Press release from Elanders AB (publ) **2008-07-11**

Interim report for January-June 2008

- **Net sales rose by 8 % totalling MSEK 1,054 (MSEK 978).**
- **Operating profit amounted to MSEK 56.2 (MSEK 88.4).**
- **Pre-tax profit amounted to MSEK 32.7 (MSEK 69.9).**
- **Net profit was MSEK 26.1 (MSEK 54.7) or SEK 2.66 per share (SEK 5.88 per share)[1).]**
- **Operating cash flow rose to MSEK 129 (MSEK -213).**
- **A dramatic reduction in deliveries to customers in consumer electronics in Europe was noted during the second quarter, which is believed to have affected quarterly profit by MSEK 20 compared with the previous year.**
- **Operating losses during the shutting down process in Östervåla, further unplanned start-up costs for the Italian unit, and temporary problems with the production of educational material in Hungary affected profit negatively by a total of MSEK 16 in the period compared with the previous year.**
- **The general restructuring of Swedish operations is expected to have full effect first in 2009 and has thus far had a negative effect on profits of MSEK 10.**
- **During the second quarter the Group was successful in attaining new business with companies such as Audi, GE Moneybank and Flextronics.**
- **The printing company Mairs Graphische Betriebe GmbH & Co KG in Stuttgart was acquired in May and consolidated into the Group in June, which led to new business with BMW, Volkswagen and Siemens.**
- **In the beginning of February Elanders acquired Seiz Printing Inc. in Atlanta, U.S.A., which is an important platform for deliveries to the Group's customers on the North American market.**
- **The forecast for 2008 has been changed to an increase in net sales compared with previous year and pre-tax profits of around MSEK 100 and profits after tax of approximately MSEK 75. The previous forecast was an increase in net sales and pre-tax profits compared with 2007, not including capital gains of MSEK 40.6 from the sale of property in Kungsbacka.**

[1)] There was no dilution during the given periods.

Elanders is a global infomedia group organised into two business areas:

- **Infologistics**

❑ Full-service solutions that meet customers' requirements for premedia services, print, fulfilment and logistics - Master Vendor®.
❑ Database publishing and Cross Media Publishing of trade information in a variety of media such as printed matter, CD-ROM, the Web and e-commerce solutions.
❑ Page and advertisement production and image management.
❑ Business development, support and outsourcing services.
❑ Print in offset and digital print (print-on-demand).
❑ Product catalogues and manuals for industrial and commercial companies in any media.
❑ Educational material for schools and universities in Sweden and Great Britain, as well as public sector printing for the Swedish Parliament, the government, governmental departments etc.
❑ Production and sales in Falköping, Gothenburg, Lund, Malmö, Stockholm, Uppsala and Västerås (SE), Oslo (NO), Harrogate and Newcastle (UK), Waiblingen and Ostfildern (DE), Atlanta (US) and São Paulo (BR).

- **User Manuals**

❑ Production of user information for mobile telephones and other consumer electronics with extremely short lead times.
❑ Production of printed matter with moderate lead times for publishing and industrial customers in Sweden and Great Britain.
❑ Premedia with advanced version management etc.
❑ Print in offset and digital print (print-on-demand). Production and sales in Beijing (CN), Plonsk (PL), Treviso (IT) and Budapest, Komarom and Zalalövö (HU).

Master Vendor® is the Group's comprehensive name for full-service solutions that, in addition to offset or digital print, provide customers with all other services connected to printing production such as information structuring in databases, translation, premedia services, fulfilment and logistics. Our Annual Report describes these concepts in greater detail and can be requested from our headquarters or downloaded from our website www.elanders.com.

NET SALES AND PROFIT PER BUSINESS AREA

April-June	*Net sales*			*Profit/loss*		
MSEK	**2008**	**2007**	**2006**	**2008**	**2007**	**2006**
Infologistics	418	421	358	16.8	25.1	20.6
User Manuals	114	91	69	8.1	23.3	11.5
Total	**532**	**512**	**427**	**24.9**	**48.4**	**32.1**
Net financial items				-11.4	-10.3	-5.4
Group	**532**	**512**	**427**	**13.5**	**38.1**	**26.7**
January-June	*Net sales*			*Profit/loss*		
MSEK	**2008**	**2007**	**2006**	**2008**	**2007**	**2006**
Infologistics	826	800	705	31.7	47.2	44.6
User Manuals	228	178	130	24.5	41.2	19.5
Total	**1,054**	**978**	**835**	**56.2**	**88.4**	**64.1**
Net financial items				-23.5	-18.5	-9.9
Group	**1,054**	**978**	**835**	**32.7**	**69.9**	**54.2**

MARKET

Concentration on selected market segments

The five strategic customer segments the Group is focusing its resources and Master Vendor® solutions on are *Automotive*, *Publishers*, *Industry & Trade*, *Public Sector* and *Service Sector*. Elanders has a leading position within these segments and can offer customers unique solutions.

Marketing situation for the Group

Selling printing as a sole product meets very tough competition. Elanders is countering this by increasing the number of comprehensive solutions within the framework of Master Vendor® with more and more digital print, continued expansion based on customers' needs and continuous rationalisations. The Group has a dominate position in its chosen segments in Sweden and continued expansion is most likely to be generated through Master Vendor® business with an international thrust. Elanders is also one of the leaders in digital print in Sweden, Great Britain and Germany.

The segments *Automotive*, *Industry & Trade* and *the Service Sector* have the highest growth rate. These three segments generated 80 % (73 %) of Group net sales during the period. Growth in these segments was 6 %, 19 % respective 29 % compared with the previous year. These segments are also the most sensitive to changes in the economy since most of our customers are active in consumers markets.

Elanders in the coming years

Elanders' printing production in Sweden, Great Britain, Germany and the U.S. will be steered more and more towards digital printing. Offset volumes in these countries will be successively concentrated towards smaller editions and customers demanding short lead times and high quality products. In general, we foresee the offset volumes comprising larger editions with a lesser need for short lead times will, to a greater extent, be produced in our User Manuals facilities in Central Europe and Asia.

Elanders continues to follow its strategy using its Master Vendor® concept to create added value for customers by providing services prior to (upstream) or after (downstream) the actual printing. Our Document and Distribution Centres (DDC) that work with print-on-demand and logistics are downstream. The Group regularly assesses the possibility of expanding by increasing our cooperation with, or the acquisition of, operations that create information, primarily in the segments *Automotive, Industry & Trade* and *the Service Sector*. The Group has also developed instruments upstream for efficient parallel publishing (WebBase), marketing planning (M3), an interface for e-commerce (WOLF) and more that have been used with great success in a several deals in the business area Infologistics.

Elanders will continue to follow its strategy of expanding internationally with global customers. The acquisition of Sommer Corporate Media in Germany, Artcopy in Brazil and Seiz Printing in the U.S.A. (Infologistics), operations in Hungary and the new establishment in China (User Manuals) are a result of this strategy.

THE BUSINESS AREAS

Infologistics

Business area operations

The business area has its platform in the Infomedia Centres in Mölnlycke, Stockholm and Malmö (SE), Newcastle (UK), Waiblingen (Stuttgart) (DE) and Atlanta (US). Elanders' infomedia centres offer information structuring, advanced premedia, digital print, offset print and fulfilment services. There are digital print units in Oslo (NO), São Paulo (BR) and Stockholm (SE) and in-house units for publishing in digital print at, among others, ABB in Västerås, Volvo in Gothenburg and Tetra Pak in Lund (SE). In addition, we have production units for premedia, offset print and fulfilment in Falköping, Malmö and Stockholm (SE). There is also a unit for sales and project management in Uppsala (SE) and a unit for sales, premedia and page production in Harrogate (UK). When business area customers request printing production at lower prices and can accept longer lead times we utilise the capacity in User Manuals in Central Europe and Asia.

Development during the period

Net sales rose by MSEK 26 or 3 % to MSEK 826 (MSEK 800) and operating profit for the period amounted to MSEK 31.7 (MSEK 47.2).

Most of the work to coordinate the Swedish operations and adapt them to market developments was completed in 2007. This led to, among other things, moving production in Östervåla to other units. The unit continued to produce during the first quarter until the end of March when the move was completed. Production during the period charged operating profit with around MSEK 5 compared to the previous year. The unit no longer exists and will not have any further effects on profit this year. However, the coordination of Swedish operations in their entirety is not expected to reach its full potential until the latter half of 2009. Achieving synergetic advantages requires changes in operations that take time before they function satisfactorily. These include revamping our customer structure towards larger, international customers. This process will have a negative effect on profit and turnover for the year and has reduced profits on the level of MSEK 10 for the first half of 2008.

At the end of 2007 and during the first quarter of 2008, production of educational material in Hungary for Swedish customers intensified. Conflicts with manual production caused running-in costs of MSEK 4 but the problems are now fixed and will not have any further effects on profit this year.

On 8 February all the shares in Seiz Printing Inc., Acworth, Atlanta, Georgia, U.S.A. were acquired. The company is an important platform for deliveries to Group customers in North America. The purchase price was MUSD 3 together with the assumption of a net debt of MUSD 8. The consolidated surplus value had not been ultimately established at the time this interim report was published but it is expected to be around MUSD 2.

On 21 May Elanders acquired 100 percent of the shares in Mairs Graphische Betriebe GmbH & Co KG in Ostfildern, outside Stuttgart. This acquisition increases Elanders production capacity, which has become insufficient in Germany as a consequence of Elanders´ success. The Group also gains access to large format production in sheet-fed offset, which is a clear production trend within the graphic industry in Germany. In addition, Elanders broadens its customer base in Germany, particularly in the strategically important segment Automotive, which has already created business with BMW and Volkswagen. Another result of the acquisition is that Siemens has become a customer. The purchase price amounted to MEUR 3.8, including a net debt of MEUR 1.6. The group surplus value generated in connection with the acquisition was MEUR 0.1.

Business in Great Britain, Germany and Norway developed well during the period while the company in the U.S. slowed down in the second quarter due to the current situation in the American economy. We plan to compensate for this by transferring volumes from existing Elanders' customers in the U.S. in the autumn of 2008 and the beginning of 2009. The German operations received an important order from Audi for the digital print of driver's information and in Sweden an agreement of deliveries was signed with GE Moneybank.

User Manuals

Business area operations

User Manuals is aimed at highly efficient deliveries of user information for mobile telephones and other consumer electronics. This business is chiefly printing production with extremely high demands on flexibility and short lead times. Geographical expansion will take place in countries with relatively low wage levels in Central Europe and Asia. We will expand our product range for the most part downstream through increased content of packaging print, print-on-demand and logistics.

User Manuals is comprised of the units in Beijing (CN), Plonsk (PL), Treviso (IT) and Budapest, Komárom and Zalalövö (HU) and customers are primarily in the segment *Industry & Trade*. Production capacity is also used for deliveries to customers in Scandinavia, Great Britain and Germany in other segments and business areas when low costs are prioritised over short lead times.

Development during the period
Net sales rose by 28 % to MSEK 228 (MSEK 178) and operating profit was MSEK 24.5 (MSEK 41.2).

The manufacture and print of packaging for mobile phones started up last year in the Beijing unit and increased during the entire period. The Polish unit had a better start compared with 2007 while the Hungarian units were affected by the drop in orders from manufacturers in consumer electronics. This has had a negative effect on operating profit by a calculated MSEK 20 compared with the previous year. Operations also suffered from the quality problems with products for publishers previously mentioned above under Infologistics. The Hungarian operations are now being adapted to the current market situation. By freeing resources we can now work on other customers and the results of this are anticipated in 2009. This has already led to new business with Philips and Flextronics during the period.

The strategic partnership with Electrolux primarily involves User Manuals and has led to establishing a DDC in Treviso (IT). As planned, we have also taken over the management of Electrolux's internal digital print units in Nyiregyháza and Jaszberény in Hungary as well as Satu Mare, Romania. The start-up in Italy did not go according to plan during the period. Delivery problems and delays in taking over volumes from a previous supplier affected profit negatively by MSEK 7 during the period. These problems are expected to be resolved in the third quarter.

The establishment of the Group's joint venture (50/50) with Hansaprint Oy in Cluj Napoca in Romania has been postponed and the facility is now expected to be ready for a production start sometime in 2009. The unit will primarily supply manufacturers of consumer electronics with user information in large volumes and short lead times. For the time being Romanian orders will be handled by Elanders units in Hungary.

PARENT COMPANY
During the period the parent company has provided joint Group services. No external sales have taken place.

GROUP
Net sales and profit
Group net sales increased by MSEK 76 to MSEK 1,054 (MSEK 978) or 8 %. Operating profit diminished by MSEK 32.2 to MSEK 56.2 (MSEK 88.4). The decline in profit relates mainly to the development in Sweden and Hungary.

Investments and depreciation
During the period net capital expenditures totalled MSEK 84 (MSEK 307), of which MSEK 58 (MSEK 240) were acquisitions.

Group depreciation amounted to MSEK 48 (MSEK 40).

Financial position, cash flow and equity ratio
The Group's net debt amounted to MSEK 840 (MSEK 769) and operating cash flow for the period amounted to MSEK 129 (MSEK -213), together with MSEK -44 (MSEK -240) associated with acquisitions. Cash flow was recompensed during the period by MSEK 110 (MSEK 0) by the payment from the sales of the property in Kungsbacka. Equity amounted to MSEK 844 (MSEK 742), which resulted in an equity ratio of 38.2 % (37.1 %).

Personnel
The average number of employees during the period was 1,761 (1,538), of which 641 were in Sweden (739). At the end of the period the Group had 1,863 employees (1,559).

Risks and uncertainties
Elanders divides risks into circumstantial risks (the future of printing, business cycles, structure and the competition), financial risks (currency, interest, financing and credit) as well as operational risks (customer concentration, operations, operating costs, contracts, disputes, insurance and other risk management as well as other operational risks). These risks together with a sensitivity analysis are described in detail on pages 32-34 in the Annual Report 2007. No significant changes have occurred that have changed the risks as reported there.

Seasonal variations

The Group's net sales, and thereby income, are affected by the seasonal variations described on page 34 of the Annual Report 2007. Among other information found there is the fact that, historically, almost a third of the Group's net sales occur in the fourth quarter.

Forecast for 2008

The previous forecast was:

"A positive development is forecasted for 2008. Net sales are expected to increase and pre-tax profits improve compared with pre-tax profit for 2007, not including capital gains of MSEK 40.6 from the sale of the property in Kungsbacka."

The Group has now changed the forecast for 2008. Due to the operations acquired during the period we predict an increase in turnover compared with the previous year. The new forecast first and foremost takes into account the drop in orders from the Group's European customers in the consumer electronics trade and the effects of restructuring operations in Sweden. The new forecast is:

An increase in net sales compared with previous year and pre-tax profit of around MSEK 100 and profit after tax of approximately MSEK 75.

OTHER INFORMATION

Future reports from Elanders

Interim report January – September 2008	21 October 2008
The annual accounts report 2008	29 January 2009

The Annual Report 2008 in Swedish is expected to be released in the week beginning March 24th, 2009.

Review and accounting principles

The company auditors have not reviewed this report. The annual accounts report for the Group has been prepared in accordance with the Annual Accounts Act and IAS 34 – Interim Financial Reporting and the report for the parent company has been prepared in accordance with the Annual Accounts Act. The same accounting principles and calculation methods as those in the latest annual accounts have been used.

Mölnlycke, 11 July 2008

Patrick Holm

President and Chief Executive Officer

This document is essentially a translation of the Swedish language version. In the event of any discrepancies between this translation and the original Swedish document, the latter shall be deemed correct.

Further information can be found on Elanders' website www.elanders.com or via e-mail info@elanders.com.Questions concerning this report can be made to:

Patrick Holm	Mats Almgren
President and CEO	Chief Financial Officer
Phone +46 31 750 07 50	Phone +46 31 750 07 60
Mobile +46 708 210 410	Mobile +46 705 181 936

Elanders AB (publ)
(Company ID 556008-1621)
Designvägen 2
SE-435 33 Mölnlycke
Phone +46 31 750 00 00

GROUP

Summary Group Income Statements

MSEK	Second quarter		
	2008	**2007**	**2006**
Net turnover	532.0	512.1	426.6
Cost of products and services sold	-408.8	-374.6	-324.9
Gross profit	**123.2**	**137.5**	**101.7**
Sales and administration costs	-99.3	-91.2	-71.3
Other operating income	4.0	3.5	3.4
Other operating costs	-1.8	-1.7	-2.7
Share in profit/loss in joint venture	-1.2	0.3	1.0
Operating profit/loss	**24.9**	**48.4**	**32.1**
Net financial items	-11.4	-10.3	-5.4
Profit/loss after net financial items	**13.5**	**38.1**	**26.7**
Taxes	-0.1	-8.6	-8.2
Profit/loss for the period in remaining operations	**13.4**	**29.5**	**18.5**
Net profit/loss after tax for the period from discontinued operations[1]	-	0.0	-7.3
Profit/loss for the period	**13.4**	**29.5**	**11.2**
Attributable to:			
Parent company shareholders	13.3	29.5	11.2
Minority interests	0.1	-	-
Profit/loss per share incl. discontinued operations, SEK[2]	**1.36**	**3.02**	**1.26**
Profit/loss per share in remaining operations, SEK[2]	**1.36**	**3.02**	**2.09**
Average number of shares (in thousands)	**9,765**	**9,765**	**8,855**

[1] There was no dilution effect.
[2] Discontinued operations refer to the directory operations in Kungsbacka that were sold in 2007.

MSEK	First half-year			Last 12 months	Full year 2007
	2008	**2007**	**2006**		
Net sales	1,054.0	978.3	835.1	2,111.3	2,035.6
Cost of products and services sold	-803.3	-720.7	-634.4	-1,576.6	-1,494.0
Gross profit	**250.7**	**257.6**	**200.7**	**534,7**	**541.6**
Sales and administration costs	-198.5	-175.3	-139.1	-395.8	-372.6
Other operating income	9.6	9.6	11.9	67.8	67.8
Other operating costs	-4.2	-3.6	-10.9	-11.1	-10.5
Share in profit/loss in joint venture	-1.4	0.1	1.5	-1.0	0.5
Operating profit/loss	**56.2**	**88.4**	**64.1**	**194.6**	**226.8**
Net financial items	-23.5	-18.5	-9.9	-47.7	-42.7
Profit/loss after net financial items	**32.7**	**69.9**	**54.2**	**146.9**	**184.1**
Taxes	-6.6	-15.2	-16.3	-3.3	-11.9
Profit/loss for the period in remaining operations	**26.1**	**54.7**	**37.9**	**143.6**	**172.2**
Net profit/loss after tax for the period from discontinued operations[1]	-	0.0	-17.8	-	-
Profit/loss for the period	**26.1**	**54.7**	**20.1**	**143.6**	**172.2**
Attributable to:					
Parent company shareholders	26.0	54.7	20.1	143.4	172.1
Minority interests	0.1	-	-	0.2	0.1
Profit/loss per share incl. discontinued operations, SEK[2]	**2.66**	**5.88**	**2.27**	**14.69**	**18.06**
Profit/loss per share in remaining operations, SEK[2]	**2.66**	**5.88**	**4.28**	**14.69**	**18.06**
Average number of outstanding shares, in thousands	**9,765**	**9,310**	**8,855**	**9,765**	**9,537**

[1] There was no dilution effect.
[2] Discontinued operations refer to the directory operations in Kungsbacka that were sold in 2007.

Summary Group Cash Flow Statements

MSEK	Second quarter			First half-year			Full year			Last 12 months
	2008	2007	2006[1)]	2008	2007[1)]	2006[1)]	2007[1)]	2006[1)]	2005[1)]	
Profit/loss after net financial items in remaining operations	13.5	38.1	26.7	32.7	69.9	54.2	184.1	152.3	124.6	146.9
Net profit/loss after tax for the period from discontinued operations	-	-	-7.3	-	-	-17.8	0.0	-164.1	-13.9	-
Reversal of tax in discontinued operations	-	-	-3.0	-	-	-7.0	0,0	-20.0	-5.4	-
Profit/loss after net financial items	**13.5**	**38.1**	**16.4**	**32.7**	**69.9**	**29.4**	**184.1**	**-31.8**	**105.3**	**146.9**
Adjustments for items not included in cash flow	20.0	19.5	23.6	40.7	35.9	48.2	37.2	227.5	65.7	42.0
Paid taxes	-5.3	-6.6	-8.3	-19.5	-12.1	-13.3	-32.3	-20.8	-44.7	-39.7
Changes in working capital	1.9	-17.3	-14.3	-15.2	-30.4	50.5	-91.6	-7.8	-80.7	-76.4
Cash flow from operating activities	**30.1**	**33.7**	**17.4**	**38.7**	**63.3**	**114.8**	**97.4**	**167.1**	**45.6**	**72.8**
Cash flow from investing activities	**-28.7**	**-43.8**	**-17.7**	**47.0**	**-306.5**	**-43.7**	**-402.5**	**-72.7**	**-89.2**	**-49.0**
Changes in long and short-term borrowing	-29.2	0.2	3.1	-53.3	96.8	-26.0	171.2	-22.6	44.4	21.1
Rights issue	-	-	-	-	146.5	-	146.5	-	-	-
Dividends	-43.9	-24.4	-20.9	-43.9	-24.4	-20.9	-24.4	-20.9	-16.7	-43.9
Cash flow from financing activities	**-73.1**	**-24.2**	**-17.8**	**-97.2**	**218.9**	**-46.9**	**293.3**	**-43.5**	**27,7**	**-22.8**
Cash flow for the period	**-71.7**	**-34.3**	**-18.1**	**-11.5**	**-24.3**	**24.2**	**-11.8**	**50.9**	**-15.9**	**1.0**
Liquid funds at the beginning of the period	**123.6**	**86.5**	**66.5**	**65.2**	**74.5**	**24.9**	**74.5**	**24.9**	**39.7**	**51.6**
Translation difference	1.5	-0.6	-1.3	-0.3	1.4	-2.0	2.5	-1.3	1.1	0.8
Liquid funds at the end of the period	**53.4**	**51.6**	**47.1**	**53.4**	**51.6**	**47.1**	**65.2**	**74.5**	**24.9**	**53.4**
Net debt at the beginning of the period	**774.1**	**736.8**	**596.5**	**817.5**	**594.1**	**669.4**	**594.1**	**669.4**	**602.3**	**768.6**
Translation difference in net debt	1.6	-0.8	0.8	-2.8	0.5	0.9	1.2	-1.2	1.7	-2.1
Change in net debt	64.3	32.6	21.6	25.3	174.0	-51.4	222.2	-74.1	65.4	73.5
Net debt at the end of the period	**840.0**	**768.6**	**618.9**	**840.0**	**768.6**	**618.9**	**817.5**	**594.1**	**669.4**	**840.0**
Operating cash flow	**18.0**	**6.9**	**13.7**	**128.7**	**-212.8**	**94.8**	**-230.1**	**138.2**	**17.5**	**111.4**

[1)] The discontinued operations in Kungsbacka during Q1, 2007 are included in the cash flow analyses for 2007, 2006 and 2005.

Cash Flow from Discontinued Operations

MSEK	Second quarter			Full year			Last 12 months
	2008	2007	2006	2007	2006	2005	
Cash flow from operating activities	-	-	8.2	7.5	11.5	14.3	-
Cash flow from investing activities	-	-	-6.2	0.0	-11.2	-2.0	-
Cash flow from financing activities	-	-	-2.0	-7.5	-0.3	-12.3	-

Summary Group Balance Sheets

MSEK	30/6 2008	30/6 2007	30/6 2006[1)]	31/12 2007
Assets				
Intangible assets	891.6	842.0	561.0	866.1
Tangible assets	482.9	464.4	477.5	445.0
Other fixed assets	82.0	55.7	91.4	80.3
Total fixed assets	**1,456.5**	**1,362.1**	**1,129.9**	**1,391.4**
Inventories	152.9	108.9	96.0	125.7
Accounts receivable	438.6	383.9	349.8	450.6
Other current assets	106.2	95.2	88.5	191.4
Liquid funds	53.4	51.6	47.1	65.2
Total current assets	**751.1**	**639.6**	**581.4**	**832.9**
Total assets	**2,207.6**	**2,001.7**	**1,711.3**	**2,224.3**
Equity and liabilities				
Equity	**844.2**	**742.3**	**625.3**	**864.6**
Liabilities				
Non-interest bearing long-term liabilities	54.4	37.5	75.2	55.4
Interest bearing long-term liabilities	288.0	350.0	97.2	281.4
Total long-term liabilities	**342.4**	**387.5**	**172.4**	**336.8**
Non-interest bearing current liabilities	415.6	401.7	344.8	421.6
Interest bearing current liabilities	605.4	470.2	568.8	601.3
Total current liabilities	**1,021.0**	**871.9**	**913.6**	**1,022.9**
Total equity and liabilities	**2,207.6**	**2,001.7**	**1,711.3**	**2.224.3**

1) Including assets and liabilities attributable to the discontinued operations in Kungsbacka.

Changes in Equity

MSEK	Equity attributable to parent company shareholders	Minority interests	Total equity
Equity at year-end 2006	**556.4**	**-**	**556.4**
Translation difference	17.2	-	17.2
Cash flow hedges after tax	-0.6	-	-0.6
Hedging of net investment in foreign subsidiaries	-4.9	-	-4.9
Other transactions with minority owners	-	2.2	2.2
Dividends	-24.4	-	-24.4
Rights issue	146.5	-	146.5
Profit/loss for the period	172.1	0.1	172.2
Equity at the end of 2007	**862.3**	**2.3**	**864.6**
Equity at year-end 2006	**556.4**	**-**	**556.4**
Translation difference	11.6	-	11.6
Hedging of net investment in foreign subsidiaries	-0.2	-	-0.2
Cash flow hedges after tax	-2.3	-	-2.3
Dividends	-24.4	-	-24.4
Rights issue	146.5	-	146.5
Profit/loss for the period	54.7	-	54.7
Equity at the end of the second quarter 2007	**742.3**	**-**	**742.3**
Equity at year-end 2007	**862.3**	**2.3**	**864.6**
Translation difference	-2.8	-	-2.8
Hedging of net investment in foreign subsidiaries	0.1	-	0.1
Cash flow hedges after tax	0.1	-	0.1
Dividends	-43.9	-	-43.9
Profit/loss for the period	26.0	0.1	26.1
Equity at the end of the second quarter 2008	**841.8**	**2.4**	**844.2**

PARENT COMPANY
Summary Parent Company Income Statements

MSEK	Second Quarter		
	2008	**2007**	**2006**
Net sales	-	1.6	1.3
Cost of products and services sold	-	-1.5	-1.2
Gross profit	**-**	**0.1**	**0.1**
Operating costs	-5.2	-5.6	-5.4
Operating profit/loss	**-5.2**	**-5.5**	**-5.3**
Net financial items	-9.0	24.1	13.3
Profit/loss after net financial items	**-14.2**	**18.6**	**8.0**
Tax	3.6	2.6	2.6
Profit/loss for the period	**-10.6**	**21.2**	**10.6**

MSEK	First half-year			Last 12 months[1)]	Full year 2007[2)]
	2008	**2007**	**2006**		
Net sales	-	2.8	2.6	0.9	3.7
Cost of products and services sold	-	-2.8	-2.4	-	-2.8
Gross profit	**-**	**0.0**	**0.2**	**0.9**	**0.9**
Operating costs	-14.0	-10.6	-10.4	-28.7	-25.3
Operating profit/loss	**-14.0**	**-10.6**	**-10.2**	**-27.8**	**-24.4**
Net financial items	-13.3	15.1	9.9	21.3	49.7
Profit/loss after net financial items	**-27.3**	**4.5**	**-0.3**	**-6.5**	**25.3**
Tax	7.2	6.5	4.9	35.5	34.8
Profit/loss for the period	**-20.1**	**11.0**	**4.6**	**29.0**	**60.1**

1) A capital gain from the sale of shares in a subsidiary of MSEK 38.1.
2) A capital gain from the sale of shares in a subsidiary of MSEK 38.1 and dividends from subsidiaries of MSEK 38.3 are included in net financial items.

Summary Parent Company Balance Sheets

MSEK	30/6 2008	30/6 2007	30/6 2006	31/12 2007
Assets				
Fixed assets	1,351.7	1,318.4	1,077.8	1,337.6
Current assets	218.4	158.2	194.8	251.3
Total assets	**1,570.1**	**1,476.6**	**1,272.6**	**1,588.9**
Equity, provisions and liabilities				
Equity	665.2	636.5	493.9	729.3
Untaxed reserves	-	-	13.3	-
Provisions	5.1	10.5	1.7	5.1
Long-term liabilities	158.9	207.2	-	159.3
Current liabilities	740.9	622.4	763.7	695.2
Total equity and liabilities	**1,570.1**	**1,476.6**	**1,272.6**	**1,588.9**

KEY RATIOS

Group Key Ratios Including Discontinued Operations

MSEK	Jan-June 2008	Jan-June 2007[2)]	Last 12 months	Full-year 2007[2)]
Return on equity, %[1)]	6.1	16.8	18.1	24.2
Equity ratio, %	38.2	37.1	38.2	38.9
Return on capital employed, %[1)]	6.7	13.3	12.2	16.3
Debt/equity ratio	1.0	1.0	1.0	0.9

1) Return valuations are annualised.
2) The operations in Kungsbacka that were discontinued in Q 1, 2007 are included in the calculations of the key ratios.

Group Quarterly Data Including Discontinued Operations

MSEK	2006 Q2[3)]	2006 Q3[3)]	2006 Q4[3)]	2007 Q1[3)]	2007 Q2	2007 Q3	2007 Q4	2008 Q1	2008 Q1
Net sales	490	432	576	484	512	471	586	522	532
Operating profit/loss	22	21	-70	40	48	54	84	31	25
Profit/loss after net financial items	16	15	-76	32	38	43	71	19	14
Net profit/loss	11	11	-80	25	30	54	63	13	13
Operating cash flow	14	-12	55	-220	7	-78	61	111	18
Depreciation	23	24	24	19	21	23	21	23	25
Net investments	18	21	8	263	44	69	27	-76	29
Goodwill	556	558	532	831	829	826	845	852	856
Total assets	1,711	1,752	1,641	2,027	2,002	2,129	2,224	2,237	2,208
Equity	625	641	556	737	742	788	865	862	844
Net debt	619	644	594	737	769	838	817	774	840
Capital employed	1,244	1,285	1,150	1,473	1,511	1,626	1,594	1,636	1,684
Return on total equity, %[1)]	5.3	5.0	-16.1	9.1	9.9	10.7	15.7	6.3	4.4
Return on equity, %[1)]	7.1	7.1	-53.7	15.6	16.0	28.3	30.5	6.0	6.1
Return on capital employed, %[1)]	7.2	6.6	-22.9	12.3	13.0	13.8	20.3	7.5	6.0
Debt/equity ratio	1.0	1.0	1.1	1.0	1.0	1.1	0.9	0.9	1.0
Equity ratio, %	36.5	36.6	33.9	36.4	37.1	37.0	38.9	38.5	38.2
Interest coverage ratio [2)]	5.0	6.4	-0.4	0.5	1.4	2.1	5.5	4.9	4.2
Number of employees at the end of the period	1,511	1,495	1,553	1,534	1,559	1,592	1,723	1,796	1,863

[1)] Return ratios have been annualised.
[2)] Interest coverage ratio calculation is based on a rolling 12 month period.
[3)] The discontinued operations in Kungsbacka, which was divested in Q1, 2007 are included in the calculations of the key ratios.

Quarterly Data for Remaining Operations

MSEK	2006 Q2	2006 Q3	2006 Q4	2007 Q1	2007 Q2	2007 Q3	2007 Q4	2008 Q1	2008 Q2
Net sales	427	393	452	466	512	471	586	522	532
Operating profit/loss	32	42	68	40	48	54	84	31	25
Profit/loss after net financial items	27	36	62	32	38	43	71	19	14
Net profit/loss	19	27	50	25	30	54	63	13	13
Depreciation	15	16	16	19	21	23	21	23	25
Number of employees at the end of the period	1,313	1,307	1,361	1,534	1,559	1,592	1,723	1,796	1,863

Overview of Several Years – Full year

	2003	2004	2005	2006	2007
Resultat efter skatt, Mkr	45.9	96.2	77.6	-49.0	172.2
Resultat per aktie, kr	5.18	10.6	8.77	-5.53	18.06
Avkastning på eget kapital, %	10.1	18.9	13.2	-8.2	24.2
Avkastning på totalt kapital, %	6.8	8.6	7.5	-0.3	12.0
Avkastning på sysselsatt kapital, %	7.2	12.2	10.1	-0.7	16.0
Soliditet, %	30.5	33.7	35.3	33.9	38.9

Definitions

Equity ratio
Equity (including minority interests) in relation to total assets.

Capital employed
Total assets reduced by liquid funds and non-interest bearing liabilities.

Return on capital employed
Operating profit/loss in relation to average capital employed.

Return on total equity
Profit/loss plus financial income in relation to total assets.

Debt/equity ratio
Interest-bearing liabilities reduced by liquid funds in relation to reported equity, including minority interests.

Operating cash flow
Cash flow from current operations and investing activities adjusted for paid taxes and net financial items.

Interest coverage ratio
Operating profit/loss plus interest income divided by interest costs.

NOTES

Note 1. Acquisition of operations

Specification of acquisitions in 2008

Acquisition date	Company	Country	Business area	Number of employees
7 February 2008	Seiz Printing Inc.	U.S.A.	Infologistics	60
21 May 2008	Mairs Graphische Betriebe GmbH & Co	Germany	Infologistics	59

On 8 February 2008 Elanders acquired all the shares in the American company Seiz Printing Inc. in Acworth, Atlanta, Georgia, USA. The company is specialised in high quality offset print, fulfilment and logistic services. Seiz has been handling deliveries to the Group's automotive customers in the U.S. The purchase price was MUSD 3 together with the assumption of net debt in the company of some MUSD 8. The consolidated surplus value had not been ultimately established at the time this interim report was published but it is expected to be around MUSD 2. The goodwill from the acquisition relates to future market shares and synergies.

On 21 May 2008 Elanders acquired all the shares in Mairs Graphische Betriebe GmbH & Co in Stuttgart, Germany. The purchase price amounted to MEUR 3.8, including a financial leasing contract of MEUR 1.6. A group surplus value of MEUR 0.1 which is related to future market shares and synergies was generated in connection with the acquisition. The company was consolidated from June 2008.

Acquisition expenses of around MSEK 2.6 related primarily to lawyers' and consultation fees are included in the purchase sum below.

The calculation below is preliminary.

Assets and Liabilities in Acquired Operations

MSEK	Recorded values in acquired operations	Adjustment to fair value	Recorded value in the Group
Intangible assets	0.2	-	0.2
Tangible assets	84.3	-2.0	82.3
Other fixed assets	1.9	-	1.9
Inventory	12.0	-	12.0
Accounts receivable	18.8	-	18.8
Other current assets	21.7	-	21.7
Liquid funds	2.0	-	2.0
Non-interest bearing l-t liabilities	-4.5	1.8	-2.7
Interest bearing long-term liabilities	-41.3	-	-41.3
Non-interest bearing current liabilities	-29.3	-	-29.3
Interest bearing current liabilities	-22.4	-	-22.4
Identifiable net assets	**43.4**	**-0.2**	**43.2**
Goodwill			14.8
Total purchase sums			**58.0**
Deducted:			
Unpaid purchase sums			-12.5
Liquid funds in acquisitions			-2.0
Negative effect on Group liquid funds			**43.5**