



Interim report January-June 2016

(All figures in brackets refer to the corresponding period in 2015 and Hygena is recognised as a discontinued operation, refer to page 7.)

April-June 2016

- Net sales for the second quarter amounted to SEK 3,667 million (3,575).
- Organic growth was 4 per cent (7). Additionally, net sales were positively impacted by acquisitions and negatively impacted by currency effects and a decline in sales for Hygena.
- Operating profit amounted to SEK 414 million (400), corresponding to an operating margin of 11.3 per cent (11.2).
- Currency losses had an impact of approximately SEK 50 million, of which a negative SEK 20 million comprised translation effects and a negative SEK 30 million transaction effects.
- Profit after tax amounted to SEK 302 million (289), corresponding to earnings per share of SEK 1.80 (1.72).
- Operating cash flow amounted to SEK 238 million (170).

Nobia Group summary

	Apr-Jun			Jan-Jun			Jan-Dec	Jul-Jun	Change, %
	2015	2016	Change, %	2015	2016	Change, %	2015	2015/2016	
Net sales, SEK m	3,575	3,667	3	6,826	6,990	2	13,332	13,496	1
Gross margin, %	41.1	40.4	-	40.6	40.1	-	40.2	40.0	-
Gross margin excl IAC, %	41.1	40.4	-	40.6	40.1	-	40.5	40.2	-
Operating margin before depreciation and impairment, %	13.7	13.6	-	11.5	11.7	-	11.2	11.3	-
Operating margin before depreciation and impairment excl IAC, %	13.7	13.6	-	11.5	11.7	-	11.8	11.9	-
Operating profit (EBIT), SEK m	400	414	4	611	649	6	1,145	1,183	3
Operating profit (EBIT) excl IAC, SEK m	400	414	4	611	649	6	1,241	1,279	3
Operating margin, %	11.2	11.3	-	9.0	9.3	-	8.6	8.8	-
Operating margin excl IAC, %	11.2	11.3	-	9.0	9.3	-	9.3	9.5	-
Profit after financial items, SEK m	385	403	5	580	626	8	1,087	1,133	4
Profit/loss after tax, SEK m	289	302	4	442	473	7	828	859	4
Earnings/loss per share, after dilution, SEK	1.72	1.80	5	2.63	2.81	7	4.92	5.10	4
Operating cash flow, SEK m	170	238	40	204	316	55	770	882	15

Information about items affecting comparability (IAC) is presented on pages 8 and 12.

Comments from the CEO

“All regions report sales growth for the second quarter and profitability strengthened in the Nordic and UK regions. The operating margin for the past twelve months amounted to 9.5 per cent. We are focusing intensively on achieving our target of a 10 per cent operating margin in 2016. The uncertainty has however increased due to the result of the referendum in the UK. We are monitoring the development very closely and are ready to take steps to strengthen profitability should this be necessary,” says President and CEO Morten Falkenberg.

Consolidated net sales, earnings and cash flow

The market in total is deemed to have improved during the second quarter compared with the year-earlier period.

Sales increased organically 4 per cent (7). Currency losses of SEK 182 million (gains: 247) affected sales for the quarter. Commodore and CIE, which were consolidated during the fourth quarter of 2015, generated sales of SEK 164 million during the second quarter.

The gross margin amounted to 40.4 per cent (41.1), negatively affected by currency effects and by Commodore and CIE having a structurally lower gross margin.

Operating profit improved primarily as a result of higher sales volumes and lower material prices, but also due to the earnings contribution from Commodore and CIE.

The return on operating capital including items affecting comparability was 25.5 per cent over the past twelve-month period (Jan-Dec 2015: 26.9). The return on shareholders' equity including items affecting comparability was 23.9 per cent over the past twelve-month period (Jan-Dec 2015: 24.1).

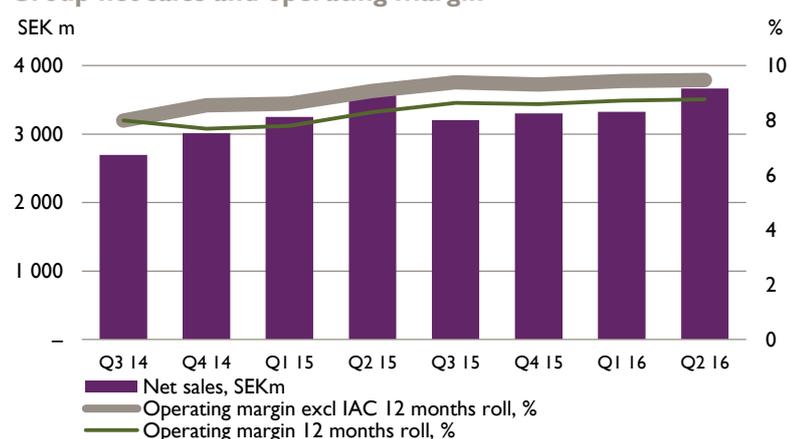
Operating cash flow increased mainly as a result of a positive change in working capital and lower investment compared with last year.

Analysis of net sales

	Apr-Jun	
	%	SEK m
2015		3,575
Organic growth	4	138
– of which Nordic region	4	57
– of which UK region	4	63
– of which CE region	5	18
Currency effect	-5	-182
Sales to Hygena	-1	-28
Acquired operations ¹	5	164
2016	3	3,667

¹ Pertains to the acquisition of Commodore and CIE, consolidated on 1 November 2015.

Group net sales and operating margin



Hygena is included in the figures for 2013, but not for 2014–2016.

Currency effect on operating results

SEK m	Trans- lation effect	Trans- action effect	Total effect
	Apr-Jun	Apr-Jun	Apr-Jun
Nordic region	-5	-25	-30
UK region	-15	-10	-25
CE region	0	5	5
Group	-20	-30	-50

Net sales and profit by region

SEK m	Nordic Apr-Jun		UK Apr-Jun		Central Europe Apr-Jun		Group-wide and eliminations Apr-Jun		Group Apr-Jun		Change, %
	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	
Net sales from external customers	1,609	1,626	1,571	1,633	395	408	–	–	3,575	3,667	3
Net sales from other regions	0	0	–	–	1	0	-1	0	–	–	–
Net sales	1,609	1,626	1,571	1,633	396	408	-1	0	3,575	3,667	3
Gross profit	659	673	636	636	170	167	4	5	1,469	1,481	1
Gross margin, %	41.0	41.4	40.5	38.9	42.9	40.9	–	–	41.1	40.4	–
Operating profit/loss	254	271	156	175	27	8	-37	-40	400	414	4
Operating margin, %	15.8	16.7	9.9	10.7	6.8	2.0	–	–	11.2	11.3	–

Nordic region

April-June 2016

- The Nordic kitchen market is deemed to have grown compared with the year-earlier period, driven primarily by an increase in newbuilds.
- Second-quarter net sales amounted to SEK 1,626 million (1,609).
- Organic growth was 4 per cent (10). Currency losses of SEK 39 million (17) impacted net sales for the quarter.
- Gross profit amounted to SEK 673 million (659) and the gross margin to 41.4 per cent (41.0).
- Operating profit amounted to SEK 271 million (254) and the operating margin was 16.7 per cent (15.8).
- Currency losses totalling about SEK 30 million impacted operating profit, of which a negative SEK 5 million comprised translation effects and a negative 25 million transaction effects.

Comments on performance

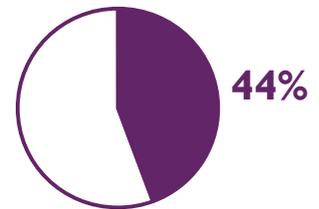
Organic growth was primarily attributable to increased sales to the professional segment, which was only slightly countered by a decline in deliveries to the consumer segment. Sales to the professional segment grew in all markets. The downturn in sales in the consumer sales primarily pertained to Sweden and Norway.

The gross margin strengthened, positively impacted by higher sales values and lower material costs, and negatively impacted by currency effects and costs for temporary production and delivery disruptions in the Finnish operations at the start of the quarter.

The improvement in operating profit was due to higher sales and lower costs.

In March 2016, Nobia entered into a collaboration with the electronics chain Expert and initial sales of ready-to-assemble kitchens under the Norema brand in Norwegian Expert stores were favourable.

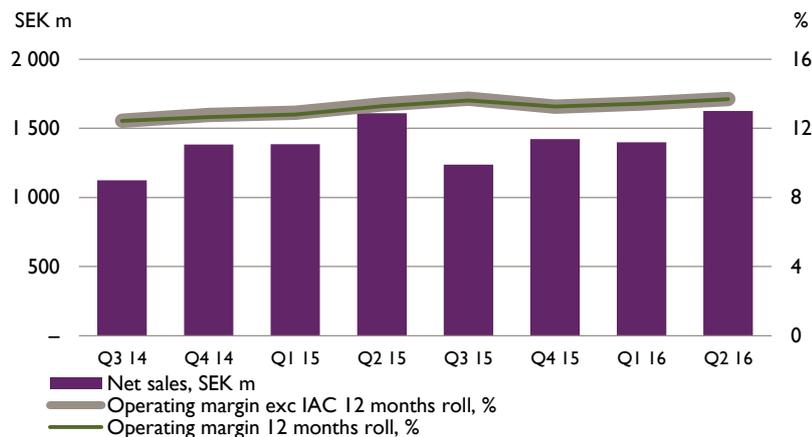
Share of consolidated net sales, second quarter



Store trend, April-June 2016

Renovated or relocated	–
Newly opened/closed, net	-1
Number of own kitchen stores	51

Net sales and operating margin for the region



Our brands



UK region

April-June 2016

- The UK kitchen market continued to grow during the second quarter, despite increased macroeconomic uncertainty. The referendum on exiting the EU at the end of the period increased this uncertainty.
- Second-quarter net sales amounted to SEK 1,633 million (1,571).
- Organic growth was 4 per cent (8). Currency losses of SEK 136 million (gains: 197) impacted net sales for the quarter.
- Gross profit amounted to SEK 636 million (636) and the gross margin was 38.9 per cent (40.5).
- Operating profit amounted to SEK 175 million (156) and the operating margin was 10.7 per cent (9.9).
- Currency losses totalling about SEK 25 million impacted operating profit, of which a negative SEK 15 million comprised translation effects and a negative SEK 10 million transaction effects.

Comments on performance

Organic growth was primarily attributed to higher sales in Magnet. The increase was due to the consumer segment (Retail) and project sales in Magnet Trade.

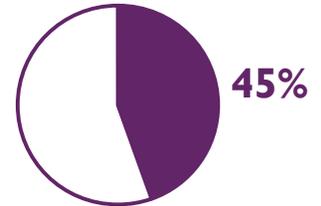
Sales to builders' merchants and DIY chains declined, while Rixonway's sales climbed. Commodore and CIE, acquired during the fourth quarter of 2015, reported net sales of SEK 164 million during the quarter.

The gross margin declined as a result of lower sales values, Commodore and CIE having a structurally lower gross margin as well as negative currency effect, all of which could only partially be offset by lower material prices.

The improvement in operating profit was mainly due to higher sales volumes, lower costs and the earnings contribution from Commodore and CIE.

Efforts to realise synergy effects in the acquired companies are progressing as planned.

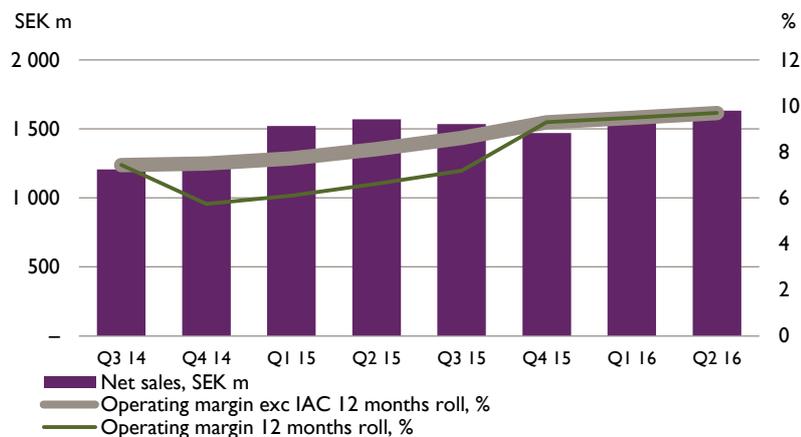
Share of consolidated net sales, second quarter



Store trend, April-June 2016

Renovated or relocated	-
Newly opened/closed, net	-2
Number of own kitchen stores	206

Net sales and operating margin for the region



Our brands

Gower

Interior
Solutions

Magnet

rixonway
kitchens

Central Europe region

April-June 2016

- Nobia’s markets in the Central Europe region are deemed to have grown compared with the year-earlier period.
- Second-quarter net sales amounted to SEK 408 million (395).
- Organic growth was 5 per cent (neg: 6). Currency losses of SEK 7 million (gain: 33) had a negative impact on net sales for the quarter.
- Gross profit amounted to SEK 167 million (170) and the gross margin to 40.9 per cent (42.9).
- Operating profit amounted to SEK 8 million (27) and the operating margin was 2.0 per cent (6.8).
- Currency gains totalling about SEK 5 million impacted operating profit, of which SEK 0 million comprised translation effects and a positive SEK 5 million transaction effects.

Comments on performance

Organic growth was attributable to both Poggenpohl and the Austrian operations. In Poggenpohl, project sales increased to primarily Asia. Sales growth in the Austrian operations referred to both the Austrian market and export.

The gross margin weakened as a result of a negative sales mix, lower productivity and an impairment of the Poggenpohl inventory.

The decline in operating profit was due to the lower gross margin and higher costs. Various measures, mainly related to the cost base in the region, are taken to improve the profitability.

Since January 2016, when inaccurate accounting was discovered in Poggenpohl USA, the organization has strengthened its procedures.

Nobia announced in May 2016 its intent to initiate a process to find a potential partner for Poggenpohl, see page 7.

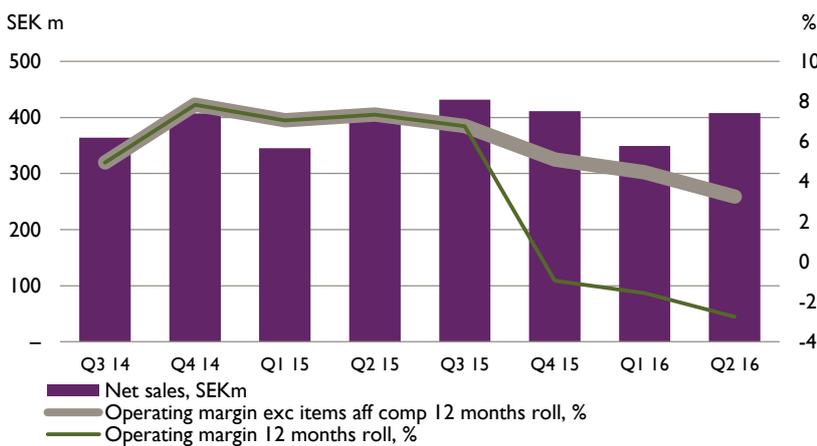
Share of consolidated net sales, second quarter



Store trend, April-June 2016

Renovated or relocated	–
Newly opened/closed, net	–
Number of own kitchen stores	36

Net sales and operating margin for the region



Hygena is included in the figures for 2013, but not for 2014–2016.

Our brands



Group, first six months of 2016

Januari-June 2016

- Net sales for the first six months of the year amounted to SEK 6,990 million (6,826).
- Organic growth was 3 per cent (6).
- Operating profit amounted to SEK 649 million (611), corresponding to an operating margin of 9.3 per cent (9.0).
- Currency losses of about SEK 80 million impacted operating profit, of which a negative SEK 30 million comprised translation effects and a negative SEK 50 million transaction effects.
- Profit after tax amounted to SEK 473 million (442), corresponding to earnings per share of SEK 2.81 (2.63).
- Operating cash flow amounted to SEK 316 million (204).

Sales increased organically 3 per cent (6), distributed as 4 per cent (8) in the Nordic region, 3 per cent (8) in the UK and 3 per cent (neg: 7) in Central Europe. Currency losses of SEK 285 million (gains: 534) affected net sales. Commodore and CIE reported sales of SEK 267 million during the period.

Operating profit improved primarily as a result of higher sales values, lower material prices and the acquisition of Commodore and CIE.

Group-wide items and eliminations posted an operating loss of SEK 76 million (loss: 78).

Operating cash flow increased due to lower investments and improved generated earnings.

Nobia's investments in fixed assets amounted to SEK 108 million (182), of which SEK 24 million (56) pertained to store investments.

Analysis of net sales

	Jan-Jun	
	%	SEK m
2015		6,826
Organic growth	3	228
– of which Nordic region	4	106
– of which UK region	3	96
– of which CE region	3	26
Currency effect	-4	-285
Sales to Hygena	-1	-46
Acquired operations ¹	4	267
2016	2	6,990

¹ Pertains to acquisition of Commodore and CIE, consolidated on 1 November 2015.

Currency effect on operating profit

SEK m	Trans-	Trans-	Total
	lation	action	
	effect	effect	effect
	Jan-Jun	Jan-Jun	Jan-Jun
Nordic region	-10	-45	-55
UK region	-20	-5	-25
CE region	0	0	0
Group	-30	-50	-80

Net sales and earnings per region

	Nordic		UK		Central Europe		Group-wide and eliminations		Group		Change, %
	Jan-Jun		Jan-Jun		Jan-Jun		Jan-Jun		Jan-Jun		
SEK m	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	
Net sales from external customers	2,993	3,023	3,093	3,211	740	756	-	-	6,826	6,990	2
Net sales from other regions	1	1	-	-	1	1	-2	-2	-	-	-
Net sales	2,994	3,024	3,093	3,211	741	757	-2	-2	6,826	6,990	2
Gross profit	1,209	1,221	1,240	1,257	310	313	9	11	2,768	2,802	1
Gross margin, %	40.4	40.4	40.1	39.1	41.8	41.3	-	-	40.6	40.1	-
Operating profit/loss	405	434	250	286	34	5	-78	-76	611	649	6
Operating margin, %	13.5	14.4	8.1	8.9	4.6	0.7	-	-	9.0	9.3	-
Net financial items	-	-	-	-	-	-	-	-	-31	-23	26
Profit after financial items	-	-	-	-	-	-	-	-	580	626	8

Other information

Financing

In 2014, Nobia agreed a new syndicated loan of SEK 1 billion with a term of five years. In addition, Nobia has a bond loan from AB SEK Securities (Swedish Export Credit Corporation) of SEK 800 million, which expires in 2017.

Net debt including pension provisions amounted to SEK 1,080 million (1,123) at the end of the second quarter. The debt/equity ratio was 30 per cent (33) at the end of the period.

Net financial items amounted to an expense of SEK 23 million (expense: 31). Net financial items include the net of returns on pension assets and interest expense on pension liabilities corresponding to an expense of SEK 13 million (expense: 19). The net interest expense amounted to SEK 10 million (expense: 12).

Corporate acquisitions and divestments

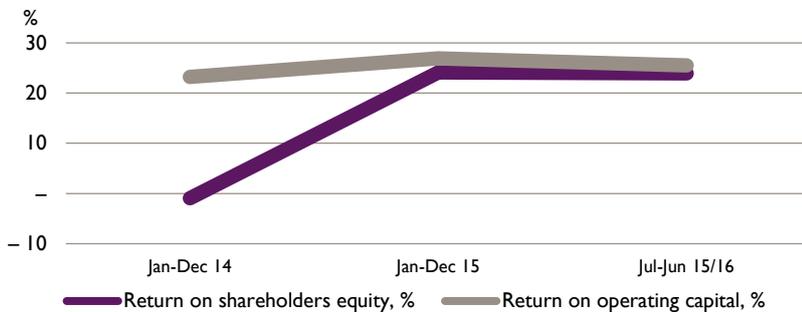
Nobia announced in May 2016 its intention to enter into a strategic partnership for the development, production and sale of kitchens from the Poggenpohl brand, and to

offer a potential partner the opportunity to acquire a minority share in Poggenpohl. A process has been initiated to find a partner in global luxury products that can contribute to the development of Poggenpohl.

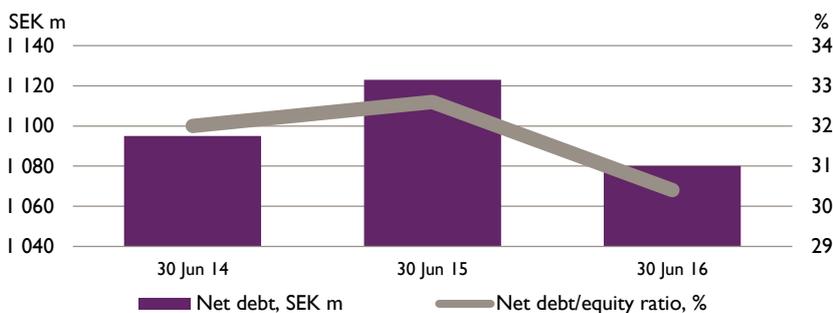
Nobia announced on 12 November 2015 the acquisition of Commodore and CIE, two companies active in the private developer market in the UK. The purchase price consisted of GBP 28 million on a cash and debt-free basis, and a variable cash consideration of a maximum GBP 4 million, conditional upon the business performance. Commodore and CIE are consolidated in Nobia's accounts as of 1 November 2015.

On 30 October 2014, Nobia signed an agreement for the divestment of the French kitchen chain Hygena to Fournier Group conditional on the approval of the French competition authority. Hygena has been recognized as a discontinued operation since 1 January 2015. On 23 February 2015, the French competition authority approved the divestment of Hygena to Fournier Group. The transaction took place on 2 March 2015 and Nobia thus received the purchase consideration.

Return on shareholders' equity and on operating capital



Net debt and net debt/equity ratio



Earnings from discontinued operations

Nobia has acquired stores from franchisees with the intention of subsequently selling them on. At the end of 2015, Nobia had five stores reported as Discontinued operations and disposal group held for sale, in accordance with IFRS 5. During the first six months of 2016, one store that Nobia had previously acquired from franchisees, was sold on in Denmark and one store was closed. At the end of the second quarter, Nobia had two stores in Denmark and one store in Sweden, a total of three stores, recognised in accordance with IFRS 5.

Profit after tax from discontinued operations for the first six months of 2016 amounted to SEK 1 million (loss: 5), of which SEK 5 million pertained to the dissolution of a provision relating to the sale of Hygena, while a loss of SEK 4 million referred to the stores that Nobia acquired from franchisees, with the intention of subsequently selling on. Loss after tax from discontinued operations for the first six months of 2015 amounted to SEK 5 million, of which a gain of SEK 47 million pertained to the divestment of Hygena, a loss of SEK 51 million pertained to Hygena's current earnings and a loss of SEK 1 million referred to the stores acquired from franchisees, with the intention of subsequently selling on.

Items affecting comparability

Nobia recognises items affecting comparability separately to distinguish the performance of the underlying operations. Items affecting comparability refer to items that affect comparisons insofar as they do not recur with the same regularity as other items, see page 12. No items affecting comparability were reported during the first six months of 2016 (-). Approved and implemented restructuring measures for prior years were charged against cash flow for the first half of 2016 in the amount of SEK 1 million (20).

Personnel

The number of employees at the end of the period was 6,565 (6,390). The increase in the number of employees was mainly due to the acquisition of Commodore and CIE, which had 153 employees on 30 June 2016.

Changes in management

Niek Visarius, who has been acting head of Supply Chain Operations since December 2015, has been appointed EVP Supply Chain Operations and is a member of Nobia's Group management as of 1 July 2016.

Mikael Norman, CFO, will leave Nobia at the end of October 2016. Kristoffer Ljungfelt has been appointed new CFO as of 1 November 2016. Kristoffer Ljungfelt is Business Area Director for Sigdal and was formerly Finance Director for Nobia Norway and the Nordic region.

Transfer of treasury shares

During the first half of the year, Nobia transferred 192,163 shares under the Performance Share Plan resolved by Nobia's 2013 Annual General Meeting.

The 2013 Performance Share Plan encompassed approximately 100 senior executives and was based on participants investing in Nobia shares that were locked into the plan. Each Nobia share invested in under the framework of the plan entitled participants, following a vesting period of approximately three years and provided that certain conditions were fulfilled, to allotment of matching and performance shares in Nobia.

As per 30 June 2016, Nobia's holding of treasury shares amounted to 6,819,990.

Significant risks in the Group and Parent Company

Nobia is exposed to strategic, operating and financial risks, which are described on pages 37-39 of the 2015 Annual Report. During the January-June 2016 period, the overall market trend is deemed to have improved slightly. However, the overall market situation is deemed to remain challenging. This means that total production and deliveries remain at a low level. Nobia is continuing to capitalise on synergies and economies of scale by harmonising the product range, co-ordinating production and enhancing purchasing efficiency. Nobia's balance sheet as at 30 June 2016 contained goodwill of SEK 2,434 million (2,356). The value of this asset item is tested if there are any indications of a decline in value and at least once annually.

The Board of Directors and CEO assure that the six-month report provides a fair view of the Parent Company's and the Group's operations, financial position and profits, and describes the material risks and uncertainties facing the Parent Company and the companies included in the Group.

Stockholm 20 July 2016

Tomas Billing
Chairman

Nora Förisdal Larssen

Thore Ohlsson

Fredrik Palmstierna

Lilian Fossum Biner

Ricard Wennerklint

Stefan Jacobsson

Christina Ståhl

Morten Falkenberg
President and CEO

Per Bergström
Employee representative

Marie Ströberg
Employee representative

This interim report is unaudited.

Nobia AB, Corporate Registration Number 556528-2752

Condensed consolidated income statement

SEK m	Apr-Jun		Jan-Jun		Jan-Dec	Jul-Jun
	2015	2016	2015	2016	2015	2015/16
Net sales	3,575	3,667	6,826	6,990	13,332	13,496
Cost of goods sold	-2,106	-2,186	-4,058	-4,188	-7,974	-8,104
Gross profit	1,469	1,481	2,768	2,802	5,358	5,392
Selling and administrative expenses	-1,069	-1,074	-2,158	-2,165	-4,237	-4,244
Other income/expenses	0	7	1	12	24	35
Operating profit	400	414	611	649	1,145	1,183
Net financial items	-15	-11	-31	-23	-58	-50
Profit/loss after financial items	385	403	580	626	1,087	1,133
Tax	-89	-99	-133	-154	-262	-283
Profit/loss after tax from continuing operations	296	304	447	472	825	850
Profit/loss from discontinued operations, net after tax	-7	-2	-5	1	3	9
Profit/loss after tax	289	302	442	473	828	859
Total profit attributable to:						
Parent Company shareholders	289	303	442	474	829	861
Non-controlling interests	0	-1	0	-1	-1	-2
Total profit/loss	289	302	442	473	828	859
Total depreciation ¹	88	84	174	170	341	337
Total impairment ¹	0	2	1	2	5	6
Gross margin, %	41.1	40.4	40.6	40.1	40.2	40.0
Operating margin, %	11.2	11.3	9.0	9.3	8.6	8.8
Return on operating capital, %	-	-	-	-	26.9	25.5
Return on shareholders equity, %	-	-	-	-	24.1	23.9
Earnings per share before dilution, SEK ²	1.73	1.80	2.64	2.82	4.93	5.11
Earnings per share after dilution, SEK ²	1.72	1.80	2.63	2.81	4.92	5.10
Number of shares at period end before dilution, 000s ³	168,087	168,473	168,087	168,473	168,281	168,473
Average number of shares before dilution, 000s ³	167,879	168,473	167,798	168,377	168,060	168,316
Number of shares after dilution at period end, 000s ³	168,423	168,676	168,414	168,687	168,657	168,696
Average number of shares after dilution, 000s ³	168,260	168,661	168,288	168,652	168,517	168,645

¹ Excludes depreciation and impairment recognised on the line "Profit/loss from discontinued operations, net after tax".

² Earnings per share attributable to the Parent Company shareholders.

³ Excluding treasury shares.

Condensed statement of comprehensive income

SEK m	Apr-Jun		Jan-Jun		Jan-Dec	Jul-Jun
	2015	2016	2015	2016	2015	2015/16
Profit/loss after tax	289	302	442	473	828	859
Other comprehensive income						
Items that may be reclassified subsequently to profit or loss						
Exchange-rate differences attributable to translation of foreign operations	18	-25	74	-150	-89	-313
Cash flow hedges before tax	6	3	-19	3	4	26
Tax attributable to change in hedging reserve for the period	-1	-1	4	-1	-1	-6
	23	-23	59	-148	-86	-293
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit pension plans	138	-151	4	-218	170	-52
Tax relating to remeasurements of defined benefit pension plans	-28	31	-1	44	-34	11
	110	-120	3	-174	136	-41
Other comprehensive income/loss	133	-143	62	-322	50	-334
Total comprehensive income/loss	422	159	504	151	878	525
Total comprehensive income/loss attributable to:						
Parent Company shareholders	422	160	504	152	879	527
Non-controlling interests	0	-1	0	-1	-1	-2
Total comprehensive income/loss	422	159	504	151	878	525

Specification of items affecting comparability

	Apr-Jun		Jan-Jun		Jan-Dec	Jul-Jun
	2015	2016	2015	2016	2015	2015/16
Items affecting comparability SEK m						
Write downs in Poggenpohl USA due to incorrect accounting	-	-	-	-	-96	-96
Items affecting comparability in operating profit	-	-	-	-	-96	-96
Items affecting comparability in taxes	-	-	-	-	21	21
Items affecting comparability, total	-	-	-	-	-75	-75

	Apr-Jun		Jan-Jun		Jan-Dec	Jul-Jun
	2015	2016	2015	2016	2015	2015/16
Items affecting comparability per function, SEK m						
Net sales	-	-	-	-	-4	-4
Cost of goods sold	-	-	-	-	-33	-33
Selling and administrative expenses	-	-	-	-	-59	-59
Other expenses	-	-	-	-	0	0
Items affecting comparability in operating profit	-	-	-	-	-96	-96
Items affecting comparability in taxes	-	-	-	-	21	21
Items affecting comparability, total	-	-	-	-	-75	-75

	Apr-Jun		Jan-Jun		Jan-Dec	Jul-Jun
	2015	2016	2015	2016	2015	2015/16
Items affecting comparability per region, SEK m ¹⁾						
Nordic	-	-	-	-	-	-
UK	-	-	-	-	-	-
Central Europe	-	-	-	-	-96 ²⁾	-96
Group-wide and eliminations	-	-	-	-	-	-
Group	-	-	-	-	-96	-96

1 Refers to costs that impact operating profit.

2 Impairment of SEK 10 million referring to kitchen displays.

Condensed consolidated balance sheet

SEK m	30 Jun		31 Dec
	2015	2016	2015
ASSETS			
Goodwill	2,356	2,434	2,551
Other intangible fixed assets	141	107	146
Tangible fixed assets	1,710	1,657	1,722
Long-term receivables, interest-bearing (IB)	6	4	3
Long-term receivables	31	29	34
Deferred tax assets	302	250	241
Total fixed assets	4,546	4,481	4,697
Inventories	977	987	934
Accounts receivable	1,581	1,596	1,269
Current receivables, interest-bearing (IB)	3	2	5
Other receivables	417	406	391
<i>Total current receivables</i>	<i>2,001</i>	<i>2,004</i>	<i>1,665</i>
Cash and cash equivalents (IB)	622	616	765
Assets held for sale	21	4	8
Total current assets	3,621	3,611	3,372
Total assets	8,167	8,092	8,069
SHAREHOLDERS' EQUITY AND LIABILITIES			
Share capital	58	58	58
Other capital contributions	1,473	1,478	1,478
Reserves	66	-227	-78
Profit brought forward	1,837	2,240	2,360
<i>Total shareholders' equity attributable to Parent Company shareholders</i>	<i>3,434</i>	<i>3,549</i>	<i>3,818</i>
Non-controlling interests	5	3	4
Total shareholders' equity	3,439	3,552	3,822
Provisions for pensions (IB)	941	885	732
Other provisions	129	101	122
Deferred tax liabilities	137	135	133
Other long-term liabilities, interest-bearing (IB)	808	810	811
Total long-term liabilities	2,015	1,931	1,798
Current liabilities, interest-bearing (IB)	5	7	4
Current liabilities	2,704	2,601	2,442
Liabilities attributable to assets held for sale	4	1	3
Total current liabilities	2,713	2,609	2,449
Total shareholders' equity and liabilities	8,167	8,092	8,069
BALANCE-SHEET RELATED KEY RATIOS			
Equity/assets ratio, %	42	44	47
Debt/equity ratio, %	33	30	20
Net debt, closing balance, SEK m	1,123	1,080	774
Operating capital, closing balance, SEK m	4,562	4,632	4,596
Capital employed, closing balance, SEK m	5,193	5,254	5,369

Statement of changes in consolidated shareholders' equity

Attributable to Parent Company shareholders

SEK m	Share capital	Other capital contributions	Exchange-rate differences attributable to translation of foreign operations	Cash-flow hedges after tax	Profit brought forward	Total	Non-controlling interests	Total shareholders equity
Opening balance, 1 January 2015	58	1,470	8	-1	1,656	3,191	5	3,196
Profit/loss for the period	-	-	-	-	442	442	0	442
Other comprehensive income/loss for the period	-	-	74	-15	3	62	0	62
Total comprehensive income for the period	-	-	74	-15	445	504	0	504
Dividend	-	-	-	-	-294	-294	0	-294
Allocation of employee share option and share saving schemes	-	3	-	-	-	3	-	3
Treasury shares sold	-	-	-	-	30	30	-	30
Closing balance, 30 June 2015	58	1,473	82	-16	1,837	3,434	5	3,439
Opening balance, 1 January 2016	58	1,478	-81	2	2,361	3,818	4	3,822
Profit/loss for the period	-	-	-	-	474	474	-1	473
Other comprehensive income/loss for the period	-	-	-150	2	-174	-322	0	-322
Total comprehensive income/loss for the period	-	-	-150	2	300	152	-1	151
Dividend	-	-	-	-	-421	-421	-	-421
Allocation of share saving schemes	-	0	-	-	-	0	-	0
Closing balance, 30 June 2016	58	1,478	-231	4	2,240	3,549	3	3,552

Condensed consolidated cash-flow statement

SEK m	Apr-Jun		Jan-Jun		Jan-Dec	Jul-Jun
	2015	2016	2015	2016	2015	2015/16
<i>Operating activities</i>						
Operating profit	400	414	611	649	1,145	1,183
Operating profit/loss for discontinued operations	-8	-2	-3	1	3	7
Depreciation/Impairment	88	86	175 ¹	172 ²	346 ³	343
Adjustments for non-cash items	13	6	-29	-1	66	94
Tax paid	-42	-48	-103	-114	-216	-227
Change in working capital	-197	-174	-274	-301	-199	-226
Cash flow from operating activities	254	282	377	406	1,145	1,174
<i>Investing activities</i>						
Investments in fixed assets	-90	-52	-182	-108	-410	-336
Other items in investing activities	6	8	9	18	35	44
Interest received	1	1	3	1	6	4
Change in interest-bearing assets	-1	2	-2	3	-1	4
Acquisition of operations	-	-	-	0	-348	-348
Divestment of operations	-7	-	232	-	230	-2
Cash flow from investing activities	-91	-41	60	-86	-488	-634
Operating cash flow before acquisition/divestment of operations, interest, increase/decrease of interest-bearing assets	170	238	204	316	770	882
Total cash flow from operating and investing activities	163	241	437	320	657	540
<i>Financing activities</i>						
Interest paid	-6	-4	-15	-11	-20	-16
Change in interest-bearing liabilities	34	-32	17 ⁴	-59 ⁵	-30 ⁶	-106
Treasury shares sold	17	-	30	-	34	4
Dividend	-294	-421	-294	-421	-294	-421
Cash flow from financing activities	-249	-457	-262	-491	-310	-539
Cash flow for the period excluding exchange-rate differences in cash and cash equivalents	-86	-216	175	-171	347	1
Cash and cash equivalents at beginning of the period	723	804	470	765	470	622
Cash flow for the period	-86	-216	175	-171	347	1
Exchange-rate differences in cash and cash equivalents	-15	28	-23	22	-52	-7
Cash and cash equivalents at period-end	622	616	622	616	765	616

1 Impairment amounted to SEK 1 million and pertained to kitchen displays.

2 Impairment amounted to SEK 2 million and pertained to kitchen displays for SEK 1 million and equipment, tools and installations for SEK 1 million.

3 Impairment amounted to SEK 5 million and pertained to kitchen displays SEK 10 million, machinery SEK 1 million, and buildings SEK 1 million. Reverse of previous impairment amounted to SEK 7 million and referred to kitchen displays.

4 No repayment or loans raised.

5 No repayment or loans raised.

6 No repayment or loans raised.

Analysis of net debt

SEK m	Apr-Jun		Jan-Jun		Jan-Dec	Jul-Jun
	2015	2016	2015	2016	2015	2015/16
Opening balance	1,160	768	1,206	774	1,206	1,123
Acquisition of operations	–	–	–	0	353	353
Divestment of operations	7	–	-232	–	-230	2
Translation differences	-28	-31	11	-40	24	-27
Operating cash flow	-170	-238	-204	-316	-770	-882
Interest paid, net	5	3	12	10	14	12
Remeasurements of defined benefit pension plans	-138	151	-4	218	-170	52
Other change in pension liabilities	10	6	70	13	87	30
Dividend	294	421	294	421	294	421
Treasury shares sold	-17	–	-30	–	-34	-4
Closing balance	1,123	1,080	1,123	1,080	774	1,080

Note 1 – Accounting policies

This interim report has been prepared in accordance with IFRS, with the application of IAS 34 Interim Financial Reporting. For the Parent Company, accounting policies are applied in accordance with Chapter 9, Interim Reports, of the Swedish Annual Accounts Act. Nobia has applied the same accounting policies in this interim report as were applied in the 2015 Annual Report.

Note 2 – References

Segment information - pages 2 and 6.

Loan and shareholders' equity transactions - pages 7 and 8.

Divestment of operation - pages 7 and 8.

Items affecting comparability - pages 8 and 12.

Note 3 – Financial instruments – fair value

The carrying amounts of the Group's financial assets and liabilities, recognised at amortised cost, are a reasonable approximation of their fair values. Financial instruments measured at fair value in the balance sheet are forward agreements and an interest swap comprised of assets at a value of SEK 25 million (31 Dec 2015: 18) and liabilities at a value of SEK 9 million (31 Dec 2015: 14). The measurement of these items is attributable to level 2 of the fair value hierarchy, meaning based on indirectly observable market data. The supplementary purchase consideration of SEK 53 million pertaining to the acquisition of Commodore and CIE is conditional upon the business performance and is valued at level 3 of the fair value hierarchy.

Note 4 – Related-party transactions

The Parent Company invoiced Group-wide services to subsidiaries in an amount of SEK 115 million (99) during the first six months of 2016. The Parent Company reported profit of SEK 0 million (0) from participations in Group companies.

Parent Company

Condensed Parent company income statement

SEK m	Apr-Jun		Jan - Jun		Jan-Dec	Jul-Jun
	2015	2016	2015	2016	2015	2015/16
Net sales	50	56	99	115	200	216
Administrative expenses	-69	-72	-128	-142	-262	-276
Operating loss	-19	-16	-29	-27	-62	-60
Profit from shares in Group companies	-	-	-	-	416	360
Other financial income and expenses	-8	2	-15	4	-49	-30
Profit/loss after financial items	-27	-14	-44	-23	305	270
Tax on profit/loss for the period	0	-1	0	-1	0	-1
Profit/loss for the period	-27	-15	-44	-24	305	313

Parent company balance sheet

SEK m	30 Jun		31 Dec
	2015	2016	2015
ASSETS			
Fixed assets			
Shares and participations in Group companies	2,236	2,086	2,084
Total fixed assets	2,236	2,086	2,084
Current assets			
<i>Current receivables</i>			
Accounts receivable	18	2	1
Receivables from Group companies	2,871	2,645	2,863
Other receivables	8	9	13
Prepaid expenses and accrued income	53	45	59
Cash and cash equivalents	314	364	472
Total current assets	3,264	3,065	3,408
Total assets	5,500	5,151	5,492
SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES			
Shareholders' equity			
<i>Restricted shareholders' equity</i>			
Share capital	58	58	58
Statutory reserve	1,671	1,671	1,671
	1,729	1,729	1,729
<i>Non-restricted shareholders' equity</i>			
Share premium reserve	52	52	52
Buy-back of shares	-405	-391	-402
Profit brought forward	2,066	1,945	2,071
Profit/loss for the period	-44	-24	305
	1,669	1,582	2,026
Total shareholders' equity	3,398	3,311	3,755
Provisions for pensions	14	15	15
Long-term liabilities			
Liabilities to credit institutes	800	800	800
Current liabilities			
Liabilities to credit institutes	0	0	0
Accounts payable	19	15	18
Liabilities to Group companies	1,239	987	864
Other liabilities	4	3	11
Accrued expenses and deferred income	26	20	29
Total current liabilities	1,288	1,025	922
Total shareholders' equity, provisions and liabilities	5,500	5,151	5,492

Comparative data per region

	Apr-Jun		Jan-Jun		Jan-Dec	Jul-Jun
	2015	2016	2015	2016	2015	2015/16
Net sales excl IAC, SEK m						
Nordic	1,609	1,626	2,994	3,024	5,652	5,682
UK	1,571	1,633	3,093	3,211	6,099	6,217
Central Europe	396	408	741	757	1,588	1,604
Group-wide and eliminations	-1	0	-2	-2	-3	-3
Group	3,575	3,667	6,826	6,990	13,336	13,500

	Apr-Jun		Jan-Jun		Jan-Dec	Jul-Jun
	2015	2016	2015	2016	2015	2015/16
Net sales, SEK m						
Nordic	1,609	1,626	2,994	3,024	5,652	5,682
UK	1,571	1,633	3,093	3,211	6,099	6,217
Central Europe	396	408	741	757	1,584	1,600
Group-wide and eliminations	-1	0	-2	-2	-3	-3
Group	3,575	3,667	6,826	6,990	13,332	13,496

	Apr-Jun		Jan-Jun		Jan-Dec	Jul-Jun
	2015	2016	2015	2016	2015	2015/16
Gross profit excl IAC, SEK m						
Nordic	659	673	1,209	1,221	2,254	2,266
UK	636	636	1,240	1,257	2,463	2,480
Central Europe	170	167	310	313	662	665
Group-wide and eliminations	4	5	9	11	16	18
Group	1,469	1,481	2,768	2,802	5,395	5,429

	Apr-Jun		Jan-Jun		Jan-Dec	Jul-Jun
	2015	2016	2015	2016	2015	2015/16
Gross margin excl IAC, %						
Nordic	41.0	41.4	40.4	40.4	39.9	39.9
UK	40.5	38.9	40.1	39.1	40.4	39.9
Central Europe	42.9	40.9	41.8	41.3	41.7	41.5
Group	41.1	40.4	40.6	40.1	40.5	40.2

	Apr-Jun		Jan-Jun		Jan-Dec	Jul-Jun
	2015	2016	2015	2016	2015	2015/16
Operating profit excl IAC, SEK m						
Nordic	254	271	405	434	749	778
UK	156	175	250	286	567	603
Central Europe	27	8	34	5	81	52
Group-wide and eliminations	-37	-40	-78	-76	-156	-154
Group	400	414	611	649	1,241	1,279

	Apr-Jun		Jan-Jun		Jan-Dec	Jul-Jun
	2015	2016	2015	2016	2015	2015/16
Operating margin excl IAC, %						
Nordic	15.8	16.7	13.5	14.4	13.3	13.7
UK	9.9	10.7	8.1	8.9	9.3	9.7
Central Europe	6.8	2.0	4.6	0.7	5.1	3.2
Group	11.2	11.3	9.0	9.3	9.3	9.5

Comparative data per region, cont.

Operating profit, SEK m	Apr-Jun		Jan-Jun		Jan-Dec	Jul-Jun
	2015	2016	2015	2016	2015	2015/16
Nordic	254	271	405	434	749	778
UK	156	175	250	286	567	603
Central Europe	27	8	34	5	-15	-44
Group-wide and eliminations	-37	-40	-78	-76	-156	-154
Group	400	414	611	649	1,145	1,183

Operating margin, %	Apr-Jun		Jan-Jun		Jan-Dec	Jul-Jun
	2015	2016	2015	2016	2015	2015/16
Nordic	15.8	16.7	13.5	14.4	13.3	13.7
UK	9.9	10.7	8.1	8.9	9.3	9.7
Central Europe	6.8	2.0	4.6	0.7	-0.9	-2.8
Group	11.2	11.3	9.0	9.3	8.6	8.8

Quarterly data per region

Net sales excl IAC, SEK m	2015				2016	
	I	II	III	IV	I	II
Nordic	1,385	1,609	1,237	1,421	1,398	1,626
UK	1,522	1,571	1,535	1,471	1,578	1,633
Central Europe	345	396	432	415	349	408
Group-wide and eliminations	-1	-1	0	-1	-2	0
Group	3,251	3,575	3,204	3,306	3,323	3,667

Net sales, SEK m	2015				2016	
	I	II	III	IV	I	II
Nordic	1,385	1,609	1,237	1,421	1,398	1,626
UK	1,522	1,571	1,535	1,471	1,578	1,633
Central Europe	345	396	432	411	349	408
Group-wide and eliminations	-1	-1	0	-1	-2	0
Group	3,251	3,575	3,204	3,302	3,323	3,667

Gross profit excl IAC, SEK m	2015				2016	
	I	II	III	IV	I	II
Nordic	550	659	491	554	548	673
UK	604	636	631	592	621	636
Central Europe	140	170	184	168	146	167
Group-wide and eliminations	5	4	5	2	6	5
Group	1,299	1,469	1,311	1,316	1,321	1,481

Gross margin excl IAC, %	2015				2016	
	I	II	III	IV	I	II
Nordic	39.7	41.0	39.7	39.0	39.2	41.4
UK	39.7	40.5	41.1	40.2	39.4	38.9
Central Europe	40.6	42.9	42.6	40.5	41.8	40.9
Group	40.0	41.1	40.9	39.8	39.8	40.4

Operating profit excl IAC, SEK m	2015				2016	
	I	II	III	IV	I	II
Nordic	151	254	172	172	163	271
UK	94	156	163	154	111	175
Central Europe	7	27	39	8	-3	8
Group-wide and eliminations	-41	-37	-31	-47	-36	-40
Group	211	400	343	287	235	414

Operating margin excl IAC, %	2015				2016	
	I	II	III	IV	I	II
Nordic	10.9	15.8	13.9	12.1	11.7	16.7
UK	6.2	9.9	10.6	10.5	7.0	10.7
Central Europe	2.0	6.8	9.0	1.9	-0.9	2.0
Group	6.5	11.2	10.7	8.7	7.1	11.3

Quarterly data per region, cont.

Operating profit, SEK m	2015				2016	
	I	II	III	IV	I	II
Nordic	151	254	172	172	163	271
UK	94	156	163	154	111	175
Central Europe	7	27	39	-88	-3	8
Group-wide and eliminations	-41	-37	-31	-47	-36	-40
Group	211	400	343	191	235	414

Operating margin, %	2015				2016	
	I	II	III	IV	I	II
Nordic	10.9	15.8	13.9	12.1	11.7	16.7
UK	6.2	9.9	10.6	10.5	7.0	10.7
Central Europe	2.0	6.8	9.0	-21.4	-0.9	2.0
Group	6.5	11.2	10.7	5.8	7.1	11.3

Reconciliation of alternative performance measures

Nobia presents certain financial performance measures in the interim report that are not defined according to IFRS, known as alternative performance measures. Nobia believes that these measures provide valuable complementary information to investors and the company's management since they facilitate assessments of trends and the company's performance. Because not all companies calculate performance measures in the same way, these are not always comparable with those measures used by other companies. Consequently, the performance measures are not to be seen as replacements for measures defined according to IFRS. For definitions of the performance measures that Nobia uses, see page 25.

	Apr-Jun		Jan-Jun		Jan-Dec	Jul-Jun
	2015	2016	2015	2016	2015	2015/16
Net sales excl IAC, SEK m						
Net sales	3,575	3,667	6,826	6,990	13,332	13,496
Items affecting comparability	–	–	–	–	4	4
Net Sales excl IAC SEKm	3,575	3,667	6,826	6,990	13,336	13,500

	Apr-Jun		Jan-Jun		Jan-Dec	Jul-Jun
	2015	2016	2015	2016	2015	2015/16
Gross profit excl IAC, SEK m						
Gross profit	1,469	1,481	2,768	2,802	5,358	5,392
Items affecting comparability	–	–	–	–	37	37
Gross profit excl IAC	1,469	1,481	2,768	2,802	5,395	5,429
% of sales excl IAC	41.1%	40.4%	40.6%	40.1%	40.5%	40.2%

	Apr-Jun		Jan-Jun		Jan-Dec	Jul-Jun
	2015	2016	2015	2016	2015	2015/16
Operating profit before depreciation and impairment excl IAC, SEKm						
Operating profit	400	414	611	649	1,145	1,183
Depreciation and impairment excl IAC	88	86	175	172	336	333
Depreciation and impairment IAC	–	–	–	–	10	10
Operating profit before depreciation and impairment	488	500	786	821	1,491	1,526
IAC excl depreciation and impairment	–	–	–	–	86	86
Operating profit before depreciation and impairment excl IAC	488	500	786	821	1,577	1,612
% of sales excl IAC	13.7%	13.6%	11.5%	11.7%	11.8%	11.9%

	Apr-Jun		Jan-Jun		Jan-Dec	Jul-Jun
	2015	2016	2015	2016	2015	2015/16
Operating profit excl IAC, SEK m						
Operating profit	400	414	611	649	1,145	1,183
Items affecting comparability	–	–	–	–	96	96
Operating profit excl IAC	400	414	611	649	1,241	1,279
% of sales excl IAC	11.2%	11.3%	9.0%	9.3%	9.3%	9.5%

Reconciliation of alternative performance measures, cont.

Net debt, SEK m	30 Jun		31 Dec
	2015	2016	2015
Provisions for pensions (IB)	941	885	732
Other long-term liabilities, interest-bearing (IB)	808	810	811
Current liabilities, interest-bearing (IB)	5	7	4
Interest-bearing liabilities	1,754	1,702	1,547
Long-term receivables, interest-bearing (IB)	-6	-4	-3
Current receivables, interest-bearing (IB)	-3	-2	-5
Cash and cash equivalents (IB)	-622	-616	-765
Interest-bearing assets	-631	-622	-773
Net debt	1,123	1,080	774

Operating capital, SEK m	30 Jun		31 Dec
	2015	2016	2015
Total assets	8,167	8,092	8,069
Other provisions	-129	-101	-122
Deferred tax liabilities	-137	-135	-133
Current liabilities	-2,704	-2,601	-2,442
Liabilities attributable to assets held for sale	-4	-1	-3
Non-interest-bearing liabilities	-2,974	-2,838	-2,700
Capital employed	5,193	5,254	5,369
Interest-bearing assets	-631	-622	-773
Operating capital	4,562	4,632	4,596

Average operating capital, SEK m	Jan-Dec	Jul-Jun
	2015	2015/16
OB Operating capital	4,402	4,562
OB Net assets discontinued operations	-232	-17
CB Operating capital	4,596	4,632
CB Net assets discontinued operations	-5	-3
Average operating capital before adjustments of acquisition and divestments	4,381	4,587
Adjustment for acquisitions and divestments not occurred in the middle of the period	-118	59
Average operating capital	4,263	4,646

Average equity, SEK m	Jan-Dec	Jul-Jun
	2015	2015/16
OB Equity attributable to Parent Company shareholders	3,191	3,434
CB Equity attributable to Parent Company shareholders	3,818	3,549
Average equity before adjustment of increases and decreases in capital	3,505	3,492
Adjustment for increases and decreases in capital not occurred in the middle of the period	-67	105
Average equity	3,438	3,597

Definitions

Return on shareholders' equity

Net profit for the period as a percentage of average shareholders' equity attributable to Parent Company shareholders based on opening and closing balances for the period. The calculation of average shareholders' equity has been adjusted for increases and decreases in capital.

Return on operating capital

Operating profit as a percentage of average operating capital based on opening and closing balances for the period excluding net assets attributable to discontinued operations. The calculation of average operating capital has been adjusted for acquisitions and divestments.

Gross marginal

Gross profit as a percentage of net sales.

EBITDA

Earnings before depreciation/amortisation and impairment.

Net debt

Interest-bearing liabilities less interest-bearing assets. Interest-bearing liabilities include pension liabilities.

Operating capital

Capital employed excluding interest-bearing assets.

Operating cash flow

Cash flow from operating activities including cash flow from investing activities, excluding cash flow from acquisitions/divestments of operations, interest received, increase/decrease in interest-bearing assets.

Region

A region comprises an operating segment in accordance with IFRS 8.

Earnings per share

Net profit for the period divided by a weighted average number of outstanding shares during the period.

Operating margin

Operating profit as a percentage of net sales.

Debt/equity ratio

Net debt as a percentage of shareholders' equity including non-controlling interests.

Equity/assets ratio

Shareholders' equity including non-controlling interests as a percentage of balance-sheet total.

Capital employed

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

Currency effects

"Translation effects" refers to the currency effects arising when foreign results and balance sheets are translated to SEK.

"Transaction effects" refers to the currency effects arising when purchases or sales are made in currency other than the currency of the producing country (functional currency).

Information to shareholders

For further information

Contact any of the following on +46 8 440 16 00 or +46 705 95 51 00:

- Morten Falkenberg, President and CEO
- Mikael Norman, CFO
- Lena Schattauer, Head of Communication and Investor Relations

Presentation

The interim report will be presented on Wednesday, 20 July at 2:00 p.m. CET in a webcast teleconference that can be followed on Nobia's website.

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

- From Sweden: +46 8 505 564 74
- From the UK: +44 203 364 5374
- From the US: +1 855 753 22 30

Financial calendar

28 October 2016	Interim report January-September 2016
7 February 2017	Interim report January-December 2016
6 April 2017	Annual General Meeting 2017
28 April 2017	Interim report January-March 2017

This information is such that Nobia is obliged to make public pursuant to the EU's Market Abuse Regulation and the Swedish Securities Market Act. The information was submitted for publication, through the agency of the contact person set out above, on 20 July 2016 at 1:00 p.m. CET.

Nobia develops and sells kitchens through some twenty strong brands in Europe, including Magnet in the UK; HTH, Norema, Sigdal, Invita, Marbodal in Scandinavia; Petra and A la Carte in Finland; Ewe, FM and Intuo in Austria, as well as Poggenpohl globally. Nobia generates profitability by combining economies of scale with attractive kitchen offerings. The Group has approximately 6,400 employees and net sales of about SEK 12 billion. The Nobia share is listed on the Nasdaq Stockholm under the ticker NOBI. Website: www.nobia.com.

Box 70376 • SE-107 24 Stockholm • Office address: Klarabergsviadukten 70 A5 • Tel +46 8 440 16 00 • Fax +46 8 503 826 49 • www.nobia.com. Corporate Registration Number: 556528-2752 • Board domicile: Stockholm, Sweden