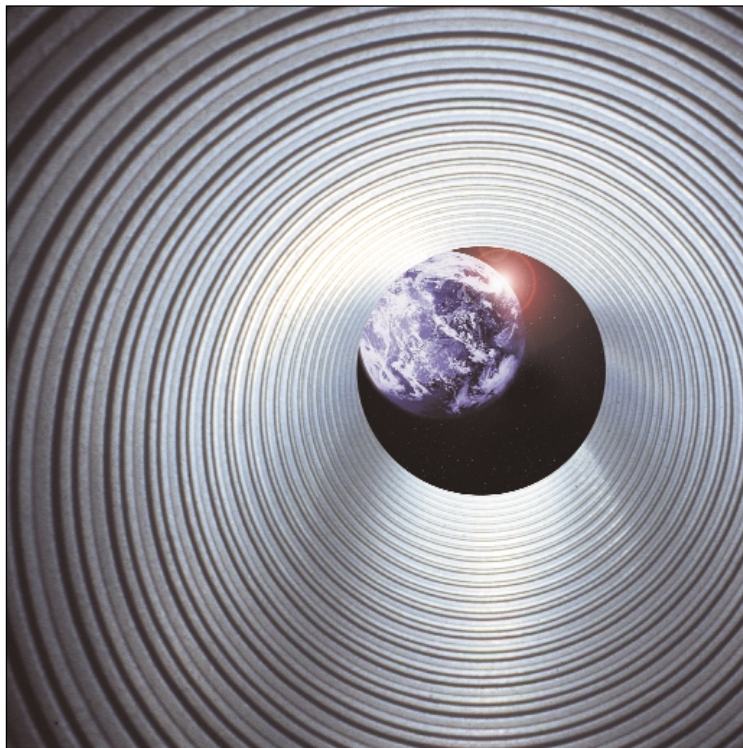


# Lindab

JANUARY – MARCH 2001



# The Lindab Group January - March 2001

All figures in SEK million unless otherwise stated.

- **Sales rose by 30 percent to 1 159 (891)**
- **One-off expenses in Great Britain affected the result by 30**
- **The result after financial items amounted to -12 (26)**
- **The forecast for an improved result for 2001 as a whole remains unchanged**

## Sales and market

The consolidated sales for the year's first quarter amounted to 1 159 (891), an increase of 30 percent. Sales increases were recorded in both business areas. Of the total increase in sales, volume increases account for 23 percentage points. Changes in currency rates have affected sales positively by 4 percentage points. Net sell-off prices rose 3 percent during the year's first quarter. Of the total 30 percent increase in sales, company acquisitions accounted for 18 percentage points.

Sales abroad rose by 18 percent and amounted to 798 (677), which represented 69 percent (76) of the Group's total sales.

Sales, 12 months rolling, amounted to 4 683 (3 715), an increase of 26 percent.

Normal seasonal variations in the construction sector generally result in lower sales figures in the first quarter compared with the remaining three quarters of the year.

The Swedish construction market has shown continuing good demand during the beginning of the year. The strong sales growth is explained partly due to the acquisition of Folkebolagen AB and TeknoTerm Climate AB, partly sound underlying growth in the market.

The markets in the Nordic countries have shown a rising demand.

Several markets in Western Europe have recorded a good start to the year. However, the fiercely competitive situation in the German market remains.

In Eastern Europe, sales have remained impressive. The Hungarian market, which is Lindab's base in the region, has gone from strength to strength. Last year's trend of a weak demand in Poland has continued during the first months of 2001.

Growth in the American market remains positive. The acquisition of Spiral-Helix, which was consolidated at the turn of the year, has contributed to the increase in sales.

## Result

In the year-end report for 2000, we informed shareholders of the unsatisfactory development in Great Britain which negatively affected the result for that year. The managing director and the financial manager were dismissed with immediate effect. A follow-up audit of the business operations there revealed certain irregularities. The matter is to be further investigated and necessary legal action shall be taken. The examination indicated additional losses of 26, which are assignable to business operations for 2000 and earlier. The costs in respect of this are of a one-off nature and have been recorded as items affecting comparability. The restructuring has also affected the first quarter result by 4. Our opinion is that no further costs of this type will affect the business operations.

The price of sheet metal began to fall during the first quarter. This will benefit Lindab later during the year. However, a write-down of 3 has been made in respect of raw material stocks.

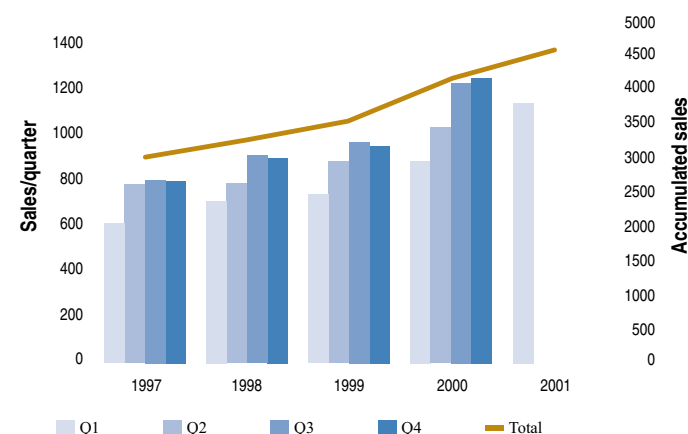
The period's depreciation amounts to 51 (42), of which goodwill depreciation amounts to 7 (5).

The net interest expense has fallen by 7, which can mainly be accounted for by the increased net liabilities.

## Sales by market

	Jan - March 2001	2000	Change in percent
Sweden	361	214	69
Nordic countries excl. Sweden	322	293	10
Western Europe	281	254	11
Eastern Europe	92	69	33
USA	93	55	69
Other markets	10	6	67
<b>Total</b>	<b>1 159</b>	<b>891</b>	<b>30</b>

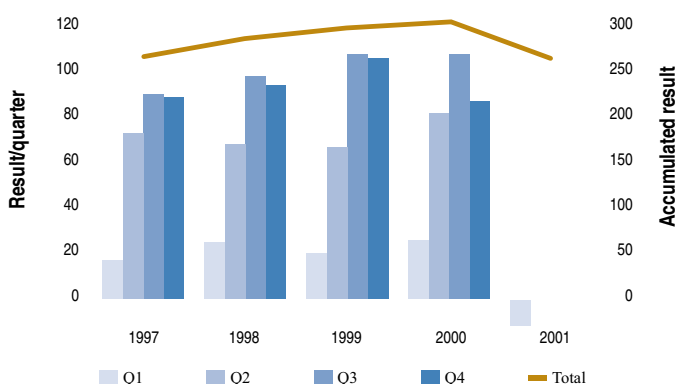
## Sales per quarter, 12 months rolling



## Consolidated income statement

	Jan - March	
	2001	2000
<b>Sales</b>	<b>1 159</b>	891
Cost of goods sold	-902	-666
<b>Gross profit</b>	<b>257</b>	225
Selling expenses	-137	-105
Administrative expenses	-93	-77
Research and development costs	-8	-6
Items affecting comparability	-26	-
Other operating income	10	1
Other operating expenses	-1	-5
<b>Operating profit</b>	<b>2</b>	33
Interest income	4	1
Interest expenses	-18	-8
<b>Result after financial items</b>	<b>-12</b>	26
Taxes	-1	-8
<b>Net result</b>	<b>-13</b>	18

### Result after financial items per quarter, 12 months rolling



## Business areas

### Ventilation

The business area's main product is round duct systems for ventilation purposes as well as ventilation accessories such as valves, grilles and diffusers. Traditionally, duct systems are used to distribute air, but they are also used to transport dust and other particles. Other products include machinery for manufacturing round ventilation ducts and their accessories.

Ventilation's sales rose by 35 percent to 822 (610), which represented 71 percent (68) of the Group's total sales. The Swedish market accounted for 26 percent (20) of sales. The remaining Nordic countries accounted for 27 percent (31); Western Europe 32 percent (37); Eastern Europe 3 percent (2); USA 11 percent (9) and other countries 1 percent (1). Sales have developed positively in several important markets, partly due to the underlying growth, partly to the acquisition of Spiral-Helix and TeknoTerm.

The operating profit for the period was 0 (28), which represented 0 percent (4.6) of sales. The business area has been affected by a loss of 30 in the British operations.

Sheet metal prices levelled out at the beginning of the year and then slowly started to fall. This has affected the result short term by 3. Lower sheet metal prices will favour profitability during the remainder of the year.

Expansion in the USA has continued with the establishment of new branches in Tennessee and Texas during the beginning of 2001.

### Profile

The business area manufactures a large number of sheet metal products used in system solutions for the construction industry. These included roof sheeting and cladding, rainwater systems, up-and-over doors, construction profiles and construction kits for steel halls.

Sales during the period rose by 20 percent to 337 (281). The Swedish market accounted for 43 percent (33) of the business area's sales; the other Nordic countries 30 percent (38); Western Europe 6 percent (7); Eastern Europe 20 percent (21); and other countries 1 percent (1). The operating profit was 2 (5), which represented 0.6 percent (1.8) of sales.

Sales growth during the period has also been good, particularly in the Swedish market and in Eastern Europe.

### Net debt and cash flow

The Group's net debt - the difference between interest-bearing liabilities and liquid funds - amounted to 1 222 compared with 1 056 at the end of 2000. The higher net liabilities can principally be explained by an increase in the working capital and capital expenditure made during the period. The increase in the working capital is to some degree related to seasonal effects but can also be explained by the need to replace certain materials which in turn gives rise to a temporarily higher stock level than normal. Outdated stock is phased out successively over the year.

The weakening of the Swedish krona has negatively affected net debt by 38. The restructuring of the British operations has increased net debt by 14.

The net cash flow from the year's operations amounted to -166 (-94). The Group's liquid funds amounted to 11 (89). Liquid funds, including unutilised overdraft facilities amounted to 559 (1 032). The shareholders' equity amounted to 1 367 (1 259). The equity/assets ratio was 38 percent (47).

## Consolidated cash flow statement

	Jan - March 2001	Jan - March 2000	Jan - Dec 2000
<b>Current operations</b>			
Operating profit	2	33	342
Depreciation	51	42	170
<b>Operating cash flow</b>	<b>53</b>	75	512
Financial net	-14	-7	-39
Taxes paid	-1	-8	-87
<b>Cash flow from current operations before change in working capital</b>	<b>38</b>	60	386
Change in working capital	-117	-71	-257
<b>Cash flow from current operations</b>	<b>-79</b>	-11	129
Capital expenditure including company acquisitions	-116	-86	-474
<b>Cash flow after cap.ex.</b>	<b>-195</b>	-97	-345
Dividend paid	-	-	-72
Repurchase of own shares	0	-	-96
Other items	29	3	-19
<b>Net cash flow</b>	<b>-166</b>	-94	-532
Change in interest-bearing liabilities	88	31	469
<b>Change in liquid funds</b>	<b>-78</b>	-63	-63

## Consolidated income statement, yearly summaries

	April 2000 - March 2001 12 months	April 1999 - March 2000 12 months	Jan - Dec 2000 12 months
<b>Sales</b>	<b>4 683</b>	3 715	4 415
Cost of goods sold	-3 512	-2 699	-3 276
<b>Gross profit</b>	<b>1 171</b>	1 016	1 139
Selling expenses	-484	-383	-452
Administrative expenses	-355	-289	-339
Research and development costs	-28	-23	-26
Items affecting comparability	-26	-	-
Other operating income	43	17	34
Other operating expenses	-10	-9	-14
<b>Operating profit</b>	<b>311</b>	329	342
Interest income	13	6	10
Interest expenses	-59	-28	-49
<b>Result after financial items</b>	<b>265</b>	307	303
Taxes	-93	-91	-100
<b>Net result</b>	<b>172</b>	216	203

## Consolidated balance sheet, summary

	2001-03-31	2000-03-31	2000-12-31
<i>Assets</i>			
Intangible fixed assets	195	128	175
Tangible fixed assets	1 495	1 143	1 406
Financial fixed assets	46	40	47
Stock	916	590	811
Other receivables	944	665	742
Cash and bank	11	89	89
<b>Total assets</b>	<b>3 607</b>	2 655	3 270
<i>Shareholders' equity and liabilities</i>			
Shareholders' equity	1 367	1 259	1 307
Provisions	203	175	201
Long-term liabilities	1 174	654	1 086
Current liabilities	863	567	676
<b>Total shareholders' equity and liabilities</b>	<b>3 607</b>	2 655	3 270

## Key ratios

	Jan - March 2001	Jan - March 2000	April 2000 - March 2001	April 1999 - March 2000	2000	1999	1998
Profit per share, SEK <sup>1)</sup>	-0.56	0.75	7.31	9.00	8.53	8.80	8.60
Shareholders' equity per share, SEK <sup>2)</sup>			58.05	52.45	55.05	52.35	47.23
Return of capital employed, percent			13	17	16	18	20
Return on shareholders' equity, percent			13	18	16	18	20
Equity/assets ratio, percent			38	47	40	49	47

<sup>1)</sup> Number of shares after repurchases and sales 23 220 952 (average)

<sup>2)</sup> Number of shares after repurchases and sales 23 543 888 (average)

## Sales and result by business area

	Ventilation Jan - March		Profile Jan - March		Total Jan - March	
	2001	2000	2001	2000	2001	2000
Sales	822	610	337	281	1 159	891
Operating profit	0	28	2	5	2	33
Net financial items	-9	-5	-5	-2	-14	-7
Result after financial items	-9	23	-3	3	-12	26
Operating profit, percent	0	4,6	0,6	1,8	0,2	3,7

## Capital expenditure

The pace of capital expenditure during the first quarter has remained high. Investments, including company acquisitions, amounted to 116 (86), of which company acquisitions accounted for 20. Capital expenditure amounts to 19 (42) in properties, machinery and inventory 66 (44) and goodwill 31 (0). Of total capital expenditure, 63 (28) were made in Sweden and 53 (58) abroad.

## Company acquisitions

Lindab carried out two company acquisitions during the first quarter of 2001.

In January, the Group acquired the business operations of machine manufacturer Spiral-Helix in the USA. The acquisition complements Lindab's operations in Group company Spiro S.A., which manufactures machines for the production of round ventilation ducts. Spiral-Helix employs 35 persons and its sales for the full year are expected to amount to 75.

On 6 February 2001, an agreement was signed regarding the acquisition of TeknoTerm Climate AB in Gothenburg, Sweden. TeknoTerm develops, manufactures and sells products and system solutions for indoor climate control, an area that well complements Lindab's Comfort division in the Ventilation business area. In 2000 TeknoTerm had sales totalling 120 and employed 60 persons. The acquisition, which amounted to 54, was financed with Lindab's own repurchased shares.

The acquisitions have not affected the result for the period.

## Personnel

The number of employees has increased by 130 since year-end and now totals 3 671. Adjusted for acquisitions, this represents an increase of 35. The number of employees in Sweden totalled 1 419 compared with 1 361 at year-end.

## Share data

The result per share after tax for the first three months of 2001 amounted to SEK -0.56 compared with SEK 0.75 for the same period last year. The result per share over the last twelve-month period was SEK 7.31 (9.00). Shareholders' equity per share amounted to SEK 58.05 (52.45). The number of outstanding shares amounts to 23 582 857. At the end of the period, the listed price of the Lindab share on the OM Stockholm Exchange was SEK 99.00. The share price at year-end was SEK 100.00.

## Outlook for 2001

During the beginning of the year sales have been very positive and are expected to exceed 5 000 for the whole year. In spite of an uncertain economic position and the costs of non-recurring type in Great Britain the forecast given earlier, of an improved result compared with last year, remains.

Grevie 26th April 2001  
LINDAB AB (publ)

Carl-Gustaf Sondén  
MD and CEO

The accounting principles remain unchanged from those applied at year-end.

This report has not been subjected to a special examination by the company's auditors.

Today, the Lindab Group is a global corporation with business operations in some 130 locations in 21 countries. The Group's core activities are the manufacture and sales of sheet metal products within two business areas. The largest of these is Ventilation where Lindab has a leading position in the round duct systems product sector. The second business area, Profile, manufactures a large number of products for the building industry. These include roof sheeting and cladding, rainwater systems, up-and-over doors, steel halls, roof-safety products and construction profiles.

For more information, please visit Lindab's website [www.lindab.com](http://www.lindab.com)

## **Schedule for financial information**

The year-end and interim reports will also be published on Lindab's website [www.lindab.se](http://www.lindab.se).

9th August 2001	Interim report for period 1 January - 30 June 2001
24th October 2001	Interim report for period 1 January - 30 September 2001
15th February 2002	Year-end report for 2001

The reports will be made available in Swedish, Danish and English and can be ordered at the following address

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