plus human resource issues in the Group follows Nobia's business model and corporate culture. The function is also responsible for management development programmes as well as internal and external communication.

Internet communication

Nobia increasingly uses web-based market communication, and during 2001 continued to develop joint-Group tools for this communications channel. The modular based system allows the business units to cost-effectively create and develop their own web sites where they can display their range and allow the consumer to draw and try out different layouts, units, colours and accessories prior to buying a kitchen.

Product development

Good design is a central quality of every kitchen, and design is now given the same importance as function and quality in the launch of a product. Development of new products and new ideas occurs with regard to the individual characteristics of each brand and is therefore the local responsibility of each business unit. Development work is organised internally within each business unit and complemented with qualified industrial designers acting as consultants and reference groups.



Environment

The Group works in a decentralised manner with environmental issues and each business unit has its own environmental responsibility. Environmental awareness affects the entire organisation, but has greatest importance within production, where the choice of material and production methods are carried out in order to reduce the environmental impact.

Nobia wants to be the leading European kitchen company for environmental issues as well as products. Many of our business units are already environmentally certified according to ISO 14000 standards or similar. It is a requirement at Nobia that all units must be third-party certified.

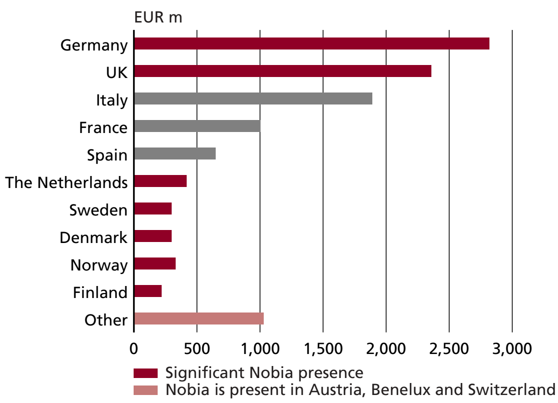
The European kitchen market

The European market for kitchen interiors (EU countries plus Switzerland and Norway) amounts to around EUR 11.4 billion. Germany and the UK are the two single-most largest markets with around 25% and 21% respectively of total sales, while the Nordic region was responsible for around 10%.

The European kitchen market has increased in value over the past ten years in terms of volume growth and growth of the average order value, a trend that Nobia considers will continue in the foreseeable future.

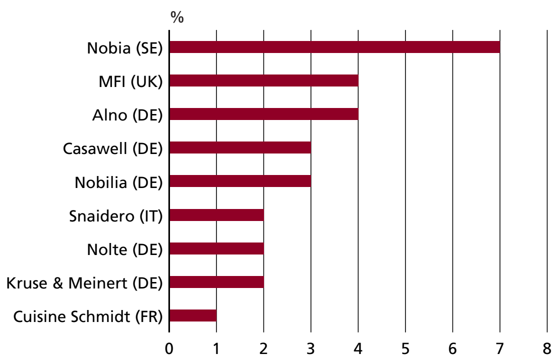
The market can be split into four segments: upper, upper middle, middle and economic. The upper segment includes prestigious brands, among which the Nobia owned Poggenpohl is one of the world's most renowned. Nobia focuses however mainly on the upper middle segment.

The European kitchen interiors market



Source: Nobia

Nobia is the European market leader



Source: Csil, Prognoscentret and Nobia

Fragmentation offers consolidation opportunities

The European kitchen market is mainly local with variations between different national markets in manufacturing and distribution channels. Consumer preference also differs between different countries. As in other industries the kitchen industry is on the threshold of modernisation. The five largest European manufacturers have a total market share of around 20%, and in all Nobia's markets there are many small, independent manufacturers. The market is heading towards a more increased consolidation, but production and distribution are still strongly fragmented.

Brands are becoming more important

A growing interest for home improvements, not least kitchens, has meant that kitchens have, to a greater degree, become a consumer item, and kitchen brands are gradually becoming more important. The kitchen's role has changed, the room has grown in size and importance, and become the heart of the home, a place for enjoyment and something to be proud of.

Because the market is local and fragmented there are many small brands, the majority known only locally. The exceptions are mainly the limited number of brands in the upper segment. Fragmentation hinders sufficient brand investments by the smaller manufacturers, which hastens consolidation of the market and creates opportunities for Nobia.

The fact that consumers in the upper segments of the market are willing to spend a growing share of their disposable income on kitchens, also contributes to the brands becoming more important.

The importance of sales channels is increasing

The choice of sales channel has become a strategic issue for manufacturers, because the kitchen has become more of a consumer item and more customers want individual solutions that meet their private tastes as well as their functional requirements. The five most important sales channels are kitchen studios, furniture stores, builder's merchants, DIY stores and ex-factory direct sales.

The physical product is just a part of the customers' experience. Buying a kitchen is much more of a completely individual overall solution that may include planning and designing, accessories, white goods, installation and possibly even financing. Owned retail outlets, franchise outlets and strategic business partners give the manufacturer the best opportunities to increase customer satisfaction, strengthen the brand and generate increased sales. It is generally therefore the specialised kitchen studios that see their share of sales increase, and the markets where these outlets are especially successful are also generally the markets that are most mature from a brand point of view. Contact with the end-customer in the kitchen studio is good and the choice of products and service is generally broad.

Consumers' buying power governs demand

Demand for kitchen interiors is mainly governed by the demand from the consumer market. The consumer's belief in the future and changes in interest rates and disposable income are therefore of great importance, together with the development on the housing market. The main demand comes from the home improvements market, rather than from new construction. Many people make home improvements at the same time as they move and often adapt the kitchen to suit their requirements.

The project market

Kitchen interiors are also marketed towards professional customers such as builders and other project markets. The consumer also has a growing influence on building projects, a trend which is expected to continue. The demands for accessibility and local customer service and for product development and design are increasing as the lines between project and consumer markets are disappearing. This also means that strong brands also gain greater significance in the project market.

Polarisation

Consumers mainly in the market's two upper segments spend an increasing amount of their disposable income on kitchen interiors that reflect their lifestyle. Suppliers are meeting this change by extending their range of products and service. Meanwhile, there is also a growing market for DIY and flat-pack kitchens. The UK is a market where this trend is especially strong. Flat-pack kitchens account for almost half of the total volume of sales. This share is considerably lower in other countries where Nobia has its main activities.

Activities in local markets

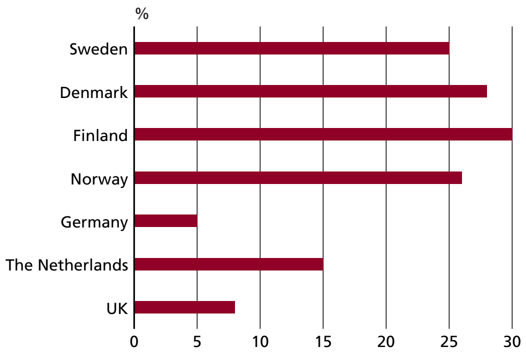
Strong brand portfolio

Luxury designer kitchens	unoform	poggenpohl	C.P. HART
Kitchens that include individual design and consultancy	INVITA	goldreif	pronorm
	A la Carte keittiöt	HTH	Magnet
	NOREMA	PARMA keittiöt	Marbodal
	myresjökök	PETRA keittiöt	sigdal
DIY and flat-pack kitchens	OPTIFIT Die Küche · Das Bad	GØR DET SELV HTH	

The business units have successfully established their brands and given them strong positions on the market. Most of them focus on the upper middle segment, where all are among the leaders in their main markets. The market share is highest in the Nordic region, but in Continental Europe and the UK the brands are among the largest in their respective segments.

The choice of sales channel is adapted according to the situation in individual markets. Most sales are made through kitchen studios where Nobia has direct or considerable indirect contact with the end-customer.

Nobia's market shares



Source: Nobia

The Nordic operation

Share of Nobia's sales 2001, 40%

Share of Nobia's profits 2001, 66%

Nobia is the market leader in the Nordic market and also leads the market in each of the Nordic countries. The Nordic market share is around 27%. The market share in Denmark is approximately 28%, in Finland approximately 30%, in Norway approximately 26% and in Sweden approximately 25%.

Activities comprise the business units HTH and Invita in Denmark, Finnish Novart, Norema and Sigdal in Norway and Marbodal and Myresjökök in Sweden.

Nobia's strong and well-positioned brands mainly aim at kitchens for the upper middle segment. HTH holds an exceptional position because the brand is so well known in all Nordic countries and also has significant sales outside the Nordic region, such as in Poland and Portugal. The HTH business unit also offers products with the Uno form brand, which after decades of exemplary design is well established in the upper segment. Other business units' markets are mainly local, with some sales outside the country in question. For example, Invita is also in Sweden and Marbodal also in Norway. Novart's A la Carte, Parma and Petra brands have strong positions in Finland and the Baltic states. Myresjökök mainly aims at the Swedish project market.

The economic segment includes Marbodal's range of DIY and flat-pack kitchens with trade names sold in the larger DIY chains. HTH's flat-pack kitchen products under the name HTH Gør Det Selv are available in the company's own retail outlets that have the same name.

All business units also offer bathroom and cabinet systems within the framework for their storage solutions.

Market

The Nordic kitchen market has sales of around EUR 1.2 billion and has increased over the past five years in terms of sales and volumes. Private consumption drives the Nordic kitchen market, where home improvements on average generate around 80% of demand, and new construction the remaining 20%. In Finland however new construction accounts for half of the market.

Denmark and Norway are the largest markets in the Nordic region with sales of around EUR 330 million each, while the Swedish and Finnish markets have sales of around EUR 300 and EUR 220 million respectively.

Kitchen studios are generally the most important sales channel and completely dominate in Denmark, but the importance of different channels varies between the local markets. In Sweden and Norway the builders merchants are strong while direct sales is an important channel in Finland, which is mainly due to the project market's strong position there.

Activities

Nobia's Nordic brands are represented in the most important local sales channels, and sales strategies build on accessibility, positioning and customer category.

At year end the number of stores owned or franchised amounted to 281.

Over the past year the market has been strong, with increased or stable demand in each country. Nobia's business units have had good growth in profitable product and customer segments, with an increased average order value and strengthened market positions.

Market investments continued and HTH upgraded its retail outlet network further with new demonstration stands and stores. This included a further seven HTH Gør Det Selv stores. Marbodal, which has its key sales in builders merchants, developed a demonstration concept and complete service package with services from product presentation to work plan and follow-ups. The aim is to widen the range and present Marbodal's product programme in a uniform manner. The service concept was introduced at selected stores at the beginning of 2002 and is built on close co-operation with and training of retailers.

At the end of 2001, Nobia had five centres of excellence in the Nordic region: HTH Implast in Denmark manufactures laminated surfaces for all the other Nordic activities, HTH specialises in doors with solid wood edges, Marbodal manufactures K-20 unit frames for

Sigdal's assembly factory in Norway and lacquered MDF doors for HTH, Sigdal and Magnet. The Nordic business units' IT competence and hardware is now being gathered at Marbodal, which became the IT centre of excellence for the Nordic region in 2001.

The K-20 joint platform for carcasses will be implemented at a further three Nordic business units during 2002 and 2003. Activities at these plants will thus change from manufacturing to assembly.

The Continental European operation

Share of Nobia's sales 2001, 30%

Share of Nobia's profits 2001, 13%

In autumn 2000, Nobia acquired the Poggenpohl Group, which is now the base for the Continental European operation. This includes the German business units of Poggenpohl, Pronorm, Goldreif and Optifit. The main markets are Germany and the Netherlands where Nobia has market shares of around 5% and 15%, respectively.

Poggenpohl, with sales in more than 50 countries, is one of the world's best known consumer brands for kitchens and is fully committed to the upper segment. Goldreif and Pronorm are committed to the upper middle segment, while Optifit's flat-pack kitchens are available in the economic segment. In Germany all these brands belong to the three largest on the market in their respective segments. Optifit also sells flat-pack bathroom interiors for the economic segment and, with the Marlin brand, offers complete bathroom interiors in the upper middle segment.

In the Netherlands Nobia is the market leader together with a domestic manufacturer. Pronorm is the most imported kitchen brand with around 45% of its sales in the Netherlands.

The business units in the Continental European operation also have sales to other countries around Europe, mainly to Belgium, Luxembourg, Switzerland and Austria. In these countries Nobia has a combined market share of around 3%. In addition, there are also sales outside Europe, mainly through Poggenpohl's significant exports to the US and Asia. In 2001 the business units in the Continental European operation had net sales outside the region of around SEK 490 million, or 20% of their total net sales.

Market

Germany is Europe's largest single kitchen interiors market with sales of around EUR 2.8 billion, i.e. around 25% of the total European market. In addition, Germany accounts for 27% of kitchen manufacturing in Europe, and of the ten biggest manufacturers, five are German. In the Netherlands the market is estimated at around EUR 420 million. The German market has been weak with declining demand over the past five years and the Netherlands has also seen falling demand, though not to the same extent as in Germany.

The distribution pattern in Germany differs greatly to Nobia's other markets. Most retailers are members of one of the purchasing organisations that dominate the market. This fact, together with the practice that the purchasing organisation or retailers sell kitchen interiors under their own brands, limits manufacturers' relationship to the end-customer. Only the upper segment contains traditional consumer brands. Nobia's business units in the Continental European operation therefore work with different purchasing organisations to design the offer to the end-customer. Purchasing organisations also exist in the Netherlands, but they do not have the dominant position they have in Germany.

Sales channels are generally the same as on other markets. Furniture retailers are the dominating sales channel in Germany, accounting for almost half of sales. On Nobia's main market, the upper middle segment, kitchen studios dominate. Kitchen studios in the Netherlands account for around 80% of sales, and in both markets kitchen stores are becoming increasingly important.

Activities

Ongoing, comprehensive cost cutting and investment programmes in brands and sales channels continued in all Continental European business units during 2001.

Immediately following the acquisition of the Poggenpohl Group, activities were restructured into five independent business units, of which Myresjökök now reports as one of Nobia's Nordic units. The acquisition meant that production in Germany could be consolidated and during the past year the Star Beka business unit was closed. Production and marketing of rigid kitchens was transferred to Pronorm, while Optifit took over production and marketing of flat-pack kitchen interiors.

Over the past year a new studio concept was introduced to Poggenpohl's retailers. The aim is for the Poggenpohl brand to be associated with superior design and service levels, and that consumers around the world should be able to see Poggenpohl kitchens in uniformly designed displays. By the end of the year this concept had been introduced in 98 kitchen studios.

To further strengthen the brand's position, Poggenpohl reduced the number of retail outlets in Germany by two thirds. This has negatively affected sales volumes, but creates conditions for improved profits for the future. Increased exports, mainly to the US, partly compensated for the fall in sales during 2001.

An example of how the Group can utilize synergies internationally is the new agreement that Nobia's UK business unit signed with Homebase in 2001. Homebase is one of the UK's biggest DIY chains, to whom Optifit supplies flat-packed carcasses under this agreement. Manufacturing synergies are also generated locally. For example, Pronorm buys all its laminated work tops from Poggenpohl and certain fronts from Goldreif.

At the beginning of 2001 Nobia had three centres of excellence in Continental Europe: Poggenpohl's Ritter plant for the manufacture of laminated work tops, Goldreif's production unit for laminated fronts and Optifit's plant in Stemwede-Wehdem for flat-packed carcasses. The K-20 platform was introduced at Optifit during 2001.

Nobia strives to secure its position on the Continental European market, continue to improve profitability and increase its market share. The new Poggenpohl kitchen studio concept will continue to be established in collaboration with strategic business partners and will be introduced according to plan in a further 200 stores over the next two years.

The UK operation

Share of Nobia's sales 2001, 30%

Share of Nobia's profits 2001, 41%

Nobia entered the UK market, the second largest European kitchen interiors market, through the acquisition of the Magnet Group in May 2001. Magnet is vertically integrated and sells the majority of its kitchens through a chain of 222 wholly-owned kitchen studios and the remainder through ex-factory direct sales. The Magnet retail outlet network also sells bathroom and bedroom interiors. Magnet has a market share of around 7% in the UK. The company is wholly focussed on ready-assembled kitchens in the upper middle segment, and is one of the two main players in this segment. Nobia's total market share in the UK is around 8% and apart from Magnet includes sales mainly from Poggenpohl.

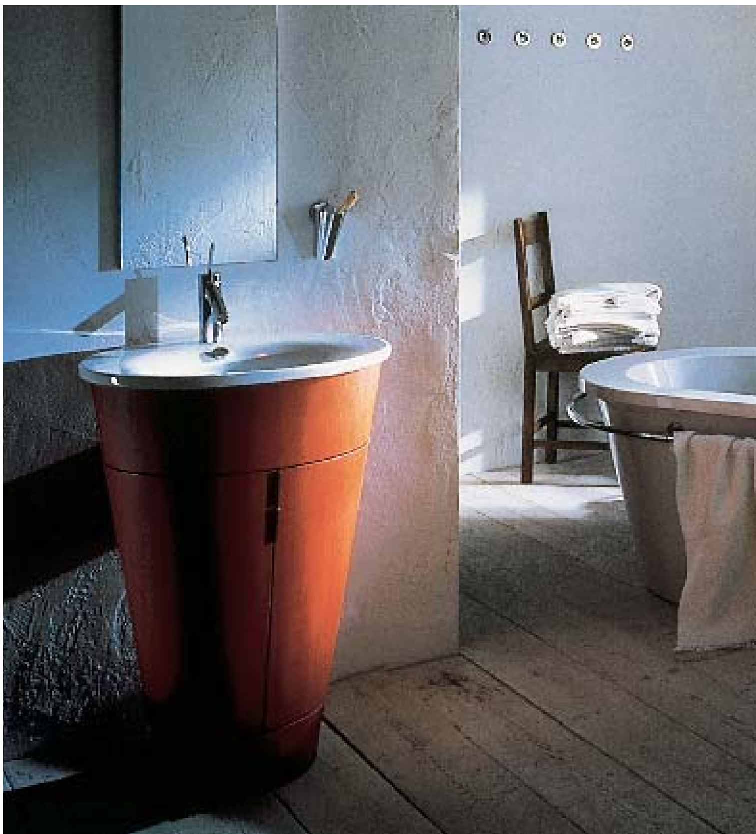
The UK business unit includes the C.P. Hart retail chain with five wholly-owned stores selling exclusive bathroom interiors. At the beginning of 2002 two of these stores began selling Nobia's exclusive Poggenpohl brand, which with its aim at the upper segment fits in well with C.P. Hart.

It is quite common for small local builders to sell kitchens to the end-customer. Magnet meets this demand under the name Magnet Trade, which also sells joinery products to this important target group. The Magnet Group also manufactures joinery products, such as doors, windows and wooden staircases. Kitchens, bathrooms and cabinet components accounted for 70% of Magnet's sales in 2001, while joinery products accounted for the remaining 30%.

Through its retail outlet network Magnet has a strong, direct relationship with the end-customer. Magnet has developed a concept called "full circle service" in order to meet customer expectations, involve them in design, give insight into the delivery and installation processes and to measure customer satisfaction. Magnet currently sells installation services for around half of the kitchens sold.

Market

The UK kitchen market has sales of around EUR 2.4 billion. Volumes have fallen since the middle of the 1990s, but the decline has been compensated for by the increased average order value, effectively meaning a market increase.



Polarisation of the market is especially strong and half of the sales volumes are in flat-pack kitchens. As in other European kitchen markets the fragmentation is strong among manufacturers. Kitchen studios and furniture stores are the most important sales channels and account for nearly 70% of sales.

Activities

A rationalisation programme is underway to make activities more efficient and to increase profitability by making savings in production, purchasing and logistics. Joinery products have been organised separately from the other activities, and unprofitable joinery product lines have been discontinued. Meanwhile, the management organisation has been made more efficient and the head office moved to the plant at Darlington. Administration staff numbers have been cut, benefiting the sales and marketing organisation which has been strengthened, mainly through the increased number of store personnel. An upgrading programme for stores was started during the final quarter of 2001, and upgrades of 40 stores were completed.

In 2001 Magnet signed an agreement with Homebase, one of the UK's largest DIY chains, whereby Magnet will deliver flat-pack kitchens to Homebase for sale in the chain's superstores. Optifit supplies the carcasses and Marbodal the painted fronts included in the range. Magnet manages all contacts with Homebase, including the opening of demonstration kitchens and training of retail staff. The first six pilot stores were opened at the end of 2001.

The Nobia share

Share data Nobia Group

	1997	1998	1999	2000	2001
EPS before dilution effects	0.96	6.71	0.32	30.33	54.72
EPS after dilution effects	0.91	6.38	0.30	28.97	51.10
Number of shares at period's end	3,130,645	3,130,645	3,130,645	4,627,404	4,655,077
Number of shares at period's end, after full dilution	3,293,277	3,293,277	3,293,277	4,790,036	5,151,209
Average number of shares during the period	3,130,645	3,130,645	3,130,645	3,462,408	4,641,735
Average number of shares after full conversion	3,293,277	3,293,277	3,293,277	3,625,040	4,971,117
Dividend	0	0	0	0	0

Ownership structure

	Number of shares		Percentage of	
	ClassA	Class B	Capital	Votes
Investors in Industri Kapital 1994-fund				
Industri Kapital 1994 Limited Partnership I-V (UK)	1,277,058		27.6	28.7
Länsförsäkringar Wasa Försäkrings AB (Sweden)	102,461	200,000	6.5	2.7
Duba AB (Sweden)	190,439		4.1	4.3
Storebrand Livsforsikring AS (Norway)	168,034		3.6	3.8
PGGM Pensioenfonds (the Netherlands)	168,034		3.6	3.8
Ratos AB (Sweden)	134,427		2.9	3.0
Livförsäkrings AB Skandia (Sweden)	123,225		2.7	2.8
Nordea A/S (Denmark)	123,225		2.7	2.8
Pensionskassernes Adm. (PKA) A/S (Denmark)	56,011		1.2	1.3
Handelsbanken Livförsäkrings AB (Sweden)	44,809		1.0	1.0
Roburs Allemansfond IV (Sweden)	44,809		1.0	1.0
Roburs Allemansfond III (Sweden)	39,208		0.8	0.9
Roburs Allemansfond II (Sweden)	33,607		0.7	0.8
Roburs Allemansfond I (Sweden)	28,006		0.6	0.6
Roburs Aktiefond Kapitalinvest (Sweden)	22,404		0.5	0.5
Roburs Aktiesparfond (Sweden)	22,404		0.5	0.5
Försäkringsbranschens Pensionskassa (Sweden)	22,404		0.5	0.5
Total Industri Kapital 1994-fund	**2,600,565**	**200,000**	**60.5**	**59.0**
Skanska Holding GmbH	859,115		18.6	19.3
Skanska Europe AB	129,510		2.8	2.9
Norsk Kjøkken Invest ASA	509,123		11.0	11.4
Board, management and employees	224,864		4.8	7.1
Other shareholders	105,216		2.3	0.3
Total	**4,428,393**	**200,000**	**100.0**	**100.0**
New share issue registered 10 Jan. 2002				
Company management	26,684			
	4,455,077	200,000		

Six-year summary

SEK m	1996	1997	1998	1999	2000	2001
Income statement						
Net sales	3,412	3,316	3,977	4,049	4,102	8,283
Change in per cent	*–*	*–3*	*20*	*2*	*1*	*102*
Gross profit	–	873	1,082	1,176	1,325	3,106
Operating profit/loss	–139	79	110	132	261	537
Financial income	7	3	3	3	9	15
Financial expenses	–35	–45	–59	–51	–50	–138
Profit/loss after financial items	**–167**	**37**	**54**	**84**	**220**	**414**
Tax	33	–34	–33	–83	–115	–160
Minority shares in profit/loss for the year	–	–	–	–	0	0
Net profit for the year	**5**	**3**	**21**	**1**	**105**	**254**
Balance sheet						
Fixed assets	1,062	910	1,052	1,000	1,975	3,719
Stock	380	371	385	447	614	1,178
Receivables	450	395	498	608	835	1,159
Liquid funds	153	157	160	135	221	362
Total assets	**2,045**	**1,833**	**2,095**	**2,190**	**3,645**	**6,418**
Shareholders' equity	309	324	375	351	1,363	1,776
Minority	–	–	–	–	5	6
Non-interest bearing provisions	268	123	83	89	378	467
Interest bearing provisions	47	13	25	56	79	74
Non-interest bearing liabilities	842	699	798	905	1,025	1,714
Interest bearing liabilities	579	674	814	789	795	2,381
Total shareholders' equity and liabilities	**2,045**	**1,833**	**2,095**	**2,190**	**3,645**	**6,418**
Net debt	473	530	680	710	601	2,078
Capital employed	935	1,011	1,214	1,196	2,242	4,237
Key figures						
Operating margin, %	–4.1	2.4	2.7	3.3	6.4	6.5
Profit/loss after financial items as a percentage of net sales	–4.9	1.1	1.3	2.1	5.4	5.0
Turnover rate of capital employed, times	1.7	3.4	3.6	3.4	3.4	2.3
Return on capital employed, %	–14.1	8.4	10.2	11.2	22.2	15.5
Return on equity, %	1.6	0.9	6.0	0.0	17.2	16.2
Interest coverage ratio, times	–3.8	1.8	1.9	2.6	4.4	4.0
Net debt/equity	1.5	1.6	1.8	2.0	0.4	1.2
Equity/assets ratio, %	15.1	17.7	17.9	16.0	37.5	27.8
Cash flow before investments	–	–121	127	126	156	551
Investments	98	101	87	74	87	226
EPS after dilution effects		0.91	6.38	0.30	28.97	51.10
Personnel						
Average number of employees	3,605	3,092	3,529	3,334	3,003	5,343
Net sales per employee, SEK 000	946	1,072	1,127	1,214	1,366	1,550
Salaries and other remuneration	804	718	825	825	818	1,672

Directors' report

for Nobia AB, Company Reg. No. 556528-2752

Changes in the Group's structure

In line with the Group's strategy of concentrating on kitchen and bathroom interiors and cabinet components, the builders merchants Star Byggprodukter AB was divested in January 2001. The buyer was the timber products producer, Mindab, part of the Mellanskog Group. The capital gain was SEK 22 million. The divestment meant a reduction in net debt of SEK 132 million. The divestment has been accounted for with effect from 1 January 2001.

In May 2001 the company acquired the British kitchen group Magnet. The acquisition means an increased presence in the market for kitchen and bathroom interiors and cabinet components as well as extended geographic coverage.

The vendor was the British company, Enodis Plc. The purchase price was SEK 1,777 million on a debt-free basis. In addition, the vendor received warrants for 50,000 Nobia shares at a rate of SEK 10 per share. The purchase price was paid via a cash payment of SEK 1,476 million and through a loan from the vendor of SEK 301 million. The acquisition meant an increase in the Group's net debt of SEK 1,860 million and gave rise to consolidated goodwill worth SEK 736 million. Magnet is shown in the consolidated accounts with effect from 1 May 2001.

Magnet manufactures and sells interior products mainly for kitchens, bathrooms and bedrooms in the UK. Magnet also includes C.P. Hart with activities in exclusive bathroom interiors. In addition, it also manufactures and sells joinery products. Net sales were around GBP 270 million or around SEK 4 billion on an annual basis. Magnet has about 200 retail outlets in the UK, four production sites and around 2,200 employees.

Net sales

The effects on net sales, as a result of the changes to the Group's structure during 2001 and 2000 appear in the table below:

SEK m	2001	2000
Accounted values	8,283	4,102
Less units divested*	–	–1,012
Less activities acquired**	–5,635	–698
Comparative activities	2,648	2,392

* Concerns the divestment of Star Byggprodukter plus Svenska Fönster and BorDörren.

** Concerns the acquisition of Magnet, Goldreif, Myresjökök, Optifit, Poggenpohl, Pronorm, Invita and Norema.

The Group's net sales stood at SEK 8,283 million (4,102 m), an increase of 102%. For core activities, i.e. adjusted for the sale of Star Byggprodukter and Svenska Fönster including BorDörren, net sales climbed by SEK 5,193 million, or 168%. The activities acquired during 2001 and 2000 contributed SEK 5,635 million during 2001, of which Magnet's total was SEK 2,527 million, and the remainder, Poggenpohl and Norema was SEK 3,108 million. In 2000 the acquired activities contributed SEK 698 million. For comparative units, i.e. excluding the effect of acquired units, sales rose by 11% to SEK 2,648 million (2,392 m), of which currency effects accounted for SEK 160 million (7%). Organic growth was 4% for comparative units, including the effects of a sales shortfall in Germany on the back of the divestment of Star-Beka.

Definitions

Capital employed
Balance sheet total less non-interest bearing provisions and liabilities.

Earnings per share
Net profit for the year divided by a balanced average number of shares during the year.

Equity/assets ratio
Shareholders' equity as a percentage of the balance sheet total.

Interest coverage ratio
Profit/loss after financial income divided by financial expenses.

Net debt
The sum of interest bearing liabilities and provisions less interest bearing assets.

Operating margin
Operating profit/loss as a percentage of net sales.

Return on capital employed
Profit/loss after financial income as a percentage of average capital employed. Capital employed has been adjusted for sales and acquisitions.

Return on equity
Net profit for the year as a percentage of the average shareholders' equity. Shareholders' equity has been adjusted for sales and acquisitions.

Risk bearing capital
Shareholders' equity and subordinated loan as a percentage of the balance sheet total.

Turnover rate of capital employed
Net sales divided by average capital employed.

Net sales and operating profit per business area

	Net sales January–December		Operating profit January–December		Operating margin January–December	
SEK m	2001	2000	2001	2000	2001	2000
Nordic activities	3,311	2,327	355	237	10.7%	10.2%
Continental European activities	2,459	782	70	–4	2.8%	–0.5%
UK activities	2,527		219		8.7%	
Items affecting comparability			22	46		
Units divested		1,012		39		
Amortisation of goodwill			–51	–9		
Other Group adjustments	–14	–19	–78	–48		
Accounted values	8,283	4,102	537	261	6.5%	6.4%

The Nordic operation

The Nordic operation consists of the Swedish business units of Marbodal and Myresjökök, the Norwegian business units Sigdal and Norema, the Danish business units HTH and Invita and the Finnish business unit Novart.

Net sales amounted to SEK 3,311 million (2,327 m). Activities acquired during 2000 contributed SEK 836 million in 2001 and SEK 175 million in 2000. Comparative activities saw sales advance by 15% to SEK 2,475 million (2,152 m), of which currency effects made up 7% and organic growth 8%. The organic growth mainly refers to the Swedish and Norwegian markets and is explained by a good boost in demand, combined with strengthened market positions and continued increased product content.

The Continental European operation

The Continental European operation consists of the Poggenpohl, Pronorm, Optifit and Goldreif business units.

Net sales amounted to SEK 2,459 million (782 m). Acquisitions contributed SEK 2,272 million in 2001 and SEK 523 million in 2000. Sales for comparative activities amounted to SEK 187 million (259 m). The drop of SEK 72 million is explained by the closure of Star-Beka. Demand further fell on the German market during the year, and coupled with measures for changing Poggenpohl's customer base, a sales decline was mainly seen in Germany. Increased exports, mainly to the US, partly compensated for the shortfall in sales.

The UK operation

The UK operation consists of the Magnet business unit acquired in May 2001.

Net sales during the period May – December amounted to SEK 2,527 million. Sales fell on a pro forma full-year basis by 4%, excluding currency effects as a result of the disposal of the joinery products area. Comprehensive development work has been started for a retail network.

Profits

The effects on the operating profit as a result of the changes to the Group's structure in 2000 and 2001 can be seen in the table below:

Operating profit

SEK m	2001	2000
Accounted values	537	261
Less divested units	–	–39
Less items affecting comparability	–22	–46
Less effect of acquired units	–342	–19
Less effect of increased amortisation of goodwill	42	–
Comparative activities	215	157

The Group's operating profit was SEK 537 million (261 m). The operating margin was 6.5% (6.4). The operating margin, excluding goodwill amortisation was 7.1% (6.6). For the core operations i.e. adjusted for divested units, Star Byggprodukter and Svenska Fönster, including BorDörren, and adjusted for items affecting comparability, the operating profit was SEK 515 million (176 m). This means that the core operations' operating margin was 6.2% (5.7). Acquired activities contributed SEK 342 million in 2001 and SEK 19 million in 2000. The effect of increased amortisation of goodwill was SEK 42 million. The comparative activities' operating profit was SEK 215 million (157 m), corresponding to a profit improvement of SEK 58 million, or 37%.

Financial items stood at SEK –123 million (-41 m). The greater debt level, connected with the acquisition of Magnet, has raised the Group's interest costs. This effect has been compensated by a lower interest rate as well as loan repayments during the year.

The Group's profit after financial items was SEK 414 million (220 m), an improvement of 88% compared to last year.

Tax for the year was SEK –160 million (–115 m). The tax rate was 39%. Excluding non-deductible amortisation of consolidated goodwill, the tax rate was 35%.

The tax rate has been negatively affected by the loss carry forward that arose from the closure of Star-Beka, being assessed as not being able to be utilized against future profits and therefore not being capitalised as a deferred tax receivable.

The profit after tax amounted to SEK 254 million (105 m), equivalent to an earnings per share of SEK 51.10 (28.97) after full dilution.

The return on equity was 16% (17) and the return on capital employed was 16% (22).

The Nordic operation

The operating profit climbed to SEK 355 million (237 m). The activities acquired in 2000 contributed SEK 52 million in 2001 and SEK 7 million in 2000. Comparative activities thereby increased the operating profit by 32% to SEK 303 million (230 m). The operating margin improved through cost reductions in the acquired units due to the rationalisation scheme carried out during the year. The original activities' operating margin has improved through greater growth in profitable product and customer segments.

The operating margin in the Nordic operation was 10.7% (10.2).

The Continental European operation

The operating profit amounted to SEK 70 million (–4 m). The activities acquired in 2000 contributed SEK 71 million in 2001 and SEK 12 million in 2000. The cost of the divestment of Star-Beka has been reported in the Group's restructuring reserve and has therefore not affected the operating profit. The rationalisation scheme started in 2000 was carried out during the current year and resulted in reduced costs. The effect of the rationalisation scheme has been affected by lower demand, mainly on the German market.

The operating margin was 2.8% (–0.5).

The UK operation

The operating profit amounted to SEK 219 million (–). The operating margin was 8.7% (–).

The UK operation consists of Magnet, acquired with effect from May 2001. A rationalisation scheme to reduce costs started during the final quarter.

Cash flow and financing

The current activities' cash flow before investments amounted to SEK 551 million (156 m). The change in operating capital during the year was SEK 137 million, and mainly consisted of a reduction in operating capital in the units acquired in 2000 and 2001.

Investments in fixed assets amounted to SEK 226 million (87 m) and was mainly attributable to investments aimed at raising the efficiency of production and logistics, plus investments in retail networks.

The acquisition of Magnet meant that net debt increased by SEK 1,860 million, while the effect on the net debt of the divestment of Star Byggprodukter meant a reduction of SEK 132 million.

Net debt amounted to SEK 2,078 million (601 m) at the year-end, which was SEK 1,477 million higher than at the start of the year. The change was mainly attributable to the net cash flow from operations (SEK 341 million), acquisitions and disposals (SEK –1,728 million) and the negative impact of the weaker Swedish krona (SEK –83 million).

The effect of exchange rate differences on shareholders' equity was SEK 148 million due to the weaker Swedish krona. This meant that shareholders' equity stood at SEK 1,776 million (1,363 m) and the equity/assets ratio was 28% (37). The debt/equity ratio was 1.2 times (0.4)

In conjunction with the Magnet acquisition a re-financing of the Nobia Group was undertaken. The re-financing means new credit facilities of SEK 2.5 billion, excluding the sales loan taken up with the acquisition of Magnet. In addition, a more effective repayment plan with a longer duration has been arranged. A majority of the old credit facilities were also paid off at the time of the refinancing.

At year-end, available credit facilities stood at SEK 594 million, excluding liquid assets, of which SEK 172 million was made up by granted, non-utilised, bank overdraft facilities.

Employees

The average number of employees during the year was 5,343. Acquisitions and disposals meant the average number of employees went up by 1,317.

Environment

In Sweden the Group carries out activities that require permission under the Environmental Act at the subsidiaries Marbodal AB and Myresjökök AB. The work performed by the Group that requires environmental permission mainly affects the external environment via sound and airborne emissions due to surface treatment of wooden products.

Parent company

The parent company's activities include joint Group functions and executive ownership of the subsidiaries. The operating income was SEK 0 (0). The net profit for the year was SEK 130 million (–3m).

Future outlook

The demand for kitchen interior products normally follows the same business cycle as for consumer capital goods. The market is made up of consumer purchases for home improvements, which makes up the dominant part of the demand, and a project market for professional construction and renovation. The growth in demand is partly made up of volume growth and partly value growth in the form of increased product content. The trend towards increased product content at Nobia has been clear over the past 5-year period and Nobia believes in a continued trend in this direction.

The European market for kitchens is characterised by a high level of fragmentation. This means good opportunities for gaining economies of scale through acquisitions.

Largely unchanged demand is expected for the Nordic countries and the UK for 2002, while the lack-lustre demand seen in Continental Europe is expected to continue.

Proposed appropriation of profits

The Group's non-restricted reserves, as shown in the consolidated balance sheet, amount to SEK 234 million. No allocation to restricted equity is required.

The following earnings in the parent company are at the disposal of the Annual General Meeting.

Profit for the year	SEK 129,778,311
Profit brought forward	SEK 20,367,611
Total	SEK 150,145,922

The Board and CEO propose that SEK 150,145,922 is carried forward.

Consolidated income statement

SEK m	Note	2001	2000
Net sales	2	8,283	4,102
Cost of goods sold		–5,177	–2,777
Gross profit		**3,106**	**1,325**
Selling expenses		–2,139	–881
Administrative expenses		–446	–223
Items affecting comparability	4	22	46
Other operating income		34	21
Other operating expenses		–40	–26
Share in the pre-tax profit of associated company		0	–1
Operating profit	3, 28	**537**	**261**
Result from financial investments	5		
Interest income and similar profit items		15	9
Interest expense and similar loss items		–138	–50
Profit after financial items		**414**	**220**
Tax	7, 21	–160	–115
Minority shares in profit/loss for the year		0	0
Net profit for the year		**254**	**105**

Consolidated balance sheet

SEK m	Note	31 Dec 2001	31 Dec 2000
Assets			
Fixed assets			
Intangible fixed assets	8		
Goodwill		1,215	430
Other intangible assets		41	32
		1,256	462
Tangible fixed assets	9		
Buildings and land		1,476	926
Investments in progress		86	2
Plant and machinery		488	341
Equipment, tools, fixtures and fittings		234	100
Advance payments for fixed assets		0	1
		2,284	1,370
Financial fixed assets			
Other participations		1	1
Other long-term receivables		40	69
Shares in associated company	10	3	0
Deferred tax	21	135	73
		179	143
Total fixed assets		**3,719**	**1,975**
Current assets			
Stock			
Raw materials and consumables		362	252
Work in progress		186	175
Finished products		62	79
Goods for resale		568	108
Advance payments to suppliers		0	0
		1,178	614
Current receivables			
Tax receivables		8	3
Accounts receivable, trade		977	739
Other receivables		39	39
Prepaid expenses and accrued income	12	135	54
		1,159	835
Cash and bank balances	13	362	221
Total current assets		**2,699**	**1,670**
Total assets		**6,418**	**3,645**

SEK m	Note	31 Dec 2001	31 Dec 2000
Shareholders' equity and liabilities	14		
Shareholders' equity			
Restricted shareholders' equity			
Share capital		46	46
Restricted reserves		1,496	1,313
		1,542	1,359
Unrestricted shareholders' equity			
Loss brought forward		–20	–101
Profit for the year		254	105
		234	4
Total shareholders' equity		**1,776**	**1,363**
Minority interests		**6**	**5**
Provisions			
Provisions for guarantees		22	26
Provisions for pensions	24	74	79
Provisions for taxes	21	126	100
Other provisions	15	319	252
Total provisions		**541**	**457**
Long-term liabilities			
Subordinated loan	17	460	150
Overdraft facility		0	100
Liabilities to credit institutions	16	1,833	309
Other liabilities		42	0
Total long-term liabilities		**2,335**	**559**
Current liabilities			
Liabilities to credit institutions	16	46	236
Advances from customers		128	20
Trade creditors		695	433
Tax liabilities		32	18
Other liabilities		297	214
Accrued expenses and deferred income	18	562	340
Total current liabilities		**1,760**	**1,261**
Total shareholders' equity and liabilities		**6,418**	**3,645**
Pledged assets	19	2,512	1,508
Contingent liabilities	20	36	21

Consolidated cash flow statement

SEK m	Note	2001	2000
Current activities			
Operating profit		537	261
Depreciation		284	95
Adjustment for items not included in cash flow etc.		–214	–112
Interest received		15	9
Interest paid		–137	–50
Tax paid		–71	–61
Cash flow from current activities before changes in working capital		**414**	**142**
Changes in stock		13	–32
Changes in receivables		106	158
Changes in operating liabilities		18	–112
Cash flow from current activities		**551**	**156**
Investment activities			
Investments in tangible fixed assets		–208	–82
Investments in intangible fixed assets		–18	–5
Sales of tangible fixed assets		25	14
Acquisition of subsidiaries	25	–1,561	–271
Sale of subsidiaries	26	144	392
Increase/decrease in current financial liabilities		–9	11
Cash flow from investment activities		**–1,627**	**59**
Financing activities			
Loans raised		2,073	75
New share issue in progress		11	–
Amortisation of liabilities		–778	–128
Increase /decrease of current financial investments		–107	–82
Cash flow from investment activities		**1,199**	**–135**
Cash flow for the year		**123**	**80**
Opening balance, liquid funds		221	135
Exchange rate differences in liquid funds		18	6
Closing balance, liquid funds		**362**	**221**

Parent company's income statement

SEK m	Note	2001	2000
Administrative expenses		0	0
Operating profit/loss		**0**	**0**
Result from financial investments	5		
Profit from shares in subsidiaries		144	6
Interest income and similar profit items		15	0
Interest expenses and similar loss items		– 35	–13
Profit/loss after financial items		**124**	**–7**
Tax	7	6	4
Profit/loss for the year		**130**	**–3**

Parent company's cash flow statement

SEK m	2001	2000
Current activities		
Cash flow from current activities before changes in working capital	**–21**	**0**
Changes in liabilities	3	0
Changes in receivables	–212	–75
Cash flow from current activities	**–230**	**–75**
Investment activities		
Cost of acquisition	–6	0
Cash flow from investment activities	**–6**	**0**
Financing activities		
New share issue in progress	11	0
Loans raised	310	75
Amortisation	–74	0
Cash flow from financing activities	**247**	**75**
Cash flow for the year	**11**	**0**
Opening balance, liquid funds	0	0
Exchange rate differences in liquid funds	0	0
Closing balance, liquid funds	**11**	**0**

Parent company's balance sheet

SEK m	Note	31 Dec 2001	31 Dec 2000
Assets			
Fixed assets			
Financial fixed assets			
Shares in Group companies	10, 11	1,369	1,366
Total fixed assets		**1,369**	**1,366**
Current assets			
Current receivables			
Receivables from subsidiaries		451	71
Cash and bank balances		11	0
Total current assets		**462**	**71**
Total assets		**1,831**	**1,437**
Shareholders' equity and liabilities			
Shareholders' equity	14		
Restricted shareholders' equity			
Share capital		46	46
New share issue in progress		11	0
Share premium reserve		870	870
Statutory reserve		281	281
		1,208	1,197
Non-restricted shareholders' equity			
Profit brought forward		20	9
Profit/loss for the year		130	–3
		150	6
Total shareholders' equity		**1,358**	**1,203**
Long-term liabilities			
Subordinated loan	17	460	150
Total long-term liabilities		**460**	**150**
Current liabilities			
Liabilities to credit institutions	16	0	74
Liabilities to subsidiaries		12	9
Accrued expenses and deferred income	18	1	1
Total current liabilities		**13**	**84**
Total shareholders' equity and liabilities		**1,831**	**1,437**
Pledged assets	19	1,677	456
Contingent liabilities	20	20	23

Notes

Note 1 Accounting principles

Nobia complies with the Swedish Financial Accounting Standards Council's recommendations. The company has adapted to the new RR9 recommendation concerning income tax, whereby the Group's deferred income tax recoverable/income tax liability has been gross accounted. The adapting to the new recommendations that apply from 2001 has had no material effect on the Group's profits and financial position. In other respects the accounting principles are unchanged compared to the previous year.

Cash flow

The cash flow statement has been prepared according to the indirect method. The accounted cash flow comprises only transactions that entail payments in and out.

Consolidated accounts

The consolidated accounts include subsidiaries where the parent company, directly or indirectly holds more than 50% of the voting rights.

The consolidated accounts have been prepared in accordance with the acquisition accounting method, which means that subsidiaries' equity at the time of acquisition, established as the difference between the assets and liabilities market value, is eliminated in its entirety. The Group's equity therefore consists of that part of the subsidiaries' equity that is earned after the acquisition.

If the consolidated acquisition value of the shares exceeds the acquisition analysis' estimated value of the company's net assets, the difference is entered as consolidated goodwill. If, however, the consolidated acquisition value of the shares is lower than the acquisition analysis' estimated value of the company's net assets, the acquired company's non-monetary assets are reduced by the amount of the difference. If reducing the non-monetary assets does not eliminate all the difference, the remaining balance is reported as negative goodwill under other provisions. The provision is resolved based on the expected earnings trend. Provisions can be made for expected expenses for restructuring when an acquisition analysis is carried out, if required.

Companies sold during the year are included up to and including the date of sale.

Taxes

Appropriations and untaxed reserves are not reported in the consolidated accounts. They are divided between equity and deferred tax liabilities.

The difference between the booked and fiscal value is also taken into the accounts as a deferred tax liability, alternatively after individual examination, as a deferred receivable.

Loss carry forward that could be utilised against future profits, is capitalized as a deferred tax receivable. This refers to the accumulated loss carry forward at the time of acquisition, as well as any following loss.

Valuation is for the tax rate applicable on the closing day. Deferred tax is accounted as provisions while income tax liabilities are accounted for as current liabilities. The tax for the year is made up of actual tax and deferred tax.

Recalculation of foreign subsidiaries

For all the subsidiaries, Nobia AB applies the current method for translating the accounts of foreign subsidiaries. This means that foreign subsidiaries' assets and liabilities are translated at the closing day rate. All income statement items are translated at the year's average exchange rate. Translation differences are transferred directly to the Group's equity. Intra-Group profits are eliminated in their entirety, without taking minority shares into account.

Accounting of associated companies

Associated companies are those companies which are not subsidiaries, but where the parent company, directly or indirectly, holds at least 20 per cent of the voting rights of all the shares. The shares in associated companies are accounted for in accordance with the equity accounting method.

The equity accounting method means that consolidation is mainly effected on separate lines in the consolidated income statement and consolidated balance sheet. Associated companies accumulated profits, not allocated as dividends are reported in the consolidated income statement as an equity reserve, under restricted reserves.

Receivables

Receivables are reported at the amount that, after individual examination, they are expected to be paid.

Receivables and liabilities in foreign currency

Receivables and liabilities in foreign currency are valued at the closing date rate. In cases where hedging has been used, e.g. through forward contracts, the forward rate is used.

Stock

Stock is valued, applying the first in/first out (FIFO) principle, at whichever is the lower of the acquisition value and true value on the closing date. Required obsolescence allocations have been made.

Leasing agreements

Financial leasing agreements are reported in the balance sheet as fixed assets and liabilities, respectively, and in the income statement leasing contracts are divided between depreciation and interest. Operational leasing agreements are reported in the income statements as an operating expense.

NOTES

Note 1 cont.

Fixed assets

The operating profit has been charged with depreciation according to plan in the income statement, calculated on the original acquisition values and based on the assets calculated economic life as follows:

Office equipment and vehicles	3–5 years
Buildings	15–40 years
Consolidated goodwill	20 years
Machinery and other technical assets	6–12 years
Equipment, tools and installations	6–12 years

Goodwill has been set at 20 years. This amortisation period has been chosen due to the long-term strategic value of the acquisitions.

Revenue recognition

The company accounts for revenue when the risk for the goods have passed onto the customer in accordance with delivery conditions.

Note 2 Net sales broken-down into geographic markets

SEK m	The Group 2001	2000
Sweden	676	553
Norway	1,060	699
Finland	620	566
Denmark	920	791
Total Nordic region	3,276	2,609
UK	4,068	98
Germany	1,164	1,247
Other Europe	886	864
Total Europe	9,394	4,818
North America	261	146
Other world	80	71
Subtotal	9,735	5,035
Less companies acquired before acquisition date*	–1,452	–2,030
Plus companies sold**		1,097
The Group	8,283	4,102

* Concerns Magnet for 2001 and the Poggenpohl and Norema activities acquired in 2000.

** Concerns Star Byggprodukter and Svenska Fönster for 2000.

Note 3 Salaries, other remuneration and payroll overheads

Of the cost of goods sold, sales and administrative costs, salaries, other remuneration and payroll overheads amount to the following:

SEK m	2001 Salaries and other remuneration	2001 Payroll overheads (of which pension costs)	2000 Salaries and other remuneration	2000 Payroll overheads (of which pension costs)
Subsidiaries in:				
Sweden	160	70 (13)	268	113 (16)
Denmark	361	23 (16)	314	18 (13)
Norway	152	29 (3)	141	28 (4)
Finland	83	49 (17)	79	47 (19)
Germany	463	97 (4)	451	100 (5)
UK	400	30 (26)	6	1 (0)
France	2	1 (0)	2	1 (0)
USA	35	6 (0)	26	4 (0)
Austria	1	0 (0)	1	0 (0)
Switzerland	12	3 (1)	11	2 (2)
The Netherlands	3	0 (0)	3	0 (0)
Belgium	0	0 (0)	0	0 (0)
Subtotal	1,672	308 (80)	1,302	314 (59)
Less companies acquired, before acquisition date*	–	—	–484	–113 (–12)
The Group	1,672	308 (80)	818	201 (47)

* Concerns the Poggenpohl and Norema activities acquired in 2000.

NOTES

Note 3 con.

Salaries and other remuneration broken-down per country and between members of the board and other employees:

SEK m	2001 Board and CEO	2001 Other employees	2000 Board and CEO	2000 Other employees
Subsidiaries in:				
Sweden	7	153	8	260
Denmark	4	357	3	311
Norway	3	149	3	139
Finland	1	82	1	78
Germany	11	452	8	443
UK	8	392	1	5
France	1	1	1	1
USA	2	33	2	24
Austria	1	0	1	0
Switzerland	3	9	2	8
The Netherlands	1	2	1	2
Belgium	0	0	0	0
Subtotal	42	1,630	31	1,271
Less companies acquired, before acquisition date*	–	–	–15	–469
The Group	42	1,630	16	802

* Concerns the Poggenpohl and Norema activities acquired in 2000.

Parent company

The company has no employees. Remuneration to the Board is accounted for and paid by the subsidiary Nobia Nordisk Bygginteriör AB.

Senior management remuneration

The Board and the Chairman of the Board

Board members, who are not employed at Nobia, have received remuneration totalling SEK 1,425,000, of which the Chairman of the Board received Board fees totalling SEK 300,000 for the financial year 2001. The Chairman of the Board has no pension benefits or agreement for severance pay.

CEO

The CEO received SEK 3,280,000 in salary and a bonus of SEK 1,650,000 for 2001's results.

In addition to the normal pension, in accordance with the general pension schemes (ATP and AFP), the CEO has the right to an ITP pension scheme (supplementary pension for salaried employees in industry). By forgoing salary and benefits extra pension premiums of SEK 30,000 have been paid.

The CEO has the right to the same salary for 12 months plus severance pay equivalent to 12 months salary if employment is terminated by the employer. However, the amount will be reduced in the event of any subsequent new employment. If employment is terminated by the CEO six months' notice must be given.

Other Group management

Other Group management, consisting of nine people, received salaries during the financial year amounting to SEK11,216,000, and bonuses of SEK 2,282,000 for 2001's results. The Group management has the right to ITP pensions or its equivalent.

Note 4 Items affecting comparability

SEK m	The Group 2001
Capital gain from divestment of Star Byggprodukter	22

SEK m	The Group 2000
Capital loss from divestment of the door business	–104
Capital gain from divestment of Svenska Fönster and BorDörren	108
Costs for pension agreements	–22
Refunds of Alecta pension funds	64
Total	46

Note 5 Result from financial investments

SEK m	The Group 2001	The Group 2000	The Parent Company 2001	The Parent Company 2000
Profit from shares in subsidiaries				
Dividends, anticipated	–	–	147	15
Write-down	–	–	–3	–9
Other interest income and similar items				
Interest income, current	15	9	15	0
Interest expenses and similar items				
Interest expenses	– 138	–50	–35	–13
Total	– 125	–41	124	–7

Note 6 Remuneration to Auditors

SEK m	The Group 2001	The Group 2000	The Parent Company 2001	The Parent Company 2000
Auditing, Öhrlings PricewaterhouseCoopers	8	6	0	0
Other assignments besides auditing , Öhrlings PricewaterhouseCoopers	3	3	0	0

NOTES

Note 7 Tax

	The Group		The Parent Company	
SEK m	2001	2000	2001	2000
Corporation tax	–66	–59	0	0
Deferred tax	–94	–56	6	4
Total tax for the year	–160	–115	6	4

Tax expense accounts for 39% of profits before tax. The difference between accounted tax expense (39%) and estimated tax expense on the Group's profit before tax and estimated with local tax rates in Sweden (28%) is explained below:

Different local tax rates	4%
Taxes for former periods	–2%
Non-deductible goodwill amortization	3%
Other non-deductible/tax free items	7%
Other	–1%

The tax for the previous year, (48%) is mainly due to the loss arising in connection with the divestment of the door business not being utilised for tax purposes.

Nobia Nordisk Bygginteriör AB is involved in a tax lawsuit, regarding 1997's tax assessment. The tax authority has invoked a tax surcharge of SEK 4 million. The county administrative court found against Nobia. The verdict has been appealed against in the Swedish administrative court of appeal. Provision for this has not been made and in Nobia's opinion it is a tax surcharge that should not be paid.

For calculations of deferred tax liabilities and receivables see note 21.

Note 8 Intangible fixed assets

	The Group	
SEK m	2001	2000
Goodwill		
Opening acquisition values	497	173
Corporate sales	0	–25
Corporate acquisitions	760	343
Translation differences	79	6
Closing accumulated acquisition values	1,336	497
Opening amortization	67	47
Corporate sales	0	–2
Corporate acquisitions	0	12
Amortization for the year	51	9
Translation differences	3	1
Closing accumulated amortization	121	67
Closing planned residual value	1,215	430
Other intangible assets		
Opening acquisition values	114	20
Investments for the year	18	5
Sales and scrapping	–4	–2
Corporate acquisitions	0	75
Reclassification	5	12
Translation differences	9	4
Closing accumulated acquisition values	142	114
Opening amortization	80	12
Sales and scrapping	–3	–2
Corporate acquisitions	0	54
Reclassifications	1	8
Amortization for the year	11	5
Translation differences	7	3
Closing accumulated amortization	96	80
Opening write-downs	2	0
Write-downs for the year	3	2
Closing accumulated write-downs	5	2
Closing planned residual value	41	32

NOTES

Note 9 Tangible fixed assets

SEK m	The Group 2001	2000
Buildings		
Opening acquisition value	1,054	512
Investments for the year	24	14
Sales and scrapping	–5	–1
Corporate sales	–24	–258
Corporate acquisitions	448	762
Reclassification	20	0
Translation differences	97	25
Closing acquisition value	1,614	1,054
Opening depreciation	338	273
Sales and scrapping	–4	0
Corporate sales	–4	–123
Corporate acquisitions	61	161
Reclassification	1	0
Depreciation for the year	54	17
Translation differences	21	10
Closing depreciation	467	338
Opening write-ups	74	106
Corporate sales	0	–32
Closing accumulated write-ups	74	74
Opening depreciation of write-ups	–12	–11
Depreciation for the year	–2	–1
Closing depreciation of write-ups	–14	–12
Closing planned residual value	1,235	802
Land		
Opening acquisition value	133	30
Investments for the year	1	1
Sales and scrapping	–5	–1
Corporate sales	–1	–16
Corporate acquisitions	112	115
Translation differences	13	4
Closing acquisition value	253	133
Opening depreciation	17	2
Sales and scrapping	0	–1
Corporate acquisitions	0	15
Depreciation for the year	2	1
Translation differences	1	0
Closing depreciation	20	17
Opening write-ups	8	13
Corporate sales	0	–5
Closing accumulated write-ups	8	8
Closing planned residual value	241	124
Tax assessment of property in Sweden	72	93

The above accounts include the following financial leasing:

SEK m	Accumulated acquisition value 2001	2000	Accumulated depreciation 2001	2000
Buildings and land	40	39	5	3

SEK m	2001	2000
Investments in progress		
Opening balance	2	12
Investments started during the year	71	10
Investments completed during the year	–77	–1
Corporate sales	0	–20
Corporate acquisitions	84	0
Translation differences	6	1
Closing balance	86	2
Plant and machinery		
Opening acquisition value	1,133	1,208
Investments for the year	57	40
Sales and scrapping	–67	–24
Corporate sales	–36	–645
Corporate acquisition	765	536
Reclassification	58	–11
Translation differences	98	29
Closing acquisition value	2,008	1,133
Opening depreciation	782	896
Sales and scrapping	–66	–21
Corporate sales	–29	–519
Corporate acquisitions	634	370
Reclassification	–1	–11
Depreciation for the year	112	48
Translation differences	73	19
Closing depreciation	1,505	782
Opening write-downs	10	0
Write-downs for the year	5	10
Closing accumulated write-downs	15	10
Closing planned residual value	488	341

NOTES

Note 9 cont.

Equipment, tools, fixtures and fittings		
Opening acquisition value	325	161
Investments for the year	55	17
Sales and scrapping	–48	–39
Corporate sales	0	–48
Corporate acquisitions	127	223
Reclassification	19	–1
Translation differences	27	12
Closing acquisition value	505	325
Opening depreciation	225	124
Sales and scrapping	–40	–31
Corporate sales	0	–35
Corporate acquisitions	18	140
Reclassification	–4	3
Depreciation for the year	56	16
Translation differences	14	8
Closing depreciation	269	225
Opening write-downs	0	0
Write-downs for the year	2	0
Closing accumulated write-downs	2	0
Closing planned residual value	234	100

Advance payments for tangible fixed assets		
Opening balance	1	2
Redistribution carried out during the year	–1	–1
Closing balance	0	1

Note 10 Financial fixed assets

	The Parent Company	
Shares in subsidiaries SEK m	2001	2000
Opening acquisition value	1,366	456
Acquisitions of subsidiaries	3	910
Closing acquisition value*	1,369	1,366

* With write-downs taken into account.

		The Group	
Shares in associated company	Share of equity	2001	2000
HTH Expert w Kuchni sp Z	44,7%	3	–

Note 11 Shares in Group companies

Nobia AB's shares and participations in Group companies

	Company Reg. No.	Reg. office	Share of equity %	No. of shares/part.	Book value
Nobia Nordisk Bygginteriör AB	**556060-1006**	**Stockholm**	**100**	**100**	**456**
Lovene Dörr AB*	556038-1724	Göteborg	100		
Svensk Dörrteknik AB*	556088-0014	Göteborg	100		
Sigdal Kjøkken AS			100		
Marbodal AB	556038-0072	Tidaholm	100		
*– Marbodal Oy**			*100*		
Nobia Interiör AB*	556039-2440	Tidaholm	100		
HTH Køkkener A/S			100		
– HTH Kök Svenska AB	*556187-3190*	*Helsingborg*	*100*		
*– Danica Invest A/S**			*100*		
– HTH Kolding A/S			*100*		
*– HTH Handel A/S**			*100*		
*– HTH Handel 2 A/S**			*100*		
*– HTH Handel 4 A/S**			*100*		
– HTH Köge A/S			*100*		
*– HTH Kitchens Ltd**			*100*		
Swedoor Bauelementevertrieb GmbH*			100		
Star Möbelwerk GmbH			99.95		
– Star Trade Vertriebs GmbH			*100*		

NOTES

Note 11 cont.

	Company Reg. No.	Reg. office	Share of equity %	No. of shares/part.	Book value
Novart Oy			100		
Swedoor Industriprodukter AB*	556012-6392	Göteborg	100		
Nobia Köksinvest AB*	556062-9502	Värnamo	100		
*– KB Kvadraten**	*916836-4959*	*Värnamo*	*100*		
Nobia Holding (UK) Limited			100		
– Magnet Ltd			*100*		
– Hiveserve Ltd			*100*		
– C.P. Hart & Sons Ltd			*100*		
*– Aquamaison Ltd**			*100*		
*– Aqua Ware Ltd**			*100*		
*– Magnet Group Trustees Ltd**			*100*		
– Flint Properties Ltd			*100*		
– Magnet (Retail) Ltd			*100*		
*– Eastham Ltd**			*100*		
*– Hyphen Fitted Furniture Ltd**			*100*		
*– Magnet Distribution Ltd**			*100*		
– The Penrith Joinery Company Ltd			*100*		
*– Magnet & Southerns Ltd**			*100*		
*– Magnet Furniture Ltd**			*100*		
*– Magnet Joinery Ltd**			*100*		
*– Larkflame Ltd**			*100*		
*– Magnet Manufacturing Ltd**			*100*		
*– Magnet Retail Ltd**			*100*		
*– Magnet Supplies Ltd**			*100*		
*– Magnet Industries Ltd**			*100*		
*– Magnet Kitchens Ltd**			*100*		
Myresjökök AB	**556048-3256**	**Älmhult**	**100**	**30,000**	**76**
Poggenpohl Möbelwerke GmbH		**Herford**	**98.57**	**6**	**532**
Poggenpohl Group UK Ltd			100		
Poggenpohl France SARL			100		
Poggenpohl US Inc.			100		
Poggenpohl GesmbH			100		
Poggenpohl Group Schweiz AG			100		
Poggenpohl AB	556323-2551	Stockholm	100		
Poggenpohl A/S			100		
Poggenpohl Nederland BV			100		
Poggenpohl Belgium NV			100		
Poggenpohl Service GmbH			100		
Rose Küche Beteiligungs GmbH			100		
Möbelwerkstätten Josef Ritter GmbH			100		
Goldreif Möbelfabrik GmbH			100		
Pronorm Gieschwa Möbel GmbH			100		
Optifit Jaka-Möbel GmbH			100		
– Eurofit Vertriebs-GmbH			*100*		
– Marlin Bad-Möbel GmbH			*100*		
Norema AS		**Jevnaker**	**100**	**20,000**	**154**
Norema Försäljnings AB	**556236-4280**	**Stockholm**	**100**	**1,000**	**0**
Invita Køkkener A/S		**Bording**	**100**	**6,000,000**	**151**
Invita Detail & Projekt A/S					
Total					1,369

* Dormant

NOTES

Note 12 Prepaid expenses and accrued income

SEK m	The Group 2001	2000
Prepaid rent	25	6
Bonus from suppliers	20	25
Prepaid bank charges	10	0
Other costs/revenues	80	23
Total	135	54

Note 13 Liquid funds

SEK m	The Group 2001	2000	The Parent Company 2001	2000
Cash and bank balances	362	221	11	0

The Group's unused credit facilities, which are not included in liquid funds, totalled SEK 172 m (288 m) at the year end. In addition to bank overdraft facilities, the company had unused credit facilities of SEK 422 m on 31 December 2001.

Note 14 Change in shareholders' equity

The Group SEK m	Share capital	Restricted reserves	Non-restricted equity	Total
Opening balance, 1 Jan.	46	1,313	4	1,363
New share issue in progress		11		11
Change in translation differences		155	–7	148
Transfers between restricted and non-restricted equity		17	–17	0
Profit for the year			254	254
Closing balance, 31 Dec.	46	1,496	234	1,776

The Parent Company SEK m	Share capital	New share issue in progress	Share premium reserve	Statutory reserve	Non-restricted equity	Total
Opening balance, 1 Jan.	46	0	870	281	6	1,203
New share issue in progress		11				11
Group contribution					20	20
Tax on Group contribution					– 6	– 6
Profit for the year					130	130
Closing balance, 31 Dec.	46	11	870	281	150	1,358

The share capital is made up of 4,428,393 class A shares, and 200,000 class B shares at a nominal SEK 10 each.

Option schemes

The company has issued warrants to subscribe for the company's class A shares as seen in the table below:

Number of shares	Issue price	Mature	Issued
162,632	SEK 100	Sept. 2005	1996
33,500	SEK 10	Jun. 2009	2001
50,000	SEK 10	Dec. 2008	2001

In addition, the company has issued further promissory notes linked to 78,042 warrants to subscribe for class A shares at SEK 10 per share, which were subscribed for by the subsidiary Nobia Nordisk Bygginteriör AB. The company has a duty under certain circumstances to transfer these. The company does not however consider that these circumstances will arise, and therefore this dilution has not been taken into account when computing key figures.

Furthermore, the company, in connection with a company management incentive scheme, has issued a promissory note for 250,000 detachable warrants entitling the holder to subscribe for class A shares at SEK 10 per share. This promissory note has also been subscribed for by Nobia Nordisk Bygginteriör AB.

In conjunction with the company's acquisition of Skanska's and Norema's kitchen businesses, the company issued two promissory notes, each with 430,293 detachable warrants giving the right to subscribe for shares in the company. Industri Kapital 1994 Limited subscribed for both promissory notes. In connection therewith, Industri Kapital 1994 Limited entered option agreements with Skanska and Norema meaning that each of the companies had an option free of charge to acquire a maximum 430,293 warrants to subscribe for new shares, if the companies would suffer damage as a consequence of Industri Kapital 1994 Limited supplying incorrect information in the respective option scheme regarding the conditions at Nobia.

NOTES

Note 15 Other provisions

These mainly refer to the restructuring measures in acquired companies. Dissolving of this allocation has been made for the companies acquired in 2000 of SEK 182 m. Exchange rate fluctuations amounted to SEK 20 m whereby allocations at the start of the year amounted to SEK 91 m. Allocations were made of SEK 154 m for planned restructuring measures in conjunction with the acquisition of Magnet in 2001. During the year SEK 8 m were released and exchange rate fluctuations amounted to SEK 8 m whereby the provisions at year-end totalled SEK 154 m. Other allocations amount to SEK 74 m.

Note 16 Liabilities to credit institutions

Maturity	SEK m
Within 1 year	46
Between 1 and 5 years	1,821
Longer than 5 years	12
Total	1,879

The above statement excludes the subordinated loan explained in note 17. Other long-term liabilities consist of financial leasing agreements.

Note 17 Subordinated loan

The loan is subordinated to other liabilities from a risk viewpoint.

The lenders are:	SEK m
Intermediate Capital Group of London, payment due September 2005	150
Enodis, payment due June 2009	310
	460

The lenders hold the options described in note 14.

Note 18 Accrued expenses and deferred income

	The Group		The Parent Company	
SEK m	2001	2000	2001	2000
Bonus to customers	70	65	–	–
Accrued salaries	88	111	–	–
Accrued payroll overheads and pensions	11	20	–	–
Accrued interest	6	6	1	1
Other costs	387	138	–	–
Total	562	340	1	1

Note 19 Pledged assets

	The Group		The Parent Company	
SEK m	2001	2000	2001	2000
Liabilities to credit institutions				
Chattel mortgages	580	475	–	–
Property mortgages	151	286	–	–
Shares in subsidiaries	1,776	723	1,368	456
Other current assets	0	19	309	–
Pension provisions				
Property mortgages	5	5	–	–
Total pledged assets	2,512	1,508	1,677	456

Note 20 Contingent liabilities

	The Group		The Parent Company	
SEK m	2001	2000	2001	2000
Sureties	11	0	20	23
Guarantees	25	21	0	0
Total	36	21	20	23

NOTES

Note 21 Deferred tax

The Group's deferred tax for the year of SEK –94 m (–56 m) is accounted for as a tax expense in the consolidated income statement. The deferred tax liability for the year relates mainly to the utilised loss carry forward in the UK and deferred tax on restructuring reserves that have been released.

The change in deferred tax recoverable/liability

Deferred tax recoverable

	The Group		The Parent Company	
SEK m	2001	2000	2001	2000
Opening balance	73	95	–	–
Adjustment opening balance*	145	–	–	–
Exchange rate fluctuations	13	0	–	–
Aquisitions [1]	157	73	–	–
Sales	–	7	–	–
Accounted tax expense for the period	–90	–102	–	–
Offsetting of deferred tax within tax community	–162	–	–	–
Other changes [2]	–1	0	–	–
Closing balance	135	73	–	–

* Gross accounting of former net accounted deferred tax in accordance with RR9. The comparative figures for 2000 have not been recalculated because the comparison will not be purposeful due to the acquisitions that took place in 2000.

1 Acquisition of Magnet May 2001, adjustments for the acquisition of Poggenpohl October 2000.

2 Concerns the reclassification between deferred tax and actual tax.

Deferred tax liability

	The Group		The Parent Company	
SEK m	2001	2000	2001	2000
Opening balance	100	47	–	–
Adjustment opening balance*	145	–	–	–
Exchange rate fluctuations	19	2	–	–
Acquisitions [1]	40	105	–	–
Sales [2]	–6	–7	–	–
Deferred tax expense for the period	4	–47	–	–
Offsetting of deferred tax within tax community	–162	0	–	–
Other changes [3]	–14	0	–	–
Closing balance	126	100	–	–

* Gross accounting of former net accounted deferred tax in accordance with RR9. The comparative figures for 2001 have not been recalculated because the comparison will not be purposeful due to the acquisitions that took place in 2000.

1 Acquisition of Magnet May 2001, adjustments for the acquisition of Poggenpohl October 2000.

2 Sale of Star Byggprodukter January 2001.

3 Concerns the reclassification between deferred tax and actual tax.

The period's closing balance of deferred tax recoverable/tax liability

Deferred tax recoverable

	The Group		The Parent Company	
SEK m	2001	2000	2001	2000
Loss carry forward	204	108	–	–
Restructuring reserve	82	97	–	–
Other	11	13	–	–
Closing balance	297	218	–	–

Deferred tax liability

	The Group		The Parent Company	
SEK m	2001	2000	2001	2000
Taxable accelerated depreciation	111	95	–	–
Write-ups	174	145	–	–
Other	3	5	–	–
Closing balance	288	245	–	–

Deferred tax recoverable and liability are offset when there is a legal offsetting right for actual tax recoverable and liability, and when deferred tax concern the same tax authority. The following amounts have been recorded after such offsetting and recorded in the balance sheets.

	The Group		The Parent Company	
SEK m	2001	2000	2001	2000
Deferred tax recoverable	135	73	–	–
Deferred tax liability	126	100	–	–

The value of the loss carry forward for which deferred tax recoverable is not considered amounts to SEK 90 m.

Nobia does not account for any deferred tax for temporary differences concerning investments in subsidiaries or associated companies. Possible future effects (basic tax and other deferred tax for profit taking within the Group) are accounted for when Nobia no longer is able to govern cancellation of such differences or when, for other reasons it is no longer improbable that cancellation will occur in the foreseeable future. Such possible future effects are not considered to in any way relate to the total amount of the temporary differences.

Note 22 Purchases and sales between subsidiaries and the Parent Company

Sale to or purchase from other Group companies have not occurred during the year.

NOTES

Note 23 Average number of employees

	2001		2000	
	Number of employees	Of which men	Number of employees	Of which men
Subsidiaries in				
Sweden	553	451	998	800
Denmark	953	680	1,009	729
Norway	519	331	520	322
Finland	478	331	510	346
Germany	1,280	997	1,526	1,199
UK	1,479	1,228	17	11
France	2	0	4	2
USA	51	27	47	22
Austria	2	1	2	1
Switzerland	20	13	22	10
The Netherlands	6	6	7	7
Belgium	0	0	1	1
Subtotal	5,343	4,065	4,663	3,450
Less companies acquired before acquisition date*	0	0	–1,660	–1,208
Group total	5,343	4,065	3,003	2,242

* Concerns the Poggenpohl and Norema activities acquired in 2000.

Note 24 Provisions for pensions

SEK m	2001	2000
FPG/PRI pensions	17	22
Other pensions	57	57
Total	74	79

Local regulations have been followed for activities outside Sweden.

Note 25 Acquisitions of subsidiaries

The Magnet Group was acquired with effect from May 2001.

The effect of these transactions on acquired assets and liabilities, the purchase sum and the effect on the consolidated liquid assets were as follows.

SEK m	2001	Adjustment previous acquisitions
Goodwill	736	24
Intangible fixed assets	0	0
Tangible fixed assets	823	0
Deferred tax recoverable	117	0
Financial fixed assets	9	0
Stock	595	0
Other current assets	494	0
Provisions	–229	–7
Long-term liabilities	3	0
Current liabilities	–647	–6
Deferred tax liabilities	0	–9
Total purchase price	1,901	2
Loan from seller	–301	0
Liquid funds in acquired companies	–41	0
Total cash flow attributable to investments in subsidiaries	1,559	2

Note 26 Divestment of subsidiaries

During the year Star Byggprodukter was divested. The effect of this transaction on acquired assets and liabilities, purchase price and effect on the consolidated liquid funds was as follows.

SEK m	2001
Tangible fixed assets	28
Financial fixed assets	21
Stock	85
Other current assets	103
Provisions	–9
Deferred tax liability	1
Current liabilities	–198
Capital gain	14
Total purchase price	45
Increase/decrease in receivables from divested subsidiaries	99
Total cash flow attributable to divested subsidiaries	144

NOTES

Note 27 Operational leasing contracts

The nominal value of future contracted leasing fees, concerning contracts where the remaining duration exceeds one year are divided as follows.

	The Group		The Parent Company	
SEK m	2001	2000	2001	2000
Fall due for payment 2002	102	41	0	0
Fall due for payment 2003	69	31	0	0
Fall due for payment 2004	65	21	0	0
Fall due for payment 2005	60	15	0	0
Fall due for payment 2006	31	0	0	0

Note 28 Depreciation per activity

SEK m	2001	2000
Cost of goods sold	–233	–56
Sales costs	–25	–16
Administration costs	–26	–23
	–284	–95

Stockholm 20 February 2002

Hans Larsson
Chairman

Harald Mix
Vice Chairman

Fredrik Cappelen
Managing Director

Karsten Bomann Jonsen

Wilhelm Laurén

Christian Lorenzen

Thomas Nilsson

Staffan Schéle

Flemming Østergaard

Per Bergström

Olof Harrius

Our Audit Report was submitted on 20 February 2002

Öhrlings PricewaterhouseCoopers AB

Robert Barnden
Authorized public accountant

Audit report

To the general meeting of the shareholders of Nobia AB
Corporate identity number 556528-2752

We have audited the annual accounts, the consolidated accounts, the accounting records and the administration of the board of directors and the managing director of Nobia AB for the year 2001. These accounts and the administration of the company are the responsibility of the board of directors and the managing director. Our responsibility is to express an opinion on the annual accounts, the consolidated accounts and the administration based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in Sweden. Those standards require that we plan and perform the audit to obtain reasonable assurance that the annual accounts and the consolidated accounts are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the accounts. An audit also includes assessing the accounting principles used and their application by the board of directors and the managing director, as well as evaluating the overall presentation of information in the annual accounts and the consolidated accounts. As a basis for our opinion concerning discharge from liability, we examined significant decisions, actions taken and circumstances of the company in order to be able to determine the liability, if any, to the company of any board member or the managing director. We also examined whether any board member or the managing director has, in any other way, acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association. We believe that our audit provides a reasonable basis for our opinion set out below.

The annual accounts and the consolidated accounts have been prepared in accordance with the Annual Accounts Act and, thereby, give a true and fair view of the company's and the group's financial position and results of operations in accordance with generally accepted accounting principles in Sweden.

We recommend to the general meeting of shareholders that the income statements and balance sheets of the parent company and the group be adopted, that the profit for the parent company be dealt with in accordance with the proposal in the administration report and that the members of the board of directors and the managing director be discharged from liability for the financial year.

Stockholm 20 February 2002

Öhrlings PricewaterhouseCoopers AB

Robert Barnden
Authorized Public Accountant

The Board

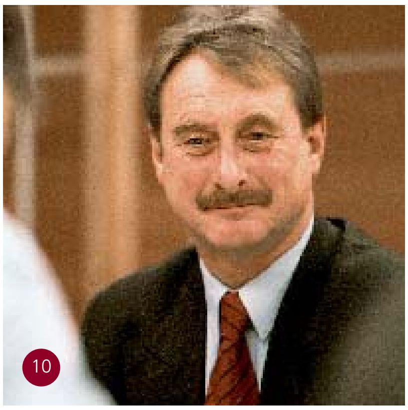
The work of the Board in 2001

The Board at Nobia consists of nine members elected by the AGM and four employee representatives. Other executives at the company take part in the work of the Board for reporting and for minute taking.

During the 2001 fiscal year the Board held six ordinary meetings and one extraordinary meeting.

At these meetings the Board dealt with the fixed agenda for each meeting such as business position, investments, budget, quarterly reports and annual accounts. In addition, issues such as corporate acquisitions and divestments plus similar issues of strategic character were given a lot of consideration in the Board's work.

The control issues handled by the Board are addressed by the Board in its entirety. To safeguard the Board's information requirements in this respect, the company's auditor reports to the Board annually, his observations from the audit and his opinion on the company's internal control systems.



1	Hans Larsson	8	Erik Larsson
2	Harald Mix	9	Staffan Schéle
3	Fredrik Cappelen	10	Karsten Bomann Jonsen
4	Wilhelm Laurén	11	Per Bergström
5	Gerard de Geer	12	Olof Harrius
6	Thomas Nilsson	13	Inga Andersen
7	Flemming Østergaard	14	Kjell-Ole Marken

Hans Larsson
Stockholm, born 1942, Chairman, Board Member since 1996. Chairman of Sydsvenska Kemi AB, Biolight International AB and Carema AB. Board Member of, amongst others, Bilia AB, Svenska Handelsbanken, Holmen AB and Pergo AB.
Shareholding in Nobia AB: 13,000 shares

Harald Mix
Stockholm, born 1960, Vice Chairman, Board Member since 1996, Deputy MD of Industri Kapital AB until 2001. Vice Chairman of Elektrokoppar Holding AB.
Shareholding in Nobia AB: 0

Fredrik Cappelen
Stockholm, born 1957, Board Member since 1996. Employed as MD of Stora Byggprodukter AB in 1995. President and CEO of Nobia AB since 1996.
Shareholding in Nobia AB: 33,620 shares

Gerard De Geer
Stockholm, born 1949, Board Member from 3 April 2002. Director Operations & Business Control of Industri Kapital AB. Vice Chairman of Lindex AB, Board Member of MacGregor International AB, AB Elektrokoppar and Addtek International Oy.
Shareholding in Nobia AB: 0

Karsten Bomann Jonsen
Bekkestua, Norway, born 1950, Board Member since 2000. President of Selvaag Gruppen A/S. Chairman of, amongst others, Isolith A/S and Selvaag EiendomA/S. Board Member of Norsk Kjøkken Invest A/S and A/S Selvaagbygg.
Shareholding in Nobia AB: 0

Wilhelm Laurén
Stockholm, born 1943, Board Member since 1996. Chairman of Elektrokoppar Holding AB, Enermet Group and Hörnell International AB.
Shareholding in Nobia AB: 3,000 shares

Christian Lorenzen
London, born 1962, Board Member since 1999 until 3 April 2002. Until June 2001 CEO of Industri Kapital (Deutschland) GmbH and Director of Industri Kapital Ltd.
Shareholding in Nobia AB: 0

Thomas Nilsson
London, born 1948, Board Member since 1998. CEO of Firesteed Capital Limited. Board Member of WM-data AB, Fulcrum Invest Equity N.V. and Dyconex AG.
Shareholding in Nobia AB: 3,000 shares

Staffan Schéle
Stockholm, born 1949, Board Member since 2001. Senior Vice President, head of Corporate Finance Skanska AB since 1994. Board Member of Polaris Aircraft Leasing KB.
Shareholding in Nobia AB: 0

Flemming Østergaard
Skodsborg, Denmark, born 1943, Board Member since 1997. CEO Parken Sport & Entertainment A/S. Chairman of Flemming Østergaard Management A/S, Saloprint Holding A/S, Driftsselskabet Idrætsparken A/S, Skodsborg Fysioterapi ApS, York & Duck Holding ApS, RockShow A/S and E-billetter DK A/S.
Shareholding in Nobia AB: 3,000 shares

Deputy

Erik Larsson
Stockholm, born 1971, deputy since 2000. Associate director of Industri Kapital AB. Deputy Board Member of Viking Sewing Machines AB and Telefos AB.
Shareholding in Nobia AB: 0

Employee representatives

Per Bergström
Tidaholm, born 1960, employee representative since 2000. Employed at Marbodal AB, Tidaholm since 1976.
Shareholding in Nobia AB: 0

Olof Harrius
Tidaholm, born 1949, employee representative since 1998. Employed at Marbodal AB, Tidaholm since 1971.
Shareholding in Nobia AB: 0

Inga Andersen
Ølgod, Denmark, born 1951, deputy, employee representative since 2000. Employed at HTH Køkkener A/S since 1973.
Shareholding in Nobia AB: 0

Kjell-Ole Marken
Eggedal, Norway, born 1967, deputy, employee representative since 2000. Employed at Sigdal AS, Nedre Eggedal since 1986.
Shareholding in Nobia AB: 0

Auditor

Robert Barnden
Sollentuna, born 1946.
Authorized public accountant (established)
Öhrlings PricewaterhouseCoopers

Shareholding as per 31 December 2001.

Group Management

Fredrik Cappelen, born 1957.
President and CEO. Employed since 1995.
Shareholding in Nobia: 33,620 shares.

Lennart Rappe, born 1944.
Executive Vice President, CFO.
Employed since 1999.
Shareholding in Nobia: 6,172 shares.

Peter Petersson, born 1951. Vice President, Business Development/Human Resources/ Communications. Employed since 1995. Shareholding in Nobia: 13,440 shares.

Ingemar Tärnskär, born 1961. Vice President, Production/Purchase/Logistics and Product Development. Employed since 2001. Shareholding in Nobia: 6,172 shares.

Henning Storm, born 1955. Vice President, Corporate Marketing. Employed at HTH since 1981. Shareholding in Nobia: 3,840 shares.

Preben Bager, born 1948.
Business Unit Manager HTH. Employed at HTH since 1989.
Shareholding in Nobia: 20,000 shares.

Jorma Lehtovuori, born 1952.
Business Unit Manager Novart. Employed at Novart since 1985.
Shareholding in Nobia: 1,000 shares.

Friedhelm Meyer, born 1940.
Business Unit Manager Pronorm. Employed at Pronorm since 1991.
Shareholding in Nobia: 0

Björn Arnestad, born 1946.
Business Unit Manager Norema. Employed at Norema since 2000.
Shareholding in Nobia: 0

Gary Favell, born 1956.
Business Unit Manager Magnet. Employed at Magnet since 1987.
Shareholding in Nobia: 9,821 shares.

Business Unit Managers

Ulrich Galla
Goldreif

Preben Bager
HTH

Leif Nygård
Invita

Gary Favell
Magnet

Anders Reuthammar
Marbodal

Per Andersson
Myresjökök

Björn Arnestad
Norema

Jorma Lehtovuori
Novart

Elmar Duffner
Optifit

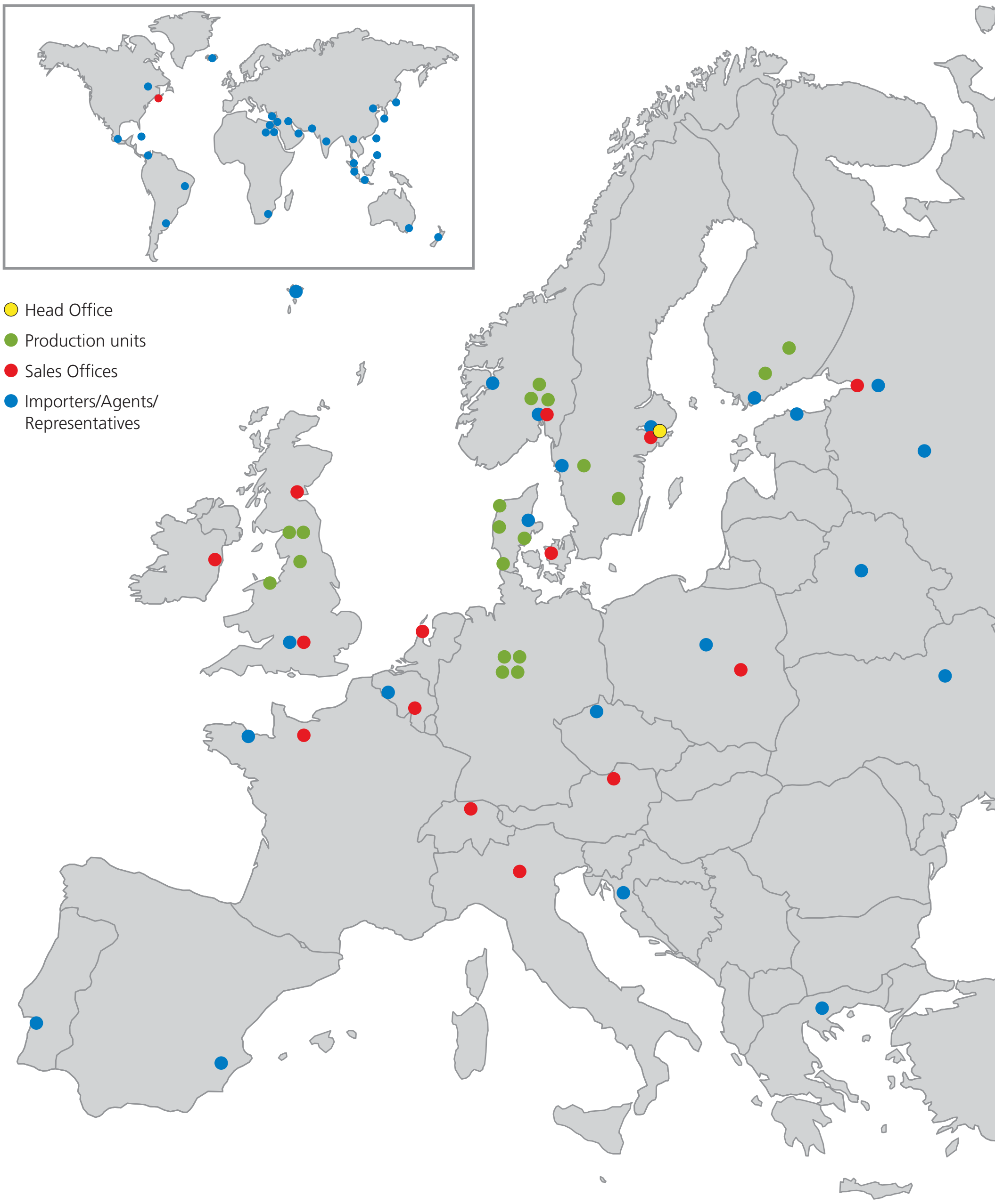
Heiko Mittag
Poggenpohl

Friedhelm Meyer
Pronorm

Egil Wold
Sigdal

Shareholding as per 31 December 2001.

Addresses



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