

Interim Report

January – June 2009

Q2

- **Profit before tax SEK 344m (764)**
- **Earnings per share before dilution SEK 1.34 (3.14)**
- **Mixed but overall satisfactory development in the holdings**
- **Add-on investment in DIAB, holding increased to 94%**
- **Total return on Ratos shares +24%**

Ratos in summary

SEKm	2009 Q 2	2008 Q 2	2009 Q 1-2	2008 Q 1-2	2008
Profit/share of profits	191	568	290	813	1,554
Exit gains		6		7	4,449
Impairments					-92
Profit from holdings	191	574	290	820	5,911
Net expenses	3	-79	54	-56	-240
Profit before tax	194	495	344	764	5,671

Important events

■ Acquisition of 3i's shares in DIAB was completed in March. The purchase price amounted to SEK 387m. After the acquisition, Ratos's holding in DIAB amounted to 94%. Other owners are DIAB's board and management.

■ Capital contributions decided earlier to financially strengthen some of the holdings, Contex Holding (SEK 173m), DIAB (SEK 80m), Inwido (SEK 400m) and Jøtul (SEK 63m) were paid during the first half of the year.

■ The holdings made several add-on investments and divestments during the first half, including in Arcus Gruppen and Bisnode. In EuroMaint, Ratos provided SEK 25m for the acquisition of EISAB Energi and Industriservice AB.

■ Ratos AB received dividends of SEK 223m.

More information about important events in the holdings is provided on pages 5-10.

RATOS

CEO's comments

The first half of 2009 was tough from a macroeconomic perspective where the second quarter generally was significantly worse than the first, with sudden and unpredictable swings between individual months. Overall, however, Ratos's portfolio had a mixed but satisfactory development with some holdings even continuing to develop strongly.

There are now early signs that the global economy is starting to bottom out although it is too soon to determine whether this will last. If it turns out that we have reached the bottom, our assessment remains unchanged that we are facing several years of growth indeed, but at a very modest rate. It should be emphasised that a lot of hard work remains before the situation returns to normal. In our work as owners this means that we will continue to act proactively and flexibly as dictated by conditions in each holding. We are strongly convinced that ensuring that our holdings are well-positioned and cost-effective will create good profitability even during a lengthy period of modest growth.



Arne Karlsson

Further CEO comments at www.ratos.se

Business environment and market

The first half of 2009 was extremely tough from a global macroeconomic perspective. Demand showed negative development at the same time as the effects of the collapse of the financial system continued to inhibit activity. In addition, volatility remained high, both on aggregate and in individual sectors, with sudden swings between the months. These unpredictable swings naturally create major challenges for work with and in companies. A fast-changing business environment demands daily and detailed monitoring of development and flexible and proactive action.

The second quarter of the year was in general significantly worse than the first, although here too with powerful swings between the months. April was a weak month, negatively affected by the Easter effect. An average of March and April, however, which eliminates the Easter effect, shows a development in line with the first quarter as a whole. May was a miserable month, with a strong negative development for both sales and earnings (although it should be noted that the holdings as a group also showed a profit in May). The quarter ended in June with a marked improvement in the demand situation and margins.

Naturally, Ratos's holdings were affected by the global recession. Overall, however, the portfolio met our expectations of being less sensitive to economic fluctuations than the average economy. Performance was weak dur-

ing the first half, but the black holes were avoided and some holdings even continued their strong development.

Combined sales for the underlying portfolio of companies decreased by 4% during the first six months of the year compared with the previous year. Taking Ratos's different ownership stakes into account, sales decreased by 2%. The corresponding figures for operating profit (EBITA) were -37% and -34% respectively, and for profit before tax -45% and -44% respectively.

As regards earnings development during the first half of the year it can be noted that although the portfolio contains a mix of companies whose earnings increased and decreased respectively, two holdings, Inwido and Lindab, account for a large part of the decline in earnings.

If these two companies are excluded from the comparison, sales for the other holdings rose 5% compared with the previous year (+6% taking Ratos's ownership stakes into account). Corresponding figures for operating profit (EBITA) were -12% and -19% respectively, and for profit before tax -3% and -15% respectively.

There are now clear, although still early, signs that the global economy has started to bottom out, something that is also reflected to some extent in the holdings' operations. It should be emphasised, however, that the levelling out, if it should prove lasting, is occurring from a very low level of activity and that much tough and difficult work remains to be done

Performance Ratos's holdings

	2009 Q 1-2	
	100%	Ratos's share
Sales	-4%	-2%
EBITA	-37%	-34%
EBT	-45%	-44%
	2009 Q 2	
	100%	Ratos's share
Sales	-8%	-4%
EBITA	-43%	-40%
EBT	-51%	-50%

before the situation in the companies starts to return to normal.

To facilitate analysis, an extensive table is provided on page 10 with key figures for Ratos's holdings. A summary of income statements, balance sheet, etc., for Ratos's associates and subsidiaries is available in downloadable Excel files at www.ratos.se.

Ratos's results		
SEKm	2009 Q 1-2	2008 Q 1-2
Profit/share of profits before tax ¹⁾		
AH Industries (66%)	-2	42
Anticimex (85%)	61	37
Arcus Gruppen (83%)	-31	-19
Bisnode (70%)	83	81
Camfil (30%)	34	41
Contex Holding (98%)	-72	12
DIAB (94%) ²⁾	36	37
EuroMaint (100%)	20	17
GS-Hydro (100%)	24	49
Hafa Bathroom Group (100%)	19	18
Haglöfs (100%)	11	5
HL Display (29%)	11	21
Inwido (96%)	-51	113
Jøtul (63%)	-6	-69
Lindab (22%)	10	119
MCC (100%)	55	58
Medisize (93%)	34	-4
Scandinavian Business Seating (85%)	-8	52
Superfos (33%)	66	25
Other holdings ³⁾	-4	12
Hägglunds Drives ⁴⁾		166
Total profit/share of profits	290	813
Other holdings ⁵⁾		7
Total exit gains		7
Profit from holdings	290	820
Central income and expenses	54	-56
Consolidated profit before tax	344	764

¹⁾ Subsidiaries' profits included with 100% and associates' profits with respective holding percentage.

²⁾ DIAB included with 48% holding until February 2009.

³⁾ Relates to subsidiary BTJ Group. Previous year's figures also included Atle Industri.

⁴⁾ Hägglunds Drives was sold in November 2008.

⁵⁾ Relates to holdings in Overseas Telecom and IK Investment Partners.

Ratos's results

Profit before tax for the first half of 2009 amounted to SEK 344m (764). This lower result is due to a weaker earnings development and the inclusion in earnings for 2008 of the sold holding Hägglunds Drives. The result includes profit/share of profits from the holdings of SEK 290m (813) and exits gains of SEK 0m (7m).

Central income and expenses

Ratos's central income and expenses amounted to SEK +54m (-56), of which personnel costs amounted to SEK -78m (-142). The higher net income and expenses is mainly due to lower costs for variable salaries and interest from outstanding shareholder loans to holdings. The variable portion of personnel costs amounted to SEK -14m (-93). Other management costs were SEK -28m (-52). Net financial items amounted to SEK +160m (+138).

Tax

Ratos's consolidated tax expense comprises subsidiaries' and Ratos's share of tax in associates. The tax rate in the consolidated income statement is affected, among other things, by the parent company's investment company status, capitalisation of loss carry forwards and by non-taxable capital gains.

Financial position

Cash flow from operating activities and investing activities was SEK -517m (-1,033) and the Group's cash and cash equivalents at the end of the period amounted to SEK 4,657m (2,996), of which short-term interest-bearing investments accounted for SEK 1,735m (554). Interest-bearing liabilities including pension provisions amounted to SEK 16,296m (16,389).

Parent company

The parent company's profit before tax amounted to SEK 611m (1,230). The parent company's cash and cash equivalents, including short-term interest-bearing investments, amounted to SEK 3,099m (1,646). Taking into account financial transactions agreed but not yet carried out, at today's date Ratos has a liquid investment capacity in excess of SEK 3 billion without needing to utilise existing credit facilities.

Risks and uncertainties

A description of the Group's and parent company's material risks and uncertainties is provided in the Directors' report and in Note 30 and 36 in the 2008 Annual Report. An assessment for the coming months is provided in the *Business environment and market* section on page 2.

Related-party transactions

Shareholder contributions and shareholder loans were granted to subsidiaries. The parent company received dividends from subsidiaries and associates of SEK 223m (757). During the first half of the year Ratos provided capital to Contex Holding of SEK 173m, DIAB SEK 80m, EuroMaint SEK 25m, Inwido SEK 400m and Jøtul SEK 63m.

Ratos's equity ¹⁾

SEKm	30 June 2009	% of equity
AH Industries	411	3
Anticimex	780	5
Arcus Gruppen	667	5
Bisnode	1,271	9
Camfil	210	1
Contex Holding	878	6
DIAB	948	6
EuroMaint	490	3
GS-Hydro	-125	-1
Hafa Bathroom Group	214	1
Haglöfs	116	1
HL Display	294	2
Inwido	1,783	12
Jøtul	258	2
Lindab	701	5
MCC	619	4
Medisize	704	5
Scandinavian Business Seating	978	7
Superfos	502	3
Other holdings ²⁾	191	1
Total	11,890	80
Other net assets in central companies	2,878	20
Equity (attributable to equity holders of the parent)	14,768	100
Equity per share, SEK	93	

¹⁾ Holdings are shown at consolidated figures, which correspond to the Group's share of the holdings' equity, any residual values on consolidated surplus and deficit values minus any intra-group profits. Shareholder loans and capitalised interest on such loans are also included.

²⁾ Other holdings include the subsidiary BTJ Group and holdings in Overseas Telecom and IK Investment Partners.

Ratos shares

Earnings per share before dilution amounted to SEK 1.34 (3.14). The total return on Ratos shares during the first half of the year amounted to +24%, compared with the performance for the SIX Return Index which was +24%.

Dividend

The Annual General Meeting held on 2 April decided on an ordinary dividend for 2008 of SEK 9 per share (9). The record date for dividends was 7 April and payments from Euroclear Sweden (formerly VPC) were made on 14 April for a total of SEK 1,423m (1,430).

Buy-backs and number of shares

No shares were repurchased during the first half of the year. The number of call options exercised corresponded to 174,150 shares. At the end of the period Ratos owned 3,237,247 B shares, corresponding to 2% of the total number of shares, repurchased at an average price of SEK 121. The average number of B treasury shares owned by Ratos in the first half of 2009 was 3,315,770 (2,773,222 in the full-year 2008). The total number of shares outstanding at 30 June was 158,112,005.

Equity

At 30 June 2009 Ratos's equity (attributable to equity holders of the parent) amounted to SEK 14,768m (16,163m at 31 March 2009) corresponding to SEK 93 per outstanding share (SEK 102 at 31 March 2009).

Credit facilities

The parent company has a five-year rolling credit facility of SEK 3.2 billion including a bank overdraft facility. The purpose of the facility is to be able to use it when bridge financing is required for acquisitions, and to be able to finance dividends and day-to-day running costs in periods of few or no exits. The parent company should normally be unleveraged. The credit facility was unutilised at the end of the period.

Conversion of shares

The 2003 Annual General Meeting resolved that a conversion clause allowing conversion of A shares to B shares should be added to the articles of association. This means that owners of A shares have an ongoing right to convert them to B shares. No conversions took place during the first half of the year.

Holdings

AH Industries

- Sales SEK 289m (364) and EBITA SEK 10m (55)
- Adjusted for currency effects sales decreased by 50% in the second quarter due to weak market development
- Continued major market uncertainty in the short term due to financial anxiety and its effect on available project financing. The long-term positive driving forces for wind power are still considered good but the timing for the recovery is uncertain
- Extended action programmes initiated

Ratos's holding in AH Industries amounted to 66% and the consolidated book value was SEK 411m at 30 June 2009.

AH Industries is a Danish leading supplier of metal components and services to the wind power, offshore and marine industries. The company is specialised in the manufacture and machining of heavy metal components with high precision requirements. Operations are conducted in four business areas: AH Flanges, AH Components, AH Projects and AH Transport.

Anticimex

- Sales SEK 893m (836) and EBITA SEK 101m (87)
- Continued good organic sales growth, +7%
- Very favourable margin development, EBITA margin increased to 11.3% (10.4)
- Energy declarations for single-family homes in Sweden continued to show strong growth

Ratos's holding in Anticimex amounted to 85% and the consolidated book value was SEK 780m at 30 June 2009.

Anticimex is a service company that offers a broad range of services for healthy and safe indoor environments. Services include pest assurance, hygiene assurance, insurance, dehumidifying, fire protection as well as property transfer and energy inspections. The Group is currently represented in Sweden, Finland, Denmark, Norway, Germany and the Netherlands.

Arcus Gruppen

- Sales SEK 788m (672) and EBITA SEK -17m (-20)
- Good sales growth within both wines and spirits
- Strong sales and cost savings contributed to a good earnings development. Exchange rate fluctuations continued to have a negative impact on earnings since large parts of purchases are in euros while sales are in Norwegian and Swedish kronor
- EBT includes a non-recurring cost of approximately SEK 10m
- Acquisition of the brands Star Gin, Red Port and Dry Anis from Pernod Ricard completed

Ratos's holding in Arcus Gruppen amounted to 83% and the consolidated book value was SEK 667m at 30 June 2009.

Arcus Gruppen is Norway's leading wine and spirits producer. The company was formed in 1996 on the initiative of the Norwegian government and privatised in 2001. The group's best-known brands include Braastad Cognac, Vikingfjord Vodka, Løiten and Linie Aquavit.

Bisnode

- Sales SEK 2,503m (2,247) and EBITA SEK 249m (287)
- Continued stable sales and good cash flows. Earnings for the first half of 2009 include capital gains of SEK -1m (SEK +35m in 2008)
- Favourable development within credit rating services while direct market services and the business area Software & Applications showed weaker development
- In line with the strategy to streamline and focus Bisnode's market offering agreements were concluded after the period to sell Nomi and ICC

Ratos's holding in Bisnode amounted to 70% and the consolidated book value in Ratos was SEK 1,271m at 30 June 2009.

Bisnode is a leading European provider of digital business information with services within market, credit and product information with information about consumers and companies. Operations are conducted in 20 countries in Europe.

Camfil

- Sales SEK 2,256m (2,140) and EBITA SEK 191m (191)
- Relatively good profitability due to completed action programmes
- Continued strong cash flow from operating activities
- Acquisition of the Austrian company Mecke Klima GmbH

Ratos's holding in Camfil amounted to 30% and the consolidated book value in Ratos was SEK 210m at 30 June 2009.

Camfil is a world leader in clean air technology and air filters. The Group's products and services contribute to a good indoor climate and protect sensitive manufacturing processes and the surrounding environment. Manufacture takes place in 23 plants on four continents and the Group is represented by subsidiaries and agents in over 50 countries.

Contex Holding

- Sales SEK 361m (388) and EBITA SEK -22m (57)
- Continued very weak sales development due to business climate
- Extensive cost-cutting programmes have been carried out. So far, the number of employees in the group has been reduced by 25%. These measures were charged against EBITA with non-recurring costs of approximately SEK 24m
- During the period Ratos provided capital of SEK 173m

Ratos's holding in Contex Holding amounted to 98% and the consolidated book value in Ratos was SEK 878m at 30 June 2009.

The Danish company Contex Holding is a world-leading developer and manufacturer of innovative 2D and 3D digital imaging solutions. The company has three operating areas: Contex A/S is the world's largest manufacturer of wide-format scanners, Z Corporation manufactures 3D printers, Vidar Systems Corporation manufactures products for medical imaging. The Group's products are sold throughout the world.

DIAB

- Sales SEK 698m (685) and EBITA SEK 83m (119)
- Continued good growth within the wind segment in Asia
- Action carried out to adjust costs to a lower volume
- Strong cash flow due to release of working capital
- From 1 March, Ratos's holding amounts to 94% after acquisition of 3i's shareholding
- Ratos provided capital of SEK 80m in the first half of the year

Ratos's holding in DIAB amounted to 94% and the consolidated book value in Ratos was SEK 948m at 30 June 2009.

DIAB is a world-leading company that manufactures and develops core materials for composite structures including blades for wind turbines, hulls and decks for boats, and components for aircraft, trains, buses and rockets. The material has a unique combination of characteristics such as low weight, high strength, insulation properties and chemical resistance.

EuroMaint

- Sales SEK 1,197m (1,158) and EBITA SEK 62m (59)
- Continued positive sales trend for passenger traffic. Weaker within goods traffic and manufacturing industry
- Significant measures to improve efficiency
- EuroMaint Industry acquired EISAB AB for a purchase price (Enterprise Value) of SEK 25m. Ratos contributed a corresponding amount in the form of equity. EISAB's sales totalled SEK 129m and EBITA was SEK 7m during the non-calendar financial year 2008/2009
- EuroMaint Rail won a refurbishment order for Arlanda Express. The order is worth approximately SEK 80m with delivery in 2009-2010

Ratos's holding in EuroMaint amounted to 100% and the consolidated book value in Ratos was SEK 490m at 30 June 2009.

EuroMaint is one of Sweden's leading maintenance companies and offers advanced maintenance services to the rail transport sector and manufacturing industry. Operations are conducted in two subsidiaries: EuroMaint Rail and EuroMaint Industry. EuroMaint conducts operations at 18 locations in Sweden, Latvia and the US.

GS-Hydro

- Sales SEK 782m (748) and EBITA SEK 58m (64)
- Negative order bookings and sales development in all segments due to reduced investment by customers
- Savings measures carried out to adjust operations to lower order bookings
- Spanish company Pine with annual sales of approximately EUR 2m was acquired through an asset deal

Ratos's holding in GS-Hydro amounted to 100% and the consolidated book value in Ratos was SEK -125m at 30 June 2009 (after completed refinancing in 2008).

GS-Hydro is a leading supplier of non-welded piping systems. Products are mainly used in the marine and offshore industries as well as in the pulp and paper, metals and mining, automotive and aerospace and defence industries. The head office is located in Finland.

Hafa Bathroom Group

- Sales SEK 188m (210) and EBITA SEK 23m (21)
- Weak business climate and price pressure had a negative impact on sales in the first half of the year while introduction of the "ROT-avdrag" (tax reductions on refurbishments and extensions) is now making a positive contribution
- Completed cost-cutting and price adjustments largely compensated for lower sales volumes

Ratos's holding in Hafa Bathroom Group amounted to 100% and the consolidated book value in Ratos was SEK 214m at 30 June 2009.

Hafa Bathroom Group with the Hafa and Westerbergs brands in one of the Nordic region's leading bathroom furnishings companies.

Haglöfs

- Sales SEK 253m (200) and EBITA SEK 14m (9)
- Good sales trend, +27%
- Strong development in most markets and all three business areas
- Good order book ahead of autumn 2009

Ratos's holding in Haglöfs amounted to 100% and the consolidated book value in Ratos was SEK 116m at 30 June 2009.

Haglöfs is a Nordic market leader in equipment and clothes for an active outdoor life. The company develops and markets high-quality clothes, sleeping bags, footwear, and rucksacks. The company is currently represented in 18 countries in the Nordic region and the rest of Europe.

HL Display

- Sales SEK 696m (787) and EBITA SEK 38m (75)
- Lower demand in most markets had a negative impact on sales and earnings. Some geographical variations with the weakest development in eastern Europe
- Cost-cutting programmes and efficiency enhancements are under way and starting to have an effect, which combined with a changed product mix and currency partly compensates for the decline in sales

Ratos's holding in HL Display amounted to 29% and the consolidated book value in Ratos was SEK 294m at 30 June 2009.

HL Display is a global, market leading supplier of products and systems for merchandising and in-store communication with operations in 33 countries. Manufacture takes place in China, the UK, Sweden and the US. HL Display is listed on NASDAQ OMX Stockholm, Small Cap list.

Inwido

- Sales SEK 2,235m (2,814) and EBITA SEK 68m (233)
- Weak market had a negative impact on sales and earnings, the organic sales development for the first half of the year was -17%
- “ROT” programmes (tax deductions on refurbishments and extensions) and lower interest rates contributed to increased order bookings towards the end of the second quarter. The operating margin amounted to 8% in the second quarter
- Initiated action programmes going according to plan
- Ratos provided a capital of SEK 400m

Ratos's holding in Inwido amounted to 96% and the consolidated book value in Ratos was SEK 1,783m at 30 June 2009.

Inwido develops, manufactures and sells a full range of windows and doors to consumers, construction companies and modular home manufacturers. Operations are conducted in all the Nordic countries as well as in the UK, Ireland, Poland and Russia. The company's brands include Elitfönster, SnickarPer, Tiivi, KPK, Lyssand and Allan Brothers.

Jøtul

- Sales SEK 427m (391) and EBITA SEK -3m (-25)
- Good sales development in countries including Sweden and France. Weak development in the US
- Completed cost-cutting measures combined with positive currency effects and raw material price development improved profitability
- Ratos provided a capital of SEK 63m

Ratos's holding in Jøtul amounted to 63% and the consolidated book value in Ratos was SEK 258m at 30 June 2009.

The Norwegian company Jøtul is Europe's largest manufacturer of stoves and fireplaces with production facilities in Norway, Denmark, France, Poland and the US. The company dates back to 1853 and the products are sold worldwide, primarily through speciality stores, but also through the DIY trade.

Lindab

- Sales SEK 3,592m (4,696) and EBITA SEK 115m (608)
- Economic downturn continues to have a negative impact on demand. Some signs of levelling out in Central and Eastern Europe while the trend in Western Europe is still declining
- Several cost-cutting programmes are under way, which will provide combined total annual savings of SEK 550m

Ratos's holding in Lindab amounted to 22% and the consolidated book value in Ratos was SEK 701m at 30 June 2009.

Lindab is a leading European company within development, production, marketing and distribution of systems and products in sheet metal and steel for the construction industry. The group is established in 31 countries. Approximately 60% of sales go to countries outside the Nordic region. Lindab is listed on NASDAQ OMX Stockholm Large Cap List.

MCC

- Sales SEK 633m (434) and EBITA SEK 83m (77)
- Strong sales development due to acquisition of ACME in 2008 and currency effects
- Sharp fall in volume primarily within the off road segment
- Cost adjustments carried out to adapt to lower volumes
- Strong cash flow following release of working capital

Ratos's holding in MCC amounted to 100% and the consolidated book value in Ratos was SEK 619m at 30 June 2009.

Mobile Climate Control (MCC) offers complete climate comfort systems for three main customer segments: buses, off road and military vehicles. Approximately 70% of the company's sales take place in North America and 30% in Europe. Major production plants are located in Toronto (Canada), Goshen (USA), Norrköping and Norrtälje (Sweden), and Wrocław (Poland).

Medisize

- Sales SEK 636m (511) and EBITA SEK 52m (27)
- Continued growth for Drug Delivery Devices, while development was weak for the Primary Pharmaceutical Packaging segment
- Preparations for the extended order from the customer sanofi-aventis for large-scale production of insulin pens are going according to plan
- Further cost savings implements mainly in the Primary Pharmaceutical Packaging segment

Ratos's holding in Medisize amounted to 93% and the consolidated book value in Ratos was SEK 704m at 30 June 2009.

Medisize is an international contract manufacturer specialised in medical devices for delivery and administration of drugs and pharmaceutical packaging (Development & Manufacturing) as well as development, manufacture and distribution of single-use plastic products for anaesthesia and intensive care (Airway Management).

Scandinavian Business Seating

- Sales SEK 641m (799) and EBITA SEK 32m (140)
- Economic downturn had strong impact on the office furniture market
- Several action programmes carried out, non-recurring costs for the first half amounted to SEK 28m
- The factory in Fjerritslev, Denmark, will be closed in 2009 and production relocated to the existing factory in Nässjö, Sweden

Ratos's holding in Scandinavian Business Seating amounted to 85% and the consolidated book value in Ratos was SEK 978m at 30 June 2009.

Scandinavian Business Seating develops and produces ergonomic seating solutions in Scandinavian design for companies and public environments. The group markets three strong brands: HÅG, RH and RBM which are mainly sold through retail outlets. The group is represented today in Norway, Sweden, Denmark, Germany, the UK, Benelux and France.

Superfos

- Sales SEK 1,790m (1,767) and EBITA SEK 242m (133)
- Improved earnings in both Europe and the US due to improved gross margins and completed action programmes
- Increased market shares in 2009
- Weak European construction market had a negative impact on the paint segment. Products for consumer foods are more independent of the economic climate and showed more stable development

Ratos's holding in Superfos amounted to 33% and the consolidated book value in Ratos was SEK 502m at 30 June 2009.

Superfos is an international Danish group with operations in 18 countries in Europe and the US. The company develops, produces and sells injection moulded packaging for the food, paint and chemical industries.

Other holdings

- Action programme in BTJ Group designed to improve profitability proceeding according to plan
- Continued negative sales and earnings development in Overseas Telecom

The total consolidated book value for Other holdings in Ratos was SEK 191m at 30 June 2009.

Other holdings comprise three holdings: BTJ Group, IK Investment Partners and Overseas Telecom.

Ratos's holdings at 30 June 2009

SEKm	Net sales			EBITA			EBT ¹⁾		
	2009 Q 1-2	2008 Q 1-2	2008	2009 Q 1-2	2008 Q 1-2	2008	2009 Q 1-2	2008 Q 1-2	2008
AH Industries	289	364	751	10	55	110	-2	42	83
Anticimex	893	836	1,688	101	87	181	76	50	111
Arcus Gruppen	788	672	1,532	-17	-20	168	-31	-19	132
Bisnode ¹⁾	2,503	2,247	4,534	249	287	528	103	110	70
Camfil ²⁾	2,256	2,140	4,361	191	191	400	167	168	357
Contex Holding	361	388	818	-22	57	92	-72	3	2
DIAB	698	685	1,414	83	119	220	47	74	178
EuroMaint	1,197	1,158	2,324	62	59	122	34	30	60
GS-Hydro ³⁾	782	748	1,528	58	64	169	24	31	83
Hafa Bathroom Group	188	210	391	23	21	41	21	18	35
Haglöfs	253	200	495	14	9	53	11	5	40
HL Display	696	787	1,536	38	75	130	38	72	136
Inwido	2,235	2,814	5,639	68	233	323	-15	131	107
Jøtul	427	391	1,060	-3	-25	46	14	-53	-23
Lindab	3,592	4,696	9,840	115	608	1,172	45	529	989
MCC ⁴⁾	633	434	1,024	83	77	167	55	58	115
Medisize ⁵⁾	636	511	1,021	52	27	18	34	7	-34
Scandinavian Business Seating	641	799	1,509	32	140	242	34	89	104
Superfos	1,790	1,767	3,481	242	133	180	201	77	43
Other holdings ⁶⁾	496	486	845	-3	7	-10	-4	6	-13
Total	21,352	22,333	45,788	1,378	2,203	4,353	781	1,430	2,574
Change		-4%			-37%			-45%	

SEKm	Depreciation ^{**)}	Investments ^{***)}	Cash flow ^{****)}	Equity ^{*****)}	Interest-bearing net debt ^{*****)}	Average number of employees 2008	Consolidated value 30 June 2009	Ratos's holding 30 June 2009
	2009 Q 1-2	2009 Q 1-2	2009 Q 1-2	30 June 2009	30 June 2009		30 June 2009	30 June 2009
AH Industries	-19	-15	57	608	501	253	411	66%
Anticimex	-18	-17	75	900	739	1,175	780	85%
Arcus Gruppen	-18	-13	-385	840	303	461	667	83%
Bisnode ¹⁾	-73	-54	122	2,322	3,028	3,182	1,271	70%
Camfil ²⁾	-67	-90	159	1,883	744	3,321	210	30%
Contex Holding	-39	-28	-40	897	1,010	467	878	98%
DIAB	-45	-13	167	1,096	1,012	1,280	948	94%
EuroMaint	-19	-28	-31	490	758	1,793	490	100%
GS-Hydro ³⁾	-15	-18	13	320	843	641	-125	100%
Hafa Bathroom Group	-3	-2	17	103	52	168	214	100%
Haglöfs	-3	-2	7	260	99	100	116	100%
HL Display	-19	-14	25	535	-96	973	294	29%
Inwido	-70	-36	-43	2,354	2,588	4,115	1,783	96%
Jøtul	-30	-22	-102	515	777	781	258	63%
Lindab	-107	-107	50	3,119	2,906	5,456	701	22%
MCC ⁴⁾	-8	-7	72	646	638	727	619	100%
Medisize ⁵⁾	-26	-34	-56	774	441	994	704	93%
Scandinavian Business Seating	-25	-14	73	1,036	981	633	978	85%
Superfos	-138	-138	198	1,472	1,217	1,549	502	33%
Other holdings ⁶⁾	-6	-5	29	74	-19	294	21	66%

¹⁾ Earnings with restored interest expenses on shareholder loan.

^{**)} Depreciation includes depreciation and impairment of property, plant and equipment as well as internally generated and directly acquired intangible assets. Depreciation and impairment are included in EBITA.

^{***)} Investments excluding company acquisitions.

^{****)} Cash flow refers to cash flow from operating activities including paid interest and investing activities before acquisition and divestment of companies.

^{*****)} Equity includes shareholder loan. Interest-bearing debt excludes shareholder loan.

¹⁾ Earnings for the first half of 2008 include share of profits and capital gains in subsidiaries and associates totalling SEK 35m (SEK -17m for the full-year 2008 which also includes impairment of IT investments carried out earlier).

²⁾ Ratos refinanced its holding in Camfil in 2008 and has an interest-bearing net debt at 30 June 2009 of SEK 473m, which is not included in Camfil's income statement and balance sheet. Ratos's consolidated book value has been adjusted to take the refinancing into account.

³⁾ GS-Hydro was refinanced in September 2008. Earnings for 2008 are calculated pro forma, taking new financing and group structure into account.

⁴⁾ ACME is included in earnings for 2008 with effect from 1 September.

⁵⁾ Earnings for 2008 and average number of employees are pro forma, taking the acquisition of Medisize Medical into account.

This interim report provides a true and fair overview of the parent company's and Group's operations, their financial position and performance, and describes material risks and uncertainties facing the parent company and other companies in the Group.

Stockholm, 20 August 2009

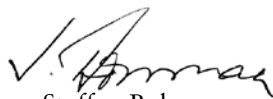
Ratos AB (publ)



Olof Stenhammar
Chairman



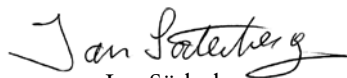
Lars Berg
Board member



Staffan Bohman
Board member



Annette Sadolin
Board member



Jan Söderberg
Board member



Per-Olof Söderberg
Board member



Margareth Øvrum
Board member



Arne Karlsson
CEO and Board member

This report has not been reviewed by Ratos's auditors.

For further information, please contact:

Arne Karlsson, CEO, +46 8 700 17 00

Emma Rheborg, IR Manager, +46 8 700 17 20

Telephone conference

20 August

10.00 CET

+46 8 505 201 10

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www.ratos.se**

Financial calendar

2009

5 Nov Interim report Jan-Sept

2010

18 Feb Year-end report 2009

15 April Annual General Meeting

6 May Interim report Jan-March

20 Aug Interim report Jan-June

4 Nov Interim report Jan-Sept

Consolidated income statement

SEKm	2009 Q 2	2008 Q 2	2009 Q 1-2	2008 Q 1-2	2008
Net sales	6,639	6,895	12,786	13,014	26,836
Other operating income	31	82	83	118	237
Change in inventories	-17	-60	72	20	-12
Raw materials and consumables	-2,570	-2,585	-4,903	-4,890	-10,047
Employee benefit costs	-2,203	-2,116	-4,328	-4,166	-8,286
Depreciation and impairment of tangible and intangible non-current assets	-262	-190	-505	-376	-949
Other costs	-1,346	-1,499	-2,651	-2,770	-5,928
Profit on sale of group companies	-1	4	-1	3	4,412
Profit on sale of associates		1		1	31
Share of profit of associates	88	174	145	261	582
Operating profit	359	706	698	1,215	6,876
Financial income	68	60	152	137	264
Financial expenses	-233	-271	-506	-588	-1,469
Net financial items	-165	-211	-354	-451	-1,205
Profit before tax	194	495	344	764	5,671
Tax	-65	-166	-125	-187	-382
Profit for the period	129	329	219	577	5,289
Profit for the period attributable to					
Equity holders of the parent	123	267	212	498	5,172
Minority interests	6	62	7	79	117
Earnings per share, SEK					
– before dilution	0.78	1.68	1.34	3.14	32.62
– after dilution	0.78	1.68	1.34	3.13	32.54

Summary consolidated statement of comprehensive income

SEKm	2009 Q 2	2008 Q 2	2009 Q 1-2	2008 Q 1-2	2008
Profit for the period	129	329	219	577	5,289
Other comprehensive income					
Translation reserves for the period	-172	93	-7	-106	869
Hedging reserve	62	140	58	131	-393
Fair value reserve	10	-4	107	-19	-117
Tax attributable to other comprehensive income	-22	-35	-23	-33	99
Other comprehensive income for the period	-122	194	135	-27	458
Total comprehensive income for the period	7	523	354	550	5,747
Total comprehensive income for the period attributable to					
Equity holders of the parent	18	424	342	461	5,548
Minority interests	-11	99	12	89	199

Summary consolidated statement of financial position

SEKm	30 June 2009	30 June 2008	31 Dec 2008
ASSETS			
Non-current assets			
Goodwill	18,814	16,572	17,621
Other intangible assets	2,068	1,879	2,065
Property, plant and equipment	4,036	3,268	3,378
Financial assets	2,755	2,834	3,435
Deferred tax assets	534	414	471
Total non-current assets	28,207	24,967	26,970
Current assets			
Inventories	2,913	3,383	2,802
Current receivables	6,132	5,955	5,493
Cash and cash equivalents	4,657	2,996	7,485
Total current assets	13,702	12,334	15,780
Total assets	41,909	37,301	42,750
EQUITY AND LIABILITIES			
Equity including minority interests	16,334	12,472	17,290
Non-current liabilities			
– interest-bearing	13,443	13,488	13,643
– non-interest bearing	399	430	508
– pension provisions	535	627	486
– other provisions	643	357	679
– deferred tax liabilities	744	761	780
Total non-current liabilities	15,764	15,663	16,096
Current liabilities			
– interest-bearing	2,318	2,274	1,798
– non-interest bearing	6,988	6,438	7,097
– provisions	505	454	469
Total current liabilities	9,811	9,166	9,364
Total equity and liabilities	41,909	37,301	42,750

Summary statement of changes in consolidated equity

SEKm	30 June 2009			30 June 2008			31 Dec 2008		
	Equity holders of the parent	Minority interest	Total equity	Equity holders of the parent	Minority interest	Total equity	Equity holders of the parent	Minority interest	Total equity
Opening balance, 1 January	15,825	1,465	17,290	11,905	1,965	13,870	11,905	1,965	13,870
Total comprehensive income for the period	342	12	354	461	89	550	5,548	199	5,747
Dividend	-1,423	-8	-1,431	-1,430	-175	-1,605	-1,430	-175	-1,605
Purchase/sale of treasury shares	14		14	3		3	-141		-141
Effect of purchase of treasury shares in associates	2		2				-78		-78
New issue		46	46	11	85	96	11	228	239
Redemptions/impairment					-405	-405		-405	-405
Option premiums	8		8	18		18	10		10
Acquired minority		-9	-9		-55	-55		-320	-320
Minority at acquisition		60	60					4	4
Minority in sold company								-31	-31
Closing equity	14,768	1,566	16,334	10,968	1,504	12,472	15,825	1,465	17,290

Consolidated statement of cash flows

SEKm	2009 Q 1-2	2008 Q 1-2	2008
Operating activities			
Profit before tax	344	764	5,671
Adjustment for non-cash items	391	144	-3,193
	735	908	2,478
Income tax paid	-181	-339	-514
Cash flow from operating activities before change in working capital	554	569	1,964
Cash flow from change in working capital			
Increase (-)/Decrease (+) in inventories	111	-324	-76
Increase (-)/Decrease (+) in operating receivables	-79	-243	-389
Increase (+)/Decrease (-) in operating liabilities	-422	59	471
Cash flow from operating activities	164	61	1,970
Investing activities			
Acquisition, group companies	-359	-816	-1,854
Divestment, group companies	3	7	4,245
Acquisition, shares in associates and other holdings	-13	-6	-108
Sale, shares in associates and other holdings	6	99	148
Acquisition, other intangible/tangible assets	-360	-465	-937
Sale, other intangible/tangible assets	32	126	161
Investment, financial assets	-6	-52	-71
Sale, financial assets	16	13	33
Cash flow from investing activities	-681	-1,094	1,617
Financing activities			
Purchase of treasury shares		-25	-168
Transfer of treasury shares	14	27	27
Option premiums	8	15	15
Minority share in new issue/capital contribution	46	96	238
Dividends paid	-1,423	-1,430	-1,430
Dividend paid/redemption, minority	-8	-580	-580
Loans raised	449	4,649	6,645
Amortisation of loans	-1,457	-2,948	-5,095
Cash flow from financing activities	-2,371	-196	-348
Cash flow for the period	-2,888	-1,229	3,239
Cash and cash equivalents at beginning of the year	7,485	4,240	4,240
Exchange differences in cash and cash equivalents	60	-15	6
Cash and cash equivalents at the end of the period	4,657	2,996	7,485

Consolidated key figures

	2009 Q 2	2008 Q 2	2009 Q 1-2	2008 Q 1-2	2008
Return on equity, %					37
Equity ratio, %			39	33	40
Interest-bearing net debt, SEKm			11,463	13,196	8,255
Key figures per share					
Total return, %			24	1	-20
Dividend yield, %					6.7
Market price, SEK			156.00	169.50	135.00
Dividend, SEK					9
Equity attributable to equity holders of the parent, SEK			93	69	100
Average number of shares outstanding					
– before dilution	158,112,005	158,834,355	158,033,482	158,624,684	158,576,030
– after dilution	158,158,539	159,150,509	158,091,095	159,092,834	158,919,119
Total number of registered shares					
Number of shares outstanding (at end of period)			161,349,252	161,349,252	161,349,252
– of which A shares			158,112,005	158,834,355	157,937,855
– of which B shares			42,328,530	42,328,530	42,328,530
			115,783,475	116,505,825	115,609,325

Parent company income statement

SEKm	2009 Q 2	2008 Q 2	2009 Q 1-2	2008 Q 1-2	2008
Other operating income				1	4
Other external costs	-17	-26	-26	-44	-267
Personnel costs	-49	-118	-71	-141	-248
Depreciation of property, plant and equipment	-1	-1	-1	-1	-1
Other operating expenses		-2	-1	-3	-5
Operating profit/loss	-67	-147	-99	-188	-517
Profit on sale of participations in group companies	310	-1	310	-1	3,556
Dividends from group companies		149	25	639	639
Impairment of shares in group companies					-197
Profit from sale of interests in associates		1		551	551
Dividends from associates	61	118	198	118	118
Impairment of interests in associates		-13		-13	-13
Result from other securities and receivables accounted for as non-current assets	78	65	146	111	242
Other interest income and similar profit/loss items	26	17	48	42	89
Interest expenses and similar profit/loss items	-5	-8	-17	-29	-30
Profit after financial items	403	181	611	1,230	4,438
Tax					
Profit for the period	403	181	611	1,230	4,438

Summary parent company balance sheet

SEKm	30 June 2009	30 June 2008	31 Dec 2008
ASSETS			
Non-current assets			
Property, plant and equipment	75	13	38
Financial assets	10,767	9,926	9,111
Total non-current assets	10,842	9,939	9,149
Current assets			
Current receivables	29	32	22
Cash and cash equivalents	3,099	1,646	5,700
Total current assets	3,128	1,678	5,722
Total assets	13,970	11,617	14,871
EQUITY AND LIABILITIES			
Equity	13,277	10,984	13,988
Non-current provisions			
– pension provisions	2	3	2
– other	179	26	178
Non-current liabilities			
– non-interest bearing	118	157	193
– interest bearing	202	222	228
Current provisions	11		57
Current liabilities			
– non-interest bearing	181	158	223
– interest-bearing		67	2
Total equity and liabilities	13,970	11,617	14,871
Pledged assets and contingent liabilities	none	none	none

Summary statement of changes in parent company's equity

SEKm	30 June 2009	30 June 2008	31 Dec 2008
Opening equity	13,988	11,168	11,168
Change in fair value reserve for the period	79	-3	-63
Profit for the period	611	1,230	4,438
Total income excluding transactions with equity holders	14,678	12,395	15,543
Dividend	-1,423	-1,430	-1,430
Purchase of treasury shares		-24	-168
Transfer of treasury shares	14	27	27
Option premiums	8	16	16
Closing equity	13,277	10,984	13,988

Parent company cash flow statement

SEKm	2009 Q 1-2	2008 Q 1-2	2008
Operating activities			
Profit before tax	611	1,230	4,438
Adjustment for non-cash items	-488	-707	-3,887
	123	523	551
Income tax paid	-	-	-
Cash flow from operating activities before change in working capital	123	523	551
Cash flow from change in working capital			
Increase (-)/Decrease (+) in operating receivables	14	112	106
Increase (+)/Decrease (-) in operating liabilities	-197	-29	-79
Cash flow from operating activities	-60	606	578
Investing activities			
Acquisition, shares in subsidiaries	-1,737	-419	-953
Sale and redemption, shares in subsidiaries	1,108	245	5,024
Acquisition, shares in associates and other holdings	-13	-6	-87
Sale and redemption, shares in associates and other holdings	6	457	497
Acquisition, other property, plant and equipment	-39		-25
Acquisition, financial assets	-522	-115	-115
Sale, financial assets	85		25
Cash flow from investing activities	-1,112	162	4,366
Financing activities			
Purchase of treasury shares		-24	-168
Transfer of treasury shares	14	27	27
Option premiums	8	16	15
Dividend paid	-1,423	-1,430	-1,430
Loans raised			32
Amortisation of loans	-28	-7	-16
Cash flow from financing activities	-1,429	-1,418	-1,540
Cash flow for the period	-2,601	-650	3,404
Cash and cash equivalent at the beginning of the year	5,700	2,296	2,296
Cash and cash equivalents at the end of the period	3,099	1,646	5,700

Operating segments

SEKm	Sales					EBT ¹⁾				
	2009 Q 2	2008 Q 2	2009 Q 1-2	2008 Q 1-2	2008	2009 Q 2	2008 Q 2	2009 Q 1-2	2008 Q 1-2	2008
Holdings										
AH Industries	108	191	289	364	751	-17	23	-2	42	83
Anticimex	457	435	892	836	1,688	36	25	61	37	84
Arcus Gruppen	426	356	778	663	1,511	10	5	-31	-19	132
Bisnode	1,223	1,125	2,503	2,247	4,534	67	53	83	81	15
Camfil						25	27	34	41	81
Contex Holding	166	201	361	388	818	-47	7	-72	12	2
DIAB ²⁾	343		472			18	21	36	37	88
EuroMaint	623	577	1,197	1,152	2,316	13	2	20	17	33
GS-Hydro	387	412	782	748	1,527	12	34	24	49	104
Hafa Bathroom Group	90	93	188	210	391	9	5	19	18	35
Haglöfs	88	70	253	200	495	-8	-8	11	5	40
HL Display						6	13	11	21	39
Inwido	1,295	1,571	2,235	2,814	5,639	33	120	-51	113	67
Jøtul	196	193	425	391	1,058	-29	-36	-6	-69	-57
Lindab						11	81	10	119	222
MCC	285	217	633	434	1,024	26	25	55	58	115
Medisize	335	204	636	306	810	29	5	34	-4	-45
Scandinavian Business Seating	282	397	641	799	1,509	-37	35	-8	52	31
Superfos						38	15	66	25	14
Other holdings ³⁾	330	319	496	486	845	-4	12	-4	12	92
Hägglunds Drives ⁴⁾		532		972	1,910		104		166	379
Total holdings	6,634	6,893	12,781	13,010	26,826	191	568	290	813	1,554
DIAB										31
Hägglunds Drives										4,405
Other holdings ⁵⁾							6		7	13
Exit gains							6		7	4,449
Impairment, Jøtul										-92
Holdings, total	6,634	6,893	12,781	13,010	26,826	191	574	290	820	5,911
Central income and expenses	5	2	5	4	10	3	-79	54	-56	-240
Group, total	6,639	6,895	12,786	13,014	26,836	194	495	344	764	5,671

¹⁾ Subsidiaries' profits included with 100% and associates' profits with respective holding percentage.

²⁾ DIAB included with 48% holding through February 2009.

³⁾ Relates to subsidiary BTJ Group. Previous year's figure also included Atle Industri.

⁴⁾ Hägglunds Drives was sold in November 2008.

⁵⁾ Relates to holdings in Overseas Telecom and IK Investment Partners.

Accounting principles in accordance with IFRS

The consolidated accounts are prepared in accordance with International Financial Reporting Standards (IFRS). The interim report is prepared in accordance with IAS 34, Interim Financial Reporting. Pertinent regulations in the Annual Accounts Act and the Swedish Securities Exchange and Clearing Operations Act are also applied.

The parent company prepared the interim report in accordance with the Annual Accounts Act and the Swedish Securities Exchange and Clearing Operations Act which are in accordance with the regulations in RFR 2.2 Accounting for Legal Entities.

Except where specified below, the accounting principles and basis of calculation are the same as those applied for the Group and the parent company in preparation of the most recent annual report.

New accounting principles for 2009

Revised IAS 1 Presentation of Financial Statements is applied with effect from 1 January 2009. This change means that Ratos presents two income statements: (i) an unchanged consolidated income statement and (ii) a new income statement entitled "Consolidated statement of comprehensive income". Comprehensive income includes income and expenses such as change in exchange differences, change in hedging and fair value reserve. These items were previously recognised in equity. The consolidated balance sheet is now entitled "Consolidated statement of financial position".

IFRS 8 Operating Segments is applied with effect from 1 January 2009. Ratos has chosen to report its holdings as segments, the manner in which Ratos's management monitors business operations. On the other hand Ratos, in conformity with the earlier IAS 14 Segment Reporting, does not report the information required on "Products and services, geographic regions and major customers". This information is not material since it lacks practical interest, both for internal governance and reporting and for external monitoring of Ratos.

With effect from 1 January 2009 the parent company recognises dividends from subsidiaries and associates as income when the right to receive dividends is established.

Other revised IFRS standards and interpretations from IFRIC have not had any effect on the performance, financial position or disclosures of the Group or the parent company.

Significant accounting and valuation principles

A brief summary of Ratos's key accounting principles is provided below.

Associates

As previously, Ratos applies the equity method for consolidation of associates. IFRS requires uniform accounting principles to be applied within a group. This requirement relates to both associates and subsidiaries.

Purchase price allocations

Purchase price allocations (PPAs) are preliminary until adopted, which must take place within 12 months from the acquisition. In cases where a PPA is changed, income statements and balance sheets are adjusted for the comparative period.

Ratos has increased its holding in Contex Holding to 98%.

In March, Ratos acquired an additional 46% in DIAB, the purchase price amounted to SEK 387m. As a result of this acquisition DIAB, which was previously an associate, is consolidated as a subsidiary in the Ratos Group. In the preliminary purchase price allocation the difference between the cost and fair value of acquired identifiable assets and liabilities was attributed to goodwill. After the acquisition, Ratos's holding in DIAB amounts to 94%.

DIAB Group

SEKm	
Intangible non-current assets	26
Property, plant and equipment	723
Deferred tax assets	80
Current assets	627
Cash and cash equivalents	70
Non-current liabilities and provisions	-888
Current liabilities	-706
Net identifiable assets and liabilities	-68
Consolidated goodwill	1,008
Less minority interests	-60
Reclassification from associate	-491
Purchase price paid including costs directly attributable to the acquisition	389
of which costs directly attributable to the acquisition	-2
Purchase price paid	387

Goodwill and intangible assets

IFRS represents a requirement to identify and measure intangible assets at acquisition. To the extent intangible assets can be identified and measured, goodwill decreases correspondingly.

Goodwill is not amortised but is subject to an annual test for impairment. Other intangible assets are amortised to the extent an amortisation period can be determined. In such cases, testing for impairment is only carried out when there is an indication of a decline in value. If the amortisation period cannot be determined and amortisation is therefore not effected, an annual impairment test must be performed regardless of whether or not there is any indication of impairment.

When testing for impairment goodwill and other intangible assets with an indeterminable useful life are attributable to cash-generating units, which constitute separate subsidiaries (holdings). All holdings' carrying amounts, including the value of goodwill and intangible non-current assets, attributable to the acquisition are tested by calculating the recoverable amount for the holdings. Holdings are tested for impairment annually regardless of whether or not there is any indication of impairment. Testing is conducted between annual periods if there is any indication of impairment.

This information is disclosed in accordance with the Securities Markets Act, the Financial Instruments Trading Act or demands made in the exchange rules.



Ratos AB (publ) Drottninggatan 2 Box 1661 SE-111 96 Stockholm Sweden
Tel +46 8 700 17 00 Fax +46 8 10 25 59 www.ratos.se Reg.no.556008-3585