



Interim report

January-March 2007



Lantmännen is one of the Nordic region's largest food, energy and agricultural groups. Examples of brands owned by Lantmännen are Axa, Kungsörnen, Skogaholm, Hatting, Schulstad and Kronfågel. Its retail chain is called Lantmännen Grangården.

Lantmännen is owned by 44,000 Swedish farmers, has 13,000 employees, operates in 19 countries and has SEK 32 billion in sales.



The period in brief

The period January-March 2007

Net sales for the Group in the period January-March amounted to SEK 7,743 M (7,084), an increase of 9 percent. Adjusted for changes in the Group, sales rose by 5 percent.

Operating income in the period January-March was SEK 39 M (-64).

Income after financial items in the period was SEK 172 M (15). Net financial items includes SEK 169 M in capital gains from the disposal of shares and a refund from Pensionsgaranti in the amount of SEK 16 M. Net financial items from the corresponding period the previous year included a capital gain of SEK 107 M from the disposal of shares in Aarhus Karlshamn. Adjusted for these items, income after financial items in the period was SEK -13 M (-92).

Income after tax was SEK 115 M (28).

Capital gains from the disposal of shares totaled SEK 169 M (107).

Investment in the period January-March was SEK 460 M (300). Work has begun on the new ethanol plant in Norrköping and is proceeding according to plan. By the end of the reporting period, a total of SEK 102 M had been spent on the project.

Lantmännen's fresh bread business is reported in the business area Lantmännen Unibake since January 1. Comparative figures for the previous year have been adjusted.

Magnus Johansson was named new business area manager of Lantmännen Axa.

Events after March 31

The Board of Directors has named Per Strömberg as new President and CEO, who will take office during the third quarter this year. Clas Eriksson was named Acting President and CEO as of May 1.

At Lantmännen's Annual Association Meeting, held in Stockholm on April 25, Elisabet Annell, Nils Lundberg and Hans Wallemyr were elected new members of the Group Board. The Meeting reelected Birgitta Carlander and Bengt-Olov Gunnarson for new two-year terms.

Thus, Lantmännen's Board of Directors currently comprises Elisabet Annell, Thomas Bodén (chairman), Paul Bergqvist, Birgitta Carlander, Bengt-Olov Gunnarson, (vice chairman), Nils Lundberg, Thomas Magnusson, Olle Nilsson and Hans Wallemyr. Employee representatives are Stig Agnåker, Tommy Brunsärn and Gert Gustavsson. The Board secretary is Lena Weman.

Lars Falck was elected the new elected auditor.

The Association Meeting also adopted the Annual Report for 2006 and the Board's proposal for a dividend.

Key figures 2007

SEK M	2007 Jan-Mar	2006 Jan-Mar	Change
Net sales, SEK M	7,743	7,084	9%
Operating income, SEK M	39	-64	161%
Operating margin, %	1	-1	2
Income after financial items, SEK M	172	15	1,047%
Net income for the period, SEK M	115	28	311%
Return on capital employed, %	7	2	5

President's comments



The beginning of 2007 was essentially satisfactory. A clear focus on the bottom line, cost consciousness in the organization and systematic implementation of action programs reflect a determined effort to improve Group earnings. Our rapid pace of investment and costly but necessary coordination efforts in the Group require earnings much higher than current levels in order to be carried out without creating financial imbalances. This is something all of Lantmännen realizes, and in view of this I sense optimism for the rest of 2007.

Net sales were up compared with 2006 in all business areas, partly owing to organic growth and partly as a result of acquisitions implemented.

Also in terms of earnings, the trend is positive in the majority of businesses,

if not yet all of them. Major problems remain at Lantmännen Färskbröd, Sweden, and at Lantmännen Kronfågel.

Lantmännen Lantbruk, the Group's core business, has benefited in part from higher sales, but the significant improvement in earnings is also the effect of the extensive restructuring efforts primarily in grain and feed operations, which are intended to lower costs by SEK 500 M between 2005 and 2009. These efforts are proceeding as planned, and it is good news that we are able to see evidence of modernization and efficiency improvements, which will benefit our owners and help to make Swedish agriculture even more competitive.

The restructuring efforts at Svalöf Weibull have had the intended effect. Operating income is positive for the first time in a long time. For both Lantmännen Maskin and Swecon, Lantmännen Anläggnings- och Lantbruksmaskiner are reporting growth and higher earnings. Lantmännen Energi was hit in terms of sales and earnings by the unusually mild winter. Lantmännen Aspen, which was acquired in 2006, performed very well. The investment in the new ethanol plant in Norrköping is the single largest capital expenditure and is proceeding as planned.

Lantmännen Mills is performing well and is completing the Group's other big investment, the new mill in Vejle, which will go into operations in 2008. Lantmännen Axa is performing satisfactorily.

Lantmännen Unibake is performing very well and is growing. The acquisition of Belpan in 2006 was both a strategic advance and a boost to earnings. In Lantmännen Invest earnings vary but are under control. Lantmännen Granngården is working systematically to become a unified retail chain and turn years of losses in operations to profit. However, the financial impact of these measures has not yet been felt.

For that reason, performance during the crucial second quarter is of great importance for judging Granngården's performance.

The Group's largest and most pressing areas in need of improvement are the fresh bread business in Sweden and (following the agreement with LRF) the now wholly owned Lantmännen Kronfågel. Both are posting totally unacceptable losses. Large-scale change efforts affecting product lines, production and sales are now being carried out in both businesses. Returning to profitability will not happen overnight, but I am confident that the new managements of these two companies will make these parts of Lantmännen well-functioning and financially justifiable.

After just over four months at Lantmännen I know that the Group is facing important strategic decisions. It has been my primary task to rein in costs and give our major problem areas time and resources to carry out absolutely necessary improvements. It is with pleasure as well as feeling that I can say that the employees of Lantmännen have in a focused and disciplined manner seen to the Group's task, namely to help create profitability on its owner's farms and provide a maximum return on the owners' invested capital.

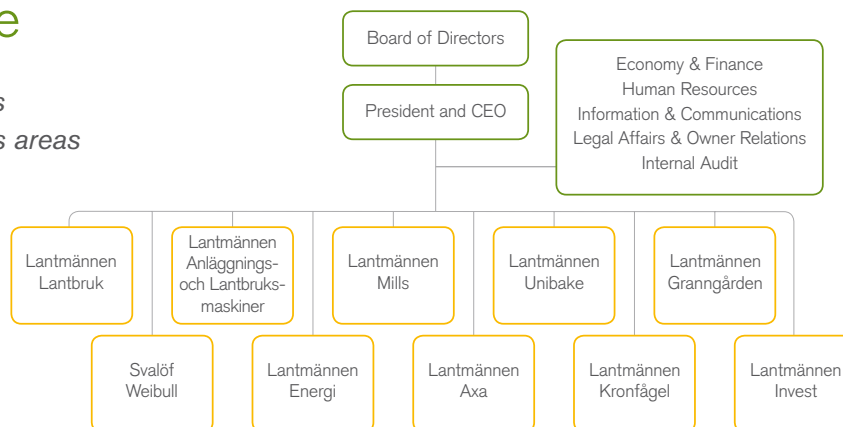
Stockholm, April 2007

A handwritten signature in blue ink, consisting of a stylized 'J' followed by a long horizontal line that loops back to the start of the signature.

*Jörgen Sallenhag
Acting President and CEO
Lantmännen*

Group structure

The Lantmännen Group is organized as ten business areas



Operations January - March 2007

Operating environment and market

Lantmännen operates primarily in the areas of agriculture, food and energy. International grain prices were at a high during the winter season. Substantial crop failures in many of the world's major growing areas during the previous harvest are a main reason for this price rise. During the seven harvest years since the turn of the millennium, world production of grain exceeded consumption only once – in 2004. The result is dwindling stocks and thus greater sensitivity in the market to variations in supply. This may mean higher volatility in grain prices the next years. The high prices are a signal to the world's farmers to grow more grain. Still, not such large volumes of grain are used for bioenergy, except in the US, where 15 percent of the corn crop goes for ethanol, but 2006 was the year that demand from the energy market definitely became a factor to be reckoned with in international grain markets. The future direction of prices depends on the outcome of the total 2007/2008 world harvest.

For Sweden's part, last year's harvest was the smallest since 1992 and one million tonnes less than the five year

average. There are three reasons: the smallest planted acreage for grain in over 100 years, drought in large parts of the country in the summer and, finally, heavy rain especially in Skåne in conjunction with the harvest. This resulted in lower grain volumes for export than normal and shortages of certain qualities. For mill wheat the market price is 30-40 percent above the general EU intervention price, and for malting barley the corresponding figure is 70-90 percent. There is optimism in the grain markets. Last year's fall sowing of grain was at the same level as in recent years, and this year's spring sowing had a good, early start. The growing of fall rapeseed continued its upward trend, and sown acreage increased by 7 percent over the previous year and a whopping 45 percent compared with a five-year average. Fall rapeseed is a crop that can be used both for food production and for bioenergy production. It is primarily the demand for commodities for RME production that drives the increase in demand.

Climate change and dependence on oil are among the biggest issues facing global society today. The EU summit in March agreed on wide-ranging resolu-

tions in the energy area. Among them were binding decisions for the share of renewable energy to be 20 percent for the entire EU by 2020 and for every member state to commit to having the share of biofuels be 10% of the gasoline and diesel used in the transportation sector. These targets are expected to help reduce emissions of greenhouse gases as part of the Kyoto Protocol. The EU targets confirm the assumptions for Lantmännen's ongoing investment in bioenergy. The price situation for grain is a significant factor in the price picture for grain-based foods as well. Necessary price corrections were done vis-à-vis customers as a consequence of the grain situation. The market for food products is characterized by stiff competition and severe pressure on prices. Grocery stores are strengthening their position, and strong brands are key to making an impact in the consumer market. Variations of the consumer trends health, convenience and enjoyment are important for concept and product development for Lantmännen's food businesses. All told, the assumptions in Lantmännen's principal areas of agriculture, food and energy give the Group opportunities for business success.

Changes in the Group

As of March 30 Lantmännen acquired the remaining 9 percent of Lantmännen Kronfågel Holding AB from LRF, after which Lantmännen owns 100 percent. The deal involves LRF paying Lantmännen compensation of SEK 535 M to dissolve the shareholder agreement and the sharing of losses that it involved.

Through this acquisition Lantmännen Kronfågel is getting an owner with a clear mandate to continue to pursue the ongoing transformation efforts. The slaughterhouse Farre, Denmark, closed in April 2007, and the export of live chickens now takes place from Denmark to Holland and Germany.

In the accounts an acquisition analysis was prepared regarding the purchase of the shares in Kronfågel, which has resulted in substantial negative goodwill. During 2007 this will be reversed on an ongoing basis in the amount of 50 percent of reported income after financial items. A reassessment regarding this reversal, including the period after 2007, will be done in the fall.

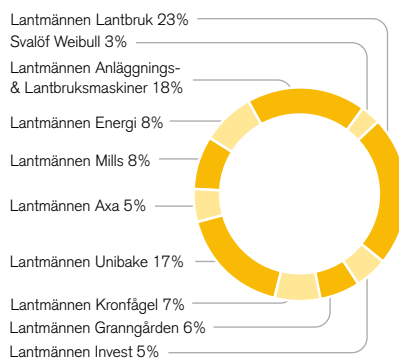
In connection with the deal for Kronfågel, Lantmännen also acquired LRF's minority holdings of 9 percent each in the energy companies Lantmännen Agroenergi AB, Lantmännen Agroetanol AB and Odal Energi AB. Lantmännen now owns 100 percent of these companies. The purchase price totaled SEK 40 M. LRF's 13% holding in Mackmyra Svensk Whisky AB was also acquired for SEK 5 M. Following the acquisition Lantmännen holds 30 percent of the capital and 20 percent of the votes in the company. The company will be consolidated as an associated company as of April 2007.

Lantmännen also acquired a company in Haparanda in order to get access to a good retail site for establishing a Granngården store. The store opened on March 30.

Other important events

Magnus Johansson was named new business area CEO of Lantmännen Axa.

Sales by business area including intra-Group sales



Net sales

Net sales in the Lantmännen Group in the period January-March totaled SEK 7,743 M (7,084), an increase of 9 percent compared with the corresponding period the previous year. Adjusted for changes in the Group, sales rose by 5 percent.

Lantmännen Lantbruk's net sales were up 4 percent and totaled SEK 1,991 M (1,914). Increased deliveries primarily of seed and fertilizer in the period owing to the early spring explains most of the rise.

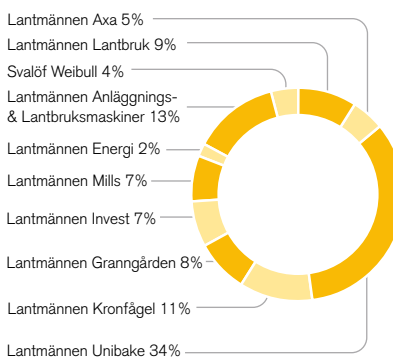
Net sales in Lantmännen Anläggnings- och Lantbruksmaskiner amounted to SEK 1,545 M (1,411), an increase of 9 percent. The increase in sales relates to both construction and agricultural machinery.

Sales at Lantmännen Energi were up 10 percent and totaled SEK 688 M (628). A drop in sales of solid biofuels during the mild winter was compensated by the addition of the acquired Aspen Group.

Lantmännen Mills increased its net sales by 12 percent to SEK 661 M (590). Robust growth in the sales of consumer products on the Danish market contributed to the sharp rise in sales.

Lantmännen Unibake's net sales, including the fresh bread business, rose 20 percent, amounting to SEK 1,520 M (1,262). Of the increase, SEK 190 M is due to the acquisition of the Belpan Group.

Number of employees per business area



Sales for Lantmännen Kronfågel were up 12 percent to SEK 596 M (531). The increase pertains to Swedish as well as Danish operations.

Operating income

Operating income in the Lantmännen Group amounted to SEK 39 M (-64).

Lantmännen Lantbruk's improvement of its operating income, from SEK -2 M to SEK 29 M, is primarily explained by higher sales and lower costs as a result of ongoing restructuring programs.

Following the extensive action program at Svalöf Weibull, carried out in 2006, this unit is reporting substantially improved operating income. The earnings improvement of SEK 36 M is due both to higher sales at Weibull Trädgård and to substantial cost savings at SW Seed.

Lantmännen Anläggnings- och Lantbruksmaskiner reported improved earnings, where especially construction machinery showed continued good profitability.

At Lantmännen Energi lower sales of solid biofuels had a sharply negative impact on operating income.

At Lantmännen Unibake the acquisition of the Belpan Group was a major contributory factor in the improvement in operating income. Since January 1, 2007, the operating income for Lantmännen Unibake includes earnings from Lantmännen's fresh bread

business. While this unit has seen an earnings improvement, earnings are still sharply negative.

Operating income for Lantmännen Kronfågel, before the reversal of negative goodwill, amounted to SEK –30 M (–24). After the reversal of negative goodwill operating income was SEK –13 M (–9).

Income after financial items

Income after financial items was SEK 172 M (15). Net financial items includes SEK 169 M in capital gains from the disposal of shares and a refund from Pensionsgaranti in the amount of SEK 16 M. The previous year's net financial items included a capital gain of SEK 107 M from the disposal of shares in Aarhus Karlshamn.

Income after tax

Income after tax was SEK 115 M (28).

Seasonal variations

The Lantmännen Group's operations are seasonal. At Lantmännen Energi the sale of solid biofuels and heat are strongly linked to the winter season. The high season for the food business is during the summer months. Lantmännen Lantbruk's high seasons are the spring and fall.

Financial position and liquidity

The Group's equity as of March 31, 2007, was SEK 9,243 M, compared with SEK 9,038 M at year-end. Of the change of SEK 205 M, SEK 115 M comes from net income for the year, SEK 90 M from positive translation differences from translation of foreign subsidiaries.

Total assets were SEK 26,493 M (25,343 at year-end).

The equity ratio was 36 percent (38).

The Group's liquid assets amounted to SEK 874 M (1,450).

Investment

The Group's investment in fixed assets totaled SEK 460 M (300). Ongoing investment of SEK 47 M in a new mill in Vejle, Denmark is the single biggest

capital outlay in the period. The work on the new ethanol plant in Norrköping has begun and has impacted the period's capital expenditure in the amount of SEK 74 M. By the end of the period, a total of SEK 102 M had been spent on the ethanol project.

Cash flow

The Group's cash flow in the period January-March totaled SEK –8 M (–89). Of this cash flow, SEK 373 M (–17) comes from operating activities and SEK –53 M (254) from investing activities. The Group's cash flow after investing activities was thus SEK 320 M (237). Excluding financial investments, cash flow after investment amounted to SEK –55 M (–288). Of this cash flow, SEK 0 M (0) referred to acquisition and disposal of businesses.

Financing activities contributed SEK –328 M (–326).

At the end of March the Group's total liquidity reserve was SEK 1,217 M.

Personnel

In the period January-March the average number of employees in the Lantmännen Group was 12,567 (12,586).

In the Parent Company the average number of employees was 1,284 (1,337).

Accounting policies

Lantmännen applies the recommendations of the Swedish Financial Accounting Standards Council. The accounting policies applied in this interim report agree with those applied when preparing the 2006 Annual Report.

In 2007 there have been no new or changed recommendations or other rules that affect Lantmännen's reporting.

Parent Company

The operations of the Parent Company Lantmännen ek för consists in part of Lantmännen's core business in the business area Lantmännen Lantbruk and in part of group functions.

Net sales in January-March amounted to SEK 2,047 M (1,972). Operating income amounted to SEK –8 M (–64). The improved operating

income is primarily attributed to SEK 31 M in the business area Lantbruk and to capital gains of SEK 10 M from real estate sales.

Income after financial items totaled SEK 97 M (–55). The year's net financial items include capital gains of SEK 169 M on the disposal of shares.

The refund and final price adjustment are determined on the basis of net income for the year. No provisions are made during the year.

Net investment amounted to SEK 53 M (19). The equity ratio was 41 percent (47).

Summary statement of income

SEK M	2007 Jan-Mar	2006 Jan-Mar	2006 Jan-Dec
Net sales	7,743	7,084	32,256
Other operating revenue	60	80	503
Cost of materials	-4,642	-4,280	-19,779
Payroll expenses	-1,432	-1,331	-5,675
Other expenses	-1,390	-1,335	-5,518
Share of income in associated companies	4	-5	28
Depreciation, amortization and impairment losses	-304	-277	-1,632
Operating income	39	-64	183
Financial income	232	164	447
Financial expenses	-99	-85	-386
Income after financial items	172	15	244
Refund and final price adjustment	-	-	-64
Tax	-48	8	82
Minority share of income for the year	-9	5	70
Net income for the period	115	28	332

Quarterly statements of income

SEK M	2007 Jan-Mar	2006 Oct-Dec	2006 Jul-Sep	2006 Apr-Jun	2006 Jan-Mar
Net sales	7,743	8,575	7,786	8,811	7,084
Other operating revenue	60	182	185	56	80
Cost of materials	-4,642	-5,007	-4,823	-5,669	-4,280
Payroll expenses	-1,432	-1,514	-1,401	-1,429	-1,331
Other expenses	-1,390	-1,606	-1,267	-1,310	-1,335
Share of income in associated companies	4	25	-3	11	-5
Depreciation, amortization and impairment losses	-304	-672	-390	-293	-277
Operating income	39	-17	87	177	-64
Financial income	232	90	144	49	164
Financial expenses	-99	-133	-66	-102	-85
Income after financial items	172	-60	165	124	15
Refund and final price adjustment	-	-64	-	-	-
Tax	-48	140	-37	-29	8
Minority share of income for the year	-9	15	35	15	5
Net income for the period	115	31	163	110	28

Summary balance sheet

SEK M	2007 Mar 31	2006 Mar 31	2006 Dec 31
ASSETS			
Intangible assets	3,074	2,064	2,928
Tangible fixed assets	7,918	7,323	7,661
Financial fixed assets	2,282	2,131	2,433
Total fixed assets	13,274	11,518	13,022
Inventories	5,203	5,022	4,804
Current receivables	6,763	6,040	6,243
Short-term investments incl. cash and cash equivalents	1,253	1,862	1,274
Total current assets	13,219	12,924	12,321
TOTAL ASSETS	26,493	24,442	25,343
EQUITY AND LIABILITIES			
Equity	9,243	8,886	9,038
Minority interests	290	385	328
Provisions	3,189	2,917	2,978
Long-term liabilities	3,906	2,405	3,812
Current liabilities	9,865	9,849	9,187
TOTAL EQUITY AND LIABILITIES	26,493	24,442	25,343

Summary cash flow statement

SEK M	2007 Jan-Mar	2006 Jan-Mar	2006 Jan-Dec
Cash flow from operations before changes in working capital	243	68	1,317
Change in working capital	130	-85	-764
Cash flow from operations	373	-17	553
Acquisitions, disposals of businesses	0	0	-1,108
Net investment in tangible and intangible assets	-428	-271	-1,427
Change in financial assets	375	525	777
Cash flow from investment activities	-53	254	-1,758
Change in capital contributions	0	0	-5
Dividend paid	-	-	-55
Change in outstanding financial liabilities	-328	-326	625
Cash flow from financing activities	-328	-326	565
Cash flow for the period	-8	-89	-640
Cash and cash equivalents at the beginning of the period	875	1,539	1,539
Exchange rate difference	7	0	-24
Cash and cash equivalents at the end of the period	874	1,450	875

Changes in equity

SEK M	Contributed capital	Restricted reserves	Non-restricted equity	Total
Opening balance, Jan. 1, 2006	1,040	2,396	5,436	8,872
Translation differences		-233	80	-153
Total changes not reported in the statement of income		-233	80	-153
Adjustment between restricted and non-restricted equity		-28	28	0
Net income for the year			332	332
Investment dividend paid			-50	-50
Contributed capital paid in by members	33			33
Contributed capital paid out to members	-30			-30
Allocation of profit	100	150	-250	0
Provided through mergers	11	47	-24	34
Equity, Dec. 31, 2006	1,154	2,332	5,552	9,038
Opening balance, Jan. 1, 2007	1,154	2,332	5,552	9,038
Exchange rate differences		78	12	90
Total changes not reported in the statement of income		78	12	90
Adjustment between restricted and non-restricted equity		-44	44	0
Net income for the year			115	115
Equity, March 31, 2007	1,154	2,366	5,723	9,243

Key figures

	2007 Jan-Mar	2006 Jan-Mar	Change	2006 Jan-Dec
Net sales, SEK M	7,743	7,084	9%	32,256
Operating income, SEK M	39	-64	161%	183
Operating margin, %	1	-1	2	1
Income after financial items, SEK M	172	15	1,047%	244
Income after tax, SEK M	115	28	311%	332
Return on capital employed, %	7	2	5	5
Return on equity, %	5	1	4	4
Total assets, SEK M	26,493	24,442	8%	25,343
Equity ratio, %	36	38	-2	37
Investment, SEK	460	300	53%	1,726
Interest coverage ratio	1	1	0	1
Number of employees	12,567	12,586	0%	12,833

Net sales by business area

SEK M	2007 Jan-Mar	2006 Jan-Mar	Change %	2006 Jan-Dec
Lantmännen Lantbruk	1,991	1,914	4	8,066
Svalöf Weibull	276	271	2	983
Lantmännen Anläggnings- och Lantbruksmaskiner	1,545	1,411	9	7,689
Lantmännen Energi	688	628	10	2,622
Lantmännen Mills	661	590	12	2,447
Lantmännen Axa	415	410	1	1,563
Lantmännen Unibake	1,520	1,262	20	5,639
Lantmännen Kronfågel	596	531	12	2,242
Lantmännen Granngården	508	497	2	2,650
Lantmännen Invest	433	403	7	2,011
Other and Eliminations	-890	-833	7	-3,656
Total	7,743	7,084	9	32,256

Operating income by business area

SEK M	2007 Jan-Mar	2006 Jan-Mar	Change %	2006 Jan-Dec
Lantmännen Lantbruk	29	-2	1,550	74
Svalöf Weibull	18	-18	200	-96
Lantmännen Anläggnings- och Lantbruksmaskiner	27	2	1,250	340
Lantmännen Energi	32	48	-33	73
Lantmännen Mills	36	34	6	141
Lantmännen Axa	16	18	-11	56
Lantmännen Unibake	-3	-28	89	86
Lantmännen Kronfågel ¹	-13	-9	-44	-312
Lantmännen Granngården	-49	-42	-17	-15
Lantmännen Invest	-14	3	-567	45
Other and Eliminations	-40	-70	43	-209
Total	39	-64	161	183

¹ Including reversal of negative goodwill SEK 17 M (15), (343).

Comparative periods changed to reflect current business area structure.

Operating margin by business area

%	2007 Jan-Mar	2006 Jan-Mar	2006 Jan-Dec
Lantmännen Lantbruk	1	0	1
Svalöf Weibull	7	-7	-10
Lantmännen Anläggnings- och Lantbruksmaskiner	2	0	4
Lantmännen Energi	5	8	3
Lantmännen Mills	5	6	6
Lantmännen Axa	4	4	4
Lantmännen Unibake	0	-2	2
Lantmännen Kronfågel	-2	-2	-14
Lantmännen Grangården	-10	-8	-1
Lantmännen Invest	-3	1	2
Total	1	-1	1

Return on capital employed

%	2007 Jan-Mar	2006 Jan-Mar	2006 Jan-Dec
Lantmännen Lantbruk	5	4	5
Svalöf Weibull	11	-4	-8
Lantmännen Anläggnings- och Lantbruksmaskiner	9	2	27
Lantmännen Energi	10	22	7
Lantmännen Mills	10	10	8
Lantmännen Axa	23	12	7
Lantmännen Unibake	0	-3	2
Lantmännen Kronfågel	-3	-7	-24
Lantmännen Grangården	-69	-52	-4
Lantmännen Invest	-7	38	17
Total	7	2	5

Comparative periods changed to reflect current business area structure.

Lantmännen Lantbruk

Lantmännen Lantbruk is the Group's core business, with grain, feeds and plant cultivation as its main areas. Its chief customers are farmers engaged in livestock production and plant cultivation.

Net sales for the period January-March were SEK 1,991 M (1,914), an

increase of 4 percent compared with the previous year. The early spring had a favorable impact on sales, primarily in the product categories seed and fertilizer.

Operating income for the period January-March amounted to SEK 29 M (–2). The big improvement over the previous year is due chiefly to higher sales,

but also to cost savings as a consequence of the ongoing restructuring.

	2007 Jan-Mar	2006 Jan-Mar	2006 Jan-Dec
Net sales, SEK M	1,991	1,914	8,066
Operating income, SEK M	29	–2	74
Operating margin, %	1	0	1
Return on capital employed, %	5	4	5
Number of employees	1,053	1,231	1,165

Svalöf Weibull

Svalöf Weibull is one of Europe's leading players in the areas of plant breeding and seed. Svalöf Weibull is 60 percent owned by Lantmännen, with the German chemical group BASF as minority part owner. Seed grain, oilseeds and pasture and forage crops are the biggest product groups, with customers primarily in the Nordic countries and Northern Europe. For Weibull Trädgård, professional and hobby horticulturists are key customer groups in the Nordic countries.

Net sales for the period January-March amounted to SEK 276 M (271), an increase of 2 percent. The increase is chiefly due to higher license revenue and sales of pasture and forage crop seed as well as higher sales at Weibull Trädgård in both the professional and hobby segments.

Operating income in the period January-March was SEK 18 M (–18). The big improvement over the previous year is primarily due to the higher sales

at Weibull Trädgård and to lower costs at SW Seed as a consequence of the implemented restructuring program.

	2007 Jan-Mar	2006 Jan-Mar	2006 Jan-Dec
Net sales, SEK M	276	271	983
Operating income, SEK M	18	–18	–96
Operating margin, %	7	–7	–10
Return on capital employed, %	11	–4	–8
Number of employees	442	574	575

Lantmännen Anläggnings- och Lantbruksmaskiner

Lantmännen Anläggnings- och Lantbruksmaskiner imports, markets and sells tractors, tools, combines and construction machinery. Service and spare part sales are also important parts of this business. Lantmännen Maskin, with operations in Scandinavia, is focused on agriculture. Swecon Anläggningsmaskiner, with subsidiaries in Germany and the Baltic countries, operates in the construction machinery sector.

Net sales for the period January-March amounted to SEK 1,545 M (1,411), corresponding to an increase of 9 percent. Lantmännen Maskin's sales increased substantially in both Sweden and Norway, while net sales in Denmark fell due to delays in deliveries from machinery manufacturers.

Swecon's net sales were also up over the previous year. The markets continue to see high levels of activity, and sales

rose in Germany, Latvia and Lithuania. In Sweden net sales fell, since the heavy demand resulted in long delivery times for new machinery.

Operating income in the period January-March was SEK 27 M (2). The earnings improvement regarding both Lantmännen Maskin and Swecon is primarily explained by higher sales volumes.

	2007 Jan-Mar	2006 Jan-Mar	2006 Jan-Dec
Net sales, SEK M	1,545	1,411	7,689
Operating income, SEK M	27	2	340
Operating margin, %	2	0	4
Return on capital employed, %	9	2	27
Number of employees	1,617	1,710	1,594

Lantmännen Energi

With its business units Liquid Biofuels, Solid Biofuels, Heating, and Machinery and Environment, the business area unites Lantmännen's activities in the energy sector. Operations encompass development, production, marketing and sales.

Lantmännen Agroenergi sells both unrefined and refined biofuels. Lantmännen Agroetanol operates Sweden's largest grain-based plant for production of ethanol transportation fuel in Norrköping. Lantmännen Ecobränsle

operates the country's only large-scale biodiesel production. Lantmännen Aspen markets Aspen gasoline (alkylate gasoline). Lantmännen Energi AB develops and sells its own lubricants and transportation fuels blended with biological components such as rapeseed oil.

Net sales for the period January-March amounted to SEK 688 M (628), an increase of 10 percent.

The business units Solid Biofuels and Heating reported lower net sales compared with the previous year. The drop

in sales is directly related to the unusually mild winter that was followed by an early spring. For the business area as a whole this drop was compensated by the net sales, SEK 79 M, provided by the acquisition of Lantmännen Aspen, which was consolidated as of June 2006.

Operating income in the period January-March was SEK 32 M (48). The reduction in earnings is primarily due to the lower sales in Solid Biofuels.

	2007 Jan-Mar	2006 Jan-Mar	2006 Jan-Dec
Net sales, SEK M	688	628	2,622
Operating income, SEK M	32	48	73
Operating margin, %	5	8	3
Return on capital employed, %	10	22	7
Number of employees	285	232	258

Lantmännen Mills

The business area develops, manufactures and markets flour, flour mixes, breakfast cereals and pasta for food industries and bakeries in Northern Europe.

Lantmännen Mills has its own plants in Sweden, Denmark, Norway and Latvia and is part owner of the milling companies Melia in Finland

(with a 25 percent stake) and VK Mühlen in Germany (with an 18 percent stake). Sales to the consumer market take place through Lantmännen Axa.

Net sales for the period January-March amounted to SEK 661 M (590), an increase of 12 percent. It is primarily sales of consumer products in the Danish market that performed strongly.

Operating income in the period January-March was SEK 36 M (34).

	2007 Jan-Mar	2006 Jan-Mar	2006 Jan-Dec
Net sales, SEK M	661	590	2,447
Operating income, SEK M	36	34	141
Operating margin, %	5	6	6
Return on capital employed, %	10	10	8
Number of employees	772	843	790

Lantmännen Axa

The business area primarily encompasses marketing and sales of breakfast products, pasta, flour and meal concepts. Strong brands are Axa, Kungsörnen and Start.

The fresh bread business was separated from Lantmännen Axa and is now reported in Lantmännen Unibake.

Net sales for the period January-

March amounted to SEK 415 M (410), an increase of 1 percent. The increase over the previous year is primarily attributable to sales of flour to consumers and cake mixes in Denmark and pasta, breakfast products and hulled grain in Norway.

Operating income in the period January-March was SEK 16 M (18). The

negative divergence mostly relates to Swedish operations, while other operations are chiefly reporting better earnings compared with the previous year.

	2007 Jan-Mar	2006 Jan-Mar	2006 Jan-Dec
Net sales, SEK M	415	410	1,563
Operating income, SEK M	16	18	56
Operating margin, %	4	4	4
Return on capital employed, %	23	12	7
Number of employees	637	606	636

Lantmännen Unibake

Lantmännen Unibake is Northern Europe's largest manufacturer of fresh and frozen bread products for both food service and the grocery trade. Three main areas produce a complete assortment of frozen bread for customers around the world: fast food, convenience (French hotdog buns, baguettes, pita bread, hard rolls and filled products) as well as Danish pastry and croissants. In addition, fresh rye and wheat bread is supplied to customers in Northern Europe. Since September 1 the acquired Belgian business Belpan is

consolidated in the Lantmännen Group through the business area Lantmännen Unibake. Since January 1, 2007, Lantmännen's fresh bread business is also reported in Lantmännen Unibake. Outcomes for the previous year have been adjusted.

Net sales for the period January-March, including the fresh bread business, amounted to SEK 1,520 M (1,262), an increase of 20 percent. Corrected for the acquisition of Belpan, net sales rose by 5 percent compared with 2006. In the first quarter net sales

rose in all markets, except for fresh bread in Sweden, where it fell by 4 percent.

The business area's operating income in the period January-March was SEK -3 M (-28). Earnings improved in most operations, including the fresh bread business. Fresh bread in Sweden posted improved earnings, but losses are still substantial.

The acquisition of the Belgian business Belpan in September 2006 has had a positive impact on both net sales and operating income.

	2007 Jan-Mar	2006 Jan-Mar	2006 Jan-Dec
Net sales, SEK M	1,520	1,262	5,639
Operating income, SEK M	-3	-28	86
Operating margin, %	0	-2	2
Return on capital employed, %	0	-3	2
Number of employees	4,153	3,739	4,027

Lantmännen Kronfågel

Lantmännen Kronfågel is the Nordic region's largest chicken producer, with strong market positions in Denmark and Sweden. Lantmännen Kronfågel produces and sells fresh, frozen and processed chicken products. These products are marketed under the Kronfågel, Danpo, Ivars and Stinas brands. During the first quarter the Group decided to ac-

quire LRF's stake in Lantmännen Kronfågel Holding AB, after which Lantmännen owns 100 percent.

Net sales for the period January-March amounted to SEK 596 M (531), an increase of 12 percent. Sales in the period rose both in Sweden, primarily in the consumer segment, and in Denmark, as an effect of large inventory clearance sales.

Operating income for the period January-March amounted to SEK -30 M (-24). After the reversal of negative goodwill operating income was SEK -13 M (-9). Extensive measures, such as inventory clearance sales, closure of the slaughterhouse in Farre and other cost reductions, were taken to reduce losses.

	2007 Jan-Mar	2006 Jan-Mar	2006 Jan-Dec
Net sales, SEK M	596	531	2,242
Operating income, SEK M	-13	-9	-312
Operating margin, %	-2	-2	-14
Return on capital employed, %	-3	-7	-24
Number of employees	1,354	1,459	1,460

Lantmännen Granngården

Lantmännen Granngården has 122 of its own stores offering a wide product assortment for animals and gardens. Sales also take place through dealers and by mail-order in the wholly owned subsidiary Lantmännen Nordpost. Customer groups are consumers, farmers and foresters and other entrepreneurs.

Net sales for the period January-March amounted to SEK 508 M (497), corresponding to an increase of 2 per cent. The early spring resulted in excellent sales in most regions toward the end of the period.

Operating income in the period January-March was SEK -49 M (-42).

The first months of the year are normally weak in terms of both sales and results. The reported deterioration in earnings is related to windup costs for closed stores and a changed product line.

	2007 Jan-Mar	2006 Jan-Mar	2006 Jan-Dec
Net sales, SEK M	508	497	2,650
Operating income, SEK M	-49	-42	-15
Operating margin, %	-10	-8	-1
Return on capital employed, %	-69	-52	-4
Number of employees	983	1,030	1,046

Lantmännen Invest

Lantmännen Invest encompasses several different operations, which directly or indirectly can be related to farmland and its utilization.

Net sales in the period January-March were SEK 433 M (403). Operating income amounted to SEK -14 M (3).

Lantmännen Analycen performs analyses in the areas of foods, pharmaceuticals, fuels, offshore, agriculture and industry. Net sales in the period January-March were SEK 87 M (80).

Lantmännen Bygglant, which designs and markets buildings and ag-

ricultural equipment, reported net sales of SEK 58 M (52).

Lantmännen Doggy manufactures and sells dog and cat food in the Swedish and export markets. Net sales amounted to SEK 93 M (96).

Lantmännen Krafft is a leader in the Swedish market for horse feed and is increasingly focused on exports primarily to other European markets. Net sales amounted to SEK 41 M (36).

Lantmännen Reppe manufactures spirits, gluten and glucose based on grain. Net sales were SEK 57 M (53).

Lantmännen Solanum is one of Sweden's leading companies in the harvesting and processing of potatoes into fresh and refrigerated potato products. Net sales were SEK 50 M (37).

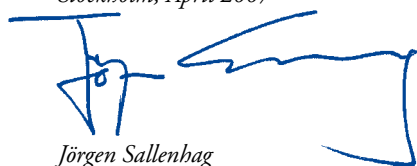
Lantmännen SweChick and Lantmännen SweHatch raise breeding birds and day-old chicks, respectively, for chicken producers in Sweden and for export. Net sales for both companies totaled SEK 44 M (48).

	2007 Jan-Mar	2006 Jan-Mar	2006 Jan-Dec
Net sales, SEK M	433	403	2,011
Operating income, SEK M	-14	3	45
Operating margin, %	-3	1	2
Return on capital employed, %	-7	38	17
Number of employees	850	840	898

Audit report

This interim report has not been examined by the Association's auditors.

Stockholm, April 2007

A handwritten signature in blue ink, consisting of a stylized 'J' and 'S' followed by a long horizontal stroke.

*Jörgen Sallenbag
Acting President and CEO*

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