

**nobia**



## Interim report January-March

24 April 2009

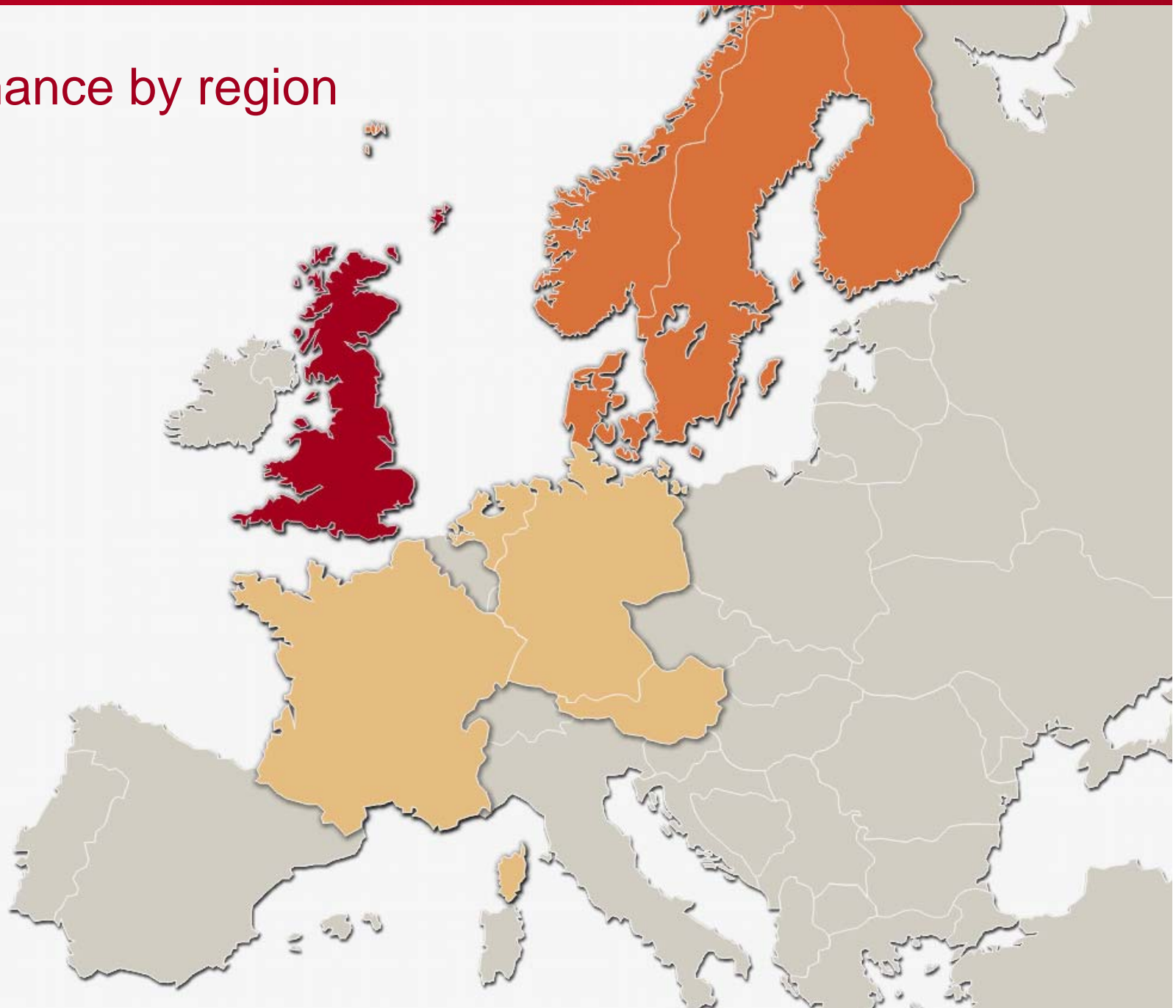
# Weak market and comprehensive restructuring

## Q1 in brief, excluding restructuring costs

- Net sales were SEK 3,777 m (3,835)
- Organic growth was negative 12%
- Operating loss was SEK 34 m (profit: 211)
- Operating margin was negative 0.9% (pos: 5.5)
- Cash flow was SEK 141\* m (neg: 89)

\* Includes negative cash flow effect of SEK 8 m due to structural expenses.

## Performance by region



## UK kitchen market in Q1

- Considerably weaker than same period last year
- Competition has eased somewhat due to collapse of MFI



## UK region in Q1

	2009 Jan-Mar	2008 Jan-Mar	Change
Net sales, SEK m	1,369	1,424	-3.9%
Operating profit, SEK m	31	132	-76.5%
Operating margin	2.3%	9.3%	

- Performance better than the overall market
- Net currency effects negative SEK 20 m
- Higher indirect costs due to store expansion programme
- 2008 figures include capital gains from sale of C.P. Hart



**Magnet**

**Gower**

## Nordic kitchen market in Q1

- Decreased demand in all Nordic markets – especially new-build but also renovation
- Tax deduction in Sweden, Denmark and Finland for renovation and rebuilding of private homes



## Nordic region Q1\*

	2009 Jan-Mar	2008 Jan-Mar	Change
Net sales, SEK m	1,394	1,413	-1.3%
Operating profit, SEK m	17	127	-86.6%
Operating margin	1.2%	9.0%	

\* Excluding structural expenses

- Decline mainly attributable to drop in volumes
- Sales development negative when adjusted for HTH acquisitions
- Organic growth -22% like-for-like
- 6% reduction in employees (10% of blue-collar workforce)



## Ongoing plant closures in the Nordic region

SEK m	Finland Forssa	Norway Jevnaker	Denmark Bording	Total
Nonrecurring costs	40	75	135	250
Effect on cash flow	30	-	60	90
Annual savings	15	35	80	130

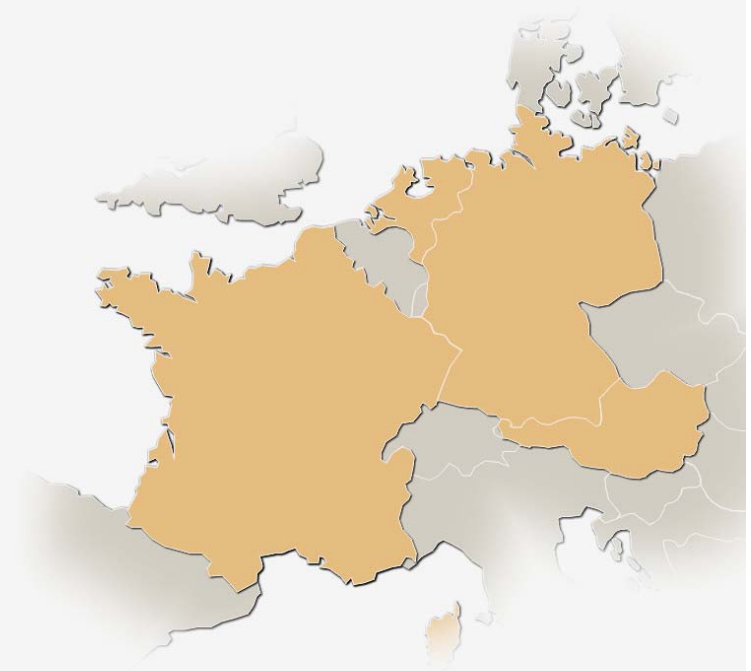
Total nonrecurring costs: SEK 250 m

Annual savings: SEK 130 m



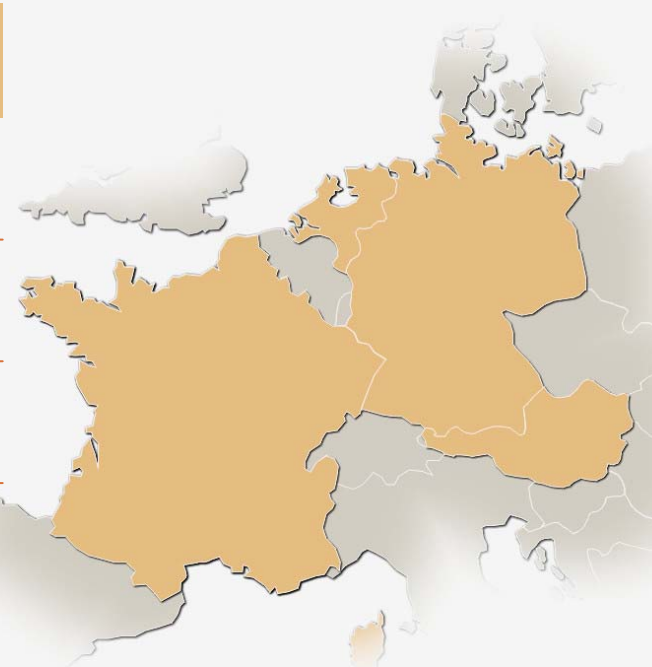
## Continental European kitchen market in Q1

- Demand in all main markets weakened during the period, especially in France



## Continental Europe region Q1\*

	2009 Jan-Mar	2008 Jan-Mar	Change
Net sales, SEK m	1,048	1,024	2.3%
Operating profit, SEK m	-58	-17	-241%
Operating margin	-5.5%	-1.7%	



\* Excluding structural expenses

- Restucturing costs total SEK 9 m
- Culinoma affected operating profit negatively by SEK 11 m
- Sales decline mainly attributable to drop in volumes and downward pressure on prices



## Profit development\*

SEK m	2009 Jan-Mar	2008 Jan-Mar
Operating profit before depreciation, SEK m (EBITDA)	99	321
Operating profit, SEK m (EBIT)	-34	211
Pre-tax profit	-299	177
Net profit	-259	128

- Restructuring costs
- Lower volumes
- Currency effects
- Store investments

\* Excluding structural expenses

## Financial position

SEK m	2009 Jan-Mar	2008 Jan-Mar
Investments	-77	-158
Operating cash flow	141	-89

SEK m	2009 31 Mar	2008 31 Mar
Net debt	3,132	2,426
Net debt/equity	79%	59%

- Impact of cash-flow initiatives
- Lower working capital tied up
- Lower level of investments
- Lower taxes paid

## Events after end of quarter

- 2009 Annual General Meeting proposed that no dividend be paid to shareholders
- Relatively favourable order intake trend in March (compared with previous 3-month period) shows signs of continuing in April

## Main priorities

- Continue to adapt to the economic downturn
  - Adjust production
  - Capture synergies
- Focus on cash management
- Strengthen customer offering in both retail and B2B channels



Next report  
Friday, 17 July