



2020

INTERIM REPORT
JANUARY - MARCH

Interim report January – March 2020

NET ASSET VALUE AND THE LATOUR SHARE

- The net asset value fell to SEK 114 per share, compared with SEK 136 per share at the start of the year. This is a decrease of 16.2 per cent. By comparison, the Stockholm Stock Exchange's Total Return Index (SIXRX) decreased by 18.2 per cent. The net asset value was SEK 122 per share at 27 April.¹
- In the first quarter, the total return on the Latour share amounted to -7.3 per cent measured against the SIXRX, which was down 18.2 per cent.

INDUSTRIAL OPERATIONS

- The industrial operations' order intake rose 20 per cent to SEK 3,996 m (3,325 m), which represents a 3 per cent increase for comparable entities adjusted for foreign exchange effects.
- The industrial operations' net sales rose 16 per cent to SEK 3,630 m (3,139 m), which represents a -1 per cent decrease for comparable entities adjusted for foreign exchange effects.
- The operating profit increased by 8 per cent to SEK 449 m (415 m), which equates to an operating margin of 12.4 (13.2) per cent for continuing operations.
- The Dutch company Emma Safety Footwear was acquired for Hultafors Group, the Spanish company Batec Mobility for Latour Industries and the UK company Waterloo Air Products for Swegon during the quarter. In addition, the acquisition of S+S Regeltechnik for Bemsig within Latour Industries was finalised.

THE GROUP

- Consolidated net sales totalled SEK 3,678 m (3,185 m), and profit after financial items was SEK 116 m (1,791 m). A revaluation of Alimak has negatively impacted this year's income statement by SEK -808 m. Capital gains and other items affecting comparability resulted in a SEK 833 m favourable impact on last year's income statement.
- Consolidated profit after tax was SEK 4 m (1,701 m), which is equivalent to SEK 0.01 (2.66) per share.
- The Group reported net debt of SEK 9,193 m (4,344 m). Net debt, excluding impacts of IFRS 16, was SEK 8,601 m (3,650 m) and is equivalent to 10 (5) per cent of the market value of total assets.

INVESTMENT PORTFOLIO

- During the first quarter, the value of the investment portfolio decreased by 19.0 per cent adjusted for changes in the portfolio. The benchmark index (SIXRX) decreased by 18.2 per cent.
- The shareholding in Fagerhult increased to 46.7 per cent following acquisition of 590,000 shares in the first quarter. The shareholding in Alimak increased to 29.3 per cent following acquisition of 65,000 shares.

EVENTS AFTER THE REPORTING PERIOD

- The effects of the Covid-19 outbreak are becoming increasingly evident. At present, it is impossible to make an assessment of the extent and duration of the impacts. The financial results for the second quarter of 2020 will be significantly down on the same period last year.

¹ The calculation of the net asset value on 27 April was based on the value of the investment portfolio at 1 p.m. on 27 April and the same values as at 31 March were used for the unlisted portfolio.

LATOUR AT A GLANCE

Investment AB Latour is a mixed investment company consisting primarily of wholly-owned industrial operations and an investment portfolio of listed holdings in which Latour is the principal owner or one of the principal owners. The investment portfolio consists of nine substantial holdings that had a market value of SEK 53 billion as at 31 March 2020. The wholly-owned industrial operations are grouped into five business areas: Caljan, Hultafors Group, Latour Industries, Nord-Lock Group and Swegon. They generate annual sales amounting to approximately SEK 15 billion.

Comments from the CEO

“The year started very strongly for the industrial operations, despite the impact of the ongoing Covid-19 pandemic. The order intake grew by a total of 20 per cent during the quarter, and by 3 per cent when adjusted for acquisitions and foreign exchange effects. Growth in invoiced sales was 16 per cent, although this fell by over 1 per cent following adjustments for acquisitions and foreign exchange effects. The operating profit for the quarter increased by 8 per cent to SEK 449 m (415 m) with an operating margin of 12.4 (13.2) per cent.

The operations that have been affected by the negative impacts arising from Covid-19 during the quarter are mainly those with significant sales in China (Nord-Lock and Aritco), which were hit hard in February, and our operations in Italy (Vimec within Latour Industries and Blue Box within Swegon), which were impacted more severely in the second half of March.

The Covid-19 pandemic is likely to have a significant adverse effect on business for some time. At present, however, it is not possible to predict either the size or the duration of this effect with any confidence.

In the past, we have communicated that our operations are well-positioned and equipped for a more widespread downturn in the economy, but few could ever have imagined that things would change so rapidly and dramatically in such a short space of time. Fortunately, we can conclude that our sense so far has proved to be correct, we own operations with highly competent leaders and employees, who are dealing with new issues every day to work through the challenges created by the pandemic.

We continue to take a forward-looking perspective and are investing in product development, sales and marketing in our business areas. We should be able to advance our positions, even in the current climate. Our previous focus on sustainability remains firm and is, if possible, a more important factor than ever before that will underpin our future growth.

After a busy autumn of actively pursuing acquisitions, our focus now is on dealing with the current Covid-19 crisis. The year began, however, with a number of acquisitions. The Dutch company Emma Safety Footwear was acquired for Hultafors Group, the Spanish company Batec Mobility for Latour Industries and the UK company Waterloo Air Products for Swegon. In addition, the acquisition of S+S Regeltechnik for Bemsig within Latour Industries was finalised. Read more about our acquisitions on page 4.

Stock markets have been very volatile in the first quarter, as has our investment portfolio which has fallen 19.0 per cent since the beginning of the year, while the benchmark index SIXRX is down 18.2 per cent. The net asset value in Latour decreased by 16.2 per cent to SEK 114 per share in the same period.

Some of our listed holdings have released their first quarter report and some have provided market guidance. While Covid-19 is having a large negative impact on a number of the companies, others have been affected to a lesser extent. We refer you to the reports released by each company for forward-looking comments. However, it is most likely that all companies will be affected in the coming period. Furthermore, many of the companies have either cancelled or reduced their dividends, in some cases with the intention of paying an additional dividend later on this year in the autumn.

Latour's Board is continuously assessing the proposed dividend of SEK 2.75 per share. An announcement will be made before the Annual General Meeting on 11 May 2020 if any change to the proposal is to be made.

In conclusion, Latour is on a strong financial and operational footing. We believe that we will emerge from this crisis in good shape.”

*Johan Hjertonsson
President and Chief Executive Officer*

Industrial operations

Order intake, invoiced sales and earnings

The first quarter order intake was up 20 per cent to SEK 3,996 m (3,325 m), with organic growth accounting for 3 per cent of this. Invoicing increased 16 per cent to SEK 3,360 m (3,139 m), which represents a -1 per cent decrease for comparable entities adjusted for foreign exchange effects. The operating profit in the wholly-owned industrial operations grew by 8 per cent to SEK 449 m (415 m) during the quarter. The operating margin was 12.4 (13.2) per cent.

The above figures only include subsidiaries of the wholly-owned business areas. See the separate report on page 5.

Acquisitions/disposals

The acquisition of S+S Regeltechnik in Germany for Bemsig AB within Latour Industries was finalised on 22 January.

On 28 January, MS Group, within Latour Industries, acquired Batec Mobility in Spain. Batec Mobility generates annual sales of EUR 4.8 m and has 41 employees. The company offers a range of products that offer users greater freedom of movement. Its electric-powered add-on motor allows users to travel more quickly over longer distances, even where there are steep slopes and rough ground.

On 30 January, Hultafors Group AB acquired 80 per cent of the shares in Daan Holding B.V., which is the owner of EMMA Safety Footwear B.V. ("EMMA") based in Kerkrade, the Netherlands. Hultafors Group will gradually assume 100 per cent ownership in Daan Holding B.V. until the first quarter of 2023. EMMA has a strong presence in central Europe with a focus on the Benelux countries. In 2019, net sales totalled EUR 23 m, with a level of profitability in line with Hultafors Group's strategic goal. The company has some 140 employees and recently set up a new, state-of-the-art facility in Kerkrade, the Netherlands, for the production of safety footwear. This acquisition is part of Hultafors Group's strategy to strengthen its position in personal protective equipment in Europe and North America. It is expected that the acquisition will further expand the company's sales and marketing capabilities in Europe and will also strengthen the supply chain with a footwear production facility and other resources.

On 11 March, Swegon acquired the UK company Waterloo Air Products, a leading manufacturer of grilles and diffusers. This acquisition enhances Swegon's offering, which now comprises a full range of high-quality indoor climate products. The company employs 140 people and its head office and production site is in Aylesford. In 2019, the acquired operation reported net sales of GBP 12 m.

Industrial operations summary

Business area results

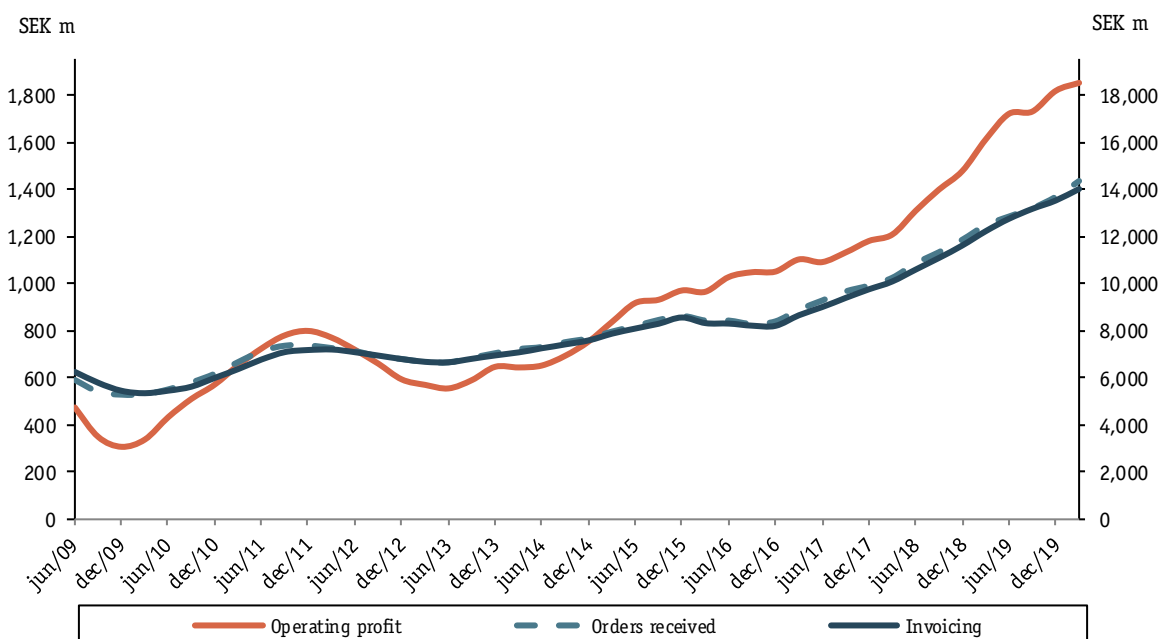
SEK m	Net sales				Operating profit				Operating margin %			
	2020 Q1	2019 Q1	2019 Full Year	Trailing 12 mths	2020 Q1	2019 Q1	2019 Full Year	Trailing 12 mths	2020 Q1	2019 Q1	2019 Full Year	Trailing 12 mths
Caljan ¹	222	-	113	335	30	-	20	50	13.3	-	17.4	14.9
Hultafors Group	846	648	2,896	3,094	108	88	412	432	12.8	13.6	14.2	14.0
Latour Industries	812	738	3,075	3,149	71	60	267	278	8.8	8.1	8.7	8.8
Nord-Lock Group	357	384	1,448	1,421	97	121	411	387	27.3	31.4	28.4	27.2
Swegon	1,394	1,370	5,986	6,010	143	147	717	713	10.2	10.7	12.0	11.9
Eliminations	-1	-1	-3	-3	-	-1	-	1	-	-	-	-
	3,630	3,139	13,515	14,006	449	415	1,827	1,861	12.4	13.2	13.5	13.3
Part-owned subsidiaries	48	45	219	222	-	-1	5	6	-0.7	-2.2	2.6	2.7
	3,678	3,184	13,734	14,228	449	414	1,832	1,867	12.2	13.0	13.3	13.1
Gain/loss from sale/purchase of businesses	-	-	-	-	-17	-1	29	13				
Other companies and items	-	1	4	3	-8	-1	-43	-50				
	3,678	3,185	13,738	14,231	424	412	1,818	1,830				
IFRS 16	-	-	-	-	1	1	1	1				
	3,678	3,185	13,738	14,231	425	413	1,819	1,831				

SEK m	Operating capital ²		Return on operating capital %		Growth in net sales, 2020 %			
	2020 Trailing 12	2019 Trailing 12	2020 Trailing 12	2019 Trailing 12	Total	Organic	Currency	Acquisitions
Caljan ¹	926	-	5.3	-	-	-	-	-
Hultafors Group	3,147	2,236	13.7	17.8	30.5	1.0	2.3	26.3
Latour Industries	3,172	3,060	8.8	7.2	10.0	-2.7	1.0	11.9
Nord-Lock Group	1,139	1,058	34.1	40.0	-6.9	-9.9	3.3	-
Swegon	3,310	3,151	21.5	18.1	1.8	-1.3	1.3	1.9
Total	11,694	9,505	15.9	17.0	15.6	-1.4	1.7	15.3

¹ The figures for the previous year and trailing 12 months refer to the time from the acquisition date on 1 December 2019.

² Calculated as total assets less cash and other interest-bearing assets and less non-interest-bearing liabilities. Calculated on the average for the past 12 months.

Industrial operations trailing 12 months



Development by business area



(MEUR)	2020 Q1	2019* Q1	2019* Full Year	Trailing* 12 mths
Net sales	21	19	92	94
EBITDA	3	2	14	15
EBITDA ¹	3	2	14	15
EBITA ¹	3	2	13	14
EBIT ¹	3	2	13	14
EBITA % ¹	14.1	10.1	14.2	15.0
EBIT % ¹	13.3	10.1	14.2	14.8
Total growth %	11.0			
Organic %	11.0			
Exchange effects %	-			
Acquisitions %	-			
Average number of employees	481	468	465	

¹ Excl. IFRS 16.

* Pro forma

Highlights

- Very positive growth during the quarter with demand remaining strong and the order backlog at a record high at the close of the quarter.
- Organic growth in sales by 11 per cent contributed to a strong operating profit performance.
- The effects of Covid-19 have so far been limited. In some cases, it is difficult for service technicians to visit customers, which is causing some problems for the aftermarket service teams.

Breakdown of net sales

(MEUR)	2020 Q1	2019* Q1	2019* Full Year	Trailing* 12 mths
Telescopic	14	11	56	59
Document Handling & Labelling	1	2	9	8
Depot Automation Solutions	1	1	5	5
Aftermarket	5	4	20	21
Other Products	-	1	2	1
	21	19	92	94

Pro forma

HULTAFORS GROUP

(SEK m)	2020 Q1	2019 Q1	2019 Full Year	Trailing 12 mths
Net sales	846	648	2,896	3,094
EBITDA	124	101	462	485
EBITDA ¹	118	94	435	459
EBITA ¹	111	89	416	438
EBIT ¹	108	88	412	432
EBITA % ¹	13.1	13.7	14.4	14.2
EBIT % ¹	12.8	13.6	14.2	14.0
Total growth %	30.5	35.9	20.3	
Organic %	1.0	9.9	3.2	
Exchange effects %	2.3	4.2	3.2	
Acquisitions %	26.3	18.7	13.1	
Average number of employees	983	840	885	

¹ Excl. IFRS 16.

Highlights

- Total growth amounts to just over 30 per cent, mainly driven by acquisitions. Some organic growth in the group as a result of good sales during the first two months of the year.
- A combination of good cost control and sales growth resulted in strong earnings for the quarter.
- The consequences of Covid-19 had an impact on demand at the end of March and it became more noticeable as we moved into the second quarter.
- A cost-reduction programme has been implemented. Combined with continued investments in sales, marketing and digitalisation, this will consolidate and improve the competitive edge.
- Emma Safety Footwear was acquired in January. More details can be found on page 4.

Breakdown of net sales

(SEK m)	2020 Q1	2019 Q1	2019 Full Year	Trailing 12 mths
PPE/Workwear	476	375	1,660	1,761
Hardware	371	273	1,236	1,333
	847	648	2,896	3,094

Pro forma adjustment¹

389

Trailing 12 month pro forma

3,483

¹ Pro forma for completed acquisitions.

Caljan is a global supplier of automation technology for parcel handling in the logistics and e-commerce sectors. Caljan's products help packing companies, distributors and manufacturers around the world to optimise their supply chains. Flows are increased, costs are reduced and working environments are made safer and more ergonomic. Caljan has its head office in Aarhus, Denmark, and subsidiaries in the USA and several European countries.

Hultafors Group offers products in the Personal Protective Equipment/Workwear and Hardware segments. The products are marketed under brands with strong positions in their respective markets: Snickers Workwear, Dunderdon, CLC, Kuny's Leather, Solid Gear, Toe Guard, Hultafors, Wibe Ladders, Johnson Level, Hellberg Safety and EMMA. Hultafors Group is also a distributor for the German manufacturing company Fein in the Swedish market.

(SEK m)	2020 Q1	2019 Q1	2019 Full Year	Trailing 12 mths
Net sales	812	738	3,075	3,149
EBITDA	99	87	380	392
EBITDA ¹	86	74	327	340
EBITA ¹	75	64	285	296
EBIT ¹	71	60	267	278
EBITA % ¹	9.3	8.7	9.3	9.4
EBIT % ¹	8.8	8.1	8.7	8.8
Total growth %	10.0	17.0	12.4	
Organic %	-2.7	8.6	3.8	
Exchange effects %	1.0	2.2	1.7	
Acquisitions %	11.9	5.5	6.5	
Average number of employees	1,533	1,453	1,465	

¹ Excl. IFRS 16.

Highlights

- Growth reached 10 per cent, driven by the acquisitions during 2019.
- Profitability continued to strengthen, fully in line with expectations.
- The companies within Building Automation continued their positive development during the quarter.
- Aritco's sales and deliveries to China was affected by Covid-19 during the quarter. Vimec in Italy was affected by the closure of its factory in the second half of March. It reopened in the second half of April, but with limited capacity.
- At the start of the second quarter, Covid-19 is causing a broader slowdown in demand within the business area.
- The acquisition of S+S Regeltechnik for Bemsig and Batec Mobility for MS Group were finalised in January. More details can be found on page 4.

Breakdown of net sales

(SEK m)	2020 Q1	2019 Q1	2019 Full Year	Trailing 12 mths
Bemsig	197	125	497	568
Aritco Group	223	172	792	843
Vimec	101	111	541	532
MS Group	128	144	529	513
LSAB	131	146	533	518
Densiq	34	42	193	186
Elimination	-2	-2	-10	-10
	812	738	3,075	3,149

Pro forma adjustment ¹				241
Trailing 12 month pro forma				3,390

¹ Pro forma for completed acquisitions.

Latour Industries consists of a number of operating areas, each with its own business concept and business model. Our ambition is to develop independent entities within the business area, so that they are eventually able to become established as separate business areas within Latour.

(SEK m)	2020 Q1	2019 Q1	2019 Full Year	Trailing 12 mths
Net sales	357	384	1,448	1,421
EBITDA	113	135	471	449
EBITDA ¹	106	129	446	423
EBITA ¹	100	123	420	397
EBIT ¹	97	121	411	387
EBITA % ¹	28.0	32.1	29.0	27.9
EBIT % ¹	27.3	31.4	28.4	27.3
Total growth %	-6.9	26.4	10.7	
Organic %	-9.9	16.6	4.4	
Exchange effects %	3.3	7.3	5.4	
Acquisitions %	-	1.1	0.5	
Average number of employees	590	589	594	

¹ Excl. IFRS 16.

Highlights

- The order intake was on a par with the previous year whilst sales declined organically. The comparatives are challenging due to major project deliveries in the first quarter of 2019.
- Although Covid-19 has seriously affected sales in Asia Pacific, especially China, there has been a strong recovery in the second part of the quarter. The business area's well-balanced exposure to industrial segments and regions respectively has otherwise mitigated the adverse impact of Covid-19.
- At the start of the second quarter, a more significant decline was observed in EMEA and the Americas as a consequence of the Covid-19 crisis.
- The Superbolt Tool won the prestigious Red Dot Design Award in the Tools category for the "Best Product Design 2020". Also named as Sweden's 5th most attractive employer, measured on employee engagement by Brilliant in the category of "Construction and Manufacturing Industries".

Breakdown of net sales

(SEK m)	2020 Q1	2019 Q1	2019 Full Year	Trailing 12 mths
EMEA	179	172	654	660
Americas	100	95	392	397
Asia Pacific	79	116	402	364
	357	384	1,448	1,421

Pro forma adjustment ¹				-
Trailing 12 month pro forma				1,421

¹ Pro forma for completed acquisitions.

Nord-Lock Group is a world leader in secure bolting solutions. The Group offers a wide range of innovative technologies including Nord-Lock wedge-locking, Superbolt multi-jackbolt tensioning, Boltight hydraulic tensioning and Expander System pivot technology. With a global sales organization and international partners the customers benefit from bolting expertise and the optimum solution for any bolting challenge.



(SEK m)	2020 Q1	2019 Q1	2019 Full Year	Trailing 12 mths
Net sales	1,394	1,370	5,986	6,010
EBITDA	179	186	873	867
EBITDA ¹	164	169	804	799
EBITA ¹	147	151	733	729
EBIT ¹	143	147	717	713
EBITA % ¹	10.5	11.0	12.2	12.1
EBIT % ¹	10.3	10.8	12.0	11.9
Total growth %	1.8	22.2	16.5	
Organic %	-1.3	12.9	8.0	
Exchange effects %	1.3	3.5	2.5	
Acquisitions %	1.9	4.6	5.3	
Average number of employees	2,595	2,429	2,454	

¹ Excl. IFRS 16.

Highlights

- Growth remains stable in Swegon's markets, with the Swedish market standing out as a particularly positive performer.
- Business unit Residential is growing especially well in the Nordic market, driven by a robust sales organisation and new product launches.
- However Covid-19 is having an adverse impact on the rate of growth, principally in southern Europe, the UK and also partly in North America.
- Covid-19 is increasingly affecting demand and the ability to deliver at the start of the second quarter. After its closure in March, the factory in Cantarana in Italy was reopened on 14 April, albeit with reduced capacity. Production facilities in India, Belgium and the UK are either temporarily closed or have reduced their level of production.
- Acquisition of the UK company Waterloo in March. More details can be found on page 4.

Breakdown of net sales

(SEK m)	2020 Q1	2019 Q1	2019 Full Year	Trailing 12 mths
Sweden	307	300	1,188	1,195
Rest of Nordic region	274	257	1,046	1,063
Rest of world	813	813	3,752	3,752
	1,394	1,370	5,986	6,010

Pro forma adjustment¹

Trailing 12 month pro forma

¹ Pro forma for completed acquisitions.

(SEK m)	2020 Q1	2019 Q1	2019 Full Year	Trailing 12 mths
Commercial Ventilation	1,075	1,085	4,778	4,768
Residential	135	112	476	499
North America	76	81	342	337
UK	175	155	662	682
Eliminations	-67	-63	-272	-276
	1,394	1,370	5,986	6,010

Swegon provides components and innovative system solutions that create a good indoor climate and contribute to significant energy savings in all types of buildings. Swegon's products constitute a turnkey solution for the perfect indoor climate.

The Latour share's net asset value

In order to facilitate the evaluation of Latour's net asset value, Latour provides an estimated range of the value (Enterprise Value) for each business area based on EBIT multiples. These multiples have been calculated by comparing valuations of listed companies in comparable industries. Since there are variations in the listed companies' valuations these are reflected in the tables by valuing each business area in a range. Deductions are then made for the Group's net debt. The evaluation of comparable companies is based on the share price on the balance sheet date. Any price changes after the balance sheet date have not been taken into consideration. A more detailed description can be found on page 25 of Latour's Annual Report for 2019.

In some cases, the valuation multiples for comparable companies span over a very big range. For this reason, the multiples may be adjusted in order to avoid unreasonable values. The indicative value stated below is not a complete market valuation of Latour's holdings.

During the period, the net asset value declined from SEK 136 per share at the start of the year to SEK 114. The net asset value thus decreased by 16.2 per cent, while the SIXRX benchmark index decreased by 18.2 per cent. The stock market revaluation during the quarter of companies in related industries to Hultafors Group and Swegon has led to a downward adjustment of the valuation multiples for these business areas.

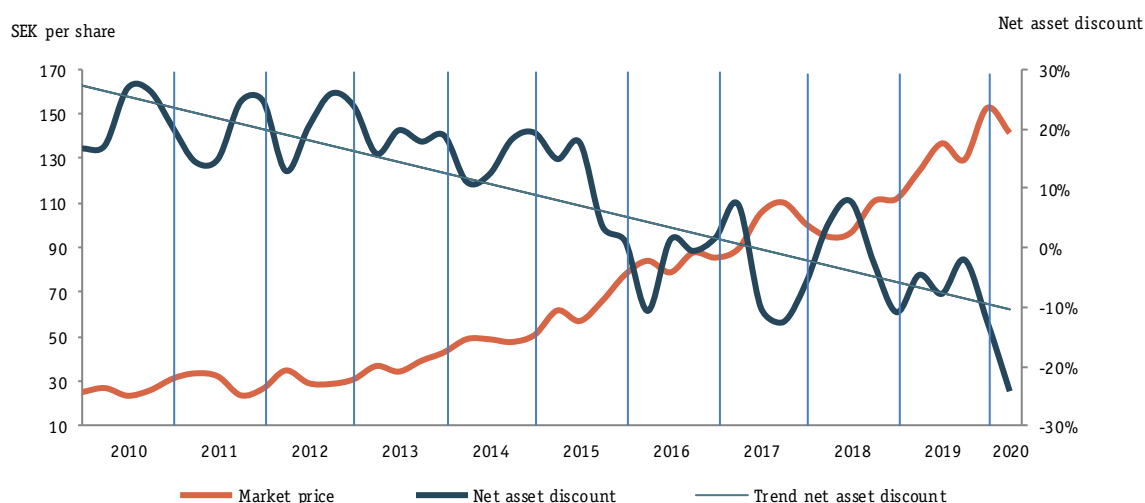
SEK m	Net sales ¹	EBIT ¹	EBIT multiple	Valuation ² Range	Valuation ² Average	Valuation ² SEK/share ³ Range
Caljan	1,003	148	15 - 19	2,223 - 2,815	2,519	4 - 4
Hultafors Group	3,483	498	9 - 13	4,483 - 6,476	5,479	7 - 10
Latour Industries	3,390	335	12 - 16	4,017 - 5,356	4,687	6 - 8
Nord-Lock Group	1,422	388	12 - 16	4,653 - 6,203	5,428	7 - 10
Swegon	6,172	723	12 - 16	8,682 - 11,576	10,129	14 - 18
	15,470	2,092		24,057 - 32,426		38 - 51
Industrial operations valuation, average					28,242	44
Listed shares (see table on page 10 for breakdown)					53,116	83
<i>Unlisted part-owned holdings</i>						
Neuffer ⁴ , 66.1 %					149	0
Oxeon ⁴ , 31.6 %					18	0
<i>Other assets</i>						
Short trading portfolio					9	0
Dilution effect of option programme					-70	0
Consolidated net debt (excl IFRS 16)					-8,601	-13
Estimated value					72,863	114
					(68 678 - 77 047)	(107 - 121)

¹ Trailing 12 months for current company structure (proforma). EBIT is, as appropriate, reported before restructuring costs.

² EBIT and EV/sales recalculated taking into consideration the listed share price on 31 of March 2020 for comparable companies in each business area.

³ Calculated on the basis of the number of outstanding shares.

⁴ Valued according to the book value.



The investment portfolio at 31 March 2020

In the first quarter, the value of the investment portfolio decreased by 19.0 per cent, adjusted for changes in the portfolio, while the benchmark index (SIXRX) decreased by 18.2 per cent.

The shareholding in Fagerhult increased to 46.7 per cent following acquisition of 590,000 shares in the first quarter. An investment was also made in Alimak, increasing the shareholding to 29.3 per cent following acquisition of 65,000 shares.

Share ¹	Number	Cost SEK m	Listed share price ² SEK	Market value SEK m	Share of votes %	Share of equity %
Alimak Group	15,871,809	2,118	88	1,390	29.5	29.3
Assa Abloy ³	105,495,729	1,697	188	19,802	29.5	9.5
Fagerhult	82,708,480	1,818	39	3,234	47.0	46.7
HMS Networks	12,109,288	250	123	1,489	26.0	25.9
Nederman	10,538,487	306	106	1,121	30.0	30.0
Securitas ³	39,732,600	1,081	108	4,271	29.6	10.9
Sweco ^{3 4}	32,622,480	445	284	9,252	21.3	26.9
Tomra ⁵	39,000,000	2,000	291 NOK	10,899	26.4	26.3
Troax	18,060,000	397	92	1,658	30.1	30.1
Total		10,112		53,116		

¹ All holdings are reported as associated companies in the balance sheet.

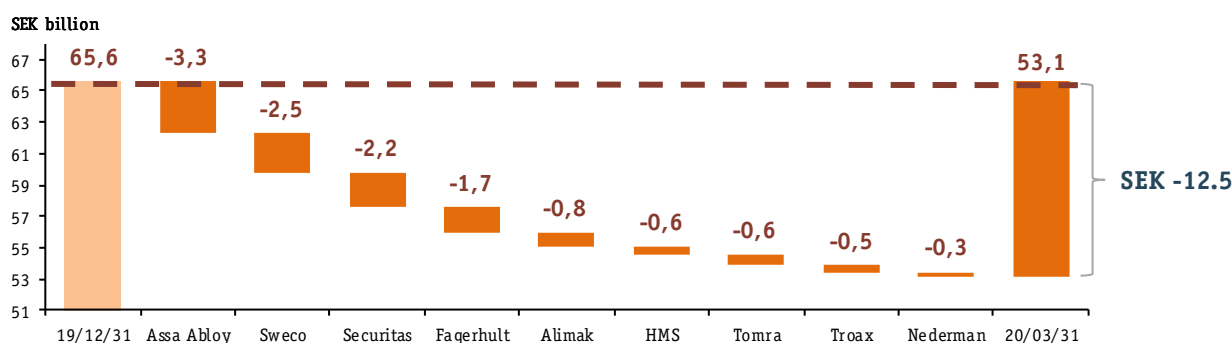
² The last price paid is used as the listed share price.

³ Due to the limited trading in class A shares in Sweco, and the fact that the class A shares in Assa Abloy and Securitas are unlisted, they have been given the same listed share price as the companies' class B shares. Holdings consisting of both class A and B shares are reported in the table as unit.

⁴ The cost of the class B shares are SEK 34 m higher than in the parent company through the exercise of call options.

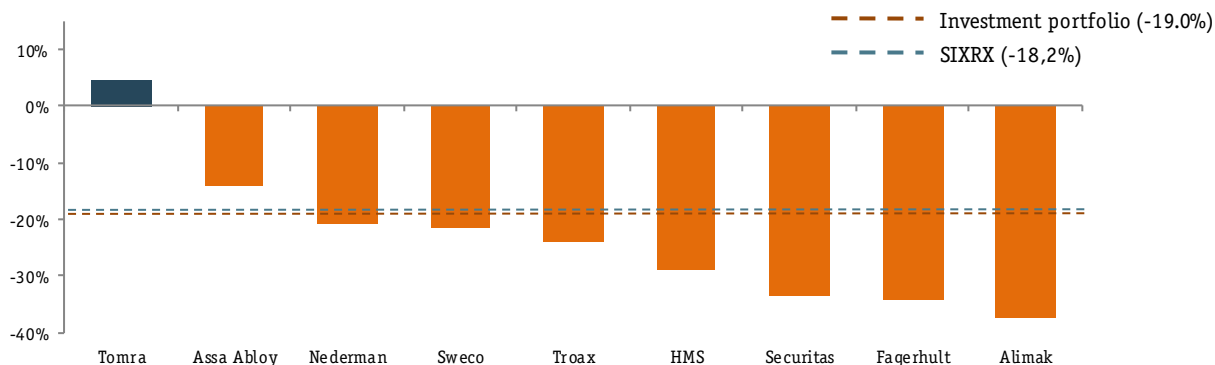
⁵ At the end of the report period, the listed share price was NOK 291,40 which has been translated to SEK at the exchange rate on the balance sheet date.

Investment portfolio during 2020



Movements in investment portfolio values (SEK billion). These figures include acquired and divested shares but not dividends.

Total return 2020 for the portfolio companies



Results and financial position

The Group

The Group's profit after financial items was SEK 116 m (1,791 m). Profit after tax was SEK 4 m (1,701 m), which is equivalent to SEK 0.1 (2.66) per share. A write-down of the holding in Alimak negatively impacted the income statement by SEK 808 m.

The Group's cash in hand and liquid investments reached SEK 2,701 m (1,904 m). Interest-bearing debt, excluding pension liabilities and lease liabilities, totalled SEK 11,813 m (5,499 m). The Group's net debt was SEK 9,193 m (4,344 m). Net debt, excluding lease liabilities, was SEK 8,601 m (3,650 m). The equity ratio was 79 (87) per cent calculated on reported equity in relation to total assets, including undisclosed surpluses in associated companies.

In the first quarter, Latour updated the base prospectus at the Swedish Financial Supervisory Authority for the existing MTN programme with a framework of SEK 4 billion. Following this, a bond loan totalling SEK 600 m was issued in September. In November, a supplementary prospectus was used to increase the framework amount to SEK 6 billion. Later the same month, this was followed by the successful issue of two bonds totalling SEK 2 billion. All in all, Latour has seven outstanding bonds with a total value of SEK 6 billion.

There have been no transactions with related parties that have had a material effect on the results or financial position of the Group.

Investments

During the period, SEK 174 m (20 m) was invested in property, plant and equipment, of which SEK 105 m (13 m) was machinery and equipment, SEK 7 m (5 m) was vehicles, and SEK 62 m (2 m) was buildings. Fixed assets in newly acquired companies account for SEK 129 m (4 m) of investments for the year.

Parent company

The parent company's profit after financial items was SEK -89 m (-4 m). The parent company's equity ratio was 56 (76) per cent.

The number of class A shares issued is 47,641,048 and the number of class B shares is 592,198,952. Not including repurchased shares, the number of outstanding shares on 31 March 2020 amounted to 639,282,500. At the end of the period, Latour holds 557,500 repurchased class B shares.

The total number of issued call options is 1,834,000, which give the right to purchase 2,330,500 shares.

Events after the reporting period

The effects of the Covid-19 outbreak are becoming increasingly evident. At present, it is impossible to make an assessment of the extent and duration of the impacts. The financial results for the second quarter of 2020 will be significantly down on the same period last year.

Risks and uncertainties

The main risk to which the Group and the parent company are exposed is the risk attributable to adverse changes in the values of financial instruments, including a general decline in the stock market or in the value of an individual holding. This includes uncertainties relating to changes in exchange rates and interest rates. Latour has a well-diversified holding of shares, spread across nine listed holdings and five wholly-owned business areas. This means that the development and performance of an individual holding will not have a drastic impact on the portfolio as a whole. As the wholly-owned industrial operations have increased in size, Latour as a whole is influenced to a higher degree by changes attributable to these operations. On the whole, Latour is deemed to have a good risk diversification in its portfolio, which covers several industries, with a certain emphasis on sectors linked to the construction industry. Construction can also be divided into several dimensions, such as new builds or government-subsidised repair, conversion or extension work, locally or globally, and housing, office and industrial premises or infrastructure projects. No material risks are deemed to have arisen other than those described in Note 35 of Latour's 2019 Annual Report.

Accounting policies

This interim report has been prepared in accordance with the Swedish Annual Accounts Act and IAS 34 Interim Reporting in respect of the Group, and in accordance with the Annual Accounts Act and Recommendation RFR 2 Accounting for Legal Entities of the Swedish Financial Reporting Board in respect of the parent company.

New accounting standard requirements that came into effect on 1 January 2020 have not had any impact on the Group's or parent company's accounting as at 31 March 2020.

The Latour Group uses a number of economic indicators that are not defined in the set of accounting rules used by the Group, so-called alternative performance measures. Definitions of the economic indicators can be found on page 21 of this report and in Latour's latest Annual Report. For an explanation of how the financial performance measures have been calculated for the current and prior periods, please see the table in this report and Latour's latest Annual Report.

The Annual Reports for 1986 to 2019 are available for viewing on Latour's website www.latour.se.

This report has not been formally audited by the company's auditors.

Gothenburg, 28 April 2020
Johan Hjertonsson
President and CEO

Consolidated income statement

SEK m	2020 Q1	2019 Q1	12 mths Apr-Mar 2019/2020	Full Year 2019
Net sales	3,678	3,185	14,231	13,738
Cost of goods sold	-2,234	-1,904	-8,631	-8,301
Gross profit	1,444	1,281	5,600	5,437
Sales costs	-607	-547	-2,329	-2,269
Administrative costs	-310	-257	-1,131	-1,078
Research and development costs	-103	-84	-348	-329
Other operating income	25	26	183	184
Other operating expenses	-24	-6	-144	-126
Operating profit	425	413	1,831	1,819
Income from interests in associates	-341	1,372	2,058	3,771
Income from portfolio management	-7	11	200	218
Management costs	-7	-6	-25	-24
Profit before financial items	70	1,790	4,064	5,784
Finance income	109	68	79	38
Finance expense	-63	-67	-93	-97
Profit after financial items	116	1,791	4,050	5,725
Taxes	-112	-90	-437	-415
Profit for the period ¹	4	1,701	3,613	5,310
	-	-	-	-
Attributable to:				
Parent company shareholders	4	1,701	3,630	5,327
Non-controlling interests	-	-	-17	-17
Earnings per share regarding profit attributable to parent company shareholders				
Basic share, SEK	0.01	2.66	5.68	8.33
Diluted share, SEK	0.01	2.65	5.66	8.31
Average number of basic shares outstanding	639,282,500	639,117,500	639,257,633	639,213,788
Average number of diluted shares outstanding	641,613,000	641,463,500	641,395,100	641,357,640
Number of outstanding shares	639,282,500	639,117,500	639,282,500	639,282,500

Consolidated statement of comprehensive income

SEK m	2020 Q1	2019 Q1	12 mths Apr-Mar 2019/2020	Full Year 2019
Profit for the period	4	1,701	3,613	5,310
Other comprehensive income:				
Items that will not be recycled to the income statement				
Restatement of net pension obligations	-	-	-15	-15
	0	0	-15	-15
Items that may subsequently be recycled to the income statement				
Change in translation reserve for the period	548	109	516	77
Change in fair value reserve for the period	-	25	-159	-134
Change in hedging reserve for the period	-171	-3	-99	69
Change in associated companies' equity	-580	96	-148	528
	-203	227	110	540
Other comprehensive income, net after tax	-203	227	95	525
Comprehensive income for the period	-199	1,928	3,708	5,835
Attributable to:				
Parent company shareholders	-199	1,928	3,723	5,850
Non-controlling interests	-	-	-15	-15

Consolidated cash flow

SEK m	2020 Q1	2019 Q1	12 mths Apr-Mar 2019/2020	Full Year 2019
Operating cash flows before movements in working capital	375	422	1,817	1,864
Movements in working capital	-282	-223	-116	-57
Operating cash flows	93	199	1,701	1,807
Acquisitions of subsidiaries	-756	-62	-4,546	-3,852
Other investments	-88	-30	-286	-228
Portfolio management	-64	1,102	206	1,372
Cash flow after investments	-815	1,209	-2,925	-901
Financial payments	2,421	-80	3,651	1,150
Cash flow for the period	1,606	1,129	726	249

Consolidated balance sheet

SEK m	2020/03/31	2019/03/31	2019/12/31
ASSETS			
Goodwill	11,261	6,716	9,913
Other intangible assets	280	220	272
Property, plant and equipment ¹	1,844	1,644	1,669
Financial assets	19,573	17,881	20,466
Inventories etc.	2,411	1,897	2,111
Current receivables	3,400	2,633	3,142
Cash and bank	2,701	1,904	1,029
Total assets¹	41,470	32,895	38,602
EQUITY AND LIABILITIES			
Capital and reserves attributable to parent company shareholders	25,807	23,695	26,010
Non-controlling interests	84	96	80
Total equity	25,891	23,791	26,090
Interest-bearing long-term liabilities	9,177	3,550	7,977
Non-interest-bearing long-term liabilities	530	963	517
Interest-bearing current liabilities	2,737	2,038	1,195
Non-interest-bearing current liabilities	3,135	2,553	2,823
Equity and liabilities	41,470	32,895	38,602

Consolidated changes in equity

SEK m	Share capital	Repurchased treasury shares	Other reserves	Profit brought forward	Non-controlling interests	Total
Opening balance 1 Jan 2019	133	-60	432	21,263	95	21,863
Total comprehensive income for the period			10	5,840	-15	5,835
Issued call options				8		8
Exercise of call options		49		-11		38
Own shares repurchase		-56				-56
Dividends				-1,598		-1,598
Closing balance 31 December 2019	133	-67	442	25,502	80	26,090
Opening balance 1 Jan 2020	133	-67	442	25,502	80	26,090
Total comprehensive income for the period			373	-576	4	-199
Issued call options						0
Exercise of call options						0
Own shares repurchase						0
Dividends						0
Closing balance 31 March 2020	133	-67	815	24,926	84	25,891

Key ratios, Group

	2020/03/31	2019/03/31	2019/12/31
Return on equity (%)	0	30	22
Return on total capital (%)	2	24	15
Equity ratio, incl IFRS 16 (%)	62	72	68
Equity ratio, excl IFRS 16 (%)	63	74	69
Adjusted equity ratio, incl IFRS 16 ¹ (%)	79	87	85
Adjusted equity ratio, excl IFRS 16 ¹ (%)	80	88	86
Adjusted equity ¹ (SEK m)	59,626	62,720	71,398
Surplus value in associated companies ² (SEK m)	33,735	38,929	45,308
Net debt/equity ratio 1 (%) ³	15.4	5.8	11.3
Net debt/equity ratio 2 (%) ⁴	11.3	5.6	9.4
Listed share price (SEK)	142	125	153
Repurchased shares	557,500	722,500	557,500
Average number of repurchased shares	557,500	722,500	626,212
Average number of employees	6,039	5,376	5,882
Issued call options corresponds to number of shares	2,330,500	2,346,000	2,330,500

¹ Incl. fair value gain in associated companies.

² The difference between the carrying amount and market value.

³ The ratio of net debt to adjusted equity.

⁴ The ratio of net debt to the market value of total assets.

Parent company income statement

SEK m	2020 Q1	2019 Q1	12 mths Apr-Mar 2019/2020	Full Year 2019
Income from interests i Group companies	-	-	440	440
Income from interest in associates companies	-	-	953	953
Income from portfolio management	-	-	-	-
Management costs	-5	-4	-20	-19
Profit before financial items	-5	-4	1,373	1,374
Interest income and similar items	16	3	34	21
Interest expense and similar items	-100	-3	-116	-19
Profit after financial items	-89	-4	1,291	1,376
Taxes	-	-	-	-
Profit for the period	-89	-4	1,291	1,376

Parent company statement of comprehensive income

SEK m	2020 Q1	2019 Q1	12 mths Apr-Mar 2019/2020	Full Year 2019
Profit for the period	-89	-4	1,291	1,376
Change in fair value reserve for the period	-	-	-	-
Total other comprehensive income	0	0	0	0
Comprehensive income for the period	-89	-4	1,291	1,376

Parent company balance sheet

SEK m	2020/03/31	2019/03/31	2019/12/31
ASSETS			
Financial assets	11,188	9,831	11,157
Long-term receivables from Group companies	6,250	3,100	6,000
Current receivables from Group companies	-	243	-
Other current liabilities	23	7	13
Cash and bank	-	-	-
Total assets	17,461	13,181	17,170
EQUITY AND LIABILITIES			
Equity	9,760	10,077	9,849
Interese-bearing long-term lilabilities	7,000	3,100	6,000
Non-interest-bearing long-term liabilities	-	-	-
Interese-bearing current liabilities	603	-	1,307
Non-interest-bearing current liabilities	98	4	14
Equity and liabilities	17,461	13,181	17,170

Parent company statement of changes in equity

SEK m	2020/03/31	2019/03/31	2019/12/31
Amount at beginning of year	9,849	10,081	10,081
Total comprehensive income for the period	-89	-4	1,376
Issued call options	-	-	8
Exercise of call options	-	-	39
Repurchased treasury shares	-	-	-57
Dividends	-	-	-1,598
Amount at end of year	9,760	10,077	9,849

Segment reporting:

Development by business area 1 Jan 2020 – 31 March 2020

SEK m	Industrial operations						Portfolio management	Total
	Caljan	Hultafors Group	Latour Industries	Nord-Lock Group	Swegon	Other		
INCOME								
External sales	222	846	811	357	1,394	48		3,678
Internal sales			1					1
RESULT								
Operating profit	30	108	71	97	143	-24		425
Income from portfolio management							-355	-355
Finance income								109
Finance expense								-63
Taxes								-112
Profit for the period								4
OTHER DISCLOSURES								
Investments in:								
property, plant and equipment	16	104	24	2	21	7		174
intangible assets	-	304	485	-	66	-		855
Depreciation/amortisation	3	10	15	9	21	47		105

Development by business area 1 Jan 2019 – 31 March 2019

SEK m	Industrial operations						Portfolio management	Total
	Caljan	Hultafors Group	Latour Industries	Nord-Lock Group	Swegon	Other		
INCOME								
External sales	-	648	738	383	1,370	46		3,185
Internal sales				1				1
RESULTS								
Operating result	-	88	60	121	147	-3		413
Income from portfolio management							1,377	1,377
Finance income								68
Finance expense								-67
Taxes								-90
Profit for the period								1,701
OTHER DISCLOSURES								
Investments in:								
property, plant and equipment	-	2	8	2	3	5		20
intangible assets	-	-	48	-	13	-		61
Depreciation/amortisation	-	5	14	8	23	49		99

Change in consolidated interest-bearing net debt

SEK m	2019/12/31	Change in cash	Change in loans	Other changes	2020/03/31
Interest-bearing receivables	48			-28	20
Cash	1,029	1,627		45	2,701
Pensions provisions	-122			21	-101
Long-term liabilities	-7,855		-1,053	-168	-9,076
Utilised bank overdraft facilities	-160		85		-75
Interest-bearing current liabilities	-1,035		-1,627		-2,662
Interest-bearing net debt	-8,095	1,627	-2,595	-130	-9,193

Five-year overview

SEK m	Apr-Mar 2019/2020	2019	2018	2017	2016
Net sales, SEK m	14,231	13,738	11,785	9,930	8,344
Operating profit, SEK m	1,831	1,819	1,397	1,125	1,021
Income from interest in associated companies, SEK m	2,058	3,955	1,278	2,006	2,676
Income from portfolio management, SEK m	200	194	2	-8	101
Profit after finance items, SEK m	4,064	5,725	2,646	3,069	3,754
Earnings per share, SEK ¹	6	8	4	4	6
Return on equity, %	15	22	11	14	21
Return on total capital, %	11	17	9	13	17
Adjusted equity ratio, %	80	86	86	88	91
Net debt/equity ratio, %	15	11	9	8	3
Listed share price, SEK ¹	142	153	112	101	86

¹ Comparative years recalculated with regard to the 4:1 share split carried out in June 2017.

Note 1 Business combinations

Specification of acquisitions

Transfer date		Country	Business area	Number of employees
22 January 2020	S+S Regeltechnik GmbH	Germany	Latour Industries	65
28 January 2020	Batec Mobility, S.L.	Spain	Swegon	41
30 January 2020	Emma Safety Footwear B.V.	Netherlands	Latour Industries	140
11 March 2020	Waterloo Air Products	UK	Hultafors Group	140

Assets and liabilities in acquisitions

	Consolidated carrying amount
Intangible assets	37
Property, plant and equipment	127
Inventories	118
Account receivable	98
Other receivable	25
Cash	45
Long-term liabilities	-169
Current liabilities	-138
Net identifiable assets and liabilities	146
Group goodwill	822
Total purchase price	968
Additional purchase price	-166
Cash settlement purchase price	802
Acquisition of non-cash items	-1
Acquired cash	-45
Effect of Group cash	756

During the first quarter of 2020, Latour acquired the entire shareholdings in S+S Regeltechnik GmbH, Batec Mobility SL, Emma Safety Footwear BV and Waterloo Air Products.

S+S has contributed SEK 52 m in income and SEK 15 m in operating profit during the period. Batec has contributed SEK 9 m in income and SEK 0 m in operating profit during the period. Emma has contributed SEK 44 m in income and SEK 2 m in operating profit during the period. Waterloo has contributed SEK 13 m in income and SEK 1 m in operating profit during the period. The acquisition has been made with the aim of strengthening and developing the Latour Group's existing operations. Transaction costs for acquisitions made during the period amount to SEK 17 m.

Note 2 Disclosures about financial assets and liabilities

Classification of financial instruments

THE GROUP 31 March 2020

	Available-for-sales financial assets	Financial assets values at fair value via profit and loss	Derivatives used for hedging purposes	Total carrying amount
FINANCIAL ASSETS				
Listed shares, management	0 ¹			0
Other long-term securities holdings	3 ²			3
Other long-term receivables			23 ³	23
Listed shares, trading		9 ¹		9
Unrealised gains, currency derivatives	2 ²			2
Other current receivables			3 001 ³	3,001
Cash			2 701 ³	2,701
Total	5	9	5,725	3,910
FINANCIAL LIABILITIES				
Long-term loans			8 637 ³	8,637
Bank overdraft facilities			75 ³	75
Current loans			2 508 ³	2,508
Other liabilities			1 872 ³	1,872
Unrealised gains, currency derivatives	107 ²			107
Total	107	0	13,092	13,119

¹ Level 1 – valued at fair value based on quoted prices on an active market for identical assets.

² Level 2 – valued at fair value based on other observable inputs for assets and liabilities than quoted price included in level 1.

³ Level 3 – valued at fair value based on inputs for assets and liabilities unobservable to the market.

The basis of fair value for listed financial assets is the quoted market price at the balance sheet date. The basis of fair value for unlisted financial assets is determined using valuation techniques, such as recent transactions, the price of comparable instruments or discounted cash flows.

Hedging instruments consist of forward exchange contracts and interest rate and currency swaps and are included in level 2. Valuation at fair value of forward exchange contracts is based on levels established by the bank on an active market.

The fair value of accounts receivable and other receivables, current receivables, cash and other liquid funds, accounts payable and other liabilities as well as long-term liabilities are estimated to have the same value as their carrying amount. Market interest is not believed to materially deviate from the discount rate for interest-bearing long-term liabilities and therefore the carrying amount is considered in essence equal to the fair value.

The Group's valuation process is carried out by the Group finance and treasury department where a team works with valuation of the financial assets and liabilities held by the Group.

Note 3 Breakdown of revenues

Revenue by category

THE GROUP 31 March 2020

SEK m	2020 Q1	2019 Q1	2019 Full Year
Revenue from goods	3,474	2,871	12,287
Revenue from services	204	314	1,451
	3,678	3,185	13,738
Fix-price contract	2,830	2,428	10,286
Time-and-materials contracts	848	757	3,452
	3,678	3,185	13,738
Sold directly to consumers	2,006	1,693	7,248
Sold through intermediaries	1,672	1,492	6,490
	3,678	3,185	13,738

Latour's revenues are derived from a variety of operations that are conducted in about a hundred subsidiaries.

Information by quarter

SEK m	2020		2019				2018				
	Q1	Full Year	Q4	Q3	Q2	Q1	Full Year	Q4	Q3	Q2	Q1
INCOME STATEMENT											
Net sales	3,678	13,738	3,647	3,339	3,567	3,185	11,785	3,268	2,903	3,024	2,590
Cost of goods sold	-2,234	-8,301	-2,219	-2,041	-2,137	-1,904	-7,073	-1,984	-1,743	-1,802	-1,544
Gross profit	1,444	5,437	1,428	1,298	1,430	1,281	4,712	1,284	1,160	1,222	1,046
Costs etc. for the operation	-1,019	-3,618	-1,064	-855	-831	-868	-3,315	-899	-786	-851	-779
Operating profit	425	1,819	364	443	599	413	1,397	385	374	371	267
Total portfolio management	-355	3,965	1,029	350	1,209	1,377	1,280	321	473	106	380
Profit before financial items	70	5,784	1,393	793	1,808	1,790	2,677	706	847	477	647
Net financial items	46	-59	-67	31	-24	1	-31	-12	-14	-14	9
Profit after financial items	116	5,725	1,326	824	1,784	1,791	2,646	694	833	463	656
Taxes	-112	-415	-79	-133	-113	-90	-322	-67	-90	-95	-70
Profit for the period	4	5,310	1,247	691	1,671	1,701	2,324	627	743	368	586
KEY RATIOS											
Earnings per share, SEK ¹	0.01	8.33	1.98	1.08	2.61	2.66	3.66	1.00	1.16	0.58	0.92
Cash flow for the period	1,606	249	169	122	-1,171	1,129	67	73	22	25	-53
Adjusted equity ratio, %	80	86	86	87	88	87	86	86	87	87	88
Adjusted equity	59,626	71,398	71,398	65,229	66,481	62,720	52,395	52,395	58,490	56,880	54,105
Net asset value	72,863	86,974	86,974	81,027	81,276	76,054	63,980	63,980	69,105	66,841	63,016
Net asset value per share, SEK ¹	114	136	136	127	127	119	100	100	108	105	99
Listed share price, SEK ¹	142	153	153	130	137	125	112	112	111	97	95
NET SALES											
Caljan	222	113	113	-	-	-	-	-	-	-	-
Hultafors Group	846	2,896	866	693	689	648	2,407	716	618	596	477
Latour Industries	812	3,079	810	739	790	740	2,758	747	660	700	652
Nord-Lock Group	357	1,448	330	340	395	384	1,309	333	332	341	303
Swegon	1,394	5,986	1,473	1,505	1,639	1,370	5,137	1,421	1,248	1,347	1,121
	3,631	13,519	3,591	3,276	3,512	3,142	11,611	3,217	2,858	2,984	2,553
Other companies and eliminations	47	219	56	63	55	43	174	51	45	40	37
	3,678	13,738	3,647	3,339	3,567	3,185	11,785	3,268	2,903	3,024	2,590
OPERATING PROFIT											
Caljan	30	20	20	-	-	-	-	-	-	-	-
Hultafors Group	108	412	138	97	90	88	375	119	93	98	65
Latour Industries	71	257	60	74	67	56	191	55	57	48	31
Nord-Lock Group	97	411	71	94	124	121	397	89	106	108	94
Swegon	143	717	145	199	226	147	514	138	144	143	89
	449	1,817	434	464	507	412	1,477	401	399	397	279
business	-17	29	-63	-15	108	-1	-38	-17	-10	-10	-1
Other companies and items	-8	-27	-7	-6	-17	2	-42	1	-15	-16	-11
	424	1,819	364	443	598	413	1,397	385	374	371	267
OPERATING MARGIN (%)											
Caljan	13	17	17	-	-	-	-	-	-	-	-
Hultafors Group	12.8	14.2	15.9	13.9	13.3	13.6	15.6	16.6	15.1	13.6	13.6
Latour Industries	8.8	8.3	7.4	10.0	7.7	7.6	6.9	7.3	8.6	4.7	4.7
Nord-Lock Group	27.3	28.4	21.6	27.8	40.8	31.4	30.3	26.8	31.9	30.9	30.9
Swegon	10.2	12.0	9.9	13.2	10.7	10.7	10.0	9.7	11.5	8.0	8.0
	12.4	13.4	12.1	14.2	13.1	13.1	12.7	12.5	14.0	10.9	10.9

Definitions of key ratios

Organic growth

Change in sales in comparable entities after adjustment for acquisitions and foreign exchange effects.

Operating profit (EBITDA)

Earnings before interest, tax, depreciation of property, plant and equipment and amortisation of acquisition-related intangible assets, acquisition-related costs and income, and items impacting comparability.

Operating profit (EBITA)

Earnings before interest, tax, amortisation of acquisition-related intangible assets, acquisition-related costs and income, and items impacting comparability.

Operating margin (EBITA) %

Earnings before interest, tax, amortisation of acquisition-related intangible assets, acquisition-related costs and income, and items impacting comparability, as a percentage of net sales.

Operating profit (EBIT)

Earnings before interest and tax.

Operating margin (EBIT) %

Operating profit divided by net sales.

Operating capital

Total assets less cash and cash equivalents, other interest-bearing assets and non-interest-bearing liabilities. Calculated on the average for the past 12 months.

Total growth

Increase in revenue for the period as a percentage of the previous year's revenue.

Currency-driven growth

Increase in revenue due to currency changes for the period as a percentage of the previous year's revenue.

Organic growth

Increase in revenue for the period, adjusted for acquisitions/disposals and exchange rate changes, as a percentage of the previous year's revenue adjusted for acquisitions and disposals.

Basic earnings per share

Profit for the period divided by the number of outstanding shares in the period.

Calculations:

Jan-Mar 2020: $5/639,282,500 \times 1,000=0.01$

Jan-Mar 2019: $1,701/639,117,500 \times 1,000=2.66$

Diluted earnings per share

Calculations:

Jan-Mar 2020: $4/641,613,000 \times 1,000=0.01$

Jan-Mar 2019: $1,701/641,463,500 \times 1,000=2.65$

Equity ratio

The ratio of shareholder equity to total assets.

Adjusted equity ratio

The ratio of shareholder equity plus gains in associated companies to total assets including gains in associated companies.

Net borrowings

Interest-bearing liabilities less cash and cash equivalents and interest-bearing receivables.

Net debt/equity ratio

The ratio of net borrowings to either adjusted equity or the market value of total assets.

Return on equity

The ratio of net income booked in the income statement to average equity.

Return on total capital

The ratio of profit/loss after financial items plus finance expense to average total assets.

Return on operating capital

The ratio of operating profit to average operating capital.

Direct return

Dividends as a percentage of the share purchase price.

EBIT multiple

The ratio of operating profit to market value adjusted for net debt.

Net asset value

The difference between the company's assets and liabilities, when the investment portfolio (incl. associated companies) is recognised at market value and operative subsidiaries that are owned at the end of the period are recognised in an interval based on EBIT multiples for comparable listed companies in each business area.

Share of voting rights

Share of voting rights is calculated after deduction for repurchased shares.

Share of equity

Share of equity is calculated on total number of issued shares.

Other

The amounts in tables and other charts have each been rounded off. There may therefore be minor differences in the totals due to rounding-off.

For further information, please contact:

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Quarterly presentation

Investment AB Latour invites you to participate in a conference call with Johan Hjertonsson and Anders Mörck commencing today at 10.00.

The number to call is +46 (0)8 566 427 03. The conference will be broadcast on the Internet.

To follow the presentation, please visit our website, www.latour.se.

Financial calendar:

The Annual General Meeting will be held on 11 May 2020 at Radisson Blu Scandinavia in Gothenburg

The interim report for the period January – June 2020 will be published on 20 August 2020

The interim report for the period January – September 2020 will be published on 5 November 2020

The 2020 Year-End Report will be published on 12 February 2021

The information contained in this report constitutes information which Investment AB Latour (publ) is required to disclose under the EU Market Abuse Regulation. The information was provided by the above contact persons for publication on 28 April 2020 at 08.30 CEST.

Investment AB Latour (publ)

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