

- ▲ SALES fall to SEK 1,236.5 million (Q1 2007: SEK 1,284.8 million)
- ▲ PROFIT AFTER NET FINANCIAL ITEMS falls to SEK 70.2 million (SEK 108.7 million)
- ▲ PROFIT AFTER TAX falls to SEK 48.4 million (SEK 77.6 million)
- ▲ EARNINGS PER SHARE total SEK 0.52 (SEK 0.83)
- ▲ ACQUISITION OF
  - KNV Umweltgerechte Energietechnik GmbH, Austria
  - TermaTech A/S, Denmark
  - a further 26% in CJSC EVAN, Russia

INTERIM REPORT  
1 JANUARY - 31 MARCH

2008



## The Chief Executive's Report

# First quarter weaker than last year, as anticipated – forecast for year as a whole remains positive

Sales in the first quarter fell by 3.8% including the figures for newly acquired companies, and by 4.4% if these new acquisitions are excluded. During the first quarter last year growth was 24.3%, with 16.4% organic.

All three business areas are continuing to win new shares of the market: however, demand in a number of market segments with a clear consumer profile has fallen, probably due to a certain amount of caution among end-consumers, which has its origins in current unease about the future of the economy.

Operating profit has fallen by 24.1%. This is chiefly a result of the reduction in sales and the big difference in stock-building between the first quarter this year and the first quarter of 2007, which has resulted in a lower absorption of indirect costs.

In contrast to the first quarter last year, when the value of our stock levels rose by some SEK 262 million, during the first three months of 2008 we have already reduced stocks by slightly more than SEK 11 million. Stock-building during the second quarter will also be at a considerably lower level than for the corresponding period in 2007.

This year, in contrast to previous years and against the background of our over-optimistic stock-building in 2007, we have been considerably more circumspect about evening out seasonal variations in demand by building up stocks in the first quarter. Instead we will make greater efforts to cope with what traditionally is a much greater level of demand during the second half of the year by temporarily raising our production capacity. This change in our pattern of production means that there will be a shift in profits from the first to the second half of the year.

The price of materials continues to raise concerns. While we are endeavouring to do everything in our power to offset this by improving productivity, developing new constructions and changing suppliers, we are still being compelled to raise our prices time and again.

During the first quarter there was a deterioration of SEK 8.9 million in net financial income/expense: this means that profit after net financial income/expense has fallen by 35.4% compared with the corresponding period last year.

So far this year we have made three strategically important acquisitions of companies with good profitability, all of which will make a positive contribution to our full-year earnings. KNV and CJSC EVAN give NIBE Heating a market presence in Austria and Russia respectively, while the takeover of TermaTech (Denmark) means that NIBE Stoves can now offer a broader range of products in more markets.

As work on the new NIBE Stoves production plant and production warehouse, both located in Markaryd, is now more or less complete, investments during the coming year will be lower than in 2007. The two projects mentioned above represent investments totalling just over SEK 200 million, some SEK 30 million of which has been recognised in the accounts for the first quarter of 2008.

The current picture of demand for **NIBE Element's** products provides a good illustration of the present state of the economy: while sales of consumer-oriented products have slowed down, demand for products that are more industry-related continues to remain good. Much of what we are now doing is therefore aimed at adapting to the existing market situation.

**NIBE Heating** confirms that demand for heat pumps continues to remain weak in Sweden. Sales have not really begun to recover in Germany either, despite the re-introduction of government grants. On most other markets, however, demand for heat pumps remains good, gener-ally speaking. With regard to the rest of the business area's product portfolio, there is little change in demand.

Weaker sales for **NIBE Stoves** are attributable chiefly to a drop in overall demand in Sweden and Denmark. Yet another unusually mild winter has presumably also contributed to the generally subdued level of demand on several markets.

Our investment in a new, state-of-the-art wood-stove production facility will lead to a long-term improvement in productivity and raise the quality of our production even further. But not only that: doubling our production capacity enables us to continue to take a leading role in restructuring the industry by transferring production from smaller, less rational units to a single, highly efficient plant.

## Prospects for 2008

With regard to the internal situation we can confirm that we are starting 2008 with fixed costs that are SEK 50 million lower than in 2007, and that we will continue to raise productivity, reduce our material costs and slim down stocks even further.

NIBE still enjoys a healthy financial position and our ambitions with regard to takeovers in 2008 remain strong.

We stand well prepared for further organic expansion but will be prudent about building up stocks ahead of the autumn or increasing our fixed costs until the signals from the market are more positive.

Against this background, we remain cautiously positive about 2008, at the same time as we recognise that we are, of course, dependent on developments in the world around us.

## Financial targets

- ▲ Average annual sales growth of 20%
- ▲ Average annual operating profit of at least 10% of sales over a full business cycle in each business area
- ▲ Average annual 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

15 May 2008, 09.00 Telephone conference.  
(C.E.T.) *The CEO presents the interim report by phone and answers questions*

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14 August 2008 Interim report, January – June 2008

13 November 2008 Interim report, January – September 2008

These financial reports will be posted on the NIBE Industrier website ([www.nibe.com](http://www.nibe.com)) on the same day on which they are made public.

Markaryd, Sweden - 14 May 2008

Gert Eric Lindquist  
Managing Director and Chief Executive Officer

## Sales

The Group generated net sales of SEK 1,236.5 million from January to March, which is a reduction of 3.8% compared with the figure of SEK 1,284.8 million for the first quarter of 2007. This year's figure includes acquired sales of SEK 8.6 million, which means that organic growth for the period contracted by 4.4%.

## Earnings

Profit for the period after net financial items was SEK 70.2 million. This is 35.4% less than in the corresponding period in 2007, when the equivalent figure was SEK 108.7 million.

Return on equity was 12.9% (Q1 2007: 23.5%).

## Acquisition

In January NIBE acquired the Austrian heat pump company KNV Umweltgerechte Energietechnik GmbH, which has annual sales of approximately SEK 50 million and pre-tax profits of approximately SEK 5 million. The company now forms part of the NIBE Heating business area.

## Important events after the end of the reporting period

In April agreement was reached on the acquisition of TermaTech A/S of Denmark, which has annual sales of approximately SEK 55 million and pre-tax profits of some SEK 8 million. The acquisition is contingent upon completion of customary due diligence, after which the company will form part of the NIBE Stoves business area.

April also witnessed the signing of a further agreement that gives NIBE the option to acquire the Danish company Lotus Heating Systems A/S in 2010. Lotus, which is one of Denmark's leading manufacturers of sheet-metal wood-stoves, has annual sales of around SEK 100 million.

At the end of April, after the Russian competition authority, the Federal Antimonopoly Service, had given its approval, an agreement was reached to acquire a further 26% stake in CJSC EVAN to raise NIBE's shareholding in the company to 51%.

## Investments

Between January and March the Group made investments totalling SEK 114.7 million (SEK 90.8 million). SEK 28.5 million of this sum (SEK 0.0) relates to corporate acquisitions, while the remaining SEK 86.2 million (SEK 90.8 million) is mainly investments in machinery and equipment and in buildings for current operations.

## Cash flow and financial position

Cash flow from operating activities before changes in working capital amounted to SEK 59.3 million (SEK 77.7 million). Cash flow after changes in working capital was SEK 55.6 million (SEK -151.5 million).

Interest-bearing liabilities totalled SEK 2,030.7 million at the end of the period, compared with SEK 2,005.2 million at the beginning of the year.

At the end of March the Group had liquid funds of SEK 844.6 million as against SEK 853.0 million at the beginning of the year. During the period the Group's overdraft facilities were extended by SEK 30.7 million.

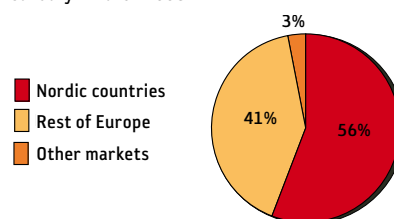
The equity/assets ratio at the end of the period was 34.7%, compared with 34.2% at the beginning of the year and 32.3% at the corresponding point last year.

## Parent company

Parent company activities comprise Group executive management functions, certain shared Group functions and the financing of corporate acquisitions. During the period January to March revenues totalled SEK 0.6 million (SEK 0.6 million) with a loss after financial items of SEK 12.7 million (SEK -9.4 million). At the end of the period, the parent company had liquid funds of SEK 190.8 million compared with SEK 230.9 million at the beginning of the year.

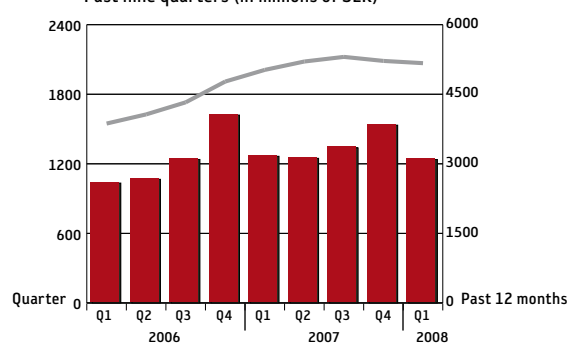
## Group sales by geographic region

January - March 2008



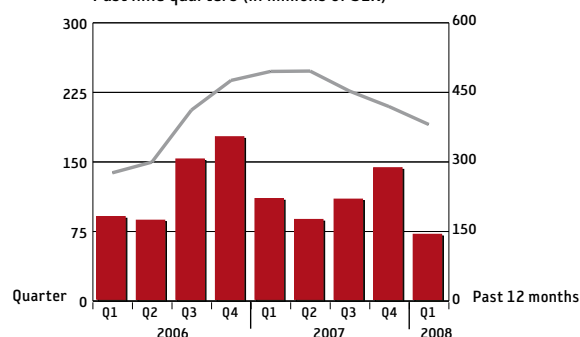
## Net Sales

Past nine quarters (in millions of SEK)



## Profit after financial items

Past nine quarters (in millions of SEK)



## NIBE Industrier - Group

Key figures		2008 Q 1	2007 Q 1	Past 12 months	Full year 2007
Net sales	SEK m	1,236.5	1,284.8	5,354.2	5,402.5
Growth	%	- 3.8	24.3	2.8	9.0
of which acquired	%	0.7	7.9	3.6	5.3
Operating profit	SEK m	93.2	122.8	498.4	528.0
Operating margin	%	7.5	9.6	9.3	9.8
Profit after net fin's	SEK m	70.2	108.7	406.5	445.0
Profit margin	%	5.7	8.5	7.6	8.2

# NIBE Element



## Sales and earnings

Invoiced sales totalled SEK 458.2 million compared with SEK 463.8 million for the corresponding period last year. SEK 3.0 million of this figure relates to sales in acquired businesses, which means that organic growth for the first quarter fell by SEK 8.6 million or 1.9%.

Operating profit for the period totalled SEK 34.1 million, compared with SEK 36.3 million for the corresponding period in 2007. This represents an operating margin of 7.4% compared with the preceding year's figure of 7.8%. The operating margin over the past 12 months is 6.2%.

## Market

Invoiced sales and orders for the first quarter have been lower than for the corresponding period last year in consumer-oriented segments, particularly those relating to domestic heating. The slowdown first became apparent in the second quarter of 2007 and has continued since then.

Growth in the industrial segments, on the other hand, continues to be strong, both for project sales and for the sale of components and systems for professional products.

The market for resistors continues to develop positively, with a further development of the product range paving the way towards a larger market in terms of both products and geographical spread.

Product development work with a special focus on system products has led to a progressive increase in these products' share of total sales, particularly in the energy sector.

## Operations

We have adapted our capacity step by step to correspond to the lower levels of demand in certain consumer-oriented product segments. To make the best possible use of capital tied up and to reduce logistics costs, a great deal of work is being done to transfer administration to our low-cost units and to start the process of delivering directly from these units.

The first quarter has seen the completion of the extension of our Polish unit, a step taken to meet increased demand for, among other products, resistors.

Metal prices remain at historically high levels even if the fall in the price of nickel has brought a slight reduction in the cost of stainless steel from its peak during the second quarter last year. However, wild fluctuations in metal prices and exchange rates continue to cause turbulence in the market and to confuse the competitive situation in certain segments.

To summarise, current activities are focused on increasing delivery capacity with regard to energy-related project activities and reducing capacity for deliveries within the consumer-related volume business.

<b>NIBE Element</b>		<b>2008</b>	<b>2007</b>	<b>Past 12</b>	<b>Full year</b>
<b>Key figures</b>		<b>Q 1</b>	<b>Q 1</b>	<b>months</b>	<b>2007</b>
Net sales	SEK m	458.2	463.8	1,773.6	1,779.1
Growth	%	- 1.2	22.9	9.5	16.0
Operating profit	SEK m	34.1	36.3	110.8	113.0
Operating margin	%	7.4	7.8	6.2	6.4
Assets	SEK m	1,499.1	1,481.0	1,499.1	1,489.7
Liabilities	SEK m	1,378.0	1,399.4	1,378.0	1,381.2
Investm. (fixed assets)	SEK m	13.2	13.0	71.3	71.1
Depreciation	SEK m	14.3	13.0	55.3	54.0

# NIBE Heating



## Sales and earnings

Invoiced sales totalled SEK 649.1 million, compared with SEK 661.3 million for the corresponding period last year. SEK 5.6 million of this figure relates to sales in acquired businesses, which means that organic growth for the first quarter fell by SEK 17.8 million or 2.7%.

Operating profit for the period totalled SEK 56.8 million, compared with SEK 69.8 million for the corresponding period in 2007. This represents an operating margin of 8.8% compared with the preceding year's figure of 10.6%. The operating margin over the past 12 months is 10.7%.

## Market

Overall the Swedish market for heat pumps continues to contract. There has been a sharp decline in sales of ground-source and geothermal heat pumps, while the market for other types of heat pump remains relatively stable. However, we have succeeded in increasing our own share of the Swedish heat-pump market even further during the year.

The market for electric water heaters and district-heating products also remains stable, whereas the market for conventional domestic water heaters and boilers continues to shrink. Interest in pellet products remains relatively low both in Sweden and abroad. Our growth in district-heating has been strong during the reporting period.

Our deliveries to the German heat-pump market are at a much lower level than they were this time last year when the market was extremely strong and sales were boosted by the clearing of a backlog of deliveries from 2006 and significant stock-building among distributors. The German government's new programme of subsidies has not had any noticeable impact on demand during the first quarter as consumers are still awaiting clarification of some of the terms from the German energy authority. However, rising oil and gas prices on the back of increased environmental awareness give us continued reason to believe that Germany will, in the long term, be a major market for heat pumps.

Virtually all our other foreign markets are showing increased interest in heat pumps. We continue to report strong growth on several of Europe's rapidly expanding heat-pump markets and our local organisations are being continually reinforced to meet customer needs and further consolidate our position on the market.

## Operations

In January NIBE acquired the Austrian heat pump company KNV Umweltgerechte Energietechnik GmbH. The company, which has annual sales of approximately SEK 50 million, will create a firm platform for us on the expanding Austrian heat-pump market.

Collaboration with CJSC EVAN of Russia has continued during the first quarter, and after acquiring of a further 26% stake in the company at the end of April, NIBE is now the majority shareholder. The intention behind this move is to intensify our marketing measures eastwards. EVAN's nationwide sales network will gradually expand its range of products with small electric water heaters and heat pumps.

During March a decision was taken to close our manufacturing unit in Trelleborg, Sweden. Production of domestic water heaters will be transferred to our Polish subsidiary NIBE BIAWAR, while larger water heaters will instead be manufactured in Markaryd.

Measures to make savings among both administrative staff and production workers have now been completed to give us significantly lower fixed costs, especially compared to the final six months of 2007.

<b>NIBE Heating</b>		<b>2008</b>	<b>2007</b>	<b>Past 12</b>	<b>Full year</b>
<b>Key figures</b>		<b>Q 1</b>	<b>Q 1</b>	<b>months</b>	<b>2007</b>
Net sales	SEK m	649.1	661.3	2,847.7	2,859.9
Growth	%	- 1.8	38.3	4.0	11.9
Operating profit	SEK m	56.8	69.8	304.6	317.6
Operating margin	%	8.8	10.6	10.7	11.1
Assets	SEK m	2,228.1	2,042.5	2,228.1	2,160.9
Liabilities	SEK m	1,480.2	1,392.3	1,480.2	1,452.5
Investm. (fixed assets)	SEK m	28.7	42.3	134.5	148.1
Depreciation	SEK m	22.0	20.6	86.9	85.5

# NIBE Stoves



## Sales and earnings

Invoiced sales totalled SEK 163.5 million, compared with SEK 189.4 million for the corresponding period last year. As there are no acquisitions to affect comparisons, this equates to a reduction in sales of 13.7%. Operating profit for the period totalled SEK 5.0 million, compared with SEK 20.8 million for the corresponding period in 2007. This represents an operating margin of 3.1% compared with the preceding year's figure of 11.0%. The operating margin over the past 12 months is 11.7%.

## Market

Demand for wood-stoves and related products has been considerably weaker than during the corresponding period last year. Much of the decline in sales has its origins in consumer uncertainty about the future of the economy and in the exceptionally mild winter. Our position on the market, however, remains very strong.

Sales in Norway have developed more positively so far this year than last, despite the fact that the market as a whole has contracted.

Demand in Germany and Denmark, on the other hand, remains weak. The main reason for this is the widespread anticipation of a slow-down in the economy, but the unusually mild winter has also played its part. In Germany there is also some uncertainty among consumers about the future limits for emissions from stove products, although it should be noted that all the products in our range already comply with the limits that are preliminarily scheduled to apply from 2014.

The decision to invest in our own distribution network in France has borne fruit and resulted in increased sales and good levels of profitability.

## Operations

Production of wood-stove products will be transferred step by step from existing manufacturing facilities to the new plant in Markaryd in a process scheduled for completion by the end of the second quarter. The new plant will be by far the most modern and efficient of its kind in Europe. Together with the synergies that this will create within the Group, the new plant will also provide us with a long-term competitive advantage at the same time as it opens up the way for us to take an active role in the restructuring of the European wood-stove industry.

Measures to make savings among both administrative staff and production workers have now been completed, and we now have significantly lower fixed costs, particularly so in comparison with the final six months of 2007.

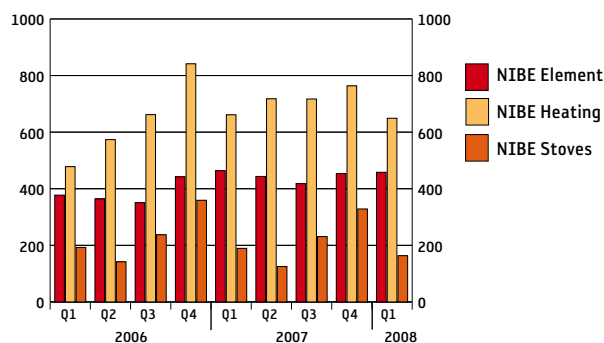
Agreement has been reached on the acquisition of TermaTech A/S of Denmark. The company, which supplies a full range of accessories for wood-burning stoves, has annual sales of around SEK 55 million and pre-tax profits of some SEK 8 million.

An option agreement has been signed to acquire the Danish company Lotus Heating Systems A/S in 2010. Lotus is one of Denmark's leading manufacturers of steel-bodied wood-stoves, with sales totalling approximately SEK 100 million a year.

<b>NIBE Stoves</b>		<b>2008</b>	<b>2007</b>	<b>Past 12</b>	<b>Full year</b>
<b>Key figures</b>		<b>Q 1</b>	<b>Q 1</b>	<b>months</b>	<b>2007</b>
Net sales	SEK m	163.5	189.4	848.2	874.1
Growth	%	- 13.7	- 1.7	- 8.6	- 6.1
Operating profit	SEK m	5.0	20.8	99.0	114.8
Operating margin	%	3.1	11.0	11.7	13.1
Assets	SEK m	916.4	822.1	916.4	942.9
Liabilities	SEK m	568.4	475.7	568.4	593.0
Investm. (fixed assets)	SEK m	40.0	35.6	171.0	166.6
Depreciation	SEK m	8.4	5.8	26.8	24.2

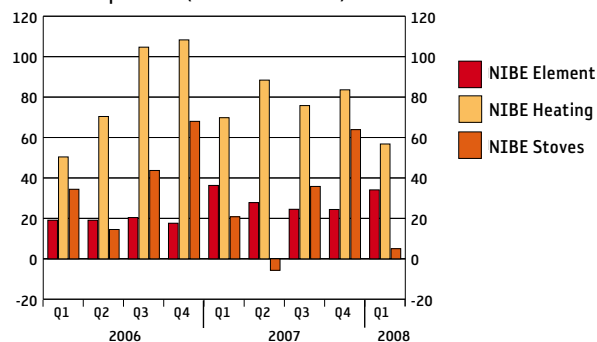
## Sales by business area

Past 9 quarters (in millions of SEK)

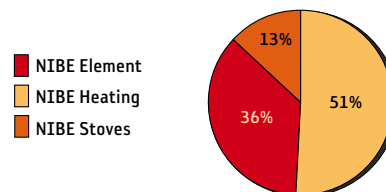


## Operating profit by business area

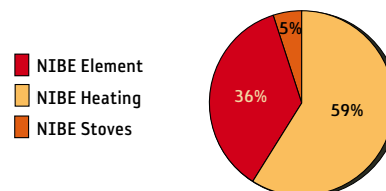
Past 9 quarters (in millions of SEK)



## Business areas' contribution to sales



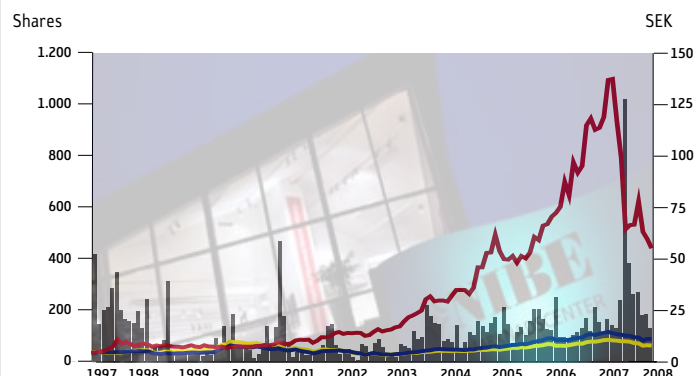
## Business areas' contribution to profit



## NIBE share performance

— Share price in SEK  
— Carnegie Small Companies index (SEK)  
— OMX Stockholm All-Share (OMXS)

█ Average number of shares traded per trading day (in thousands)



## THE NIBE GROUP - FINANCIAL TRENDS



### Consolidated Income Statement

(in millions of SEK)	Group				Parent company	
	Jan – March 2008	Jan – March 2007	Past 12 months	Full year 2007	Jan – March 2008	Jan – March 2007
Net sales	1,236.5	1,284.8	5,354.2	5,402.5	0.6	0.6
Cost of goods sold	- 879.3	- 908.6	- 3,798.9	- 3,828.2	0.0	0.0
<b>Gross profit</b>	<b>357.2</b>	<b>376.2</b>	<b>1,555.3</b>	<b>1,574.3</b>	<b>0.6</b>	<b>0.6</b>
Selling expenses	- 215.4	- 206.8	- 846.8	- 838.2	0.0	0.0
Administrative expenses	- 73.2	- 69.9	- 295.6	- 292.3	- 3.9	- 4.4
Other income	24.6	23.3	85.5	84.2	0.1	0.3
<b>Operating profit</b>	<b>93.2</b>	<b>122.8</b>	<b>498.4</b>	<b>528.0</b>	<b>- 3.2</b>	<b>- 3.5</b>
Net financial items	- 23.0	- 14.1	- 91.9	- 83.0	- 9.5	- 5.9
<b>Profit after net financial items</b>	<b>70.2</b>	<b>108.7</b>	<b>406.5</b>	<b>445.0</b>	<b>- 12.7</b>	<b>- 9.4</b>
Tax	- 21.8	- 31.1	- 121.0	- 130.3	0.0	0.0
<b>Net profit</b>	<b>48.4</b>	<b>77.6</b>	<b>285.5</b>	<b>314.7</b>	<b>- 12.7</b>	<b>- 9.4</b>
Minority participation in profit after tax	0.0	0.0	0.0	0.0	0.0	0.0
Includes depreciation according to plan as follows	44.6	39.5	168.8	163.7	0.0	0.0

### Consolidated Balance Sheet summary

(in millions of SEK)	Group			Parent company	
	31 March 2008	31 March 2007	31 Dec 2007	31 March 2008	31 March 2007
Intangible assets	757.6	688.9	732.2	0.0	0.0
Tangible assets	1,426.7	1,185.6	1,374.4	0.1	0.2
Financial assets	36.2	30.9	35.7	1,673.7	1,504.0
<b>Total non-current assets</b>	<b>2,220.5</b>	<b>1,905.4</b>	<b>2,142.3</b>	<b>1,673.8</b>	<b>1,504.2</b>
Inventories	1,332.6	1,269.4	1,344.0	0.0	0.0
Current receivables	860.6	861.8	829.3	8.3	19.2
Current investments	0.0	0.2	0.0	0.0	0.0
Cash equivalents	179.0	235.6	207.9	1.2	9.8
<b>Total current assets</b>	<b>2,372.2</b>	<b>2,367.0</b>	<b>2,381.2</b>	<b>9.5</b>	<b>29.0</b>
<b>Total assets</b>	<b>4,592.7</b>	<b>4,272.4</b>	<b>4,523.5</b>	<b>1,683.3</b>	<b>1,533.2</b>
Equity	1,593.3	1,381.6	1,547.7	374.4	323.9
Untaxed reserves	0.0	0.0	0.0	0.1	0.1
Non-current liabilities and provisions, non-interest bearing	205.3	235.8	210.2	0.0	20.5
Non-current liabilities and provisions, interest bearing	1,897.6	1,620.9	1,866.5	1,224.1	1,098.3
Current liabilities and provisions, non-interest bearing	763.3	883.9	760.3	5.0	13.2
Current liabilities and provisions, interest bearing	133.2	150.2	138.8	79.7	77.2
<b>Total equity and liabilities</b>	<b>4,592.7</b>	<b>4,272.4</b>	<b>4,523.5</b>	<b>1,683.3</b>	<b>1,533.2</b>

### Cash flow analysis

(in millions of SEK)	Jan – March 2008	Jan – March 2007	Full year 2007
Cash flow from operating activities	59.3	77.7	439.5
Change in working capital	- 3.7	- 229.2	- 399.4
Investment activities	- 114.7	- 90.8	- 404.1
Financing activities	28.4	256.7	343.6
Exchange rate diff. in liquid assets	1.8	2.9	10.0
<b>Change in liquid assets</b>	<b>- 28.9</b>	<b>17.3</b>	<b>- 10.4</b>

### Data per share

(in millions of SEK)		Jan – March 2008	Jan – March 2007	Full year 2007
Net profit per share (total 93,920,000 shares)	SEK	0.52	0.83	3.35
Equity per share	SEK	16.96	14.71	16.48
Closing day share price	SEK	55.25	113.80	78.00

### Key figures

(in millions of SEK)		Jan – March 2008	Jan – March 2007	Full year 2007
Growth	%	- 3.8	24.3	9.0
Operating margin	%	7.5	9.6	9.8
Profit margin	%	5.7	8.5	8.2
Investments in fixed assets	SEK m	114.7	90.8	404.1
Unappropriated liquid assets	SEK m	844.6	607.7	853.0
Working capital, incl cash and bank	SEK m	1,475.8	1,332.9	1,482.1
Interest-bearing liabilities/Equity	%	127.5	128.2	129.6
Solidity (Equity/Assets ratio)	%	34.7	32.3	34.2
Return on capital employed	%	10.7	17.0	17.2
Return on equity	%	12.9	23.5	22.6



## Change in equity

(in millions of SEK)	Jan - March 2008	Jan - March 2007	Full year 2007
Equity brought forward	1,547.7	1,283.5	1,283.5
Shareholders' dividend	0.0	0.0	- 108.0
Market value of commercial future currency contracts after deductions for tax	- 2.8	- 2.1	1.3
Exchange rate difference <sup>1)</sup>	0.0	22.6	56.2
Profit for the period	48.4	77.6	314.7
<b>Equity carried forward <sup>2)</sup></b>	<b>1,593.3</b>	<b>1,381.6</b>	<b>1,547.7</b>

<sup>1)</sup> Breakdown of exchange rate diff. (in millions of SEK)	Jan - March 2008	Jan - March 2007	Full year 2007
Translation of foreign subsidiaries	1.6	37.4	84.9
Loans to subsidiaries	0.4	- 1.3	- 0.2
Currency hedge	- 2.0	- 13.5	- 28.5
<b>Total</b>	<b>0.0</b>	<b>22.6</b>	<b>56.2</b>

<sup>2)</sup> Minority participations were SEK 0.0 million at the end of the reporting period and SEK 0.0 million at the start of the financial year.

## QUARTERLY DATA

### Consolidated Income Statement

(in millions of SEK)	2008		2007			2006			
	Q 1	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4
Net sales	1,236.5	1,284.8	1,247.3	1,337.2	1,533.2	1,033.8	1,066.4	1,237.6	1,620.2
Operating expenses	- 1,143.3	- 1,162.0	- 1,142.5	- 1,204.7	- 1,365.3	- 932.9	- 967.8	- 1,071.9	- 1,429.4
<b>Operating profit</b>	<b>93.2</b>	<b>122.8</b>	<b>104.8</b>	<b>132.5</b>	<b>167.9</b>	<b>100.9</b>	<b>98.6</b>	<b>165.7</b>	<b>190.8</b>
Net financial expenses	- 23.0	- 14.1	- 18.6	- 24.4	- 25.9	- 11.6	- 13.2	- 14.3	- 15.4
<b>Profit after net financial expenses</b>	<b>70.2</b>	<b>108.7</b>	<b>86.2</b>	<b>108.1</b>	<b>142.0</b>	<b>89.3</b>	<b>85.4</b>	<b>151.4</b>	<b>175.4</b>
Tax	- 21.8	- 31.1	- 23.6	- 37.2	- 38.4	- 26.8	- 24.8	- 45.9	- 53.2
<b>Net profit</b>	<b>48.4</b>	<b>77.6</b>	<b>62.6</b>	<b>70.9</b>	<b>103.6</b>	<b>62.5</b>	<b>60.6</b>	<b>105.5</b>	<b>122.2</b>

### Net sales - Business Areas

(in millions of SEK)	2008		2007			2006			
	Q 1	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4
NIBE Element	458.2	463.8	443.5	418.2	453.6	377.4	364.0	350.7	441.8
NIBE Heating	649.1	661.3	717.9	717.1	763.6	478.1	573.6	661.9	841.5
NIBE Stoves	163.5	189.4	125.2	230.9	328.6	192.7	141.8	237.4	359.3
Elimination of Group transactions	- 34.3	- 29.7	- 39.3	- 29.0	- 12.6	- 14.4	- 13.0	- 12.4	- 22.4
<b>Group</b>	<b>1,236.5</b>	<b>1,284.8</b>	<b>1,247.3</b>	<b>1,337.2</b>	<b>1,533.2</b>	<b>1,033.8</b>	<b>1,066.4</b>	<b>1,237.6</b>	<b>1,620.2</b>

### Operating profit - Business Areas

(in millions of SEK)	2008		2007			2006			
	Q 1	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4
NIBE Element	34.1	36.3	27.8	24.5	24.4	19.1	19.1	20.4	17.6
NIBE Heating	56.8	69.8	88.4	75.8	83.6	50.4	70.4	104.7	108.3
NIBE Stoves	5.0	20.8	- 5.7	35.8	63.9	34.4	14.5	43.7	68.0
Elimination of Group transactions	- 2.7	- 4.1	- 5.7	- 3.6	- 4.0	- 3.0	- 5.4	- 3.1	- 3.1
<b>Group</b>	<b>93.2</b>	<b>122.8</b>	<b>104.8</b>	<b>132.5</b>	<b>167.9</b>	<b>100.9</b>	<b>98.6</b>	<b>165.7</b>	<b>190.8</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 first quarter of 2008 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 2007 (pp. 52-55). The IFRS standards that came into force in 2008 have had no effect on this interim report. Reporting for the parent company follows recommendation RR.32 of the Swedish Financial Accounting Standards Council ("Reporting of Legal Entities").

## Risks and uncertainties

NIBE Industrier is an international industrial group that is represented in around 15 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 2007.

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.

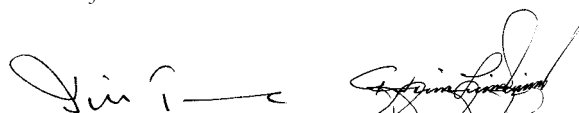
Markaryd, Sweden – 14 May 2008



Arvid Gierow  
Chairman of the Board

Georg Brunstam

Hans Linnarson



Bill Tunbrant

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 2007

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 10.00 a.m. (C.E.T.) on 14 May 2008.

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

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