



## Continued sales increase in a weaker market

(All figures in brackets refer to the corresponding period in 2007. New accounting principle applied in 2008, refer to page 8.)

Nobia's sales during the second quarter of 2008 amounted to SEK 4,477 million (4,333). Profit after tax amounted to SEK 274 million (306). Organic growth was 7 per cent. Earnings per share amounted to SEK 1.62 (1.74) after dilution.

Operating profit for the quarter amounted to SEK 421 million (447) and the operating margin was 9.4 per cent (10.3). Exchange-rate effects had a negative impact on operating profit for the period.

Several of Nobia's primary markets reported decreased activity. This was most clearly observed in the UK and France, and in demand for new builds in the Nordic region.

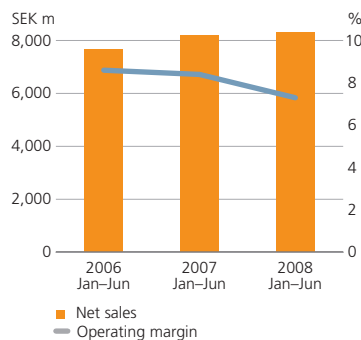
### Comments from the CEO

"Although earnings in Continental Europe were weak, we achieved an overall satisfactory result in a weaker market, with a continuing strengthened position in the UK and favourable development in the Nordic region. New store establishments occurred at a calmer rate during the period. We are following market trends in our primary markets and adjusting our capacity accordingly. The ongoing merger of business units in Norway and Sweden is proceeding according to plan and enhancing the efficiency of our product line co-ordination and contributing to lower costs," says President and CEO Preben Bager.

### Nobia Group Summary

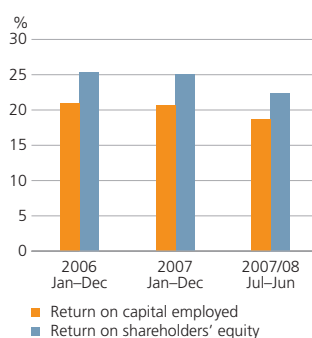
	Apr–Jun			Jan–Jun			Jul–Jun	Jan–Dec
	2008	2007	Change, %	2008	2007	Change, %	2007/08	2007
Net sales, SEK m	4,477	4,333	3	8,312	8,203	1	16,243	16,134
Operating profit before depreciation, SEK m (EBITDA)	539	562	–4	874	955	–8	1,709	1,790
Operating profit, SEK m (EBIT)	421	447	–6	646	732	–12	1,267	1,353
Operating margin, %	9.4	10.3	–	7.8	8.9	–	7.8	8.4
Profit after financial items, SEK m	381	419	–9	572	678	–16	1,141	1,247
Profit after tax, SEK m	274	306	–10	412	487	–15	883	958
Earnings per share, after dilution, SEK	1.62	1.74	–7	2.42	2.78	–13	5.15	5.50
Operating cash flow, SEK m	–22	314	–	–138	648	–	163	949
Return on capital employed, %	–	–	–	–	–	–	18.7	20.6
Return on shareholders' equity, %	–	–	–	–	–	–	22.4	25.0

### Net sales and operating margin



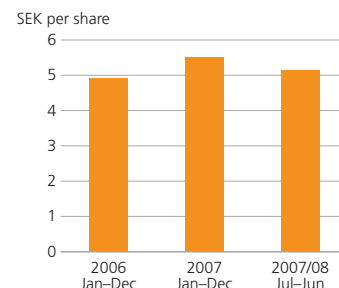
Net sales in the first six months amounted to SEK 8,312 million and the operating margin to 7.8%.

### Profitability trend



Return on capital employed amounted to 18.7 per cent during the past 12-month period.

### Earnings per share



Earnings per share after dilution amounted to SEK 5.15 during the past 12-month period.



## Second quarter net sales and operating profit

Net sales amounted to SEK 4,477 million (4,333) during the second quarter. Organic growth was 7 per cent due to continued favourable growth in the UK. Operating profit amounted to SEK 421 million (447) and the operating margin was 9.4 per cent (10.3).

Net sales in the Nordic region increased by 16 per cent.

Exchange-rate fluctuations, particularly in GBP, had a negative impact on operating profit. However, the timing of the Easter holiday had a positive effect on earnings for the quarter, resulting in more delivery days in the Nordic countries during the second quarter.

At the end of the period, Nobia had a total of 668 (660 at year-end) stores, comprising 435 Group-owned stores and 233 franchises stores. The joint-venture Culinoma also has 83 stores in Germany (79 at year-end).

### Net sales and profit per region, first quarter

SEK m	Net sales Apr–Jun			Operating profit Apr–Jun			Operating margin, % Apr–Jun	
	2008	2007	Change, %	2008	2007	Change, %	2008	2007
UK	1,424	1,538	-7	120	136	-12	8.4	8.8
Nordic	1,773	1,529	16	242	225	8	13.6	14.7
Continental Europe	1,307	1,301	0	87	119	-27	6.7	9.1
Other and Group adjustments	-27	-35	-	-28	-33	-	-	-
Group	4,477	4,333	3	421	447	-6	9.4	10.3

### Analysis of net sales

	Apr–Jun	
	%	SEK m
2007		4,333
Organic growth	7	283
– of which region UK <sup>1)</sup>	10	150
– of which Nordic region <sup>1)</sup>	7	114
– of which Continental Europe region <sup>1)</sup>	1	17
Currency effect	-4	-191
Acquired units <sup>3)</sup>	2	109
Discontinued operations <sup>2)</sup>	-1	-57
2008	3	4,477

<sup>1)</sup> Organic growth for each organisational region.

<sup>2)</sup> Acquired units refers to the stores HTH took over in Denmark.

<sup>3)</sup> Discontinued operations are C.P. Hart in the UK region and Optifit's flat-pack bathroom operations in the Continental Europe region.

Nobia is the leading kitchen company in Europe with operations in some ten countries. The Group manufactures and sells complete kitchen solutions through many strong local and international brands, including Magnet in the UK, HTH in the Nordic region, Hygena in France and Poggenpohl internationally. Sales are generated through specialised kitchen studios, other sales channels and direct to corporate customers.

Nobia creates profitable growth by working according to the company's strategic cornerstones. Nobia has about 8,500 employees and annual net sales of approximately SEK 16 billion. The Nobia share is listed on the OMX Nordic Exchange Stockholm under the shortname NOBI, in the Consumer Discretionary sector. Nobia is included in the OMX Stockholm Benchmark Index. More information is available at [www.nobia.com](http://www.nobia.com).



## UK region

Net sales amounted to SEK 1,424 million (1,538) during the second quarter. Organic growth amounted to 10 per cent. Operating profit amounted to SEK 120 million (136) and the operating margin was 8.4 per cent (8.8).

The period was characterised by continued strong sales trend in a declining market. The strongest growth was reported in the Magnet business unit's sales of rigid kitchens and joinery products in the Trade channel.

Four new stores were added during the quarter, which meant that the rate of expansion was slower than planned.

Operating profit during the period was positively impacted by increased sales, but negatively affected by currency effects. Initial costs as a result of a store expansion and a broadened sales organisation limited the growth of operating profit in the region.

Measured in local currency, operating profits in the region improved by 3 per cent.

The number of kitchen stores in the region at the end of the second quarter totalled 205. All of the stores are Group-owned.

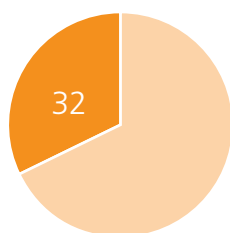
### Trend in the kitchen market during the period

The UK kitchen market continued to weaken as a result of the general downturn in the economy and turmoil in the mortgage loan market.

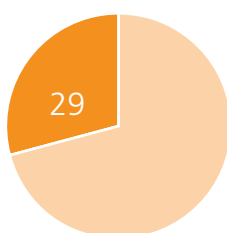
### Quarterly data

	2008		2007			
	II	I	IV	III	II	I
Net sales, SEK m	<b>1,424</b>	1,424	1,542	1,492	1,538	1,440
Operating profit, SEK m	<b>120</b>	146	130	125	136	126
Operating margin, %	<b>8.4</b>	10.2	8.4	8.4	8.8	8.8

Percentage of consolidated net sales, second quarter, %



Percentage of consolidated operating profit, second quarter, %



Store trend, January–June

Refurbished or relocated	5
Newly opened, net	8
Number of kitchen stores (Group-owned)	205

### Brands in the UK region

**Magnet** **Gower**



## Nordic region

Net sales during the second quarter amounted to SEK 1,773 million (1,529). Organic growth was 7 per cent. Operating profit amounted to SEK 242 million (225) and the operating margin was 13.6 per cent (14.7).

The Easter effect helped strengthen operating profit by approximately SEK 25 million. Sales were impacted negatively by decreased demand for new builds. Declining demand within new builds in the region forced Nobia to adjust its capacity accordingly.

The merger of the business units in Norway and Sweden is proceeding according to plan and enabling an enhancement of efficiency and a higher rate of product line co-ordination.

The HTH business unit took over a total of eight franchise stores during the period. The 21 stores taken over during the year contributed SEK 109 million in increased sales.

At the end of the second quarter, the number of Nobia Group-owned kitchen stores in the region totalled 56 and the number of franchise stores 231.

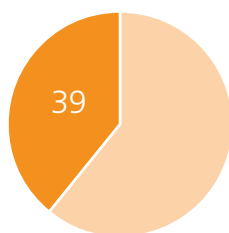
### Trend in the kitchen market during the period

The performance of the Swedish kitchen market was positive, while the other Nordic kitchen markets weakened. Declining demand was primarily attributable to decreased activity in new builds.

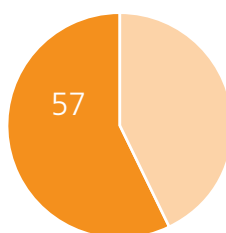
### Quarterly data

	2008		2007			
	II	I	IV	III	II	I
Net sales, SEK m	1,773	1,413	1,436	1,192	1,529	1,410
Operating profit, SEK m	242	126	157	120	225	183
Operating margin, %	13.6	8.9	10.9	10.1	14.7	13.0

Percentage of consolidated net sales, second quarter, %



Percentage of consolidated operating profit, second quarter, %



Store trend, January–June

Refurbished or relocated	6
Newly opened, net	2
Number of kitchen stores (Group-owned and franchise)	287

### Brands in the Nordic region

Sweden



Denmark



Finland



Norway





## Continental Europe region

Net sales during the second quarter amounted to SEK 1,307 million (1,301). Organic growth was 1 per cent. Operating profit amounted to SEK 87 million (119) and the operating margin was 6.7 per cent (9.1).

Exchange-rate fluctuations affecting the GBP and USD had a negative impact on operating profit.

New store establishments in Hygena and Poggenpohl occurred at a lower rate than planned, with only one store opened in France and the first establishment carried out in Spain during the period.

The joint-venture Culinoma in Germany, which is reported in accordance with the equity method, positively impacted operating profit for the quarter in the amount of SEK 2.8 million. Culinoma acquired the ten stores in the Vesta chain and co-ordination of Culinoma's supply chain in Germany is continuing.

The final stage of the transfer of French company Hygena's supply chain to Nobia's flows has taken longer than anticipated. The transfer is expected to be complete by year-end.

At the end of the second quarter, the number of Group-owned kitchen stores in the region totalled 174 and the number of franchise stores was two. Culinoma comprised an additional 83 stores.

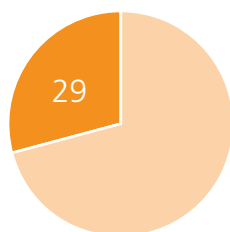
### Trend in the kitchen market during the period

Overall, demand in the region's primary markets was somewhat weaker than in the year-earlier period.

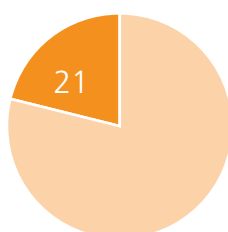
### Quarterly data

	2008		2007			
	II	I	IV	III	II	I
Net sales, SEK m	<b>1,307</b>	1,024	1,229	1,073	1,301	1,062
Operating profit, SEK m	<b>87</b>	-16	85	64	119	5
Operating margin, %	<b>6.7</b>	-1.6	6.9	5.9	9.1	0.5

Percentage of consolidated net sales, second quarter, %



Percentage of consolidated operating profit, second quarter, %



Store trend, January-June

Refurbished or relocated	3
Newly opened, net	3
Number of kitchen stores (Group-owned and franchise)	176

### Brands in the Continental Europe region

Austria



France



Germany





## Consolidated earnings, cash flow and financial position for the first half of 2008

Earnings per share after dilution amounted to SEK 2.42 per share (2.78) after the first six months of the year. During the past 12-month period, earnings per share amounted to SEK 5.15. Operating profit for the first half of the year (EBIT) amounted to SEK 646 million (732). Currency effects had a negative impact on operating profit amounting to approximately SEK 65 million in the UK region and SEK 20 million in Continental Europe. Operating profit in the Nordic region had a positive impact of SEK 10 million.

Net financial items amounted to negative SEK 74 million (neg: 54). Net interest amounted to negative SEK 58 million (neg: 39). This decline in net interest is due to higher average borrowing and higher interest rates. Net financial items includes the net of returns on pension assets and interest expense on pension liabilities corresponding to negative SEK 16 million (expense: 15).

The tax rate of 28 per cent (28.2) that was applied to the period's earnings is the estimated weighted average tax rate for the full fiscal year. One of the reasons for the changed tax rate is the lower corporate tax rate in Germany and the UK.

Operating cash flow for the period amounted to negative SEK 138 million (648). In addition to lower earnings and higher investments, the decline in cash flow is explained by the build-up of working capital related to the Magnet Trade concept.

The return on capital employed for the past 12-month period was 18.7 per cent (20.6 per cent for the full-year 2007). Return on shareholders' equity for the past 12-month period amounted to 22.4 per cent (25.0 per cent for the full-year 2007).

Nobia's investments in fixed assets amounted to SEK 318 million (265), of which SEK 131 million is related to store investments.

Of the dividend determined by the Annual General Meeting, SEK 429 million was paid out during April.

Net debt rose by SEK 878 million from the beginning of the year and at the end of the period amounted to SEK 3,102 million (2,224). The debt/equity ratio amounted to 82 per cent at the end of June (54 per cent at the beginning of the year).

### Key ratios

	Apr-Jun			Jan-Jun		
	2008	2007	Change, %	2008	2007	Change, %
Profit after financial items, SEK m	381	419	-9	572	678	-16
Profit after tax, SEK m	274	306	-10	412	487	-15
Tax rate, %	28.0	27.0		28.0	28.2	
Earnings per share, after dilution, SEK	1.62	1.74	-7	2.42	2.78	-13

### Net sales and profit per region, January-June

SEK m	Net sales			Operating profit			Operating margin, %	
	2008	2007	Change, %	2008	2007	Change, %	2008	2007
UK	2,848	2,978	-4	266	262	2	9.3	8.8
Nordic	3,186	2,939	8	368	408	-10	11.5	13.9
Continental Europe	2,331	2,363	-1	71	124	-43	3.0	5.2
Other and Group adjustments	-53	-77		-59	-62			
Group	8,312	8,203	1	646	732	-12	7.8	8.9



## Consolidated earnings, cash flow and financial position

### Analysis of net sales

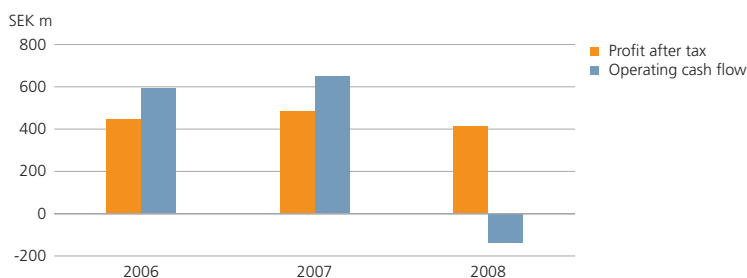
	Jan-Mar	Apr-Jun	Jan-Jun	
	%	%	%	SEK m
2007				8,203
Organic growth	2	7	5	366
– of which region UK <sup>1)</sup>	12	10	11	323
–of which Nordic region <sup>1)</sup>	–6	7	1	35
– of which Continental Europe region <sup>1)</sup>	–2	1	0	–5
Currency effect	–2	–4	–3	–281
Acquired units <sup>2)</sup>	1	2	2	156
Discontinued operations <sup>3)</sup>	–2	–1	–2	–132
2008	1	3	1	8,312

<sup>1)</sup> Organic growth for each organisational region.

<sup>2)</sup> Acquired units refers to the stores HTH took over in Denmark.

<sup>3)</sup> Discontinued operations are C.P. Hart in the UK region and Optifit's flat-pack bathroom operations in the Continental Europe region in 2007.

### Profit and cash flow, January–June



### Company acquisitions and divestments

Through Culinoma, Nobia and Dutch company DMG acquired 75 per cent of the German Vesta Group during the period, a kitchen chain in Germany, whose ten stores had sales of about EUR 27 million in 2007. Vesta will be included in associated company Culinoma's accounting records from 1 July 2008.

### Personnel

The number of personnel at the end of the period amounted to 9,068, compared with 8,726 at the beginning of the year. The average number of personnel during the first six months of the year was 8,629.

### Related-party transactions, Parent Company

The Parent Company invoiced Group-wide services to subsidiaries in an amount of SEK 32 million (19) during the period. The Parent Company reported earnings from participations in Group companies amounting to SEK 0 million (1,468).



## Consolidated earnings, cash flow and financial position

### Significant risks for the Group and Parent Company

Nobia works with risk-management programmes and risk assessments are conducted regularly, aimed at:

- Identifying significant risks.
- Prioritising the significant risks based on their potential impact and the probability that they will occur in the next few years.
- Ensuring that management has established control systems for handling risks.

In addition to Nobia's financial risks, comprising currency, interest and borrowing risks, as well as credit and liquidity risks, Nobia has opted to divide risks into a further two main areas: 1) strategic risks and 2) operating risks.

A summary of the Group's significant identified risks is provided below. The Parent Company's risks mainly comprise financial risks, which are described in detail on page 37 of Nobia's 2007 Annual Report.

#### Strategic risks

Risks associated with business development, such as company acquisitions, are handled by Nobia establishing and further developing procedures for due diligence surveys. Corporate governance and policy risks are averted by Nobia continuing to develop internal control.

#### Operating risks

Nobia's operating risks mainly comprise revenue and earnings risks, such as the business cycle and demand, supplier risks in the form of availability and prices of raw materials, property risks in the form of lost production as a result of fire, human capital risks and political risks.

The Group's risks and uncertainties are described in further detail in the 2007 Annual Report. The present situation is essentially the same as this description.

#### Buy-back of shares

In accordance with the authorisation granted by the Annual General Meeting on 1 April, the Board of Nobia decided to acquire the company's own shares on 24 April. The aim was to enable, wholly or partly, acquisition financing through payment using Group shares, as well as to adjust the company's capital structure. The acquisition was conducted during the period on the OMX Nordic Exchange in Stockholm at an average price of SEK 42. Accordingly, Nobia owns 8,162,300 own shares, corresponding to 4.7 per cent of the total number of shares issued in Nobia. On average, the

number of own shares amounted to 4,086,410 during the first six months of the year. The total number of shares issued by Nobia is 175,293,458.

#### Accounting principles

This interim report has been prepared in accordance with IFRS, with the application of IAS 34 Interim Financial Reporting. For the Parent Company, accounting principles are applied in accordance with the Swedish Financial Reporting Board's recommendation RFR 2.1 Accounting for Legal Entities.

From 2008, Nobia has changed its accounting principle regarding conditional discounts, which, effective 1 January, is reported as reduced sales. Conditional discounts were previously reported as cost of goods sold. The full-year effect on sales amounts to approximately SEK 490 million for 2007 figures. Operating profit is not affected by the change. Comparative figures for net sales and the operating margin in 2007 have been restated in this interim report. In all other respects, the same accounting principles and methods of calculation were applied as in the most recent Annual Report.

#### Appendices

1. Financial reports
2. Net sales, operating profit and margin per region
3. Quarterly data
4. Definitions of the key ratios in the report

#### For further information

Please contact any of the following on +46 (0) 8 440 16 00 or +46 (0) 708 65 59 00:

- Preben Bager, President and CEO
- Ingrid Yllmark, Director Communications & IR

#### Presentation

The interim report will be presented on 18 July at 1:30 p.m. CET at a teleconference that can be followed on Nobia's website.

To participate in the teleconference, call one of the following numbers:

From Sweden +46 (0)8 50 520 270  
From the UK +44 (0)208 817 9301  
From the US +1 718 354 1226.

#### Next report

The next reports will be published on 24 October 2008, and then 11 February 2009.





The Board of Directors and President hereby affirm that this six-month report provides a fair overview of the Parent Company and Group's operations, position and earnings, and also describes significant risks and uncertainty factors faced by the Parent Company and companies belonging to the Group.

Stockholm, 18 July 2008

Hans Larsson  
*Chairman*

Stefan Dahlbo

Bodil Eriksson

Wilhelm Laurén

Harald Mix

Thore Ohlsson

Lotta Stalin

Fredrik Palmstierna

Preben Bager  
*President and CEO*

Per Bergström  
*Employee representative*

Olof Harrius  
*Employee representative*

*This interim report has not been reviewed by the company's auditor.*

Nobia AB Corporate Registration Number 556528-2752



## Appendix 1 | Financial reports

# Consolidated income statement

SEK m	Apr-Jun		Jan-Jun		Jul-Jun	Jan-Dec
	2008	2007 <sup>3)</sup>	2008	2007 <sup>3)</sup>	2007/08	2007 <sup>3)</sup>
Net sales	4,477	4,333	8,312	8,203	16,243	16,134
Cost of goods sold	-2,800	-2,704	-5,279	-5,179	-10,345	-10,245
<b>Gross profit</b>	<b>1,677</b>	<b>1,629</b>	<b>3,033</b>	<b>3,024</b>	<b>5,898</b>	<b>5,889</b>
Sales and administrative expenses	-1,282	-1,211	-2,443	-2,336	-4,690	-4,583
Other income/expenses	23	31	58	46	62	50
Share in profit of associated companies	3	-2	-2	-2	-3	-3
<b>Operating profit</b>	<b>421</b>	<b>447</b>	<b>646</b>	<b>732</b>	<b>1,267</b>	<b>1,353</b>
Net financial expenses	-40	-28	-74	-54	-126	-106
<b>Profit after financial items</b>	<b>381</b>	<b>419</b>	<b>572</b>	<b>678</b>	<b>1,141</b>	<b>1,247</b>
Tax	-107	-113	-160	-191	-258	-289
<b>Profit after tax</b>	<b>274</b>	<b>306</b>	<b>412</b>	<b>487</b>	<b>883</b>	<b>958</b>
Profit after tax attributable to:						
Parent Company shareholders	274	306	412	487	883	958
Minority interests	0	0	0	0	0	0
<b>Profit after tax</b>	<b>274</b>	<b>306</b>	<b>412</b>	<b>487</b>	<b>883</b>	<b>958</b>
Total depreciation	118	115	228	223	442	437
Operating margin, %	9.4	10.3	7.8	8.9	7.8	8.4
Return on capital employed, %	-	-	-	-	18.7	20.6
Return on shareholders' equity, %	-	-	-	-	22.4	25.0
Earnings per share, before dilution, SEK <sup>1)</sup>	1.62	1.76	2.42	2.80	5.16	5.54
Earnings per share, after dilution, SEK <sup>1)</sup>	1.62	1.74	2.42	2.78	5.15	5.50
Number of shares at end of period before dilution, 000s <sup>2)</sup>	167,131	172,444	167,131	172,444	167,131	171,516
Average number of shares before dilution, 000s <sup>2)</sup>	169,054	173,702	170,306	173,796	171,244	172,709
Number of shares after dilution at end of period, 000s <sup>2)</sup>	167,131	173,928	167,183	173,959	167,454	172,882
Average number of shares after dilution, 000s <sup>3)</sup>	169,054	175,186	170,358	175,311	171,567	174,076

<sup>1)</sup> Earnings per share attributable to Parent Company's shareholders.

<sup>2)</sup> Outstanding shares.

<sup>3)</sup> The lines for net sales and cost of goods sold have been adjusted due to the changed accounting principle regarding conditional discounts.



## Appendix 1 | Financial reports

# Consolidated balance sheet

SEK m	30 Jun		31 Dec
	2008	2007	2007
<b>ASSETS</b>			
Goodwill	2,805	2,834	2,786
Other intangible fixed assets	110	91	97
Tangible fixed assets	3,078	2,923	3,052
Long-term receivables	293	122	266
Participations in associated companies	51	7	53
Deferred tax assets	238	164	273
<b>Total fixed assets</b>	<b>6,575</b>	<b>6,141</b>	<b>6,527</b>
Inventories	1,514	1,503	1,480
Accounts receivable	2,030	1,899	1,573
Other receivables	567	444	440
<i>Total current receivables</i>	<i>2,597</i>	<i>2,343</i>	<i>2,013</i>
Cash and cash equivalents	207	224	270
<b>Total current assets</b>	<b>4,318</b>	<b>4,070</b>	<b>3,763</b>
<b>Total assets</b>	<b>10,893</b>	<b>10,211</b>	<b>10,290</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
Share capital	58	58	58
Other capital contributions	1,458	1,437	1,442
Reserves	-137	68	19
Profit brought forward	2,394	2,234	2,631
<i>Total equity and provisions attributable to Parent Company shareholders</i>	<i>3,773</i>	<i>3,797</i>	<i>4,150</i>
Minority interest	6	6	6
<b>Total shareholders' equity</b>	<b>3,779</b>	<b>3,803</b>	<b>4,156</b>
Provisions for pensions	729	870	829
Other provisions	124	175	133
Deferred tax liabilities	256	217	269
Other long-term liabilities, interest-bearing	2,578	1,691	1,720
<b>Total long-term liabilities</b>	<b>3,687</b>	<b>2,953</b>	<b>2,951</b>
Current liabilities, interest-bearing	272	148	161
Current liabilities, non-interest-bearing	3,155	3,307	3,022
<b>Total current liabilities</b>	<b>3,427</b>	<b>3,455</b>	<b>3,183</b>
<b>Total shareholders' equity and liabilities</b>	<b>10,893</b>	<b>10,211</b>	<b>10,290</b>
<b>BALANCE-SHEET RELATED KEY RATIOS</b>			
Equity/assets ratio, %	35	37	40
Debt/equity ratio, %	82	63	54
Net debt, SEK m	3,102	2,410	2,224
Capital employed, closing balance, SEK m	7,359	6,514	6,866



## Appendix 1 | Financial reports

# Consolidated change in shareholders' equity

	Attributable to Parent Company shareholders					Minority interests	Total shareholders' equity
	Share capital	Other capital contributed	Reserves	Profit brought forward	Total		
<b>Opening balance, 1 January 2007</b>	<b>58</b>	<b>1,412</b>	<b>-13</b>	<b>2,270</b>	<b>3,727</b>	<b>7</b>	<b>3,734</b>
Exchange-rate differences attributable to translation of foreign operations	-	-	89	-	89	0	89
Cash-flow hedges before tax	-	-	-11	-	-11	-	-11
Tax attributable to change in hedging reserve for the year	-	-	3	-	3	-	3
<b>Total transactions reported directly against shareholders' equity</b>	<b>-</b>	<b>-</b>	<b>81</b>	<b>-</b>	<b>81</b>	<b>0</b>	<b>81</b>
Net profit for the year	-	-	-	487	487	0	487
<b>Total reported revenues and expenses</b>	<b>-</b>	<b>-</b>	<b>81</b>	<b>487</b>	<b>568</b>	<b>0</b>	<b>568</b>
Employee share option scheme							
- Value of employee services	-	6	-	-	6	-	6
Payment for issued shares	0	19	-	-	19	-	19
Dividend	-	-	-	-349	-349	-1	-350
Buy-back of shares	-	-	-	-174	-174	-	-174
<b>Closing balance, 30 June 2007</b>	<b>58</b>	<b>1,437</b>	<b>68</b>	<b>2,234</b>	<b>3,797</b>	<b>6</b>	<b>3,803</b>
<b>Opening balance, 1 January 2008</b>	<b>58</b>	<b>1,442</b>	<b>19</b>	<b>2,631</b>	<b>4,150</b>	<b>6</b>	<b>4,156</b>
Exchange-rate differences attributable to translation of foreign operations	-	-	-147	-	-147	0	-147
Cash-flow hedges before tax	-	-	-13	-	-13	-	-13
Tax attributable to change in hedging reserve for the year	-	-	4	-	4	-	4
<b>Total transactions reported directly against shareholders' equity</b>	<b>-</b>	<b>-</b>	<b>-156</b>	<b>-</b>	<b>-156</b>	<b>0</b>	<b>-156</b>
Net profit for the year	-	-	-	412	412	0	412
<b>Total reported revenues and expenses</b>	<b>-</b>	<b>-</b>	<b>-156</b>	<b>412</b>	<b>256</b>	<b>0</b>	<b>256</b>
Employee share option scheme							
- Value of employee services	-	-4	-	-	-4	-	-4
Payment for issued shares	0	20	-	-	20	-	20
Dividend	-	-	-	-429	-429	-	-429
Buy-back of shares	-	-	-	-220	-220	-	-220
<b>Closing balance, 30 June 2008</b>	<b>58</b>	<b>1,458</b>	<b>-137</b>	<b>2,394</b>	<b>3,773</b>	<b>6</b>	<b>3,779</b>



## Appendix 1 | Financial reports

# Consolidated cash-flow statement

SEK m	Apr-Jun		Jan-Jun		Jul-Jun	Jan-Dec
	2008	2007	2008	2007	2007/08	2007
<i>Operating activities</i>						
Operating profit	421	447	646	732	1,267	1,353
Depreciation	118	115	228	223	442	437
Adjustments for non-cash items	-33	-37	-59	-49	-100	-90
Interest paid	-33	-27	-60	-41	-94	-75
Tax paid	-142	-74	-258	-111	-407	-260
Change in working capital	-201	-43	-331	62	-348	45
<b>Cash flow from operating activities</b>	<b>130</b>	<b>381</b>	<b>166</b>	<b>816</b>	<b>760</b>	<b>1,410</b>
<i>Investing activities</i>						
Investments in fixed assets	-160	-152	-318	-265	-731	-678
Acquisition of subsidiaries/associated companies Note 1	-24	-8	-206	-15	-255	-64
Divestment of subsidiaries	-1	-	16	-	16	-
Other items in investing activities	-4	41	-19	47	-51	15
<b>Cash flow from investing activities</b>	<b>-189</b>	<b>-119</b>	<b>-527</b>	<b>-233</b>	<b>-1,021</b>	<b>-727</b>
<i>Financing activities</i>						
Change in interest-bearing liabilities	671	79	934	-88	956	-66
New share issue	17	1	20	19	20	19
Buy-back of shares	-220	-174	-220	-174	-294	-248
Dividend	-429	-350	-429	-350	-429	-350
<b>Cash flow from financing activities</b>	<b>39</b>	<b>-444</b>	<b>305</b>	<b>-593</b>	<b>253</b>	<b>-645</b>
<b>Cash flow for the period excluding exchange rate differences in cash and cash equivalents</b>	<b>-20</b>	<b>-182</b>	<b>-56</b>	<b>-10</b>	<b>-8</b>	<b>38</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>228</b>	<b>410</b>	<b>270</b>	<b>229</b>	<b>224</b>	<b>229</b>
Cash flow for the period	-20	-182	-56	-10	-8	38
Exchange-rate differences in cash and cash equivalents	-1	-4	-7	5	-9	3
<b>Cash and cash equivalents at period-end</b>	<b>207</b>	<b>224</b>	<b>207</b>	<b>224</b>	<b>207</b>	<b>270</b>

### Analysis of net debt

SEK m	Apr-Jun		Jan-Jun		Jul-Jun	Jan-Dec
	2008	2007	2008	2007	2007/08	2007
<b>Opening balance</b>	<b>2,426</b>	<b>2,537</b>	<b>2,224</b>	<b>2,460</b>	<b>2,410</b>	<b>2,460</b>
Translation differences	17	-4	-68	49	-95	22
Operating cash flow	22	-314	138	-648	-163	-949
Acquisition of subsidiaries/associated companies	24	6	206	22	254	70
Divestment of subsidiaries	-27	-	-44	-	-44	-
Change in pension liabilities	8	11	17	22	37	42
Dividend	429	1	429	350	429	350
Buy-back of shares	220	174	220	174	294	248
New share issue	-17	-1	-20	-19	-20	-19
<b>Closing balance</b>	<b>3,102</b>	<b>2,410</b>	<b>3,102</b>	<b>2,410</b>	<b>3,102</b>	<b>2,224</b>



## Appendix 1 | Financial reports

### Note 1 – Company acquisitions

During the first six months of the year, Nobia acquired 100 per cent of four companies with franchise stores in Denmark through its HTH business unit. The acquisition analysis below is preliminary since the final acquisition value at fair value has not yet been established.

#### Acquired net assets and goodwill, SEK m

Purchase consideration, including acquisition costs	200
Fair value of acquired net assets	-86
<b>Goodwill</b>	<b>114</b>

Goodwill is attributable to the assessed future profit-generating capacity.

<b>Assets and liabilities included in the acquisition, SEK m</b>	Fair value	Acquired carrying amount
Utilised overdraft facility	-6	-6
Tangible fixed assets	48	19
Intangible fixed assets	21	4
Inventories	22	22
Receivables	108	108
Liabilities	-100	-100
Tax	-5	-5
Deferred tax, net	-2	-2
<b>Acquired net assets</b>	<b>86</b>	<b>40</b>

Cash-regulated purchase consideration, including acquisition costs	200
Cash and cash equivalents in acquired subsidiaries	6
<b>Reduction of consolidated cash and cash equivalents at the time of acquisition</b>	<b>206</b>



## Appendix 1 | Financial reports

### Parent Company income statement

SEK m	Apr–Jun		Jan–Jun		Jul–Jun	Jan–Dec
	2008	2007	2008	2007	2007/08	2007
Net sales	21	34	40	34	68	62
Administrative expenses	-23	-24	-49	-45	-92	-88
<b>Operating profit</b>	<b>-2</b>	<b>10</b>	<b>-9</b>	<b>-11</b>	<b>-24</b>	<b>-26</b>
Profit from shares in Group companies	-	1,468	-	1,468	533	2,001
Other financial income and expenses	-1	-1	-3	5	-14	-6
<b>Profit after financial items</b>	<b>-3</b>	<b>1,477</b>	<b>-12</b>	<b>1,462</b>	<b>495</b>	<b>1,969</b>
Tax on net profit for the year	-	0	-	0	9	9
<b>Net profit for the year</b>	<b>-3</b>	<b>1,477</b>	<b>-12</b>	<b>1,462</b>	<b>504</b>	<b>1,978</b>

### Parent Company balance sheet

SEK m	30 Jun		31 dec
	2008	2007	2007
<b>ASSETS</b>			
<b>Fixed assets</b>			
Shares and participations in Group companies	1386	1,385	1,389
Associated companies	61	12	61
<b>Total fixed assets</b>	<b>1,447</b>	<b>1,397</b>	<b>1,450</b>
<b>Current assets</b>			
<i>Current receivables</i>			
Accounts receivable	5	-	4
Receivables from Group companies	3,030	2,248	2,453
Receivables from associated companies	221	-	191
Other receivables	19	52	2
Prepaid expenses and accrued income	0	1	9
Cash and cash equivalents	25	0	46
<b>Total current assets</b>	<b>3,300</b>	<b>2,301</b>	<b>2,705</b>
<b>Total assets</b>	<b>4,747</b>	<b>3,698</b>	<b>4,155</b>
<b>SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES</b>			
<b>Shareholders' equity</b>			
<i>Restricted shareholders' equity</i>			
Share capital	58	58	58
Statutory reserve	1,671	1,671	1,671
	<b>1,729</b>	<b>1,729</b>	<b>1,729</b>
<i>Non-restricted shareholders' equity</i>			
Share premium reserve	52	15	33
Buy-back of shares	-468	-174	-248
Profit brought forward	1,849	241	304
Net profit for the year	-12	1,462	1,978
	<b>1,421</b>	<b>1,544</b>	<b>2,067</b>
<b>Total shareholders' equity</b>	<b>3,150</b>	<b>3,273</b>	<b>3,796</b>
<b>Provisions for pensions</b>			
	<b>3</b>	<b>2</b>	<b>3</b>
<b>Current liabilities</b>			
Liabilities to credit institutes	186	-	87
Accounts payable	13	6	6
Liabilities to Group companies	1,369	398	231
Other liabilities	16	6	22
Accrued expenses and deferred income	10	13	10
<b>Total current liabilities</b>	<b>1,594</b>	<b>423</b>	<b>356</b>
<b>Total shareholders' equity, provisions and liabilities</b>	<b>4,747</b>	<b>3,698</b>	<b>4,155</b>
Pledged assets	-	-	-
Contingent liabilities	2,951	2,107	2,107



## Appendix 2 | Sales, profit and margin per region

# Net sales, operating profit and operating margin per region\*

### Net sales

SEK m	Apr– Jun		Jan–Jun		Jul–Jun	Jan–Dec
	2008	2007	2008	2007	2007/08	2007
UK	1,424	1,538	2,848	2,978	5,882	6,012
Nordic region	1,773	1,529	3,186	2,939	5,814	5,567
Continental Europe	1,307	1,301	2,331	2,363	4,633	4,665
Other and Group adjustments	-27	-35	-53	-77	-86	-110
<b>Group</b>	<b>4,477</b>	<b>4,333</b>	<b>8,312</b>	<b>8,203</b>	<b>16,243</b>	<b>16,134</b>

### Operating profit

SEK m	Apr– Jun		Jan–Jun		Jul–Jun	Jan–Dec
	2008	2007	2008	2007	2007/08	2007
UK	120	136	266 <sup>1)</sup>	262	521	517
Nordic region	242	225	368	408	645	685
Continental Europe	87	119	71	124	220	273
Other and Group adjustments	-28	-33	-59	-62	-119	-122
<b>Group</b>	<b>421</b>	<b>447</b>	<b>646</b>	<b>732</b>	<b>1,267</b>	<b>1,353</b>

<sup>1)</sup> Operating profit amounts to SEK 246 million, excluding the sale of C.P. Hart.

### Operating margin

%	Apr– Jun		Jan–Jun		Jul–Jun	Jan–Dec
	2008	2007	2008	2007	2007/08	2007
UK	8.4	8.8	9.3 <sup>1)</sup>	8.8	8.9	8.6
Nordic region	13.6	14.7	11.5	13.9	11.1	12.3
Continental Europe	6.7	9.1	3.0	5.2	4.7	5.9
<b>Group</b>	<b>9.4</b>	<b>10.3</b>	<b>7.8</b>	<b>8.9</b>	<b>7.8</b>	<b>8.4</b>

<sup>1)</sup> The operating margin amounts to 8.6 per cent, excluding the sale of C.P. Hart.

<sup>\*)</sup> A region is defined according to where the products are manufactured and distributed.





## Appendix 3 | Quarterly data

# Net sales, operating profit and operating margin per region\*, quarter by quarter

### Net sales

SEK m	2008		2007			
	II	I	IV	III	II	I
UK	1,424	1,424	1,542	1,492	1,538	1,440
Nordic region	1,773	1,413	1,436	1,192	1,529	1,410
Continental Europe	1,307	1,024	1,229	1,073	1,301	1,062
Other and Group adjustments	-27	-26	-24	-9 <sup>3)</sup>	-35 <sup>2)</sup>	-42 <sup>1)</sup>
<b>Group</b>	<b>4,477</b>	<b>3,835</b>	<b>4,183</b>	<b>3,748</b>	<b>4,333</b>	<b>3,870</b>

<sup>1)</sup> SEK -5 million of the amount is attributable to the elimination of internal sales within the Continental European region.

<sup>2)</sup> SEK -10 million of the amount is attributable to the elimination of internal sales within the Continental European region.

<sup>3)</sup> Included in the amount is an adjustment corresponding to SEK 15 m.

### Operating profit

SEK m	2008		2007			
	II	I	IV	III	II	I
UK	120	146 <sup>1)</sup>	130	125	136	126
Nordic region	242	126	157	120	225	183
Continental Europe	87	-16	85	64	119	5
Other and Group adjustments	-28	-31	-23	-37	-33	-29
<b>Group</b>	<b>421</b>	<b>225</b>	<b>349</b>	<b>272</b>	<b>447</b>	<b>285</b>

<sup>1)</sup> Operating profit amounts to SEK 125 million, excluding the sale of C.P. Hart.

### Operating margin

%	2008		2007			
	II	I	IV	III	II	I
UK	8.4	10.2 <sup>1)</sup>	8.4	8.4	8.8	8.8
Nordic region	13.6	8.9	10.9	10.1	14.7	13.0
Continental Europe	6.7	-1.6	6.9	5.9	9.1	0.5
<b>Group</b>	<b>9.4</b>	<b>5.9</b>	<b>8.3</b>	<b>7.3</b>	<b>10.3</b>	<b>7.4</b>

<sup>1)</sup> The operating margin amounts to 8.8 per cent, excluding the sale of C.P. Hart.

\* A region is defined according to where the products are manufactured and distributed.



## Appendix 4 | Definitions of the key ratios in the report

### **Return on shareholders' equity**

Profit for the year as a percentage of average shareholders' equity. The calculation of average shareholders' equity has been adjusted for increases and decreases in capital.

### **Return on capital employed**

Profit after financial revenue as a percentage of average capital employed. The calculation of average capital employed has been adjusted for acquisitions and divestments.

### **Net debt**

Total of interest-bearing debt and interest-bearing provisions less interest-bearing assets. Interest-bearing provisions refer to pension liabilities.

### **Operating cash flow**

Cash flow after investments, adjusted for investments in company acquisitions and financial investments.

### **Operating margin**

Operating profit as a percentage of net sales.

### **Debt/equity ratio**

Net debt as a percentage of shareholders' equity, including minority interests.

### **Capital employed**

Total assets less non-interest-bearing provisions and liabilities.

### **Earnings per share**

Profit for the period divided by a weighted average number of outstanding shares during the year.

### **Equity/assets ratio**

Equity including minority interests as a percentage of total assets.