


TRELLEBORG


Welcome to the Trelleborg Group Full Year Report Update

February 5, 2003

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Year-End Report, January-December 2002

Fourth quarter of 2002

- Sales in line with preceding year in comparable units/currencies.
- Profit after net financial items, excl non-comparable items, increased to SEK 239 M (214).
- Earnings per share, excl non-comparable items, amounted to SEK 2.00 (2.05).

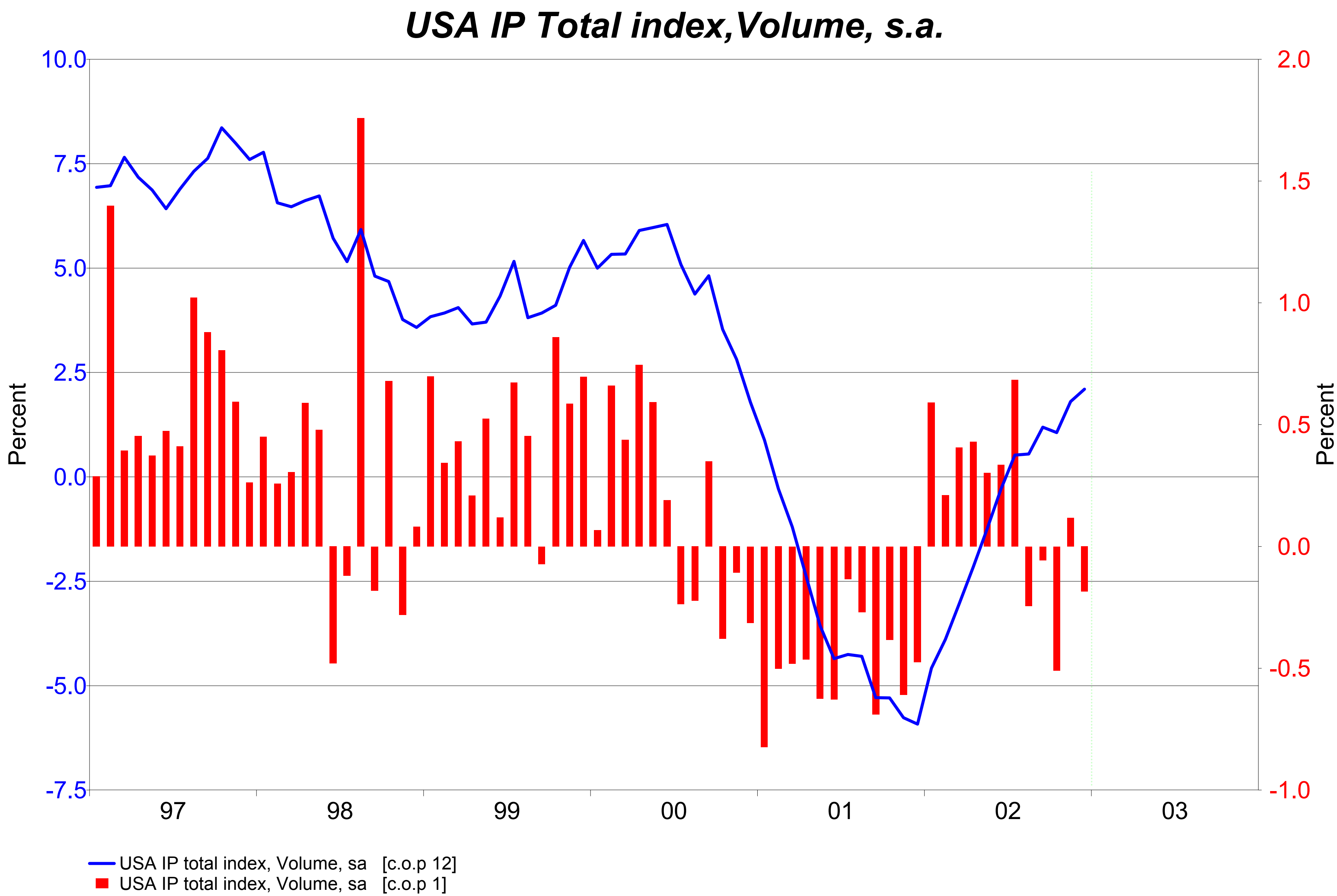
Full Year Figures	*2002*	*2001*
Net sales, SEK M	**17,630**	18,760
Operating profit, SEK M *(excluding non-comparable items)*	**1,021**	1,134
Operating cash-flow, SEK M	**1,036**	1,395
Profit after financial items, SEK M *(excluding non-comparable items)*	**902**	976
Profit after financial items, SEK M	**677**	727
Earnings per share, SEK *(excluding non-comparable items)*	**7.25**	7.45
Earnings per share, SEK	**2.00**	2.05

items

January-December 2002

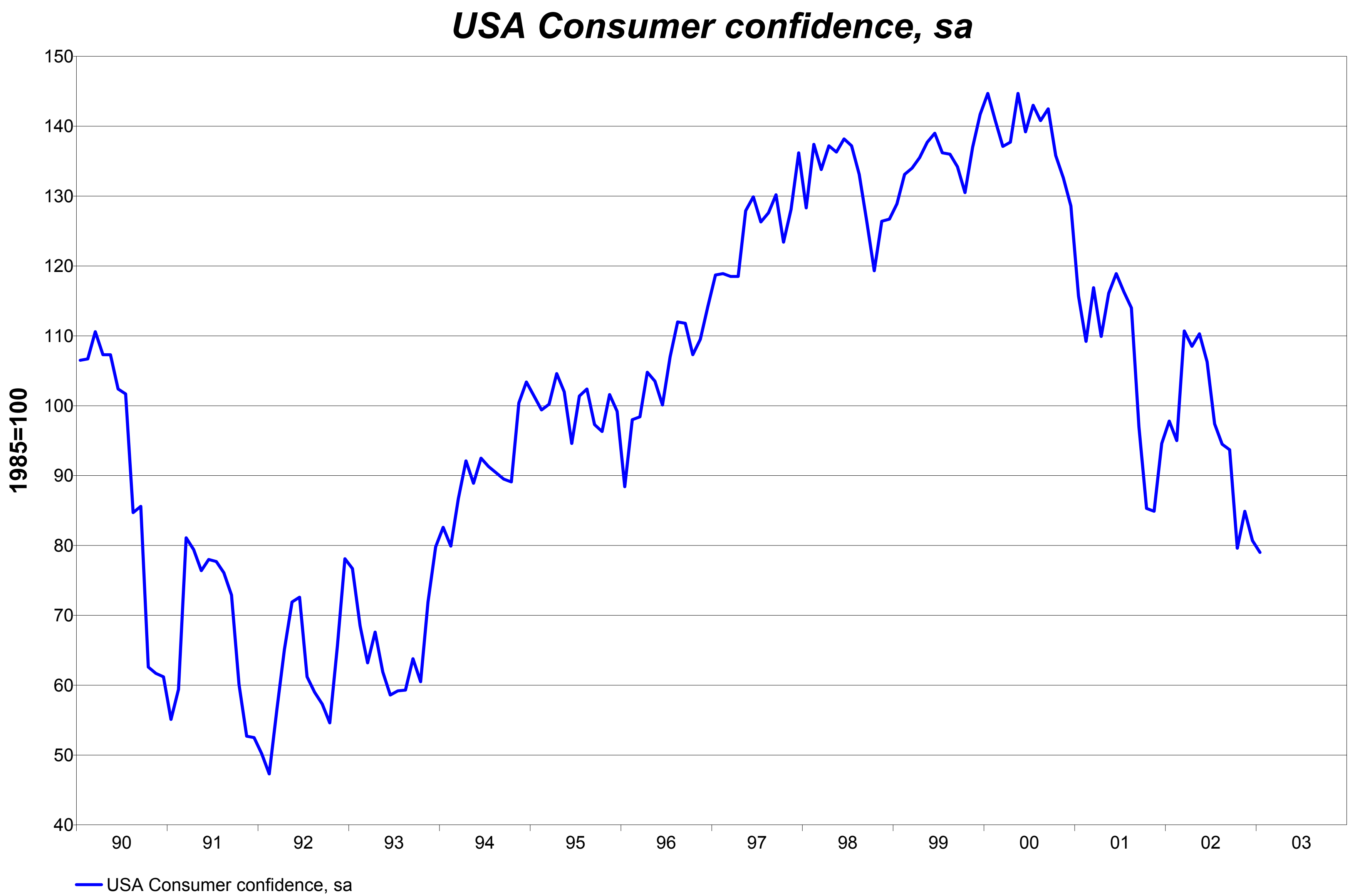
- Operating profit, excl non-comparable SEK 1 021 M (1 134).
- Operating cash-flow in line with financial target.
- Profit after net financial items, excluding non-comparable items, amounted to SEK 902 M (976).
- Earnings per share, excluding non-comparable items, amounted to SEK 7.25 (7.45).

USA Industrial Production Total index, vol, s.a.



Source: Ecowin

USA Consumer Confidence, sa



Source: Ecowin

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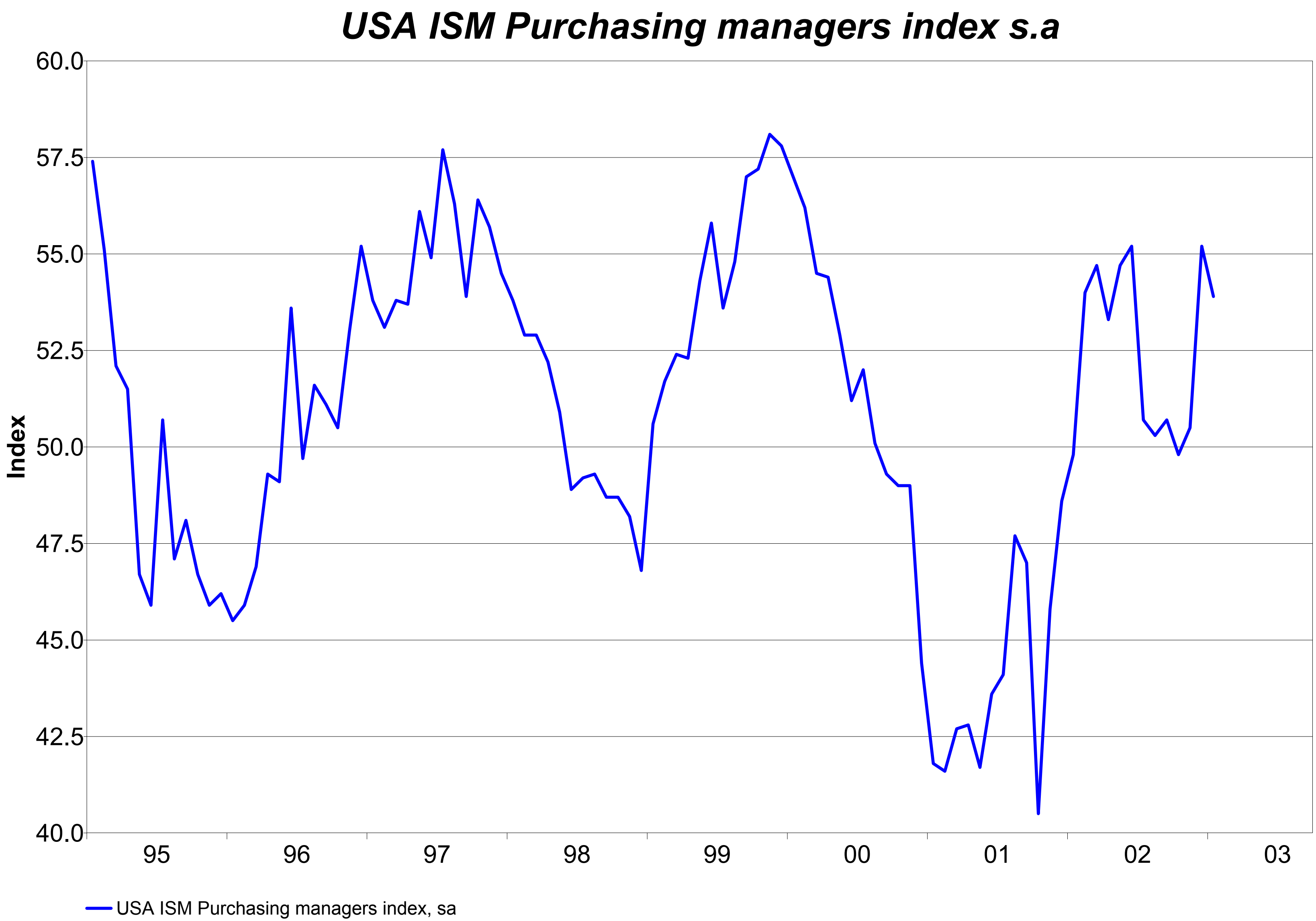
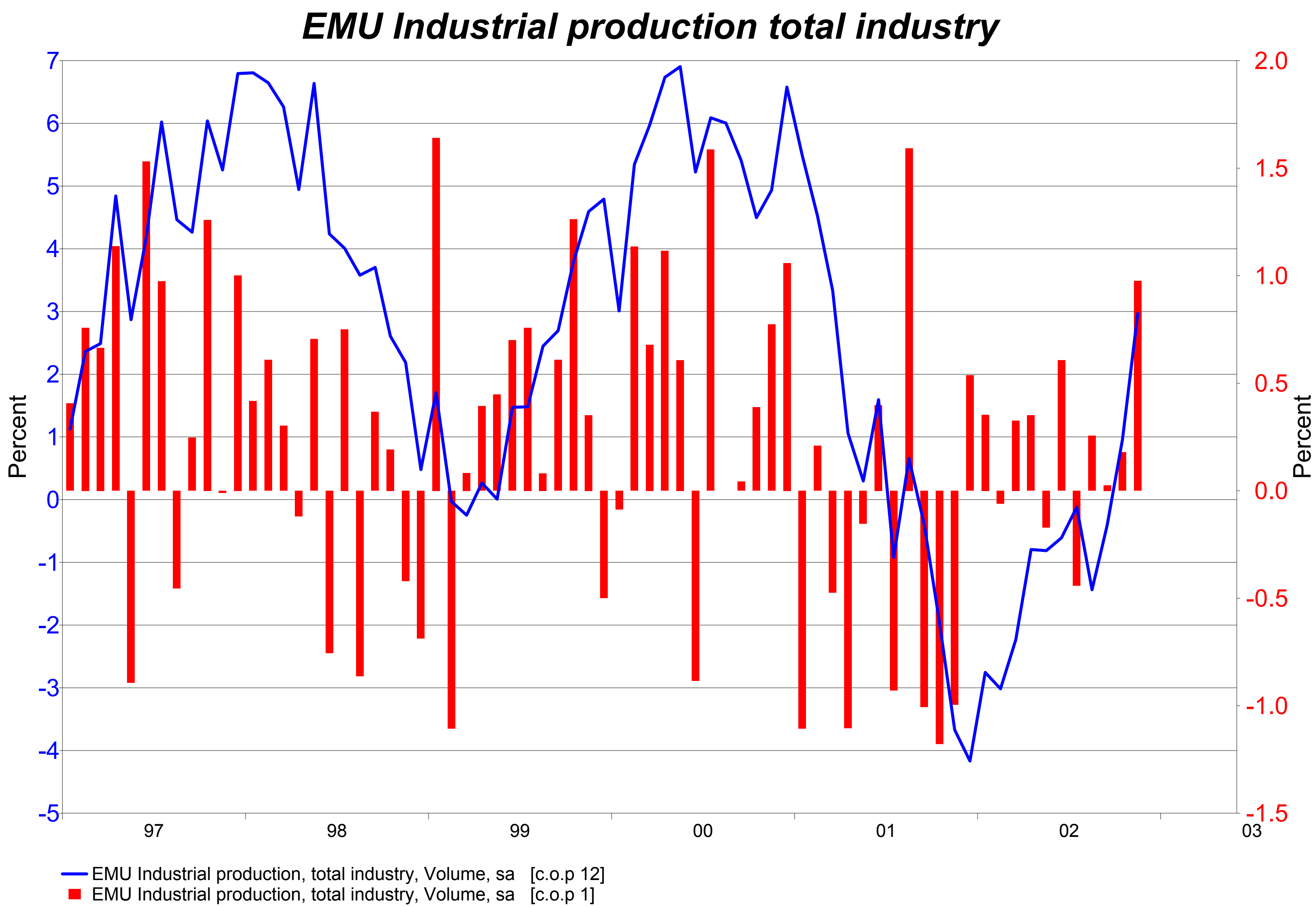
USA – ISM Purchasing Managers Index



Source: Ecowin

EMU Industrial production total industry



Source: Ecowin

EMU – Purchasing Managers Index

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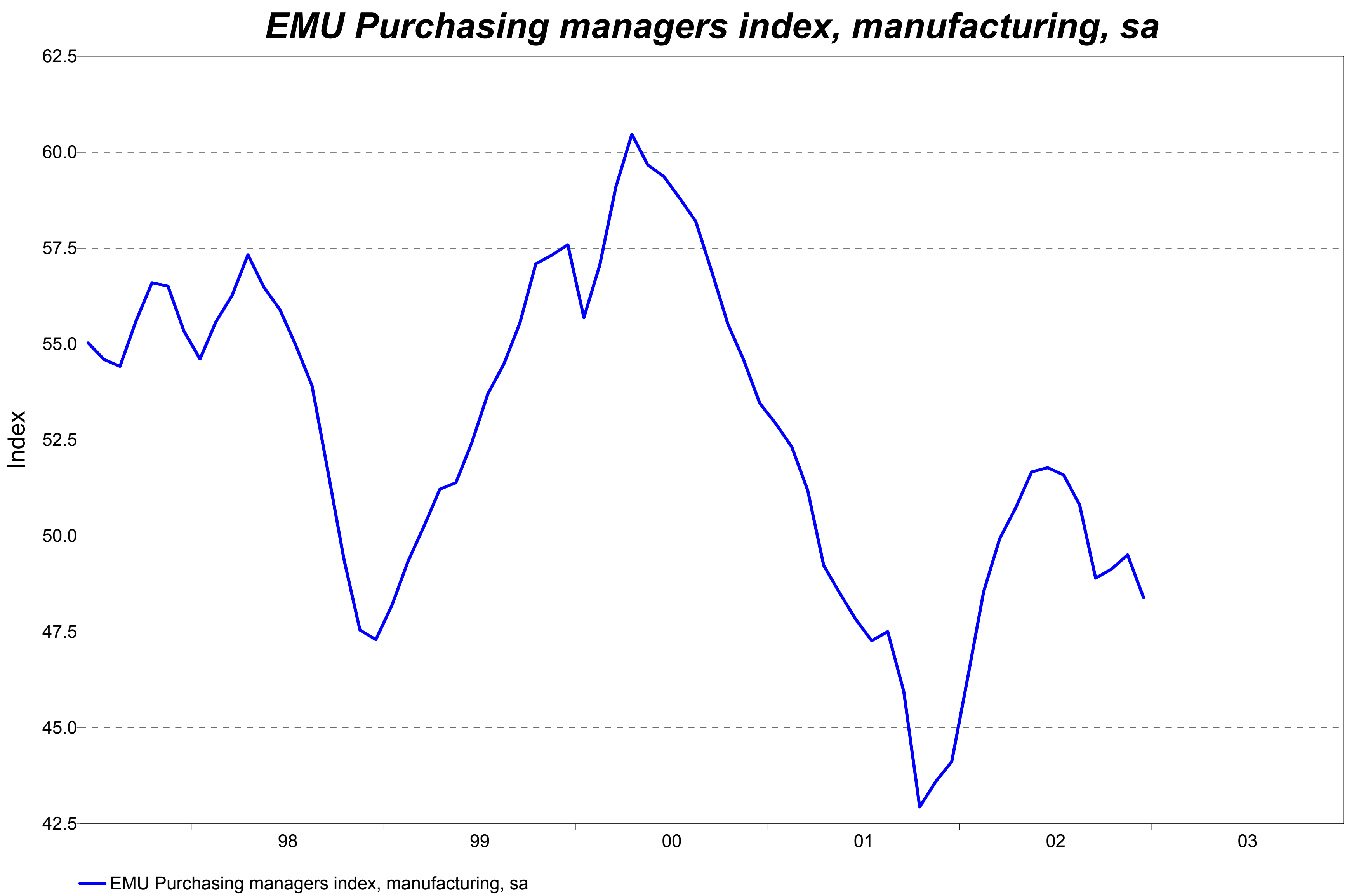
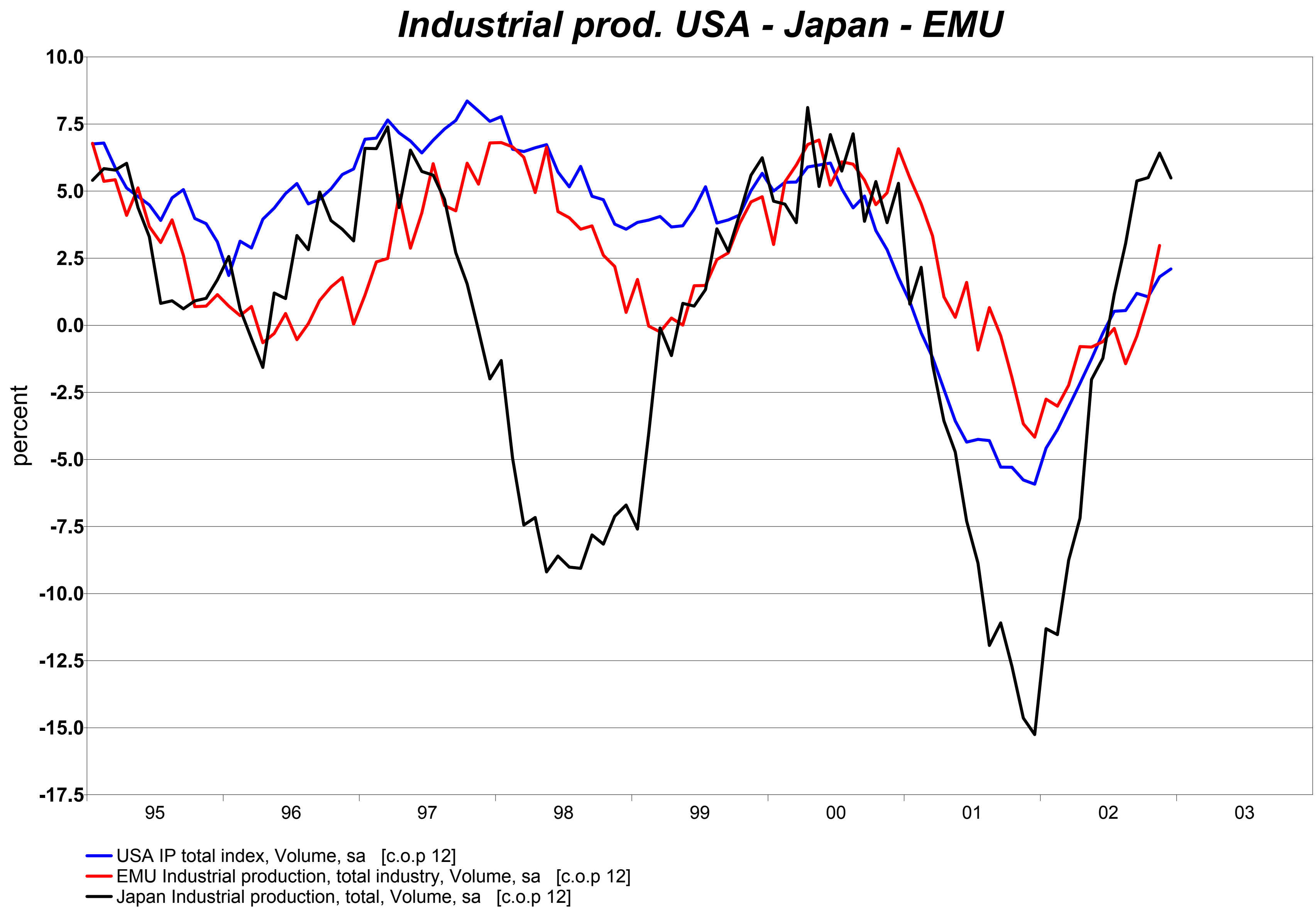


Source: Ecowin

Industrial Production - USA/EMU/Japan



Source: Ecowin

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Economic Forecasts (GDP)

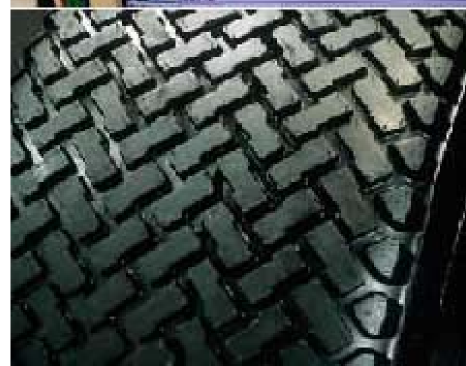
	Fc Sept 02 2002	*Actual Jan 03 2002*	Fc Sept 02 2003	*New Fc Jan 03 2003*	*Fc Jan 03 2004*
Global Economy	2.5	2.60	2.95	*2.75*	*3.40*
United States	2.5	2.40	2.4	*2.35*	*3.00*
EMU	0.75	0.75	1.6	*1.10*	*2.25*
Japan	-1.05	-0.30	0.65	*0.10*	*0.25*

Forecast Source: Average of HSBC & Morgan Stanley.

Trelleborg Wheel Systems

MSEK	Oct-Dec 2002	Oct-Dec 2001	Full Year 2002	Full Year 2001
Net Sales	681	727	2 968	3,127
Op. profit	34	-17	128	93
ROS, %			4.3	3.0
ROA, %			7.7	4.9

- Stable market trend for Agricultural tires in Europe. Total market for industrial tires declined, gradual improvement in the end of the year.
- The steps taken in the restructuring program had positive effect in the second half of 2002. Expected full effect of SEK 70 M in 2004.
- Operating cash flow improved, to SEK 191 M (104).
- Number of employees declined by 244 persons. Net sales per full-time employee increased by about 8 %.



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Trelleborg Engineered Systems

MSEK	Oct-Dec 2002	Oct-Dec 2001	Full Year 2002	Full Year 2001
Net Sales	836	851	3.318	3.369
Op. profit	53	46	198	181
ROS, %			6.0	5.4
ROA, %			12.1	10.6

- Stable demand in offshore market, strong in oil market. Demand for industrial supplies continuously weak.
- Operating profit improved as a result of better product mix and lower costs.
- Strong operating cash flow, SEK 251 M (199).
- Acquisition of Seaward in fourth quarter.
- Positive result effects from improved production structure in Trelleborg Industrial Hose and Trelleborg Elastomer Laminates.
- Divestment of White Goods effected earnings positively.

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Trelleborg Building Systems

MSEK	Oct-Dec 2002	Oct-Dec 2001	Full Year 2002	Full Year 2001
Net Sales	455	471	1.880	1.794
Op. profit	27	27	154	138
ROS, %			8.1	7.6
ROA, %			19.5	16.3

- Market in Europe remained weak, particularly in Germany.
- Growth in both Waterproofing Systems and Sealing profiles, attributable primarily to increased marketing. efforts.
- Integration of Phonix Tag resulted in improved operating efficiency and lower costs.
- Operating cash flow increased to SEK 225 M (172).
- International cooperation agreement with JP Stevens, the largest US manufacturer of TPO-products.
- Agreement with Isola complements Waterproofing products.

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Mixed developments in automotive production

Light vehicles, major markets, 2002

		Light vehicle assembly			
		2002		Q4 '02	
	Market comments	**MUnits**	**Change**	**MUnits**	**Change**
North America	• High usage of incentives - impact on sales surprisingly strong • Inventory lower than five year average at year-end • Popularity of SUVs and luxury cars remains high • Transplants remain succesful	16.4	+5.9%	3.9	+2.5%
Western Europe	• Some sales recovery in late '02 • Only executive and SUV segments immune to sales decline • Solid successes of Toyota and BMW • PSA growing market share despite capacity constraints	16.2	-2.8%	4.0	-4.2%
Japan	• Continued subdued demand due to poor economy • Shift towards small cars prompted by successful Nissan and Honda launches	9.6	-0.1%	2.2	-8.8%

Note: Change is year-on-year
Source: JD Powers, January 2003

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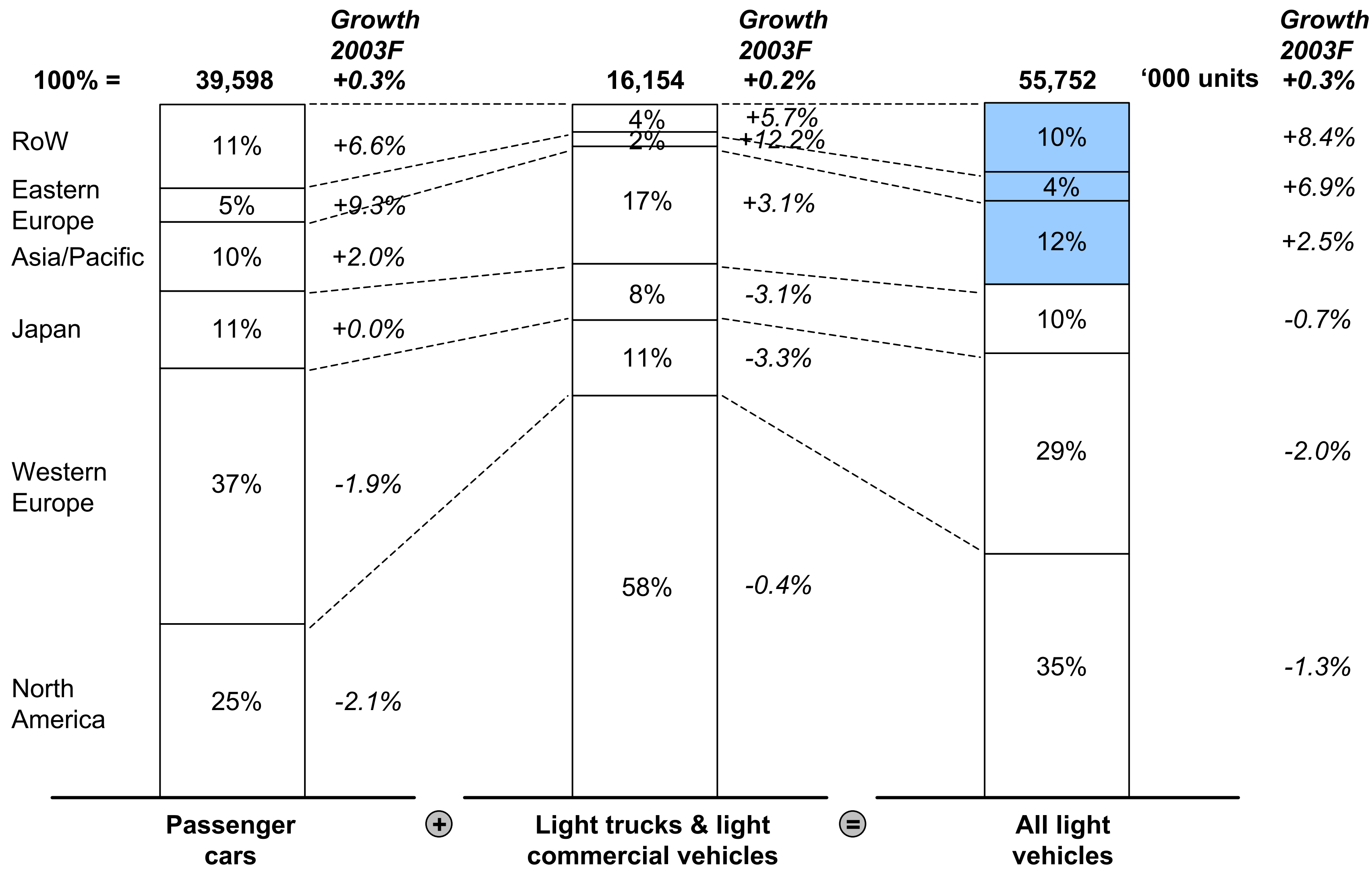
Auto sales growth seen primarily in emerging markets

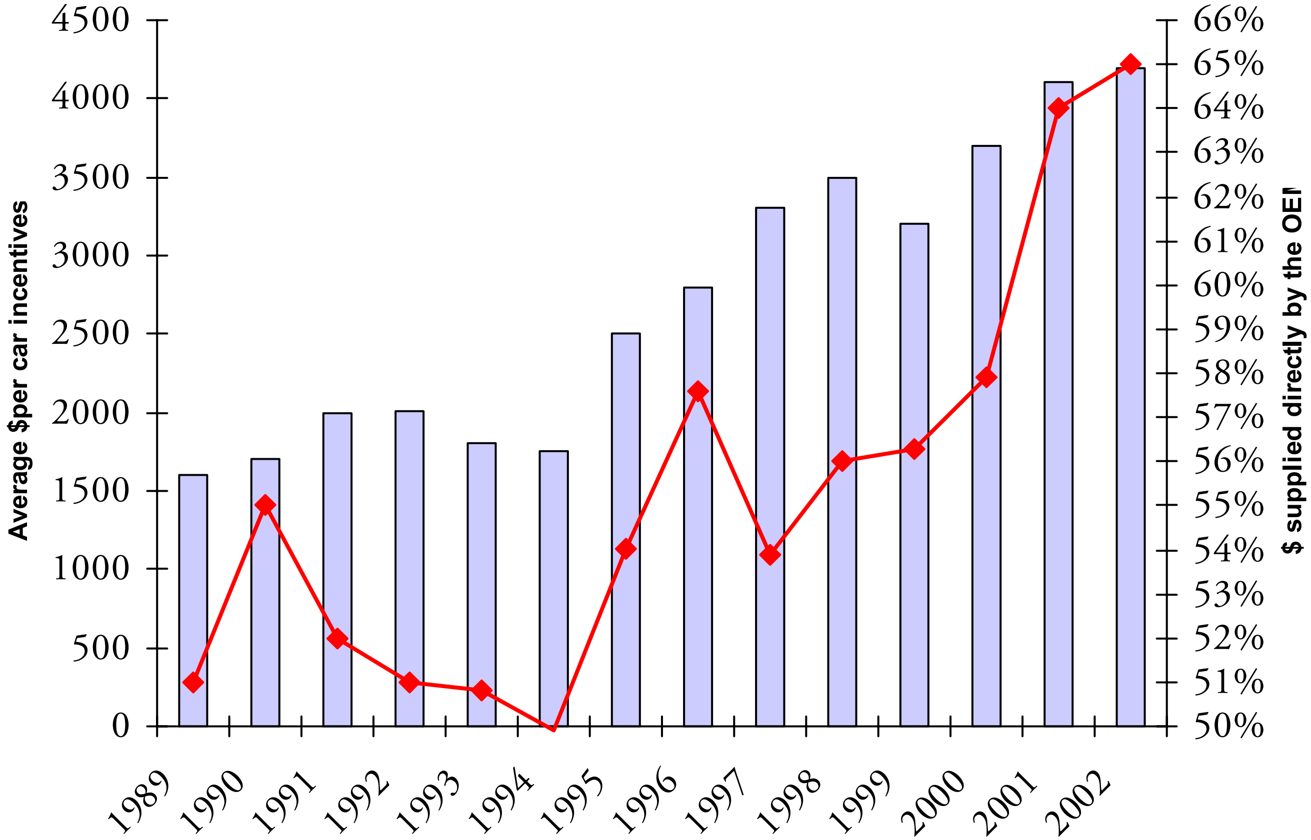
World light vehicle sales, 2002



Source: JD Power, January 2003

Continued high usage of incentives

US incentives, 1989-2002

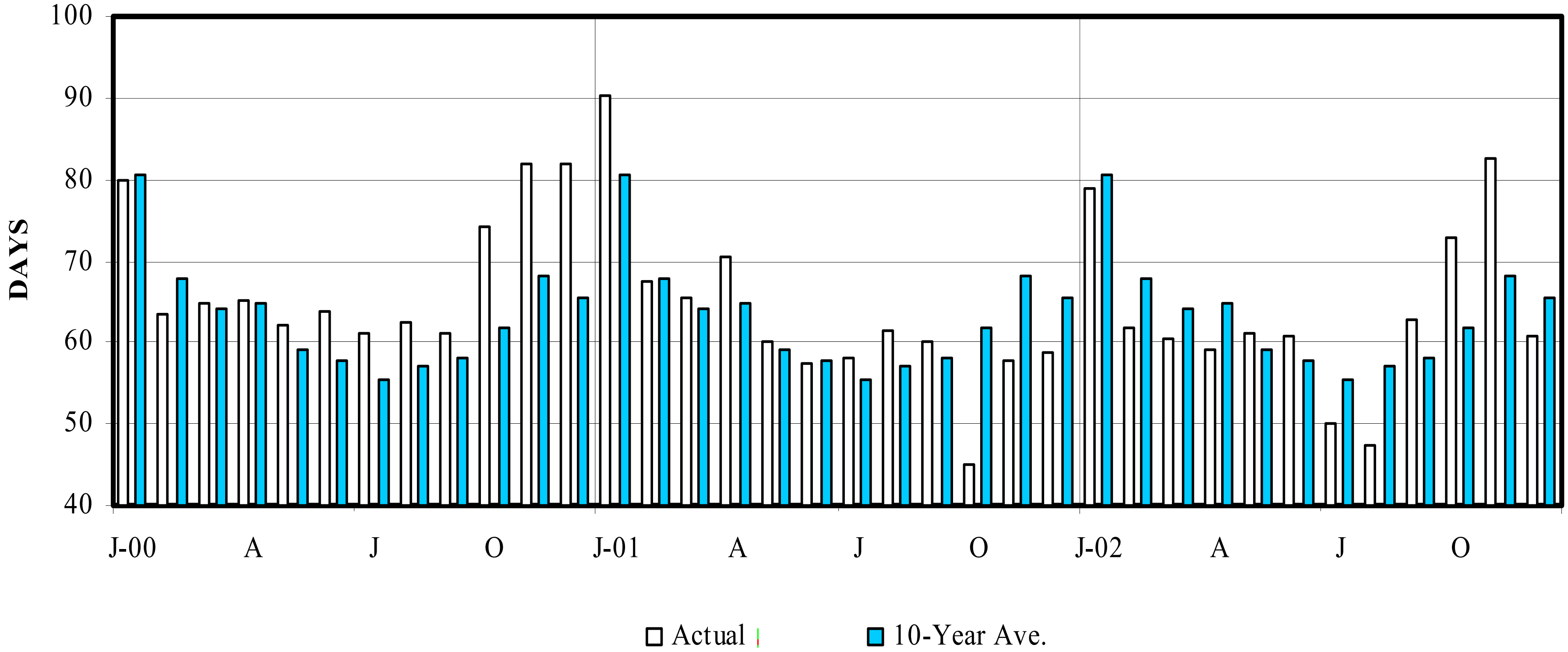


Total incentives includes consumer rebates, lease deals, 0% financing, salesmen and dealer incentives

Source: CNW Marketing

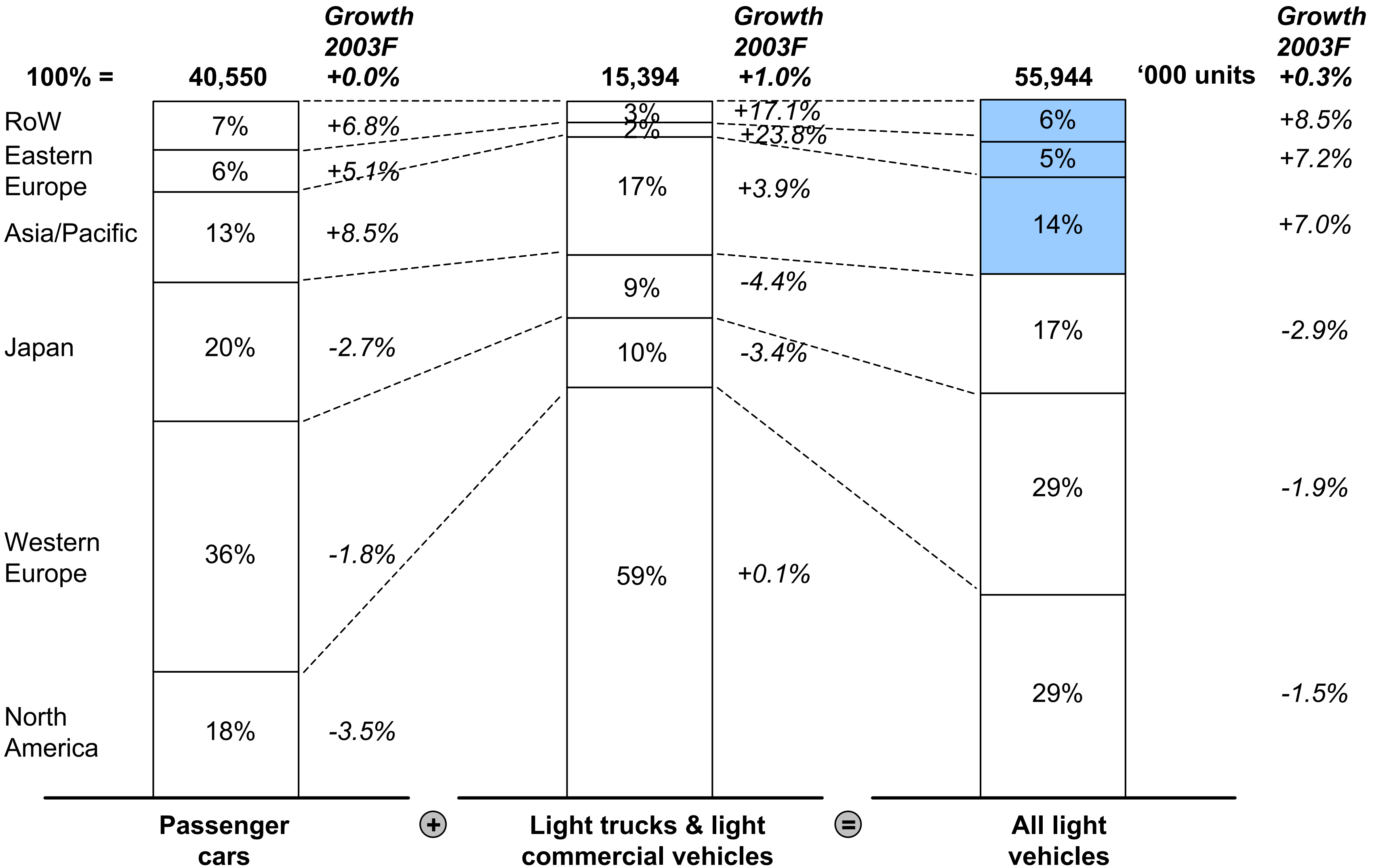
US Inventories lower than long-term average

Days supply, 2000-2002



Emerging markets production increasingly important

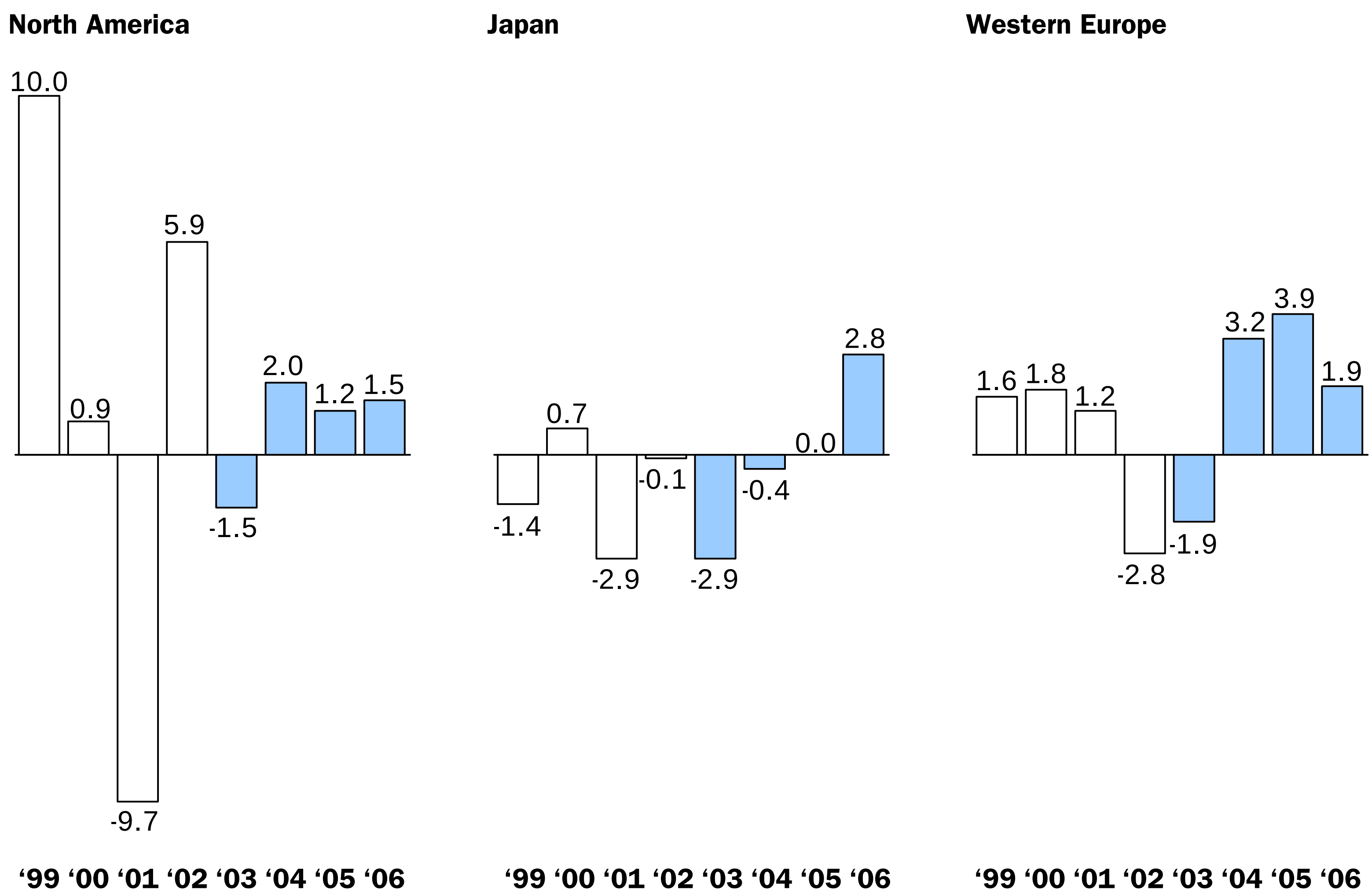
World light vehicle assembly, 2002



Source: JD Powers, January 2003

Major markets are mature with limited growth

Light vehicle assembly growth rates, YoY % change, 1999A-2006F



Source: JD Powers, January 2003

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Trelleborg Automotive

MSEK	Oct-Dec 2002	Oct-Dec 2001	Full Year 2002	Full Year 2001
Net Sales	2.228	2.331	9.297	9.777
Op. profit	160	209	601	747
ROS, %			6.1	7.5
ROA, %			10.8	13.2

- European car production declined about 3 % Production in North America rose 6 %.
- Sales at fixed exchange rates were marginally lower compared with preceding year, as a result of market trends and phasing out of licensed manufacturing.
- Delays in new product launches and running-in costs for new products had negative effects on operating earnings.Most of the effects expected to be corrected in beginning 2003.
- Focus on integrating previous acquired units.
- Investment in two new plants; ADM production in Kalmar, antivibration applications in Leicester.

Comments to fourth quarter 2002

- Result after financial net and exl. non comparables + 12 % in Q4
- Non Auto Bas in line or better than Q4 last year
- BA Automotive margin in line with last year corrected for adjustments in Q4 02 and USD impact.
- Operating cash flow – in line with group goal
- Trenor result impacted by one-offs in UK and Poland
- Cash tax on result after financial net approx. 4 % on full year

Board Proposals to AGM

- 4.25 SEK (4.00) dividend proposed for 2002
- Continued mandate to repurchase own shares up to 10 %

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Outlook 2003

The demand in a medium term perspective is continuously difficult to estimate.

A number of measures to meet the risks in volume developments:

- Cost efficiency, strong Cash flow, programs to improve operating margins.
- Comprehensive efforts to increase organic growth and continuous evaluation of growth opportunities via acquisitions.


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