



▲ **SALES** totalled SEK 2,751.6 million  
(Q1-Q2 2010: SEK 2,586.0 million)

▲ **EARNINGS** per share totalled  
SEK 1.65 (SEK 1.33)

▲ **PROFIT AFTER NET FINANCIAL ITEMS**  
was SEK 207.6 million  
(SEK 173.0 million)

▲ **ACQUISITION OF**  
– Lotus Heating Systems A/S,  
Denmark  
– 50% stake in ABK AS, Norway

▲ **PROFIT AFTER TAX** was SEK 152.6  
million (SEK 125.0 million)

## INTERIM REPORT 2010

1 JANUARY – 30 JUNE



## All three business areas develop well – outlook remains positive for year as a whole

Group sales for the first half of the year rose by 6.4% overall and organic growth was 3.7%. During the corresponding period last year total sales rose by 0.8% while organic growth contracted by 2.3%.

Signs of a recovery in the economy are becoming increasingly visible, but there are still some noticeable variations between different segments in the market and different geographical areas. On the whole, demand from the more consumer-oriented segments is good, but industry continues to be cautious about investing. While the overall trend in the Nordic market is positive, demand in southern Europe remains sluggish. Elsewhere, particularly in Sweden, the production of new homes is now beginning to pick up again, albeit from a low level.

Against this background and the encouraging fact that all three of our business areas are continuing to consolidate their positions in the market, we see no reason to change our previously expressed view that the second half of the year will see a continued improvement in demand.

As in 2009, we have built up our stocks during the first six months, primarily to ensure good delivery capacity over the summer holiday period but also to safeguard the availability of certain critical components and materials ahead of our peak season. In addition to this there are also the stocks held by the companies we have taken over.

Our operating profit is up by 12.2%, thanks in the main to a firm grip on costs, some increase in volumes and only moderate price rises for components and materials. Currency trends have had a negative effect on both sales figures and profit when translated at Group level.

Profit after net financial items rose by 20.0% compared with the corresponding period in 2009, with lower net borrowings contributing to an improvement in net financial items.

Investments in existing operations totalled SEK 63.8 million as against SEK 79.6 million for the corresponding period last year. This confirms once again our intention to keep investments over the next few years on a par with, or slightly below, the planned depreciation rate of around SEK 210 million per year.

Our target is to achieve sales of SEK 10 billion by 2012, while still retaining healthy profitability. This requires mean annual growth of 20% in line with our long-term financial objectives. Expansion will be equally divided between organic and acquired growth.

There is absolutely no doubt that the market for our products and the potential takeover candidates are both out there. It is also our considered opinion that we have the necessary prerequisites within the Group, together with the motivation and the financial strength that is needed to achieve this target.

During the second quarter we acquired 100% of the shares in the Danish wood-stove manufacturer, Lotus Heating Systems A/S, and a 50% stake in the Norwegian heat-pump distributor, ABK AS. Together these two companies – both consolidated into the NIBE Group in April 2010 – have annual sales of approximately SEK 360 million. Traditionally, the bulk of sales and earnings for both companies occurs during the second half of the year.

### Outlook for 2010

We are convinced that it is inevitable that efforts to build a sustainable society will continue to make their mark on the world around us throughout the foreseeable future. This means that NIBE's corporate philosophy and product programme, with their focus on environmental responsibility and saving energy, are ideally suited to the times in which we are living.

Our financial position is robust, our production plants are well invested and the products we launched in 2009 and the first few months of 2010 have been well received by the market.

The combination of our own strengths and the first signs of what seems to be renewed faith in the future encourages us to remain optimistic about our prospects for 2010.

### Financial objectives

- ▲ Average annual sales growth of 20%
- ▲ Average operating profit of at least 10% of sales over a full business cycle in each business area
- ▲ Average return on equity of at least 20% after standard deductions for tax over a full business cycle
- ▲ Equity/assets ratio of at least 30%.

### Financial information

17 August 2010, 11:00 (C.E.T.)	Telephone conference (in English). <i>The CEO presents the interim report by phone and answers any questions.</i> Tel. +46 (0)8-566 363 29
16 November 2010	Interim report, January – Sept. 2010
16 February 2011	Summary of Annual Report 2010
April 2011	Annual Report 2010
11 May 2011	Interim report, January – March 2011
11 May 2011	Annual General Meeting 2011

Financial reports are published on the NIBE Industrier website [www.nibe.com](http://www.nibe.com) on the same day that they are made public.

Markaryd, Sweden – 17 August 2010

Gert Eric Lindquist  
Chief Executive Officer

## Sales

From January to the end of June the Group generated net sales of SEK 2,751.6 million (Jan-June 2009: SEK 2,586.0 million). This represents overall growth of 6.4%, with organic growth of 3.7%. Acquired growth accounted for SEK 70.4 million of the total sales increase of SEK 165.6 million.

## Earnings

Profit after net financial items totalled SEK 207.6 million for the reporting period, compared with profits of SEK 173.0 million for the corresponding period in 2009. This equates to a 20.0% increase in earnings.

Return on equity was 14.4% (13.4%).

## Acquisitions

In April NIBE took over the operations of Lotus Heating Systems A/S of Denmark in accordance with the option agreement signed between the two companies in April 2008. Lotus, which has annual sales of approximately SEK 120 million and an operating margin of around 8%, is one of Denmark's leading suppliers of sheet-metal wood stoves. The company was consolidated into the NIBE Stoves business area with effect from April.

April also saw the signing of an agreement to acquire the Norwegian heat-pump supplier ABK AS in two stages. Initially NIBE has acquired a 50% stake in the company, and will take over the remaining 50% of the shares during 2014. ABK, which has annual sales of approximately SEK 240 million and an operating margin of around 5%, has formed part of NIBE Energy Systems since April.

## Investments

Between January and June investments for the NIBE Group totalled SEK 151.0 million (SEK 134.6 million). Corporate acquisitions account for SEK 87.2 million (SEK 55.0 million) of this total, with most of the remaining SEK 63.8 million (SEK 79.6 million) representing investments in machinery and equipment and in buildings used for existing operations.

## Cash flow and financial position

Cash flow from operating activities before changes in working capital amounted to SEK 243.1 million (SEK 220.5 million). Cash flow after changes in working capital was SEK 44.3 million (SEK 199.2 million). The change is due to stock building in preparation for second-half sales.

Interest-bearing liabilities totalled SEK 1,692.2 million at the end of the period, compared with SEK 1,519.0 million at the beginning of the year.

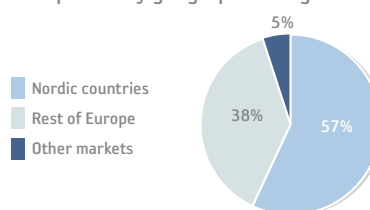
At the end of June the Group had liquid assets of SEK 1,151.7 million, as against SEK 1,572.3 million at the beginning of the year. The Group's overdraft facilities were reduced by SEK 255.2 million during the reporting period.

The equity/assets ratio at the end of June was 41.3%, compared with 45.7% at the start of the year and 37.5% at the corresponding point in 2009.

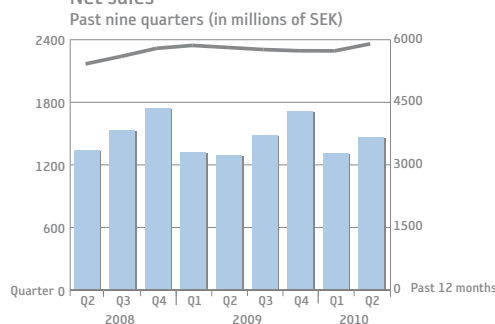
## Parent company

Parent company activities comprise Group executive management, certain shared Group functions and the financing of corporate acquisitions. During the period January to June sales totalled SEK 2.0 million (SEK 1.2 million) and profit after financial items was SEK 176.5 million (SEK 172.8 million). At the end of the period, the parent company had liquid assets of SEK 269.8 million compared with SEK 234.0 million at the beginning of the year.

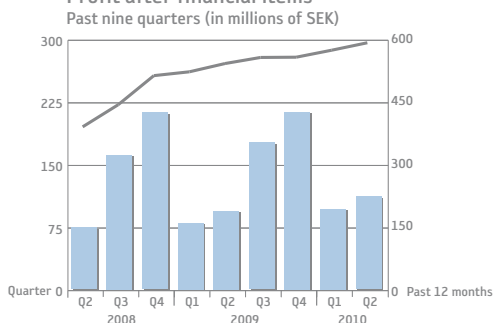
Group sales by geographical region



Net sales



Profit after financial items



## NIBE Industrier – Group

Key figures		2010	2009	Past	2009
		Q1-2	Q1-2	12 mths	Full year
Net sales	SEK m	2,751.6	2,586.0	5,916.8	5,751.2
Growth	%	6.4	0.8	1.5	-1.0
of which acquired	%	2.7	3.1	1.7	1.9
Operating profit	SEK m	234.3	208.8	656.8	631.3
Operating margin	%	8.5	8.1	11.1	11.0
Profit after net financial items	SEK m	207.6	173.0	595.5	560.9
Profit margin	%	7.5	6.7	10.1	9.8
Equity/assets ratio	%	41.3	37.5	41.3	45.7
Return on equity	%	14.4	13.4	21.7	20.2

## NIBE Element

### Sales and earnings

Invoiced sales totalled SEK 853.1 million, compared with SEK 848.9 million for the first half of 2009. SEK 1.6 million of this figure relates to sales in acquired businesses, which means that organic growth was 0.3%.

Operating profit totalled SEK 58.0 million, compared with SEK 43.8 million for the corresponding period last year. This represents an operating margin of 6.8% as against the preceding year's first-half figure of 5.2%. The operating margin for the past 12 months is 5.1%.

### Market

Invoiced sales have shown a steady improvement throughout the year: first-half figures are now on a par with those for 2009 and the order books are much stronger than last year.

The increase in orders is strongest in consumer-related segments such as white goods and the automotive industry, but there are also some signs of a recovery in the market for components for professional products. In contrast, sales and orders remain weak for products for project-based investments in, for example, the offshore and windpower industries.

In general, market developments in northern and central Europe, together with those in Asia and North America, have been positive, while the market situation in southern Europe is somewhat weaker.

Our assessment is that, on the whole, stock levels among our customers have now returned to normal, so that current deliveries are keeping pace with actual needs.

We continue to work with product development, launching products with increased system content and focusing on market segments with the potential to deliver good growth even during a downturn in the economy. Good examples in this respect are NIBE Wind Components and NIBE Railway Components.

During the second half of the year we will be launching a number of system products for use as embedded components in OEM products that incorporate complete functions for measuring, control and heating.

### Operations

We believe that our current capacity is well adapted to today's order levels, and that recent years' rationalisation programmes will help boost our operating margin now that production and sales are once again beginning to pick up speed.

Our Asian and North American units are focused on producing and supplying a greater proportion of specialist products for their respective regional markets.

Improvements in the global economy have led to higher prices and longer delivery times for most raw materials during the first half of the year. To compensate ourselves for these trends, we are gradually implementing a number of price rises.

## NIBE Energy Systems

### Sales and earnings

Invoiced sales totalled SEK 1,567.0 million, compared with SEK 1,472.4 million for the first half of 2009. SEK 48.0 million of this figure relates to sales in acquired businesses, which means that organic growth was 3.2%.

Operating profit totalled SEK 170.2 million, compared with SEK 155.6 million for the corresponding period last year. This represents an operating margin of 10.9% as against the preceding year's first-half figure of 10.6%. The operating margin for the past 12 months is 13.9%.

### Market

Overall the Swedish heat-pump market rallied during the second quarter, with a relatively strong increase in demand for ground-source and geothermal installations. We believe that the improvement in demand was driven by last winter's price hikes for electricity and other heating fuels, together with the tax relief now available for heat-pump installations.

We have improved our market share in all heat-pump segments and now enjoy our strongest ever position in the Swedish market.

The number of new private homes being built in Sweden is rising and is expected to increase further as the year progresses. This will have a positive effect, particularly on our sales of exhaust-air heat pumps and district-heating products.

Interest in energy-efficient solutions and renewable energy remains keen throughout Europe, although the combination of continuing low levels of new builds and reductions in state support for products that use renewable energy is temporarily hampering growth in the European heat-pump market. In Germany, however, subsidies have been partially reintroduced after their withdrawal earlier in the year.

Fortunately, we have succeeded in compensating for what we see as this temporary decline in the market by increasing our market share in both the new housing segment and the renovation and replacement segments. Sales of our products are also increasing in several markets in eastern Europe despite underlying caution about economic progress in the region.

The market for water heaters is developing steadily both here in Sweden and in the rest of Europe, whereas demand for pellet-fired products and conventional domestic boilers remains weak.

### Operations

After acquiring a 50% stake in the Norwegian company ABK AS in April, we have begun to collaborate closely in a number of areas. The acquisition has, for example, provided us with a bridgehead in the market for air/air heat pumps, as ABK is one of Norway's leading names in this product segment. The remaining 50% of the company's shares will be acquired in 2014.

The market introduction of our new generation of heat pumps is proceeding as planned and the products have been very well received throughout Europe.

NIBE Element		2010	2009	Past	2009
Key figures		Q1-2	Q1-2	12 mths	full year
Net sales	SEK m	853.1	848.9	1,663.2	1,659.0
Growth	%	0.5	- 8.7	- 7.5	- 11.7
Operating profit	SEK m	58.0	43.8	84.6	70.4
Operating margin	%	6.8	5.2	5.1	4.2
Assets	SEK m	1,451.0	1,548.8	1,451.0	1,448.9
Liabilities	SEK m	1,322.2	1,400.0	1,322.2	1,301.4
Investm. (fixed assets)	SEK m	24.7	17.8	40.0	33.1
Depreciation	SEK m	30.2	31.8	62.0	63.6

NIBE Energy Systems		2010	2009	Past	2009
Key figures		Q1-2	Q1-2	12 mths	full year
Net sales	SEK m	1,567.0	1,472.4	3,379.0	3,284.5
Growth	%	6.4	4.8	2.9	2.1
Operating profit	SEK m	170.2	155.6	470.3	455.8
Operating margin	%	10.9	10.6	13.9	13.9
Assets	SEK m	2,721.1	2,590.1	2,721.1	2,355.8
Liabilities	SEK m	1,771.6	1,655.4	1,771.6	1,294.8
Investm. (fixed assets)	SEK m	38.1	42.8	98.8	103.5
Depreciation	SEK m	56.5	53.1	111.4	108.0

# NIBE Stoves

## Sales and earnings

Invoiced sales totalled SEK 393.1 million, compared with SEK 347.8 million for the first half of 2009. SEK 20.8 million of this figure relates to sales in acquired businesses, which means that organic growth was 7.0%.

Operating profit totalled SEK 19.3 million, compared with SEK 16.3 million for the corresponding period last year. This represents an operating margin of 4.9% as against the preceding year's first-half figure of 4.7%. The operating margin for the past 12 months is 12.7%.

## Market

Demand for wood stove products has remained good in Sweden and the current market situation looks favourable. Demand is being driven first and foremost by memories of the abnormally high energy prices during the long, cold winter, but also by a general improvement in the economy and opportunities for tax relief for installations.

Demand in Norway also remains good for much the same reasons, and in Denmark, after a number of very weak years, demand for wood stove products picked up during the first six months.

After a very sluggish start to the year, demand for the business area's products in Germany has shown some improvement, although German consumers continue to remain generally cautious about investments in capital goods.

In France we have succeeded in maintaining sales at last year's level even though overall demand is lower than in 2009 as a consequence of reductions at the start of the year in state subsidies for the purchase of wood stoves.

This means that we have strengthened our position in all the markets where we are active. This is the result of a consistent approach to marketing and the large number of new products we launched last year.

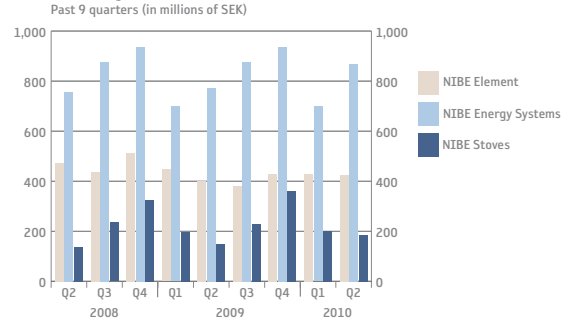
## Operations

The acquisition of the Danish wood-stove manufacturer, Lotus Heating Systems A/S, was finalised in April. The restructuring process that began even earlier and which involves subcontracting production will be completed by the end of the first quarter in 2011 at the latest.

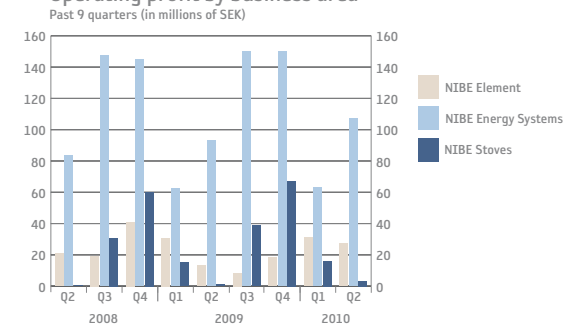
Production rates at our new plant in Markaryd have been high throughout the first six months, enabling us to meet the increase in demand while also building up stocks in preparation for the peak season we now have ahead of us.

We are also maintaining the pace of our marketing work outside Scandinavia in order to gradually reduce our dependence on our domestic market.

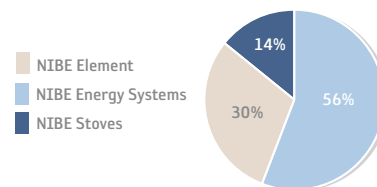
## Sales by business area



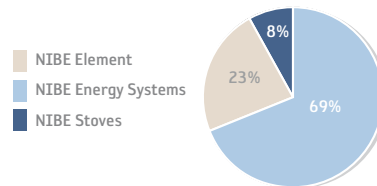
## Operating profit by business area



## Business areas' contribution to sales



## Business areas' contribution to profit



## NIBE Share performance



NIBE Stoves		2010	2009	Past	2009
Key figures		Q1-2	Q1-2	12 mths	full year
Net sales	SEK m	393.1	347.8	984.7	939.4
Growth	%	13.0	15.4	8.2	8.8
Operating profit	SEK m	19.3	16.3	125.3	122.2
Operating margin	%	4.9	4.7	12.7	13.0
Assets	SEK m	1,064.8	1,001.4	1,064.8	1,014.4
Liabilities	SEK m	669.7	658.4	669.7	604.1
Investm. (fixed assets)	SEK m	13.2	10.6	19.5	16.9
Depreciation	SEK m	20.7	19.4	39.9	38.6



# Group Financial Trends

## Income Statements

(in millions of SEK)	Group						Parent company	
	Q2 2010	Q2 2009	Jan-June 2010	Jan-June 2009	Past 12 mths	Full year 2009	Jan-June 2010	Jan-June 2009
Net sales	1,448.4	1,280.6	2,751.6	2,586.0	5,916.8	5,751.2	2.0	1.2
Cost of goods sold	- 979.9	- 886.4	- 1,865.2	- 1,809.7	- 3,984.1	- 3,928.6	0.0	0.0
<b>Gross profit</b>	<b>468.5</b>	<b>394.2</b>	<b>886.4</b>	<b>776.3</b>	<b>1,932.7</b>	<b>1,822.6</b>	<b>2.0</b>	<b>1.2</b>
Selling expenses	- 270.9	- 236.2	- 520.5	- 480.2	- 1,032.5	- 992.2	0.0	0.0
Administrative expenses	- 106.5	- 90.1	- 194.5	- 179.4	- 386.6	- 371.5	- 15.3	- 9.2
Other income	36.6	34.3	62.9	92.1	143.2	172.4	0.0	0.0
<b>Operating profit</b>	<b>127.7</b>	<b>102.2</b>	<b>234.3</b>	<b>208.8</b>	<b>656.8</b>	<b>631.3</b>	<b>- 13.3</b>	<b>- 8.0</b>
Net financial items	- 16.3	- 8.6	- 26.7	- 35.8	- 61.3	- 70.4	189.8	180.8
<b>Profit after net financial items</b>	<b>111.4</b>	<b>93.6</b>	<b>207.6</b>	<b>173.0</b>	<b>595.5</b>	<b>560.9</b>	<b>176.5</b>	<b>172.8</b>
Tax	- 29.0	- 25.8	- 55.0	- 48.0	- 155.8	- 148.8	0.0	0.0
<b>Net profit</b>	<b>82.4</b>	<b>67.8</b>	<b>152.6</b>	<b>125.0</b>	<b>439.7</b>	<b>412.1</b>	<b>176.5</b>	<b>172.8</b>
<b>Net profit attributable to</b>								
Parent company shareholders	85.3	67.8	155.3	124.7	439.7	409.1	176.5	172.8
Non-controlling interest	- 2.9	0.0	- 2.7	0.3	0.0	3.0	0.0	0.0
<b>Net profit</b>	<b>82.4</b>	<b>67.8</b>	<b>152.6</b>	<b>125.0</b>	<b>439.7</b>	<b>412.1</b>	<b>176.5</b>	<b>172.8</b>
<i>Includes depreciation according to plan as follows</i>	<i>55.3</i>	<i>52.6</i>	<i>107.5</i>	<i>104.3</i>	<i>213.4</i>	<i>210.2</i>	<i>0.0</i>	<i>0.0</i>
<i>Net profit per share*</i>	<i>0.91</i>	<i>0.72</i>	<i>1.65</i>	<i>1.33</i>	<i>4.68</i>	<i>4.36</i>		
<i>*There are no programmes that entail dilution</i>								
<b>Other recognised income</b>								
Net profit	82.4	67.8	152.6	125.0	439.7	412.1	176.5	172.8
Market value of future currency contracts	- 10.2	4.1	- 2.1	8.5	6.8	17.4	0.0	0.0
Market value of future commodity contracts	- 0.8	0.8	- 0.8	- 0.7	0.0	0.1	0.0	0.0
Currency hedge	18.2	- 0.4	50.0	- 3.4	88.6	35.2	49.1	- 3.8
Translation of loans to subsidiaries	- 1.8	- 0.6	- 2.1	- 3.7	- 2.7	- 4.3	0.0	0.0
Translation of foreign subsidiaries	- 52.6	6.2	- 118.5	17.1	- 171.7	- 36.1	0.0	0.0
Tax attributable to other total earnings	- 1.8	- 0.7	- 11.7	- 0.3	- 24.3	- 12.9	- 12.9	1.0
<b>Total other recognised income</b>	<b>- 49.0</b>	<b>9.4</b>	<b>- 85.2</b>	<b>17.5</b>	<b>- 103.3</b>	<b>- 0.6</b>	<b>36.2</b>	<b>- 2.8</b>
<b>Total recognised income</b>	<b>33.4</b>	<b>77.2</b>	<b>67.4</b>	<b>142.5</b>	<b>336.4</b>	<b>411.5</b>	<b>212.7</b>	<b>170.0</b>
<b>Total recognised income attributable to</b>								
Parent company shareholders	36.7	76.9	70.3	142.5	336.9	409.1	212.7	170.0
Non-controlling interest	- 3.3	0.3	- 2.9	0.0	- 0.5	2.4	0.0	0.0
<b>Total recognised income</b>	<b>33.4</b>	<b>77.2</b>	<b>67.4</b>	<b>142.5</b>	<b>336.4</b>	<b>411.5</b>	<b>212.7</b>	<b>170.0</b>

## Balance sheet summaries

(in millions of SEK)	Group			Parent company		
	30 Jun 2010	30 Jun 2009	31 Dec 2009	30 Jun 2010	30 Jun 2009	31 Dec 2009
Intangible assets	1,153.9	1,021.1	1,018.4	0.0	0.0	0.0
Tangible assets	1,323.2	1,447.1	1,398.8	0.0	0.1	0.0
Financial assets	45.4	78.5	57.0	1,756.3	1,828.1	1,645.1
<b>Total non-current assets</b>	<b>2,522.5</b>	<b>2,546.7</b>	<b>2,474.2</b>	<b>1,756.3</b>	<b>1,828.2</b>	<b>1,645.1</b>
Inventories	1,278.5	1,284.2	1,038.0	0.0	0.0	0.0
Current receivables	1,061.6	1,012.1	932.2	1.8	2.4	11.00
Current investments	0.0	0.9	0.0	0.0	0.0	0.0
Cash and bank balances	334.6	284.5	349.1	23.7	30.4	28.0
<b>Total current assets</b>	<b>2,674.7</b>	<b>2,581.7</b>	<b>2,319.3</b>	<b>25.5</b>	<b>32.8</b>	<b>39.0</b>
<b>Total assets</b>	<b>5,197.2</b>	<b>5,128.4</b>	<b>4,793.5</b>	<b>1,781.8</b>	<b>1,861.0</b>	<b>1,684.1</b>
Equity	2,147.2	1,923.2	2,190.0	623.7	462.5	533.1
Untaxed reserves	0.0	0.0	0.0	0.0	0.1	0.0
Non-current liabilities and provisions, non-interest bearing	323.7	267.6	239.1	0.8	0.0	0.6
Non-current liabilities and provisions, interest bearing	1,530.6	1,924.0	1,360.0	1,075.1	1,292.8	1,051.5
Current liabilities and provisions, non-interest bearing	1,034.2	845.9	845.3	5.7	5.5	16.3
Current liabilities and provisions, interest bearing	161.5	167.7	159.1	76.5	100.1	82.6
<b>Total equity and liabilities</b>	<b>5,197.2</b>	<b>5,128.4</b>	<b>4,793.5</b>	<b>1,781.8</b>	<b>1,861.0</b>	<b>1,684.1</b>

## Cash flow analysis

(in millions of SEK)	Jan-June 2010	Jan-June 2009	Full year 2009
Cash flow from operating activities	243.1	220.5	676.3
Change in working capital	- 198.8	- 21.3	217.4
Investment activities	- 151.0	- 134.6	- 217.9
Financing activities	102.0	- 130.5	- 667.8
Exchange rate difference in liquid assets	- 9.8	1.1	- 8.2
<b>Change in liquid assets</b>	<b>- 14.5</b>	<b>- 64.8</b>	<b>- 0.2</b>

## Change in equity

(in millions of SEK)	Jan-June 2010	Jan-June 2009	Full year 2009
Equity brought forward	2,190.0	1,888.7	1,888.7
Shareholders' dividend	- 122.1	- 108.0	- 108.0
Dividend to non-controlling interests	- 2.3	0.0	0.0
Change in participations by non-controlling interests	14.2	0.0	- 2.2
Total recognised income	67.4	142.5	411.5
<b>Equity carried forward <sup>1)</sup></b>	<b>2,147.2</b>	<b>1,923.2</b>	<b>2,190.0</b>

<sup>1)</sup> Participations by non-controlling interests were SEK 16.2 million at the end of the reporting period and SEK 7.2 million at the start at the financial year.

## Data per share

		Jan-June 2010	Jan-June 2009	Full year 2009
Net profit per share (total 93,920,000 shares)	SEK	1.65	1.33	4.36
Equity per share	SEK	22.69	20.44	23.24
Closing day share price	SEK	69.50	66.00	69.00

## Key figures

		Jan-June 2010	Jan-June 2009	Full year 2009
Growth	%	6.4	0.8	- 1.0
Operating margin	%	8.5	8.1	11.0
Profit margin	%	7.5	6.7	9.8
Investments in fixed assets	SEK m	151.0	134.6	217.9
Unappropriated liq. assets	SEK m	1,151.7	1,136.7	1,572.3
Working capital, incl. cash and bank	SEK m	1,478.9	1,568.1	1,315.0
Interest-bearing liabilities/ Equity	%	78.8	108.8	69.4
Solidity (Equity/Assets ratio)	%	41.3	37.5	45.7
Return on capital employed	%	12.8	10.9	16.8
Return on equity	%	14.4	13.4	20.2

## Quarterly data

### Consolidated Income Statements

(in millions of SEK)	2010				2009				2008	
	Q1	Q2	Q1	Q2	Q3	Q4	Q2	Q3	Q4	
Net sales	1,303.2	1,448.4	1,305.4	1,280.6	1,467.3	1,697.9	1,329.7	1,517.5	1,726.8	
Operating expenses	- 1,196.6	- 1,320.7	- 1,198.8	- 1,178.4	- 1,272.1	- 1,470.6	- 1,229.9	- 1,324.5	- 1,487.5	
<b>Operating profit</b>	<b>106.6</b>	<b>127.7</b>	<b>106.6</b>	<b>102.2</b>	<b>195.2</b>	<b>227.3</b>	<b>99.8</b>	<b>193.0</b>	<b>239.3</b>	
Net financial expenses	- 10.4	- 16.3	- 27.2	- 8.6	- 19.5	- 15.1	- 26.0	- 31.9	- 27.7	
<b>Profit after net financial expenses</b>	<b>96.2</b>	<b>111.4</b>	<b>79.4</b>	<b>93.6</b>	<b>175.7</b>	<b>212.2</b>	<b>73.8</b>	<b>161.1</b>	<b>211.6</b>	
Tax	- 26.0	- 29.0	- 22.2	- 25.8	- 47.0	- 53.8	- 20.8	- 44.6	- 53.4	
<b>Net profit</b>	<b>70.2</b>	<b>82.4</b>	<b>57.2</b>	<b>67.8</b>	<b>128.7</b>	<b>158.4</b>	<b>53.0</b>	<b>116.5</b>	<b>158.2</b>	

### Net Sales – Business Areas

(in millions of SEK)	2010				2009				2008	
	Q1	Q2	Q1	Q2	Q3	Q4	Q2	Q3	Q4	
NIBE Element	427.7	425.4	447.1	401.8	381.1	429.0	471.5	435.9	513.7	
NIBE Energy Systems	698.5	868.5	698.5	773.9	876.9	935.2	755.5	876.4	935.4	
NIBE Stoves	208.9	184.2	197.7	150.1	230.2	361.4	138.0	235.4	326.7	
Elimination of Group transactions	- 31.9	- 29.7	- 37.9	- 45.2	- 20.9	- 27.7	- 35.3	- 30.2	- 49.0	
<b>Group</b>	<b>1,303.2</b>	<b>1,448.4</b>	<b>1,305.4</b>	<b>1,280.6</b>	<b>1,467.3</b>	<b>1,697.9</b>	<b>1,329.7</b>	<b>1,517.5</b>	<b>1,726.8</b>	

### Operating profit – Business Areas

(in millions of SEK)	2010				2009				2008	
	Q1	Q2	Q1	Q2	Q3	Q4	Q2	Q3	Q4	
NIBE Element	30.9	27.1	30.7	13.1	8.5	18.1	21.0	19.2	41.1	
NIBE Energy Systems	63.2	107.0	62.6	93.0	150.1	150.1	83.5	147.2	144.7	
NIBE Stoves	16.1	3.2	15.2	1.1	38.7	67.2	0.4	30.7	60.1	
Elimination of Group transactions	- 3.6	- 9.6	- 1.9	- 5.0	- 2.1	- 8.1	- 5.1	- 4.1	- 6.6	
<b>Group</b>	<b>106.6</b>	<b>127.7</b>	<b>106.6</b>	<b>102.2</b>	<b>195.2</b>	<b>227.3</b>	<b>99.8</b>	<b>193.0</b>	<b>239.3</b>	

## Accounting principles

NIBE Industrier's consolidated accounts are drawn up in accordance with International Financial Reporting Standards (IFRS). NIBE Industrier's Interim Report for the second quarter of 2010 has been drawn up in accordance with IAS 34 "Interim Financial Reporting". The same accounting principles as those adopted for this summary are described in the company's Annual Report for 2009 (pp. 56–58), with the exception of the revised IFRS 3 "Business Combinations". The amendments to IFRS 3 mean that all transactions are expensed and that all considerations for acquisitions are recognised at fair value on the acquisition date, while any subsequent contingent considerations are classified as liabilities that are then revalued in profit or loss. With effect from 2010 NIBE has opted to present net income and other recognised income in the form of two separate reports. Reporting for the parent company follows the Swedish Annual Accounts Act and recommendation RFR 2.3 of the Swedish Financial Accounting Standards Council ("Reporting for Legal Entities").

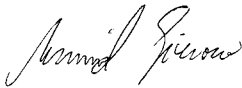
In the case of transactions with associates the same accounting principles apply as those described on page 57 of the company's Annual Report for 2009.

## Risks and uncertainties

NIBE Industrier is an international industrial group that is represented in around 20 countries. As such, it is exposed to a number of business and financial risks. Risk management is therefore an important process with regard to the goals that the company has set up. Throughout the NIBE Group, efficient risk management routines are an ongoing process within the framework of the Group's operational management and a natural part of the continuous follow-up of activities. It is our opinion that no significant risks or uncertainties have arisen in addition to those described in NIBE Industrier's Annual Report for 2009.

This interim report provides an accurate picture of the business activities, financial position and earnings of the parent company and the Group, and describes any significant risks and uncertainties faced by the parent company and the companies that form part of the Group.

Markaryd, Sweden 17 August 2010



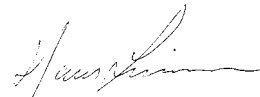
Arvid Gierow  
Chairman of the Board



Georg Brunstam  
Director



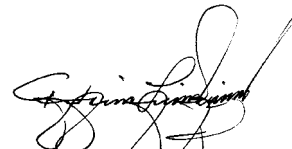
Eva-Lotta Kraft  
Director



Hans Linnarson  
Director



Anders Pålsson  
Director



Gerteric Lindquist  
CEO

This Interim Report has not been the subject of a special audit by the company's auditors. For further information concerning definitions, we refer you to the Annual Report for NIBE Industrier for 2009.

NIBE Industrier AB is obliged by Swedish law (The Securities Market Act and/or The Financial Instruments Trading Act) to publish the information in this interim report. This information was made available to the media for publication at 08.00 (C.E.T.) on 17 August 2010.

Please e-mail any questions you have with regard to this interim report to:  
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