

BUSINESS CONCEPT, STRATEGIES AND GOALS

»In 2010 we carried out a comprehensive brand-building project and our motto **»Improving the Shop Experience...«** will now permeate activities throughout the entire Group.«



► **ITAB's PRODUCT PORTFOLIO**
ITAB's market position is founded on an assiduous concept and product portfolio.

ITAB is today one of Europe's foremost players in development and manufacturing of turnkey fittings for chain stores in the food and non-food segment.

Here at ITAB, we are particular about maintaining a local focus while being sensitive to current market trends. Above all, however, we value close customer relationships. For us, our focus centres on customer benefits and our flexibility facilitates an all-inclusive commitment.

ITAB's BUSINESS CONCEPT

ITAB Shop Concept's business is to offer fitting concepts for retail chain stores. ITAB will secure a market leading position in selected markets through its expertise and long-term strategies.

STRATEGIC APPROACH

► ITAB will develop and nurture long-term business relations with chain stores within the food and non-food segments by working closely with its customers and their markets.

► The competence, commitment and business-like attitude that characterises the Group will instil trust and confidence in each and every customer.

► ITAB will offer all-inclusive solutions by assuming responsibility for the entire process – from concept, design, project management and construction to production, logistics and installation.

► ITAB will develop new concepts, products and solutions by utilising its extensive market expertise and innovation while working closely with its customers.

► ITAB will use its highly efficient and flexible production resources, with selected partners to offer market competitive terms coupled with quality products and on time deliveries.

► ITAB will use its leading position in Northern Europe as a springboard for further growth and expansion in other selected markets.

ITABs BUSINESS TARGETS

GROWTH TARGET	DESCRIPTION	REALISATION
ITAB will experience an average of 15% growth per year over an extended period.	The target includes both organic and acquired growth. Organic growth will be accomplished through greater market share and product development. Acquisitions will be made in both complementary businesses and in new markets.	Sales dropped by about 1% in 2010. Over the past five years, growth averaged about 11% per year.
ITAB will maintain its position as market leader in the Nordic, Baltic and UK markets.	This goal is linked to ITAB's business concept, which states: "ITAB will secure a market leading position in selected markets through its expertise and long-term strategies."	ITAB had a market leading position in 2010 in all of these market areas. Over the past five years, the goal was realised in the Nordic countries every year, while the Baltic and UK market achieved the position mid period.
ITAB will become the market leader in the Benelux countries and Central Europe.	This goal is linked to ITAB's business concept, which states: "ITAB will secure a market leading position in selected markets through its expertise and long-term strategies."	ITAB is one of the five largest players in these market areas.
ITAB will develop and gain market shares in new European markets.	The target is to be realised by setting up organisations in new markets, developing current business activities or through acquisition.	ITAB set up operations in Hungary and Poland last year. Over the past five years, new markets for ITAB included the UK, as well as parts of the Baltic, Benelux and Central European markets. Russia and the Ukraine also emerged as new markets during this five-year period.

ITABs FINANCIAL TARGETS

GOALS	DESCRIPTION	REALISATION
RETURN ON EQUITY Over an extended period, ITAB will have a minimum 20% return on equity.	Generating good return on equity is a critical goal for ITAB. The level has been determined with consideration to ITAB's capital structure and expected earning capacity.	In 2010, return on equity reached 4.6%. Over the past five years, return on equity has averaged about 20%. 
RISK-BEARING CAPITAL ITAB will have at least 25% cent risk-bearing capital.	The risk-bearing capital goal should be viewed as an expression of the lowest acceptable level in terms of a stable financial position.	The portion risk-bearing capital was 35% at 31 December 2010. Over the past five years, the proportion risk-bearing capital varied between 26 and 40%. 
SHARE DIVIDENDS ITAB's share dividends will, over an extended period, mirror the company's earnings and correspond to 20-30% of the company's profit after tax. The dividend will, however, be adjusted to the company's investment needs and share repurchase schemes when relevant.	The goal has been set to ensure a stable financial situation for continued expansion while concurrently giving shareholders a reasonable portion of the profits.	The proposed dividend for financial year 2010 is SEK 1.25, which corresponds to 80% of the earnings per share. Over the past five years, dividend proportion varied between 15 and 80%. The primary reason why the goal has not been met in full is ITAB's intense expansion during the period. 