



SYSTEMAIR AB

INTERIM REPORT

1 MAY 2011 – 31 OCTOBER 2011

Operating profit increased by 19 percent*

Second quarter August 2011 - October 2011

- Net sales were up 11 percent to SEK 1,027 million (929).
- Operating profit (EBIT) increased by 19 percent, to SEK 130 million (110)*.
- The operating margin was 12.7 percent (11.7)*.
- Profit after tax increased by 19 percent, to SEK 95 million (80).
- Earnings per share (basic and diluted) equalled SEK 1.83 (1.53).
- Cash flow from operating activities totalled SEK 95 million (70).

First half-year, May 2011 - October 2011

- Net sales increased by 11 percent to SEK 1,931 million (1,746).
- Operating profit (EBIT) increased by 6 percent, to SEK 217 million (204)*.
- The operating margin was 11.2 percent (11.7)*.
- Profit after tax increased by 4 percent, to SEK 150 million (145).
- Earnings per share (basic and diluted) equalled SEK 2.89 (2.77).
- Cash flow from operating activities equalled SEK 147 million (125).

*) The operating profit and operating margin for the preceding year have been adjusted to discount a capital gain of +SEK 10.5 million on a property sale.



Net sales Q2

SEK 1,027 m

EBIT Q2

SEK 130 m

Significant events during the first half-year

- In October, an agreement was signed on the acquisition of air handling unit manufacturer IAPL, India.
- In August, Kryotherm in Piteå Sweden, was acquired.
- In June, Systemair acquired Ventrade, a Russian ventilation distributor.

	2011 3 mths	2010 3 mths	2011 6 mths	2010 6 mths
Net sales, SEK million	1,026.6	928.9	1,931.4	1,745.9
Growth, %	10.5	12.1	10.6	7.9
Operating profit, SEK million	130.2	119.5	216.9	214.4
Operating margin, %	12.7	12.9	11.2	12.3
Profit after tax, SEK million	95.0	79.9	150.2	144.8
Basic and diluted earnings per share, SEK	1.83	1.53	2.89	2.77
Operating cash flow per share, SEK	1.83	1.35	2.83	2.40

CEO's Comments

Operating profit +19 percent

We passed SEK 1 billion in quarterly sales, an important milestone for the business. Growth over the quarter was 11 percent, while operating profit increased by 19 percent if the sale of a property last year is discounted. Developments in Norway, Denmark and Russia were especially satisfactory. We have completed our major investments in our central production facilities.

The market

During the period, we recorded positive developments in the Nordic region, where the Danish market in particular was buoyant. The Norwegian market also showed strong growth. Our Systemair subsidiaries in Norway have beaten sales records for two months in a row. In Western Europe, the northern part is stable but results in the southern areas were considerably weaker. The overall outcome was minor growth in the region. In North America, the market remained weak. Sales remained on the same level as last year. In the Other markets region, sales during the period declined substantially, compared to the preceding year. The Indian market is weak, with long delays in payment. As a result, we halted deliveries to a number of customers and projects.

Products and product development

Part of the reason why we can report organic growth again for this period is that we focus consistently on product development. We are continuing to present and launch new products, enabling us to establish a base for increasing our market shares and driving up growth. In September, part of the EU Directive on Ecodesign was presented by the EU Commission's consultants. This advocates exhaust and supply air ventilation with energy recovery as the best solution for energy-efficient buildings, and also views the ventilation industry as a growing market in Europe. This is, of course, in our favour, as we offer one of the widest arrays of energy-efficient products and solutions in the market.

Investments and acquisitions

We have completed the major investment programmes launched in the spring. The capacity expansion in Skinnskatteberg, Sweden, was extensive at both production facilities, and the machine investments and relocations in Denmark and Lithuania were also completed.



These measures deliver both improved efficiency and increased capacity. During the past quarter, the ongoing investments temporarily led to slightly lower production efficiency, as well as somewhat higher costs in the companies concerned.

In October, we acquired the Indian company IAPL, which manufactures air handling units for the Indian market. Local production of air handling units will give us access to more, and bigger, construction projects. We will be coordinating our operations at the industrial facility in the Greater Noida Ecotech Park, which facility was part of the acquisition. We will also build up an R&D Center, for which planning of the construction process has already begun.

During the quarter, we made a complementary acquisition, in the shape of Kryotherm's operations in Piteå, northern Sweden. A pioneer in heat pumps, the company will bring both products and know-how in the comfort cooling segment into our business.

Cautiously optimistic outlook for year as a whole

As a result of our strong second quarter, despite the turbulence of the markets, we take an optimistic view of the current year of operations. The business model of keeping a majority of our products in inventory for prompt delivery is continuing to deliver good results. We also succeeded in maintaining our gross margin at a satisfactory level during the period. In other respects, I can only join in with the chorus of all other business leaders in saying that forecasting is unusually difficult at the present time.

Gerald Engström
President and CEO

Sales in the second quarter

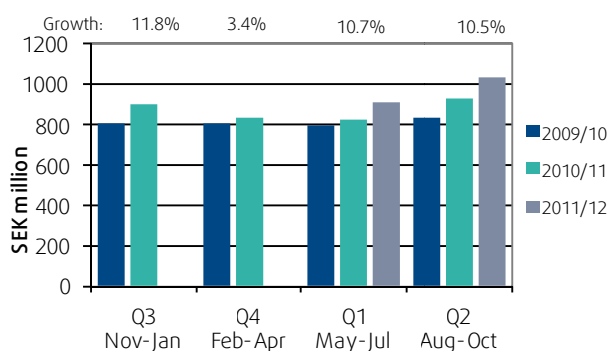
Group sales for the second quarter of 2011/12 totalled SEK 1,026.6 million (928.9), which was up 10.5 percent on the same period in the preceding year. Organic growth amounted to 4.7 percent.

Growth in acquired operations equalled 9.5 percent, or SEK 88.4 million, while foreign exchange effects reduced sales by 3.7 percent during the quarter. This indicates that, at unchanged exchange rates, sales increased by 14.2 percent in the quarter.

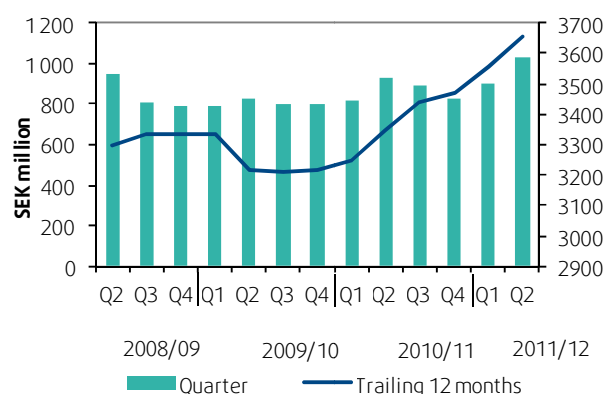
Net sales for the interim report period of May-October 2011/12 totalled SEK 1,931.4 million (1,745.9), which was up 10.6 percent on the same period in the preceding year. Organic growth amounted to 5.8 percent.

Growth in acquired operations equalled 9.7 percent, while foreign exchange effects reduced sales by 4.9 percent during the period.

Net sales per quarter compared with same period previous years



Net sales



Geographic breakdown of Q2 sales

Nordic region

During the second quarter, sales in the Nordic region were up 16 percent on the same period in the preceding year. In Denmark, sales advanced 26 percent. In Norway, the Group's single second largest market, sales increased 18 percent, while in Sweden sales grew 5 percent. Overall, exchange rate effects and acquisitions did not materially affect sales growth during the quarter.

Western Europe

In Western Europe, income rose 4 percent in the second quarter. The acquisition of the companies in the Aaldering Group contributed 7 percent to sales in the region. Adjusted for exchange rate effects and acquisitions, sales were on the same level as in the same period in the preceding year.

Eastern Europe and CIS

Sales in Eastern Europe and the CIS rose by 33 percent during the quarter. Organic growth amounted to 4 percent. Sales in Russia rose by 83 percent. Adjusted to take the acquisition of Ventrade into account, the increase in Russia was 1 percent. In Poland, the second largest market in the region, sales fell by 4 percent during the quarter.

	2011 Aug-Oct 3 mths	2010 Aug-Oct 3 mths	Change	2011 May-Oct 6 mths	2010 May-Oct 6 mths	Change
Nordic region	305.3	264.0	16%	527.3	462.0	14%
Western Europe	332.7	319.3	4%	653.6	618.4	6%
Eastern Europe & CIS	251.5	189.4	33%	467.0	347.6	34%
North America	73.3	73.5	0%	145.5	160.9	-10%
Other markets	63.8	82.7	-23%	138.0	157.0	-12%
Total	1,026.6	928.9	11%	1,931.4	1,745.9	11%

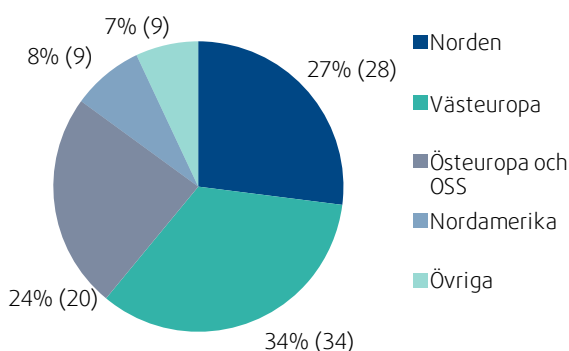
North America

Sales in the North American market during the quarter were on a par with sales in the same period the preceding year. Adjusted for foreign exchange effects, sales rose 7 percent.

Other markets

Sales in Other markets during the second quarter were 23 percent down on the same period last year. No acquisitions significantly influenced sales in the region during the period. Adjusted for the impact of exchange rates, sales declined 14 percent. The trend of sales during the quarter was good in Turkey and South Africa, but declined considerably in China and India.

Sales by market 6 months 2011 (2010)



Profit in the second quarter

The gross profit for the second quarter amounted to SEK 401.7 million (366.5), an increase of 9.6 percent on the same period in the preceding year. The gross margin fell to 39.1 percent (39.5), as a result of changes in the product mix. Costs were also slightly higher, partly as a result of lower productivity attributable to conversions in connection with major investments in Sweden, Denmark and Lithuania.

The operating profit for the second quarter totalled SEK 130.2 million (119.5), up 8.9 percent on the same period in the preceding year. The operating profit for the preceding year includes a capital gain of SEK 10.5 million on the sale of a property in Germany. Adjusted to reflect the property sale, operating profit increased by 19.3 percent. The operating margin was 12.7 percent (12.9), compared to 11.7 percent in the previous year after adjustment to reflect the property sale.

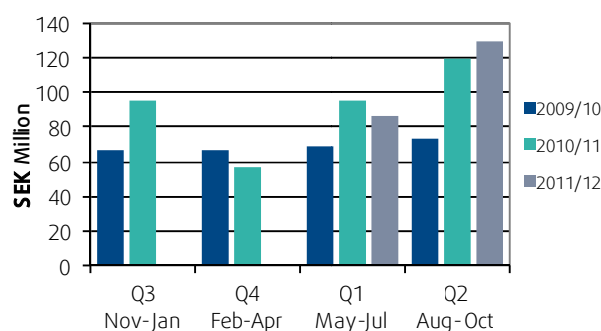
Selling and administration expenses for the quarter totalled SEK 271.4 million (253.0), an increase of SEK 18.5 million on the same period in the preceding year. Selling and administration expenses for acquired companies accounted for SEK 16.2 million of the increase for the quarter.

Selling expenses were charged with SEK 4.0 million

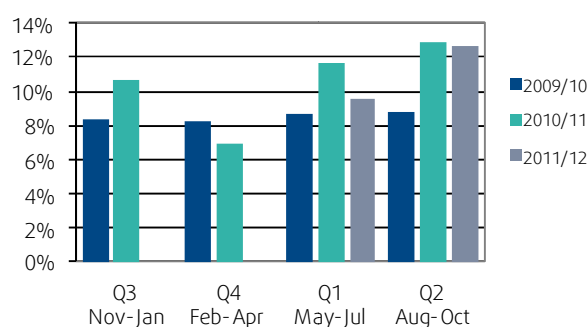
(4.6) for anticipated bad debts and impairment losses on trade receivables. During the quarter, costs related to acquisitions totalled SEK 0.9 million.

Net financial items ended the second quarter at SEK -5.8 million (-8.5). The effect of foreign exchange on long-term receivables, loans and bank balances was SEK 0.7 million net (-2.9). Interest expense for the quarter totalled SEK -6.7 million (-4.1).

Operating profit per quarter, relative to the same period in previous years



Operating margin per quarter, relative to the same period in previous years



Tax expense

Estimated tax for the quarter totalled SEK -29.4 million (-31.1), corresponding to an effective tax rate of 23.6 percent (28.0) based on profit after net financial items. The relatively low effective tax rate is attributable to tax loss carry-forwards utilised but not capitalised.

Acquisitions and new operations

In October, Systemair signed an agreement to acquire IAPL, International Airconditioning Products Pvt. Limited, India, which is part of the Suvudha Group. IAPL manufactures air handling units for the Indian market. The company has sales equivalent to around SEK 55 million and 120 employees. IAPL is based in Greater Noida, just outside New Delhi, and has sales offices in another five cities in India. IAPL owns an industrial facility extending over a

23,000 m² site in the Greater Noida Ecotech Park. There, Systemair intends to coordinate production for its Indian operations and to build up an R&D Center. The total purchase consideration is SEK 63 million and includes the industrial facility. Local production of air handling units is expected to provide access to more, and bigger, construction projects, as well as growth in Indian market sales of other Systemair products from the recently acquired Ravistar, which makes air distribution products. The transfer of ownership and consolidation is planned for 1 December 2011.

In August, Systemair acquired the assets of Kryotherm AB, Piteå Sweden. Kryotherm, founded in 1967, is a company with wide experience of products combining cooling and ventilation. Over the past 5 years, sales have averaged approximately SEK 30 million. In 2010, sales slumped drastically and the company reported a loss. The company suspended payments in June 2011. Systemair has taken over all 12 employees. Kryotherm offers products that complement the Systemair range and create opportunities to deliver turnkey solutions in ventilation systems. Kryotherm has extensive know-how and long experience of the market sector represented by air handling units with integral cooling or heat pump systems. Synergies are anticipated for both product development and sales.

On 23 June 2011, Systemair acquired Ventrade, the Russian ventilation distributor. Ventrade sells ventilation and comfort cooling products, and has for many years been one of Systemair's biggest customers in Russia. The company has its headquarters and central warehouse in Moscow, plus sales offices and local warehouses in another 11 cities. In 2010, the company reported sales equivalent to around SEK 290 million and had 200 employees. The acquisition will enable Systemair to expand the proportion of Systemair products sold and provides extensive coverage throughout Russia, with major potential for growth. In addition, good potential exists for synergies with the production facility in Lithuania, where production capacity will be enlarged in 2011.

If the companies acquired during the period had been consolidated as of 1 May 2011, net sales for the period May 2011 through October 2011 would have totalled approximately SEK 1,973 million. The operating profit for that period would have been around SEK 219.8 million.

Note 1 in this report contains an acquisition analysis and the effects of the acquisitions on the Group's cash and cash equivalents.

Investments, depreciation and amortisation

Gross investment for the quarter, excluding divestments,

totalled SEK 25.1 million (69.1), including SEK 17.4 million (13.4) invested in new construction and machinery. These investments comprise capacity and replacement investments in the factories in Denmark, Sweden and Lithuania. Acquisitions and additional considerations paid equalled SEK 7.6 million (55.7) for the quarter. Depreciation of fixed assets amounted to SEK 23.6 million (22.6).

Personnel

The average number of employees in the Group was 2,581 (2,286). At the end of the period, Systemair had 2,839 employees (2,440), 399 more than one year previous. New employees were recruited chiefly in Skinnskatteberg, Sweden (32), Germany (26) and Denmark (17). Through acquisitions, 297 employees joined the Group, including 250 at Ventrade, Russia.

Cash flow and financial position

Cash flow from operating activities before changes in working capital totalled SEK 133.1 million (113.7) for the quarter. Changes in working capital, mainly consisting of a decrease in trade accounts payable and an increase in current receivables, had an impact of SEK -38.2 million (-43.6) on cash flow. Net cash flow from financing activities was SEK -83.7 million (-21.2), as a result of dividend paid. At the end of the period, net indebtedness totalled SEK 764.5 million (604.2). The consolidated equity/assets ratio was 45.4 percent (47.4) at the close of the period.

Events after the close of the period

In November, Systemair entered into an agreement to acquire the Milan, Italy, factory of Airwell, part of the Airwell Group. Airwell Barlassina manufactures refrigeration equipment for comfort cooling. The company's product range comprises refrigeration equipment between 20 and 1,200 kW. Airwell offers one of the most comprehensive product ranges in the market. It makes refrigeration equipment with both liquid and air cooling systems. In recent years, major work has been focused on product development and most products are today Eurovent-certified. The factory has 155 employees, and Systemair will also take over parts of the sales department in Italy. The factory also includes one of the most up-to-date R&D centres in Europe, for development and testing of refrigeration equipment, together with an exhibition hall and training centre.

Sales by the company are estimated at around SEK 24 million for 2011. The transfer of ownership is expected to take place in January 2012. The acquisition will strengthen Systemair's position in sales where refrigeration equipment is supplied in combination with air

handling units to create a healthy indoor climate.

In November, Systemair acquired sales companies Frivent Luft und Wärmetechnik GmbH of Chemnitz, Saxony, eastern Germany and Garching, Bavaria. The companies are sales companies on behalf of the Austrian company Josef Friedl GmbH. Total sales for the two companies, which together employ in all seven people, were EUR 3.3 million in 2010. Frivent's Chemnitz office continues to act as agent on behalf of Systemair in parts of eastern Germany. The acquisition of Frivent will enable Systemair to conduct sales via its own personnel throughout Germany.

Warrants program

In connection with the IPO in October 2007, Systemair launched a warrants program of a total of 223,500 warrants to certain employees within the group. Because the subscription price has been unfavorable in relation to the share price at moments when redemptions could have happened no subscription has not occurred.

Material risks and uncertainty

Systemair is exposed to operational and financial risks in its business. Operational risk is inherent in the international nature of the operations, tough competition and the sensitivity of the construction industry to the business cycle. The financial risks that Systemair has identified in its business are foreign exchange risk, borrowing and interest rate risk, credit and liquidity risk and loss carry-forwards. The material risks and uncertainty affecting Systemair are described in more detail in the Company's 2010/11 Annual Report. No significant change occurred in the risk situation during the period.

Related party transactions

Systemair's significant transactions with related parties concern ebmpapst AB and ebmpapst Mulfingen GmbH & Co. KG. Transactions with related parties are described in detail in Note 36 to the accounts in the Annual Report for the 2010/11 financial year. During the period, no change worthy of mention occurred in the scale of these transactions.

Parent Company

Parent Company sales for the quarter totalled SEK 246.0 million (229.4), while operating profit was SEK 13.5 million (12.1).

The average number of employees in the Parent Company was 396 (343).

Financial information

The interim report for the third quarter of 2011/12 will be published at 8.30 a.m. on 6 March 2012.

The report for the fourth quarter and full year 2011/12 will be published at 8.30 a.m. on 8 June 2012.

Miscellaneous

The information in this Interim Report is information that Systemair is required to disclose in accordance with the Swedish Securities Markets Act (lagen om värdepappersmarknaden) and/or the Swedish Financial Instruments Trading Act (lagen om handel med finansiella instrument). This information was submitted for publication at 8.30 a.m. on 30 November 2011.

About Systemair

The Company established operations in 1974 with a pioneering product concept - the circular duct fan, a design that makes installation considerably simpler. We adopted the motto "the straight way", which has been developed from a product concept to a business philosophy. Our product range has grown strongly to extend over a broad range of fans, air handling units, products for air distribution, air curtains and heating products.

Mission statement

Operating from the core values of simplicity and reliability, our business concept is to develop, manufacture and market high-quality ventilation products. On the basis of our business concept and with our customers in focus, our aim is to be seen as a company to rely on, with the emphasis on delivery reliability, availability and quality.

Business model

Availability is an important parameter in terms of our competitiveness, and we ensure effective control of our flow of goods, with owned production units, centralised warehouse facilities and an efficient ERP system. With modern production plants and our own sales companies around the world, we reach out directly to our customers. The business model supports stability and development, and today we are a leading producer and supplier of ventilation products with our own production and sales companies.

Strategies

The following strategies create major strengths and competitive advantages that help us to achieve our goals.

- Innovative product development and a broad product range with the focus on energy-efficient air handling products.

- High product availability and fast delivery via an efficient production, logistics and IT organisation.
- Development and expansion of Systemair's own sales organisation.
- Good relationships with ventilation contractors, distributors and consultants, helping to confirm the perception of Systemair as a leading supplier of high-quality air handling products.
- A highly diversified customer base reduces our vulnerability to fluctuations in the economy.
- Early presence in growth markets.
- Strategy of acquisition and establishment to expand market shares.

The undersigned affirm that this six-month report provides a true and fair survey of the Parent Company's and the Group's operations, financial position and profits, as well as describing the material risks and uncertainty facing the Parent Company and the companies included in the Group.

Skinnskatteberg, Sweden, 30 November 2011
Systemair AB (publ)

Gerald Engström
Chief Executive Officer

Lars Hansson
Chairman

Hannu Paitula
Director

Göran Robertsson
Director

Elisabeth Westberg
Director

Jürgen Zilling
Director

Åke Henningson
Employee Representative

Kevin Rowland
Employee Representative

For further information, please contact:

Gerald Engström, CEO, tel. +46-222-44001 or +46-70-519-0001, gerald.engstrom@systemair.se

Lars Hansson, Chairman, tel. +46-70-895-9002, lars.hansson@systemair.se

Glen Nilsson, CFO tel. +46-222-44003, +46-70-654-4003, glen.nilsson@systemair.se

Systemair AB (publ)

Co. Reg. No. 556160-4108

SE-739 30 Skinnskatteberg, Sweden

Tel. +46-222-44000

Fax +46-222-44099

info@systemair.se

www.systemair.se

Systemair in Brief

Systemair is a leading ventilation company with operations in 40 countries in Europe, North America, South America, the Middle East, Asia, Africa and Australia. The Company had sales of SEK 3.5 billion in financial 2010/11 and currently employs about 2,800 people. Systemair has reported an operating profit every year since 1974, when the Company was founded. During the past 15 years, the Company's growth rate has averaged about 14 percent.

Systemair has well-established operations in growth markets. The Group's products are marketed under the Systemair, Frico, VEAB and Fantech brands. Systemair shares have been quoted on the Mid Cap List of the OMX Nordic Exchange in Stockholm since October 2007. The Group comprises about 60 companies.

Auditors' review report

Introduction

We have reviewed Systemair AB (publ)'s interim report for the period 1 May 2011 to 31 October 2011. The preparation and fair presentation of the interim report in accordance with IAS 34 and the Annual Accounts Act are the responsibility of the Board of Directors and the Chief Executive Officer. Our responsibility is to express our opinion of this interim report based on our review.

Emphasis and scope of the review

We conducted our review in accordance with the Standard on review engagements (SÖG) 2410 Review of interim financial reporting conducted by the company's elected auditors (Översiktlig granskning av finansiell delårsinformation utförd av företagens valda revisor). A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. The emphasis and scope of a review differ considerably from that of an audit in accordance with International Standards on Auditing, ISA, and other good auditing practice in Sweden. The procedures performed in a review do not enable us to obtain a level of assurance to become aware of all significant matters that could have been identified in an audit. As our opinion is based on a review, the level of assurance is not as high as that of an opinion expressed based on an audit.

Opinion

Based on our review, nothing has come to our attention that causes us to believe that the interim report, in all material respects, was not prepared in accordance with IAS 34 and the Annual Accounts Act for the Group or in accordance with the Annual Accounts Act for the Parent Company.

Stockholm, Sweden, 30 November 2011
Ernst & Young AB

Thomas Forslund
Authorised Public Accountant

Consolidated Income Statement

SEK million	2011 Aug-Oct 3 mths	2010 Aug-Oct 3 mths	2011 May-Oct 6 mths	2010 May-Oct 6 mths	2010/11 Nov-Oct trailing 12	2010/11 May-Apr 12 mths
Net Sales	1,026.6	928.9	1,931.4	1,745.9	3,652.8	3,467.3
Cost of goods sold	-624.9	-562.4	-1,198.5	-1,062.2	-2,245.8	-2,109.5
Gross profit	401.7	366.5	732.9	683.7	1,407.0	1,357.8
Other operating income	9.8	21.7	28.1	31.6	55.7	59.2
Selling expenses	-222.2	-206.3	-429.9	-385.9	-857.9	-813.8
Administration expenses	-49.2	-46.7	-95.6	-90.6	-197.9	-193
Other operating expenses	-9.9	-15.7	-18.6	-24.4	-37.4	-43.2
Operating profit	130.2	119.5	216.9	214.4	369.5	367.0
Net financial items	-5.8	-8.5	-13.4	-14.0	-27.8	-28.5
Profit after financial items	124.4	111.0	203.5	200.4	341.7	338.5
Tax on profit for the period	-29.4	-31.1	-53.3	-55.6	-61.4	-63.6
Profit for the period	95.0	79.9	150.2	144.8	280.3	274.9
Attributable to:						
Parent company shareholders	95.0	79.4	150.2	143.9	279.2	273.0
Shareholdings without controlling interest	0.0	0.5	0.0	0.9	1.1	1.9
Earnings per share, (SEK) ¹⁾	1.83	1.53	2.89	2.77	5.37	5.25
Average number of shares du period ¹⁾	52,000,000	52,000,000	52,000,000	52,000,000	52,000,000	52,000,000

1) At present, Systemair does not have any warrant programme in operation and so no dilution effect exists.

Consolidated Statement of Comprehensive Income

	2011 Aug-Oct 3 mths	2010 Aug-Oct 3 mths	2011 May-Oct 6 mths	2010 May-Oct 6 mths	2010/11 Nov-Oct trailing 12	2010/11 May-Apr 12 mths
Profit for the period	95.0	79.9	150.2	144.8	280.3	274.9
Other comprehensive income net of tax						
Translation differences, foreign operations	-25.2	-15.5	7.2	-29.5	-43.5	-80.2
Hedging of net assets in foreign operations, net after tax	-2.4	0.1	-3.7	0.9	-1.6	3.0
Other comprehensive income net after tax	-27.6	-15.4	3.5	-28.6	-45.1	-77.2
Total comprehensive income for the period	67.4	64.5	153.7	116.2	235.2	197.7
Attributable to:						
Parent Company shareholders	67.4	64.1	153.7	115.8	234.4	196.4
Shareholdings without controlling interest	0.0	0.4	0.0	0.4	0.8	1.3

Consolidated Balance Sheet

SEK million	31 Oct 2011	31 Oct 2010	30 Apr 2011
ASSETS			
Goodwill	326.6	232.0	263.5
Other intangible assets	99.2	51.6	69.0
Property, plant and equipment	747.4	728.1	711.8
Financial and other assets	110.5	86.2	106.5
Total non-current assets	1,283.7	1,097.9	1,150.8
Inventory	692.4	533.2	607.0
Current receivables	882.1	847.4	777.2
Cash and cash equivalents	72.5	93.2	76.8
Total current assets	1,647.0	1,473.8	1,461.0
TOTAL ASSETS	2,930.7	2,571.7	2,611.8
EQUITY AND LIABILITIES			
Equity	1,330.9	1,218.0	1,268.2
Non-current liabilities, provisions	104.7	94.9	100.1
Non-current liabilities, interest-bearing	174.6	256.0	205.3
Total non-current liabilities	279.3	350.9	305.4
Current liabilities, interest-bearing	651.2	426.0	497.4
Current liabilities, non-interest-bearing	669.3	576.8	540.8
Total current liabilities	1,320.5	1,002.8	1,038.2
TOTAL EQUITY AND LIABILITIES	2,930.7	2,571.7	2,611.8

Consolidated Cash Flow Statement

SEK million	2011 Aug-Oct 3 mths	2010 Aug-Oct 3 mths	2011 May-Oct 6 mths	2010 May-Oct 6 mths	2010/11 May-Apr 12 mths
Operating profit	130.2	119.5	216.9	214.4	367.0
Adjustment for non-cash items	23.2	12.2	39.7	33.0	74.2
Financial items	-6.0	-3.5	-10.9	-5.6	-13.4
Income tax paid	-14.3	-14.5	-22.7	-30.6	-58.6
Cash flow from operating activities before changes in working capital	133.1	113.7	223.0	211.2	369.2
Changes in working capital	-38.2	-43.6	-75.8	-86.3	-120.2
Cash flow from operating activities	94.9	70.1	147.2	124.9	249.0
Cash flow from investing activities	-23.2	-50.8	-131.6	-69.4	-266.4
Cash flow from financing activities	-83.7	-21.2	-20.6	-43.9	17.3
Cash flow for the period	-12.0	-1.9	-5.0	11.6	-0.1
Cash and cash equivalents at start of period	87.3	98.0	76.8	85.9	85.9
Translation differences, cash and cash equivalents	-2.8	-2.9	0.7	-4.3	-9.0
Cash and cash equivalents at close of period	72.5	93.2	72.5	93.2	76.8

Statement of Changes in Equity - Group

SEK million	2011 May-Oct			2010 May-Oct		
	Equity attributable to Parent Company shareholders	Shareholdings without controlling influence	Total equity	Equity attributable to Parent Company shareholders	Shareholdings without controlling influence	Total equity
Amount at beginning of year	1,268.1	0.1	1,268.2	1,151.6	16.1	1,167.7
Dividend	-91.0	-	-91.0	-65.0	-0.7	-65.7
Acquisition of non-controlling interests	-	-	-	-	-0.2	-0.2
Comprehensive income	153.7	0.0	153.7	115.8	0.4	116.2
Amount at end of period	1,330.8	0.1	1,330.9	1,202.4	15.6	1,218.0

Key Ratios for the Group

		2011 Aug-Oct 3 mths	2010 Aug-Oct 3 mths	2011 May-Oct 6 mths	2010 May-Oct 6 mths	2010/11 May-Apr 12 mths
Net sales	SEK million	1,026.6	928.9	1,931.4	1,745.9	3,467.3
Growth	%	10.5	12.1	10.6	7.9	7.7
Operating profit	SEK million	130.2	119.5	216.9	214.4	367.0
Operating margin	%	12.7	12.9	11.2	12.3	10.6
Profit after net fin. items	SEK million	124.4	111.0	203.5	200.4	338.5
Profit margin	%	12.1	12.0	10.5	11.5	9.8
Return on capital employed	%	19.3	19.1	19.3	19.1	18.0
Return on equity	%	21.5	20.0	21.5	20.0	22.3
Equity/assets ratio	%	45.4	47.4	45.4	47.4	48.6
Investments	SEK million	25.1	69.1	139.7	88.5	266.4
Depreciation/Amortisation	SEK million	23.6	22.6	46.1	45.3	92.1
Per share ratios						
Basic earnings per share	SEK	1.83	1.53	2.89	2.77	5.25
Diluted earnings per share	SEK	1.83	1.53	2.89	2.77	5.25
Basic equity per share	SEK	25.59	23.12	25.59	23.12	24.39
Diluted equity per share	SEK	25.59	23.12	25.59	23.12	24.38
Basic operating cash flow per share	SEK	1.83	1.35	2.83	2.40	4.79
Diluted operating cash flow per share	SEK	1.83	1.35	2.83	2.40	4.79
No. of shares at end of period	No.	52,000,000	52,000,000	52,000,000	52,000,000	52,000,000

Quarterly Key Ratios - Group

		2011/12			2010/11			2009/10		
		Aug-Oct Q2	May-Jul Q1	Feb-Apr Q4	Nov-Jan Q3	Aug-Oct Q2	May-Jul Q1	Feb-Apr Q4	Nov-Jan Q3	Aug-Oct Q2
Net sales	SEK million	1,026.6	904.8	828.2	893.2	928.9	817.0	800.8	799.3	828.8
Growth	%	10.5	10.7	3.4	11.8	12.1	3.5	1.1	-0.9	-12.5
Gross margin	%	39.1	36.6	39.8	38.5	39.5	38.8	39.2	37.1	37.4
Operating profit	SEK million	130.2	86.8	57.2	95.3	119.5	94.9	66.4	66.6	73.2
Operating margin	%	12.7	9.6	6.9	10.7	12.9	11.6	8.3	8.3	8.8
Return on capital employed	%	19.3	19.1	18.0	21.0	19.1	17.0	15.2	11.1	12.6
Return on equity	%	21.5	20.9	22.3	24.5	20.0	18.4	17.4	14.3	16.3
Equity/assets ratio	%	45.4	45.4	48.6	49.0	47.4	49.5	49.0	46.8	44.1
Basic equity per share	SEK	25.59	26.05	24.39	24.05	23.12	23.14	22.15	21.65	20.59
Basic earnings per share	SEK	1.83	1.06	0.61	1.87	1.53	1.24	1.00	0.70	1.06

Parent Company Income Statement

SEK million	2011 Aug-Oct 3 mths	2010 Aug-Oct 3 mths	2011 May-Oct 6 mths	2010 May-Oct 6 mths	2010/11 May-Apr 12 mths
Net sales	246.0	229.4	466.9	433.8	875.1
Cost of goods sold	-181.9	-166.7	-348.6	-311.8	-640.4
Gross profit	64.1	62.7	118.3	122.0	234.7
Other operating income	4.6	4.9	16.8	8.0	16.1
Selling expenses	-38.6	-32.9	-71.2	-59.7	-128.9
Administration expenses	-14.9	-16.4	-27.9	-31.0	-64.1
Other operating expenses	-1.7	-6.2	-4.9	-6.7	-4.5
Operating profit	13.5	12.1	31.1	32.6	53.3
Net financial items	14.7	2.5	190.3	129.0	140.0
Profit after financial items	28.2	14.6	221.4	161.6	193.3
Appropriations ¹⁾	-6.3	0.1	-8.1	-0.2	23.2
Pre-tax profit	21.9	14.7	213.3	161.4	216.5
Tax on profit for the period	-3.7	-5.3	-5.2	-11.1	-26.7
Profit for the period	18.2	9.4	208.1	150.3	189.8

1) Appropriations have been calculated pro rata for the accounting period.

Parent Company Balance Sheet

SEK million	31 Oct 2011	31 Oct 2010	30 Apr 2011
ASSETS			
Other intangible assets	4.1	2.9	2.5
Property, plant and equipment	111.6	95.8	104.0
Financial and other assets	1,246.8	1,023.8	1,117.1
Total non-current assets	1,362.5	1,122.5	1,223.6
Inventory	108.6	104.7	127.7
Current receivables	279.1	275.4	238.1
Cash and cash equivalents	401.9	332.8	376.4
Total current assets	789.6	712.9	742.2
TOTAL ASSETS	2,152.1	1,835.4	1,965.8
EQUITY AND LIABILITIES			
Equity	819.1	732.7	701.4
Untaxed reserves	106.2	121.5	98.0
Non-current liabilities, provisions	2.5	3.4	1.4
Non-current liabilities, interest-bearing	268.5	361.1	493.5
Total non-current liabilities	271.0	364.5	494.9
Current liabilities, interest-bearing	804.8	471.3	454.8
Current liabilities, non-interest-bearing	151.0	145.4	216.7
Total current liabilities	955.8	616.7	671.5
TOTAL EQUITY AND LIABILITIES	2,152.1	1,835.4	1,965.8

General accounting policies and principles

Systemair applies International Financial Reporting Standards (IFRS). This interim report was prepared for the Group in accordance with the Swedish Annual Accounts Act, the Swedish Financial Reporting Board's recommendation RFR 1 and IAS 34, Interim Financial Reporting, and for the Parent Company in accordance with the Swedish Annual Accounts Act and RFR 2. The accounting policies and methods of calculation applied for the Group and Parent Company accord with those used in preparing the most recent Annual Report. None of the new or revised standards, interpretations or improvements adopted by the EU for implementation from 1 May 2011, inclusive, have affected the Group in any way. Only those changes that affect the Systemair Group are discussed.

Not 1

The price paid to acquire Ventrade, Russia, may provisionally be calculated as follows:

Total historical cost, less costs of acquisition SEK 91.6 million

Assets acquired

Fair value of assets acquired, net SEK 28.5 million
Goodwill SEK 63.1 million

<u>Assets and liabilities acquired</u>	<u>Carrying amount</u>	<u>Adjustment</u>	<u>Fair value</u>
Goodwill	0.0	63.1	63.1
Brands and customer relationships	0.0	35.7	35.7
Machinery and equipment	1.3	-	1.3
Deferred tax assets	0.0	-	0.0
Inventory	85.9	-	85.9
Other current assets	88.8	-	88.8
Cash and cash equivalents	14.9	-	14.9
Non-interest-bearing liabilities (incl. deferred tax liability)	-42.4	-7.1	-49.6
Other operating liabilities	-148.5	-	-148.5
	0.0	91.6	91.6

Impact on cash flow

Purchase consideration	-91.6
Purchase consideration not paid	11.4
Cash and cash equivalents in companies purchased	14.9
Additional purchase consideration paid for prior years' acquisitions	-6.1
Transaction costs, acquisition of subsidiaries	-2.7
Change in consolidated cash and cash equivalents at acquisition	-74.1

Brands and customer relationships have been stated at the net present value of future cash flows. The useful life of these assets has been estimated at 10 years and 5 years, respectively.

The goodwill upon acquisition is attributable to the strong market position of the company acquired, synergy effects expected to emerge after the acquisition and the company's estimated future earning capacity.

Definitions of key ratios

Operating profit (EBIT)

Earnings before financial items and tax.

Growth

Growth is defined as the change in net sales, relative to net sales for the preceding period.

Operating margin

Operating profit divided by net sales.

Profit margin

Profit after financial items divided by net sales.

Return on capital employed

Profit after financial income, for the trailing 12 months (TTM), divided by average capital employed.

Capital employed

Total assets less non-interest-bearing liabilities.

Return on equity

Profit after tax before non-controlling interest, for the trailing 12 months (TTM), divided by average capital employed excluding non-controlling interest.

Number of employees

Number of employees at the end of the accounting period. New employees, appointments terminated, part-time employees and paid overtime are converted into full-time equivalents.

Earnings per share

Profit for the period attributable to Parent Company shareholders, divided by the average number of shares during the period.

Operating cash flow per share

Cash flow from operating activities for the period, divided by the average number of shares during the period.

Equity/assets ratio

Adjusted equity divided by total assets.

Equity per share

Equity divided by the number of shares at the end of the period.