



FINANCIAL ISSUES
PERFORMANCE/TARGETS
BO JACOBSSON, CFO

Agenda

GROUP

- ▼ Growth
- ▼ Cash flow
- ▼ Operating margin
- ▼ Return on capital employed
- ▼ Net gearing
- ▼ Return on shareholders equity
- ▼ Main drivers to reach financial targets

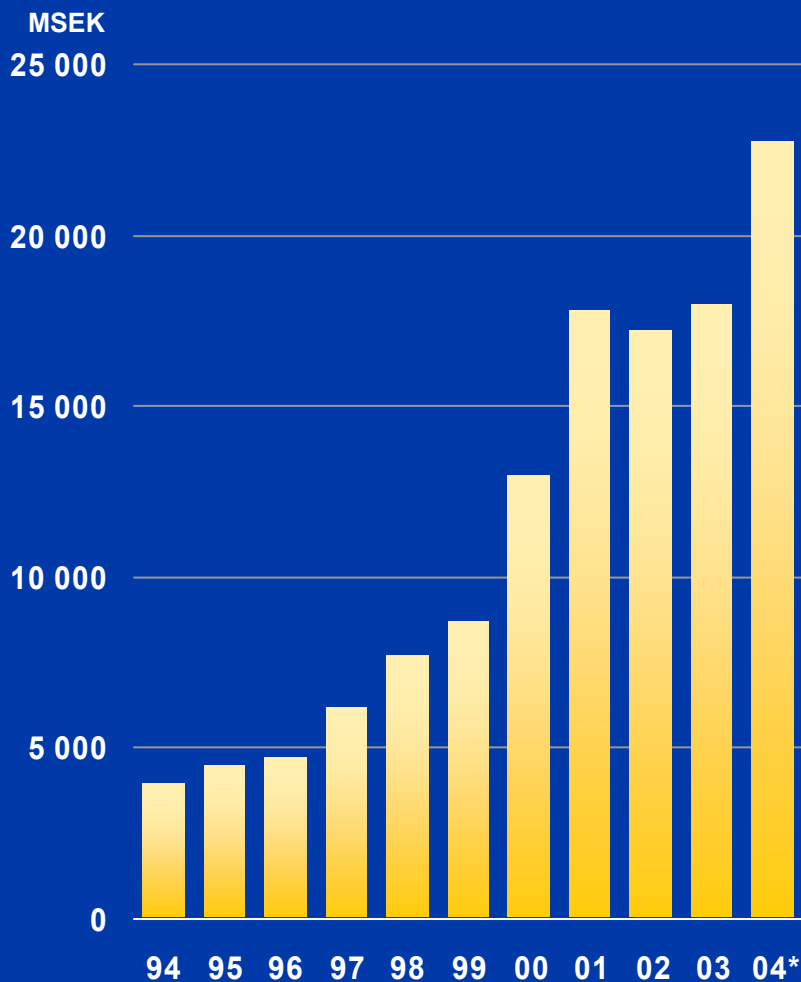


GROWTH

Top Line Growth

GROUP

Total Average Growth per Year approx. 18% in Present Structure



Organic growth

	Jan- Sept 04
Automotive	-1%
Wheel Systems	+7%
Engineered Systems	+4%
Building Systems	+2%
Sealing Solutions	+7%
<hr/>	
Trelleborg Group, 9 months	+2%
Trelleborg Group, Q3	+2%

* R12, September 2004

Our Financial Targets

Growth

“We aim to achieve **annual growth of 8-10**
during an economic cycle.

Growth being a **combination** of **organic growth** as
well as **complementary acquisitions** to further
strengthen our operations”



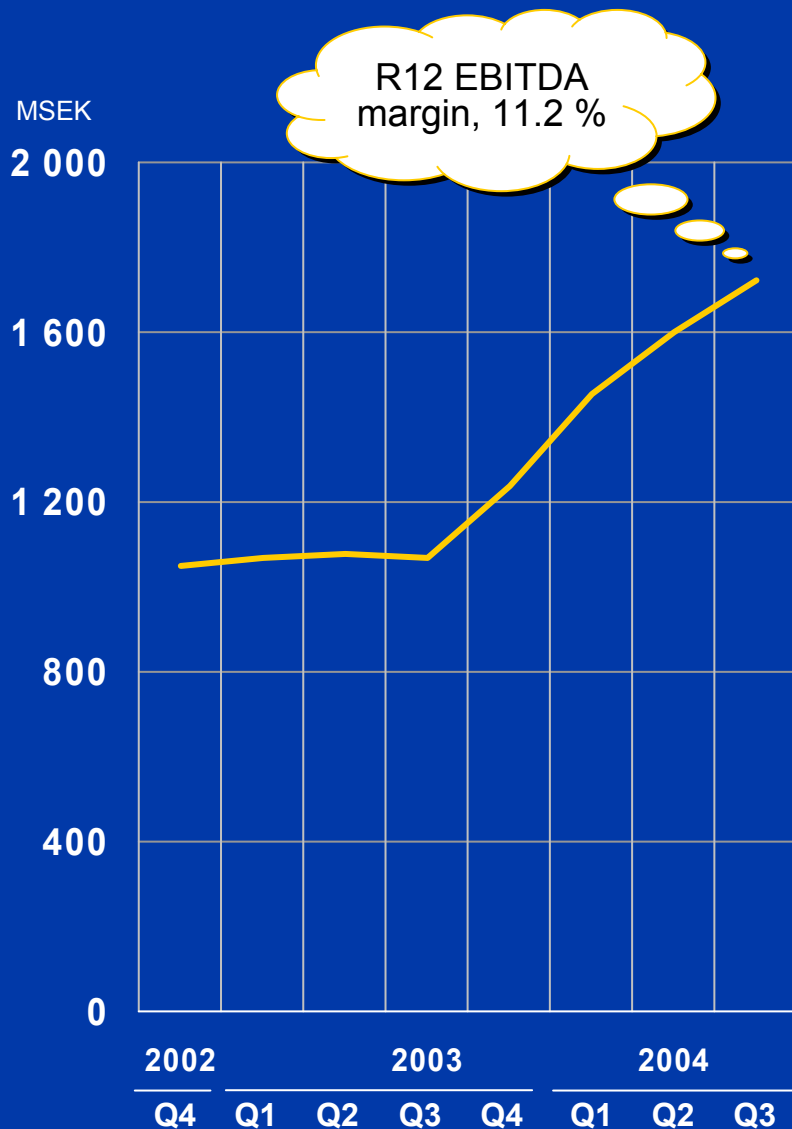
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CASH FLOW



EBITDA Development

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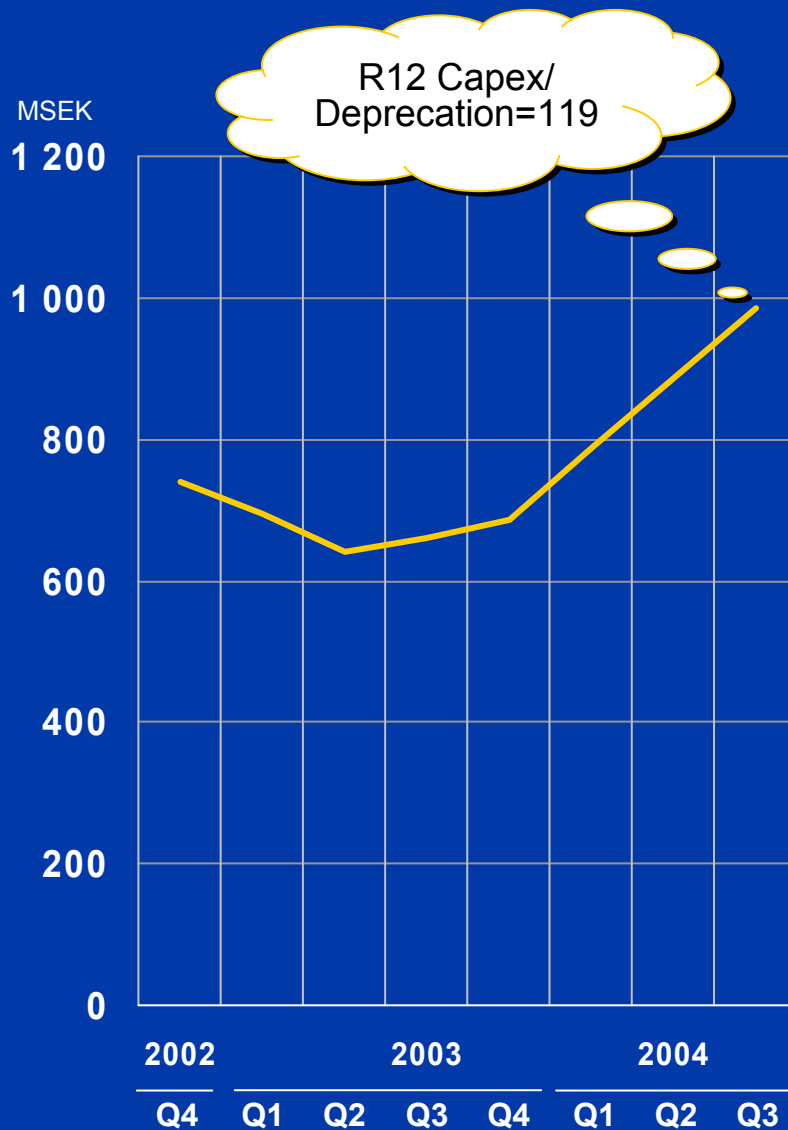


EBITDA R12, MSEK

	Sept 04	Sept 03	%
Automotive	974	1 049	-7
Wheel Systems	262	260	1
Engineered Systems	387	324	19
Building Systems	256	209	23
Sealing Solutions	816		
Trelleborg Group	2 606	1 716	52

Capex

GROUP

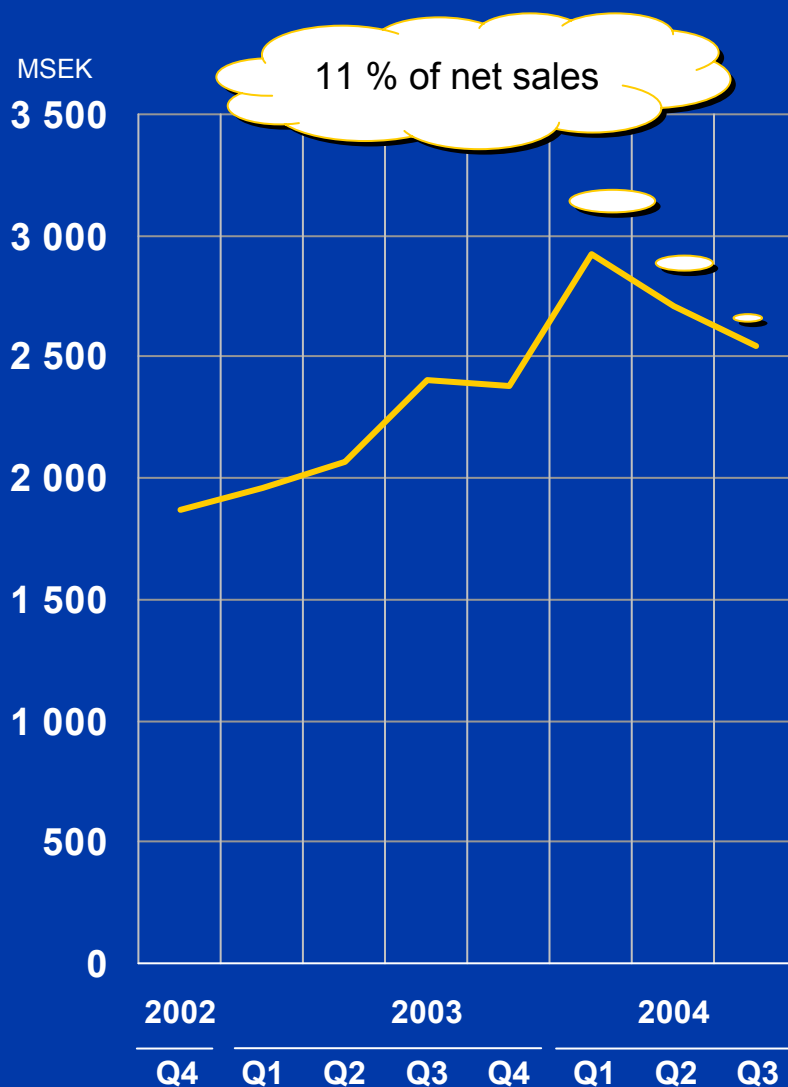


Gross investments R12, MSEK

	Sept 04	Sept 03	%
Automotive	549	385	43
Wheel Systems	83	145	-43
Engineered Systems	112	85	31
Building Systems	59	43	37
Sealing Solutions	171		
Trelleborg Group	986	661	49

Working Capital Development

GROUP

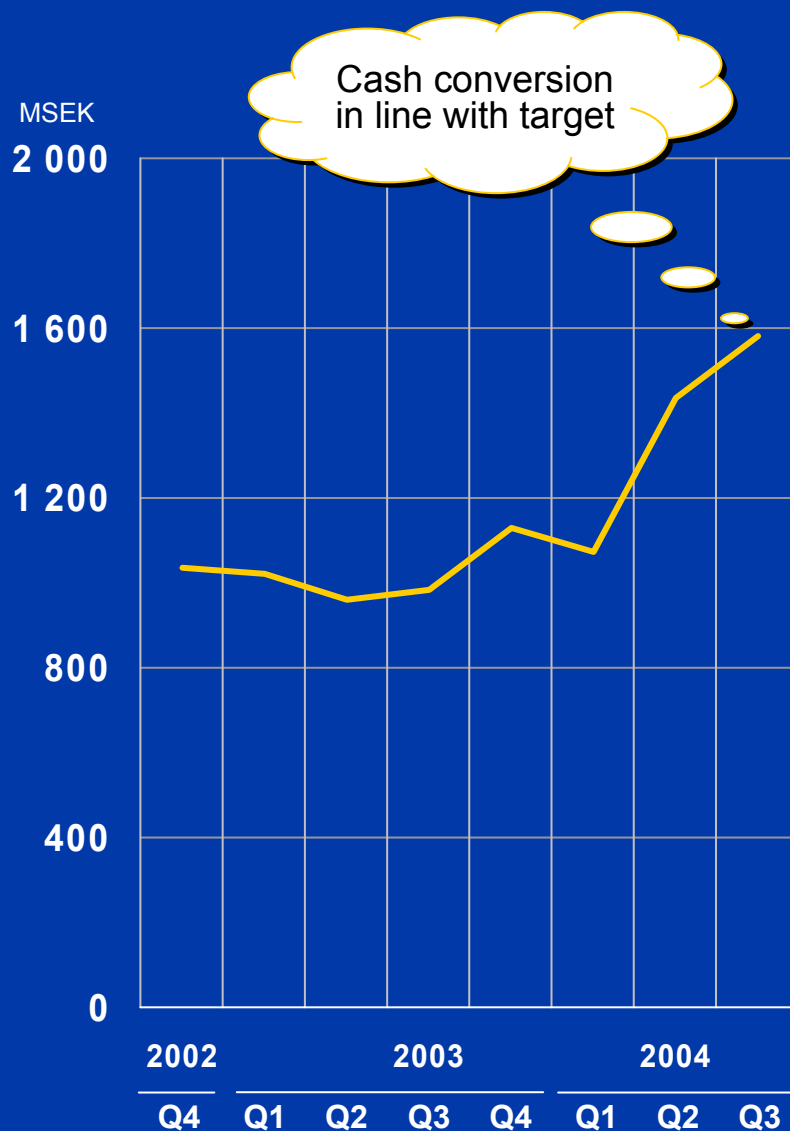


Change in working capital effecting operating cash flow R12, MSEK

	Sept 04
Automotive	-58
Wheel Systems	-5
Engineered Systems	-40
Building Systems	+7
Sealing Solutions	+167
Trelleborg Group	+129

12 months Operating Cash Flow

GROUP



12 months Operating cash flow, MSEK

	Sept 04	Sept 03	%
Automotive	559	671	-17
Wheel Systems	228	34	571
Engineered Systems	284	217	31
Building Systems	239	182	31
Sealing Solutions	520		
Trelleborg Group	1 589	984	61
EBITA	1 776	1 065	67
Cash conversion, %	89	92	

Our Financial Targets

Operating Cash Flow

“The target for **operating cash flow** is set at **80-90 percent of EBITA** (operating profit excluding goodwill amortization), excluding items affecting comparability and participations in the results of associated companies.”



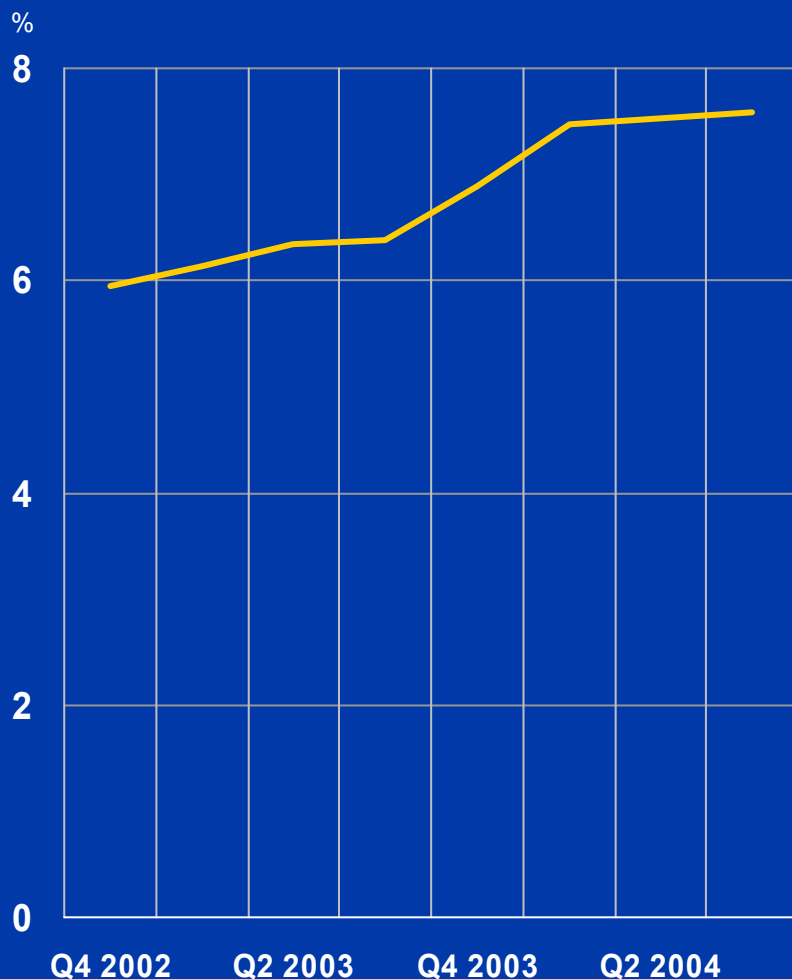
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OPERATING MARGIN

Operating Margin

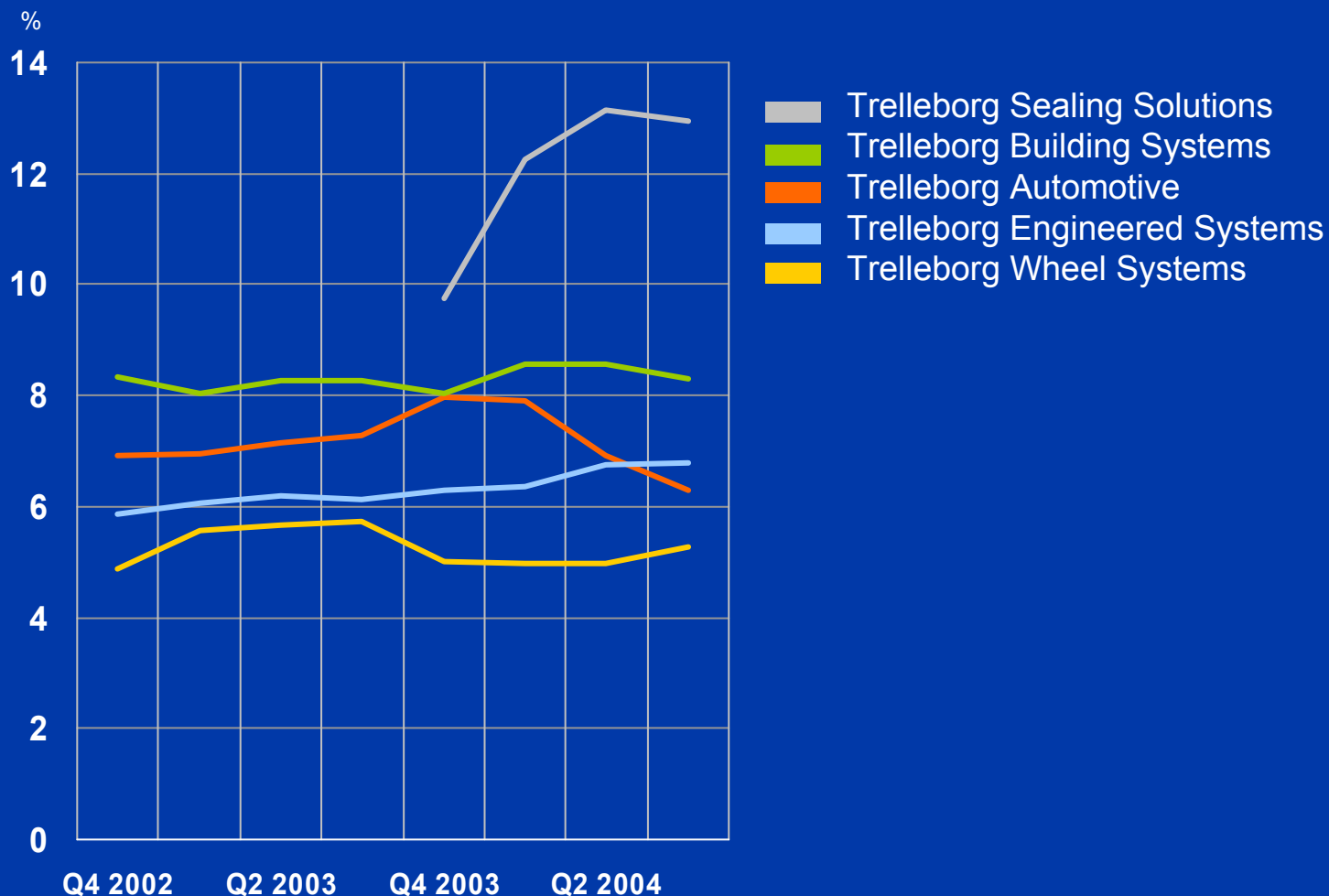
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- ▼ Sealing Solutions being the driving force behind positive development
- ▼ Margin R12 September 2004 7.6 % (6.4)






Operating Margin

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Operating Margin Target

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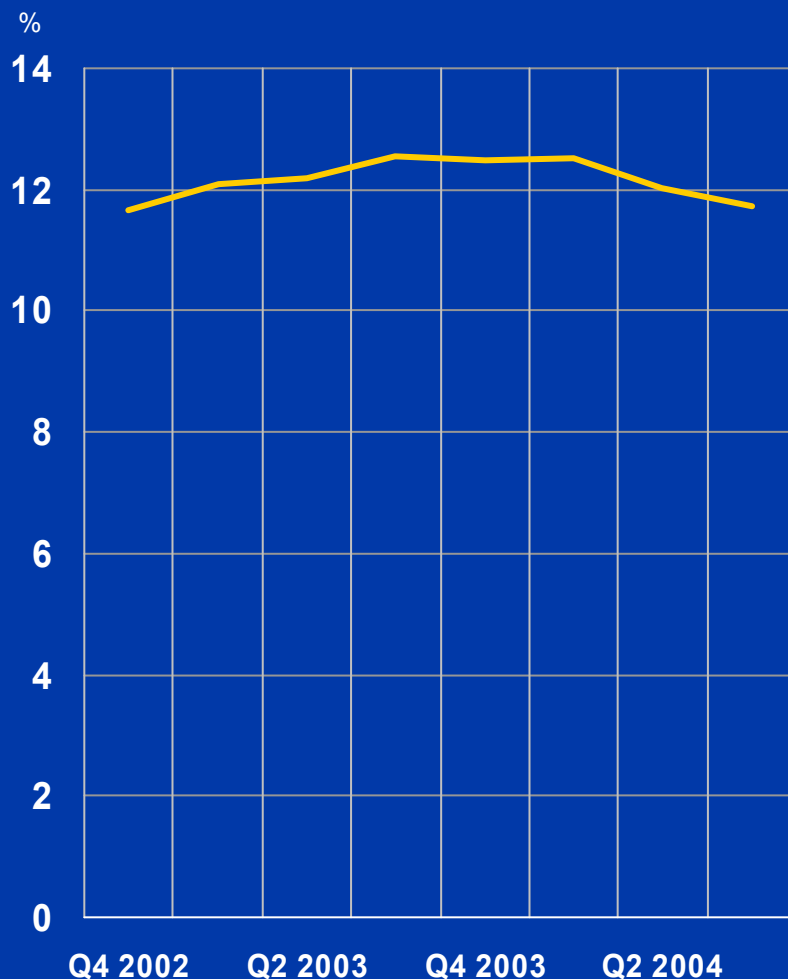
	Sep 04	Target 2006	Compared to one year ago
Trelleborg Automotive	6.3	7 – 7.5	
Trelleborg Wheel Systems	5.3	7 – 7.5	
Trelleborg Engineered Systems	6.8	7 – 7.5	
Trelleborg Building Systems	8.3	9.5 - 10	
Trelleborg Sealing Solutions	12.9	14.5	
Trelleborg Group	7.6	> 8	



RETURN ON CAPITAL EMPLOYED

Return on Capital Employed

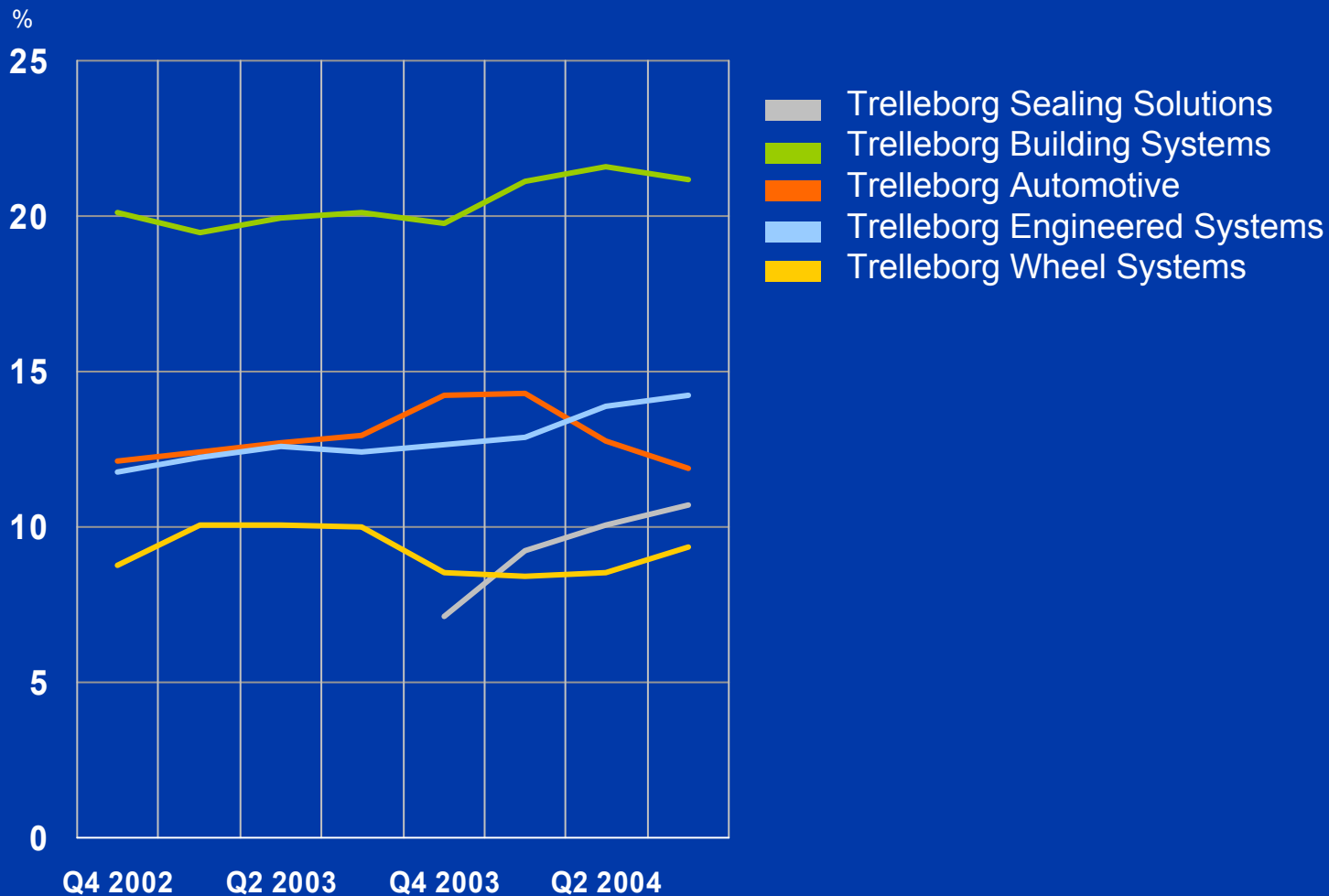
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- ▼ Sealing Solutions representing 38 % of average capital employed as per September 2004 with a return just below Group average
- ▼ Return R12 September 2004 11.2 % (11.5)

Return on Capital Employed

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Our Financial Targets

Return on Capital Employed

“The targeted return on capital employed excluding goodwill amortization is 15%.”



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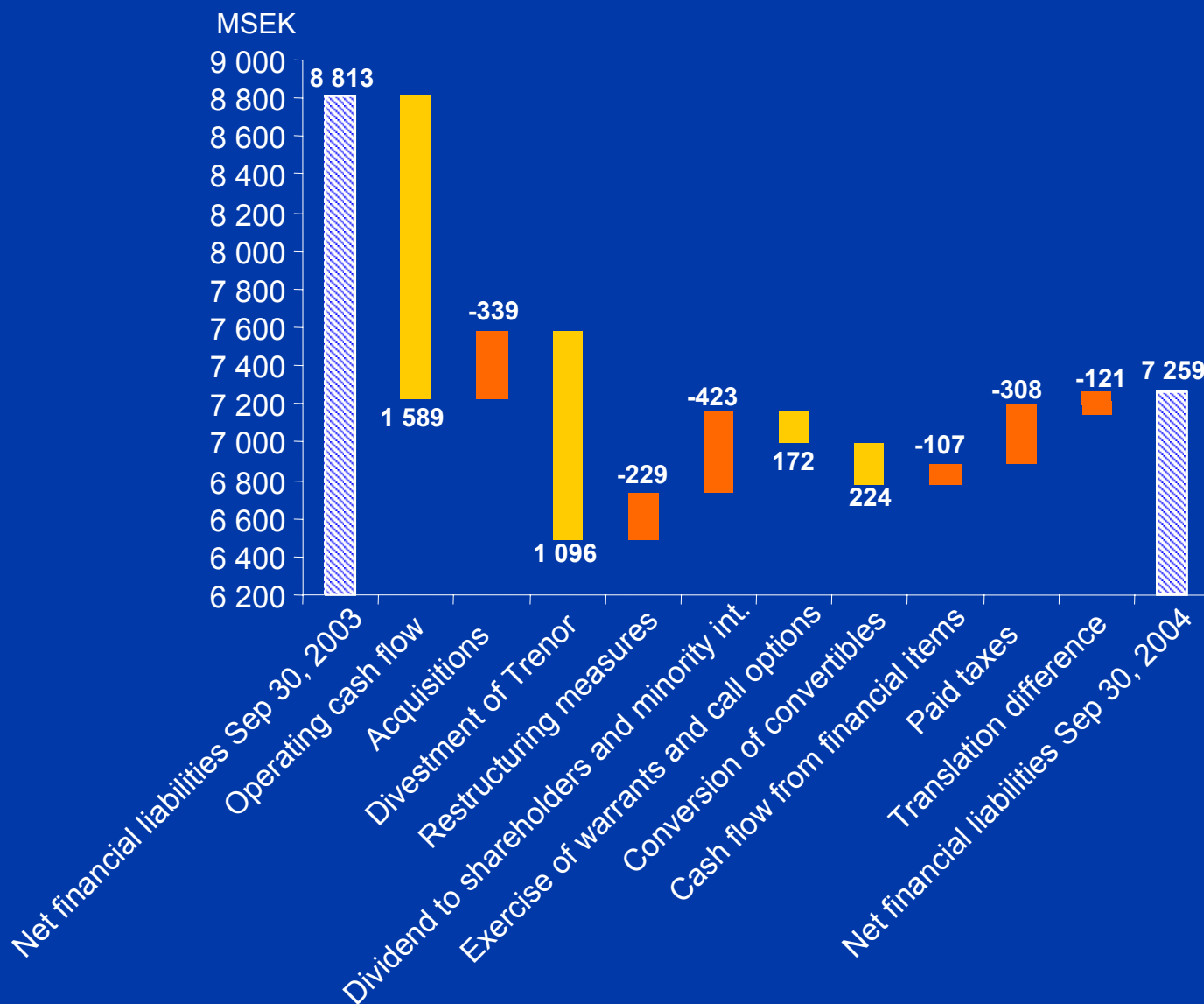


NET GEARING

Change in Net Debt

GROUP

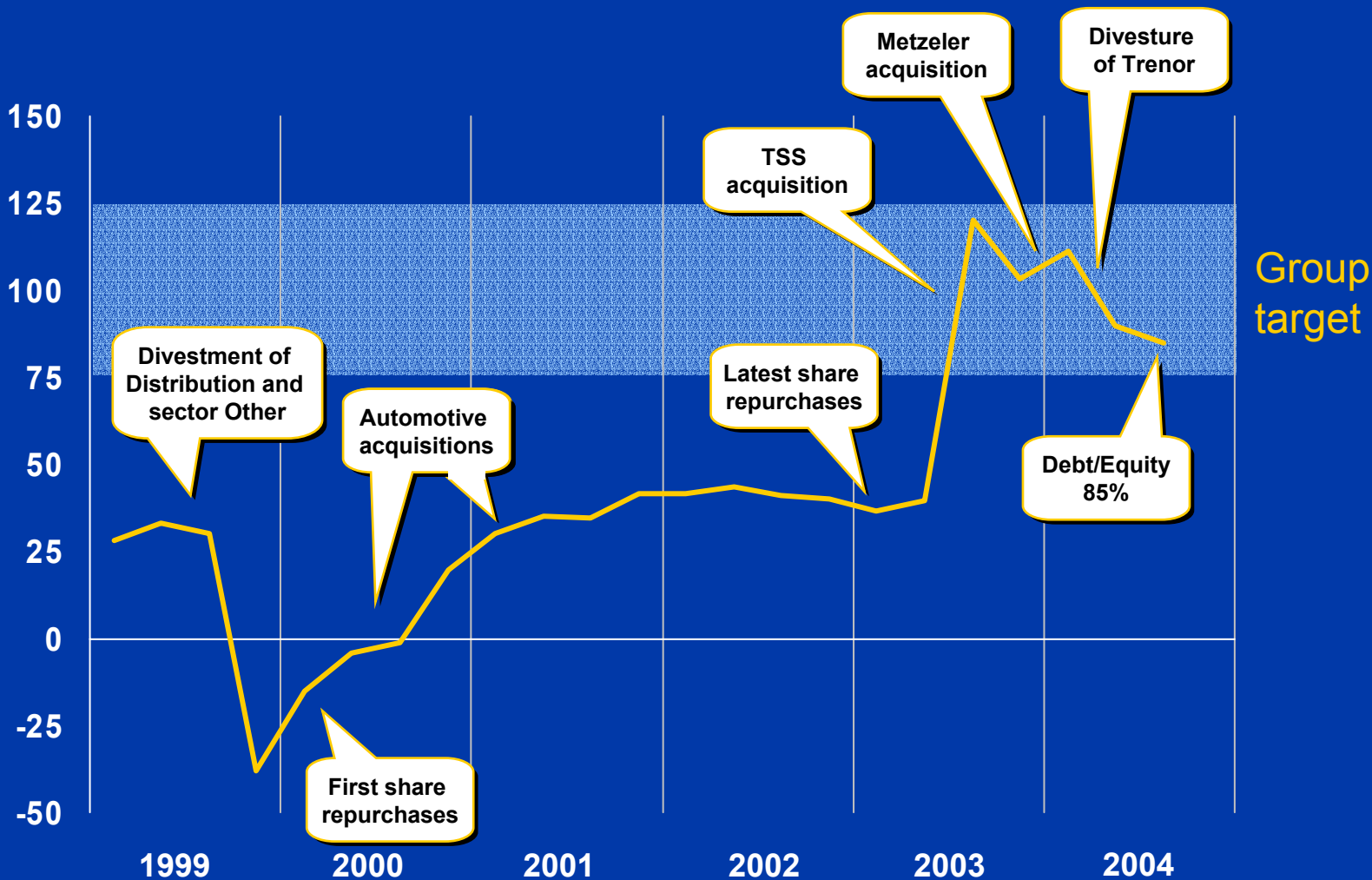
R12 October 2003 – September 2004



Gearing Well in Line with Group's Target

GROUP

Group Debt/Equity; 1999A-2004A; Percent; Quarterly Data



Our Financial Targets

Debt/Equity Ratio

“Group’s target is for the **debt/equity ratio** to be within the interval of **75-125 percent.**”



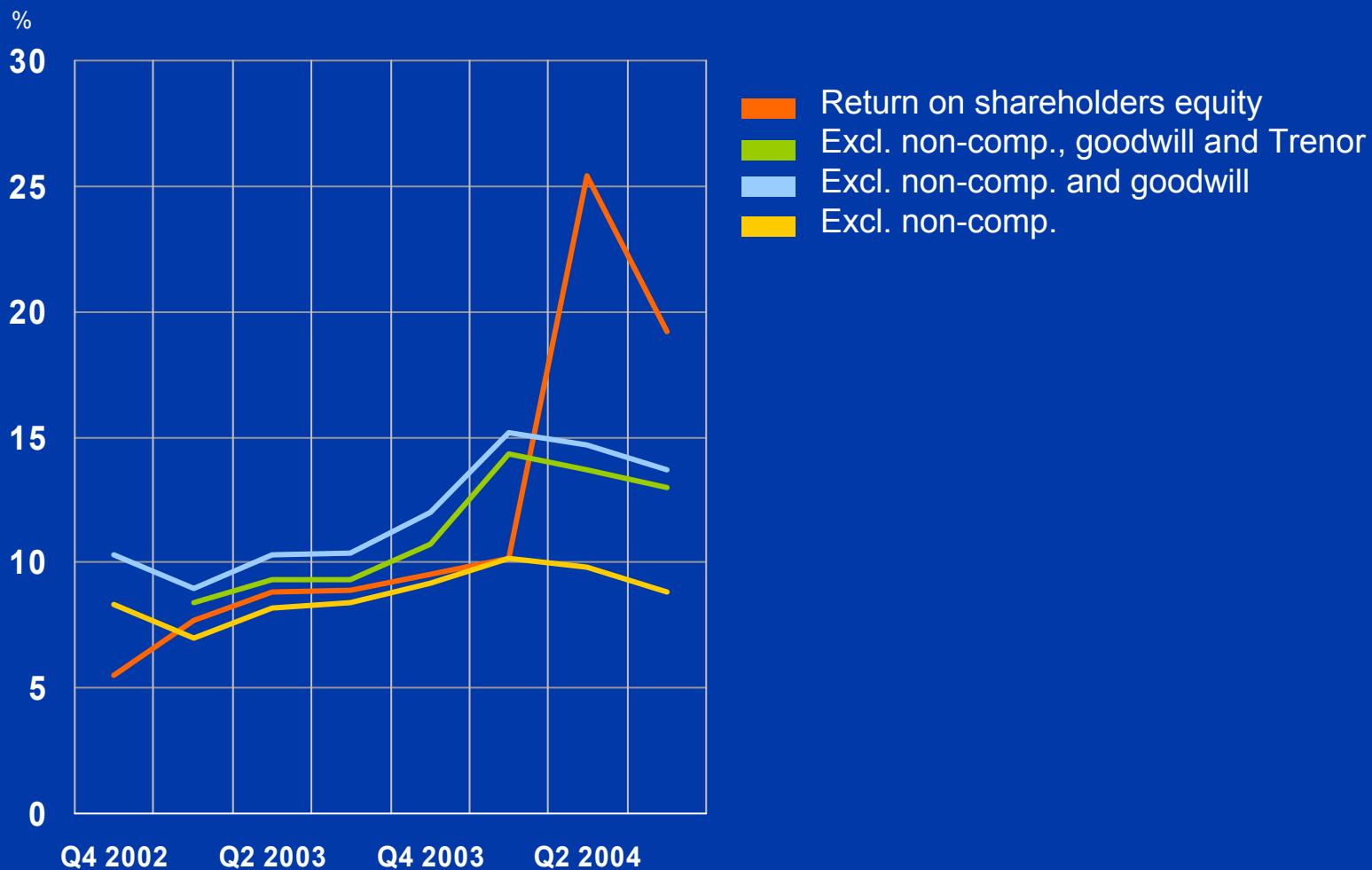
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RETURN ON SHAREHOLDERS EQUITY

Return on Shareholders' Equity

GROUP



Our Financial Targets

Return on Shareholders' Equity

“The return on shareholders' equity is calculated on profit excluding goodwill amortization , with the target set at 15 percent.”



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MAIN DRIVERS TO REACH FINANCIAL TARGETS

Main Drivers to Reach Financial Targets

GROUP

- ▼ Positive effects from increased volumes/organic growth
- ▼ Successful completion of Wheel restructuring program
- ▼ Successful handling of raw material situation
- ▼ Improve capital turnover
- ▼ Continued acquisition-driven growth
- ▼ Focus on asset management

