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## **INTERIM REPORT January-March 2002**

### **HEAR CEO ARNE KARLSSON'S COMMENTS ON THIS REPORT**

[www.ratos.se](http://www.ratos.se)

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- Pre-tax profit SEK 45m (24)
- Profit before tax and goodwill SEK 126m (71)
- Total return on Ratos shares +24%
- Holding in Hilton sold
- Stable earnings trend in holdings

#### **Important events**

The entire holding in Hilton Group was sold during the period. This deal was made possible following an agreement with Hilton Group to waive the lock-up clause. The sales proceeds amounted to SEK 614m. The deal provided a capital gain of SEK 49m and the average annual return (IRR) on this investment was nearly 15% including dividends received.

After the end of the period Ratos concluded an agreement on the sale of its holding in Kronans Droghandel to the Finnish company Orion. This deal is subject, among other things, to approval from the competition authorities. The purchase price amounts to approximately SEK 460m for Ratos's 49% holding. The deal is expected to provide a net gain of approximately SEK 60m and an average annual return (IRR) of just over 10%.

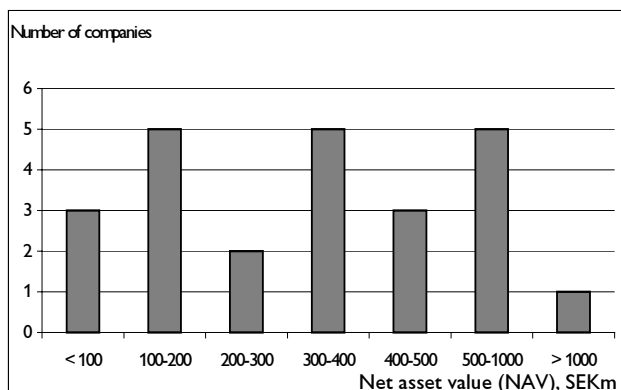
An agreement has also been reached after the end of the period for the sale of the wholly owned subsidiary Exceed to Wilson Logistics Group. The purchase price amounts to approximately SEK 160m which gives Ratos an exit gain of approximately SEK 90m. Conditions for this deal include approval from the competition authorities.

A SEK 160m follow on investment was made in Arcorus on 22 April 2002. Ratos's holding therefore rose from 49% to 77%.

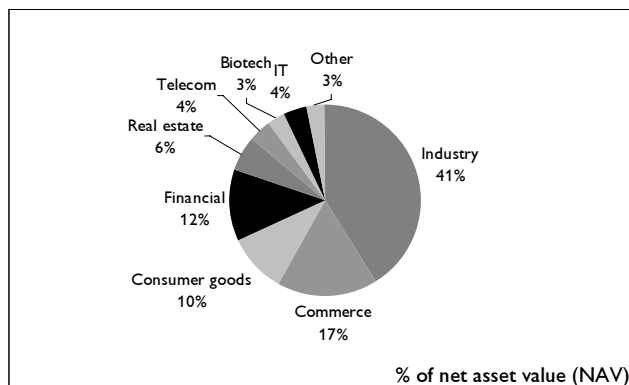
#### **Development of the portfolio**

At the beginning of the period there were 25 holdings in Ratos's portfolio of which the holding in Hilton was sold in the first quarter. The holdings in Kronans Droghandel and Exceed were sold after the end of the period. After these exits the number of holdings on 13 May 2002 totalled 22. The portfolio has a good spread in terms of both sectors and company size.

Holdings, size breakdown



Holdings, sector breakdown



In the first quarter of 2002 the subdued trend for the global economy continued although there are still major differences between regions and sectors. Equally, Ratos's holdings overall showed a satisfactory earnings trend. The combined EBITA (profit before net financial items, tax and goodwill amortisation) for Ratos's subsidiaries and associated companies rose 3% compared with the first quarter of the previous year. Taking Ratos's different stakes in the holdings into account, EBITA decreased by 7%. The corresponding change in EBT (profit before tax) is +35% and unchanged respectively.

Earnings for the first quarter of 2002 were influenced by the Easter effect. In 2001 Easter was in April while in 2002 it was in March which meant fewer business days in the first quarter of this year. Companies affected included Dahl, where the decline in earnings compared with 2001 is explained by the Easter effect, Camfil, Lindab and several of the companies within Atle Industri.

When analysing the earnings of the holdings it should also be noted that some of Ratos's major earnings contributors – primarily Arcorus, Dahl, Lindab and to some extent Hilding Anders – have most of their earning capacity after the first quarter.

To facilitate analysis an extensive table is provided on page 16 with key figures for all the holdings. [www.ratos.se](http://www.ratos.se) contains a summary of profit and loss accounts and balance sheets for all the holdings in downloadable Excel files from Tuesday, 14 May 2002.

### Ratos's results

The Group's profit before tax amounted to SEK 45m (24). This result includes profit and shares of profits from the holdings of SEK 21m (66). The SEK 49m (0) exit gain relates to the sale of the Hilton holding.

### Goodwill

Total goodwill amortisation – including Ratos's share of goodwill amortisation in the holdings – amounted to SEK 81m. If Ratos had not effected any goodwill amortisation, the pre-tax profit would have amounted to SEK 126m.

SEKm	31 March 2002	31 March 2001
Profit before tax and goodwill amortisation (EBTA)	126	71
Total goodwill amortisation (incl. Ratos's share of holdings' goodwill amortisation)	-81	-47
Profit before tax (EBT)	45	24

### Central income and expenses

Ratos's central expenses amounted to SEK 25m (19). Personnel costs amounted to SEK 7m (5) and other expenses, including costs for acquisition and exit processes, amounted to SEK 12m (14). Net financial items amounted to SEK -6m (0).

### Cash flow

Cash flow from operating and investing activities was SEK 490m (1,355) and the Group's liquid assets amounted to SEK 614m (1,630). The parent company's external interest-bearing liabilities amounted to SEK 179m. Proceeds from the sale of Hilton reached SEK 614m. After the end of the period a dividend of SEK 493m was paid.

### Consolidated tax expense

Ratos's consolidated tax expense of SEK 47m (29) comprises subsidiaries' and Ratos's share of associated companies' tax..

### Ratos shares

Earnings per share for the period amounted to SEK -0.03 (-0.06). The total return on Ratos's shares was 24%. In the same period the SIX Return Index fell -3%.

### Net asset value

At 31 March, Ratos reported a net asset value (NAV) of SEK 8,592m corresponding to SEK 109 per share (SEK 8,495m and SEK 108 respectively at year-end 2001). The reported NAV comprises the consolidated book value for the unlisted holdings and the market value of the listed holdings. Holdings in Industri Kapital's funds are reported according to market value estimated by Industri Kapital. Unlisted holdings accounted for 86% of total NAV.

**Ratos's results**

SEKm	Ratos's holding, % <sup>1)</sup>	Profit/share of profits 2002 Q1	Of which Ratos's goodwill amortisation 2002 Q1	Profit/share of profits 2001 Q1
Arcorus	49	-4	-1	-
Atle Industri	50	-14	-3	-
Camfil	30	4	-2	7
Capona	47	10	0	13
Dahl	44	13	-	20
DataVis	44	0	0	-1
DIAB	48	0	-7	-
Dynal Biotech	25	4	-	-
Esselte	17	24	-	15
Exceed <sup>2)</sup>	100	-5	-2	3
Gadelius	50	-2	-2	-
Haendig	49	-2	-1	-
Haglöfs	100	-1	-1	-
Hilding Anders	27	18	-1	-
HL Display	29	2	-2	-
Intervect	50	1	-1	-
Kronans Droghandel <sup>2)</sup>	49	-1	-2	-
Lindab	48	-18	-	-
Martinsson	50	-1	-1	-
Q-Labs	50	-5	0	-3
Scandic Hotels	-	-	-	18
Superfos	33	0	0	-6
Telia Overseas	9	-	-	-
Yarrow	39	-2	0	-
Total profit/share of profits		21	-26	66
Exit gain				
Hilton		49		-
Total exit gain		49		-
Profit from holdings		70		66
Result from asset management				-23
Net expenses		-25		-19
Consolidated profit before tax		45		24

<sup>1)</sup> Excl. share buy-backs

<sup>2)</sup> Agreement concluded for sale of entire holding  
after the end of the period

**Reported net asset value (NAV)**

SEKm	31 March 2002	% of NAV
Lindab	1,051	12
DIAB	683	8
Dahl	678	8
Capona	551	6
Atle Industri	512	6
Industri Kapital	500	6
Camfil	461	5
Hilding Anders	416	5
Kronans Droghandel	400	5
Esselte	381	4
Superfos	381	4
Arcorus	344	4
Telia Overseas	328	4
HL Display	319	4
Dynal Biotech	277	3
Intervect	214	3
Haendig	167	2
Martinsson	154	2
Gadelius	132	2
DataVis (incl. convertible)	110	1
Haglöfs	107	1
Exceed	69	1
Q-Labs	54	1
Yarrow	22	0
Total holdings	8,311	97
Share trading	81	1
Parent company's property	60	1
Liquid assets/liabilities (net) in central companies	140	1
<b>Total net asset value (NAV)</b>	<b>8,592</b>	<b>100</b>
<b>Net asset value per share <sup>1)</sup></b>	<b>109</b>	

<sup>1)</sup> Number of shares outstanding on 31 March 2002 was 78,958,226

**Parent company**

The parent company's pre-tax profit amounted to SEK 62m (-16).

**Accounting principles**

The interim report is prepared in accordance with the Swedish Financial Accounting Standards Council's recommendation RR20. The Group applies the Council's recommendations with effect from 2002. These have not had any effect on the Group's interim report. Otherwise the Group applies the same accounting principles and calculation methods as those used in the 2001 Annual Report.

**Reporting the Atle acquisition**

At the beginning of May 2001, Ratos and the British company 3i acquired Atle via a 50/50 owned company. The Atle holdings are to be transferred to the parties as conditions for such transfers are met. The financial implications of the agreements are that Ratos acquires shares in 12 companies. Some of these are owned by both Ratos and 3i. In addition, 3i alone acquires 85 holdings from Atle. The remaining Atle holdings are placed in Atle Industri, to be owned equally by Ratos and 3i. At the end of the period under review a few companies had not yet been transferred to Ratos and 3i since the conditions for these transfers had not yet been met.

### Decisions at Annual General Meeting

Ratos's Annual General Meeting held in Stockholm on 10 April approved the dividend of SEK 6.25 (5.50) per share. Olof Stenhammar (Chairman), Lars Berg, Peggy Bruzelius, Göran Grosskopf, Arne Karlsson (CEO), Jan Söderberg and Per-Olof Söderberg were re-elected as members of the Board. Harry Faulkner and Göran Lindahl had both declined re-election. The Meeting authorised the Board to make a decision, prior to next year's Annual General Meeting, to repurchase a maximum number of the company's shares so that the company's holding of its own shares from time to time does not exceed 7% of all the shares in the company. The purpose of these repurchases is to give the Board freedom of action in its efforts to create value for the company's shareholders. The Meeting also decided to issue a maximum of 550,000 call options on shares already repurchased. The call options will be offered to a maximum of 20 key people.

### Holdings

#### Arcorus

- Sales SEK 306m (299) and EBITA SEK 2m (5)
- Breakthrough for Hägglunds Drives in China – several new orders
- Increased activity within offshore for GS Hydro, sales up 17%
- Continued success for Lidan Marine's focus on systems for military applications

*Arcorus was formed in spring 2000 and comprises Hägglunds Drives, GS Hydro and Lidan Marine. The Group is a leading international supplier of complete hydraulic drive systems, hydraulic motors and pipe laying systems. The main customer based is in the industrial, marine and offshore segments.*

Ratos's holding in Arcorus at the end of the period was 49% and the consolidated book value in Ratos was SEK 344m. After the end of the period, Ratos increased its holding to 77% with a SEK 160m follow-on investment.

#### Atle Industri

- Sales SEK 528m (565) and EBITA SEK -7m (26)
- Lower earnings for approximately two-thirds of the companies compared with the same period last year mainly due to a far less favourable market situation from the second half of 2001
- Action taken in Näsström and Pressmaster, among other companies, yields results
- Holding in Alentec & Orion sold

*Atle Industri comprises a portfolio of 16 companies with operations in trading, engineering industry, waste management and IT/technology, of which 14 are wholly owned. Seven of the companies account for 75% of Ratos's book value. These are AKA Tempcold (distributes cooling products), Näsström (hydraulic products wholesaler), Moving (materials handling systems), Nordhydraulic (hydraulic valves), Elpress (electrical connectors), Pressmaster Tool (crimping tools) and Centralsug (waste management systems).*

Ratos's holding in Atle Industri amounts to 50% and consolidated book value in Ratos amounted to SEK 512m on 31 March 2002.

#### Camfil

- Sales SEK 759m (803) and EBITA SEK 49m (71)
- Continued growth in Comfort segment – negative Easter effect recovery expected in April
- Weak market in the cleanroom segment in the US and Germany
- Continued focus on cost control and efficiency enhancement

*Camfil is the world leader in clean air technology and air filters. The Group's products and services contribute to a good indoor climate and protect sensitive manufacturing processes and the surrounding environment.*

*Manufacture takes place on three continents and the Group is represented by subsidiaries and local agents in some 55 countries.*

Ratos's holding in Camfil amounts to 30% and the consolidated book value was SEK 461m on 31 March 2002.

#### Capona

- Rental income SEK 69m (70) and EBITA SEK 42m (47)
- Earnings affected by upgrading, the economic slowdown and the Easter effect
- Unchanged forecast for 2002 of EBT on a par with previous year

*Capona, which owns and actively manages hotel properties, is one of the leading hotel property companies in the Nordic region. The portfolio comprises some 40 hotel properties, most of them located in Sweden. Capona is listed on the Stockholm Stock Exchange.*

Ratos's holding in Capona amounts to 47%. The market value of the Capona holding was SEK 551m on 31 March 2002.

#### Dahl

- Sales SEK 2,620m (2,664) and EBITA SEK 72m (102)
- Change compared with previous year due to the Easter effect
- Positive development in Sweden, Finland and Estonia. Market in Denmark under pressure. Dahl well positioned in weak Polish market
- Focus on continued strengthening of margins through efficiency enhancement within logistics, administration and sales
- Continued strong cash flow

*Dahl is the Nordic region's leading wholesaler and trading company for products within heating, ventilation & sanitation. The Group has operations in Denmark, Sweden, Norway, Finland, Poland and Estonia. Dahl is the market leader in Denmark, Sweden and Norway and number two in Finland.*

Ratos's holding in Dahl amounts to 44% and the consolidated book value was SEK 678m on 31 March 2002.

#### DataVis

- Sales SEK 54m (73) and EBITA SEK 0m (3)
- The market for IT consulting services remained slow
- The Consulting and Technology operating areas report satisfactory, positive earnings while Education reports a loss

*DataVis has three operating areas: Consulting, Technology and Education. The consulting services focus on systems development and systems integration. The largest offices are in Sundsvall, Stockholm and Gothenburg.*

Ratos's holding in DataVis amounts to 44% and the consolidated book value was SEK 110m on 31 March 2002.

#### DIAB

- Sales SEK 173m (176) and EBITA SEK 16m (22)
- Aggressive investment to raise capacity for the wind power industry led to higher costs
- Delayed political decision in the US had a temporary impact on order bookings from the wind power industry in the first quarter
- Normal level of activity restored following political decision at the end of March

*DIAB is the world-leading niche company within the manufacture of sandwich products based on composite materials. The key applications are hulls and decks for large pleasure boats, blades for wind power stations and components for trains, buses, aircraft and space rockets.*

Ratos's holding in DIAB amounts to 48% and the consolidated book value was SEK 683m on 31 March 2002.

#### Dynal Biotech

- Sales SEK 152m (111) and EBITA SEK 47m (32)
- Organic sales growth pushes up earnings
- Strong development within Molecular Systems, Tissue Typing and Particles
- Good prospects for full-year 2002

*Dynal Biotech is the world leader in research, development and production of magnetic and non-magnetic micro-particles. Applications for the products include separation of biological material such as cells, DNA and proteins.*

Ratos's holding in Dynal Biotech amounts to 25% and the consolidated book value was SEK 277m on 31 March 2002.

#### Esselte

- Sales SEK 2,646m (2,887) and EBITA SEK 198m (199)
- Strong cash flow – financial expenses down SEK 54m
- Net profit improved by 60%
- Recruitment of a new CEO under way

*Esselte is one of the world's leading suppliers of office products. The Group has subsidiaries in 26 countries and sales in more than 120 countries. Strong brands include Dymo, Pendaflex, Leitz and Esselte. Esselte is listed on the stock exchanges in Stockholm and London.*

Ratos's holding in Esselte amounts to 17% of the share capital and 32% of the voting rights. The market value of Ratos's holding in Esselte was SEK 381m on 31 March 2002.

#### Exceed

- After the end of the period an agreement was reached with Wilson Logistics Group on the sale of Exceed. The deal is subject to approval from the competition authorities
- Sales SEK 310m (377) and EBITA SEK -2m (4)
- The decline in earnings compared with the same period last year was due to less favourable market conditions since late spring 2001

*Exceed is a forwarding company specialised in intercontinental air and sea freight. The company has operations in Sweden, Denmark and Finland and sales through agents worldwide. The Group is one of the leading forwarding companies in the Nordic region.*

Ratos's holding in Exceed amounts to 100% and the consolidated book value was SEK 69m on 31 March 2002.

#### Gadelius

- Sales SEK 209m (272) and EBITA SEK 6m (18)
- Sales and earnings fell due to the current recession in Japan
- New CEO, Hans Porat, from 1 March 2002 – restructuring programme started
- Strong cash flow during the period

*Gadelius is a technology oriented, modern distributor of selected high-tech products for professional niche markets in Japan and Europe. Customers include the IT, medical technology, construction, packaging and food industries, as well as purchasers of mechanical and electronic components.*

Ratos's holding in Gadelius amounts to 50% and the consolidated book value in Ratos was SEK 132m on 31 March 2002.

#### Haendig

- Sales SEK 297m (259) and EBITA SEK 6m (8)
- Weak earnings trend in HDF's wholesale operations
- Continued positive development for own brands
- Additional action programme initiated – continued focus on capital and cost efficiency

*The Group was formed in 2000 through a merger between HDF-Bolagen and Markt & Co. Haendig is a Nordic distributor to the DIY market and industry. Sales are conducted via retailers such as building materials stores, hypermarkets, heating, ventilation & sanitation suppliers and agricultural suppliers in Sweden, Finland, Norway, Denmark and Poland.*

Ratos's holding in Haendig amounts to 49% and the consolidated book value in Ratos was SEK 167m on 31 March 2002.

#### Haglöfs

- Sales SEK 73m (69) and EBITA SEK 1m (3)
- The decline in earnings is mainly due to postponed deliveries and higher selling and marketing costs
- Good sales growth for clothing
- Efficiency programme initiated within production, product range and logistics

*Haglöfs develops, produces and markets equipment and clothing for active outdoor life. Products include rucksacks, sleeping bags, tents, shoes and clothes. The Group is market leader in Sweden and also holds strong positions in the other Nordic countries.*

Ratos's holding in Haglöfs amounts to 100% and the consolidated book value in Ratos was SEK 107m on 31 March 2002.

#### Hilding Anders

- Sales SEK 881m (280) and EBITA SEK 115m (36)
- The strong improvement in sales and earnings is mainly attributable to acquisitions made in 2001
- Slightly weaker market demand, particularly in Germany
- Unchanged good gross margin and retained market shares
- Integration of acquisitions made in 2001 proceeding according to plan

*Hilding Anders is Europe's largest bed manufacturer. The Group has expanded considerably through acquisitions in recent years and has its own operations in 14 countries in Europe. Products are marketed under different national brands and private labels.*

Ratos's holding in Hilding Anders amounts to 27% and the consolidated book value in Ratos was SEK 416m on 31 March 2002.

#### HL Display

- Sales SEK 284m (240) and EBITA SEK 19m (9)
- Continued strong development in key markets such as UK and France
- Economic fluctuations have little effect
- New subsidiaries in Taiwan, Malaysia and Hong Kong

*HL Display is one of Europe's leading suppliers of products and systems for merchandising and in-store communication. The company has subsidiaries in 17 countries in Europe. Manufacture is carried out in Sweden, the US, the UK and the Netherlands. HL Display is listed on the Stockholm Stock Exchange.*

Ratos's holding in HL Display amounts to 29%. The market value of Ratos's holding in HL Display was SEK 319m on 31 March 2002.

#### Industri Kapital

- Acquisition of Gardena and Labeyrie Group
- Stock exchange listing announced for Alfa Laval

*Industri Kapital is an unlisted private equity company with assets under management of more than EUR 3 billion. Since its formation in 1989, the company has completed some 40 investments in four funds within different sectors in Europe, mainly within engineering, trading and service industries. Ratos has invested in four funds: 1989, 1994, 1997 and 2000.*

Industri Kapital's estimation of the market value of Ratos's holding in Industri Kapital amounted to SEK 500m on 31 March 2002.

#### Intervect

- Sales SEK 277m (251) and EBITA SEK 9m (12)
- Action programmes in production and sales companies led to strong earnings improvement compared with the losses in the second half of 2001
- Continued shift from traditional scaffolding to Intervect's products is driving growth
- Strong improvement in operating cash flow

*Intervect is the world leader within development, manufacture and sales of lifts and platforms for the construction and mining industries and other industrial applications. The company was formed in 2001 when the Swedish company Alimak acquired the Dutch company HEK International. Sales are conducted in 14 sales companies and through some 30 agencies worldwide.*

Ratos's holding in Intervect amounts to 50% and the consolidated book value in Ratos was SEK 214m on 31 March 2002.

#### Kronans Droghandel

- Entire holding sold to the Finnish company Orion on 11 April. The deal is subject to approval from the competition authorities
- Sales SEK 4,048m (3,524) and EBITA SEK 8m (-3)
- Strong earnings trend for the Finnish pharmaceutical distribution operation and rising market shares for the Swedish operations

*Kronans Droghandel is one of the largest distributors in the healthcare market in the Nordic region. A pure-play logistics company, Kronan Droghandel's product range includes pharmaceuticals and medical devices.*

Ratos's holding in Kronans Droghandel amounted to 49% and the consolidated book value in Ratos was SEK 400m on 31 March 2002.

#### Lindab

- Sales SEK 1,152m (1,159) and EBITA SEK 29m (7)
- Weak sales mainly due to Easter effect
- Acquisition of Butler in Hungary in line with strategy to grow in Eastern Europe in the Profile business area
- Acquisition of Inatherm in the Netherlands within the Ventilation business area

- New business area organisation from March 2002

*Lindab is a leading manufacturer of building materials made of thin sheet-metal. Operations are divided into two business areas: Ventilation and Profile. Manufacture takes place in 21 countries and concentrates on thin sheet-metal products. Approximately 70% of sales go to countries outside Sweden. In 2001, together with companies including Skandia Liv and the Sixth Swedish National Pension Fund, Ratos implemented a buyout of Lindab from the stock exchange via a leveraged buyout company, Lindab Intressenter.*

Ratos's holding in Lindab amounts to 48% and the consolidated book value in Ratos was SEK 1,051m on 31 March 2002.

#### Martinsson

- Sales SEK 126m (137) and EBITA SEK -1m (1)
- Offer for IMS completed and a leading national player in the server segment is established
- Low demand continues in Martinsson's sub-markets

*Martinsson is a nationwide player in servers and server-related services. The company offers its own consulting services and products from world-leading suppliers.*

Ratos's holding in Martinsson amounts to 50% and the consolidated book value in Ratos was SEK 154m on 31 March 2002.

#### Q-Labs

- Sales SEK 50m (58) and EBITA SEK -6m (-4)
- Continued positive trend in the German market
- Ratos and DNV increase holding to 50% each by taking over Ericsson's shares in the company – Peter Rodholm new CEO

*Q-Labs is a consulting company for quality assurance of software development. The company has operations in Europe and the US.*

Ratos's holding in Q-Labs amounts to 50% and the consolidated book value in Ratos was SEK 54m on 31 March 2002.

#### Superfos

- Sales SEK 656m (725) and EBITA SEK 42m (27)
- Improved EBITA due to action programme and lower raw material prices
- Acquisition of Jotipac carried out and integration with Superfos Consumer Division started
- Good earnings development in Jotipac in the first quarter
- Continued strong action programmes expected to yield results in rest of 2002 and 2003

*Superfos is a Danish group with operations in 15 countries. Operations comprise two areas. Superfos Packaging develops, produces and sells thermoformed packaging to the food, chemical-technical and pharmaceutical industries. Superfos Aerosols offers contract filling of aerosols.*

Ratos's holding in Superfos amounts to 33% and the consolidated book value in Ratos was SEK 381m on 31 March 2002.

#### Telia Overseas

- Good growth in number of subscribers
- All portfolio companies show good development, particularly the African holdings in Namibia and Uganda
- Holding in India sold on 6 May 2002

*Telia Overseas acquires, develops and sells telecom licences, mainly for mobile telephony and communications networks in developing countries. Portfolio companies are located in Sri Lanka, India, Hong Kong, Uganda and Namibia.*

Ratos's holding in Telia Overseas amounts to 9% and the consolidated book value in Ratos was SEK 328m on 31 March 2002.

Yarrow (formerly Programmera)

- Sales SEK 34m (34) and EBITA SEK -2m (-1)
- Name change to Yarrow following merger of Programmera and Giga Group

*Yarrow is a Stockholm-based IT company with a focus on the financial sector and competence in systems development, quality assurance, administration and infrastructure.*

Ratos's holding in Yarrow amounts to 39% and the consolidated book value in Ratos was SEK 22m on 31 March 2002.

Stockholm, 13 May 2002  
Ratos AB (publ)

Arne Karlsson  
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This report has not been reviewed by the auditors of Ratos AB (publ).

Financial calendar	
Interim Report Jan-June	26 August 2002
Interim Report Jan-Sept	13 November 2002

*Ratos is a listed private equity company. The business concept is to maximise shareholder value over time by investing in, developing and divesting primarily unlisted companies. Ratos thus offers stock market players a unique investment opportunity. The net asset value of Ratos's investments is nearly SEK 9 billion.*

**Consolidated profit and loss account**

SEKm	2002 Q1	2001 Q1	2001 full year	2000 full year
<b>Holdings</b>				
Profit/loss from subsidiaries	-6	3	-27	14
Share of profits of associated companies	27	63	230	306
Exit gains, associated companies	-	-	1,722	638
Write-downs, associated companies	-	-	-248	
Dividends, other companies	-	-	10	
Exit gains, other holdings	49	-	130	88
Profit from holdings	70	66	1,817	1,046
<b>Asset management</b>				
Dividends	-	4	16	103
Capital gains	-	-27	218	905
Result from asset management	-	-23	234	1,008
<b>Central income and expenses</b>				
Management costs	-19	-19	-106	-88
Financial items	-6	0	-19	11
Net expenses	-25	-19	-125	-77
Profit before tax	45	24	1,926	1,977
Tax	-47	-29	-182	-89
Profit after tax	-2	-5	1,744	1,888
<b>Earnings per share, SEK</b>				
- before and after dilution	-0.03	-0.06	22.07	23.50
<b>Number of shares outstanding</b>				
before and after dilution (million)				
- at the end of the period	79.0	79.1	79.0	79.2
- average	79.0	79.1	79.0	80.4

**Consolidated balance sheet**

SEKm

31 Mar 2002 31 Mar 2001 31 Dec 2001

**ASSETS****Fixed assets**

Intangible	124	70	127
Tangible	44	29	43
Financial	7,270	5,322	7,882
Total fixed assets	7 438	5,421	8,052

**Current assets**

Inventories	83	0	76
Current receivables	426	274	383
Short-term investments	70	93	73
Cash and bank balances	614	1,630	57
Total current assets	1,193	1,997	589
Total assets	8,631	7,418	8,641

**SHAREHOLDERS' EQUITY AND LIABILITIES**

Shareholders' equity	8,101	6,814	8,177
Provisions	15	42	14
Long-term liabilities			
- non-interest bearing	6	5	6
- interest-bearing	73	23	123
Current liabilities			
- non-interest bearing	249	243	244
- interest-bearing	187	291	77
Total shareholders' equity and liabilities	8,631	7,418	8,641

**Changes in shareholders' equity**

	2002 Q1	2001 Q1	2001 full year
Opening shareholders' equity according to previously adopted balance sheet	8,177	6,780	6,780
Effect of change of accounting principle in associated companies		-2	-2
Opening shareholders' equity adjusted according to new principle	8,177	6,778	6,778
Dividends paid			-435
Buy-back of own shares		-8	-16 <sup>1)</sup>
Accumulated translation difference in sold associated company			-3
Effect of associated companies' share buy-back		-7	-3
Translation difference, associated companies and subsidiaries	-74	56	112
Net profit for the year/period	-2	-5	1,744
Closing shareholders' equity	8,101	6,814	8,177

<sup>1)</sup> Of which, reduction of shareholder's equity SEK 8m

**Consolidated cash flow statement**

SEKm	2002 Q1	2001 Q1	2001 full year
<b>Operating activities</b>			
Consolidated profit before tax	45	24	1,926
Adjustment for items not included in cash flow	-35	-4	-1,812
	10	20	114
Paid tax	0	-	-27
Cash flow from operating activities before change in working capital	10	20	87
Cash flow from change in working capital			
Increase (-) in inventories	-7		2
Increase (-) in operating receivables	-37	-28	19
Increase (+) in operating liabilities	7	4	-72
Cash flow from operating activities	-27	-4	36
<b>Investing activities</b>			
Acquisition of subsidiary	-	-	-102
Divestments, holdings	614	-	2,450
Investments, holdings	-93	-90	-3,793
Divestments, asset management	-	1,540	3,326
Investments, asset management	-	-91	-143
Purchase of other tangible fixed assets	-3	-	-10
Investment in other financial assets	-1	-	-1,363
Cash flow from investing activities	517	1,359	365
<b>Financing activities</b>			
Share buy-back	-	-8	-16
Increase (+) in interest-bearing liabilities	67	224	48
Dividends paid	-	-	-435
Cash flow from financing activities	67	216	-403
Cash flow for the period	557	1,571	-2
Liquid assets, opening balance	57	59	59
Liquid assets, closing balance	614	1,630	57

**Consolidated key figures**

	2002 Q1	2001 Q1	2001 full year
Return on equity, %	-	-	23
Return on capital employed, %	-	-	27
Equity ratio, %			
- visible	94	92	95
- including hidden reserve	94	94	95
Interest-bearing net receivable (+)	427	-1,312	-73

**Key figures per share**

Total return, %	24	5	27
Earnings, SEK	-0.03	-0.06	22.07
Dividend paid, SEK	-	-	6.25
Market price, SEK	116.00	83.00	93.50
Yield, %	-	-	6,7
Net asset value, SEK <sup>1)</sup>	109	113	108
Number of shares outstanding	78,958,226	79,058,626	78,958,226
Average number of shares <sup>2)</sup>	78,958,226	79,074,637	79,029,299

<sup>1)</sup> Unlisted associated companies are included in NAV at consolidated book value.

<sup>2)</sup> Taking share buy-back into account.

## Company information

SEKm	Net sales			EBITA			EBT			Goodwill	Other	Invest-	Cash	Share-	Interest-	Goodwill	No. of employees	Ratos's consolidated value	Investment	Total	Ratos's holding
	02 Q1	01 Q1	2001	02 Q1	01 Q1	2001	02 Q1	01 Q1	2001	amortisation	depreciation	ments	flow	holders' equity	bearing net debt			2002-03-31	year	invested	%
Arcorus <sup>1</sup>	306	299	1 469	2	5	126	-5	-4	97	3	10	6	38	457	259	138	770	344	2001	303 <sup>5/</sup>	49
Atle Industri <sup>2</sup>	528	565	2 384	-7	26	26	-21	14	-28	8	8	n/a	n/a	632	359	184	1 374	512	2001	616	50
Camfil	759	803	3 237	49	71	232	21	32	96	15	22	13	-15	1 086	1 065	967	2 760	461	2000	450	30
Capona	69	70	291	42	47	203	22	30	128	0	7	14	-6	822	1 455	0	140	377	1998	224	47
Dahl	2 620	2 664	11 660	72	102	569	25	44	351	22	29	60	35	1 934	1 502	1 518	3 341	678	1999	562	44
Datavis	54	73	215	0	3	-31	-1	1	-131	1	1	1	-4	75	-16	40	241	110	2000	254	44
DIAB <sup>1</sup>	173	176	693	16	22	80	14	21	76	0	9	15	-12	294	108	2	596	683	2001	688 <sup>5/</sup>	48
Dynal <sup>3</sup>	152	111	483	47	32	123	16	22	92	20	6	2	11	1 107	651	1 385	242	277	2001	292	25
Esselte	2 646	2 887	10 853	198	199	423	142	88	84	24	82	18	179	2 531	2 444	1 223	6 462	379	1954	377	17
Exceed	310	377	1 351	-2	4	-20	-4	3	-25	1	1	2	-10	52	14	41	285	69	1990	135	100
Gadelius <sup>1</sup>	209	272	1 025	6	18	50	2	13	34	2	2	0	18	159	281	56	228	132	2001	140 <sup>5/</sup>	50
Haendig <sup>1</sup>	297	259	1 213	6	8	42	-1	2	14	2	4	5	-22	191	420	127	452	167	2001	169 <sup>5/</sup>	49
Haglöfs	73	69	275	1	3	14	0	2	10	0	1	1	-3	48	57	5	102	107	2001	104	100
Hilding Anders	881	280	3 100	115	36	381	70	23	289	18	23	44	n/a	1 142	1 435	1 115	2 157	416	2001	378	27
HL	284	240	1 072	19	9	85	14	10	82	1	11	9	12	281	n/a	3	892	235	2001	229	29
Intervect	277	251	1 166	9	12	-4	3	4	-35	0	19	11	35	317	483	48	854	214	2001	227	50
Kronan Droghandel	4 048	3 524	14 788	8	-3	-4	1	-12	-33	0	19	n/a	-199	467	338	0	519	400	2001	419	49
Lindab <sup>3</sup>	1 152	1 159	5 160	29	7	319	-37	-12	233	34	55	51	-30	2 168	2 387	2 188	3 635	1 051	2001	1 066	48
Martinsson	126	137	482	-1	1	-4	-2	0	-6	2	2	0	14	227	-65	35	218	154	2001	156	50
Q-Labs	50	58	221	-6	-4	-44	-5	-4	-68	0	1	n/a	-7	96	-96	0	197	54	2000	190	50
Superfos	656	725	2 916	42	27	73	1	-17	-108	9	5	26	-777	1 097	2 272	1 000	2 268	381	1999	405	33
Telia Overseas	97	95	418	36	432	2 315	41	429	2 460	2	23	n/a	n/a	471	n/a	24	397	328	1996	328	9
Yarrow <sup>4</sup>	34	34	88	-2	-1	-30	-4	-1	-29	1	0	0	-1	24	4	26	91	22	2001	105	39

<sup>1</sup> The planned transfer of holdings from Atle to Ratos had not been completed by the end of the period, since the conditions for the transfers have not yet been met.

<sup>2</sup> Atle Industri is not a legal group. Since the extent of the group has been modified since year-end, shareholders' equity has changed.

<sup>3</sup> 2001 figures for Dynal and Lindab pertain to the group without holding company, i.e. excl. goodwill amortisation and interest charges in the holding companies. In the first quarter goodwill amortisation in Dynal's holding company amounted to SEK 19m and SEK 26m in Lindab's holding company. The corresponding interest expense amounted to SEK 8m and SEK 22m respectively.

<sup>4</sup> 2001 figures for Yarrow pertain to Programmera.

<sup>5</sup> Amount in the event of planned but not yet completed transfers from Atle to Ratos.