

## Financial statement 2008

### Continued strong invoicing during the fourth quarter.

#### Quarter 4:

- Sales reached SEK 352m (303), an increase of 16%.
- Incoming orders amounted to SEK 319m (323), a decrease of 1,3%.
- Operating profit was SEK 38m (34), an increase of 10%.
- Operating margin was 10,7 % (11,2).
- Net profit was SEK 26m (23) no changes.
- Earnings per share was SEK 2,21 (1,98).

#### Whole year:

- Sales amounted to SEK 1 272m (1041), an increase of 22%.
- Incoming orders were SEK 1 255m (1 082), an increase of 16%.
- Operating profit was SEK 141m (114), an increase of 23%.
- Operating margin was SEK 11,1% (11,0).
- Net profit was SEK 93m (75) an increase of 19%.
- Earnings per share was SEK 7,90 (6,42).
- The board suggests a dividend of SEK 2,50 (2,50) per share.

*Comparable figures for the previous year exclude costs for the IPO which had an impact of SEK 7m on operating profit and SEK 4m on net profit.*

### Key Figures, Group

MSEK	1 Oct - 31 Dec		1 Jan - 31 Dec	
	2008	2007	2008	2007 *)
Net sales	352,2	303,0	1 272,3	1 041,4
Operating profit	37,6	34,0	140,8	114,1
Operating margin, %	10,7	11,2	11,1	11,0
Profit before tax	32,2	32,2	125,6	105,3
Net profit	25,9	23,2	92,6	75,2
Earnings per share	2,21	1,98	7,90	6,42
Operating cash flow	60,2	41,7	113,9	88,5
Return on shareholders equity, %	20,3	21,1	18,9	18,2
Return on operating capital, %	22,1	22,9	22,2	20,0
Net debt	144,1	145,6	144,1	145,6
Net debt /equity ratio, %, %	27,2	32,2	27,2	32,2
Net debt / EBITDA, time			0,9	1,1
EBITDA/financial net, times			10,4	15,2
Average no. Of employees			710	568

\*) Before IPO-costs SEK 6,7m

## Market

During the year the **Nordic Markets** have increased their sales by 45 per cent compared to the same period 2007, of which 22 per cent was through acquisitions, 21 per cent through organic growth and approximately 2 per cent through positive currency effects. The Danish market has developed well which is mainly due to the success with wind turbine manufactures.

**The UK** has increased sales during the year by 32 per cent in local currencies, 26 percent through acquisitions and 6 per cent organic growth. Negative currency effects of 10 per cent have reduced the increase in Swedish currency to 22 per cent.

**Other European markets** have increased during the year by 13 per cent in local currencies. Positive currency effects of 6 per cent give an increase of 19 per cent in Swedish currency.

The **North American markets** fell by 10 per cent in local currencies. Negative currency effects of 2 per cent have reduced the increase in Swedish currency to 12 per cent for the year.

During the first nine months of the year the sales decreased, because of reduced federal funds for investments in fire stations. During the fourth quarter the sales have developed well in USA in local currency compared to the same quarter last year.

**Other markets** outside North America and Europe rose 27 per cent during the year in local currencies, 8 percent through acquisitions and 19 per cent through organic growth.

**Incoming orders** have shown a strong growth during the first three quarters but weakened somewhat during the fourth quarter and resulted in a 5 per cent reduction in local currencies compared to the last quarter 2007. The decrease has been most noticeable in the markets outside North America and Europe as well as in Great Britain. North America shows a slow but increasing upswing in incoming orders.

## Acquisitions

In January 2008 Nederman acquired Töredal Verkstad AB, a Swedish production company that has been a subcontractor of high vacuum products since the 1980's. The purpose of the acquisition was to keep the capacity and competence within the group due to change of generations in the acquired company.

In March the group acquired The Arboga Darenth-group with three active companies in Sweden, Great Britain and France. Arboga products complement Nederman products in the area of work environment and recycling of metal for machining. The French company will be integrated with the French subsidiary, the British will be integrated with Nederman Ltd. The factory in UK has been closed and the production moved to the Arboga factory in Sweden.

In April Nederman acquired a part of Assalub in Finspång. The acquired organisation has been integrated with Nederman's Swedish sales organisation. This was an additional step in Nederman strategy to integrate forward within the market segment automotive industry.

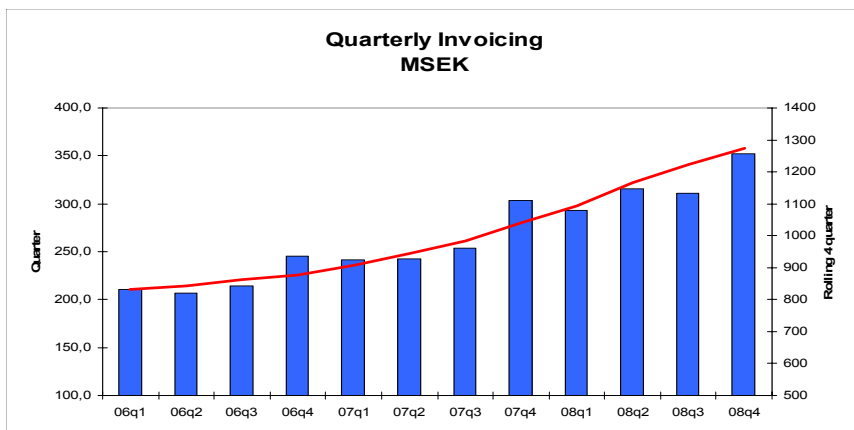
In July Nederman acquired AB Norclean in Varberg. The company has been a dealer to Nederman Norclean in Sandefjord since the 1970's. The purpose of the acquisition is an effort to coordinate the sales in the Swedish market and to take advantage of the company's special competence within certain applications.

## Outlook

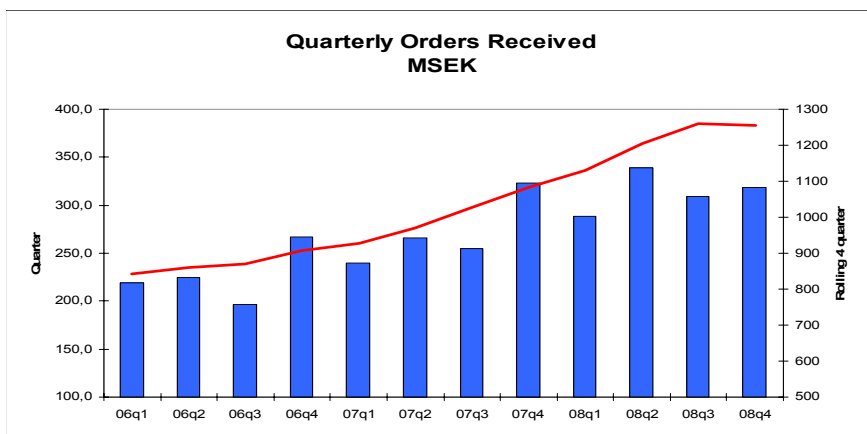
The economy is uncertain and the outlook is difficult to predict. The company foresees a weaker market demand during 2009. The company has prepared cost cutting plans to meet a decrease in the company's sales. These will be implemented according to the rate that the market demands.

## Dividend

The board proposes a dividend of SEK 2,50 (2,50) per share.



■ Quarter  
— Rolling 4-quarter



■ Quarter  
— Rolling 4-quarter

## Sales and incoming orders

Net sales for the **fourth quarter** 2008 amounted to SEK 352m (303), an increase by 16 per cent compared to the same period last year. Incoming orders were SEK 319m (323), which is a decrease of 1, 3 per cent compared to last year.

Net sales for the **whole year** were SEK 1 272m (1 041), an increase of 22 per cent compared to last year. In local currencies the increase was 21 per cent. 11 per cent of the increase was related to acquisitions and 10 per cent through organic growth. Incoming orders were SEK 1 255m (1 082) during the same period, which was an increase by 16 per cent compared to 2007.

## Profits

The consolidated **operating profit** for the fourth quarter was SEK 38m (34), which is an increase of 11 per cent compared to fourth quarter 2007. This corresponds to an operating margin of 11,1 per cent (11,2).

The consolidated **operating profit** for the whole year was SEK 141m (114), which is an increase of 23 per cent compared to the same period last year. This corresponds to an operating margin of 11,1 per cent (11,0).

**Profit before tax** was SEK 32m (32) for the fourth quarter and SEK 126m (105) for the whole year.

**Net profit** increased to SEK 26 m (23) for the fourth quarter and to SEK 93m (75) for the whole year.

**Gross investments** during the fourth quarter amounted to SEK 9m (4) and during the year to SEK 21m (17).

**The liquidity:** The Group had at the close of the period SEK 91m in cash and cash equivalent as well as SEK 68m in available but unutilised overdraft facilities.

**Shareholders' equity** in the Group is SEK 529m. An ordinary dividend of 2,50 per share was paid to the shareholders in the second quarter, amounting in total SEK29,3m. The **total number of shares** at the close of the period was 11,715,340.

The Group's **equity/assets ratio** was 50.0 per cent on 31 December 2008 (50,2) and the **financial net debt/equity ratio**, calculated as the net debt in relation to shareholders' equity, was 27,2 per cent (32,2).

### Employees

The average number of employees during the year was 710 (568). The number of employees at the end of the period was 757 (600).

## Business Areas

In the business area **Extraction & Filter Systems** net sales increased during the fourth quarter to SEK 295m (253) or 17 per cent compared to the fourth quarter 2007. Net sales during the year amounted to SEK 1 074m (866), an increase by 24 per cent compared to the whole year 2007, of which 10 per cent was due to acquisitions.

In the business area **Hose & Cable Reels** net sales increased during the fourth quarter to SEK 58m (50) or by 15 per cent compared to the same quarter 2007. Net sales for the year amounted to SEK 199m (175), an increase by 13 per cent compared to the previous year, of which 6 per cent was due to acquisitions.

## Risks and uncertainties

The Group and the parent company are exposed to a number of risks primarily connected with the buying and selling of products in foreign currencies. These risks are described in detail in the Annual Report 2007 on p.26 and also in the note 26 in the company's Annual Report for the 2007 financial year. During the reporting period no circumstances have arisen to change the assessment of the identified risks.

**Accounting principles**

The consolidated financial statements are prepared in accordance with International Financial Reporting Standards, IFRS, as adopted by EU. The consolidated year-end report has been prepared in accordance with IAS34. The year-end report for the parent company has been prepared in accordance with Swedish Annual Accounts Act and RFR 2.1. Accounting- and valuation principles and definitions are described in the 2007 Annual Report.

**Consolidated income statement**

MSEK	1 Oct - 31 Dec		1 Jan - 31 Dec	
	2008	2007	2008	2007
Net sales	352,2	303,0	1 272,3	1 041,4
Cost of goods sold *)	-175,6	-160,4	-654,5	-538,9
<b>Gross profit</b>	176,6	142,6	617,8	502,5
Selling expenses *)	-105,4	-82,2	-365,2	-302,2
Administrative expenses	-26,5	-18,8	-93,1	-66,8
Research and development expenses	-4,9	-4,2	-17,2	-15,1
Other operating income/expenses	-2,2	-4,1	-1,5	-10,9
<b>Operating profit</b>	37,6	33,4	140,8	107,4
Financial income	0,9	0,6	2,1	2,6
Financial expenses	-6,3	-2,4	-17,3	-11,3
<b>Net financial items</b>	-5,4	-1,8	-15,2	-8,7
<b>Profit before tax</b>	32,2	31,5	125,6	98,7
Tax	-6,2	-8,8	-33,0	-28,3
<b>Net profit</b>	25,9	22,7	92,6	70,4
Earnings per share, SEK	2,21	1,94	7,90	6,01
Earnings per share after dilution, SEK	2,21	1,94	7,90	6,01
Average number of shares	11 715 340	11 715 340	11 715 340	11 715 340
Average number of shares after dilution	11 715 340	11 715 340	11 715 340	11 715 340
Number of shares at end of period	11 715 340	11 715 340	11 715 340	11 715 340

\*) Costs regarding service and installations have been re-classified from selling expenses to cost of goods sold. Historical data have been adjusted for comparison.

The amounts in 2007 were: 4,6 13,1  
Corresponding amounts for 2008 were: 5,1 19,9

## Consolidated balance sheet

MSEK	31 Dec	
	2008	2007
<b>Assets</b>		
Goodwill	396,6	370,3
Other intangible fixed assets	28,8	24,2
Tangible fixed assets	36,8	41,0
Long-term receivables	0,2	0,5
Deferred tax assets	21,5	12,9
<b>Total fixed assets</b>	<b>483,9</b>	<b>448,9</b>
Inventories	170,9	121,6
Accounts receivables	270,0	234,8
Other current receivables	42,2	28,0
Cash and cash equivalents	90,8	76,4
<b>Total current assets</b>	<b>573,9</b>	<b>460,9</b>
<b>Total assets</b>	<b>1 057,8</b>	<b>909,8</b>
<b>Shareholders' equity</b>		
	529,1	451,8
<b>Liabilities</b>		
Long-term interest-bearing liabilities	176,2	158,1
Other long-term liabilities	0,4	0,6
Provisions for pensions	31,7	30,2
Deferred tax liabilities	12,7	13,1
<b>Total long-term liabilities</b>	<b>221,0</b>	<b>202,0</b>
Current interest-bearing liabilities	27,0	33,7
Account payable	120,8	104,8
Other current liabilities	159,9	117,5
<b>Total current liabilities</b>	<b>307,7</b>	<b>256,1</b>
<b>Total liabilities</b>	<b>528,7</b>	<b>458,0</b>
<b>Total shareholders' equity and liabilities</b>	<b>1 057,8</b>	<b>909,8</b>
	50,0%	49,7%

## Summary of changes in shareholders' equity

MSEK	31-Dec	
	2008	2007
Shareholders' equity on 1 January	451,8	376,6
Dividend	-29,3	
Changes in translation reserve for the period	14,0	4,8
Profit for the period	92,6	70,4
<b>Shareholders' equity at end of period</b>	<b>529,1</b>	<b>451,8</b>

**Consolidated cash flow statement**

MSEK	1 Jan – 31Dec	
	2008	2007
Operating profit	140,8	107,4
Adjustments for:		
Depreciations of fixed assets	16,5	17,8
Other adjustments	7,6	3,7
Interest received and paid incl. other financial items	-15,5	-8,6
Taxes paid	-32,5	-21,4
Cash flow from operating activities before changes in working capital	116,9	98,9
Cash flow from changes in working capital	-30,3	-30,4
Cash flow from operating activities	86,6	68,5
Net investments in fixed assets	-20,7	-16,7
Acquired units	-42,1	-31,1
Cash flow before financing activities	23,8	20,6
Dividend	-29,3	0,0
Cash flow from other financing activities	16,4	3,8
Cash flow for the period	10,9	24,5
Cash and cash equivalents at the beginning of the period	76,4	50,2
Exchange rate differences	3,5	1,8
Cash and cash equivalents at the end of the period	90,8	76,4
<b>Specification of acquisitions</b>		
Acquisition price incl direct costs	45,4	
Fair value of acquired net assets	15,6	
<b>Goodwill</b>	29,8	
<b>Purchase price not yet paid</b>	3,3	
<b>Acquired assets and liabilities</b>		
Intangible fixed assets	0,1	
Tangible fixed assets	3,5	
Financial fixed assets	0,2	
Inventories	19,0	
Accounts receivable and other receivables	21,8	
Cash	11,6	
Interest-bearing liabilities	-1,6	
Accounts payable and other operating liabilities	-26,5	
Tax liabilities	-0,8	
Deferred tax liabilities	-0,4	
<b>Net assets</b>	27,2	
Of which cash in acquired units	11,6	
<b>Fair value of acquired net assets</b>	15,6	
Net result during ownership period	-4,7	
Net sales in the acquired units during the period	89,6	
Net result in the acquired units during the period	-3,6	

## Income statement for the parent company

MSEK	1 Oct - 31 Dec		1 Jan - 31 Dec	
	2008	2007	2008	2007
Operating result	-5,6	-8,3	-21,1	-20,7
Net financial items	29,4	10,2	29,9	6,9
Result after financial items	23,8	1,9	8,8	-13,8
Changes in untaxed reserves	-12,0	-5,5	-12,0	-5,5
Result before tax	11,8	-3,6	-3,2	-19,3
Tax	5,6	4,5	12,2	8,9
Result for the period	17,4	0,9	9,0	-10,4

## Balance sheet for the parent company

MSEK	31-Dec	
	2008	2007
<b>Assets</b>		
Total fixed assets	552,6	520,4
Total current assets	94,5	67,9
Total assets	647,1	588,3
<b>Equity and Liabilities</b>		
Total shareholders' equity	410,4	373,5
Untaxed reserves	18,5	6,5
<b>Liabilities</b>		
Total long-term liabilities	175,0	150,0
Total current liabilities	43,2	58,3
Total liabilities	218,2	208,3
Total shareholders' equity and liabilities	647,1	588,3

## Related parties

MSEK	Period Jan - Dec	Other operating income	Dividend received	Financial income and expenses	Receivable related parties 31- Dec	Liabilities related parties 31- Dec
Subsidiaries		9,4	29,4	11,8	73,5	14,0

No major changes have taken place for the Group or parent company compared to the Annual Report 2007.



The report has not been reviewed by the company's auditors.

## Date for the publications of financial information

Annual report available	1 April 2009
Annual General Meeting and Q1 report	28 April 2009
Q2 report	14 August 2009
Q3 report	22 October 2009

The Financial Statement gives a fair picture of the group's and parent company's activities, positions and results. The report also describes the significant risks and uncertainties facing the parent company and Group companies.

Helsingborg 13th of February, 2009

Sven Kristensson  
*President and CEO*

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## Facts about Nederman

Nederman, one of the world's leading environment technology companies, develops, produces and markets its own products and systems for the extraction of dust, smoke, vehicle exhaust fumes and equipment for industrial cleaning. These are based on vacuum technology covering the entire scale from high vacuum to middle and low vacuum. Nederman also produces and sells a comprehensive range of hose and cable reels for water, air, oil and other media.

Nederman's systems contribute in many ways to creating clean, efficient and safe workplaces around the world.

The company's commitments to customers include everything from pre-studies and project work to installation, operational start-up and service.

Manufacturing is certified according to ISO 9001 and ISO 14000. The company has production and assembly units in Sweden, Norway and Canada. Nederman's products and systems are marketed via its own subsidiaries in 25 countries and via agents and distributors in more than 50 countries. The Group has around 760 employees.