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INTERIM REPORT January – June 2001

LISTEN TO CEO ARNE KARLSSON'S COMMENTS ON THIS REPORT AT
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- Profit before tax SEK 1,898m (1,633)
- Total return on Ratos shares 25%
- Scandic holding sold – exit gain SEK 1.7 billion
- Acquisition of 49% of Lindab
- 13 new holdings from Atle consolidated

Important events

In April, Ratos sold its entire holding in Scandic Hotels to Hilton Group plc. Hilton Group plc paid SEK 144 per Scandic share which corresponded to SEK 2.2 billion for Ratos's holding in Scandic. The purchase price was paid 75% in cash and 25% in newly issued Hilton shares. Ratos has undertaken to keep the shares it received in Hilton Group for a period of 12 months. The deal resulted in an exit gain for Ratos of SEK 1.7 billion.

In May, Ratos, together with the Sixth Swedish National Pension Fund, Skandia Liv, Carl-Gustaf Sondén and Hans Schmidt-Hansen, made a cash offer for all the shares in the engineering group Lindab. Ratos is investing a total of SEK 1,066m in Lindab, corresponding to a holding of 49%. The deal was completed after the end of the period and the Lindab holding will be consolidated in the Ratos Group as of 1 July 2001.

The acquisition of 13 Atle holdings, corresponding to SEK 3.2 billion, was completed during the period. This deal marks a key step in Ratos's strategy to be a pure play, leading Swedish private equity company. The new holdings are Arcorus, Atle Industri, DIAB, Gadelius KK, Haendig, Haglöfs, Hilding Anders, HL Display, Intervect, Kronans Droghandel, Martinsson, Programmera and Sweden On Line. The new holdings from Atle were consolidated in the Ratos Group as of 1 May 2001.

The divestment of asset management's holdings which started in the first quarter was in principle completed in the second quarter. At 30 June 2001, asset management's remaining holdings included Svedala, which is subject to a recommended cash offer, Haldex, Pandox and a few small holdings with a total market value of SEK 460m. In addition, there are assets with a market value of SEK 114m in the subsidiary Johnson & Borsell which will continue to conduct trading in securities.

Results

The global economy gradually weakened in the first six months of the year. As in the first quarter, however, the picture for Ratos's holdings is fragmented. Some industries and geographic markets have experienced a dramatic fall in demand, while other sectors maintained a high level or, in some cases, even showed good growth. Taken overall, the trend for Ratos has been positive.

The Group's profit before tax amounted to SEK 1,898m (1,633). This result includes profits and share of profits from the holdings of SEK 87m. Exit gains of SEK 1,753m were made during the period. Improved results compared with the same period last year were reported by Dahl, Hilding Anders and HL Display. Arcorus, Capona, Camfil, DIAB, Gadelius, Haendig and Sweden On Line reported unchanged positive earnings compared with the same period in 2000. Atle Industri, Haglöfs,

Intervect and Superfos (operating company) reported weaker pre-tax profits but the companies continue to show positive results. Esselte and DataVis reported a profit before restructuring costs and goodwill amortisation but were negatively affected by major non-recurring costs during the period. Exceed, Kronans Droghandel, Martinsson, Q-Labs and Programmera report a loss. Share of profits of associated companies includes goodwill amortisation for each holding. Total consolidated goodwill amortisation in the Group and associated companies amounted to SEK 96m (53) in the first half of the year. More detailed information on the profit trend in the companies is provided in the table on page 14.

The holdings in Hilton, Telelogic and Telia Overseas are not reported as associated companies. Telia Overseas reports an operating profit due to capital gains while Telelogic reports an operating loss.

Asset management reported a profit of SEK 110m (831).

Ratos results

SEKm	Ratos ownership, %	Profit/ share of profits 2001, Q 1-2	Of which Ratos's goodwill amortisation 2001, Q 1-2	Profit/ share of profits 2000, Q 1-2
Holdings				
Arcorus	49	7	-1	
Atle Industri	50	-1	-6	
Camfil	30	10	-4	
Capona	47	27	-1	27
Dahl	44	55	0	32
DataVis	44	-7	-3	-4
DIAB	48	5	-5	
Esselte	17	-20	0	21
Exceed	100	-7	-3	17
Gadelius	50	4	-1	
Haendig	49	2	-1	
Haglöfs	100	-2	-1	
Hilding Anders	27	10	0	
HL Display	29	5	-1	
Intervect	50	5	0	
Kronans Droghandel	49	-4	-1	
Martinsson	50	-1	0	
Programmera	46	-3	-1	
Q-Labs	40	-9	-3	
Scandic Hotels (Jan-March)	0	18	-2	46
Superfos	33	-7	-1	3
Sweden On Line	50	0	-1	
Telelogic	7			-
Telia Overseas	9			-
Total profit/share of profits		87		142
Exit result:				
Scandic		1,751		39
Industri Kapital		2		56
Telelogic				602
Exercise of options				-7
DataVis				-1
Total exit result		1,753		689
Profit from holdings		1,840		831
Profit from asset management		110		831
Net expenses		-52		-29
Consolidated profit before tax		1,898		1,633

Earnings per share

Earnings per share amounted to SEK 23.35 (19.73) at 30 June 2001.

Central income and expenses

Total administrative expenses amounted to SEK 62m (41, excluding SEK 11m bonus from Alecta), of which personnel costs amounted to SEK 18m (13) and other expenses, including costs in connection with acquisition processes, amounted to SEK 44m (28). Net financial items amounted to SEK 10m (1). Cash flow from operating activities and investing activities for the period was SEK 4,195m (292) and liquid assets amounted to SEK 899m (67) at the end of the period.

Net asset value

At 30 June 2001, Ratos's net asset value (NAV) amounted to SEK 9,207m, corresponding to SEK 116 per share. NAV comprises the consolidated book value of the unlisted holdings and the market value of the listed holdings. The proportion of unlisted holdings constitutes 74% of total NAV.

Reporting the Atle acquisition

At the beginning of May, Ratos and the British company 3i acquired Atle via a 50/50-owned company. The Atle holdings are to be divided between Ratos and 3i in accordance with agreements between the parties. The transfer of the companies to Ratos and 3i had not been completed by the end of the first half of the year except in a limited number of cases.

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 will be placed in Atle Industri, to be owned equally by Ratos and 3i. This interim report is based on the financial implications of the agreements. This means, among other things, that share of profits for May and June, in all the companies to be held by Ratos, are consolidated in Ratos's six-month results.

Ratos shares

At 30 June 2001, the total return on Ratos shares amounted to 25% compared with -12% for the SIX Return Index. At 23 August 2001, the total return on Ratos shares was 16% compared with -19% for the SIX Return Index.

Events after the end of the period

In July, Ratos concluded an agreement on acquisition of 25% of the Norwegian biotechnology company Dynal Biotech. The investment was made together with Nordic Capital. The company is the world leader in research, development and production of magnetic and non-magnetic small completely spherical polymer beads and markets a broad product range based on its technology. Dynal Biotech's sales amounted to SEK 353m in 2000 with good profitability.

Consolidated tax expense

Ratos's consolidated tax expense currently comprises Ratos's share of associated companies' tax. Property tax is not reported as tax in the profit and loss account but is included as an operating cost.

Accounting principles

This interim report is prepared in accordance with the Swedish Financial Accounting Standards Council's recommendation No. 20 Interim Reports, which applies from 2001.

Starting in 2001, an additional number of new recommendations issued by the Swedish Financial Accounting Standards Council have come into force. These recommendations have not had any effect on the Ratos Group's net profit and financial position with the exception of Recommendation No. 9 Income Taxes. This effect is reported as a changed accounting principle at the beginning of 2000 in accordance with RR 5 Reporting of change in accounting principle. This principle has subsequently been applied.

Otherwise the same accounting principles and calculation methods are used in this interim report as in the most recently published annual report.

Tax

The parent company is taxed according to the rules for investment companies. This means, among other things, that capital gains are not liable to tax. For this reason, the Swedish Financial Accounting Standards Council's new recommendation will not have any effect on the accounts of the parent company.

The fiscal loss carry-forwards in Ratos's subsidiaries amounted to just over SEK 400m on 31 December 2000. The possibility to offset these against future profits is generally uncertain since Ratos's strategy is not to own subsidiaries, only associated companies, and to own holdings for a limited period.

In the associated companies owned by Ratos the loss carry-forwards are valued to the extent they exist and that it is judged they can be utilised in the foreseeable future. Any capitalisation will thus affect the shareholders' equity of the associated companies. In this way, the Swedish Financial Accounting Standards Council's new recommendation will have an effect on Ratos's consolidated accounts which is also shown in the table specifying change in shareholders' equity.

Holdings

Arcorus

- Transfer of Hägglunds Lidan to an independent company within the Arcorus Group
- Formation of an independent sales company for the Swedish market within Hägglunds Drives
- Hägglunds Drives took over hydraulics operations from the German company Flender
- Launch of totally new series of hydraulic motors
- Lidan Marine received major order from the Swedish Navy

Arcorus is a newly formed group, made up of Hägglunds Drives, GS Hydro and Lidan Marine. The Group is a leading international supplier of complete hydraulic drive systems, hydraulic motors, winches and pipe laying systems. The main focus is industrial, marine and offshore applications.

Ratos's holding in Arcorus amounts to 49% and the consolidated book value in Ratos was SEK 308m on 30 June.

Atle Industri

- Lower results for approximately two-thirds of the companies compared with the same period last year, mainly due to the weaker Swedish krona and economic slowdown

Atle Industri comprises a portfolio of approximately 20 companies acquired from Atle, mainly trading and engineering companies. Almost all the holdings are owned to 100%. A list of the holdings can be ordered from Ratos.

Ratos's holding in Atle Industri amounts to 50% and the consolidated book value in Ratos was SEK 615m on 30 June.

Camfil

- Strong sales trend, mainly in Europe
- Continued weak demand from the industrial segment in the US
- Integration of Farr proceeding as planned
- Alan O'Connell takes over as the new CEO from 1 September

Camfil is the world leader in clean air technology and air filter production. The Group has its headoffice in Trosa, Sweden, and is represented by subsidiaries and local agents in more than 50 countries. Camfil's sales totalled SEK 2.3 billion in 2000 and the company has approximately 2,700 employees.

Ratos's holding in Camfil amounts to 30% and the consolidated book value was SEK 489m on 30 June.

Capona

- Continued favourable business climate for hotels in the Nordic countries
- The direct yield on the properties, on a rolling 12-month basis, amounted to 10.2% (9.9)
- Profit after net financial items for 2001 is expected to exceed SEK 125m
- Acquisition of Hotell Malmen on Södermalm in Stockholm, with 328 hotel rooms

Capona, which owns and actively manages hotel properties, is one of the leading hotel property companies in the Nordic region. Capona was formed in 1997 when PriFast and Diligentia merged their hotel operations into a joint company. The portfolio comprises 41 hotel properties, 31 in Sweden and the remainder in other Nordic countries. Since most of Capona's rental agreements are sales-based, the company is favoured by the positive climate for the hotel business.

Ratos's holding in Capona amounts to 48.6%, adjusted for share buy-backs. The market value of the Capona holding on 30 June was SEK 541m.

Dahl

- Very strong earnings improvement. Profit after net financial items up 146%
- Growing markets in Norway, Sweden, Denmark and Finland while a weaker trend is noted in Poland
- Improved margins due, among other things, to greater cost efficiency and positive market development

Dahl is the leading wholesaler for heating, plumbing, water and sanitation products in the Nordic region. The Group has a leading position in Denmark, Sweden, Norway and Poland as well as a strong position in Finland. The company was listed in 1996. In 1999 Ratos with co-investor EQT effected a buy-out of Dahl from the stock market via a leveraged holding company.

Ratos's holding in Dahl amounts to 44% and the consolidated book value was SEK 622m on 30 June.

DataVis

- Weak profit trend due to the downturn in the telecom sector. Earnings charged with costs of the ongoing restructuring. Action has been taken to handle the effects of Ericsson's cutback programme
- The company continued to implement the refocusing of its operations to systems development and systems integration within the Business Solutions and Telecom business areas
- Despite weaker development in the market, the long-term growth potential is expected to remain favourable

DataVis is an expansive IT consulting company with high competence within systems development and systems integration. DataVis offers qualified consulting services within the Business Solutions and Telecom business areas. The company was started in 1990 and is represented from Luleå in the north of Sweden to Malmö in the south.

Ratos's holding in DataVis amounts to 44% and the consolidated book value was SEK 234m on 30 June.

DIAB

- Strong sales development in Europe
- Weaker demand for pleasure boats in the US
- Continued investment to extend production capacity
- Strong demand from the wind power industry, particularly in Denmark and Germany

DIAB is a niche company within composite materials and sandwich technology. The key applications are hulls and decks for large pleasure boats, wings 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 on 30 June was SEK 691m.

Esselte

- Operating profit excluding items affecting comparability improved by 10% from SEK 205m to SEK 225m
- Restructuring costs of SEK 196m related to the computer accessories business (Curtis)
- Continued weak sales in the US and lower demand in many European countries in the second quarter
- Sales growth in the Nordic region and eastern Europe in the first six months

Esselte is the world's leading supplier of office products. Strong brands within the Group include Dymo, Leitz, Pendaflex and Curtis.

Ratos's holding in Esselte amounts to 17% of the capital and 30% of the voting rights. The market value of Ratos's holding in Esselte was SEK 361m on 30 June.

Exceed

- Sales for comparable units up 16%. The sea freight market remained favourable while a weaker trend was noted for air freight
- Earnings were charged with costs for IT investments, development of new markets and the effects of resignation of employees in two small units
- Continued good profitability in the Swedish air/sea freight business

Exceed is one of the leading companies in Nordic air and sea freight. The company has been one of Ratos's holdings since 1990. The Group employs some 300 people and has operations in Sweden, Denmark and Finland. The Connel Group's logistics division was acquired in 2000.

Ratos's holding in Exceed amounts to 100% and the consolidated book value was SEK 97m on 30 June.

Gadelius

- Continued good profitability and stable business volume despite the current recession in Japan
- Continued growth and increased market shares expected in the building materials, medical-technical equipment, inputs for the food industry and IT sectors
- The IT Division started in 2000 has operated in the Japanese market for several well-known Swedish IT companies

Gadelius is a Japanese trading house, with its roots in Sweden from 1890, and operations in Japan since 1907. Today, Gadelius is a modern trading house which uses the latest communications technology to extend the traditional role of the trading company. Gadelius focuses on niche products with a high knowledge content within areas such as IT, medical technology, construction, machines for the packaging and food industry, as well as exports of mechanical and electronic components to European industry.

Ratos's holding in Gadelius amounts to 50% and the consolidated book value in Ratos was SEK 216m on 30 June.

Haendig

- Acquisition of Finnish company Penope in June. Penope is a leading distributor of wood processing machines as well as electric hand tools and 2000 sales totalled approximately SEK 150m
- As a result of this acquisition, Haendig has operations in all the Nordic countries

Haendig is a comprehensive distributor to end users in the DIY market and industry. Sales are conducted via retailers in the building and hardware sectors, hypermarkets, heating ventilation and sanitation suppliers, as well as agricultural suppliers in Sweden, Norway, Denmark and Poland. The company grew strongly in the last year through acquisitions. The headoffice is in Halmstad, Sweden, and the company has subsidiaries in Norway, Sweden, Denmark and Poland.

Ratos's holding in Haendig amounts to 49% and the consolidated book value in Ratos was SEK 170m on 30 June.

Haglöfs

- Continued strong sales growth and order bookings. The focus on markets outside Europe started in 2000 is proceeding according to plan
- Lower profits due to major planned costs for building up new markets
- Successful and acclaimed launch of the "Genius" tent
- Product development and marketing organisation strengthened

Haglöfs develops, produces and markets equipment and clothing for active outdoor life. Haglöfs' Outstanding Outdoor Equipment brand includes rucksacks, sleeping bags, tents, footwear and clothes. The Group is market leader in Sweden and also holds strong positions in the other Nordic countries. Sales are conducted via retailers such as sports shops and outdoor specialists.

Ratos's holding in Haglöfs amounts to 100% and the consolidated book value in Ratos was SEK 103m on 30 June.

Hilding Anders

- Acquisition of Europe's largest bed group, Slumberland, makes Hilding Anders the largest bed manufacturer in Europe
- Acquisition of 40% of Danish company Carl Thøgersen and option to acquire remaining shares
- Inauguration of factory in Poland
- Successful sales in the first half of the year and, despite some signs of an economic slowdown, a good sales result is expected for the full year

Hilding Anders has been Scandinavia's largest manufacturer of beds and a significant supplier to IKEA and Jysk Bæddelager for many years. The company also manufactures mattresses and mattress covers. In line with the company's growth strategy, one of Europe's largest bed manufacturers, The Slumberland Group with factories throughout Europe, was acquired in March 2001.

Ratos's holding in Hilding Anders is 27% and the consolidated book value in Ratos was SEK 385m on 30 June.

Hilton

- Acquisition of Scandic Hotels through public offer
- Good price trend for Hilton Group shares
- Agreement reached on extensive co-operation with British Sky Broadcasting over betting via digital TV
- Hilton Group's six-month report will be published on 30 August 2001

Hilton Group plc is listed on the London Stock Exchange. Operations are divided into two operating areas: Ladbroke Betting and Gaming and Hilton International. Hilton International has 379 hotels in nearly 70 countries.

Ratos's holding in Hilton amounts to approximately 1%. The market value of Ratos's holding in Hilton was SEK 639m on 30 June.

HL Display

- Continued strong sales growth and improved earnings
- Restructuring of sales organisation going according to plan
- Positive effects from completed action programme

HL Display is one of Europe's leading suppliers of products and systems for in-store labelling, display and fittings for the retail trade and its suppliers. The company, which is among the 500 fastest growing companies in Europe, has operations throughout Europe as well as in Asia and the US.

Ratos's holding in HL Display amounts to 29%. The market value of Ratos's holding in HL Display was SEK 243m on 30 June.

Intervect

- The CEO of the new group took up his position on 1 April 2001
- Rationalisation and cost-saving programme implemented
- Cutbacks at operations in Skellefteå, Sweden
- Streamlining operations

Intervect is a recently formed group comprising the Swedish industrial lift manufacturer Alimak and the Dutch work platform manufacturer Hek International, which was acquired by Alimak in 2000. The Group is the world leader in hoists and platforms for the construction and mining industries as well as for other industrial applications. The Group has a worldwide network of subsidiaries and distributors.

Ratos's holding in Intervect amounts to 50% and the consolidated book value in Ratos was SEK 222m on 30 June.

Kronans Droghandel

- Operations in Finland showing strong growth
- Lower earnings for the Swedish operations due to lower margins, start-up costs for new business areas and rising IT costs
- Two major new contracts received in Norway which will reverse the negative sales and profit trend
- A substantial earnings improvement is expected in 2002 due to the ongoing action programme within the Group

Kronans Droghandel is one of the largest and oldest distributors in the healthcare and pharmaceutical market in the Nordic region. A pure play logistics company, Kronans Droghandel's product range includes pharmaceuticals, vaccines and medical-technical products. Suppliers are mostly multinational pharmaceutical companies and customers are pharmacies and the healthcare sector.

Ratos's holding in Kronans Droghandel is 49% and the consolidated book value in Ratos was SEK 414m on 30 June.

Martinsson

- Extensive restructuring started in the fourth quarter of 2000 now complete
- New version of e-commerce solution and electronic integration with distributors implemented
- Market characterised by lower demand and price pressure

Martinsson is represented throughout Sweden and is a dedicated IT infrastructure company. Using its own consultants together with products from world-leading suppliers, the company can provide customised IT platforms. Customers are primarily medium-sized and large companies and organisations.

Ratos's holding in Martinsson amounts to 50% and the consolidated book value in Ratos was SEK 155m on 30 June.

Programmera

- Operations outside Stockholm closed down after major profitability problems
- The general economic slowdown is also affecting some parts of the main operations in Stockholm
- Merger with IT consulting group Giga Group decided

Programmera is an IT consulting company and its services include development of Internet and client/server solutions, project management and maintenance of existing IT systems.

Ratos's holding in Programmera amounts to 46% and the consolidated book value in Ratos was SEK 102m on 30 June.

Q-Labs

- Revenues increased by a total of 15% in the first half of 2001
- Substantial deterioration of situation in Scandinavia, where Ericsson dominates the customer base, led to an increase in the Group's losses
- Sales success in the German automotive industry continues
- Action package including redundancies under way

Q-Labs is a world-leading consultant for services relating to improvement and quality assurance of software development.

Ratos's holding in Q-Labs amounts to 40% and the consolidated book value in Ratos was SEK 181m on 30 June.

Sweden On Line

- Stable customer base. Contracts with customers renewed as old contracts expire
- Slow development of broadband services
- Stable revenue trend according to plan – 7% up on previous year
- Strong earnings trend based on good cost development. Operating profit more than doubled compared with last year

Sweden On Line is Sweden's fourth largest nationwide cable TV operator with a subscriber base of approximately 200,000 households. In recent years the company's operator activities have been complemented with a number of new Internet and data communications services. A nationwide broadband network allows continuous development and distribution of new applications within both television and information technology, as well as remote control technology. Sweden On Line's customers comprise landlords, tenant-owner associations, municipalities and companies.

Ratos's holding in Sweden On Line amounts to 50% and the consolidated book value in Ratos was SEK 125m on 30 June.

Superfos

- Additional focus on Packaging business
- Continued rationalisation
- Kim Andersen new CEO from 1 September 2001
- New organisational structure decided

Superfos is a Danish group with international operations and 2,600 employees in 16 countries. The Group is organised in two operating areas, Packaging and Aerosols. Superfos Packaging develops, produces and sells thermoformed plastic packaging to the food, chemical-technical and pharmaceutical industries. Superfos Aerosols is a significant European player in contract filling of aerosols.

Ratos's holding in Superfos amounts to 33% and the consolidated book value in Ratos was SEK 342m on 30 June.

Telelogic

- Good growth despite weakened market climate. Downturn in business environment continued
- Continued strong position within 3G
- Action programme initiated to adapt operations to the less favourable market climate
- Weak demand led to reduced forecast for 2001
- SEK 250m new issue decided
- Bo Dimert new Chairman of the Board

Telelogic, which currently runs operations via subsidiaries in 12 countries and via distributors in an additional 20 countries, is a market leader in development environments for technical software, primarily real time applications. By offering high-quality graphic development tools and related services, software development becomes faster, less staff intensive and more reliable. Telelogic is the world leader in its field.

Ratos's holding in Telelogic amounts to 7%. The market value of Ratos's holding in Telelogic was SEK 160m on 30 June.

Telia Overseas

- Favourable subscriber base growth continues and the total number of subscribers in the remaining holdings amounted to 1,117,000, an increase of 33% since year-end 2000
- Particularly strong development in the companies in Uganda, Hong Kong and India
- Divestment of Tess in Brazil was completed in April 2001 and had a marginal impact on the company's earnings
- The company reports a profit for the first half due to capital gains from the sale of Si Mobil and a strong cash flow

Telia Overseas was formed in 1996 to acquire, develop and sell telecom licences, mainly for mobile telephony, and communications networks in developing countries. The company goes in as a stakeholder together with local partners. Telia Overseas has associated companies all over the world.

Ratos's holding in Telia Overseas amounts to 9% and the consolidated book value in Ratos was SEK 328m on 30 June.

Stockholm, 24 August 2001
RATOS AB (publ)

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CEO

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

Financial calendar 2001-2002	
13 November 2001	Nine-month report
21 February 2002	Year-end report for 2001
March 2002	Annual Report for 2001

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 approximately SEK 9 billion.

Consolidated Profit and Loss Account

SEKm	2001 Q 2	2000 Q 2	2001 Q 1-2	2000 Q 1-2	2000 full year
Holdings					
Profit/loss from subsidiaries	-10	17	-7	17	14
Exit results, subsidiaries	-	-	-	-	-
Share of profits of associated companies	31	81	94	125	306
Exit results, associated companies	1,751	38	1,751	633	638
Exit results, other holdings	2	56	2	56	88
Profit from holdings	1,774	192	1,840	831	1,046
Asset management					
Dividends	13	99	17	100	103
Capital gains	120	570	93	731	905
Profit from asset management	133	669	110	831	1,008
Central income and expenses					
Administrative expenses	-43	-16	-62	-30	-88
Financial income and expenses	10	0	10	1	11
Net expenses	-33	-16	-52	-29	-77
Profit before tax	1,874	845	1,898	1,633	1,977
Tax	-23	-5	-52	-30	-89
Profit after tax	1,851	840	1,846	1,603	1,888
Earnings per share, SEK					
- before and after dilution	23.41	10.34	23.35	19.73	23.50
Number of shares outstanding before and after dilution (million)					
- at the end of the period	79.1	80.1	79.1	80.1	79.2
- average	79.1	81.2	79.1	81.2	80.4

Consolidated Balance Sheet

SEKm	30 June 2001	30 June 2000	31 Dec 2000
ASSETS			
Fixed assets			
Intangible	64	81	75
Tangible	30	28	29
Financial	7,339	6,453	6,684
Total fixed assets	7,433	6,562	6,788
Current assets			
Current receivables	240	253	226
Short-term investments	93	66	81
Cash and bank balances	899	62	59
Total current assets	1,232	381	366
Total assets	8,665	6,943	7,154
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	8,283	6,543	6,778
Provisions	42	82	41
Long-term liabilities			
- non-interest-bearing	5	3	5
- interest-bearing	22	-	40
Current liabilities			
- non-interest-bearing	209	235	239
- interest-bearing	104	80	51
Total shareholders' equity and liabilities	8,665	6,943	7,154
Change in Shareholders' Equity			
	2001	2000	2000
	Q 1-2	Q 1-2	full year
Opening shareholders' equity according to previously adopted balance sheet	6,780	5,437	5,437
Effect of change of accounting principle in associated companies	-2	28	28
Opening shareholders' equity adjusted according to the new principle	6,778	5,465	5,465
Dividend paid	-435	-366	-366
Buy-back of own shares	-8	-98	-175
Effect of associated companies' share buy-back	-3	-	-69
Translation difference, associated companies	121	-61	35
Accumulated translation difference in sold associated companies	-3		
Effect of change of accounting principle in associated companies	-13		
Profit after tax for the year/period	1,846	1,603	1,888
Closing shareholders' equity	8,283	6,543	6,778

Consolidated Cash Flow Statement

SEKm	2001 Q 1-2	2000 Q 1-2	2000 full year
Operating activities			
Consolidated profit before tax	1,898	1,633	1,977
Adjustment for items not included in cash flow	-1,804	-1,469	-1,863
	94	164	114
Paid tax	-2	-2	-3
Cash flow from operating activities before change in working capital	92	162	111
Cash flow from change in working capital			
Decrease (+) in operating receivables	20	-39	165
Decrease (-) in operating liabilities	-29	-11	-25
Cash flow from operating activities	83	112	251
Investing activities			
Divestments, holdings	2,259	688	722
Investments, holdings	-889	-908	-1,319
Divestments, asset management	2,844	3,363	4,151
Investments, asset management	-102	-2,963	-3,444
Purchase of other tangible assets	-	-	-12
Cash flow from investing activities	4,112	180	98
Financing activities			
Share buy-back	-8	-98	-175
Increase (+) in interest-bearing receivables	-2,912	12	24
Dividends paid	-435	-366	-366
Cash flow from financing activities	-3,355	-452	-517
Cash flow for the period	840	-160	-168
Liquid assets, opening balance	59	227	227
Liquid assets, closing balance	899	67	59

Consolidated Key Figures

	2001 Q 1-2	2000 Q 1-2	2000 full year
Return on equity, %	-	-	31
Return on capital employed, %	-	-	32
Equity ratio, %			
- visible	96	94	95
- including hidden reserve	96	96	96
Net receivable (+), SEKm	769	-25	-35
Key figures per share			
Total return, %	25	17	16
Earnings, SEK	23.35	19.73	23.50
Dividend paid, SEK	-	-	5.50
Market price, SEK	92.00	79.00	79.00
Yield, %	-	-	7.00
Net asset value, SEK ¹⁾	116	129	125
Number of shares outstanding	79,058,626	80,120,426	79,155,626
Average number of shares ²⁾	79,073,626	81,239,006	80,350,723

¹⁾ Unlisted associated companies are included in net asset value at consolidated book value.

²⁾ Taking share buy-back into account. At 30 June 2001, Ratos had repurchased 2,261,800 shares.

Company information

SEKm	Net sales			Operating profit/loss			Profit/loss before tax			Of which	Of which	Invest- ments	Cash flow	Share- holders' equity	Interest- bearing net debt	Good- will	No. of employees	Ratos's holding %	Ratos's							
	01 Q1-2	00 Q1-2	2000	01 Q1-2	00 Q1-2	2000	01 Q1-2	00 Q1-2	2000	amortisation	reciation								01 Q1-2	01 Q1-2	01 Q1-2	01 Q1-2	01 Q1-2	2000	%	consolidated
										01 Q1-2	01 Q1-2															01 Q1-2
Arcorus ¹⁾ (EURm)	71	64	147	3	2	12	1	2	11	1	2	3	4	45	35	16	757	49	308							
Atle Industri ¹⁾	1 137	n/a	n/a	27	n/a	n/a	18	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	50	615							
Camfil	1 620	909	2 277	89	71	96	47	52	57	34	44	43	-62	1 160	1 184	1 060	2 199	30	489							
Capona	138	124	267	95	92	192	60	63	130	-	12	13	12	785	1 244	-	153	47	309							
Dahl	5 530	5 023	10 674	196	124	392	127	52	253	43	63	96	9	1 805	1 989	1 609	3 451	44	622							
Datavis	134	95	215	-4	-11	-29	-10	-9	-25	4	3	3	-25	195	67	138	268	44	234							
DIAB ¹⁾	362	320	627	49	47	115	47	45	111	0	14	27	-10	265	101	2	561	48	691							
Esselte	5 340	5 486	11 095	29	205	451	-122	148	274	50	245	130	352	2 321	3 360	1 348	6 456	17	343							
Exceed	721	439	1 198	-2	9	19	-3	21	22	1	3	3	-14	76	3	43	276	100	97							
Gadelius ¹⁾	508	602	1 058	24	26	52	22	24	47	6	4	9	31	175	365	76	234	50	216							
Haendig ¹⁾	566	457	945	16	16	37	7	11	26	3	8	101	-174	190	447	131	354	49	170							
Haglöfs ¹⁾	133	113	229	4	8	12	2	7	10	0	1	2	-26	41	60	5	98	100	103							
Hilding Anders ¹⁾	1 456	457	1 001	155	52	124	106	42	106	22	16	n/a	n/a	1 010	1 270	721	651	27	385							
HL Display ¹⁾	512	419	874	34	26	48	36	21	44	2	20	26	-15	250	n/a	5	773	29	143							
Intervect ¹⁾	555	551	n/a	24	57	n/a	9	43	n/a	1	11	20	-26	347	450	47	n/a	50	222							
Kronans Droghandel ¹⁾	7 182	6 281	12 479	-4	35	54	-21	22	26	-	32	24	43	481	116	-	444	49	414							
Martinsson ¹⁾	250	330	750	-8	-10	-48	-6	-7	-46	5	5	4	19	229	-8	40	340	50	155							
Programmera ¹⁾	58	52	107	-7	0	5	-7	1	6	0	1	2	-8	30	-24	1	135	46	102							
Q-Labs	117	102	198	-16	-7	-18	-14	-8	-19	3	1	2	-44	158	-103	17	172	40	181							
Superfos(DKKm)	1 224	1 390	2 616	44	93	126	-15	24	34	15	84	126	124	787	1 459	568	2 459	33	342							
Sweden On Line ¹⁾	64	60	123	9	4	11	10	5	12	0	7	5	4	36	-13	0	34	50	125							
Telelogic	775	243	881	-200	-68	-50	-198	-65	-42	61	n/a	99	-208	2 410	-36	2 105	835	7	18							
Telia Overseas	185	201	445	2 135	-299	-743	2 202	-347	-788	4	47	n/a	n/a	4 153	-3 451	9	391	9	328							

¹⁾ The planned transfer of holdings from Atle to Ratos was not completed on 30 June 2001.