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- Increase in annual sales to SEK 1,677.1 million (figure for 2000: SEK 1,304.2 million)
- Annual profit after net financial items rose to SEK 122.3 million (SEK 106.6 million) excluding SPP premium refunds
- Earnings per share of SEK 14.24 (SEK 12.54) excluding SPP premium refunds
- The Board proposes a dividend of SEK 4.25/share (SEK 3.75)
- Four corporate acquisitions were made during 2001 of companies with aggregate annual sales of approximately SEK 160 million



2001 – a year of proven strengths

Despite the fact that in the world around us 2001 has been, to put it mildly, a turbulent year, for NIBE the past twelve months have been our best ever in terms of both sales and profits.

Of the total sales growth for the year of 28.6%, 17.8% has been organic – the result of, among other things, a clear focus in our product development work backed up by active marketing efforts.

Annual profits for the Group after net financial items improved by 14.7%. Internal restructuring work has proceeded with an undiminished sense of purpose. The task of organising manufacturing operations for NIBE Heating and NIBE Stoves into a number of independent production workshops has now been completed and major restructuring initiatives have also been launched to rationalise the production of tubular and foil elements in Sweden.

As a result of takeovers during the year the NIBE Group acquired four companies with aggregate sales of approximately SEK 160 million a year.

NIBE Element's continued success in increasing its volumes on the highly competitive sub-contractors' market is an indication of the business area's considerable strength.

That operating profit has fallen by almost two percentage points is a consequence of increased pressure on prices, increases in the price of raw materials and the knock-on effects of materials contracts signed in 2000. In addition there have been substantial one-off costs in conjunction with the restructuring work that has taken place first and foremost in our Swedish manufacturing units.

NIBE Heating has shown a very strong improvement in sales and profits. While this has been most pronounced in the Swedish market for heat pumps, there has also been a marked increase in interest in these products abroad.

A carefully devised marketing concept, a strong marketing organisation and a product range second to none has enabled the business area to capture substantial new shares of the market.

Organising production in a number of specialised production workshops has also played its part, with the new heat-pump workshop meeting all our expectations for flexibility, quality and productivity.

NIBE Stoves' second-half finish to the year provides strong testimony of the strength of this business area. Once the problems in the new production plant had been solved by revising the original layout and, in part at least, installing new equipment, the positive results were soon obvious for all to see.

Thanks to a highly competitive product range and a truly professional marketing organisation, we have been able to translate a healthy demand from the market into strong growth and encouraging improvements in our margins during the second half of the year.

Prospects for 2002

During 2001 all three NIBE business areas have, in line with our declared strategies, continued to consolidate their respective positions on the markets to which we have accorded priority. The prospects therefore look good that our shares of the various markets will continue to grow in the coming months.

The past twelve months have also seen the completion of a number of major internal projects aimed at improving our organisation and productivity, and the results of these will start to make themselves felt in 2002.

Although, just as it was a year ago, it is not easy today to interpret signals relating to the current business cycle, 2002 has begun on a positive note. Against this background and bearing in mind our recent achievements in our internal rationalisation programmes and the task of systematically increasing our market shares, we feel confident that NIBE will continue to grow and go from strength to strength in 2002.

Share buy-back

The Board of Directors intends to propose that the forthcoming Annual General Meeting of Shareholders empowers the Board to reach a decision on the acquisition and transfer of the company's own shares.

Dividend

The Board of Directors has resolved to propose to the Annual General Meeting of Shareholders that the dividend be increased from SEK 3.75 to SEK 4.25 per share for 2001, amounting to a total dividend paid out of SEK 24.9 million.

Annual General Meeting

The Annual General Meeting of Shareholders will take place at 17.00 (5.00 p.m.) on Thursday 16 May, 2002 at the NIBE Marketing Centre (Marknadscenter) in Markaryd, Sweden.

Financial information plan

April 2002	Annual Report for 2001
16 May 2002	Annual General Meeting
16 May 2002	Interim report January – March 2002
15 August 2002	Interim report January – June 2002
15 November 2002	Interim report January – September 2002

The Group's financial reports are made available on the NIBE Industrier website – www.nibe.se – under the heading "Financial Information" on the same day as they are made public.

Markaryd, Sweden - 15 February 2002

Gerteric Lindquist
Managing Director and Chief Executive

Group

Sales

Net sales for the NIBE Group in 2001 totalled SEK 1,677.1 million (2000: SEK 1,304.2 million), equivalent to growth of 28.6%. Of the total increase in sales of SEK 372.9 million, the sum of SEK 141.4 million was acquired.

Profit

Profit for the year after net financial items amounted to SEK 122.3 million. This shows a growth in profits of 14.7% compared to the result for 2000, when the figure excluding premium refunds from the SPP insurance company was SEK 106.6 million.

Return on equity was 19.9% compared to the previous year's level of 21.3% excluding SPP refunds.

Investments

Group investments for 2001 totalled SEK 155.4 million (2000: SEK 141.2 million) in fixed assets: SEK 47.3 million in corporate acquisitions (2000: SEK 41.8 million) and the remaining SEK 108.1 million in plant, machinery and buildings in existing units (2000: SEK 99.4 million).

Financial position

The Group's liquid assets totalled SEK 182.8 million at the year-end compared to SEK 143.8 million at the start of the year. During the year the Group's overdraft facilities were increased by SEK 10.5 million. Equity/assets ratio at the end of the year was 40.8%, compared to 42.6% at the start of the accounting period.

Parent company

The activities of the parent company include Group executive management functions, certain shared Group functions and the financing of takeovers and acquisitions. Parent company sales during the year totalled SEK 1.5 million (2000: SEK 1.9 million), and the profit after financial items was SEK 30.1 million (SEK 31.0 million). Liquid assets at the end of the accounting period totalled SEK 108.0 million compared to SEK 96.5 million at the beginning of the year.

Economic objectives

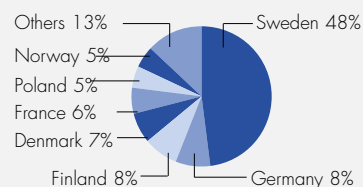
- Average growth of 20% per year
- Operating profit for each business area of at least 10% of sales over a business cycles
- Return on equity over a business cycle of at least 20% after standard deductions for tax
- Equity/assets ratio in the Group above 30% at all times.

NIBE Industrier – Group

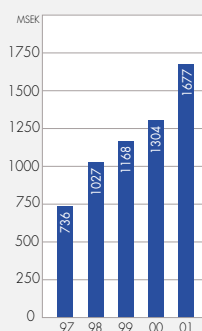
Key figures		2001	2000
Net sales	(MSEK)	1,677.1	1,304.2
Growth	(%)	+ 28.6	+ 11.6
incl. acquired growth of	(%)	+ 10.8	+ 3.2
Operating profit	(MSEK)	134.2	113.6*
Operating margin	(%)	8.0	8.7*
Profit after net fin. items	(MSEK)	122.3	106.6*
Net profit margin	%	7.3	8.2*

* excluding premium refunds from SPP totalling SEK 17.4 million

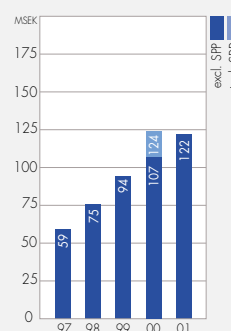
Group sales by country 2001



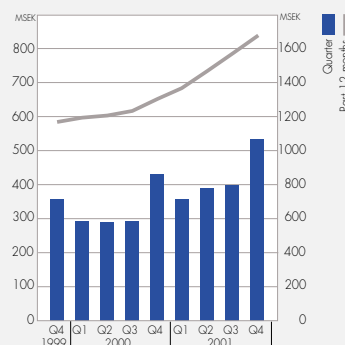
Sales 1997 – 2001



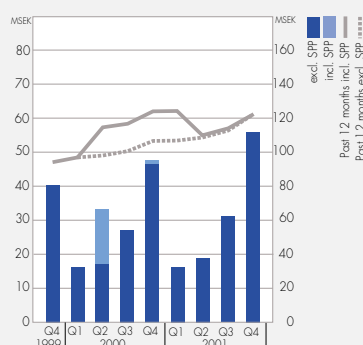
Profit after financial items 1997 – 2001



Group sales over the past 9 quarters



Group profits after financial items over the past 9 quarters





NIBE Element

Sales and profit

Invoiced sales for the year totalled SEK 782.7 million compared to SEK 605.6 million in 2000. Of the overall increase of SEK 177.1 million a total of SEK 89.5 million derives from acquisitions, which means that organic growth for the year was 14.5%.

The operating profit was SEK 46.9 million compared to SEK 47.5 million in 2000, reducing the operating margin from last year's figure of 7.8% to 6.0%.

The year in brief

As a whole the market has shown very good growth. Despite fierce competition in certain volume segments, NIBE Element has strengthened its position and increased its share of the market.

A number of major structural measures have been implemented aimed at reducing manufacturing costs and raising productivity in order to make NIBE Element even more competitive in the future.

Labour-intensive operations in the foil element assembly process have been transferred from Calesco in Kolbäck, Sweden, to the newly built production unit in Poland, at the same time as the processing stages in foil element manufacturing in Sweden have been modernised and rationalised. Tubular element production in Sweden has been coordinated and the individual units have each developed their own speciality. This has not only reduced costs, but also improved the level of service towards customers in this segment of the market.

While the full effect of these structural changes is not expected to make itself felt during the first half of 2002, the costs involved impacted on the 2001 accounts. This, together with increases in materials prices for key components and relentless pressure on prices, is the major reason why the operating margin fell during the year.

Fourth quarter

Invoiced sales during the fourth quarter totalled SEK 241.8 million (corresponding period 2000: SEK 185.2 million) and organic growth was 10.2%. Operating profit for the same period amounted to SEK 18.1 million (SEK 17.4 million).

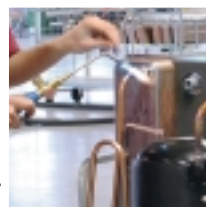
For many NIBE Element customers the autumn has been riddled with uncertainty as far as predicting demand is concerned, and this has led to a downturn in demand for certain products.

The fourth quarter saw the acquisition of Norells Sweden AB, a foil element manufacturer specialising in elements for rear-view mirrors. Norells' production will be integrated into existing foil element operations in Sweden and Poland during 2002.

Shortly before the year-end a takeover agreement was signed with Svend A. Nielsen A/S in Denmark, which specialises in industrial electric heating applications and brings a number of interesting products and technologies under the NIBE umbrella.

These new acquisitions have aggregate annual sales slightly in excess of SEK 130 million.

NIBE Element – Key figures		2001	2000
Net sales	(MSEK)	782.7	605.6
Growth	(%)	+ 29.2	+ 8.4
Operating profit excl. SPP	(MSEK)	46.9	47.5
Operating margin	(%)	6.0	7.8



NIBE Heating

Sales and profit

Invoiced sales for the year totalled SEK 730.3 million compared to SEK 552.6 million in 2000. Of the overall increase of SEK 177.7 million a total of SEK 49.1 million derives from acquisitions, which means that organic growth for the year was 23.2%.

The operating profit was SEK 79.3 million compared to SEK 59.6 million in 2000, raising the operating margin from last year's figure of 10.8% to 10.9%.

The year in brief

The steep rise in sales owes a great deal to the increase in the sales of heat pumps in Sweden. The trend towards choosing a heat pump as a heating alternative both for newly built properties and when renovating existing homes has fuelled strong growth for this product segment, and the appeal of our new generation of heat pumps has enabled us to increase our share of the market at the same time as our efficient new product workshop has satisfied all our expectations for reliable delivery and assured quality.

While demand for water heaters has remained stable, the market for domestic boilers has continued to decline (chiefly as a result of rising oil prices) – yet in both segments we have succeeded in maintaining our strong position in relation to our competitors.

Sales have also developed favourably in other Scandinavian markets and in Germany, although the uncertain economic situation in Poland has had a negative effect on local sales there.

The management team in our Polish subsidiary has been reinforced and the production plant modernised in order to restore profitability and increase sales.

The Swedish export organisation has also been strengthened in order to speed up the pace of our expansion abroad.

Fourth quarter

Invoiced sales during the fourth quarter totalled SEK 227.0 million (corresponding period 2000: SEK 188.8 million) and organic growth was 20.2%. Operating profit for the same period amounted to SEK 30.1 million (SEK 25.1 million).

Demand continued to remain good throughout the fourth quarter, Production capacity in the manufacturing units was able to meet the demand thus ensuring that the delivery situation was satisfactory.

Work has started on the modernisation and rationalisation of heater production and metal-working operations in Markaryd and this is expected to continue throughout at least the whole of next year.

Towards the end of the year, as a step towards providing the company with an important springboard for its planned expansion abroad, we acquired our German importer of heating technology, Heise Systemtechnik OHG. The company has annual sales of approximately SEK 30 million and boasts high levels of expertise in the areas of heating and ventilation.

NIBE Heating – Key figures		2001	2000
Net sales	(MSEK)	730.3	552.6
Growth	(%)	+ 32.2	+13.9
Operating profit excl. SPP	(MSEK)	79.3	59.6
Operating margin	(%)	10.9	10.8



NIBE Stoves

Sales and profit

Invoiced sales for the year totalled SEK 177.8 million compared to SEK 155.7 million in 2000. Of the overall increase SEK 2.8 million derives from acquisitions, which means that organic growth for the year was 12.4%. The operating profit was SEK 17.8 million compared to SEK 15.6 million in 2000, yielding an operating margin on a level with last year's figure of 10.0%.

The year in brief

Demand for stoves in Sweden has on the whole been good. The market for lightweight stoves with a modern design has continued to expand, while demand for heavier stoves has stagnated.

Our new series of stoves with a brand new, "international" design introduced during the spring, has proved to be a sales success on all the markets where it has been launched.

Thanks to new, improved models and effective marketing efforts, sales of stoves from the range of the Roslagsspisen company, which the NIBE Group acquired at the end of the first quarter, have also developed in a positive direction.

Foreign sales have continued to develop favourably, particularly in Germany and Norway where they have risen steeply. This success is the result of increased marketing activities in combination with the launch of new products. The focus is now turning to the Finnish market, where the effect of increased marketing is expected to impact on results next year.

Fourth quarter

Invoiced sales during the fourth quarter totalled SEK 69.4 million (corresponding period 2000: SEK 57.9 million) and organic growth was 16.4%. Operating profit for the same period amounted to SEK 11.1 million (SEK 8.3 million).

Demand for the business area's products remained good throughout the fourth quarter despite turbulence in the world in general and a number of negative indicators on the economic front.

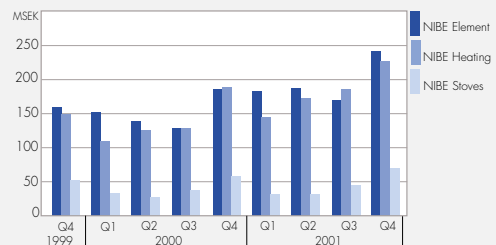
In a move designed to rationalise marketing at the same time as it reduces costs, Cronspisen Kakelugnar AB has ceased trading as an independent subsidiary, and since the start of 2002 now forms its own product group within the NIBE Stoves organisation.

The effects of rationalisations in stove manufacture together with high sales volumes during the autumn have produced a fourth-quarter operating profit far greater than that for the corresponding period in 2000, a recovery that more than compensates for the business area's weak start to the year.

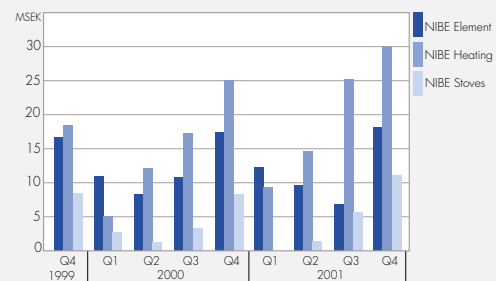
Early in 2002 the Group acquired 10.9% of the shares in Jøtul ASA Norway with an option on a further 10.8%. Jøtul, which is quoted on the Norwegian stock market and has annual sales of around SEK 550 million, is one of Europe's leading manufacturers of cast-iron stoves. In addition to Norway, it also has a strong position on the market in countries such as the USA and France.

NIBE Stoves – Key figures		2001	2000
Net sales	(MSEK)	177.8	155.7
Growth	(%)	+ 14.2	+16.6
Operating profit excl. SPP	(MSEK)	17.8	15.6
Operating margin	(%)	10.0	10.0

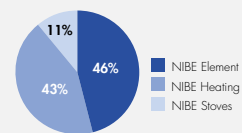
Sales per Business Area over the past 9 quarters



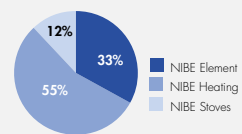
Operating profit per Business Area over the past 9 quarters



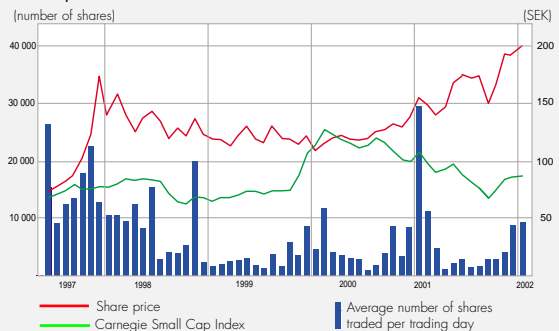
Business Areas' contribution to sales 2001

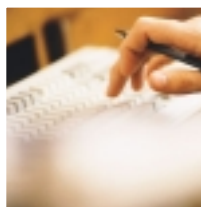


Business Areas' contribution to profits 2001



Share performance





The NIBE Group's performance in figures

Consolidated Income Statement

(in millions of SEK)	2001	2000
Net sales	1,677.1	1,304.2
Cost of goods sold	- 1,242.7	- 959.5
Gross profit	434.4	344.7
Selling expenses	- 221.5	- 175.9
Administrative expenses	- 92.3	- 67.5
Items affecting comparability ¹⁾	0.0	+ 17.4
Other income	+ 13.6	+ 12.3
Operating profit	134.2	131.0
Net financial items	- 11.9	- 7.0
Profit after net financial items	122.3	124.0
Tax	- 38.9	- 37.9
Minority participation in profit after tax	+ 0.2	0.0
Net profit	83.6	86.1
<i>Totals include following amounts of depreciation according to plan</i>	58.7	46.3

Cash flow analysis

(in millions of SEK)	2001	2000
Cash flow from trading activities	+ 134.5	+ 139.3
Change in working capital	- 11.6	- 48.6
Investment activities	- 150.9	- 132.9
Financing activities	+ 45.4	+ 41.9
Exchange rate difference in liquid assets	+ 1.8	+ 0.6
Change in liquid assets	+ 19.2	+ 0.3

Key figures

	2001	2000	²⁾	1999	1998	1997	
Sales growth	(%)	+ 28.6	+ 11.6	+ 13.8	+ 39.5	+ 19.3	
Operating margin	(%)	8.0	10.0	(8.7)	8.4	8.0	8.7
Net profit margin	(%)	7.3	9.5	(8.2)	8.1	7.4	8.1
Investments in fixed assets	(MSEK)	155.4	141.2	58.8	111.7	35.3	
Unappropriated liquid assets	(MSEK)	182.8	143.8	149.8	91.9	159.9	
Working capital, including cash and bank balances	(MSEK)	357.5	299.7	241.9	208.5	174.4	
Interest-bearing liabilities/Equity	(%)	69.9	57.8	49.3	55.8	40.0	
Solidity (Equity/Assets ratio)	(%)	40.8	42.6	44.9	43.3	47.0	
Return on capital employed	(%)	19.0	23.7	(20.9)	21.5	21.0	21.8
Return on equity	(%)	19.9	24.3	(21.3)	21.9	20.2	22.5

Share data

	2001	2000	²⁾	1999	1998	1997	
EPS (net earnings per share: total 5,870,000 shares)	(SEK)	14.24	14.67	(12.54)	10.92	8.56	7.80 ³⁾
Equity per share	(SEK)	82.31	68.81	56.14	49.52	42.10	
Closing day share price	(SEK)	192.00	137.00	121.00	124.00	173.00	

¹⁾ Refers to refunds from the SPP pensions insurance surplus.

²⁾ Key figures/ratios in parentheses have been calculated excluding items affecting comparability, namely refunds from the SPP surplus.

³⁾ Average number of shares 5,285,000.

Consolidated balance sheet summary

(in millions of SEK)	31 Dec 2001	31 Dec 2000
Intangible assets	84.8	77.5
Tangible assets	394.5	303.6
Financial assets	26.2	10.2
Total fixed assets	505.5	391.3
Inventories	331.6	289.8
Current receivables	289.2	232.2
Investments	3.1	0.7
Cash and bank	53.4	34.3
Total current assets	677.3	557.0
Total assets	1,182.8	948.3
Equity	483.2	403.9
Minority interest	3.0	4.4
Provisions	102.4	92.0
Long-term non-interest-bearing liabilities	0.2	0.2
Long-term interest-bearing liabilities	274.2	190.5
Current non-interest-bearing liabilities	282.6	237.3
Current interest-bearing liabilities	37.2	20.0
Total equity and liabilities	1,182.8	948.3

Change in equity

(in millions of SEK)	2001	2000
Amount at beginning of period	403.9	329.6
Shareholders' dividend	- 22.0	- 17.6
Exchange rate differences charged directly against equity	+ 5.1	+ 0.5
Translation difference	+ 12.6	+ 5.3
Profit for the year	+ 83.6	+ 86.1
Equity carried forward	483.2	403.9

Quarterly summary

Consolidated Income Statement

(in millions of Swedish kronor)	2001				2000				1999
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q4
Net sales	355.7	389.5	397.6	534.3	292.9	289.4	292.7	429.2	358.1
Operating expenses	- 336.4	- 366.9	- 362.2	- 477.4	- 276.4	- 270.3	- 263.3	- 380.6	- 317.3
Items affecting comparability ¹⁾	0.0	0.0	0.0	0.0	0.0	+ 16.1	0.0	+ 1.3	0.0
Operating profit	19.3	22.6	35.4	56.9	16.5	35.2	29.4	49.9	40.8
Net financial expenses	- 3.1	- 3.7	- 4.2	- 0.9	- 0.4	- 2.0	- 2.4	- 2.2	- 0.4
Profit after net financial expenses	16.2	18.9	31.2	56.0	16.1	33.2	27.0	47.7	40.4
Tax	- 5.0	- 7.9	- 9.5	- 16.5	- 5.1	- 10.4	- 8.2	- 14.2	- 11.9
Minority participation in the profit after tax	0.0	+ 0.1	0.0	+ 0.1	0.0	- 0.1	- 0.1	+ 0.2	- 0.1
Net profit	11.2	11.1	21.7	39.6	11.0	22.7	18.7	33.7	28.4

Net sales for the Business Areas

(in millions of Swedish kronor)	2001				2000				1999
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q4
NIBE Element	183.3	187.9	169.7	241.8	152.3	139.3	128.8	185.2	159.1
NIBE Heating	144.3	173.0	186.0	227.0	110.3	125.1	128.4	188.8	148.8
NIBE Stoves	31.7	32.0	44.7	69.4	32.8	27.4	37.6	57.9	52.5
Elimination of Group transactions	- 3.6	- 3.4	- 2.8	- 3.9	- 2.5	- 2.4	- 2.1	- 2.7	- 2.3
Group	355.7	389.5	397.6	534.3	292.9	289.4	292.7	429.2	358.1

Operating profits for the Business Areas

(in millions of Swedish kronor)	2001				2000				1999
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q4
NIBE Element	12.3	9.6	6.9	18.1	11.0	8.3	10.8	17.4	16.7
NIBE Heating	9.4	14.6	25.2	30.1	5.1	12.1	17.3	25.1	18.5
NIBE Stoves	- 0.3	1.4	5.6	11.1	2.7	1.3	3.3	8.3	8.5
Elimination of Group transactions ²⁾	- 2.1	- 3.0	- 2.3	- 2.4	- 2.3	+ 13.5	- 2.0	- 0.9	- 2.9
Group	19.3	22.6	35.4	56.9	16.5	35.2	29.4	49.9	40.8

¹⁾ Refers to refunds from the SPP surplus.

²⁾ Eliminations include the effect on profits of refunds from the SPP surplus totalling SEK 17.4 million.



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