

FIRST QUARTER

- **Order intake rose 5 percent, adjusted¹ to SEK 1,527 M (1,515).**
- **Net sales increased by 5 percent adjusted¹ to SEK 1,404 M (1 386). Excluding sales in MCS relating to hurricanes in the first quarter of 2006 (SEK 75 M), sales increased by 11 percent adjusted.**
- **Net earnings amounted to SEK 78 M (71).**
- **Earnings per share amounted to SEK 3.12 (2.88).**
- **Operating cash flow was SEK 45 M (66).**
- **Acquisition of Des Champs Technologies in the beginning of April, active in energy-efficient systems for climate control in commercial premises.**

	2007	2006	Change	Adjusted change ¹
Order intake, SEK M	1,527	1,515	1%	5%
Net sales, SEK M	1,404	1,386	1%	5%
EBIT, SEK M	127	118	7%	13%
EBIT margin, percent	9.0	8.5		
Net earnings, SEK M	78	71	9%	14%
Earnings per share, SEK	3.12	2.88	8%	

¹ Adjusted for currency fluctuations and acquisitions and disposals of businesses.

MUNTERS OPERATIONS

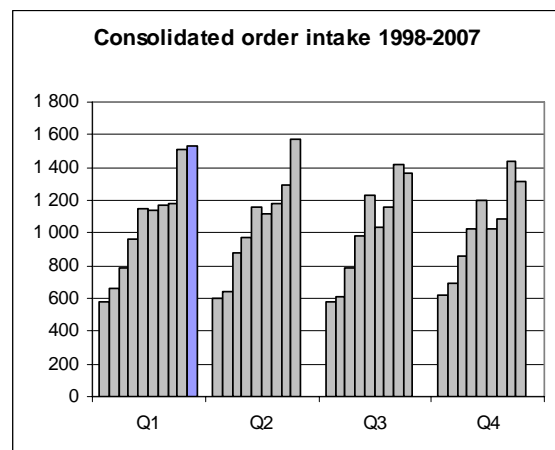
Munters is the world leader in humidity control, with services and products for water and fire damage restoration, dehumidification, humidification and air cooling. Munters' business concept is to be a global service and application-driven niche company in air treatment with a focus on environmentally friendly and energy efficient solutions. Operations are organized in three divisions: Dehumidification, MCS (Moisture Control Services) and HumiCool. Manufacturing, sales and service operations are conducted through the Group's own companies, which have 3,669 permanent employees in 30 countries. The Munters share is listed on the Nordic Mid Cap list.

FIRST QUARTER
Order intake

During the first quarter, order intake increased by 1 percent to SEK 1,527 M (1,515). Adjusted for currency fluctuations, acquisitions and disposals, order intake was up 5 percent. The weak USD and strong SEK had a substantial effect on the translated order intake and sales in SEK. In total, order intake in SEK was negatively affected by the currency trans-

lation by about 5 percent for the first quarter of 2007, compared with the corresponding period in 2006.

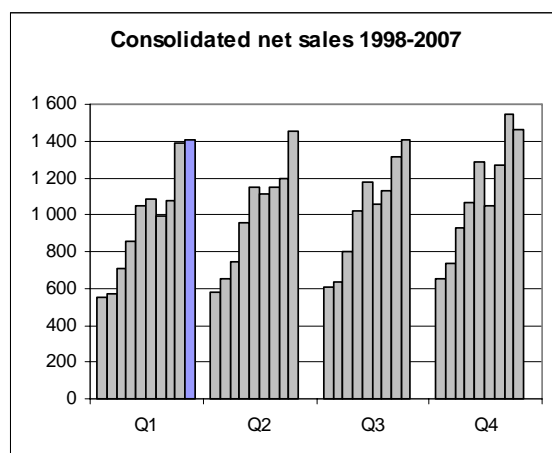
The order backlog rose 4 percent, compared with the preceding year and was SEK 1,008 M (972) at 31 March. Adjusted¹, the order backlog rose 10 percent.



¹ Adjusted for currency fluctuations and acquisitions and disposals of businesses.

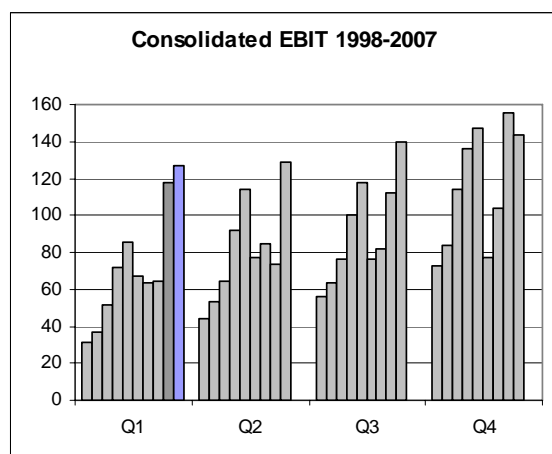
Net sales

Consolidated net sales increased by 1 percent to SEK 1,404 M (1,386). Adjusted¹, the increase was 5 percent. During the first quarter of 2006, Munters noted sales of SEK 75 M related to natural disasters, primarily Hurricane Katrina. During the first quarter of 2007, there were no such occurrences. Adjusted also for this item, sales increased by 11 percent.



Earnings

EBIT for the Group rose 7 percent to SEK 127 M (118). Adjusted, the increase was 13 percent. The EBIT margin amounted to 9.0 percent (8.5). HumiCool and Dehumidification noted strongly improved operating earnings for the quarter, compared with the preceding year. MCS was negatively affected, compared with the first quarter of 2006, by the lack of major natural disasters in 2007 and the mild and short winter in the Northern hemisphere.



2004 and subsequent years in accordance with IFRS.

Consolidating earnings after financial items amounted to SEK 121 M (113). Net earnings for the quarter increased to SEK 78 M (71). Earnings per

¹ Adjusted for currency fluctuations and acquisitions and disposals of businesses.

share amounted to SEK 3.12 (2.88), corresponding to an increase of 8 percent.

Capital expenditure

Consolidated capital expenditure during the period for tangible fixed assets amounted to SEK 34 M (30), of which SEK 12 M (13) related to investment in MCS equipment. Depreciation and impairments amounted to SEK 37 M (46).

Financial position

The equity/assets ratio amounted to 51 percent (48 at the start of the year). Interest-bearing assets amounted to SEK 216 M (201 at the beginning of the year) and interest-bearing provisions and liabilities to SEK 425 M (458 at the beginning of the year). Net debt declined by SEK 48 M to SEK 209 M. The Group has unutilized loan facilities of SEK 555 M.

Personnel

The number of permanent employees was 3,669 at the end of the period, an increase of 117 persons during the year. The number rose by 13 in the Dehumidification Division, 61 in the MCS Division and 43 in the HumiCool Division.

DIVISIONAL DEVELOPMENT

Dehumidification Division

Division Dehumidification is divided into three business areas, Industrial Dehumidification, Commercial Dehumidification and Zeol.

SEK M	First quarter	
	2007	2006
Order intake	444	430
Change	3%	
Adjusted change	10%	
Net sales	371	360
Change	3%	
Adjusted change	10%	
Operating earnings	38	29
Operating margin	10,2%	8,1%

First quarter

The Division's order intake remained favorable during the first quarter. Industrial Dehumidification reported a very strong trend globally. Commercial Dehumidification regained its previous fast growth since WalMart once again increasing the rate of new construction combined with a favorable demand trend among other national customers in the US. Zeol, on the other hand, reported weak order intake due to a decline in the very cyclical semiconductor industry.

Sales also developed very strongly, with Zeol reporting a continued favorable trend as a result of previous orders.

Operating earnings improved sharply as a result of volume growth and continued improvement of gross margins in all business areas.

The acquisition of Des Champs Technologies at the beginning of April further strengthens Dehumidification Commercial's market position in energy-efficient solutions for intake air in commercial premises.

MCS Division

The MCS Division is divided into six market areas, Nordic, Central Europe, UK & Ireland, South & West Europe, Americas and Asia.

SEK M	First quarter	
	2007	2006
Order intake	633	650
Change	-3%	
Adjusted change	1%	
Net sales	614	660
Change	-7%	
Adjusted change	-4%	
Adj. Change ex catastrophes	9%	
Operating earnings	38	46
Operating margin	6.2%	7.0%

First quarter

Order intake during the quarter was favorable, although the comparison with the preceding year was affected by this year's very mild winter in Europe and the US, compared with the long and cold winter of 2006. In addition, there were fewer large projects in the US during the quarter. Market signs, however, indicate continued growth in market share in most markets. Compared with the first quarter of 2005, order intake was up by 24 percent.

Sales increased by 9 percent, adjusted for currency fluctuations and remaining hurricane-related invoicing in the first quarter of 2006. During the year-earlier period, hurricane-related invoicing amounted to SEK 75 M.

Excluding the positive earnings effect in the first quarter of 2006 from hurricane-related invoicing, the Division's earnings and operating margin improved. Gross margins improved in five of six market areas. Growth initiatives in the US continued to drive cost increases. The improvement rate of German operations was negatively affected by the extremely mild winter.

¹ Adjusted for currency effects, acquisitions and divestments

HumiCool Division

The HumiCool Division is divided into four business areas, AgHort, Mist Elimination, HVAC and PreCooler.

SEK M	First quarter	
	2007	2006
Order intake	465	450
Change	3%	
Adjusted change	8%	
Net sales	429	376
Change	14%	
Adjusted change	14%	
Operating earnings	59	51
Operating margin	13.8%	13.6%

First quarter

Growth in the order intake during the quarter was favorable as a result of continued strong demand for Flue Gas Desulphurization plants for coal power plants, particularly in the US but also in China. In US there are signs that new construction of coal power plants may be close to overheating. Demand for pre-coolers for gas turbines was also very strong. On the other hand, demand for AgHort products, primarily in the US, was weaker, compared with a strong period in the preceding year. The weaker USD also affected AgHort. Sial was negatively affected by the mild winter in Europe.

Sales growth was strong during the quarter, once again driven by Mist Elimination and pre-coolers for gas turbines.

Earnings remained very strong. The margin was positively affected in part by the completion of the relocation of all manufacturing of cooling media in North America to Mexico. The margins for HumiCool were negatively affected by the low season for heaters from Sial which began in February and is expected to continue over the entire second quarter.

EVENTS AFTER THE CLOSING DATE

In the beginning of April, Munters completed the acquisition of US-based Des Champs Technologies. The company has about 200 employees, and the sales forecast for 2007 is USD 38 M.

Des Champs is located in Buena Vista, Virginia and primarily manufactures custom ventilation and air-conditioning systems for commercial premises based on its expertise in heat exchangers, dehumidification and indirect evaporative cooling. Des Champs also manufactures industrial heat exchangers. The acquisition dramatically strengthens Munters position as a leading supplier of energy-efficient systems for climate control in commercial premises.

Munters acquired 100 percent of the shares in the company for USD 37 M paid in cash. The effect on Munters' earnings per share is expected to be positive during 2007.

FUTURE INFORMATION DATES

August 7 Interim Report January-June
October 18 Interim Report January-September

Sollentuna, April 24, 2007

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Report on Review of Interim Financial Information

This interim report has not been reviewed by the company's auditor.

Amounts in SEK M	2007 Jan-Mar 3 months	2006 Jan-Mar 3 months	2006/2007 Apr-Mar 12 months	2006 Jan-Dec 12 months
Order intake	1,527	1,515	5,773	5,761
Income statement				
Net sales	1,404	1,386	5,730	5,712
Cost of goods sold	-999	-1,019	-4,088	-4,108
Gross earnings	405	367	1,642	1,604
Gross margin	28.8%	26.5%	28.7%	28.1%
Other operating income	-	13	1	14
Selling expenses	-154	-146	-625	-617
Administrative expenses	-109	-103	-420	-414
Research and development costs	-15	-13	-54	-52
Other operating expenses	0	0	-6	-6
EBIT - Earnings before interest and tax	127	118	538	529
EBIT margin	9.0%	8.5%	9.4%	9.3%
Financial income and expenses	-6	-5	-16	-15
Earnings after financial income	121	113	522	514
Income taxes	-43	-42	-187	-186
Net earnings	78	71	335	328
Attributable to equity holders of the parent	77	71	331	325
Attributable to minority interest	1	0	4	3
Earnings per share, SEK	3.12	2.88	13.45	13.21
Earnings per share - after dilution, SEK	3.12	2.88	13.45	13.21
Order intake by division				
Dehumidification Division	444	430	1,707	1,693
MCS Division	633	650	2,524	2,541
HumiCool Division	465	450	1,600	1,585
Eliminations	-15	-15	-58	-58
Order intake	1,527	1,515	5,773	5,761
Net sales by division				
Dehumidification Division	371	360	1,646	1,635
MCS Division	614	660	2,572	2,618
HumiCool Division	429	376	1,567	1,514
Eliminations	-10	-10	-55	-55
Net sales	1,404	1,386	5,730	5,712
Operating earnings by division				
Dehumidification Division	38	29	203	194
operating margin	10.2%	8.1%	12.3%	11.9%
MCS Division	38	46	151	159
operating margin	6.2%	7.0%	5.9%	6.1%
HumiCool Division	59	51	221	213
operating margin	13.8%	13.6%	14.1%	14.1%
Central, goodwill impairments, eliminations etc.	-8	-8	-37	-37
EBIT	127	118	538	529

Amounts in SEK M	2007 31 Mar	2006 31 Dec	2006 31 Mar ¹
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Balance sheet

Assets			
Fixed assets			
Tangible assets			
Buildings and land	176	166	167
Plant and machinery	135	134	134
Equipment, tools, fixtures and fittings	232	228	212
Construction in progress	7	10	7
	550	538	520
Intangible assets			
Patent, licenses, trademarks and similar rights	47	43	17
Goodwill	562	543	362
	609	586	379
Other assets			
Participation in associated companies	4	4	6
Other long-term receivables	15	14	16
Deferred tax assets	60	62	63
	79	80	85
	1,238	1,204	984
Current assets			
Inventory etc.	498	458	471
Accounts receivable	1,077	1,132	1,066
Other receivables	181	149	150
Liquid funds	216	201	248
	1,972	1,940	1,935
Total assets	3,210	3,144	2,919
Equity and liabilities			
Equity	1,640	1,506	1,483
Long-term liabilities			
Interest-bearing liabilities	18	16	3
Provisions	180	170	158
Deferred tax liabilities	32	32	22
Other liabilities	3	2	3
	233	220	186
Short-term liabilities			
Interest-bearing liabilities	250	299	329
Advances from customers	85	117	78
Accounts payable	416	435	328
Provisions	57	59	44
Other liabilities	529	508	471
	1,337	1,418	1,250
Total equity and liabilities	3,210	3,144	2,919

Consolidated statement of recognized income and expense

Income and expenses recognized in equity			
Actuarial gains and losses related to pensions, including special employer's contribution	0	3	-1
Cash flow hedges	-1	5	1
Exchange differences on translation of foreign operations	47	-132	-24
Tax on items reported directly in equity	0	-3	-1
Total transactions reported in equity	46	-127	-25
Net earnings for the period	78	328	71
Total income and expenses recognized for the period	124	201	46
Attributable to:			
Equity holders of the parent	123	198	46
Minority interest	1	3	0
	124	201	46

¹ The period has been restated in accordance with new option in IAS 19 applied 2006.

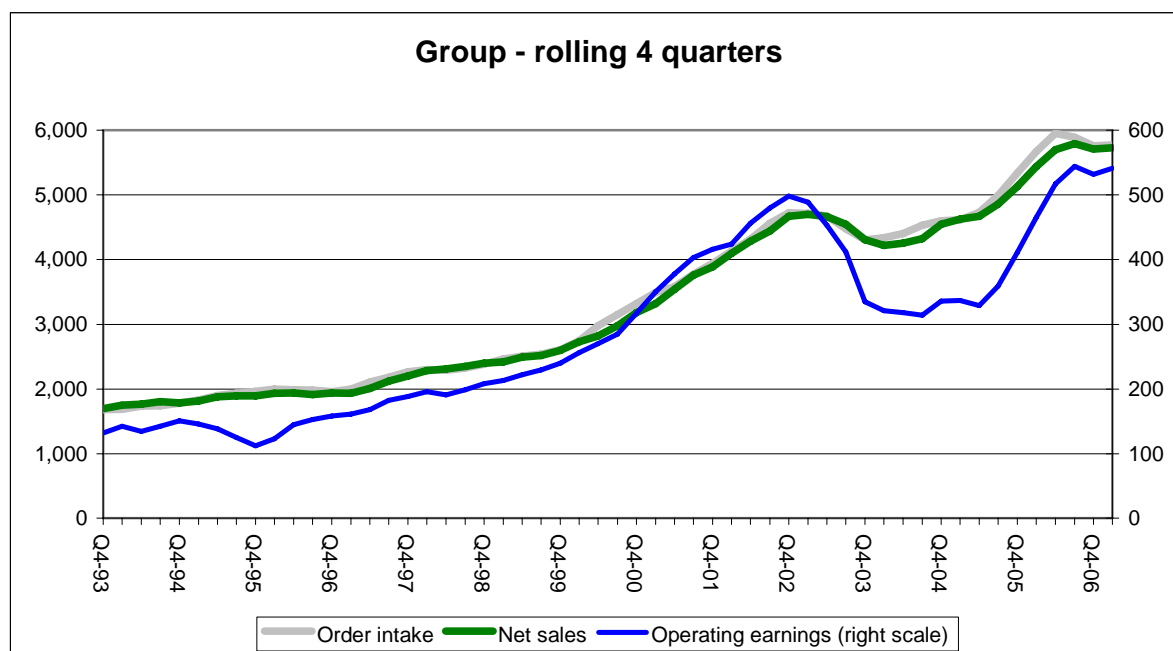
Amounts in SEK M	2007 Jan-Mar 3 months	2006 Jan-Mar 3 months	2006/2007 Apr-Mar 12 months	2006 Jan-Dec 12 months
Cash flow statement				
Current operations				
Earnings after financial items	121	113	522	514
Reversal of depreciation etc.	37	46	127	136
Other earnings items not affecting cash flow	-8	-12	23	19
Taxes paid	-23	-22	-182	-181
Cash from current operations before changes in working capital	127	125	490	488
<i>Cash flow from changes in working capital</i>				
Changes in inventory	-28	-11	5	22
Changes in accounts receivable	86	60	31	5
Changes in other receivables	-26	-22	-23	-19
Changes in accounts payable	-56	-22	-15	19
Changes in other liabilities	-20	-34	29	15
Cash flow from current operations	83	96	517	530
Investing activities				
Acquisitions and disposals of businesses	-2	26	-160	-132
Investments in intangible assets	-5	0	-11	-6
Investments in tangible assets	-34	-30	-157	-153
Sales of tangible assets	1	0	5	4
Changes in other financial assets	0	-	0	0
Cash flow from investing activities	-40	-4	-323	-287
Financing activities				
Changes in loans	-45	-19	-102	-76
Dividend paid	-	-	-135	-135
Payment received for issued stock options	-	-	2	2
Sale of treasury stock	12	-	15	3
Cash flow from financing activities	-33	-19	-220	-206
Cash flow for the period	10	73	-26	37
Liquid funds at the beginning of the period	201	176	248	176
Exchange-differences in liquid funds	5	-1	-6	-12
Liquid funds at end of the period	216	248	216	201
Operating cash flow	45	66	354	375
Key figures				
More key figures are disclosed in the quarterly review				
Capital turnover rate, times	-	-	3.0	3.0
Return on capital employed, %	-	-	28.0	28.0
Return on equity, %	-	-	22.3	22.5
Interest coverage ratio, times	22.2	24.9	24.3	25.0
Net debt structure				
Short-term interest-bearing liabilities	-	-	251	298
Long-term interest-bearing liabilities	-	-	18	16
Defined benefit plans etc.	-	-	156	144
Interest-bearing assets	-	-	-216	-201
Net debt	-	-	209	257

Quarterly overview - Consolidated earnings, share data and cash flow

Amounts in SEK M	2007	2006				2005			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Order intake	1,527	1,311	1,362	1,573	1,515	1,440	1,422	1,294	1,184
Income statement									
Net sales	1,404	1,462	1,408	1,456	1,386	1,543	1,317	1,192	1,079
Operating expenses	-1,277	-1,319	-1,268	-1,327	-1,268	-1,388	-1,205	-1,118	-1,015
EBIT	127	143	140	129	118	155	112	74	64
EBIT margin	9.0%	9.8%	9.9%	8.8%	8.5%	10.1%	8.5%	6.2%	5.9%
Financial income and expense	-6	-3	-4	-4	-5	-2	-6	-2	-3
Earnings after financial items	121	140	136	125	113	153	106	72	61
Taxes	-43	-48	-50	-46	-42	-49	-38	-29	-24
Net earnings	78	92	86	79	71	104	68	43	37
Depreciation and impairments	37	28	32	30	46	35	35	38	33
Share data¹									
Earnings per share, SEK	3.12	3.70	3.45	3.18	2.88	4.19	2.76	1.71	1.51
Earnings per share after dilution, SEK	3.12	3.70	3.45	3.18	2.88	4.19	2.76	1.71	1.51
Average no of shares outstanding, thousand	24,597	24,583	24,581	24,581	24,581	24,581	24,524	24,495	24,407
No of shares outstanding at period-end, thousand	24,644	24,595	24,582	24,581	24,581	24,581	24,581	24,581	24,571
No of treasury shares, thousand	356	405	418	419	419	419	419	419	429
Equity per share, SEK	66.39	60.99	58.97	55.45	60.11	58.26	54.84	52.36	51.17
Stock price at period-end, SEK	302	317	284	241	265	219	183	173	190
Market cap at period-end, SEK M ²	7,550	7,925	7,100	6,013	6,613	5,475	4,575	4,325	4,750
Cash flow statement									
From current operations	83	112	184	138	96	74	112	66	54
From investing operations	-40	-210	-45	-28	-4	-37	-37	-70	-22
From financing activities	-33	3	-50	-140	-19	-22	-100	2	25
Cash flow for the period	10	-95	89	-30	73	15	-25	-2	57
Operating cash flow	45	61	138	110	66	37	75	37	32

¹ The periods Q4 2005 to Q3 2006 have been restated in accordance with new option in IAS 19 applied in 2006.

² The market cap is calculated on total number of issued shares, including treasury shares.



Quarterly overview - Consolidated balance sheet and key figures

Amounts in SEK M	2007	2006 ¹				2005 ¹			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Balance sheet									
Assets									
Fixed assets									
Tangible assets	550	538	507	497	520	556	551	555	529
Intangible assets	609	586	370	370	379	382	380	383	369
Financial assets	79	80	83	84	85	98	81	78	72
	1,238	1,204	960	951	984	1,036	1,012	1,016	970
Current assets									
Inventory etc.	498	458	472	464	471	469	442	431	369
Accounts receivable	1,077	1,132	994	1,040	1,066	1,140	953	923	898
Others receivables	181	149	151	161	150	125	141	144	146
Liquid funds	216	201	297	213	248	176	158	184	178
	1,972	1,940	1,914	1,878	1,935	1,910	1,694	1,682	1,591
Total assets	3,210	3,144	2,874	2,829	2,919	2,946	2,706	2,698	2,561
Equity and liabilities									
Equity	1,640	1,506	1,454	1,367	1,483	1,437	1,350	1,291	1,261
Long-term liabilities	215	204	193	190	183	181	151	151	147
Interest-bearing liabilities	268	315	273	323	332	351	374	481	371
Accounts payable	416	435	320	344	328	355	263	282	280
Other short-term liabilities	671	684	634	605	593	622	568	493	502
Total equity and liabilities	3,210	3,144	2,874	2,829	2,919	2,946	2,706	2,698	2,561
Key figures									
Equity ratio, %	51.1	47.9	50.6	48.3	50.8	48.8	50.0	47.9	49.2
Net debt, SEK M	209	257	127	258	229	315	318	397	296
Net debt ratio, times	0.13	0.17	0.09	0.19	0.15	0.22	0.23	0.31	0.23
Interest coverage ratio, times	22.2	21.1	28.3	27.2	24.9	33.6	27.7	12.3	12.3
Investments tangible assets, SEK M	34	53	44	26	30	37	37	31	21
Number of employees at period-end	3,669	3,552	3,449	3,400	3,365	3,245	3,180	3,122	3,128

¹ The periods Q4 2005 to Q3 2006 have been restated in accordance with new option in IAS 19 applied in 2006.

Quarterly review - Divisions

Amounts in SEK M	2007	2006				2005			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Order intake									
Dehumidification Division	444	355	443	465	430	355	412	389	344
MCS Division	633	636	601	654	650	769	665	501	509
HumiCool Division	465	333	340	462	450	330	366	419	345
Eliminations	-15	-13	-22	-8	-15	-14	-21	-15	-14
Order intake	1,527	1,311	1,362	1,573	1,515	1,440	1,422	1,294	1,184
Net sales									
Dehumidification Division	371	432	423	419	360	431	404	354	325
MCS Division	614	686	638	635	660	775	562	504	494
HumiCool Division	429	361	367	411	376	347	374	352	269
Eliminations	-10	-17	-20	-9	-10	-10	-23	-18	-9
Net sales	1,404	1,462	1,408	1,456	1,386	1,543	1,317	1,192	1,079
Operating earnings									
Dehumidification Division	38	65	51	49	29	58	45	32	24
operating margin	10.2%	15.0%	11.9%	11.8%	8.1%	13.5%	11.2%	9.1%	7.3%
MCS Division	38	45	39	29	46	74	32	14	31
operating margin	6.2%	6.5%	6.1%	4.6%	7.0%	9.6%	5.8%	2.9%	6.4%
HumiCool Division	59	44	56	62	51	30	46	41	18
operating margin	13.8%	12.2%	15.2%	15.2%	13.6%	8.7%	12.4%	11.8%	6.5%
Group overhead, eliminations etc.	-8	-11	-6	-11	-8	-7	-11	-13	-9
Earnings before interest and tax	127	143	140	129	118	155	112	74	64
EBIT margin	9.0%	9.8%	9.9%	8.8%	8.5%	10.1%	8.5%	6.2%	5.9%
Operating capital									
Dehumidification Division	384	383	394	392	395	422	408	395	384
MCS Division	805	811	779	779	824	862	715	666	658
HumiCool Division	452	391	392	399	436	440	514	527	442
Central, eliminations	30	34	12	16	13	15	16	18	12
Operating capital	1,671	1,619	1,577	1,586	1,668	1,739	1,653	1,606	1,496
Permanent employees									
Dehumidification Division	913	900	890	877	867	853	848	831	826
MCS Division	1,906	1,845	1,842	1,830	1,784	1,706	1,650	1,625	1,641
HumiCool Division	832	789	698	672	695	668	663	647	642
Central	18	18	19	21	19	18	19	19	19
Number of permanent employees	3,669	3,552	3,449	3,400	3,365	3,245	3,180	3,122	3,128

Notes

Note 1. Accounting principles

This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting, which complies with the requirements stipulated in the Swedish Financial Accounting Standards Council's recommendation RR 31, Interim reporting for groups. The accounting principles applied in this interim report are those described in Note 2 of the Annual Report for 2006.

Note 2. Changes in equity

	2007	2006	2006
	31 Mar	31 Dec	31 Mar
Equity beginning of the year	1,506	1,437	1,437
Total recognized income and expenses for the period	124	201	46
Change in minority interest	-2	-2	0
Sale of treasury shares	12	3	-
Payment received for issued stock options	-	2	-
Dividend	-	-135	-
Equity at the end of the period	1,640	1,506	1,483