

Interim report

Third quarter, July - September 2010

Solid last quarter as publicly traded company

- Nordic Capital has acquired Munters via Cidron Intressenter after the balance sheet date. An extraordinary general meeting is being held on November 30, 2010. As of November 25, the Board of Directors of Munters have applied to delist the company's shares from the NASDAQ OMX Stockholm
- Munters has concluded the divestment of its MCS division, which is reported as a discontinued operation
- Order intake for continuing operations amounted to SEK 927 M (777), up 21% adjusted¹
- Net sales for continuing operations amounted to SEK 954 M (877), up 11% adjusted¹
- EBIT for continuing operations before nonrecurring items amounted to SEK 100 M (73), up 43% adjusted¹
- Operating cash flow from continuing operations amounted to negative SEK 23 M (91)
- Net earnings after tax for continuing operations amounted to SEK 5 M (35)
- Earnings per share for continuing operations amounted to SEK 0.05 (0.46)
- Net sales for the Group, including divested operations, amounted to SEK 1,561 M (1,533). EBIT for the Group, including divested operations, amounted to SEK 650 M (36)

	Quarter 3				Six-month period			
	2010	2009	Change	Adjusted change ¹	2010	2009	Change	Adjusted change ¹
Continuing operations								
Order intake, SEK M	927	777	19%	21%	2,817	2,809	0%	7%
Net sales, SEK M	954	877	9%	11%	2,636	2,856	-8%	-2%
EBIT before nonrecurring items, SEK M	100	73	37%	43%	227	182	25%	33%
EBIT, SEK M	36	73	-51%		163	145	12%	
EBIT margin, percent	3.7	8.3			6.2	5.1		
Net earnings, SEK M	5	35			82	57		
Earnings per share, SEK	0.05	0.46			1.10	0.76		
Total, including discontinued operation								
Net sales, SEK M	1,561	1,533	2%		4,536	4,930	-8%	
EBIT before nonrecurring items, SEK M	142	104	37%		322	229	41%	
Net earnings, SEK M	650	36			737	41		
Earnings per share, SEK	8.78	0.47			9.95	0.54		

¹ Adjusted for currency effects

Comments by President and CEO Lars Engström

The divestment of the MCS division was completed as planned during a quarter that otherwise saw healthy demand, favorable profitability and the public offer made to the shareholders of Munters for the continuing business. The streamlined Munters experienced an increase in demand of just over 20% and the underlying EBIT margin passed 10% this quarter.

Munters will, with great probability, be delisted from NASDAQ OMX Stockholm shortly after the publication of this report.

Munters is a global leader in energy-efficient air treatment solutions based on expertise in humidity and climate control technologies. Customers are served in a wide range of segments, the most important being food- and pharmaceutical industries. Manufacturing and sales are carried out through the Group's own companies in about 30 countries. The Group has close to 2,200 employees and annual net sales of about SEK 3.8 billion. The Munters share is listed on NASDAQ OMX Stockholm, Mid Cap.

For more information, www.munters.com.



CEO
Lars Engström

Phone +46 8 626 63 03
lars.engstrom@munters.se



CFO
Martin Lindqvist

Phone +46 8 626 63 06
martin.lindqvist@munters.se

Address

Munters AB (publ)
Isafjordsg 1, Kista Entré
P.O. Box 1188
S-164 26 Kista
Sweden

Nordic Capital has acquired Munters via Cidron Intressenter

On September 29, 2010, Cidron Intressenter AB, a company indirectly wholly owned by Nordic Capital VII Limited, announced a public tender offer to the shareholders of Munters to acquire all outstanding shares in Munters for a cash consideration of SEK 73 per share. Following a bid from Alfa Laval on October 1, 2010 of SEK 75 per share, on October 13, 2010, Cidron Intressenter raised its offer to SEK 77 in cash per share.

On November 5, 2010, Cidron Intressenter announced that they completed the offer to the shareholders in Munters and declared the bid unconditional. As of November 16, 2010, the offer had been accepted by shareholders representing 73,272,083 shares, equivalent to 99.1 percent of the shares and votes outstanding in Munters. On November 24, Cidron Intressenter called for compulsory purchase of the remaining shares outstanding in Munters. On November 25, the Board of Directors of Munters did apply for the company's shares to be delisted from NASDAQ OMX Stockholm.

In accordance with the request from Cidron Intressenter, the shareholders in Munters are summoned to the Extraordinary General Meeting (EGM) on Tuesday, November 30, 2010 at 11.00 a.m. at the premises of Mannheimer Swartling at Norrlandsgatan 21 in Stockholm.

Discontinued operations

On June 30, 2010, Munters disclosed the news that an agreement had been signed regarding the divestment of the MCS Division to Triton. The transaction was completed as planned on September 30, 2010. The transaction affected the Group's reported net earnings after tax in the third quarter in the amount of SEK 613 M, of which a negative amount of SEK 14 M pertains to cumulative translation differences in shareholders' equity that were reclassified to profit and loss in conjunction with the divestment. Cash flow arising from the transaction amounted to SEK 1,232 M, excluding transaction costs, in the third quarter. Additional cash flow from the transaction is expected in the fourth quarter of 2010 and the first quarter of 2011.

The MCS Division is market leader in water and fire-damage restoration, with sales of SEK 2,768 M in 2009 and 1,805 employees in 18 countries. Following the divestment, Munters plans to streamline its operations to focus on energy-efficient air-treatment solutions based on expertise in humidity and climate control technologies.

In this interim report, the earnings generated by MCS are excluded from all income and expense items in the "Statement of comprehensive income" and are instead recognized in a net amount under "Net earnings from discontinued operations." In the "Statement of cash flows," MCS is recognized under the heading "Cash flow from discontinued operations." Only assets and liabilities remaining in the Group after the divestment of MCS are reported in the "Statement of financial position".

¹Adjusted for currency effects

Third quarter

Order intake

During the third quarter, order intake for continuing operations amounted to SEK 927 M (777). Up 21% adjusted¹.

Increased demand in all regions was noted in the Dehumidification division. The industry segment in the US operations experienced positive progress. HumiCool Division continued to grow strongly within AgHort and HVAC while Mist Elimination continued its decline.

The order backlog fell 3% compared with the year-earlier period and amounted to SEK 995 M (1,026) at the end of the quarter, corresponding to a positive change of 3% adjusted¹.

Net sales

Consolidated net sales for continuing operations increased to SEK 954 M (877), up 11% adjusted¹. A stronger SEK compared with the year-earlier period had a negative impact of 2% on SEK-denominated net sales.

Earnings

Consolidated EBIT for continuing operations before nonrecurring items amounted to SEK 100 M (73), corresponding to an operating margin of 10.4% (8.3).

Profitability improved in both divisions, primarily due to increased sales. Gross margins improved compared with the year-earlier period while overhead costs rose slightly.

The consolidated EBIT for continuing operations was affected in part by nonrecurring items relating to the public tender offers for Munters and in part by the costs for restructuring the HumiCool Division's Italian operation.

Earnings from continuing operations after financial items totaled SEK 28 M (60) during the third quarter. Net earnings from continuing operations amounted to SEK 5 M (35) for the period and earnings per share to SEK 0.05 (0.46). For the Group as a whole, net earnings amounted to SEK 650 M (36), which were positively affected by earnings from the divested operations of SEK 645 M (1), and earnings per share amounted to SEK 8.78 (0.47).

Cash flow

Operating cash flow from continuing operations amounted to SEK 23 M (91). Even if capital turnover improved in both divisions, cash flow was lower than in the third quarter of 2009.

Fourth-quarter prospects

No future prospects are reported due to the acquisition of Munters and the application for the delisting of its shares.

Interim report period

Order intake

Order intake for continuing operations amounted to SEK 2,817 M (2,809) during the period, which is in line with the year-earlier period, up 7% adjusted¹.

Net sales

Consolidated net sales for continuing operations fell 8% to SEK 2,636 M (2,856), down 2% adjusted¹.

Earnings

Consolidated EBIT, before nonrecurring items, for continuing operations amounted to SEK 227 M (182). The operating margin was 8.6% (6.4).

Consolidated EBIT for continuing operations increased to SEK 163 M (145). The operating margin was 6.2% (5.1).

Consolidated earnings from continuing operations after financial items amounted to SEK 148 M (100). Net earnings from continuing operations for the interim report period totaled SEK 82 M (57) with a tax rate of 45% (43). The Group's tax rate has not been significantly affected by the divestment of MCS. Earnings per share for continuing operations amounted to SEK 1.10 (0.76). For the Group as a whole, net earnings totaled SEK 737 M (41) and earnings per share amounted to SEK 9.95 (0.54) for the period. The positive effect on the Group's net earnings after tax from the divestment of MCS amounted to SEK 613 M, of which a negative amount of SEK 14 M pertains to cumulative translation differences in shareholders' equity that were reclassified to profit and loss in conjunction with the divestment.

Investments

Group investments in tangible assets for continuing operations amounted to SEK 31 M (37) during the period. Depreciation, amortization and impairment totaled SEK 55 M (66).

Financial position

The divestment of MCS has furnished the Group with an unusually strong equity ratio and a negative net debt, since interest-bearing assets exceed interest-

bearing liabilities. The equity ratio at the end of the period rose to 48% (35 at the beginning of the year). Interest-bearing assets totaled SEK 1,717 M (460 at the beginning of the year) and interest-bearing provisions and liabilities amounted to SEK 1,124 M (1,309 at the beginning of the year). Net debt declined SEK 1,442 M during the period and, at the end of the period, Munters had a negative net debt of SEK 593 M. The change is primarily attributable to the divestment of MCS.

During the third quarter, due to the divestment, Munters renegotiated its syndicated bank loans, which continue with unchanged covenants. After these events, the syndicated credit facility amounts to SEK 1,000 M and extends until 2012. Munters has also opened a credit facility of EUR 31 M that extends until 2017. Munters' bank borrowings consist of the aforementioned facilities and bank loans granted to subsidiaries on an individual basis. During the period, the syndicated loan was amortized by SEK 98 M. As of September 30, the Group has unutilized loan facilities of SEK 538 M.

In conjunction with the completion by Cidron Intressenter of the acquisition of Munters, the existing syndicated bank loan falls due and the credit facilities of SEK 1,000 and EUR 31 M cease due to the change of ownership in Munters. The loan is therefore reported as a short-term loan in the statement of financial position. New financing has been arranged. Munters AB has cash and cash equivalents that exceed borrowings.

Personnel

The workforce in continuing operations at the end of the period corresponded to 2,067 permanent employees, which was 50 employees higher than at year-end and 42 employees higher than at the end of the third quarter 2009.

¹Adjusted for currency effects

The Group – rolling 4 quarters continuing operations



Divisional performance

Dehumidification Division

The Dehumidification division has a function-based organization divided into three market areas: Americas, Europe and Asia & Pacific.

Amounts in SEK M	Third quarter		Jan-Sep	
	2010	2009	2010	2009
Order intake	560	503	1,705	1,735
Change	11%		-2%	
Adjusted change ¹	13%		4%	
Net sales	583	556	1,591	1,742
Change	5%		-9%	
Adjusted change ¹	7%		-3%	
EBITA ex. one-time items	75	65	175	162
Adjusted margin	12.9%	11.7%	11.0%	9.3%
EBITA	75	65	175	145
EBITA margin	12.9%	11.7%	11.0%	8.3%

- Continued growth in Europe
- The American part of the Division reported growth for the first time since the fourth quarter of 2008
- Third consecutive quarter in Asia with extremely healthy growth
- Improved gross margins and a volume-related increase in overhead costs

Third quarter

As in the second quarter, the division's European operations experienced noticeable growth. US operations recovered, particularly in the industrial segment. The division's Asian operations reported extremely healthy growth and have grown organically by 30%, to date in 2010.

Sales increased 7% organically. The order situation in the preceding quarter and a relatively high carried-forward order backlog were the underlying reasons.

Profitability improved due to increased volumes and higher gross margins. Overhead costs increased somewhat, in line with increased volumes. Warranty costs in American operations were high during the quarter.

Cash flow was weak during the quarter as growth consumed working capital. The capital turnover ratio continued to improve.

Fourth-quarter prospects

No future prospects are reported due to the acquisition of Munters and the application for the delisting of its shares.

¹Adjusted for currency effects

HumiCool Division

The HumiCool division is divided into three business areas: AgHort, Mist Elimination and HVAC (including PreCooler).

Amounts in SEK M	Third quarter		Jan-Sep	
	2010	2009	2010	2009
Order intake	371	278	1,134	1,092
Change	33%		4%	
Adjusted change ¹	36%		11%	
Net sales	375	324	1,066	1,134
Change	16%		-6%	
Adjusted change ¹	20%		0%	
EBITA ex. one-time items	37	20	94	60
Adjusted margin	9.8%	6.3%	8.8%	5.3%
EBITA	13	20	70	40
EBITA margin	3.4%	6.3%	6.5%	3.6%

¹Adjusted for currency effects

- **Substantial order growth in AgHort and HVAC**
- **Continued decline in order intake for Mist Elimination**
- **Improved gross margins and volume-related increases in overhead costs**

Third quarter

Order intake increased for the third consecutive quarter in AgHort. As in the second quarter, AgHort reported substantial growth in all regions. HVAC reported improved demand, especially for the European operations of HVAC products. HVAC systems reported positive growth although from an extremely low starting level. Mist Elimination reported a continued reduction in demand.

Sales increased in AgHort and HVAC, but declined in Mist Elimination. Certain difficulties with lead times were noted in the value chain, particularly in AgHort.

Gross margins improved somewhat during the quarter and under-absorption in the division's manufacturing units decreased as a consequence of higher volumes. Overhead costs increased in turn due to higher sales.

The division had nonrecurring costs of SEK 24 M during the quarter that arose from the previously notified restructuring process in Italy.

Capital turnover improved during the quarter but cash flow was weak due to higher volumes resulting in an increase in the tied-up working capital.

Fourth-quarter prospects

No future prospects are reported due to the acquisition of Munters and the application for the delisting of its shares.

Moisture Control Services (MCS) divested

The MCS division has a country-based organization divided into three market areas: Northern Europe, Central Europe and US & Asia.

Third quarter

Order intake and sales increased during the quarter. The trend in Scandinavia was healthy while US operations reported a drop in order intake and sales.

Profitability declined compared to the year-earlier period.

The division incurred nonrecurring costs totaling SEK 8 M as part of the ongoing organizational changes.

Cash flow was weak, primarily due to an increase in outstanding accounts receivable.

SIGNIFICANT RISKS AND UNCERTAINTIES

Munters' exposure to risk can be divided primarily into two categories – operational risks and financial risks. Operational risks are dependent on key personnel and key customers, and geographically dispersed operations involving small operational units. Financial risks consist mainly of currency, interest-rate and financing risks.

Demand for the company's products is affected by general economic trends. The continuing trend in the global economy, including interest-rate and currency risks, represents an uncertainty factor concerning the earnings trend. Munters' previous acquisition frequency may result in integration-related risks.

A more detailed description of the operations' operational and financial risks and the Group's control and risk management activities is available in the "Risks and risk management" section on page 25 and in Note 3 of the Munters Annual Report for 2009, which is available at www.munters.com.

TRANSACTIONS WITH RELATED PARTIES

There are no significant contractual relationships or transactions between Munters and its related parties, apart from the remuneration of senior executives.

PARENT COMPANY

The Parent Company reported profit of SEK 270 M (loss 30) after financial items during the quarter. The divestment of MCS has a positive effect on financial income and expenses of SEK 476 M. There were no external net sales (as in the preceding year). Cash and cash equivalents at the close of the period amounted to SEK 1,498 M (148 at the beginning of the year) and net debt to a negative SEK 502 M (a positive SEK 981 M at the beginning of the year). The substantial increase in cash and cash equivalents, which resulted in interest bearing assets exceeding interest bearing liabilities, is attributable to the divestment of MCS. Capital expenditure totaled SEK 2 M (4). The average number of employees at the close of the period was 24 (23).

MATERIAL EVENTS AFTER THE BALANCE SHEET DATE

Cidron Intressenter AB, a company indirectly wholly owned by Nordic Capital VII Limited, has acquired Munters after the reporting date. On November 5, 2010, Cidron Intressenter announced that it is following through its offer to shareholders of Munters and has declared the offer unconditional. As of November 16, 2010, the offer had been accepted by shareholders representing 73,272,083 shares, representing 99.1 percent of the shares and votes outstanding in Munters. On November 24, 2010 Cidron Intressenter called for compulsory purchase of the remaining shares outstanding in Munters. On November 25, the Board of Directors of Munters did apply for the company's shares to be delisted from NASDAQ OMX Stockholm.

EXTRAORDINARY GENERAL MEETING

In accordance with the request from Cidron Intressenter, the shareholders in Munters have been summoned to the Extraordinary General Meeting (EGM) on Tuesday, November 30, 2010 at 11.00 a.m. at the premises of Mannheimer Swartling at Norrlandsgatan 21 in Stockholm.

NOMINATION COMMITTEE

Since a public tender offer has been submitted to the shareholders of Munters, and since it is highly probable that Munters will be delisted from NASDAQ OMX Stockholm shortly after the publication of this interim report, a nomination committee ahead of the 2011 Annual General Meeting has not been appointed.

FUTURE INFORMATION DATES

Previously communicated information will probably prove superfluous due to the acquisition of Munters and the application for the delisting of its shares.

PRESS- AND ANALYST CONFERENCE

Due to the acquisition of Munters and the application for the delisting of its shares, no press and analyst conference will be held.

Kista, November 30, 2010
Lars Engström
President and Chief Executive Officer
Board member

Munters AB discloses the information provided herein pursuant to the Securities Markets Act and/or the Financial Instruments Trading Act. The information was submitted for publication on November 30, 2010 at 7:30 a.m.

For further information please contact

Lars Engström, Chief Executive Officer
Phone: +46 8 626 63 03, lars.engstrom@munters.se

Martin Lindqvist, Chief Financial Officer
Phone: +46 8 626 63 06, martin.lindqvist@munters.se

Munters AB (publ)

Corp. Reg. No. 556041-0606
Box 1188, S-164 26 Kista, Sweden
Phone: +46 8 626 63 00, Fax 08-754 68 96
info@munters.se

AUDITOR'S REVIEW REPORT

To the Board of Directors of Munters AB (publ)

Introduction

We have reviewed the summary of the interim financial statement (interim report) of Munters AB (publ) for the nine-month period ending on September 30, 2010. The Board of Directors and the President are responsible for the preparation and fair presentation of this interim report pursuant to IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on the interim financial information based on our review.

The focus and scope of the review

We conducted our review pursuant to 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 a substantially more limited scope than an audit conducted in accordance with Standards on Auditing 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 on the basis of a review does not provide the same level of assurance as a conclusion expressed on the basis of an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report for the Group has not, in all material aspects, been compiled pursuant to IAS 34 Interim reporting and the Swedish Annual Accounts Act, and for the Parent Company pursuant to the Swedish Annual Accounts Act.

Stockholm, November 30, 2010

Ernst & Young AB

Björn Grundvall

Authorized Public Accountant

CONSOLIDATED		2010	2009	2010	2009	2009/2010	2009
		Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Oct-Sep	Jan-Dec
Amounts in SEK M	Note	3 months	3 months	9 months	9 months	12 months	12 months
Order intake		927	777	2,817	2,809	3,592	3,584
Statement of comprehensive income							
Net sales		954	877	2,636	2,856	3,539	3,759
Cost of goods sold		-648	-592	-1,761	-1,995	-2,344	-2,578
Gross earnings		306	285	875	861	1,195	1,181
Gross margin		32.1%	32.5%	33.2%	30.1%	33.8%	31.4%
Other operating income		0	-4	0	1	1	2
Selling expenses		-117	-113	-351	-383	-455	-487
Administrative expenses		-118	-76	-281	-267	-362	-348
Research and development costs		-22	-19	-65	-65	-82	-82
Other operating expenses		-13	0	-15	-2	-16	-3
EBIT - Earnings before interest and tax		36	73	163	145	281	263
EBIT margin		3.8%	8.3%	6.2%	5.1%	7.9%	7.0%
Financial income and expenses		-8	-13	-15	-45	-20	-50
Earnings after financial income		28	60	148	100	261	213
Taxes		-23	-25	-66	-43	-115	-92
Net earnings from continuing operations		5	35	82	57	146	121
Net earnings from discontinued operation	2	645	1	655	-16	685	14
Net earnings		650	36	737	41	831	135
Other comprehensive income							
Actuarial gains and losses on defined benefit pension plans		0	0	-1	0	8	9
Cash flow hedges		-1	3	0	-1	2	1
Exchange differences on translating foreign operations		-115	-68	-88	-52	-66	-30
Income tax relating to components of other comprehensive income		0	-1	0	0	-2	-2
Other comprehensive income for the period, net of tax continuing operations		-116	-66	-89	-53	-58	-22
Other comprehensive income for the period, net of tax discontinued operation	2	0	-12	-15	1	-6	10
Other comprehensive income for the period, net of tax		-116	-78	-104	-52	-64	-12
Total comprehensive income for the period continuing operations		-111	-31	-7	4	88	99
Total comprehensive income for the period discontinued operation	2	645	-11	640	-15	679	24
Total comprehensive income for the period		534	-42	633	-11	767	123
Net earnings							
Attributable to equity holders of the parent		650	35	736	40	830	134
Attributable to minority interest		0	1	1	1	1	1
Total comprehensive income		650	36	737	41	831	135
Attributable to equity holders of the parent		534	-41	632	-10	764	122
Attributable to minority interest		0	-1	1	-1	3	1
		534	-42	633	-11	767	123
Earnings per share¹							
Continuing operations							
Earnings per share, SEK		0.05	0.46	1.10	0.76	1.97	1.63
Earnings per share - after dilution, SEK		0.05	0.46	1.10	0.76	1.97	1.63
Total							
Earnings per share, SEK		8.78	0.47	9.95	0.54	11.22	1.81
Earnings per share - after dilution, SEK		8.78	0.47	9.95	0.54	11.22	1.81

¹ Earnings per share, before and after dilution, is based on net earnings attributable to equity holders of the parent

Segment information continuing operations

	2010 Jul-Sep 3 months	2009 Jul-Sep 3 months	2010 Jan-Sep 6 months	2009 Jan-Sep 6 months	2009/2010 Oct-Sep 12 months	2009 Jan-Dec 12 months
Amounts in SEK M						
Order intake by division						
Dehumidification division	560	503	1,705	1,735	2,204	2,234
HumiCool division	371	278	1,134	1,092	1,412	1,370
Eliminations	-4	-4	-22	-18	-24	-20
Order intake	927	777	2,817	2,809	3,592	3,584
Net sales by division						
Dehumidification division	583	556	1,591	1,742	2,149	2,300
HumiCool division	375	324	1,066	1,134	1,415	1,483
Eliminations	-4	-3	-21	-20	-25	-24
Net sales	954	877	2,636	2,856	3,539	3,759
Operating earnings by division						
Dehumidification division	75	65	175	145	281	251
operating margin	12.9%	11.7%	11.0%	8.3%	13.1%	10.9%
HumiCool division	13	20	70	40	101	71
operating margin	3.4%	6.3%	6.5%	3.6%	7.1%	4.8%
Central, eliminations etc.	-49	-9	-72	-31	-87	-46
EBIT before amortizations, interest and tax	39	76	173	154	295	276
Amortizations on acquisition related intangible assets	-3	-3	-10	-9	-14	-13
EBIT - Earnings before interest and tax	36	73	163	145	281	263

	Dehumidification	HumiCool	Central,elim	Total
	2010	2010	2010	2010
	Jul-Sep	Jul-Sep	Jul-Sep	Jul-Sep
	3 months	3 months	3 months	3 months
Amounts in SEK M				
External net sales	580	374		954
Internal net sales	3	1	-4	0
Net sales	583	375	-4	954
Operating earnings	75	13	1	89
Amortization of surplus values	-2	-1		-3
Undistributed costs			-50	-50
EBIT - Earnings before interest and tax	73	12	-49	36
Financial items, net				-8
Taxes				-23
Net earnings from continuing operations				5
Net earnings from discontinued operation				645
Net earnings				650
	Dehumidification	HumiCool	Central,elim	Total
	2009	2009	2009	2009
	Jul-Sep	Jul-Sep	Jul-Sep	Jul-Sep
	3 months	3 months	3 months	3 months
Amounts in SEK M				
External net sales	554	323		877
Internal net sales	2	1	-3	0
Net sales	556	324	-3	877
Operating earnings	65	20	4	89
Amortization of surplus values	-2	-1		-3
Undistributed costs			-13	-13
EBIT - Earnings before interest and tax	63	19	-9	73
Financial items, net				-13
Taxes				-25
Net earnings from continuing operations				35
Net earnings from discontinued operation				1
Net earnings				36

CONSOLIDATED

Statement of financial position

	2010	2010	2009	2009
Amounts in SEK M	30 Sep	30 jun	31 Dec	30 Sep
ASSETS				
Fixed assets				
Buildings and land	133	148	197	192
Plant and machinery	100	108	116	125
Equipment, tools, fixtures and fittings	46	42	241	258
Construction in progress	7	9	15	15
Patent, trademarks and similar rights	88	99	127	128
Goodwill	666	765	926	916
Participation in associated companies	0	0	0	2
Other long-term receivables	17	17	28	32
Deferred tax assets	152	125	148	147
	1,209	1,313	1,798	1,815
Current assets				
Inventory etc.	465	462	427	518
Accounts receivable	587	554	1,051	1,011
Other receivables	162	186	235	226
Cash and cash equivalents	1,717	321	458	369
	2,931	1,523	2,171	2,124
Assets held for sale		1,046		
TOTAL ASSETS	4,140	3,882	3,969	3,939
EQUITY AND LIABILITIES				
Equity	1,965	1,431	1,407	1,273
Long-term liabilities				
Interest-bearing liabilities	2	941	1,100	1,219
Provisions	147	147	205	209
Deferred tax liabilities	56	70	81	81
Other liabilities	0	0	1	3
	205	1,158	1,387	1,512
Current liabilities				
Interest-bearing liabilities	988	34	31	43
Advances from customers	98	72	66	79
Accounts payable	339	375	479	408
Provisions	94	84	81	76
Other liabilities	451	337	518	548
	1,970	902	1,175	1,154
Liabilities held for sale		391		
TOTAL EQUITY AND LIABILITIES	4,140	3,882	3,969	3,939

Statement of changes in equity

	Share capital	Translation of foreign operations	Retained earnings	Total equity attributable to equity holders of the parent	Minority interest	Total equity
Balance at 1 January 2009	131	99	1,048	1,278	7	1,285
Changes in equity 2009						
Dividend	-	-	-	0	-1	-1
Total comprehensive income for the year	-	-23	145	122	1	123
Balance at 31 December 2009	131	76	1,193	1,400	7	1,407
Changes in equity 2010						
Dividend	-	-	-74	-74	-1	-75
Total comprehensive income for the year	-	-104	741	637	-4	633
Balance at 30 September 2010	131	-28	1,860	1,963	2	1,965

CONSOLIDATED	2010		2009		2009	
Statement of cash flows	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	2009/2010	2009
Amounts in SEK M	3 months	3 months	9 months	9 months	Oct-Sep	Jan-Dec
					12 months	12 months
Operating activities						
Earnings after financial items	28	60	148	100	261	213
Reversal of depreciation etc.	17	21	55	66	74	85
Other earnings not affecting cash flow	62	-2	61	4	53	-4
Taxes paid	-8	-5	-60	-79	-131	-150
Cash flow from operating activities before changes in working capital	99	74	204	91	257	144
Cash flow from changes in working capital						
Changes in inventory	-41	27	-126	59	-55	130
Changes in accounts receivable	-80	13	-37	148	-83	102
Changes in other receivables	-5	8	3	-4	9	2
Changes in accounts payable	-11	-26	37	-44	57	-24
Changes in other liabilities	26	3	51	-12	14	-49
Sum of changes in working capital	-111	25	-72	147	-58	161
Cash flow from operating activities	-12	99	132	238	199	305
Investing activities						
Acquisitions and divestments of businesses	-	-	-	-	-2	-2
Investments in intangible assets	0	-1	-2	-2	-3	-3
Investments in tangible assets	-13	-9	-31	-37	-38	-44
Sales of tangible assets	3	3	8	4	9	5
Change in other financial assets	-1	-1	-	-	1	1
Cash flow from investing activities	-11	-8	-25	-35	-33	-43
Financing activities						
Changes in loans	69	-2	54	-262	-33	-349
Dividend paid	0	-	-74	-	-74	-
Cash flow from financing activities	69	-2	-20	-262	-107	-349
Cash flow for the period from continuing operations	46	89	87	-59	59	-87
Cash flow from discontinued operation						
Cash flow from operating activities	68	-22	96	102	246	252
Cash flow from investing activities	1,201	-4	1,184	-51	1,180	-55
Cash flow from financing activities	0	-62	-79	-69	-149	-139
Cash flow for the period from discontinued operation	1,269	-88	1,201	-18	1,277	58
Cash flow for the period	1,315	1	1,288	-77	1,336	-29
Cash and cash equivalents at beginning of period	427	367	458	490	369	490
Exchange-differences in cash and cash equivalents	-25	1	-29	-44	12	-3
Cash and cash equivalents at end of period	1,717	369	1,717	369	1,717	458
Operating cash flow from continuing operations	-23	91	107	203	168	264
Net debt structure						
Short-term interest-bearing liabilities	-	-	988	43	988	31
Long-term interest-bearing liabilities	-	-	2	1,219	2	1,100
Defined benefit pension plans	-	-	134	187	134	178
Interest-bearing liabilities	-	-	-1,717	-369	-1,717	-460
Net debt	-	-	-593	1,080	-593	849

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Quarterly overview - Consolidated earnings, financial position and cash flow

Amounts in SEK M	2010			2009				2008			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Order intake	927	1,029	861	775	777	1,029	1,002	916	873	1,043	914
Income statement											
Net sales	954	910	772	902	877	1,013	967	1,073	911	903	876
Operating expenses	-918	-823	-732	-784	-804	-934	-975	-989	-836	-823	-804
EBIT	36	87	40	118	73	79	-8	84	75	80	72
EBIT margin	3.7%	9.6%	5.2%	13.1%	8.3%	7.8%	-0.8%	7.8%	8.2%	8.9%	8.2%
Financial income and expense	-8	-3	-4	-4	-13	-16	-17	-13	-12	-13	-13
Earnings after financial items	28	84	36	114	60	63	-25	71	63	67	59
Taxes	-23	-27	-16	-50	-26	-15	-1	-38	-23	-24	-21
Net earnings from continuing operations	5	57	20	64	34	48	-26	33	40	43	38
Net earnings from discontinued operation	645	-7	17	30	1	-21	4	-15	0	6	20
Net earnings	650	50	37	94	35	27	-22	18	40	49	58
Depreciations and amortizations continuing operations	-17	-19	-19	-19	-21	-23	-22	-21	-18	-17	-24
Statement of financial position											
ASSETS											
Fixed assets											
Tangible assets	279	298	535	569	590	658	688	664	619	592	577
Intangible assets	761	873	1,010	1,053	1,044	1,114	1,149	1,120	965	911	876
Other fixed assets	169	142	164	176	181	191	182	149	115	107	107
	1,209	1,313	1,709	1,798	1,815	1,963	2,019	1,933	1,699	1,610	1,560
Current assets											
Inventory etc.	465	462	471	427	518	569	617	589	668	622	577
Accounts receivable	587	554	939	1,051	1,011	1,080	1,248	1,354	1,174	1,182	1,197
Other receivables	162	186	221	235	226	255	269	248	231	192	179
Cash and cash equivalent	1,717	326	401	458	369	367	352	490	251	242	242
	2,931	1,528	2,032	2,171	2,124	2,271	2,486	2,681	2,324	2,238	2,195
Assets held for sale		1,041	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	4,140	3,882	3,741	3,969	3,939	4,234	4,505	4,614	4,023	3,848	3,755
EQUITY AND LIABILITIES											
Equity	1,965	1,431	1,415	1,407	1,273	1,316	1,317	1,285	1,188	1,076	1,198
Long-term liabilities	203	217	271	287	293	304	328	308	245	240	239
Interest-bearing liabilities	990	975	985	1,131	1,262	1,410	1,586	1,694	1,418	1,392	1,214
Accounts payable	339	375	421	479	408	478	507	537	437	460	414
Other current liabilities	643	493	649	665	703	726	767	790	735	680	690
	4,140	3,491	3,741	3,969	3,939	4,234	4,505	4,614	4,023	3,848	3,755
Liabilities held for sale		391	-	-	-	-	-	-	-	-	-
TOTAL EQUITY AND LIABILITIES	4,140	3,882	3,741	3,969	3,939	4,234	4,505	4,614	4,023	3,848	3,755
Statement of cash flows											
From operating activities	-12	67	77	67	99	164	-25	223	27	17	-10
From investing activities	-11	-7	-7	-8	-8	-9	-19	-69	-19	-26	-36
From financing activities	69	-17	-72	-86	-2	-104	-155	25	-46	-20	27
Cash flow for the period from continuing operations	46	43	-2	-27	89	51	-199	179	-38	-29	-19
Cash flow for the period from discontinued operation	1,269	-22	-45	77	-88	17	53	32	34	28	-8
Cash flow for the period	1,315	21	-47	50	1	68	-146	211	-4	-1	-27
Operating cash flow from continuing operations	-23	60	69	60	91	153	-41	212	14	11	-46

Quarterly overview - Divisions continuing operations

Amounts in SEK M	2010			2009				2008			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Order intake											
Dehumidification division	560	603	542	499	503	636	596	608	511	528	487
HumiCool division	371	430	333	278	278	401	413	314	369	525	436
Eliminations	-4	-4	-14	-2	-4	-8	-7	-6	-7	-10	-9
Order intake	927	1,029	861	775	777	1,029	1,002	916	873	1,043	914
Net sales											
Dehumidification division	583	556	452	558	556	598	588	645	495	478	433
HumiCool division	375	368	323	349	324	421	389	435	425	433	451
Eliminations	-4	-14	-3	-5	-3	-6	-10	-7	-9	-8	-8
Net sales	954	910	772	902	877	1,013	967	1,073	911	903	876
Operating earnings											
Dehumidification division	75	68	32	106	65	66	14	75	48	45	33
operating margin	12.9%	12.2%	7.1%	19.0%	11.7%	11.0%	2.4%	11.7%	9.6%	9.5%	7.6%
HumiCool division	13	35	22	31	20	31	-11	23	36	44	51
operating margin	3.4%	9.5%	6.9%	8.6%	6.3%	7.3%	-2.8%	5.5%	8.5%	10.2%	11.4%
Group overheads, eliminations etc.	-52	-16	-14	-19	-12	-18	-11	-14	-9	-9	-12
Earnings before interest and tax	36	87	40	118	73	79	-8	84	75	80	72
EBIT margin	3.7%	9.6%	5.2%	13.1%	8.3%	7.8%	-0.8%	7.8%	8.2%	8.9%	8.2%
Operating capital											
Dehumidification division - Assets	730	736	672	716	721	798	883	855	703	675	649
Dehumidification division - Liabilities	-253	-263	-222	-213	-225	-260	-267	-265	-179	-195	-173
HumiCool division - Assets	643	628	575	606	627	691	759	787	821	818	767
HumiCool division - Liabilities	-191	-186	-146	-180	-157	-179	-178	-206	-239	-251	-225
Central, eliminations	65	76	71	79	73	80	82	79	59	52	65
Operating capital	994	991	950	1,008	1,039	1,130	1,279	1,250	1,165	1,099	1,083
Permanent employees											
Dehumidification division	1,210	1,199	1,197	1,198	1,214	1,238	1,293	1,301	1,173	1,196	1,184
HumiCool division	833	859	783	797	788	805	795	866	908	914	959
Central	24	24	25	22	23	23	25	24	24	24	21
Number of permanent employees	2,067	2,082	2,005	2,017	2,025	2,066	2,113	2,191	2,105	2,134	2,164

Operating capital consists of accounts receivable (external and internal), inventory, accounts payable, advances from customers and fixed assets excluding goodwill.

CONSOLIDATED

Key figures and financial overview

	2010			2009				2008			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Equity ratio, %	47.5	36.9	37.8	35.4	32.3	31.1	29.2	27.8	29.5	28.0	31.8
Net debt, SEK M	-593	734	761	849	1,080	1,231	1,423	1,390	1,311	1,292	1,119
Net debt ratio, times	-0.3	0.5	0.5	0.6	0.9	0.9	1.1	1.1	1.1	1.2	0.9
Interest coverage ratio, times	91.1	12.2	9.5	12.9	9.9	3.6	0.2	3.1	3.6	5.5	6.3
Interest coverage ratio, times (4 quarters)	30.6	11.2	8.3	5.3	3.3	2.7	3.1	4.4	6.0	7.5	8.6
Capital turnover rate, times (4 quarters)	2.2	2.3	2.2	2.2	2.3	2.4	2.4	2.4	2.5	2.5	2.6
Investments in tangible assets continuing operations, SEK M	13	10	8	8	10	11	15	13	13	7	36
Profitability ratios											
Return on equity, %	38.3	3.5	2.6	2.9	2.7	2.0	-1.7	1.5	3.5	4.3	4.8
Return on equity, % (4 quarters)	51.9	11.7	10.2	6.0	4.6	5.1	7.0	13.8	21.4	26.1	25.4
Return on capital employed, %	23.9	3.6	2.7	5.3	3.6	2.0	0.1	2.6	3.1	3.6	4.2
Return on capital employed, % (4 quarters)	38.1	14.9	13.1	10.4	8.2	7.9	9.4	13.6	17.8	20.8	22.8
Return on total capital, % (4 quarters)	26.6	10.2	9.0	7.1	5.6	5.4	6.4	9.2	12.1	14.1	15.3
Share data											
Earnings per share continuing operations, SEK	0.05	0.77	0.28	0.87	0.46	0.64	-0.34	0.45	0.54	0.57	0.51
Earnings per share after dilution cont. operations, SEK	0.05	0.77	0.28	0.87	0.46	0.64	-0.34	0.45	0.54	0.57	0.51
Earnings per share, SEK	8.78	0.67	0.50	1.27	0.47	0.36	-0.29	0.24	0.53	0.66	0.78
Earnings per share after dilution, SEK	8.78	0.67	0.50	1.27	0.47	0.36	-0.29	0.24	0.53	0.66	0.78
Equity per share, SEK	26.56	19.28	19.06	18.94	17.13	17.71	17.72	17.28	15.99	14.48	16.11
Equity per share after dilution, SEK	26.56	19.28	19.06	18.94	17.13	17.71	17.72	17.28	15.99	14.48	16.11
Average no of shares outstanding, thousand	73,933	73,933	73,933	73,933	73,933	73,933	73,933	73,933	73,933	73,933	73,933
No of shares outstanding at period-end, thousand	73,933	73,933	73,933	73,933	73,933	73,933	73,933	73,933	73,933	73,933	73,933
Number of treasury shares, thousand	1,067	1,067	1,067	1,067	1,067	1,067	1,067	1,067	1,067	1,067	1,067
Stock price at period-end, SEK	76.25	47.70	52.00	46.60	50.00	37.20	23.50	38.40	48.50	57.25	68.50
Market cap at period-end, SEK M ¹	5,719	3,578	3,900	3,495	3,750	2,790	1,763	2,880	3,638	4,294	5,138

No of outstanding shares as per closing day amounts to 73 933 050

¹ The market cap is calculated on total number of shares, including treasury shares

Personnel

Number of permanent employees at period-end, remaining business	2,067	2,082	2,005	2,017	2,025	2,066	2,113	2,191	2,105	2,134	2,164
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Financial overview Group - 5 years

	2010	2009	2008	2007	2006
	Q3	Q3	Q3	Q3	Q3
Continuing operations					
Sales and earnings					
Net sales, SEK M	954	877	911	932	771
EBIT, SEK M	36	73	75	108	97
EBIT margin, %	3.7	8.3	8.2	11.6	12.6
Net earnings, SEK M	5	35	40	49	50
Earnings per share, SEK	0.05	0.47	0.53	0.67	0.67
Total, including discontinued operation					
Business and financial ratios					
Return on equity, %	38.3	2.7	3.5	8.1	6.0
Return on capital employed, %	23.9	3.6	3.1	5.8	7.5

Definitions of the financial key figures can be found on page 73 in the Annual Report 2009.

PARENT COMPANY
MUNTERS AB

Income statement

	2010	2009	2010	2009	2009/2010	2009
	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Oct-Sep	Jan-Dec
Amounts in SEK M	3 months	3 months	9 months	9 months	12 months	12 months
Net sales	6	11	36	38	60	62
Gross earnings	6	11	36	38	60	62
Other operating income	0	0	0	1	1	2
Selling expenses	0	0	0	0	0	0
Administrative expenses	-57	-32	-118	-87	-164	-133
Other operating expenses	0	0	0	0	1	1
EBIT - Earnings before interest and tax	-51	-21	-82	-48	-102	-68
Financial income and expenses	321	-9	475	16	485	26
Earnings after financial items	270	-30	393	-32	383	-42
Transfer to tax allocation reserve	-	-	-	-	-3	-3
Income taxes	17	8	19	12	20	13
Net earnings	287	-22	412	-20	400	-32

Balance sheet

	2010	2010	2009	2009
Amounts in SEK M	30 Sep	30 Jun	31 Dec	30 Sep
ASSETS				
Fixed assets				
Equipment, tools, fixtures and fittings	5	6	6	6
Patent, licenses and similar rights	0	15	18	18
Participations in subsidiaries	862	985	904	800
Receivables from subsidiaries	679	1,021	1,247	1,411
	1,546	2,027	2,175	2,235
Current assets				
Receivables from subsidiaries	51	55	57	47
Other receivables	73	43	34	43
Cash and cash equivalents	1,498	87	148	78
	1,622	185	239	168
TOTAL ASSETS	3,168	2,212	2,414	2,403
EQUITY AND LIABILITIES				
Equity	1,362	1,074	1,024	986
Untaxed reserves	22	22	22	19
Long-term liabilities				
Interest-bearing liabilities	-	938	1,091	1,208
Provisions	39	39	39	39
	39	977	1,130	1,247
Current liabilities				
Interest-bearing liabilities	957	-	-	-
Liabilities to subsidiaries	706	114	213	130
Accounts payable	7	3	2	3
Other liabilities	75	22	23	18
	1,745	139	238	151
TOTAL EQUITY AND LIABILITIES	3,168	2,212	2,414	2,403

Notes

Note 1. Accounting policies

Like the annual accounts for 2009, the consolidated financial statements for the third quarter of 2010 were prepared in compliance with International Financial Reporting Standards (IFRS) as adopted by the EU and with the Swedish Annual Accounts Act. The Parent Company's financial statements were prepared in compliance with the Swedish Annual Accounts Act and with the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities.

This quarterly report has been prepared in accordance with IAS 34. In this document, the term "IFRS" includes the application of both IAS and IFRS, and the interpretations of these standards published by the IASB's Standards Interpretation Committee (SIC) and its International Financial Reporting Interpretations Committee (IFRIC).

The Group uses the same accounting policies as described in its 2009 Annual Report. New and revised IFRSs that became effective after January 1, 2010 did not affect Munters' financial position or earnings.

Note 2 Divestment of MCS division

As of September 2010, Munters has divested its Moisture Control Services (MCS). The final consideration for the sale will be adjusted in the first quarter of 2011.

In accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, net earnings from MCS are recognized under the item "Net earnings from discontinued operations" in the "Consolidated statement of comprehensive income." This entails that income and expense for MCS have been excluded from other profit/loss items for the current period and all earlier periods. In the "Statement of cash flows," MCS is recognized under the heading "Cash flow from discontinued operations." Comparisons are based on the segment reporting for MCS. Adjustments have also been made to allocate historical financing and tax expenses to MCS.

Assets and liabilities remaining in the Group following the divestment are reported in the "Statement of financial position" for September 30, 2010. Assets and liabilities attributable to MCS are recognized on separate lines in the "Statement of financial position" as of June 30, 2010, under the respective items "Assets held for sale" and "Liabilities held for sale." In the "Statement of financial position" for earlier periods, the MCS division's assets and liabilities have not been separated from the other areas of the Group, but rather correspond with the previously published "Statement of financial position."

Since fixed assets attributable to MCS have been classified as "Assets held for sale" as of June 30, 2010 until the date of divestment, no amortization attributable to these fixed assets have been charged to consolidated earnings during this period.

This report is a translation of the Swedish version. In the event of any discrepancies between this translation and the Swedish version, the Swedish shall prevail.