

This information is such that Cardo must publish under the Swedish Securities Market Act and/or the Financial Instruments Trading Act. The information was submitted for publication on November 12 at 8.30 a.m.

## INCREASED SALES AND IMPROVED EARNINGS

- Inflow of orders: SEK 7,322 million (7,172)
- Net sales: SEK 6,855 million (6,576)
- Operating earnings: SEK 472 million (332)
- Net earnings: SEK 290 million (208)
- Net earnings per share: SEK 9.91 (6.92)
- Cash flow from operating activities after tax: SEK 536 million (180)
- Repurchase of own shares: SEK 445 million

Cardo continues to show an increased inflow of orders and net sales for the first nine months of 2008. During the same period, net earnings improved to SEK 290 million.

During the third quarter, net sales and operating earnings rose. The inflow of orders remained positive in the Wastewater Technology Solutions division. For the Group's door divisions, consistent price rises in combination with weakened demand had an adverse effect on the inflow of orders compared with the corresponding period the previous year.

The service operation continues to enjoy a good trend.

Operating earnings were affected in the sum of SEK -13 million by the movement of the US dollar during the period.

### RESULTS IN BRIEF

	QUARTER 3			JAN-SEPT		
	2008	2007	Δ% <sup>1)</sup>	2008	2007	Δ% <sup>1)</sup>
INFLOW OF ORDERS, SEK M	2,247	2,337	-4	7,322	7,172	2
NET SALES, SEK M	2,325	2,186	6	6,855	6,576	4
OPERATING EARNINGS, SEK M	189	150 <sup>2)</sup>		472	424 <sup>2)</sup>	
OPERATING MARGIN, %	8.1	6.9 <sup>2)</sup>		6.9	6.4 <sup>2)</sup>	

1) Adjusted for the effects of exchange rate movements.

2) Excluding costs for restructuring of production structure of SEK 9 million in respect of quarter 3 and of SEK 92 million for the period January-September.

## GROUP

### INCOME STATEMENT IN BRIEF

SEK M	QUARTER 3		JAN-SEPT		MOVING 12M	FULL YEAR
	2008	2007	2008	2007	OCT 2007- SEPT 2008	2007
NET SALES	2,325	2,186	6,855	6,576	9,587	9,308
COST OF GOODS SOLD	-1,584	-1,516	-4,691	-4,608	-6,556	-6,473
<b>GROSS EARNINGS</b>	<b>741</b>	<b>670</b>	<b>2,164</b>	<b>1,968</b>	<b>3,031</b>	<b>2,835</b>
SELLING AND ADMINISTRATIVE EXPENSES	-554	-530	-1,694	-1,637	-2,269	-2,212
OTHER OPERATING INCOME AND EXPENSES - NET	2	1	2	1	-208 <sup>2)</sup>	-209 <sup>2)</sup>
<b>OPERATING EARNINGS 1)</b>	<b>189</b>	<b>141<sup>3)</sup></b>	<b>472</b>	<b>332<sup>3)</sup></b>	<b>554<sup>3)</sup></b>	<b>414<sup>3)</sup></b>
REVALUATION FINANCIAL INSTRUMENTS	-6	4	-4	-1	-9	-6
FINANCIAL ITEMS	-25	-18	-62	-43	-84	-65
<b>EARNINGS AFTER FINANCIAL ITEMS</b>	<b>158</b>	<b>127</b>	<b>406</b>	<b>288</b>	<b>461</b>	<b>343</b>
TAX	-47	-36	-116	-80	-209	-173
<b>NET EARNINGS FOR THE PERIOD</b>	<b>111</b>	<b>91</b>	<b>290</b>	<b>208</b>	<b>252</b>	<b>170</b>
EARNINGS PER SHARE, SEK	4.00	3.05	9.91	6.92	8.56	5.67
EARNINGS PER SHARE EXCL. ITEMS AFFECTING COMPARABILITY, SEK	4.00	3.24 <sup>3)</sup>	9.91	8.80 <sup>3)</sup>	16.00 <sup>2,3)</sup>	14.83 <sup>2,3)</sup>
AVERAGE NUMBER OF SHARES, THOUSANDS	27,860	30,000	29,247	30,000	29,436	30,000
1) Operating earnings have been charged with depreciation and amortization amounting to:	49	48	149	145	205	201
2) Including impairment of SEK 210 million of goodwill attributable to the Residential Garage Doors division.						
3) Operating earnings include costs relating to restructuring of the production structure in the Door & Logistics Solutions division. The amounts are shown per period in the table below.						
Cost of goods sold		9		90	6	97
Selling and administrative expenses		-		2	8	10
Total restructuring costs		9		92	14	107

## INFLOW OF ORDERS, NET SALES AND EARNINGS

### Third quarter 2008

During the third quarter, the inflow of orders amounted to SEK 2,247 million (2,337), down 4% after adjustment for the effects of exchange rate movements. The inflow of orders fell in all markets except for Latin America and the Middle East. Wastewater Technology Solutions shows an increased inflow of orders. Price rises continued to be implemented with the aim of improving the operating margin.

Net sales amounted to SEK 2,325 million (2,186), up 6% after adjustment for the effects of exchange rate movements.

Operating earnings amounted to SEK 189 million (150, excluding restructuring costs).

### Period January – September 2008

During the first nine months of the year, the inflow of orders amounted to SEK 7,322 million (7,172), up 2% after adjustment for the effects of exchange rate movements. Except for Latin America, most regions show positive growth in comparison with the previous year. The service operation continues to develop positively.

Net sales amounted to SEK 6,855 million (6,576), up 4% after adjustment for the effects of exchange rate movements.

Operating earnings improved to SEK 472 million (424, excluding restructuring costs). Operating earnings were affected in the sum of SEK -13 million by the movement of the US dollar during the period.

Net earnings amounted to SEK 290 million (208), which is equivalent to SEK 9.91 (8.80, excluding restructuring costs) per share.

Cash flow from operating activities was SEK 536 million (180) after tax, which is equivalent to SEK 18.33 (6.00) per share.

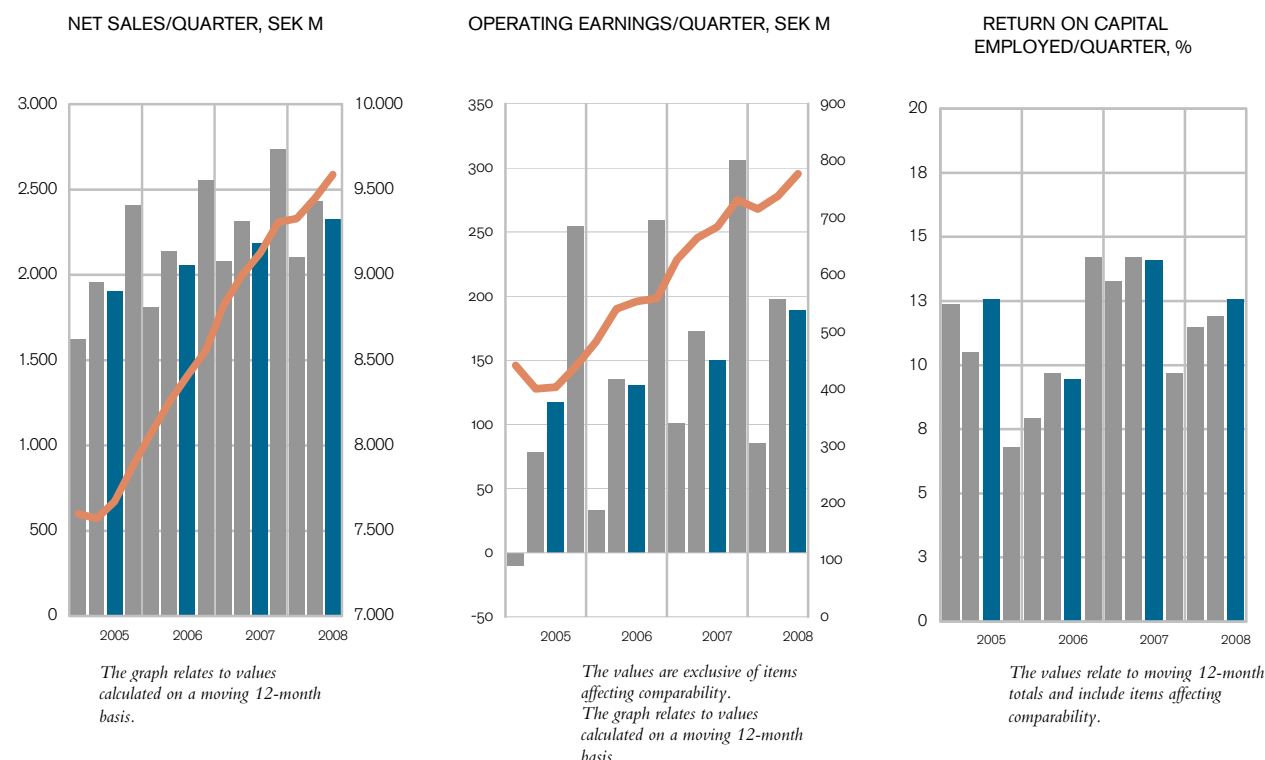
## LIQUIDITY AND FINANCING

September 30, the Group's cash and cash equivalents amounted to SEK 320 million (231) as against SEK 272 million at the beginning of the year. In addition, there are unutilized credit facilities of approximately SEK 1.3 billion (approximately 1.2).

The Group's gross investments, exclusive of company acquisitions, stood at SEK 120 million (176). Net interest bearing debt at September 30 amounted to SEK 1,481 million (1,286).

Equity amounted to SEK 2,549 million (2,929), which is equivalent to SEK 93.95 (97.59) per share. At September 30, the Group's equity ratio was 39.2% (44.8).

## KEY FIGURES PER QUARTER



## OTHER MATTERS

### ACQUISITION

During the third quarter, Lorentzen & Wettre acquired the Finnish company Kajaani Process Measurements Oy (KPM), which is one of Finland's leading manufacturers of sophisticated measuring instruments for the pulp and paper industry. KPM has ten employees and sales of approximately SEK 20 million. KPM, which was founded in 2001, runs an operation in Kajaani in northern Finland. The acquisition was realized at an enterprise value of SEK 38 million. The acquisition is expected to have a marginally positive effect on Cardo's earnings during 2008.

### ERRONEOUS INVENTORY ACCOUNTING 2006

During the quarter, an error was identified in the inventory accounting in the Door & Logistics Solutions division. The error was found to relate to 2006, but it is not impossible that the error also dates from previous years. An investigation is under way to finally determine when the error arose. In accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, the error has been corrected retroactively by restating the 2006 earnings, in which connection operating earnings have been charged with SEK 41 million, affecting earnings for 2006 in the sum of SEK 29 million after the effect of tax. Items in the balance sheet and the relevant key figures have also been restated for 2006 and 2007. In the balance sheet, the inventory value has been adjusted downwards by SEK 41 million, the deferred tax asset, which is reported under the heading Financial fixed assets, has been adjusted upwards by SEK 12 million and equity has been reduced by SEK 29 million. It is not impossible that the adjustment will be changed on completion of the investigation.

### PERSONNEL

The average number of employees in the Group was 6,212 (6,041).

### REPURCHASE OF SHARES

At the 2008 Annual General Meeting of Cardo AB, a resolution was passed authorizing the Board of Directors to acquire up to so many own shares before the next Annual General Meeting that the Company's holding at no time exceeds 10% of all shares in the Company. The purpose of the repurchase is to give the Board the opportunity to adjust the capital structure of the Company during the period until the next Annual General Meeting. During the period January-September, Cardo repurchased 2,868,000 shares, equivalent to 9.6 percent of the number of outstanding shares. The equity in the parent company and the Group has therewith decreased by SEK 445 million.

### RISKS AND UNCERTAINTIES

As an international group, Cardo is exposed to various risks, affecting its potential for achieving its stated aims. These risks include operational risks, such as the risk of not being able to fully pass on price rises for raw materials and other input goods to the customers, the risk of the competitive situation otherwise affecting price levels and sales volumes and the risk of the state of the economy not being stable in the markets in which the Group operates. They also include financial risks, such as currency risks, interest-rate risks, financing risks and credit risks. The above-mentioned risks and how Cardo acts to manage these risks are described in greater detail in the 2007 annual report on pages 36 and 37 and in the report of the Board of Directors on page 40. No significant risks in addition to those described in the annual report are judged to have arisen.

### ACCOUNTING PRINCIPLES

The Cardo group applies International Financial Reporting Standards (IFRS), as endorsed by the EU Commission. This report has therewith been drawn up for the Group in accordance with IAS 34 Interim Financial Reporting and the Annual Accounts Act and for the parent company in accordance with the Annual Accounts Act.

From the first of January 2008, the operation of the Pulp & Paper Solutions division in Asia in respect of Scanpump has been included in the Wastewater Technology Solutions division. This involves a change in the reporting of net sales and operating earnings by division. Comparative figures in the interim report have been adjusted so as to be in accordance with the new organization. Lorentzen & Wettre's operation in Asia remains part of Pulp & Paper Solutions. Further comparative figures can be found on Cardo's website at [www.cardo.com](http://www.cardo.com).

In other respects, the same accounting principles have been used in the interim report as in the latest annual report for both the Group and the parent company. In the annual report, there is also an account of the expected effects of future changes in IFRS on financial reporting as of 2009.

### PARENT COMPANY

The parent company's earnings after financial items amounted to SEK -7 million (694), gross investments to SEK 0 million (0) and cash and cash equivalents to SEK 0 million (0). The income statement and balance sheet of the parent company are presented in brief on page 15.

## DOOR & LOGISTICS SOLUTIONS

### Third quarter 2008

The inflow of orders amounted to SEK 1,035 million (1,120), down 9% on the previous year adjusted for the effects of exchange rate movements. The inflow of orders was adversely affected by price rises that have been implemented and a deliberate selection of customer projects with higher margins. The decline was particularly great in central and eastern Europe and Asia-Pacific, while the Middle East saw a good trend. The service operation continues to show a good trend. The trend in the Airports & Shipyards segment remained strong during the quarter.

Net sales amounted to SEK 1,098 million (1,012), up 7% adjusted for the effects of exchange rate movements. Operating earnings amounted to SEK 87 million (67, excluding restructuring costs).

### Period January – September 2008

The inflow of orders during the first nine months of the year amounted to SEK 3,417 million (3,477), down 3% on the previous year adjusted for the effects of exchange rate movements. The price rises that have been implemented on a running basis during the year with the aim of increasing the operating margin had the desired effect. Sales of service are according to plan.

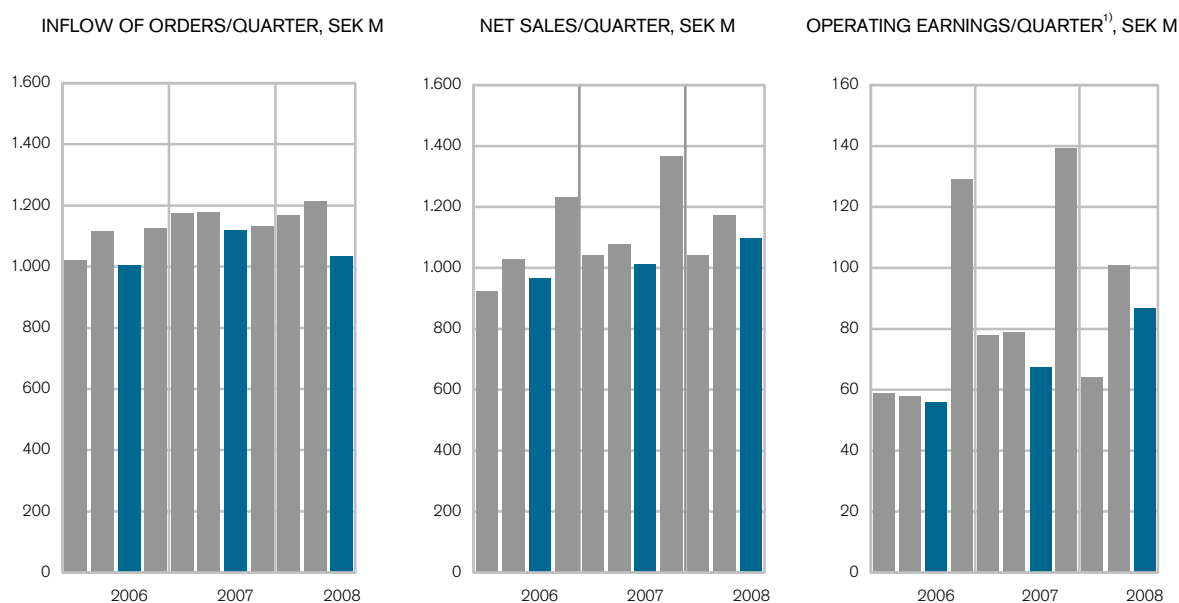
Net sales amounted to SEK 3,315 million (3,131), up 5% adjusted for the effects of exchange rate movements. Operating earnings amounted to SEK 252 million (224, excluding restructuring costs).

## SUMMARY

	QUARTER 3			JAN-SEPT		
	2008	2007	Δ% <sup>1)</sup>	2008	2007	Δ% <sup>1)</sup>
INFLOW OF ORDERS, SEK M	1,035	1,120	-9	3,417	3,477	-3
NET SALES, SEK M	1,098	1,012	7	3,315	3,131	5
OPERATING EARNINGS, SEK M	87	67 <sup>2)</sup>		252	224 <sup>2)</sup>	
OPERATING MARGIN, %	7.9	6.6 <sup>2)</sup>		7.6	7.2 <sup>2)</sup>	

1) Adjusted for the effects of exchange rate movements.

2) Excluding costs for restructuring of production structure of SEK 9 million in respect of quarter 3 and of SEK 92 million for the period January-September.



1) Excluding restructuring costs.

## WASTEWATER TECHNOLOGY SOLUTIONS

### Third quarter 2008

The inflow of orders amounted to SEK 724 million (700), up 3% on the previous year adjusted for the effects of exchange rate movements. Eastern Europe, Latin America and the Middle East are developing well, while we can note a downturn in other regions.

Net sales amounted to SEK 717 million (679), up 5% adjusted for the effects of exchange rate movements.

Operating earnings amounted to SEK 80 million (73).

### Period January – September 2008

The inflow of orders during the first nine months of the year amounted to SEK 2,313 million (2,135), up 9% on the previous year adjusted for the effects of exchange rate movements. All regions saw positive development during the period with a particularly good trend in eastern Europe, the Middle East and Asia-Pacific.

Net sales amounted to SEK 2,070 million (1,964), up 6% adjusted for the effects of exchange rate movements.

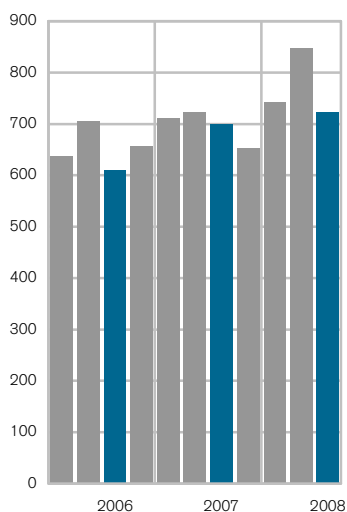
Operating earnings amounted to SEK 203 million (192).

## SUMMARY

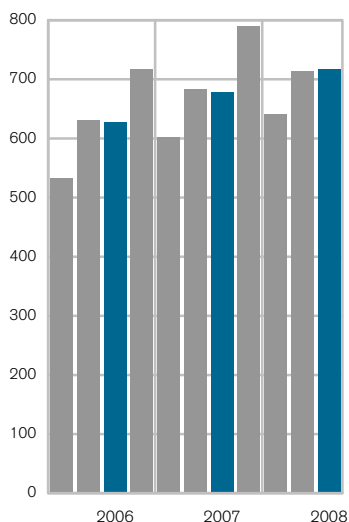
	QUARTER 3			JAN-SEPT		
	2008	2007	Δ% <sup>1)</sup>	2008	2007	Δ% <sup>1)</sup>
INFLOW OF ORDERS, SEK M	724	700	3	2,313	2,135	9
NET SALES, SEK M	717	679	5	2,070	1,964	6
OPERATING EARNINGS, SEK M	80	73		203	192	
OPERATING MARGIN, %	11.1	10.7		9.8	9.8	

1) Adjusted for the effects of exchange rate movements.

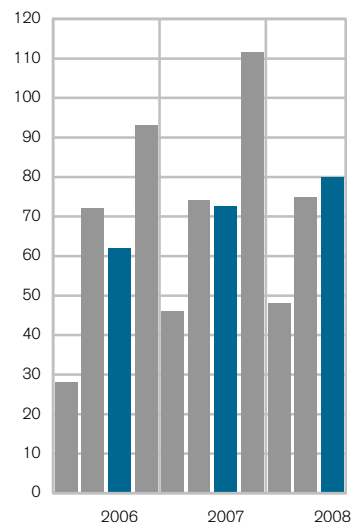
INFLOW OF ORDERS/QUARTER, SEK M



NET SALES/QUARTER, SEK M



OPERATING EARNINGS/QUARTER, SEK M



## PULP & PAPER SOLUTIONS

### Third quarter 2008

The inflow of orders amounted to SEK 176 million (182), down 3% on the previous year adjusted for the effects of exchange rate movements. During the third quarter, Lorentzen & Wettre acquired the Finnish company Kajaani Process Measurements Oy (KPM). The organic inflow of orders decreased by 5%. The inflow of orders in Europe was good, while North America, Latin America and Asia-Pacific show a decreased inflow of orders during the period. The decrease in the inflow of orders is primarily accounted for by reduced activity in the market.

Net sales amounted to SEK 186 million (170), up 9% adjusted for the effects of exchange rate movements. Organic growth was 6%.

Operating earnings amounted to SEK 19 million (12).

### Period January – September 2008

The inflow of orders during the first nine months of the year amounted to SEK 638 million (598), up 7% on the previous year adjusted for the effects of exchange rate movements. Organic growth was 6%. Europe and Asia-Pacific show growth during the period, while other markets show a decreased inflow of orders.

Net sales amounted to SEK 560 million (566), down 1% adjusted for the effects of exchange rate movements. In organic terms, this was a decrease of 2%.

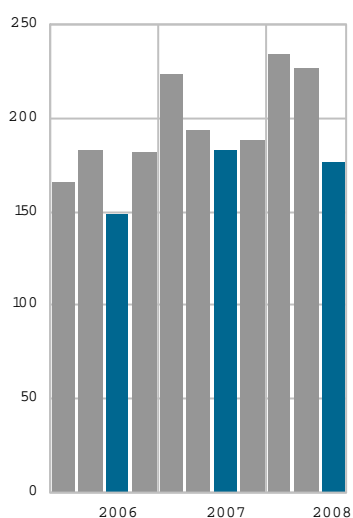
Operating earnings amounted to SEK 59 million (59).

## SUMMARY

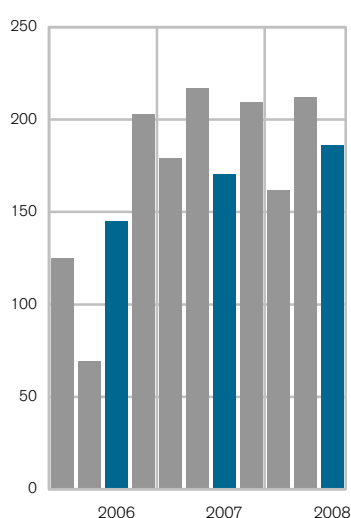
	QUARTER 3			JAN-SEPT		
	2008	2007	Δ% <sup>1)</sup>	2008	2007	Δ% <sup>1)</sup>
INFLOW OF ORDERS, SEK M	176	182	-3	638	598	7
NET SALES, SEK M	186	170	9	560	566	-1
OPERATING EARNINGS, SEK M	19	12		59	59	
OPERATING MARGIN, %	10.4	7.5		10.5	10.5	

1) Adjusted for the effects of exchange rate movements.

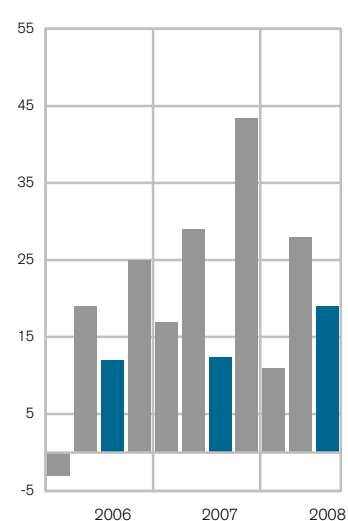
INFLOW OF ORDERS/QUARTER, SEK M



NET SALES/QUARTER, SEK M



OPERATING EARNINGS/QUARTER, SEK M



## RESIDENTIAL GARAGE DOORS

### Third quarter 2008

The inflow of orders amounted to SEK 321 million (341), down 6% on the previous year adjusted for the effects of exchange rate movements. Germany continues to show a positive trend, while the inflow of orders for other countries in western Europe was negative. The decline was greatest in the UK, where new construction decreased sharply. The trend in eastern Europe remained good.

Net sales amounted to SEK 333 million (331), up 1% on the previous year adjusted for the effects of exchange rate movements.

Operating earnings amounted to SEK 16 million (14).

### Period January – September 2008

The inflow of orders during the first nine months of the year amounted to SEK 978 million (980), which is unchanged compared with the previous year adjusted for the effects of exchange rate movements.

Net sales amounted to SEK 932 million (931), up 1% adjusted for the effects of exchange rate movements.

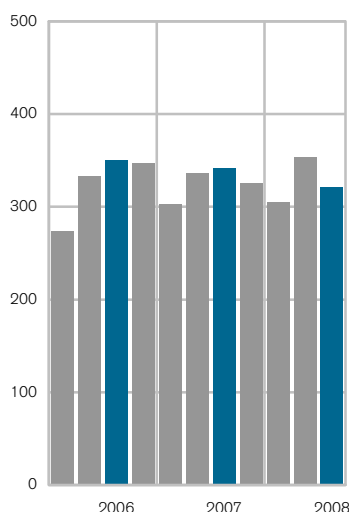
Operating earnings amounted to SEK 2 million (1).

## SUMMARY

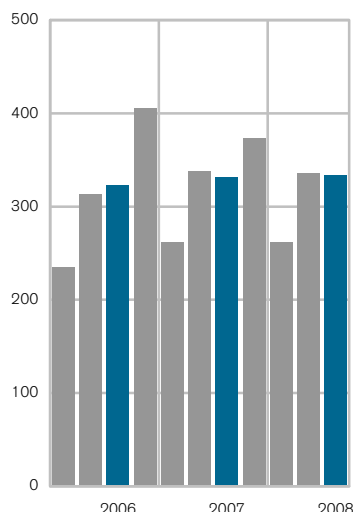
	QUARTER 3			JAN-SEPT		
	2008	2007	Δ% <sup>1)</sup>	2008	2007	Δ% <sup>1)</sup>
INFLOW OF ORDERS, SEK M	321	341	-6	978	980	0
NET SALES, SEK M	333	331	1	932	931	1
OPERATING EARNINGS, SEK M	16	14		2	1	
OPERATING MARGIN, %	4.9	4.3		0.2	0.1	

1) Adjusted for the effects of exchange rate movements.

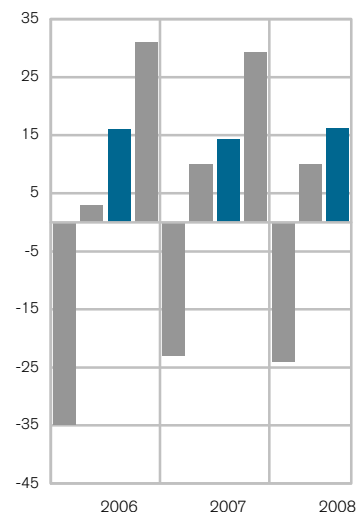
INFLOW OF ORDERS/QUARTER, SEK M



NET SALES/QUARTER, SEK M



OPERATING EARNINGS/QUARTER<sup>1)</sup>, SEK M



1) Excluding impairment of goodwill.



## ANNUAL GENERAL MEETING

The Annual General Meeting will be held in Malmö, Sweden, on Monday, April 6 2009 at 5.00 p.m.

The nomination committee that has been appointed ahead of the 2009 Annual General Meeting consists of:

Claes Boustedt (chairman), L E Lundbergföretagen AB, Stockholm  
John Hernander, AMF, Stockholm  
Hans Hedström, HQ Fonder, Stockholm  
Fredrik Lundberg, Chairman of Cardo's board of directors

Proposals regarding election of members of the Board of Directors and the Board fee may be sent either to a member of the nomination committee or via Cardo to be forwarded. In order for the nomination committee to be able to devote sufficient attention to proposals received, we recommend that proposals be submitted prior to the turn of the year.

The interim report was submitted on November 12 2008 by the Company's President Peter Aru after authorization by the Board of Directors.

Malmö, Sweden, November 12 2008  
Cardo AB (publ)

Peter Aru  
President and CEO

For further information, please contact:

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### **Invitation to Financial Hearings today November 12 at 10.00 a.m.**

*Cardo's President and CEO Peter Aru will comment on the interim report during a conference call today at 10.00 a.m. It will be possible to take part and ask questions via the telephone number +46 (0)8 535 264 40. The conference may also be followed via a webcast at [www.cardo.com](http://www.cardo.com) or [www.financialhearings.com](http://www.financialhearings.com), where you will also be able to listen and see the presentation slides afterwards. The conference call will be held in Swedish.*

### **Calendar 2009**

Report on Operations 2008	February 5
Annual General Meeting	April 6 in Malmö, Sweden
Interim Report January – March 2009	May 8
Interim Report January – June 2009	August 13
Interim Report January – September 2009	November 13

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*Cardo is an international industrial group with leading brands, offering solutions with quality products, a high level of service and great applications know-how to industrial customers. Operations are pursued in the Group's divisions: Door & Logistics Solutions, Wastewater Technology Solutions, Pulp & Paper Solutions and Residential Garage Doors, which all enjoy strong positions in their respective markets. The Group has approximately 6,000 employees in more than 30 countries and sales of approximately SEK 9.5 billion. Corporate headquarter is located in Malmö, Sweden.*

## AUDITORS' REVIEW REPORT

### *Introduction*

We have conducted a review of the summarized interim financial information for Cardo AB (publ) for the period January 1 to September 30, 2008. The Board of Directors and the President are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim financial information based on our review.

### *The focus and scope of the review*

We conducted our review in accordance with the Standard on Review Engagements SÖG 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially narrower in scope than an audit in accordance with Auditing Standards in Sweden, RS, and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Accordingly, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information has not, in all material respects, been prepared in accordance with IAS 34 and the Annual Accounts Act as far as the Group is concerned and the Annual Accounts Act as far as the parent company is concerned.

Malmö, Sweden, November 12 2008

Kerstin Mouchard  
Authorized Public Accountant

Björn Grundvall  
Authorized Public Accountant

**INFLOW OF ORDERS, NET SALES, OPERATING EARNINGS AND  
OPERATING MARGIN BY DIVISION**

SEK MILLION	QUARTER 3		JAN-SEPT		MOVING 12M	FULL YEAR
	2008	2007	2008	2007	OCT 2007- SEPT 2008	2007
<b>INFLOW OF ORDERS</b>						
DOOR & LOGISTICS SOLUTIONS	1,035	1,120	3,417	3,477	4,548	4,608
WASTEWATER TECHNOLOGY SOLUTIONS	724	700	2,313	2,135	2,966	2,788
PULP & PAPER SOLUTIONS	176	182	638	598	826	786
RESIDENTIAL GARAGE DOORS	321	341	978	980	1,303	1,305
ELIMINATION OF INTERNAL ORDERS	-9	-6	-24	-18	-34	-28
GROUP	2,247	2,337	7,322	7,172	9,609	9,459
<b>NET SALES</b>						
DOOR & LOGISTICS SOLUTIONS	1,098	1,012	3,315	3,131	4,683	4,499
WASTEWATER TECHNOLOGY SOLUTIONS	717	679	2,070	1,964	2,861	2,755
PULP & PAPER SOLUTIONS	186	170	560	566	770	776
RESIDENTIAL GARAGE DOORS	333	331	932	931	1,306	1,305
ELIMINATION OF INTERNAL SALES	-9	-6	-22	-17	-32	-27
GROUP	2,325	2,186	6,855	6,576	9,587	9,308
<b>OPERATING EARNINGS</b>						
DOOR & LOGISTICS SOLUTIONS	87	67	252	224	392	364
WASTEWATER TECHNOLOGY SOLUTIONS	80	73	203	192	315	304
PULP & PAPER SOLUTIONS	19	12	59	59	102	102
RESIDENTIAL GARAGE DOORS	16	14	2	1	32	31
OTHER ITEMS <sup>1)</sup>	-13	-16	-44	-52	-62	-70
IMPAIRMENT OF GOODWILL	-	-	-	-	-210 <sup>2)</sup>	-210 <sup>2)</sup>
RESTRUCTURING COSTS	-	-9 <sup>3)</sup>	-	-92 <sup>3)</sup>	-14 <sup>3)</sup>	-107 <sup>3)</sup>
GROUP	189	141	472	332	554	414
<b>OPERATING MARGIN</b>						
DOOR & LOGISTICS SOLUTIONS	7.9%	6.6%	7.6%	7.2%	8.4%	8.1%
WASTEWATER TECHNOLOGY SOLUTIONS	11.1%	10.7%	9.8%	9.8%	11.0%	11.0%
PULP & PAPER SOLUTIONS	10.4%	7.5%	10.5%	10.5%	13.2%	13.2%
RESIDENTIAL GARAGE DOORS	4.9%	4.3%	0.2%	0.1%	2.5%	2.3%
GROUP EXCL ITEMS AFFECTING COMPARABILITY	8.1%	6.9%	6.9%	6.4%	8.1%	7.9%
GROUP INCL ITEMS AFFECTING COMPARABILITY	8.1%	6.5%	6.9%	5.0%	5.8%	4.3%

<sup>1)</sup> Made up of the parent company, other central units and Group adjustments.

<sup>2)</sup> Impairment of goodwill relating to the Residential Garage Doors division.

<sup>3)</sup> Costs relating to restructuring of the production structure in the Door & Logistics Solutions division.

## CONSOLIDATED BALANCE SHEET IN BRIEF

SEK MILLION	END OF PERIOD	
	30/09/08	31/12/07
<b>ASSETS</b>		
INTANGIBLE FIXED ASSETS	1,006	966
TANGIBLE FIXED ASSETS	923	965
FINANCIAL FIXED ASSETS	324	330
INVENTORIES	1,463	1,273
CURRENT RECEIVABLES	2,465	2,631
CASH AND CASH EQUIVALENTS	320	272
<b>TOTAL ASSETS</b>	<b>6,501</b>	<b>6,437</b>
<b>EQUITY AND LIABILITIES</b>		
EQUITY	2,549	2,932
LONG-TERM INTEREST BEARING LIABILITIES AND PROVISIONS	141	139
LONG-TERM NON-INTEREST BEARING PROVISIONS	84	82
CURRENT INTEREST BEARING LIABILITIES	1,681	1,287
CURRENT NON-INTEREST BEARING LIABILITIES AND PROVISIONS	2,046	1,997
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>6,501</b>	<b>6,437</b>
CONTINGENT LIABILITIES	56	51

## EQUITY

SEK MILLION	CHANGE	
	30/09/08	30/09/07
OPENING BALANCE AS AT JANUARY 1	2,961	2,986
ADJUSTMENT OF NET EARNINGS FOR PREVIOUS YEARS <sup>1)</sup>	-29	-29
RESTATED OPENING BALANCE AS AT JANUARY 1	2,932	2,957
TRANSLATION DIFFERENCES	42	33
NET EARNINGS FOR THE PERIOD	290	208
DIVIDEND TO SHAREHOLDERS	-270	-270
REPURCHASE OF OWN SHARES	-445	-
<b>CLOSING BALANCE AS AT SEPTEMBER 30</b>	<b>2,549</b>	<b>2,928</b>

<sup>1)</sup> Relates to error found in inventory accounting dating from 2006 or previous years. Restated operating earnings for 2006 are SEK 41 million lower than previously disclosed and after a deferred tax effect of SEK 12 million the opening balance is adjusted by SEK 29 million. See also under the heading *Other Matters, Erroneous Inventory Accounting 2006*.

## CONSOLIDATED CASH FLOW STATEMENT IN BRIEF

SEK MILLION	JAN-SEPT	
	2008	2007
EARNINGS AFTER FINANCIAL ITEMS	406	288
DEPRECIATION, AMORTIZATION, OTHER ITEMS WITHOUT EFFECT ON CASH FLOW AND CHANGE IN NON-INTEREST BEARING PROVISIONS	136	183
CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGE IN WORKING CAPITAL	542	471
CHANGE IN WORKING CAPITAL	197	-172
CASH FLOW FROM OPERATING ACTIVITIES BEFORE TAX	739	299
TAX PAID	-203	-119
CASH FLOW FROM OPERATING ACTIVITIES AFTER TAX	536	180
INVESTMENTS IN INTANGIBLE AND TANGIBLE FIXED ASSETS	-120	-176
DISPOSAL OF INTANGIBLE AND TANGIBLE FIXED ASSETS	5	11
ACQUISITION OF COMPANIES	-18	-
CHANGE IN LONG-TERM RECEIVABLES	-	-2
CHANGE IN INTEREST BEARING RECEIVABLES	-	-1
CASH FLOW FROM INVESTING ACTIVITIES	-133	-168
CHANGE IN INTEREST BEARING PROVISIONS AND LIABILITIES	350	304
DIVIDEND TO SHAREHOLDERS	-270	-270
REPURCHASE OF OWN SHARES	-445	-
CASH FLOW FROM FINANCING ACTIVITIES	-365	34
NET CASH FLOW EFFECT ON CASH AND CASH EQUIVALENTS	38	46

## CHANGE IN NET INTEREST BEARING DEBT

SEK MILLION	INTEREST BEARING RECEIVABLES, PROVISIONS AND LIABILITIES, NET		
	CASH AND CASH EQUIVALENTS	PROVISIONS AND LIABILITIES, NET	NET INTEREST BEARING DEBT
OPENING BALANCE AS AT JANUARY 1	272	-1,406	-1,134
CASH FLOW FOR THE PERIOD	38	-350	-312
INTEREST BEARING RECEIVABLES AND LIABILITIES IN ACQUIRED COMPANIES	-	-20	-20
TRANSLATION DIFFERENCES	10	-25	-15
CLOSING BALANCE AS AT SEPTEMBER 30	320	-1,801	-1,481

## GROUP FINANCIAL SUMMARY - MULTI-YEAR REVIEW

Amounts in SEK million unless otherwise stated	JAN-SEPT		FULL YEAR			
	2008	2007 <sup>1)</sup>	2007 <sup>1)</sup>	2006 <sup>1)</sup>	2005	2004
NET SALES	6,855	6,576	9,308	8,556	7,880	7,686
OPERATING EARNINGS	472	332	414	557	239	448
EARNINGS AFTER FINANCIAL ITEMS	406	288	343	517	210	419
OPERATING MARGIN, %	6.9	5.0	4.4	6.5	3.0	5.8
PROFIT MARGIN, %	5.9	4.4	3.7	6.0	2.7	5.5
INTEREST COVER, TIMES	7.2	6.5	5.5	11.8	7.9	16.7
INVESTMENTS, GROSS	120	176	232	164	250	294
CASH FLOW FROM OPERATING ACTIVITIES AFTER TAX	536	180	406	184	214	467
DEGREE OF SELF-FINANCING, %	447	102	175	112	86	159
FIXED ASSETS	2,253	2,473	2,262	2,451	2,331	2,201
CURRENT ASSETS	4,248	4,064	4,175	3,627	3,211	2,925
TOTAL ASSETS	6,501	6,537	6,437	6,078	5,542	5,126
EQUITY	2,549	2,928	2,932	2,957	2,935	2,880
INTEREST BEARING PROVISIONS AND LIABILITIES	1,822	1,539	1,426	1,223	731	489
NON-INTEREST BEARING PROVISIONS AND LIABILITIES	2,130	2,070	2,079	1,898	1,876	1,757
AVERAGE CAPITAL EMPLOYED	4,378	4,280	4,326	3,972	3,537	3,345
NET INTEREST BEARING DEBT	1,481	1,286	1,134	1,023	554	268
TURNOVER OF CAPITAL EMPLOYED, TIMES	2.19 <sup>2)</sup>	2.13 <sup>2)</sup>	2.15	2.15	2.23	2.30
RETURN ON CAPITAL EMPLOYED, %	12.6 <sup>2)</sup>	14.1 <sup>2)</sup>	9.7	14.2	6.8	13.3
RETURN ON EQUITY, %	9.0 <sup>2)</sup>	13.3 <sup>2)</sup>	5.8	12.9	5.1	11.5
EQUITY RATIO, %	39.2	44.8	45.6	48.7	53.0	56.2
DEBT/EQUITY RATIO, TIMES	0.7	0.5	0.5	0.4	0.2	0.2
NET DEBT/EQUITY RATIO, TIMES	0.6	0.4	0.4	0.3	0.2	0.1
AVERAGE NUMBER OF EMPLOYEES	6,212	6,041	6,044	5,931	5,845	5,947
<b>PER SHARE DATA</b>						
EARNINGS AFTER TAX, SEK	9.91	6.92	5.67	12.43	4.91	10.86
EARNINGS AFTER TAX EXCLUDING ITEMS AFFECTING COMPARABILITY, SEK	9.91	8.80	14.83	12.43	9.60	11.17
DIVIDEND FOR THE FINANCIAL YEAR, SEK	-	-	9.00	9.00	8.00	8.00
EQUITY, SEK	93.95	97.59	97.75	98.58	97.83	96.00
CASH FLOW FROM OPERATING ACTIVITIES AFTER TAX, SEK	18.33	6.00	13.53	6.13	7.13	15.57
AVERAGE NUMBER OF SHARES, THOUSANDS	29,247	30,000	30,000	30,000	30,000	30,000

<sup>1)</sup> The relevant key figures for the full years 2006 and 2007 and for the period January-September 2007 have been restated for a correction of a prior period error in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

<sup>2)</sup> Based on 12-month moving values.

## PARENT COMPANY INCOME STATEMENT IN BRIEF

SEK MILLION	QUARTER 3		JAN-SEPT	
	2008	2007	2008	2007
OPERATING INCOME	-	12	-	42
ADMINISTRATIVE EXPENSES	-9	-14	-33	-52
<b>OPERATING EARNINGS</b>	<b>-9</b>	<b>-2</b>	<b>-33</b>	<b>-10</b>
FINANCIAL ITEMS <sup>1)</sup>	-3	4	26	704
<b>EARNINGS AFTER FINANCIAL ITEMS</b>	<b>-12</b>	<b>2</b>	<b>-7</b>	<b>694</b>
TAX	3	-	2	-
<b>NET EARNINGS FOR THE PERIOD</b>	<b>-9</b>	<b>2</b>	<b>-5</b>	<b>694</b>

<sup>1)</sup> Whereof 18 (701) relates to dividend from subsidiaries for the period January-September.

## PARENT COMPANY BALANCE SHEET IN BRIEF

SEK MILLION	END OF PERIOD	
	30/09/08	31/12/07
<b>ASSETS</b>		
TANGIBLE FIXED ASSETS	2	2
FINANCIAL FIXED ASSETS	2,130	2,128
CURRENT RECEIVABLES	36	888
<b>TOTAL ASSETS</b>	<b>2,168</b>	<b>3,018</b>
<b>EQUITY AND LIABILITIES</b>		
EQUITY	2,035	2,755
UNTAXED RESERVES	23	23
LONG-TERM INTEREST BEARING LIABILITIES AND PROVISIONS	10	12
CURRENT INTEREST BEARING LIABILITIES	72	61
CURRENT NON-INTEREST BEARING LIABILITIES AND PROVISIONS	28	167
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,168</b>	<b>3,018</b>