

NIBE

– world-class solutions in sustainable energy



▲ **SALES** totalled SEK 5,362.5 million
(Q1-Q3 2010: SEK 4,464.2 million)

▲ **PROFIT AFTER NET FINANCIAL ITEMS**
was SEK 557.7 million (442.0 million)

▲ **PROFIT AFTER TAX**
was SEK 421.1 million
(SEK 324.7 million)

▲ **EARNINGS** per share totalled
SEK 4.31 (SEK 3.43)

▲ **ACQUISITION OF**

- operations of Thermtec Ltd, UK
- Element Division of Electrolux Professional AG, Switzerland
- remaining 25% stake in CJSC EVAN, Russia
- 98.7% stake in the Schulthess Group AG, Switzerland
- Element Division of Emerson Electric Co, USA
- 10% stake in Enertech Global LLC, USA (November 2011)

Interim report 2011

1 January – 30 September



Gerteric Lindquist
Managing Director and CEO

Chief Executive's Report

NIBE continues to show strong development

Over the first nine months of 2011 the NIBE Group grew its sales by 20.1% overall, with organic growth totalling 6.9%. During the corresponding period last year, overall growth was 10.1% and organic growth was 5.9%.

Demand has remained stable or shown a modest rise in Northern and Central Europe, America and Asia, but remains weak in Southern Europe. There were also signs of a certain degree of caution among customers generally at the end of the reporting period.

The stocks we built up during the first six months were well balanced to subsequent needs and have played a key role in enabling us to maintain good levels of delivery reliability throughout the third quarter.

Operating profit has risen by 23.1% compared with the result for the corresponding period last year. This is chiefly attributable to higher sales volumes, improved productivity and a continued firm grip on costs. Material costs, which had created problems as a result of steep rises earlier in the year, stabilised towards the end of the reporting period and in some cases have even begun to fall. However, exchange rate trends continue to exert a negative impact on both sales and earnings. Profits for the first nine months have also been charged with acquisition expenses totalling the equivalent of approximately SEK 55.2 million.

Profit after net financial items rose by 26.2% compared with the first nine months of 2010 – primarily as a result of exchange gains of SEK 16.3 million on the repayment of bank loans in foreign currencies.

Investments in existing operations totalled SEK 197.1 million, against SEK 113.3 million for the first nine months of 2010 and SEK 181.9 million for the rate of depreciation according to plan. We anticipate that the rate of investment for the current year will be on a par with planned depreciation.

In addition to the work of running the existing Group companies, there has been great focus during the first nine months of the year on integrating the operations of newly acquired companies. The acquisitions are described in greater detail on page 3.

NIBE Element has acquired three lines of business with aggregate sales of approximately SEK 580 million a year. All three acquisitions will improve the business area's profitability while also reinforcing our market positions and technology base. It is very gratifying to report that NIBE Element has now established a firm foothold in the North American market.

NIBE Energy Systems has been strengthened by one major acquisition and two smaller partial ones. The takeover of the Schulthess Group adds approximately SEK 2,250 million to the business area's annual sales at good levels of profitability. Here, too, the acquisition advances our positions in the market and broadens our product base. Elsewhere, thanks to two partial takeovers, the business area's operations in Russia are now wholly owned and a first step has been taken into the North American heat-pump market, a stimulating decision that also now feels like the natural move to make.

On the staffing side, the fourth quarter will herald a major change for the company when, after 45 years in his position, our Chief Financial Officer, Leif Gustavsson, steps back to take on the role of Senior Advisor. His successor is Hans Backman (45), a Gothenburg-born graduate business administrator with extensive international experience that includes 17 years with SKF. Hans joined NIBE on 1 November from Alstom Transport, where he was Country Finance Director for companies in Germany and Austria.

Outlook for 2011

Our corporate philosophy and our product programme with their focus on sustainability and saving energy are ideally suited to the times in which we are living.

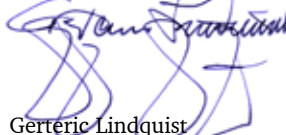
Our financial position remains robust.

While the turmoil in the financial markets in recent weeks has made it more difficult to make any accurate forecasts about the future, we still remain positive about the prospects for 2011.

Financial targets

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

Markaryd, Sweden – 15 November 2011


Gerteric Lindquist
Managing Director and CEO

Calendar

15 November 2011

11.00 (C.E.T.) Telephone conference (in English). The CEO presents the interim report by phone and answers questions. Tel. +46 (0)8-505 598 12

16 February 2012

Summary of Annual Report for 2011

April 2012

Annual Report 2011

10 May 2012

Interim Report, Jan–March 2012

Annual General Meeting 2012

Sales

Group net sales for the period January–September 2011 totalled SEK 5,362.5 million (Q1–Q3 2010: SEK 4,464.2 million). This represents overall growth of 20.1%, while organic growth for the period was 6.9%. Acquired sales accounted for SEK 591.0 million of the total growth in sales of SEK 898.3 million.

Earnings

Profit for the reporting period after net financial items was SEK 557.7 million. Compared with the figure of SEK 442.0 million for the corresponding period in 2010 this equates to a 26.2% growth in earnings. The profits during the period have been charged with acquisition expenses of SEK 55.2 million. Net financial items for the period were affected positively by exchange gains of SEK 16.3 million relating to the repayment of bank loans in foreign currencies.

Return on equity was 16.0% (Q1–Q3 2010: 19.4%). Here, however, comparisons with a number of the key figures for previous reporting periods are difficult. This is because the figures for two major acquisitions made during the third quarter are only included in the Group's income statement with effect from the respective acquisition date, while they are included fully in the Group's balance sheet. For further details, you are referred to the text under the heading "Key figures" on page 7, which gives pro-forma key figures for the most recent 12-month period

Acquisitions

Early in 2011 the business operations of the UK company Thermtec Ltd were acquired and integrated into NIBE Element's existing operations in the UK. Thermtec sales total approximately SEK 20 million a year and the company's operating margin has averaged around 6%. Business operations were consolidated into the NIBE Element business area with effect from January.

In March NIBE acquired the Element Division of Electrolux Professional AG of Switzerland. These business operations, with annual sales of approximately SEK 75 million and an operating margin that has averaged around 10%, were consolidated into the NIBE Element business area at the beginning of March.

In April agreement was reached on the acquisition of a 31.1% stake in the heating technology company Schulthess Group AG, listed on the Swiss stock exchange. A voluntary public tender offer for the remaining shares was subsequently accepted by shareholders representing 67.6% of the share capital, thus enabling NIBE to acquire a total of 98.7% of the shares in the company. After transactions were finalised on 29 July 2011, Schulthess was consolidated into the NIBE Energy Systems business area with effect from August. The remaining 1.3% stake in the company will be purchased by compulsory redemption.

The Schulthess Group is one of Europe's leading suppliers of heat pumps sold under the Alpha-InnoTec and Novelan brands. The company also manufactures high quality, energy-efficient products for cooling, ventilation and solar energy, in addition to washing machines under the KKT Kraus, Genvex and Schulthess labels. Schulthess has annual sales of approximately SEK 2,250 million and a workforce of just over 1,000.

The acquisition balance is still preliminary. For further details relating to the acquisition, you are kindly referred to our homepage www.nibe.com.

In April NIBE acquired the remaining 25% stake in CJSC EVAN of Russia. The company, which forms part of NIBE Energy Systems, was consolidated as a wholly owned subsidiary with effect from April.

In mid-September NIBE acquired Emerson Heating Products,

the element manufacturing division of Emerson Electric Co of the USA, with annual sales of approximately SEK 485 million and just over 1,100 employees in the USA, Mexico and China. These operations, consolidated into the NIBE Element business area with effect from 15 September, report an operating margin in excess of 10%. The acquisition expands the NIBE Element product portfolio to include new climate control technology and adds extensive manufacturing and sales operations in North America and China. The acquisition balance is preliminary.

Important events after the end of the reporting period

Agreement was reached early in November on the acquisition of an initial 10% stake in the US heat-pump manufacturer Enertech Global LLC, with an option to acquire the remaining shares. Enertech sales total slightly more than SEK 200 million a year with an operating margin of just over 5%.

Investments

Group investments for the period January–September amounted to SEK 5,400.0 million (Q1–Q3 2010: SEK 313.3 million). A total of SEK 5,202.9 million of this sum relates to corporate acquisitions (SEK 200.0 million), while the remaining SEK 197.1 million (SEK 113.3 million) is mainly investments in machinery and equipment in existing operations.

Cash flow and financial position

Cash flow from operating activities before changes in working capital amounted to SEK 471.9 million (Q1–Q3 2010: SEK 499.5 million). Cash flow after changes in working capital was SEK 160.3 million (SEK 299.0 million).

Interest-bearing liabilities totalled SEK 4,992.5 million at the end of the period, compared with SEK 1,132.8 million at the start of the year.

At the end of September, the Group had liquid funds of SEK 1,781.5 million as against SEK 1,664.1 million at the beginning of the year. During the period, the Group's overdraft facilities have been increased by SEK 262.3 million.

The equity/assets ratio at the end of the period was 37.0%, compared with 48.2% at the start of the year and 43.1% 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. Sales for the period January–September amounted to SEK 2.6 million (Q1–Q3 2010: SEK 2.3 million) and profit after financial items was SEK 240.0 million (SEK 175.8 million). At the end of the period, the parent company had liquid funds of SEK 734.7 million, compared with SEK 1,057.6 million at the start of the year.

Key Figures – Group		2011	2010	Past	2010
		Q1-3	Q1-3	12 mths	Full year
Net sales	MSEK	5,362.5	4,464.2	7,409.8	6,511.5
Growth	%	20.1	10.1	20.2	13.2
of which acquired	%	13.2	4.2	12.3	5.9
Operating profit	MSEK	591.7	480.8	907.0	796.1
Operating margin	%	11.0	10.8	12.2	12.2
Profit after net fin. items.	MSEK	557.7	442.0	860.8	745.1
Profit margin	%	10.4	9.9	11.6	11.4
Equity/assets ratio	%	37.0	43.1	37.0	48.2
Return on equity	%	16.0	19.4	19.1	23.4

Sales and earnings

Sales for the reporting period totalled SEK 1,474.0 million, compared with SEK 1,256.8 million for the corresponding period last year. SEK 122.2 million of this SEK 208.2 million increase relates to sales in acquired businesses, which means that organic growth for the period was 6.8%.

Operating profit totalled SEK 100.0 million, compared with SEK 83.7 million for the corresponding period last year. The operating margin rose from 6.6% in Q3 2010 to 6.8%, bringing the operating margin for the past 12 months to 7.2%.

Market

Sales in most market segments have shown a more positive trend this year than in 2010 with a distinct improvement in the third quarter.

Generally speaking, the best developments have been in Northern and Central European markets, particularly in product groups related to transport and renewable energy. Developments have also been positive in America and Asia, but markets in Southern Europe remain sluggish.

Over the year demand from segments linked to the oil and gas industries has risen and we are happy to report that we have succeeded in introducing a number of the special products we produce for these industries into new markets.

There are signs, however, of a drop in demand from certain product areas within the consumer sector.

Sales in the resistors product area, mostly to customers in the energy-saving and renewable energy segments, continue to develop in a positive direction.

It seems that, on the whole, stock levels among our customers have returned to normal, which means that deliveries are now reflecting current needs more closely.

We continue to work on product development, launching products with increased system content and focusing on market segments such as renewable energy, energy efficiency and infra-

structure, which can be expected to deliver good long-term growth regardless of the state of the economy.

We are continually expanding our portfolio of products that, in addition to the heating elements themselves, incorporate functions for measuring and control.

Also, we are successively introducing our range of special products into growth markets in Asia and the Americas.

Operations

As there are currently relatively large differences in demand between different market segments, we are continuously adapting production capacity in our production plants around the world to meet fluctuations in demand.

Raw material prices have now stabilised and in some cases even fallen.

In September NIBE acquired Emerson Heating Products, the element division of Emerson Electric Co. in the USA, with operations in the USA, Mexico and China, annual sales of approximately SEK 485 million and 1,100 employees. As a result, NIBE Element is now one of the frontrunners in the US market within its product segment. The units in China and Mexico will be integrated into NIBE Element's existing operations in these countries.

NIBE Element		2011	2010	Past	2010
Key Figures		Q1-3	Q1-3	12 mths	Full year
Net sales	MSEK	1,474.0	1,265.8	1,967.8	1,759.7
Growth	%	16.4	2.9	16.1	6.1
Operating profit	MSEK	100.0	83.7	140.8	124.5
Operating margin	%	6.8	6.6	7.2	7.1
Assets	MSEK	2,320.8	1,413.9	2,320.8	1,487.4
Liabilities	MSEK	2,152.6	1,283.3	2,152.6	1,343.5
Investments (fix. assets)	MSEK	50.8	26.8	72.5	48.5
Depreciation	MSEK	45.7	45.9	61.1	61.3

NIBE Stoves

Sales and earnings

Sales for the reporting period totalled SEK 728.4 million, compared with SEK 701.0 million for the corresponding period last year. SEK 16.9 million of this SEK 27.4 million increase relates to sales in acquired businesses, which means that organic growth for the period was 1.5%.

Operating profit totalled SEK 70.7 million, compared with SEK 66.7 million for the corresponding period last year. The operating margin rose from 9.5% in Q3 2010 to 9.7%, bringing the operating margin for the past 12 months to 13.4%.

Market

Despite increased uncertainty surrounding the state of the economy in general and a reduction in the number of new builds in Sweden, domestic demand for wood-stove products remains on a par with the historically relatively high levels of 2010. This is evidence of a keen interest in the use of renewable energy and shows how wood-burning stoves are increasingly coming to be regarded as a standard feature in Swedish homes.

Demand in Norway continues to benefit from a strong domestic economy, high consumption and increased numbers of new builds. During the autumn demand in Denmark has gradually improved, albeit from a relatively low level.

The market in Germany has picked up as the year has progressed, but development in France has yet to match last year's performance.

One general trend in the freestanding wood-stove segment is that consumers in many of our markets are increasingly choosing smaller products with a lower heat output and a lower price-tag – good news for our newly launched Contura 700 and 800 models.

Operations

The surge in demand for freestanding wood stoves that combine good environmental credentials with a low price has assured the new models we launched earlier this year of a warm reception in all markets, and this success has translated into very positive sales figures.

We are successively strengthening our position in the European market thanks to vigorous marketing and the consolidation of our portfolio Swedish brands under the Contura label.

Production levels have remained high at our plants throughout the year and the integration of the new models has been efficiently implemented. Together with a carefully calculated build-up of stocks, this has enabled us to maintain very high levels of delivery reliability at the start of our peak season for sales, which is expected to continue throughout the all-important fourth quarter.

NIBE Stoves		2011	2010	Past	2010
Key Figures		Q1-3	Q1-3	12 mths	Full year
Net sales	MSEK	728.4	701.0	1,171.5	1,144.2
Growth	%	3.9	21.3	10.3	21.8
Operating profit	MSEK	70.7	66.7	156.8	152.8
Operating margin	%	9.7	9.5	13.4	13.4
Assets	MSEK	1,198.4	1,151.1	1,198.4	1,074.8
Liabilities	MSEK	724.2	733.9	724.2	610.4
Investments (fix. assets)	MSEK	30.1	23.9	32.4	26.2
Depreciation	MSEK	30.8	32.3	40.2	41.7

Sales and earnings

Sales for the reporting period totalled SEK 3,252.6 million, compared with SEK 2,583.0 million for the corresponding period last year. SEK 451.8 million of this SEK 669.6 million increase relates to sales in acquired businesses, which means that organic growth for the period was 8.4%.

Operating profit totalled SEK 489.6 million, compared with SEK 347.9 million for the corresponding period last year. The operating margin rose from 13.5% in Q3 2010 to 15.1%, bringing the operating margin for the past 12 months to 15.6%.

Market

In Sweden the market for ground-source and geothermal heat pumps has expanded further in the third quarter, both among private homeowners and property companies, while the market for air/water heat pumps continues to contract. The reduction in domestic new builds – a consequence, according to the construction industry, of higher interest rates and the introduction of a “mortgage ceiling” – has resulted in a downturn in demand for exhaust-air heat pumps during the reporting period.

While the overall Swedish market for heat pumps has contracted in volume over the course of the year, sales for NIBE Energy Systems have shown a positive development thanks to increased market shares in all product areas.

Low levels of construction throughout Europe and uncertainty about the global economy continue to hamper growth in the heat-pump market. However, demand for heat pumps in several of our increasingly important European markets is now showing signs of stabilising or growing, and interest in energy efficiency and renewables remains high in more or less all markets. The Finnish heat-pump market in particular has shown record levels of growth and our presence there is now just as strong as it is in Sweden. Developments have also been positive in Germany, where NIBE’s market position has been strengthened by the recent acquisition, through Schulthess, of Alpha-InnoTec.

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

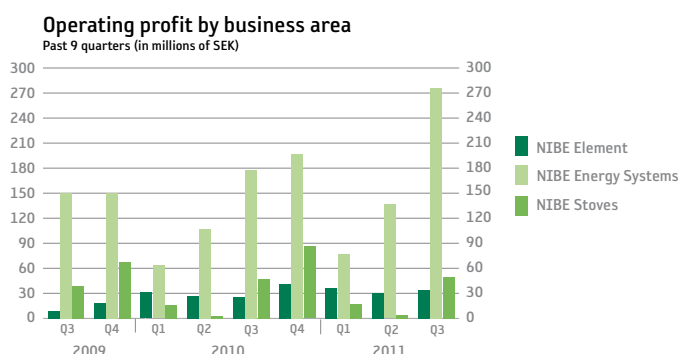
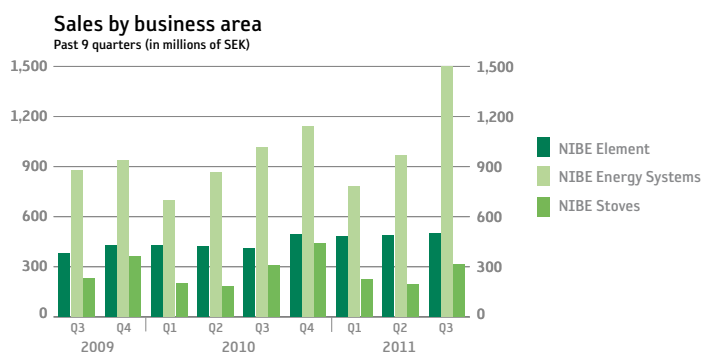
Operations

The third quarter has been influenced in a positive way by the integration of the Schulthess Group AG, a heating technology company listed on the Swiss stock exchange. Sales and earnings have met expectations and work on maximising synergies is proceeding to plan. This acquisition is the largest so far undertaken by NIBE and the inclusion of the two companies Alpha-Innotec and Genvex strengthens our position in Europe as a market leader in the heat-pump segment. Schulthess also creates an interesting technology bridge between heat pumps and the potential to improve the energy efficiency of white goods.

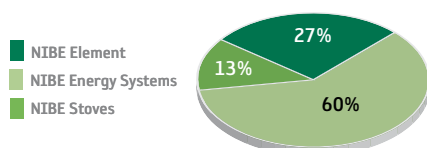
Early in November agreement was reached on the acquisition of an initial 10% stake in the US heat-pump manufacturer Enertech Global LLC, with an option to subsequently acquire the remaining shares. Enertech sales total slightly more than SEK 200 million a year with an operating margin of just over 5%. This partial acquisition marks a first step towards our long-term strategy of expanding our geographical presence in the North American market.

NIBE Energy Systems		2011	2010	Past	2010
Key Figures		Q1-3	Q1-3	12 mths	Full year
Net sales	MSEK	3,252.6	2,583.0	4,394.8	3,725.1
Growth	%	25.9	9.9	24.9	13.4
Operating profit	MSEK	489.6	347.9	686.4	544.7
Operating margin	%	15.1	13.5	15.6	14.6
Assets	MSEK	8,315.9	2,736.9	8,315.9	2,642.0
Liabilities	MSEK	7,206.8	1,707.8	7,206.8	1,486.6
Investments (fix. assets)	MSEK	118.9	63.3	147.7	92.1
Depreciation	MSEK	105.4	84.1	134.2	112.9

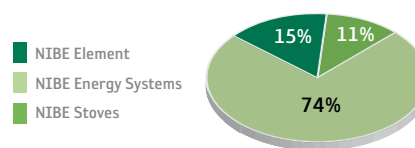
Business Area Trends



Business areas' contribution to sales



Business areas' contribution to profit



Group Financial Trends

Income statements

(in millions of SEK)	Group						Parent company	
	Q3 2011	Q3 2010	Jan – Sept 2011	Jan – Sept 2010	Past 12 mths	Full year 2010	Jan – Sept 2011	Jan – Sept 2010
Net sales	2,281.6	1,712.6	5,362.5	4,464.2	7,409.8	6,511.5	2.6	2.3
Cost of goods sold	- 1,422.6	- 1,116.0	- 3,514.7	- 2,981.2	- 4,807.5	- 4,274.0	0.0	0.0
Gross profit	859.0	596.6	1,847.8	1,483.0	2,602.3	2,237.5	2.6	2.3
Selling expenses	- 412.9	- 278.4	- 977.3	- 798.9	- 1,337.5	- 1,159.1	0.0	0.0
Administrative expenses	- 165.7	- 92.2	- 374.3	- 286.7	- 497.2	- 409.6	- 16.3	- 13.4
Other income	34.2	20.5	95.5	83.4	139.4	127.3	0.0	0.1
Operating profit	314.6	246.5	591.7	480.8	907.0	796.1	- 13.7	- 11.0
Net financial items	- 31.2	- 12.1	- 34.0	- 38.8	- 46.2	- 51.0	253.7	186.8
Profit after net financial items	283.4	234.4	557.7	442.0	860.8	745.1	240.0	175.8
Tax	- 66.2	- 62.3	- 136.6	- 117.3	- 211.3	- 192.0	0.0	0.0
Net profit	217.2	172.1	421.1	324.7	649.5	553.1	240.0	175.8
Net profit attributable to								
Parent company shareholders	217.2	166.5	420.7	321.8	647.4	548.5	240.0	175.8
Non-controlling interest	0.0	5.6	0.4	2.9	2.1	4.6	0.0	0.0
Net profit	217.2	172.1	421.1	324.7	649.5	553.1	240.0	175.8
<i>Includes depreciation according to plan as follows</i>	76.2	54.8	181.9	162.3	235.5	215.9	0.0	0.0
<i>Net profit per share*</i>	2.07	1.77	4.31	3.43	6.70	5.84		
<i>*There are no programmes that entail dilution</i>								
Net profit	217.2	172.1	421.1	324.7	649.5	553.1	240.0	175.8
Other recognised income								
Market value of future currency contracts	- 6.8	0.2	- 12.6	- 1.9	- 11.1	- 0.4	0.0	0.0
Market value of future commodity contracts	- 0.9	0.8	- 2.3	- 0.1	- 1.8	0.4	0.0	0.0
Currency hedge	116.9	18.7	86.9	68.7	109.7	91.5	92.0	64.6
Translation of loans to subsidiaries	23.9	- 4.6	25.0	- 6.7	27.1	- 4.6	0.0	0.0
Translation of foreign subsidiaries	- 181.7	- 54.9	- 150.0	- 173.4	- 176.0	- 199.4	0.0	0.0
Tax attributable to other recognised income	- 33.5	- 5.1	- 24.1	- 16.7	- 30.9	- 23.5	- 24.2	- 17.0
Total other recognised income	- 82.1	- 44.9	- 77.1	- 130.1	- 83.0	- 136.0	67.8	47.6
Total recognised income	135.1	127.2	344.0	194.6	566.5	417.1	307.8	223.4
Total recognised income attributable to								
Parent company shareholders	135.1	122.1	343.6	192.4	564.5	413.3	307.8	223.4
Non-controlling interest	0.0	5.1	0.4	2.2	2.0	3.8	0.0	0.0
Total recognised income	135.1	127.2	344.0	194.6	566.5	417.1	307.8	223.4

Balance Sheet summaries

(in millions of SEK)	Group			Parent company		
	30 Sept 2011	30 Sept 2010	31 Dec 2010	30 Sept 2011	30 Sept 2010	31 Dec 2010
Intangible assets	5,623.1	1,148.8	1,188.5	0.0	0.0	0.0
Tangible assets	1,909.7	1,292.5	1,275.7	0.0	0.0	0.0
Financial assets	77.8	51.3	59.0	7,012.0	1,842.7	1,829.4
Total non-current assets	7,610.6	2,492.6	2,523.2	7,012.0	1,842.7	1,829.4
Inventories	1,864.9	1,181.4	1,118.1	0.0	0.0	0.0
Current receivables	1,743.0	1,238.3	1,097.8	17.3	4.5	5.6
Cash equivalents	592.1	337.6	409.5	0.0	14.2	138.7
Total current assets	4,200.0	2,757.3	2,625.4	17.3	18.7	144.3
Total assets	11,810.6	5,249.9	5,148.6	7,029.3	1,861.4	1,973.7
Equity	4,368.9	2,260.2	2,482.7	2,560.8	634.4	677.6
Non-current liabilities and provisions, non-interest bearing	758.1	360.6	397.0	125.3	113.6	98.6
Non-current liabilities and provisions, interest bearing	4,771.5	1,296.2	952.2	4,186.8	1,032.2	1,101.9
Current liabilities and provisions, non-interest bearing	1,691.0	1,165.9	1,136.1	81.1	6.3	17.4
Current liabilities and provisions, interest bearing	221.1	167.0	180.6	75.3	74.9	78.2
Total equity and liabilities	11,810.6	5,249.9	5,148.6	7,029.3	1,861.4	1,973.7

Cash flow analysis

(in millions of SEK)	Jan – Sept 2011	Jan – Sept 2010	Full year 2010
Cash flow from operating activities	471.9	499.5	825.7
Change in working capital	- 311.6	- 200.5	- 38.7
Investment activities ¹⁾	- 5,400.0	- 313.3	- 405.9
Financing activities ¹⁾	5,417.7	21.0	- 297.2
Exchange rate difference in liquid assets	4.6	- 18.2	- 23.5
Change in liquid assets	182.6	- 11.5	60.4

¹⁾ The new share issue has been recognised gross.

Change in equity

(in millions of SEK)	Jan – Sept 2011	Jan – Sept 2010	Full year 2010
Equity brought forward	2,482.7	2,190.0	2,190.0
Directed issue	1,744.9	0.0	0.0
Transaction expenses, new issue	- 5.1	0.0	0.0
Shareholders' dividend	- 164.4	- 122.1	- 122.1
Dividend to non-controlling interests	- 0.7	- 2.3	- 2.3
Acquisition of participations from non-controlling interests	- 32.5	0.0	0.0
Total recognised income for the year	344.0	194.6	417.1
Equity carried forward ¹⁾	4,368.9	2,260.2	2,482.7

¹⁾ The proportion of this relating to non-controlling interests at the end of the reporting period was SEK 0.0 million, against SEK 8.7 million at the start of the reporting period. SEK 8.4 million of the reduction is attributable to the acquisition of participations from non-controlling interests.

Data per share¹⁾

		Jan – Sept 2011	Jan – Sept 2010	Full year 2010
Net profit per share				
(total 110,039,437 shares)	SEK	4.31	3.43	5.84
Equity per share	SEK	39.70	23.99	26.34
Closing day share price	SEK	99.20	78.75	102.75

¹⁾ Directed issue of 16,119,437 shares completed in August 2011. Net profit per share for 2011 has been calculated using a weighted average of the number of outstanding shares.

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 third quarter of 2011 has been drawn up in accordance with IAS 34 "Interim Financial Reporting". The same accounting principles as those adopted for this interim report are described in the company's Annual Report for 2010 (pp. 64–66). Reporting for the parent company follows the Swedish Annual Accounts Act and recommendation RFR 2 of the Swedish Financial Accounting Standards Council ("Reporting for Legal Entities").

In the case of transactions with associates, the same accounting principles apply as those described on page 65 of the company's Annual Report for 2010.

Key figures

		Jan – Sept 2011	Jan – Sept 2010	Full year 2010
Growth	%	20.1	10.1	13.2
Operating margin	%	11.0	10.8	12.2
Profit margin	%	10.4	9.9	11.4
Investments in fixed assets	MSEK	5,400.0	313.3	405.9
Unappropriated liq. assets	MSEK	1,781.5	1,327.2	1,664.1
Working capital, incl. cash and bank	MSEK	2,287.9	1,424.3	1,308.7
Working capital/net sales ¹⁾	%	32.0	23.9	20.1
Interest-bearing liabilities/Equity	%	114.3	64.7	45.6
Solidity (Equity/Assets ratio) ²⁾	%	37.0	43.1	48.2
Return on capital employed ³⁾	%	12.8	17.7	22.2
Return on equity ⁴⁾	%	16.0	19.4	23.4
Net debt/EBITDA ⁵⁾	times	3.9	1.2	0.7
Interest coverage ratio ⁶⁾	times	9.5	9.7	11.8

Based on a pro-forma income statement for the latest 12-month period, which includes units acquired during the period with their respective 12-month income statements, the following fairer presentation of key ratios is obtained:

- ¹⁾ Working capital would be approximately 24%
- ²⁾ Equity/assets ratio would be approximately 40%
- ³⁾ Return on capital employed would be approximately 13%
- ⁴⁾ Return on equity would be approximately 17%
- ⁵⁾ Net debt/EBITDA would be approximately 2.7 times
- ⁶⁾ Interest coverage ratio would be approximately 10.6 times

Acquisition of the Schulthess Group AG

The NIBE Group finalised the acquisition of the Schulthess Group AG on 29 July 2011. The total consideration for the acquisition, including expenses for the compulsory redemption of shares, amounted to SEK 4,812 million: 60% of this sum was paid in cash, while the remainder took the form of a directed issue of 16,119,437 new class B shares in NIBE Industrier AB on the acquisition date. The value of these shares has been calculated based on a market value of SEK 108.25 per share on the acquisition date. This raises the current number of NIBE shares to a total of 110,039,437. From 10 August the NIBE share has also been listed on the SIX Swiss Exchange.

Risks and uncertainties

NIBE Industrier is an international industrial group that is represented in around 40 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 continual 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 2010.

Quarterly data

Consolidated Income Statements

(in millions of SEK)	2011			2010				2009	
	Q1	Q2	Q3	Q1	Q2	Q3	Q4	Q3	Q4
Net sales	1,462.3	1,618.6	2,281.6	1,303.2	1,448.4	1,712.6	2,047.3	1,467.3	1,697.9
Operating expenses	-1,337.2	-1,466.6	-1,967.0	-1,196.6	-1,320.7	-1,466.1	-1,732.0	-1,272.1	-1,470.6
Operating profit	125.1	152.0	314.6	106.6	127.7	246.5	315.3	195.2	227.3
Net financial expenses	8.8	-11.6	-31.2	-10.4	-16.3	-12.1	-12.2	-19.5	-15.1
Profit after net financial expenses	133.9	140.4	283.4	96.2	111.4	234.4	303.1	175.7	212.2
Tax	-33.8	-36.6	-66.2	-26.0	-29.0	-62.3	-74.7	-47.0	-53.8
Net profit	100.1	103.8	217.2	70.2	82.4	172.1	228.4	128.7	158.4

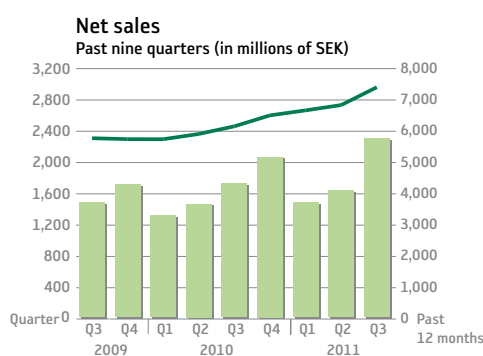
Net Sales – Business Areas

(in millions of SEK)	2011			2010				2009	
	Q1	Q2	Q3	Q1	Q2	Q3	Q4	Q3	Q4
NIBE Element	483.3	490.7	500.0	427.7	425.4	412.7	493.9	381.1	429.0
NIBE Energy Systems	784.4	969.7	1,498.5	698.5	868.5	1,016.0	1,142.1	876.9	935.2
NIBE Stoves	222.1	192.4	313.9	208.9	184.2	307.9	443.2	230.2	361.4
Elimination of Group transactions	-27.5	-34.2	-30.8	-31.9	-29.7	-24.0	-31.9	-20.9	-27.7
Group	1,462.3	1,618.6	2,281.6	1,303.2	1,448.4	1,712.6	2,047.3	1,467.3	1,697.9

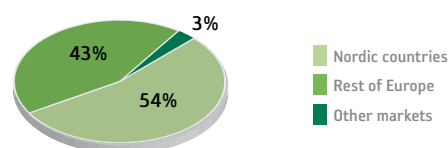
Operating Profit – Business Areas

(in millions of SEK)	2011			2010				2009	
	Q1	Q2	Q3	Q1	Q2	Q3	Q4	Q3	Q4
NIBE Element	36.2	30.1	33.7	30.9	27.1	25.7	40.8	8.5	18.1
NIBE Energy Systems	77.1	136.6	275.9	63.2	107.0	177.7	196.8	150.1	150.1
NIBE Stoves	17.1	3.9	49.7	16.1	3.2	47.4	86.1	38.7	67.2
Elimination of Group transactions	-5.3	-18.6	-44.7	-3.6	-9.6	-4.3	-8.4	-2.1	-8.1
Group	125.1	152.0	314.6	106.6	127.7	246.5	315.3	195.2	227.3

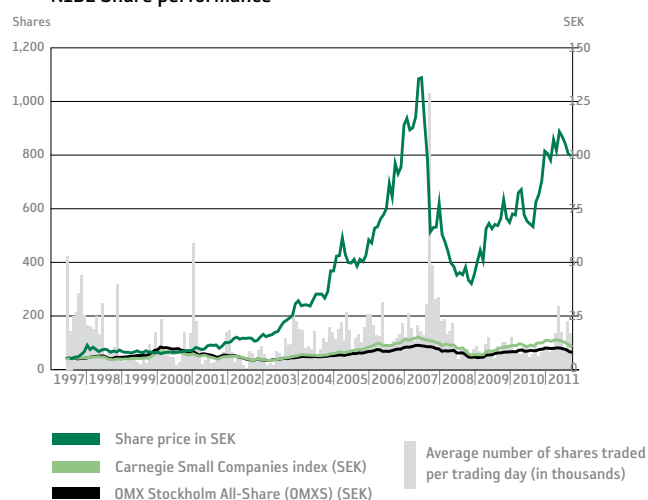
1) Includes acquisition expenses 2010 and 2011



Group sales by geographical region



NIBE Share performance



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 – 15 November 2011



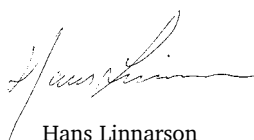
Arvid Gierow
Chairman of the Board




Georg Brunstam
Director



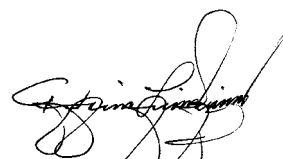
Eva-Lotta Kraft
Director



Hans Linnarson
Director



Anders Pålsson
Director



Gerteric Lindquist
Managing Director & CEO

Auditor's review of interim report

We have reviewed the interim report for NIBE Industrier AB (publ) for the period 1 January to 30 September 2011. The company's Board of Directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Focus and scope of the review

We have conducted our review in accordance with the Standard on Review Engagements SÖG 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially more limited in scope than an audit that is conducted in accordance with International Standards on Auditing, ISA and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance

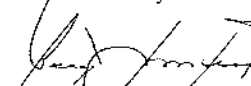
that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion that is expressed on the basis of a review does not give the same level of assurance as a conclusion based on an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that this interim report does not, in all material respects, accord with IAS 34 and the Swedish Annual Accounts Act as far as the consolidated accounts are concerned, and in accordance with the Swedish Annual Accounts Act as far as the financial accounts for the parent company are concerned.

Markaryd, Sweden – 15 November 2011

SET Revisionsbyrå AB



Bengt Ekenberg
Authorised Public Accountant

For further information concerning definitions, we refer you to the Annual Report for NIBE Industrier for 2010.



NIBE is an international heating technology company with business operations organised in three separate business areas, NIBE Element, NIBE Energy Systems and NIBE Stoves.



Our vision is to create world-class solutions in sustainable energy.



Our mission is to offer energy technology products and solutions that combine high quality with innovation. This work builds on the NIBE Group's wide-ranging expertise in the fields of product development, manufacturing and marketing.

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 at 07.00 (C.E.T.) on 15 November 2011.

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

Gerteric Lindquist, MD and Group CEO,
gerteric.lindquist@nibe.se;
Leif Gustavsson, CFO, leif.gustavsson@nibe.se



NIBE Industrier AB (publ) · Box 14, SE-285 21 Markaryd, SWEDEN
Tel +46 (0)433 - 73 000 · Fax +46 (0)433 - 73 192
www.nibe.com · Corporate identity number: 55 63 74 - 8309