

Welcome to Six Month Report Update

22 July, 2004




TRELLEBORG

Key messages

GROUP

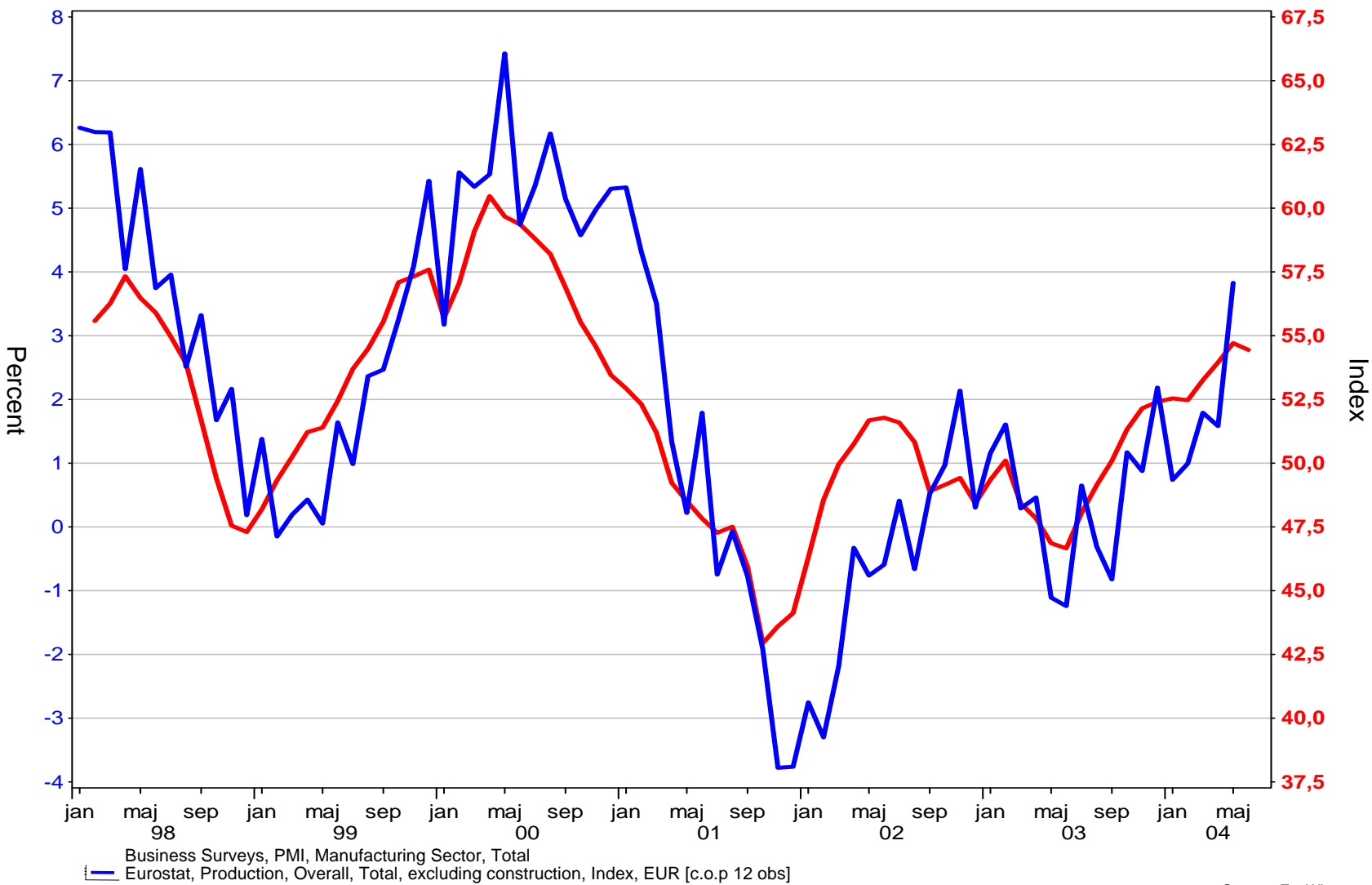
Highlights from Half-year Report 2004

- **Net sales rose by 38 percent. All business areas, except Automotive, had organic growth of approx. 5 %**
- **Operating profit (excl Trenor) up by 52 %, adjusted for Logansport costs up by 64 %**
- **R12 EPS excl goodwill amort. In present structure but incl. proforma contribution from Trenor sale amounted to 12.00 SEK**
- **Net gains from the sale of 49 % in Trenor amounted to 620 MSEK**
- **Acquisition of remaining 49 % of japanese Eika Corp improves market penetration in Japan for TSS**
- **Closure of Logansport, Indiana, completed. Nonrecurring costs amounted to 60 MSEK. Positive effect on result from H2.**
- **2004 outlook reconfirmed: Gradually improved market conditions**

Gradual improvement in Europe

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EMU Purchasing managers index vs Industrial Production

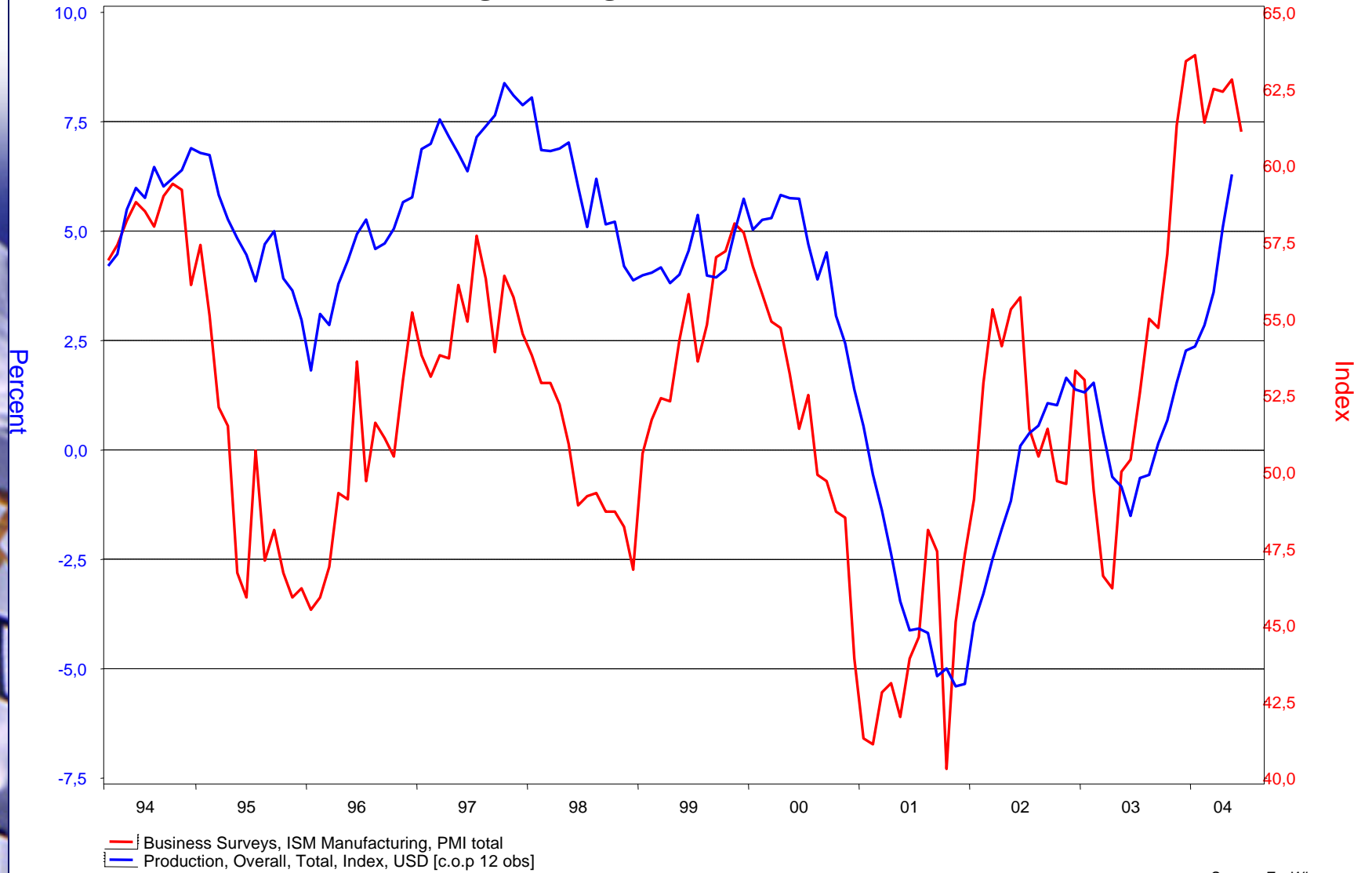


Source: EcoWin

Strong US growth

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USA ISM Purchasing managers index, vs Industrial Production



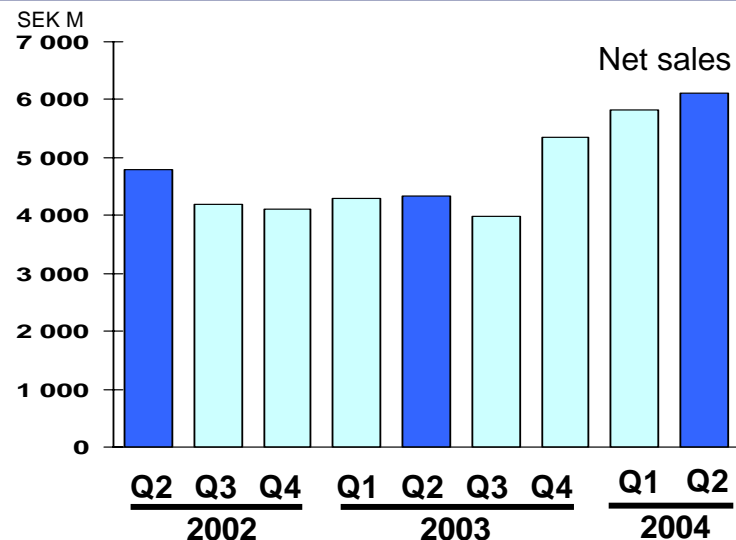
Source: EcoWin

In summary - continued positive development for the group

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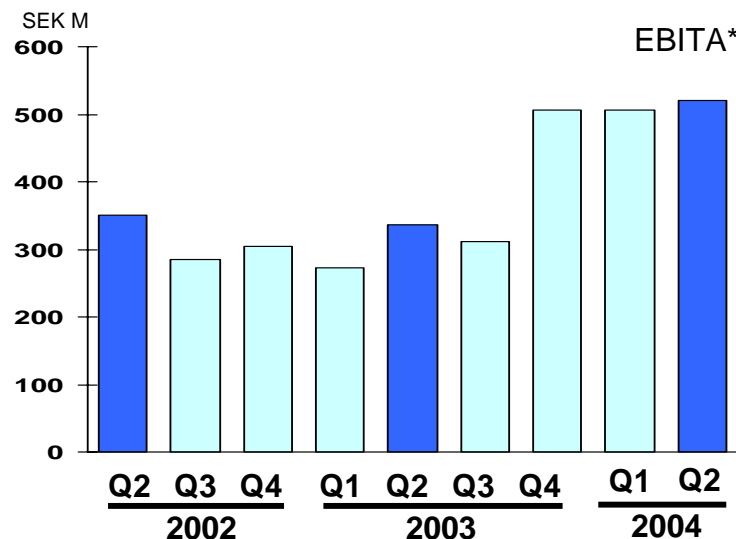
Group net sales

- Six month Net Sales rose 38 % to 11,923 MSEK (8,631)
- Second quarter Sales up 41 % - 6,108 SEK M (4,342)
- H1 Organic Growth amounted to 2 percent



Group Results

- 6 Month Profit after fin. items 1258 SEK M (500)
- Six month net profit 1,008 SEK M (317)
- Six month EBITA* up 76 % to 1,000 SEK M (567)
- Q2 EBITA* up 66 % to 520 SEK M (313)

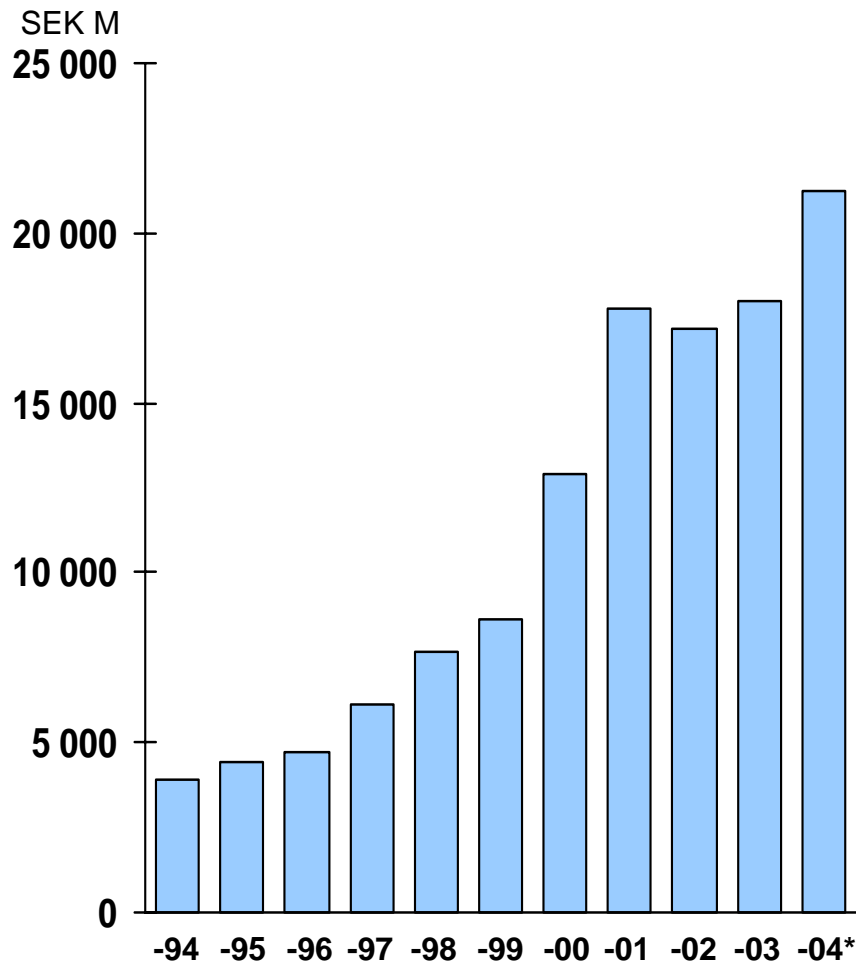


*Operating profit, continuing operations, excl goodwill depreciation and plant closure Logansport

A combination of acquired and organic growth

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Total average growth per year approx. 18 % in present structure



Organic Growth, six month 2004

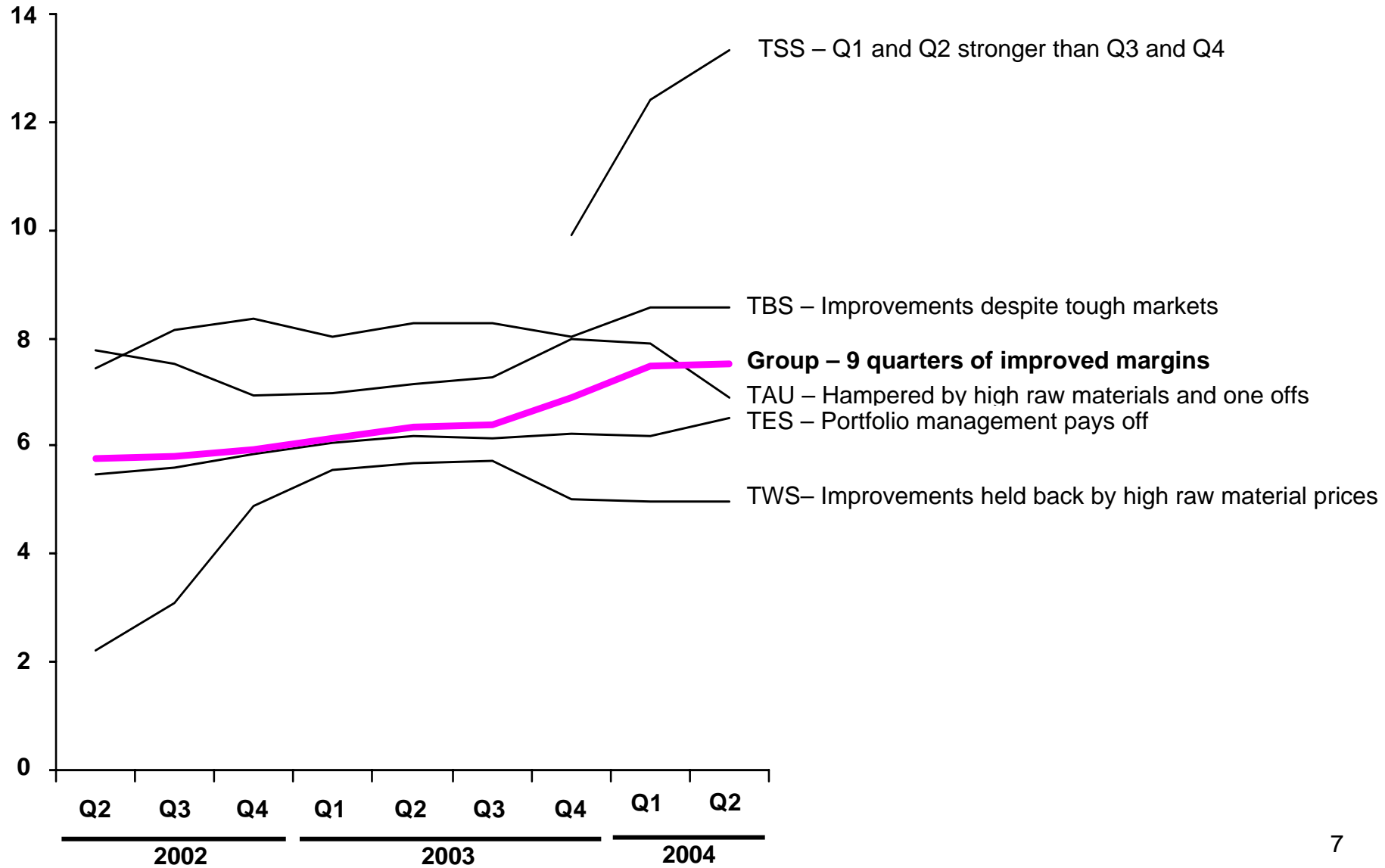
Trelleborg Automotive	-1,5 %
Trelleborg Wheel Systems	+4.5 %
Trelleborg Eng. Systems	+5.2 %
Trelleborg Building Systems	+4.9 %
Trelleborg Sealing Solutions	+5.2 %
<i>The Trelleborg Group, H1</i>	+2 %
<i>The Trelleborg Group, Q2</i>	+3 %

*R12, June 2004

9 quarters of improved group margins

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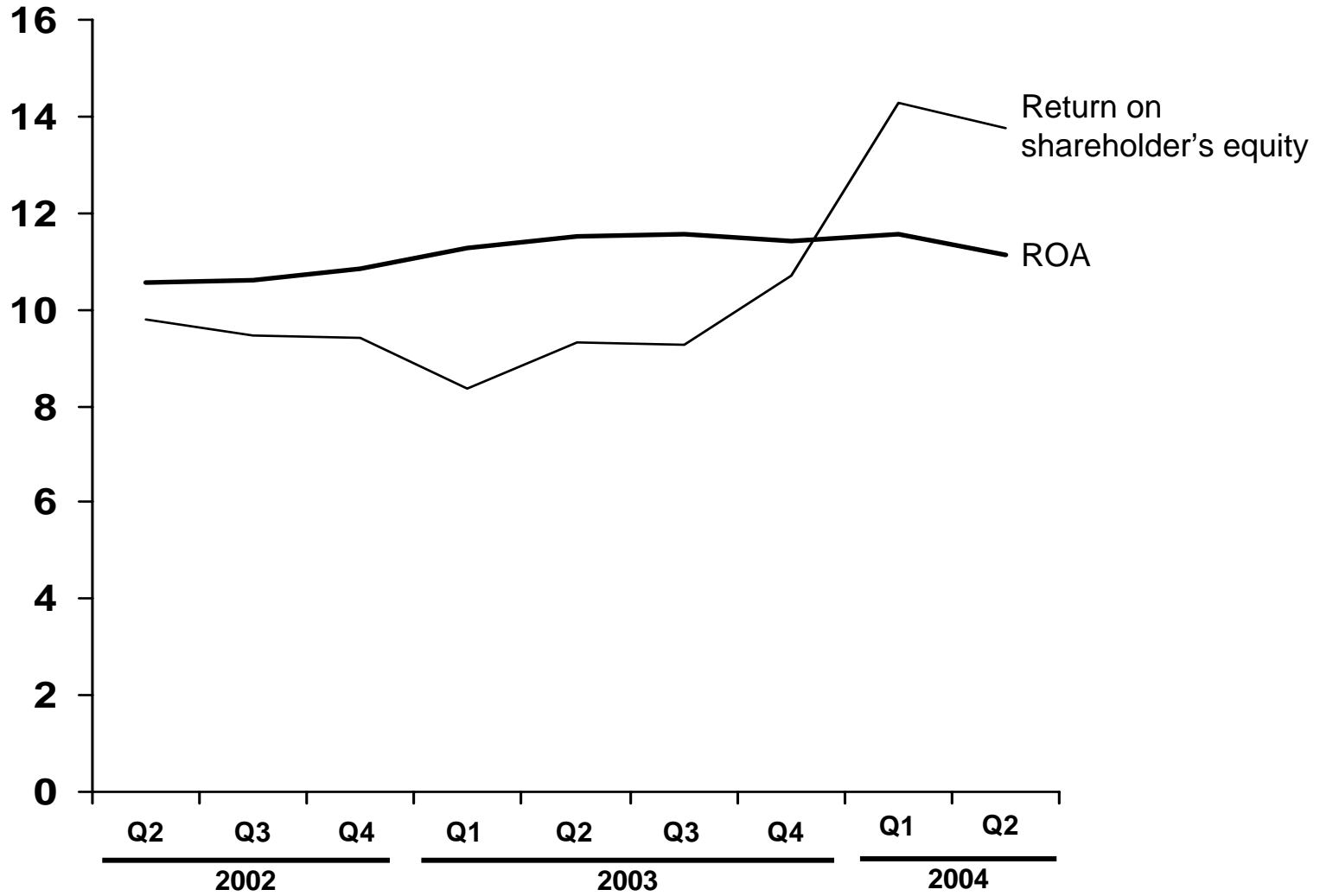
ROS Operating Margin, quarterly, R12



Potential to improve

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ROA, R12 and Return on Shareholders Equity, both excl Trenor

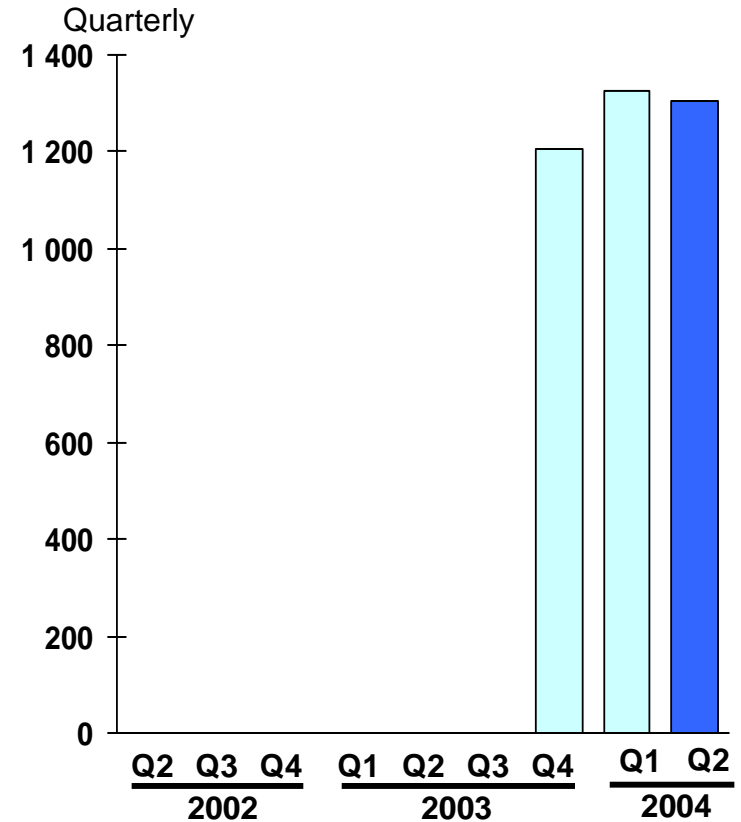


Improved sales in all geographical markets

Trelleborg Sealing Solutions

- Q2 Net sales 1,307 SEK M. Up 5,2 % compared to Q2 2003
- General market demand in Europe improved through better capacity utilization and good export. Strong demand in US. Continuous strong growth rate in Asia Pacific, particularly so in China & Japan.
- Strengthened sales in all geographical markets – Europe, US, Asia/Pacific
- Business Area appointed “Airbus Partner”
- Remaining stake of Eika Corp. acquired. Eika is a large distributor of precision seals to automotive, chemical- & process industry

Net sales, SEK M

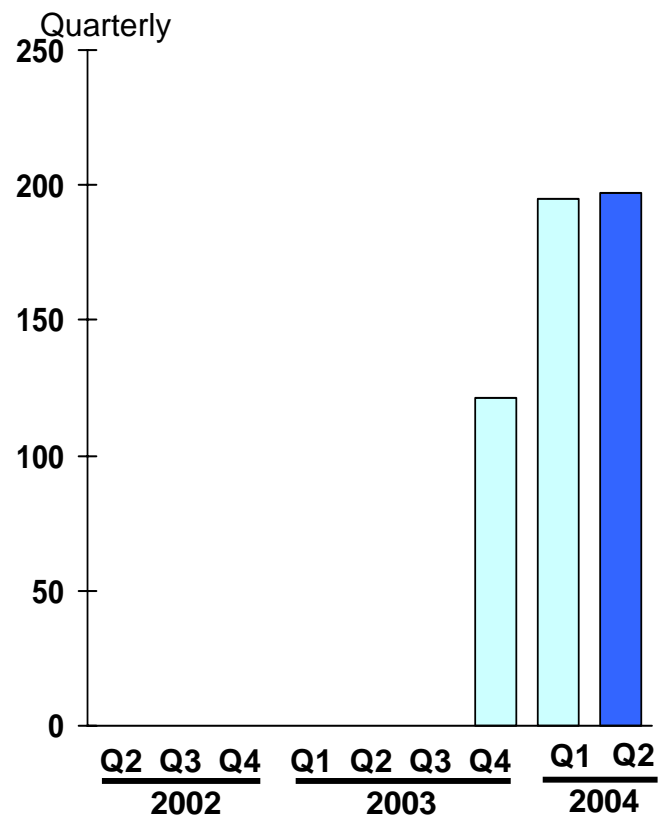


Continued strong profit generation

Trelleborg Sealing Solutions

- Q2 EBITA 197 SEK M
- All ongoing integration projects are running according to plan. Temporary integration organisation terminated.
- Several initiatives to improve efficiency are underway. Production site Milford Haven; UK, will close in Q3 2004 and Ross on Wye, UK, in beginning of 2005,
- A number of growth initiatives ongoing

EBITA, SEK M



Ongoing growth initiatives

SEALING SOLUTIONS

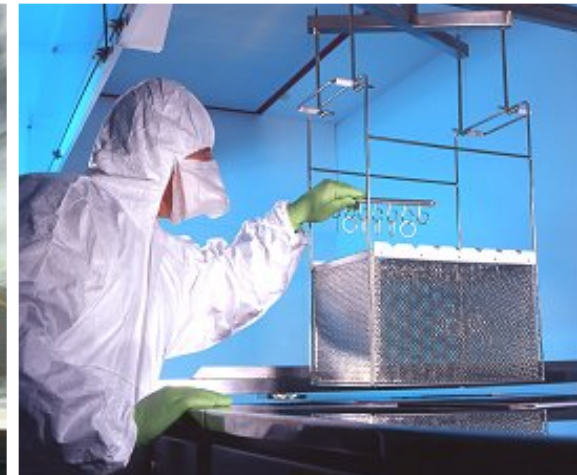
Growth segment Chemical & Processing Industries



New Polyurethane materials for hydraulic applications



Semiconductors: Cleanroom Manufacturing



Growth segment Hydro Power



New, efficient SCM in Europe, to be extended to Asia & Americas

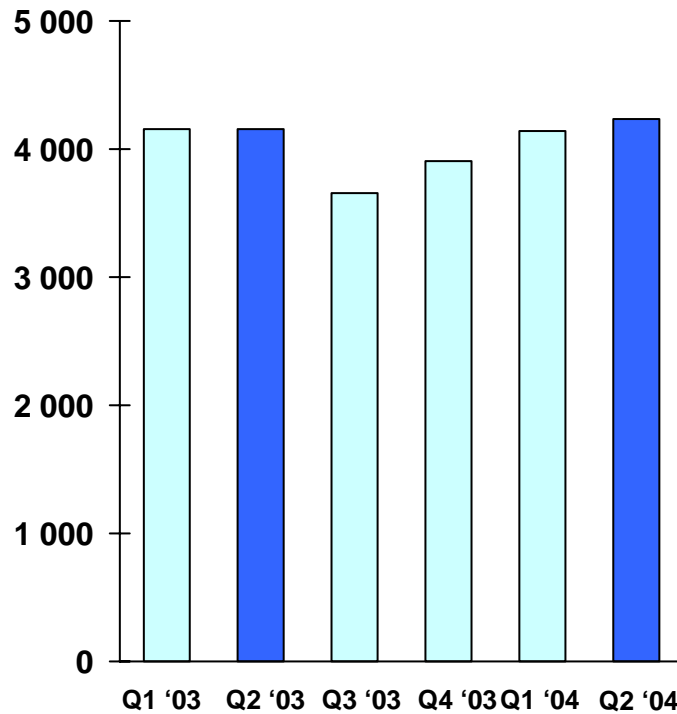


Develop Growth Markets in Asia

Six month production in line with last year

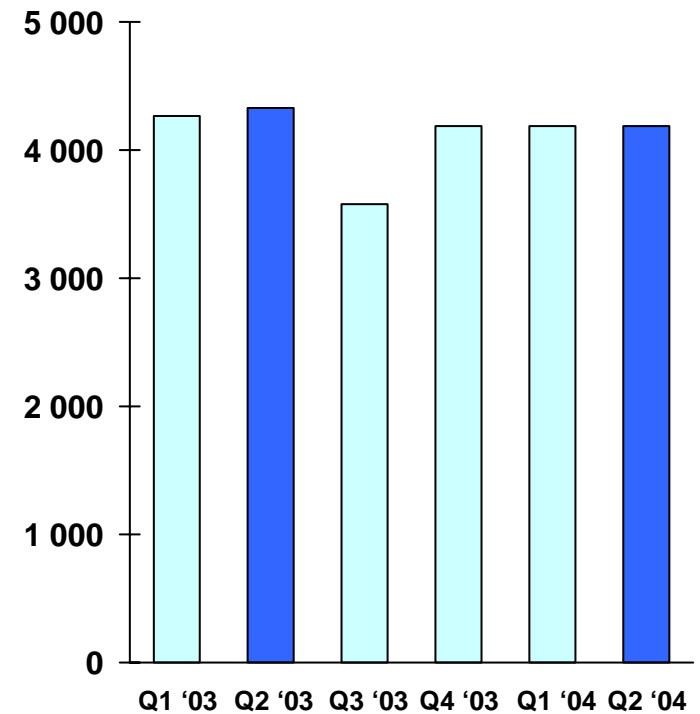
Light vehicles, Quarterly change YoY

NA light vehicle production, thousand units



	<u>Q2 YoY</u>	<u>H1 YoY</u>
Sales	0.8%	2.1%
Production	0.8%	0.1%

W Europe light vehicle production, thousand units



	<u>Q2 YoY</u>	<u>H1 YoY</u>
Sales	3.7%	3.3%
Production	0.0%	-0.1%

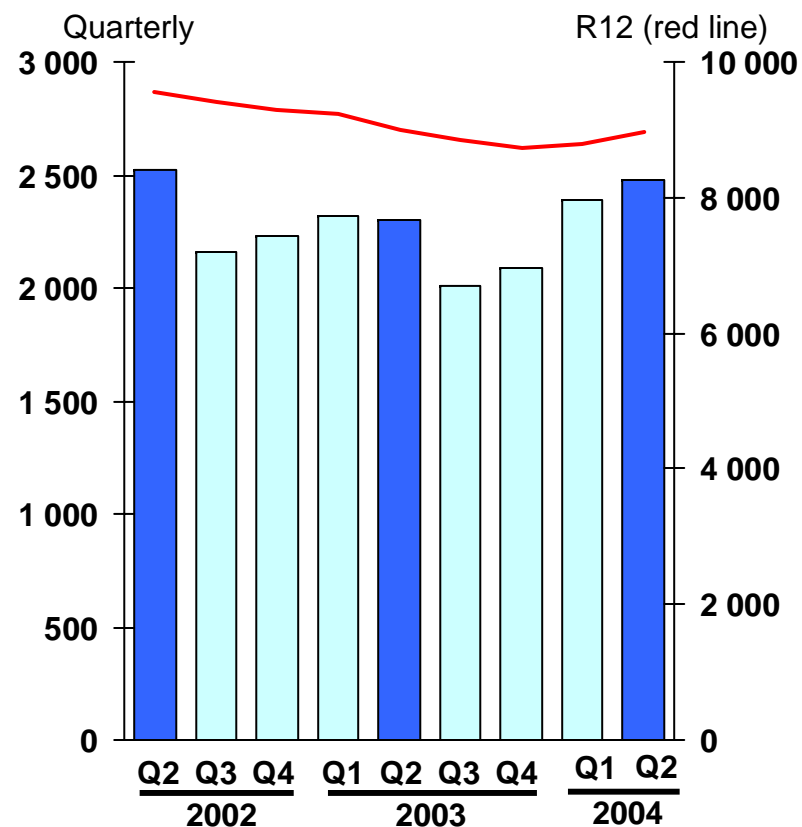
Note: Light vehicles comprises passenger cars, light trucks and light commercial vehicles. Source: JD Power, June 2004.

Top line growth through acquisitions

Trelleborg Automotive

- Six month Net Sales 4,873 MSEK (4,617)
- Acquisitions main drivers behind sales increase
Comparable currencies/units -1.5 %
Q2 Net sales 2,480 SEK M (2,297).
- Trelleborg Automotive's six month sales volumes were largely unchanged compared to previous year

Net sales, SEK M

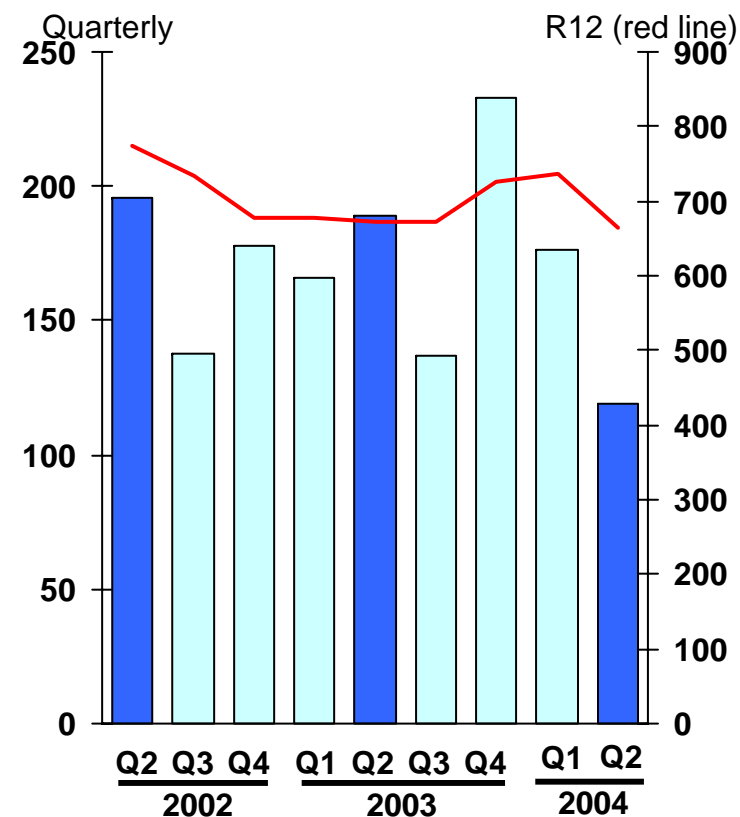


Decrease in profit mainly through one off in Logansport

Trelleborg Automotive

- Six month EBITA 295 MSEK (355)
Q2 EBITA amounted to 119 SEK M (189)
- Decrease in profit due to one offs mainly in connection to closure of Logansport facility - 60 MSEK. Positive effects on results of 60 MSEK on a yearly basis starting H2.
- Increased productivity and restructuring measures compensated for higher polymer raw material prices
- High steel prices remain in H2. Effects from restructuring, efficiency measures, price increases expected to a large extent to counter negative impact
- Increased market effort and technical resources in Asia. Expected growth in NA from 2005 based on booked orders

EBITA, SEK M

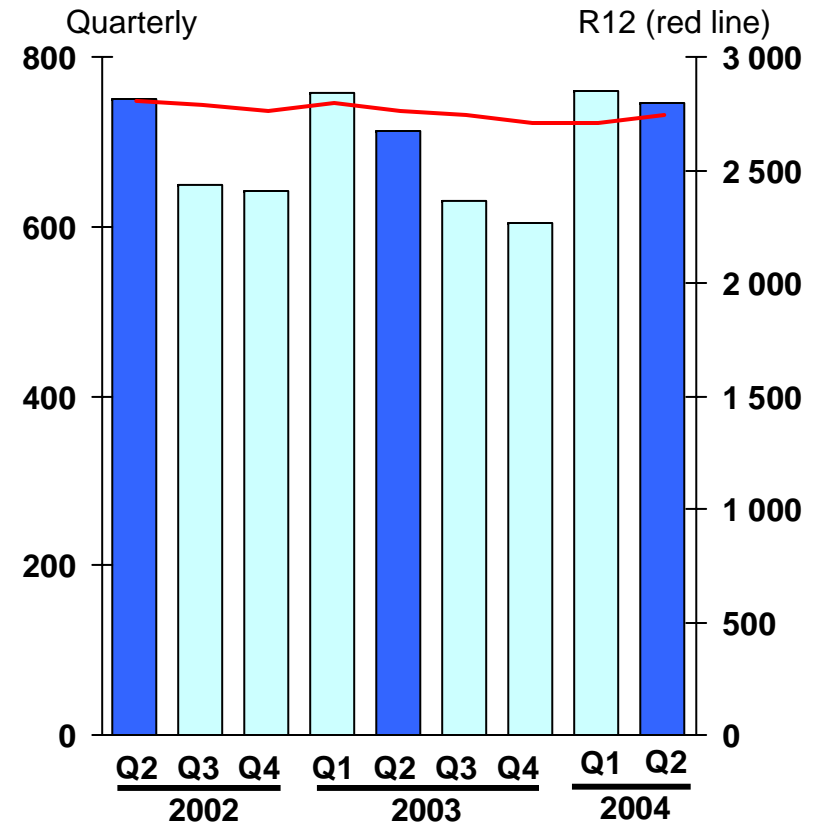


Strong sales in Industrial tires

Trelleborg Wheel Systems

- Six month Net Sales 1,505 MSEK (1,470) Comparable currencies/units + 4.5%. Q2 Net sales 745 SEK M (713).
- European Agri aftermarket stabilized, with signs of improvements in several markets. OE trend still negative but with some positive signs in Trelleborg key segments
- Industrial Tires: Sales in Europe strong, particularly for OE. Improved sales in US, both for OE and aftermarket.
- Positive sales trend continues in overseas markets

Net sales, SEK M

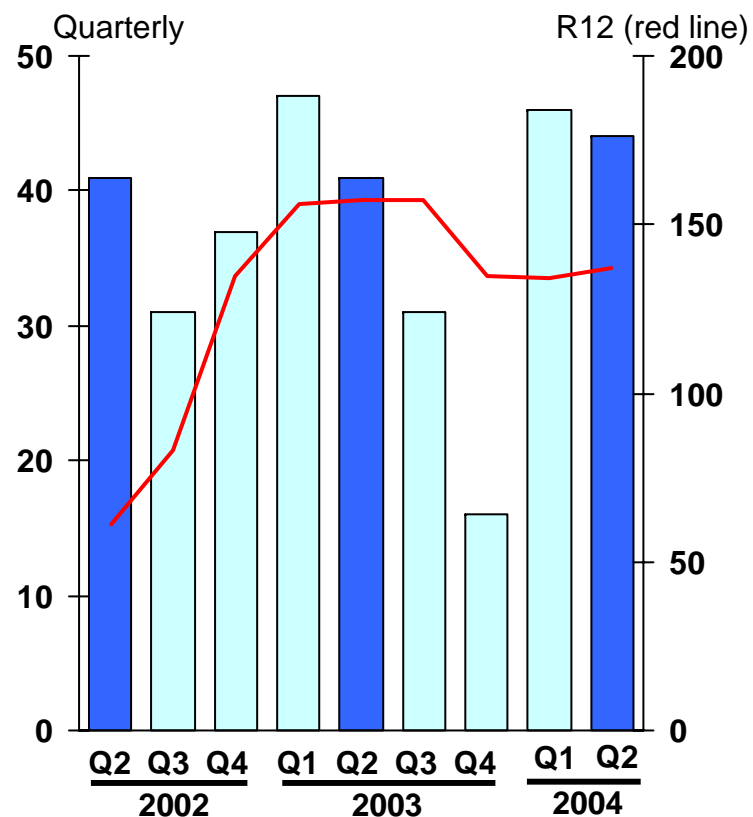


Improved results through increase in sales

Trelleborg Wheel Systems

- Six month EBITA 90 MSEK (88)
Q2 EBITA 44 SEK M (41)
- Positives from increased sales primarily in Industrial tires
- Raw material prices not fully compensated for by price increases in the period

EBITA, SEK M

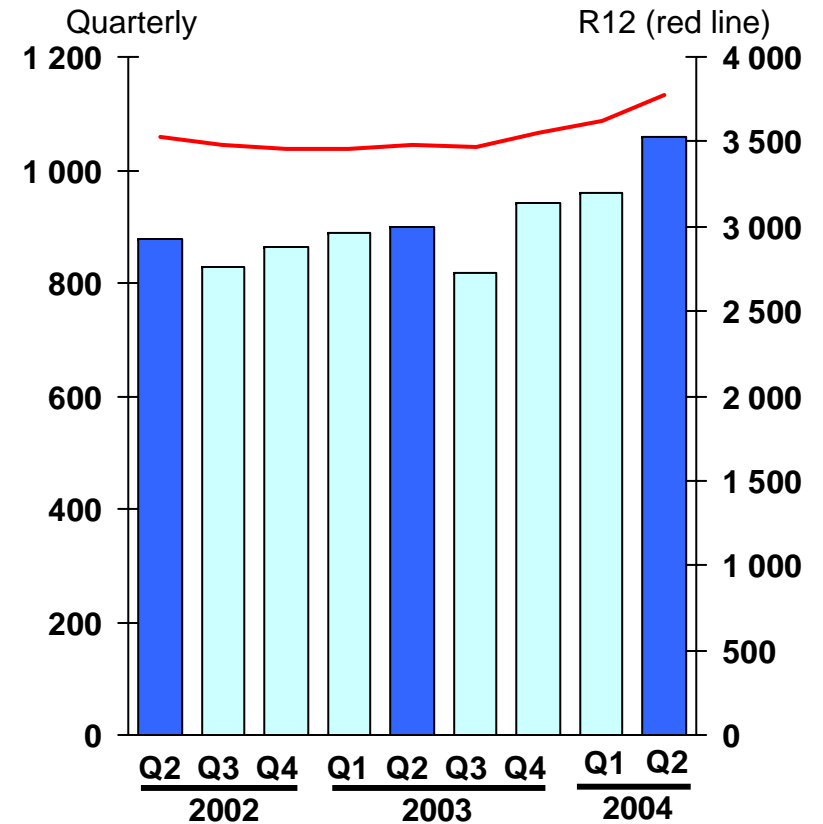


Good organic growth - +5.2 %

Trelleborg Engineered Systems

- Six month Net Sales 2,018 MSEK (1,790)
Comparable currencies/units + 5.2 %.
Q2 Net sales 1 058 SEK M (900).
- A generally improved demand for industrial supply products in NA. Some positive signs in Europe
- Several large project deliveries in Q2 within Fender systems and oil handling equipment.
- Continuously good order bookings for the BA

Net sales, SEK M

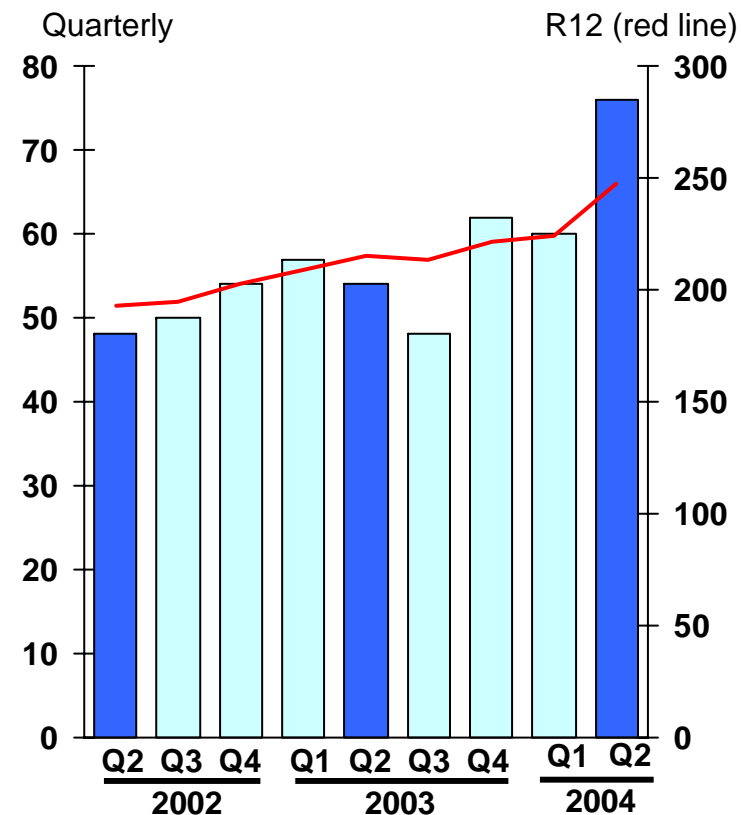


EBITA up 43 % in Q2

Trelleborg Engineered Systems

- Six month EBITA 136 MSEK (110)
Q2 EBITA 76 SEK M (53), up 43%
- Main drivers include increased volumes in both industrial supply and project related businesses as well as from acquisitions
- Units transferred from TSS contributed positively both to sales and profits

EBITA, SEK M



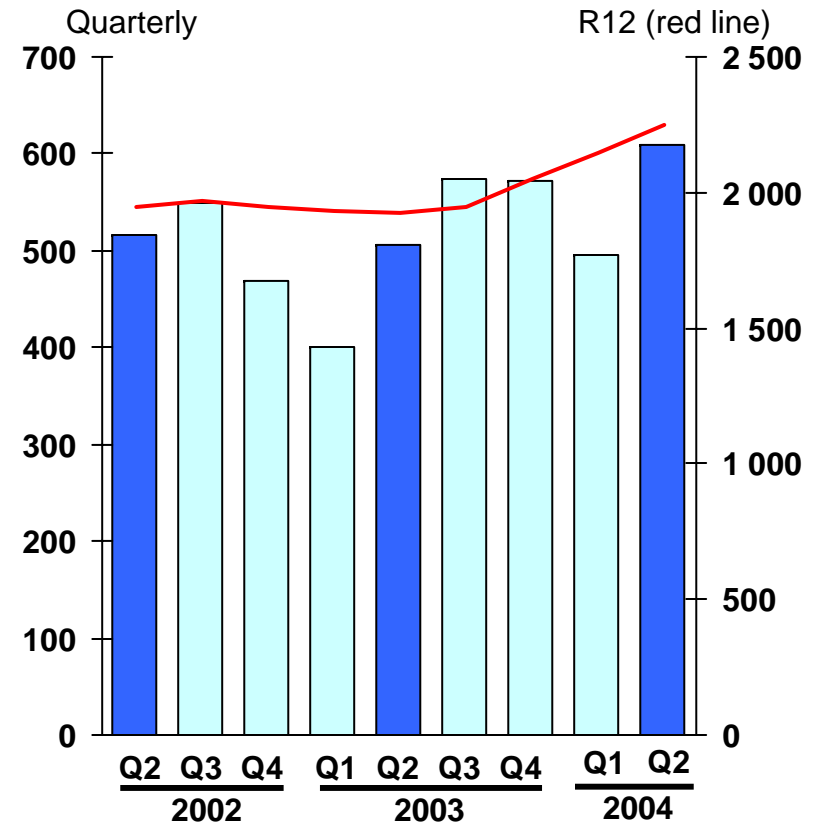
Continuously strong sales through market efforts

BUILDING
SYSTEMS

Trelleborg Building Systems

- Six month Net Sales 1,105 MSEK (906) Currency/comparable units + 4.9%. Q2 Net sales 610 SEK M (505).
- Stabilized demand in Nordic Countries. Good development in UK and Eastern Europe markets. German stabilized
- Marketing efforts and successful product launches lead to increased sales

Net sales, SEK M

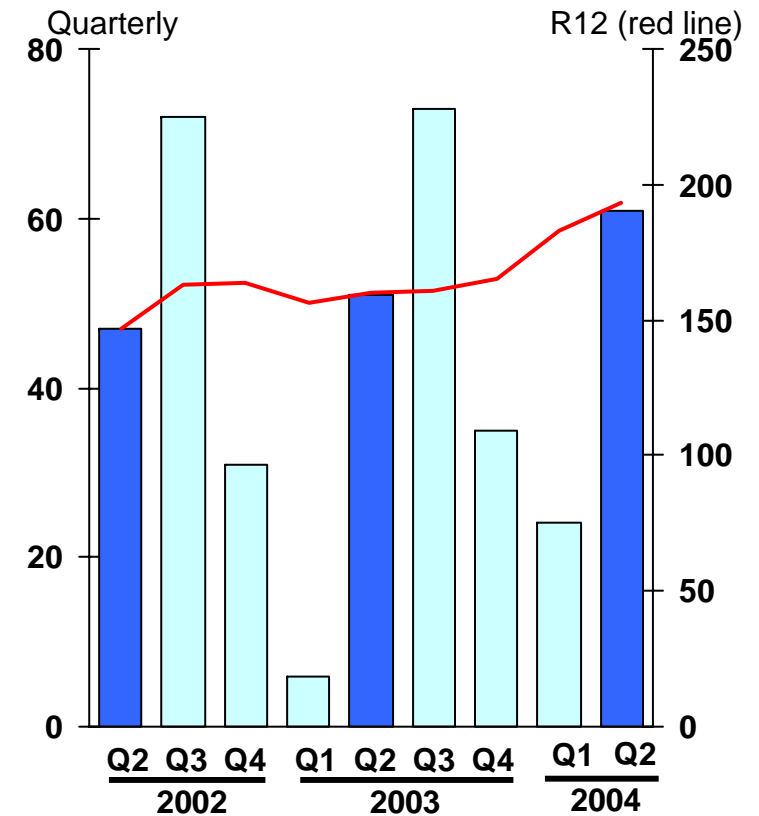


Increased sales and efficiency way to improved profit

Trelleborg Building Systems

- Six month EBITA 85 MSEK (57)
Q2 EBITA 61 SEK M (51)
- Main drivers: increased sales volume and production efficiency
New BU Pipe Seals also contributed to improved profit
- Structural efforts in Swedish mixing and move of production to Poland gives gradual positive effect on results

EBITA, SEK M



Trelleborg Group – Income Statements

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Income Statements

Group SEK M	Apr - June		Jan - June		July 2003- June 2004
	2004	2003	2004	2003	
<i>Continuing operations</i>					
Net sales	6 108	4 342	11 923	8 631	21 252
Cost of goods sold	-4 471	-3 314	-8 750	-6 640	-15 782
Gross profit	1 637	1 028	3 173	1 991	5 470
Selling expenses	-543	-368	-1 065	-736	-1 892
Administrative costs	-582	-300	-1 147	-607	-2 013
Research and development costs	-128	-119	-246	-238	-420
Other operating revenue	70	72	147	138	345
Other operating expense	-44	-47	-86	-75	-167
Costs related to closure of Logansport facility	-60	-	-60	-	-60
Result from participation in associated companies	10	7	24	14	42
Operating profit	360	273	740	487	1 305
Financial income and expenses	-73	-27	-157	-48	-250
Result from Boliden shares	-	7	-	19	5
Profit after financial items	287	253	583	458	1 060
Tax	-109	-95	-219	-168	-359
Minority shares	-6	-5	-12	-8	-22
Net profit	172	153	352	282	679
<i>Discontinuing operations</i>					
Result before tax from participation in Trenor	29	24	55	42	169
Result from Trenor divestment	620		620		620
Result after financial items	649	24	675	42	789
Tax	-11	-1	-19	-7	-75
Net profit	638	23	656	35	714
Sum result after financial items	936	277	1 258	500	1 849
Sum net profit	810	176	1 008	317	1 393

3.4 % of
average net
debt

38 % of
profit
before tax

Operating cash flow

GROUP
Trelleborg Group, SEK M

	EBITDA, excl. assoc. companies	Gross invest- ments	Fixed assets sold	Change in working capital	Total cash flow	
					Jan - Jun 2004	Jan - Jun 2003
Trelleborg Automotive	528	-254	2	-61	215	257
Trelleborg Wheel Systems	154	-28	29	-64	91	-40
Trelleborg Engineered Systems	204	-51	6	-64	95	89
Trelleborg Building Systems	120	-27	1	-60	34	8
Sealing Solutions	481	-94	9	-112	284	-
Group items	-96			-20	-116	-40
Other companies	-2	-1		3		14
Operating cash flow	1 389	-455	47	-378	603	288
Acquisitions					-372	-105
Divestments					1 097	-
Restr. measures, incl. in acquired units					-126	-136
Dividends					-398	-355
Options, warrants and repurchase					168	-19
Financial items					-93	61
Taxes					-220	-69
Total net cash flow					659	-335

*108% of
depreciation*

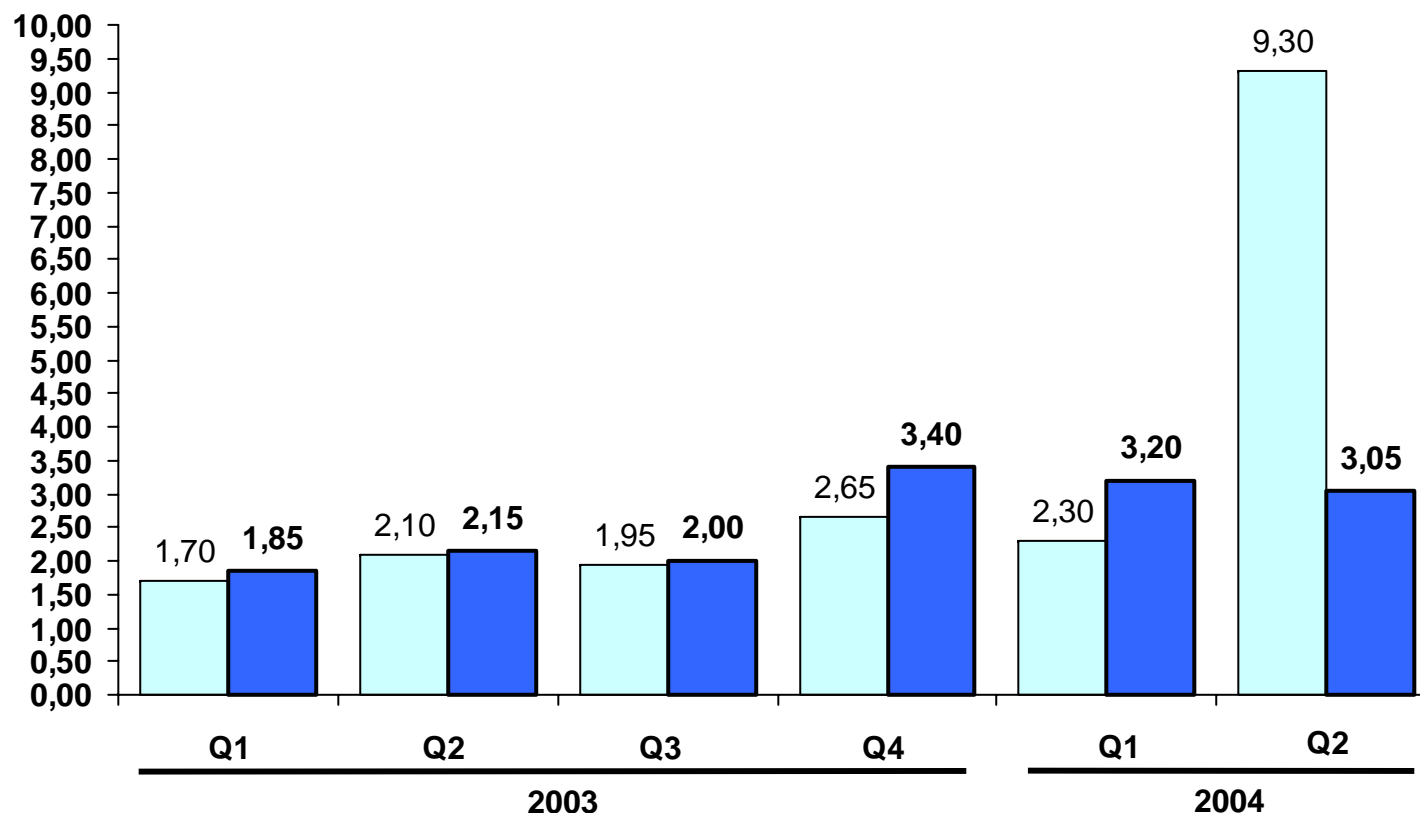
*SEK M -348 in
2003*

Paid tax 38 %

Q2 EPS excl goodwill amort. up 42 % - 3.05 SEK (2.15)

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Earnings per share, **Light Blue**, and also excl goodwill amortization in present structure (excl Trenor), **Blue**, SEK



R12 EPS, excl. goodwill amort. In present structure

8.15	7.95	8.00	9.40	10.80	11.65
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Dito, incl. proforma interest from divestment Trenor*

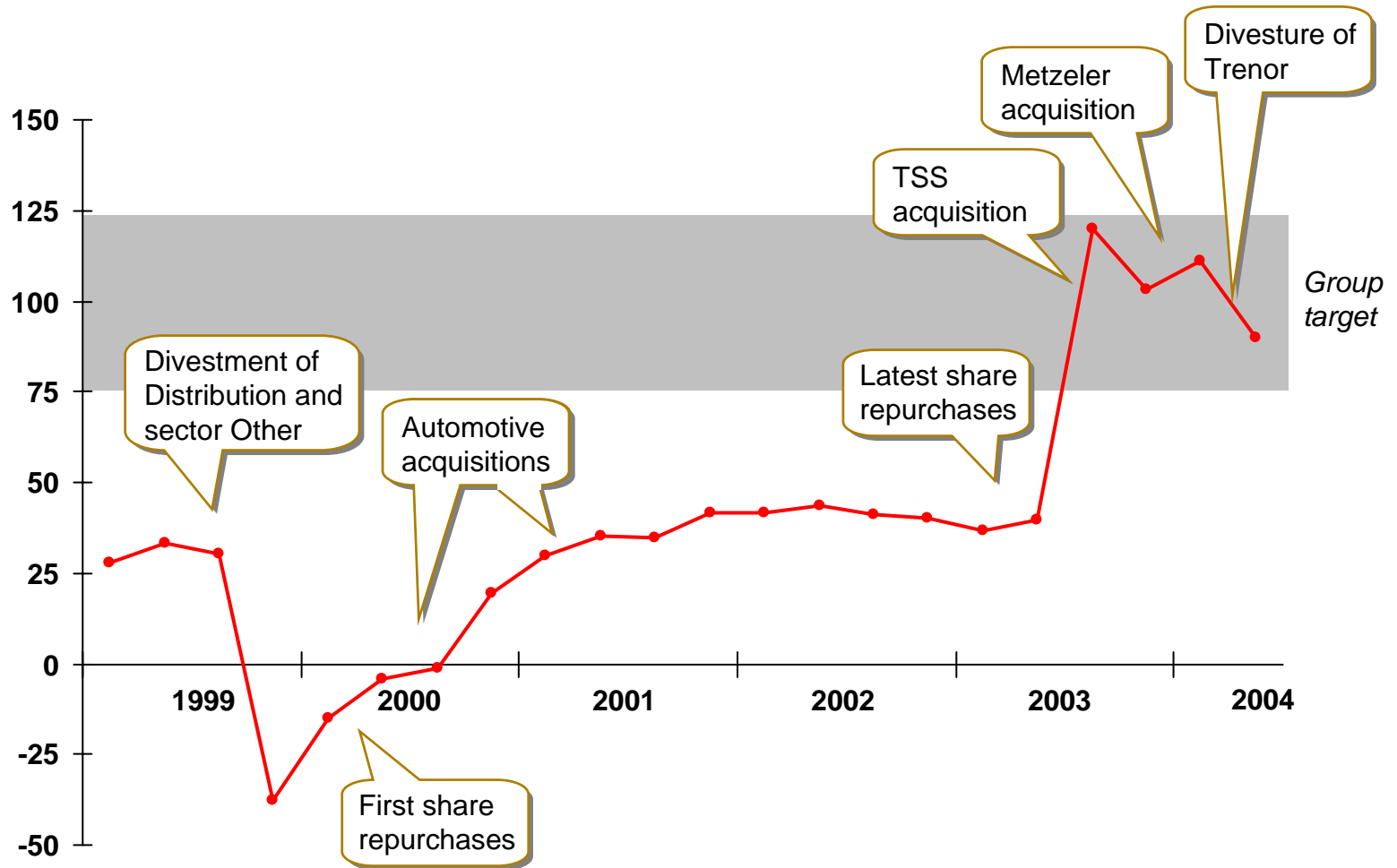
8.50	8.30	8.35	9.75	11.15	12.00
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*2.9 % after tax x 1,100 MSEK / 85.6 million shares

Gearing well in line with Group's target

GROUP

Group debt/equity; 1999A-2004A; Percent; Quarterly data



Outlook

There is expected to be continued gradual improvement of the market conditions in Trelleborg's principal markets during the second half of 2004.

To achieve the long-term goals regarding margin improvements announced in autumn 2003, a number of efficiency measures are being implemented, while further action is being evaluated.

The Trelleborg Group is prioritizing continued focus on organic growth and complementary acquisitions that will contribute to the strengthening of the Group's core areas.

Calendar

Interim report January-September
Year End Report

October 26, 2004
February 8, 2005

Financial information

Interim reports, annual reports, the stakeholder magazine T-TIME and other information on the Trelleborg Group may be ordered from Trelleborg AB, Information Department, Box 153, SE-231 22 Trelleborg, Sweden, by telephone on +46 410-670 09, by fax on +46 410-427 63, by e-mail info@trelleborg.com or can be downloaded from the Group's website www.trelleborg.com.

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