

Welcome to 1st Quarter Report Update

April 26, 2005




TRELLEBORG



GROUP

- ▼ **Sales in line with Q1 2004**
 - ▼ Group Net Sales in Q1 5,794 MSEK (5,815)
 - ▼ Group Organic Growth in Q1 1 % - adjusted for fewer working days, 4 %

- ▼ **Lower results compared to a strong Q1 2004**
 - ▼ Profit after financial items amounted to 336 MSEK (389) (continuing operations, excl restructuring costs and write-downs)
 - ▼ Q1 04 not yet effected by higher raw material costs

- ▼ **Continuously strong cash flow**
 - ▼ Seasonally strong operating cash flow 123 MSEK (13)
 - ▼ Positive effects from ongoing capital reduction program

Mainly positive development, apart from Automotive

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Trelleborg Group Estimates for our 7 key markets

Part of
Group Sales

Q1, 2005

13 %



3 %



10 %



38 %



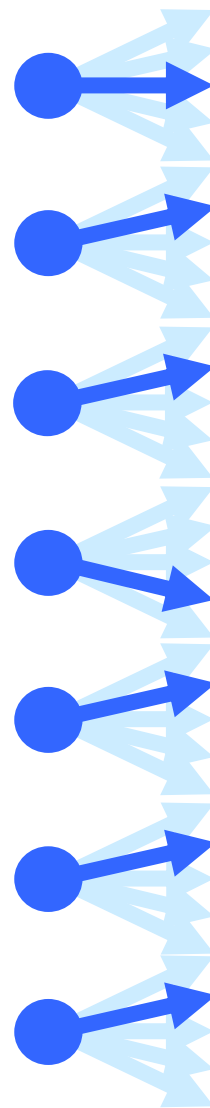
8 %



3 %



25 %

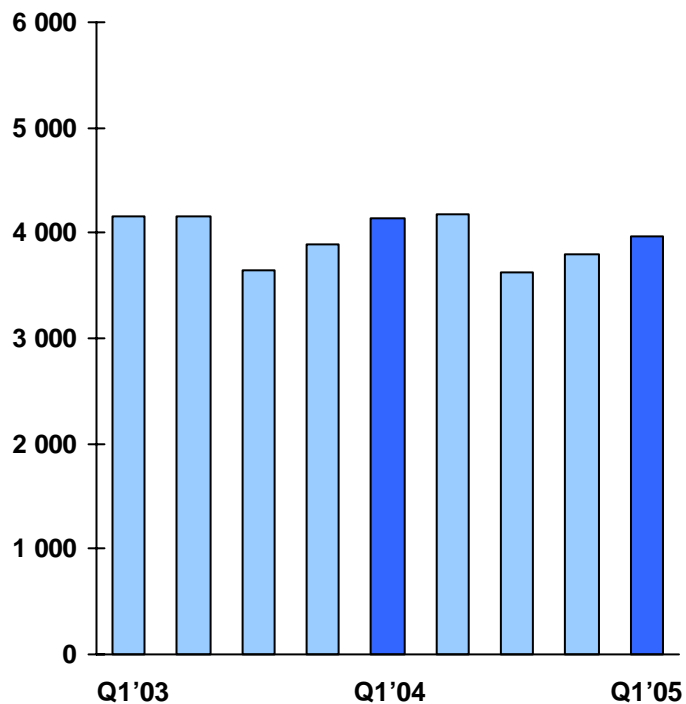


Lower than expected light vehicle production

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Light vehicles, Quarterly change YoY

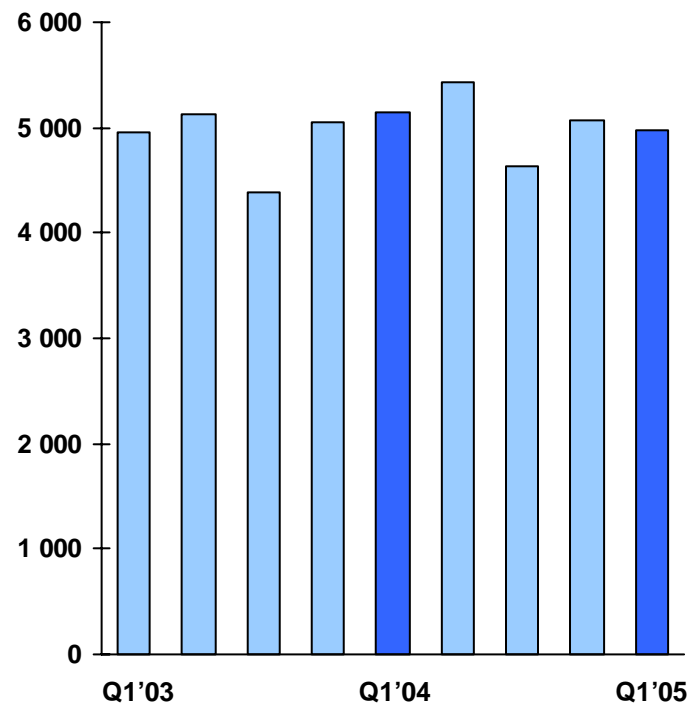
NA light vehicle production, thousand units



Q1 YoY

Sales	-0.4%
Production	-4.1%

European light vehicle production, thousand units



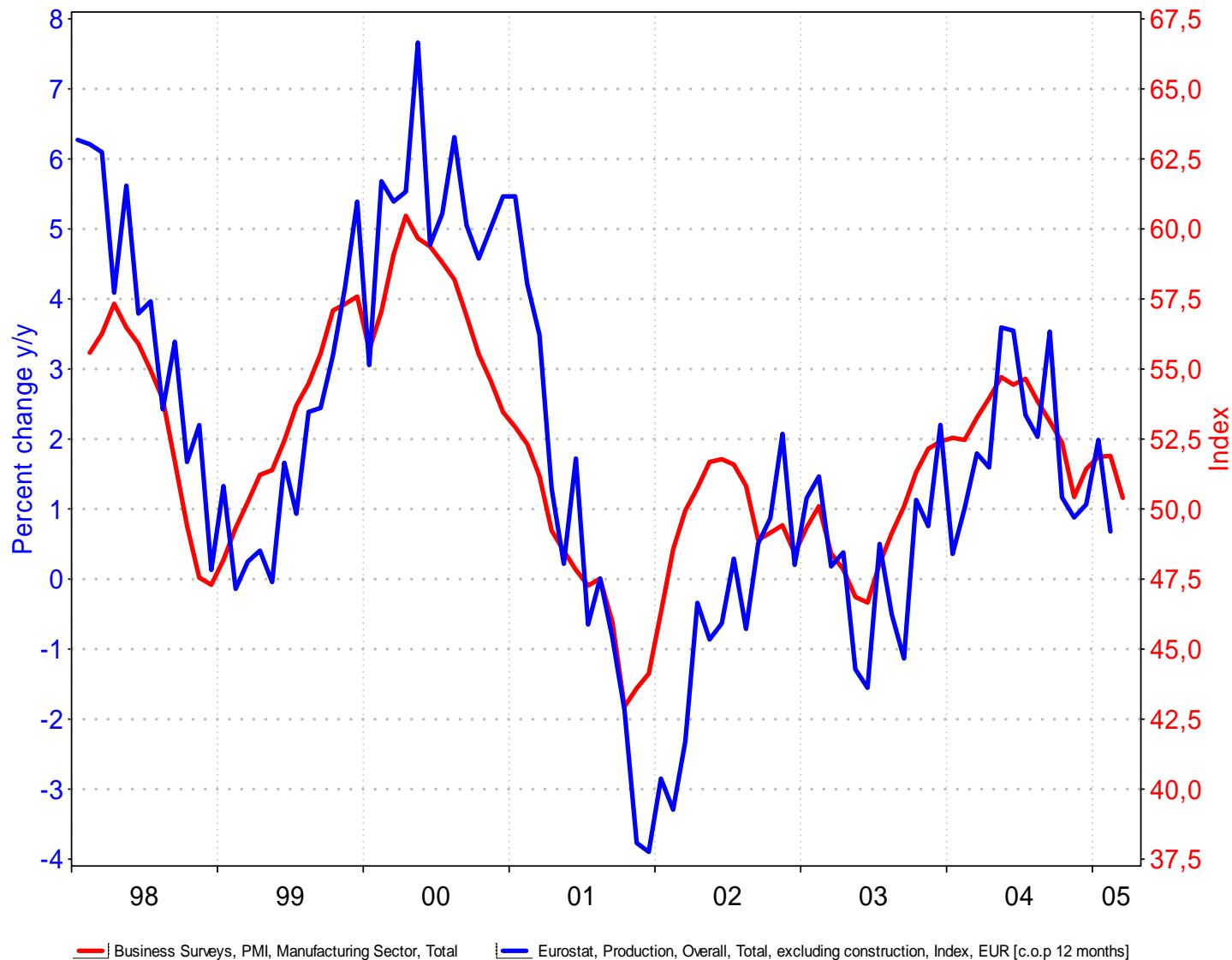
Q1 YoY

Sales	-3.3%
Production	-3.2%

Note: Light vehicle comprises of passenger cars and light trucks. Europe includes both Western and Eastern Europe. Sales figure Europe Q1 refers to passenger cars only
 Source: J.D. Power; Ward; ACEA; Trelleborg analysis

EMU Purchasing managers index vs Ind. Production

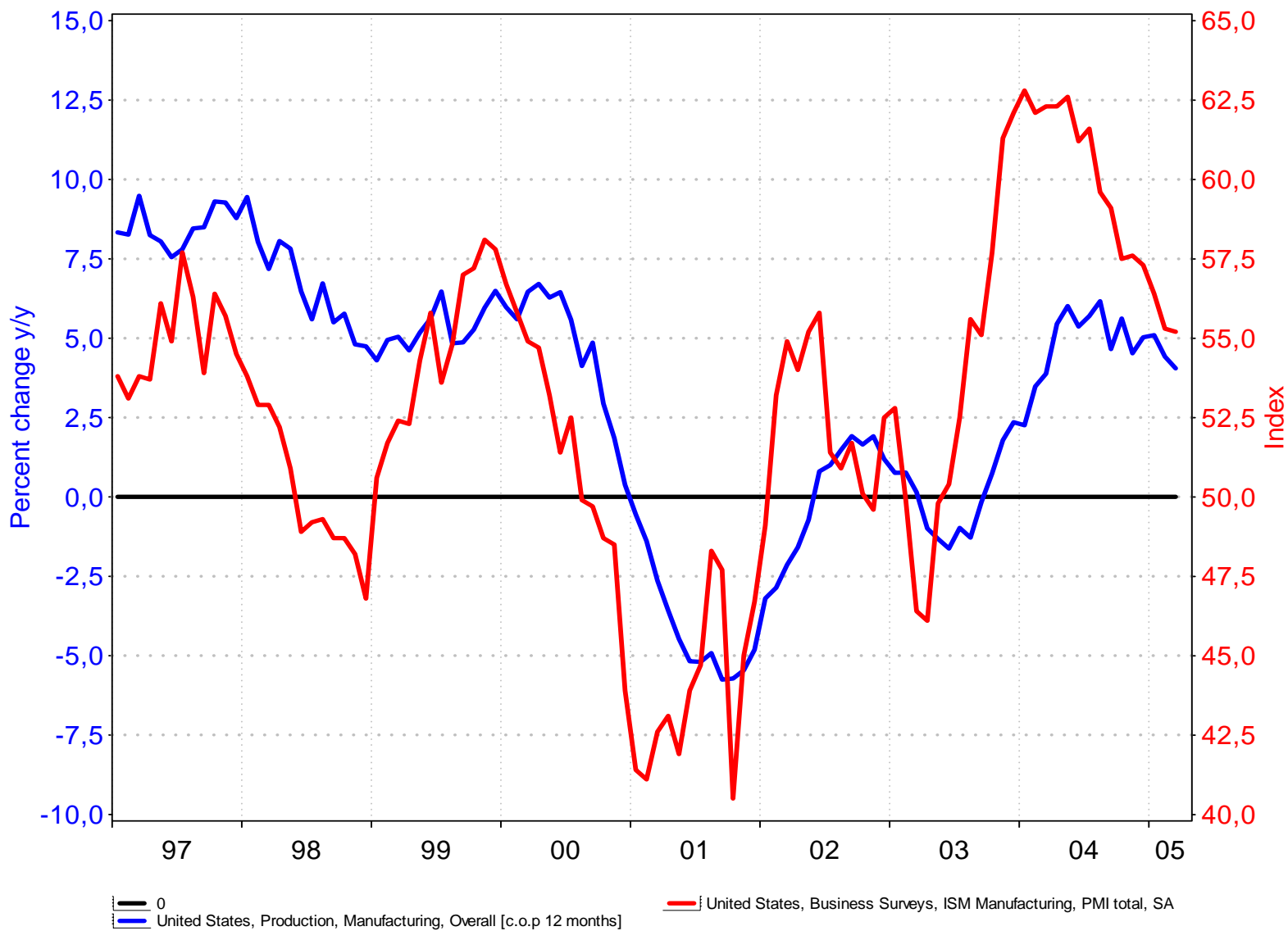
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Source: EcoWin

USA ISM Purchasing Managers index vs Ind Production

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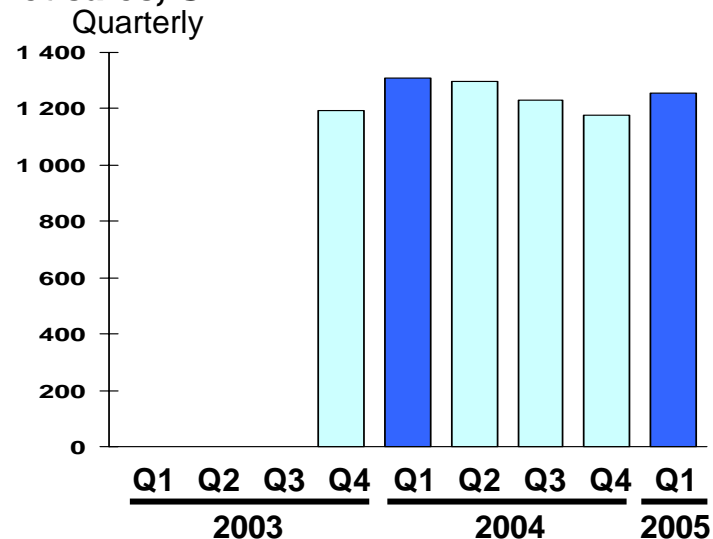
Source: EcoWin

Continued stable trend

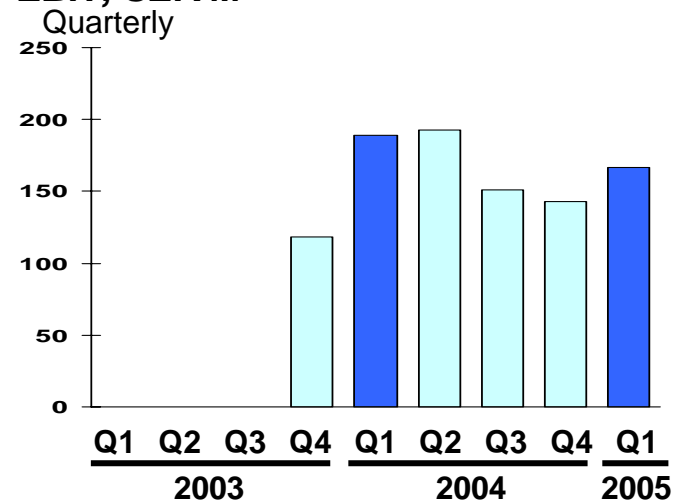
Trelleborg Sealing Solutions

- ▼ Q1 net sales 1,257 SEK M (1,310)
- ▼ R12 net sales 4,956 MSEK (5,009 fy 2004)
- ▼ Q1 Organic growth -1 % (fewer working days effect -3 %)
- ▼ Weak automotive market
- ▼ Good demand and sales in Industry and Aerospace
- ▼ Negative earnings effect mainly from fewer working days
- ▼ Expansion in N America and Asia runs according to plan
- ▼ Q1 EBIT amounted to 167 SEK M (189)
- ▼ R12 EBIT 654 MSEK (676 fy 2004)

Net sales, SEK M



EBIT, SEK M



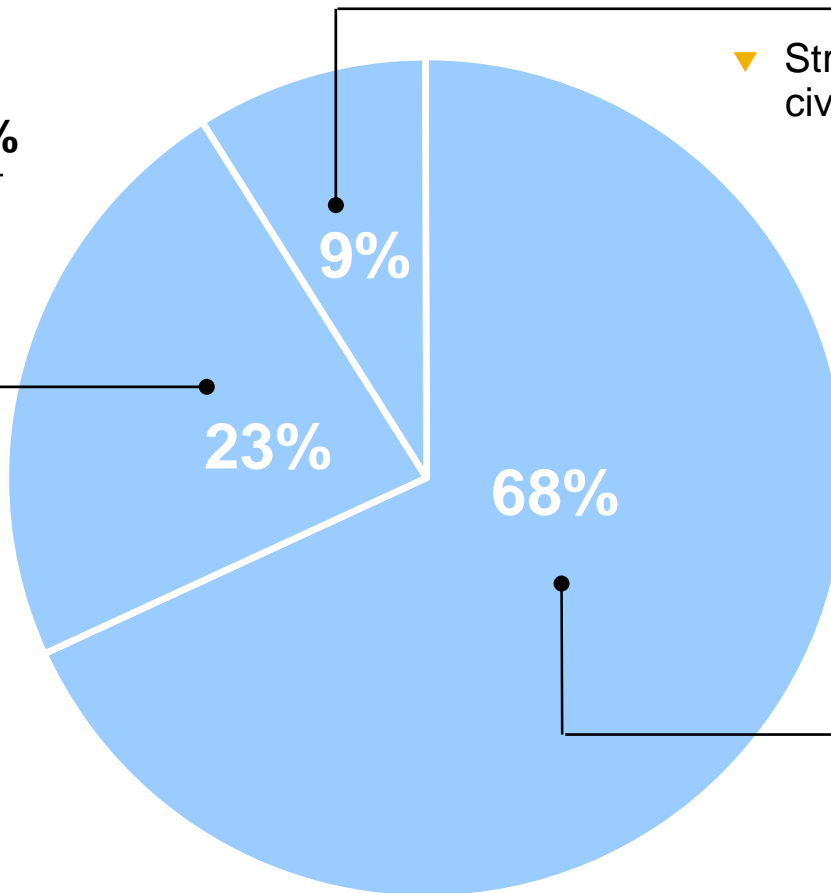


Automotive Segment Organic Growth -10 %

- ▼ Weak automotive demand in both US and Europe
- ▼ Exit from non profitable businesses

Aerospace Segment Organic Growth +5 %

- ▼ Strong demand in both civil and military parts



Industry Segment Organic Growth +5 %

- ▼ Only slightly lower demand than previously strong quarters

Sales higher than underlying markets in N America

AUTOMOTIVE

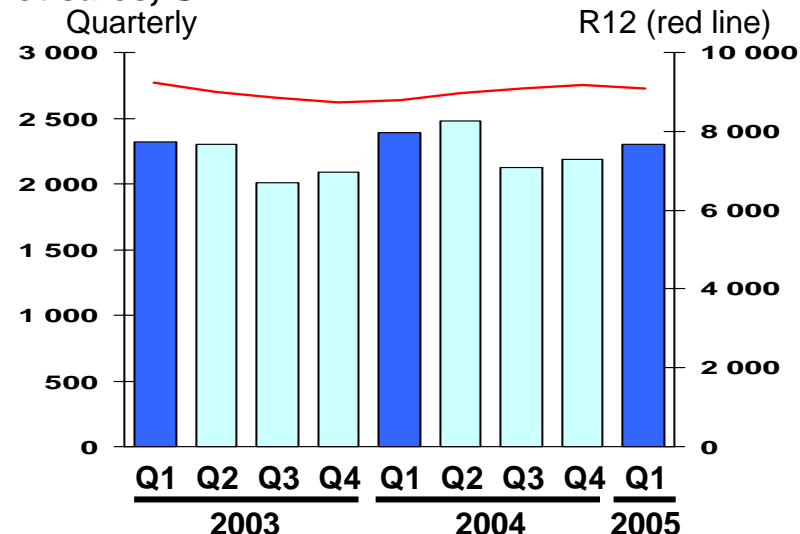
Trelleborg Automotive

- Q1 net sales 2,302 SEK M (2,393)
- R12 net sales 9,091 MSEK (9,182 fy 2004)

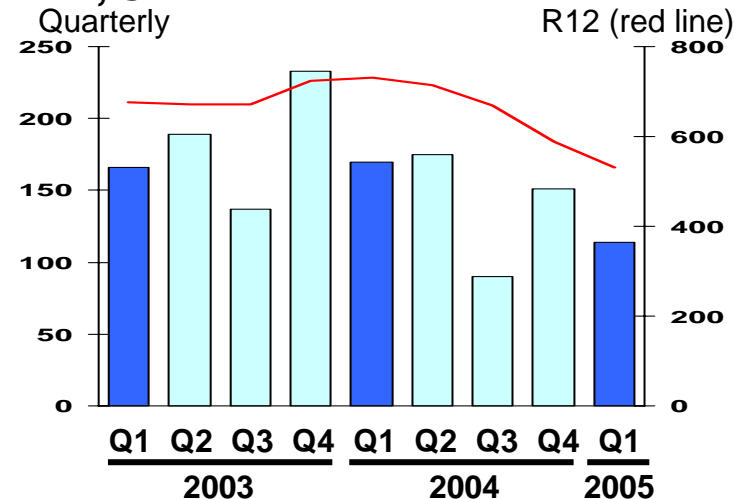
- Q1 organic growth -2.2 % sales in line with underlying market, slightly better in N America
- Trend in automotive industry weaker than expected
- Earnings negatively effected by:
 - Lower volumes/lower plant utilization
 - Q1 05 effected by increased prices for input goods – Q1 04 uneffected
- Corrective actions ongoing
- Programs for continous lowering of break-even well underway

- Q1 EBIT amounted to 114 SEK M (170)
- R12 EBIT 531 MSEK (587 fy 2004)

Net sales, SEK M



EBIT, SEK M

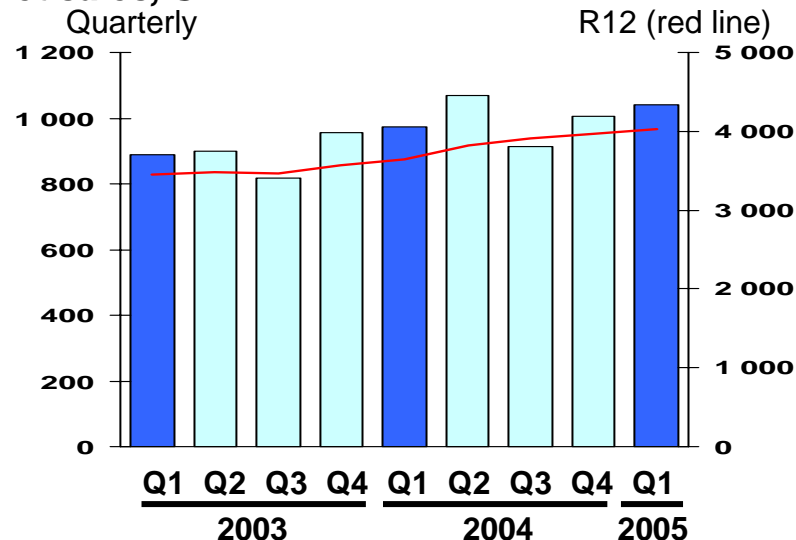


Strong growth, improved earnings

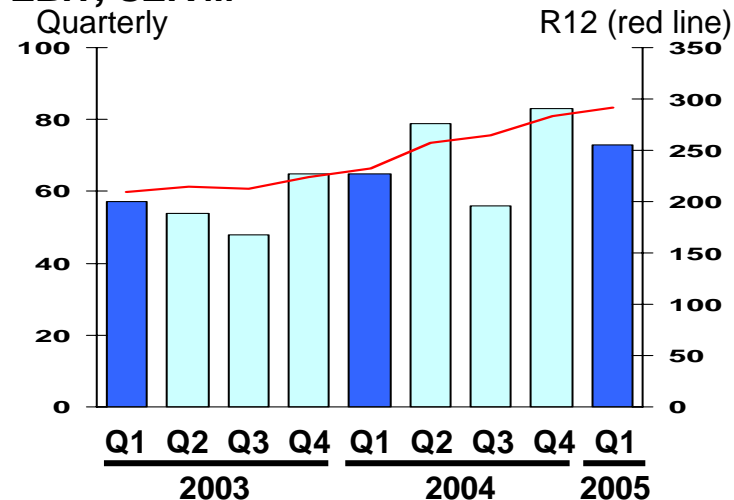
Trelleborg Engineered Systems

- Q1 net sales 1,042 SEK M (974)
- R12 net sales 4,029 MSEK (3,961 fy 2004)
- Q1 organic Growth 8.6 %.
- Good demand in most market segments.
- Strong development in Ind Fluid systems, mainly due to oil & gas related project deliveries
- Continuously stable demand in project related products with good order bookings
- Continuously excellent growth in precision moulded goods to manufacturing industries.
- Strong Cash-flow.
- Q1 EBIT amounted to 73 SEK M (65)
- R12 EBIT 291 MSEK (283 fy 2004)

Net sales, SEK M



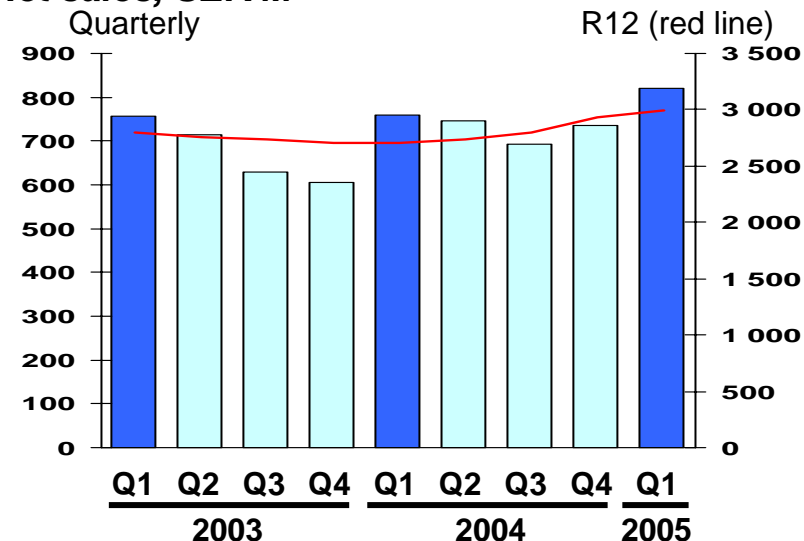
EBIT, SEK M



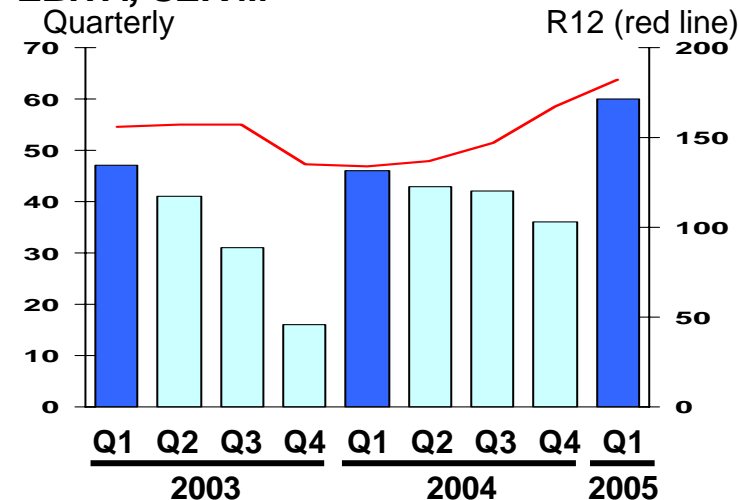
Trelleborg Wheel Systems

- Q1 net sales 820 SEK M (760)
- R12 net sales 2,993 MSEK (2,933 fy 2004)
- Q1 organic growth 9.9 %.
- The BA continued to capture market shares in a stable European Agri market, primarily in OE.
- Move of production from Trelleborg plant runs according to plan.
- OE ind tyres market remains favorable in N America, Europe and Asia. Continuous gradual improvement in aftermarket
- Continued positive trend in emerging markets.
- Increased material costs offset by improved price levels
- Q1 EBIT amounted to 60 SEK M (46)
- R12 EBIT 181 MSEK (167 fy 2004)

Net sales, SEK M



EBITA, SEK M

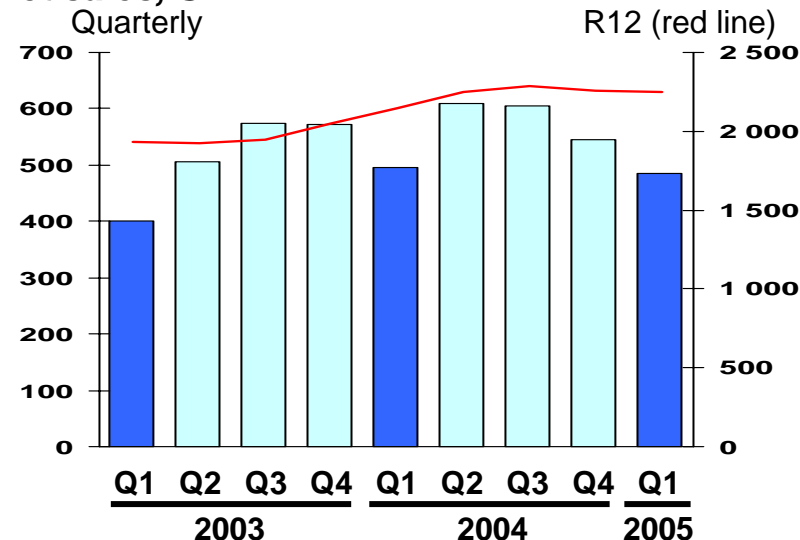


Good roofing development, profiles weak in C Europe

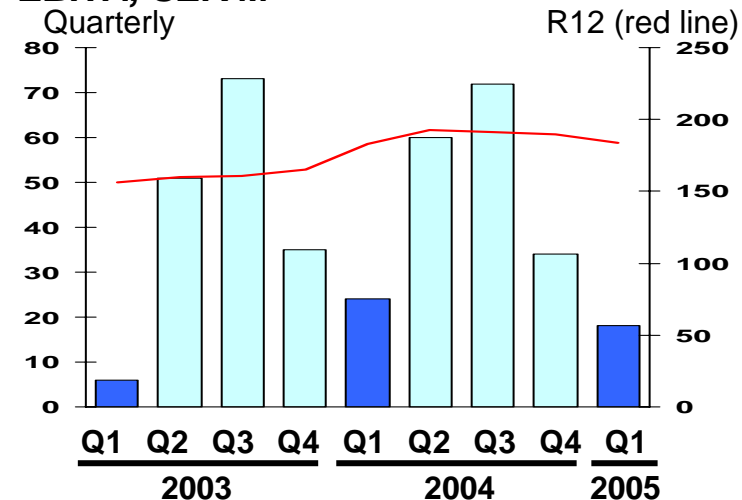
Trelleborg Building Systems

- Q1 net sales 485 SEK M (495)
- R12 net sales 2,247 MSEK (2,257 fy 2004)
- Q1 organic growth +/-0 %.
- Demand in Scandinavian building markets improved. Market for industrial profiles in C Europe (mainly Germany) was weak
- Negative impact on earnings from lower volumes in profile operations. Partially compensated by increased sales in Waterproofing and Pipe Seals.
- Efficiency measures in Sweden/UK expected to contribute positively already in Q2
- Q1 EBIT amounted to 18 SEK M (24)
- R12 EBIT 184 MSEK (190 fy 2004)

Net sales, SEK M



EBITA, SEK M



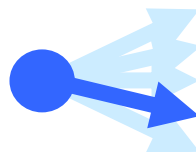
Raw materials development still demanding

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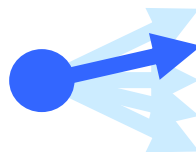
Polymers



Natural Rubber



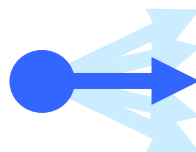
Other polymers



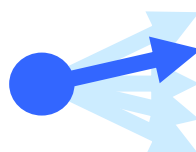
Metal Components



Steel USD or similar



Steel EURO



- ▼ Higher raw material costs neutralized in 4 of 5 BAs
- ▼ BA Automotive – margins negatively effected
- ▼ Continous focus on:
 - ▼ Price adjustments
 - ▼ Redesign
 - ▼ Consolidation of suppliers
 - ▼ Lowering of break-even levels

Organic Growth and Margin Development

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	Organic Growth		ROS %, R12		Change
	Q1 04	Q1 05	Mar 04	Mar 05	
Trelleborg Automotive	-3 %	-2 %	7.9	5.5	-2.4%
Trelleborg Sealing Solutions	+5 %	-1 %	12.2*	13.2	+1.0%
Trelleborg Engineered Systems	+3 %	+9 %	6.4	7.2	+0.8%
Trelleborg Wheel Systems	+3 %	+10 %	5.0	6.1	+1.1%
Trelleborg Building Systems	+4 %	0 %	8.6	8.0	-0.6%
Trelleborg Group	+5 %	+1 %	7.5	7.4	-0.1%

*Oct03 – March04 only

Bolt on acquisitions during the period

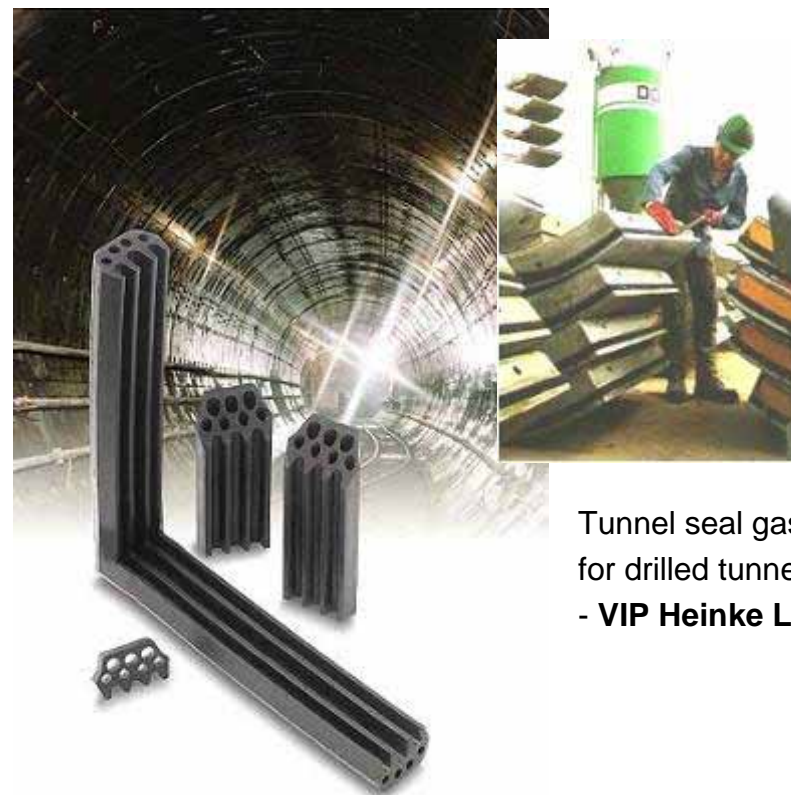
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Fender application at Aker Brygge - **Metso**



Strengthened distribution of seals products in India - **Rollon**



Tunnel seal gaskets for drilled tunnels - **VIP Heinke Ltd**

Operating cash flow

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Trelleborg Group, SEK M

Jan - March	EBITDA, excl. assoc. companies	Gross invest- ments	Fixed assets sold	Change in working capital	Total cash flow		
					2005	2004	R12 2005
Trelleborg Automotive	208	-117	1	-25	67	-26	433
Sealing Solutions	212	-27	0	-153	32	119	492
Trelleborg Engineered Systems	107	-14	0	-16	77	-4	373
Trelleborg Wheel Systems	88	-8	1	-65	16	-6	279
Trelleborg Building Systems	35	-12	0	-19	4	15	207
Other companies	-2	-	-	1	-1	0	-4
Group items	-55	-1	-	-16	-72	-85	-187
Operating cash flow	593	-179	2	-293	123	13	1 593
Restructuring measures against provisions					-9	-81	-176
Other restructuring measures					-31	-	-61
Dividends to minority					-	0	-2
Financial items					-56	-81	-263
Taxes					-93	-81	-391
Free cash flow					-66	-230	700
Acquisitions					-100	-311	-135
Divestments					-	-	1097
Dividend to stockholders					-	-	-396
Options and warrants					-	92	76
Total net cash flow					-166	-449	1342

78 % of depreciation*

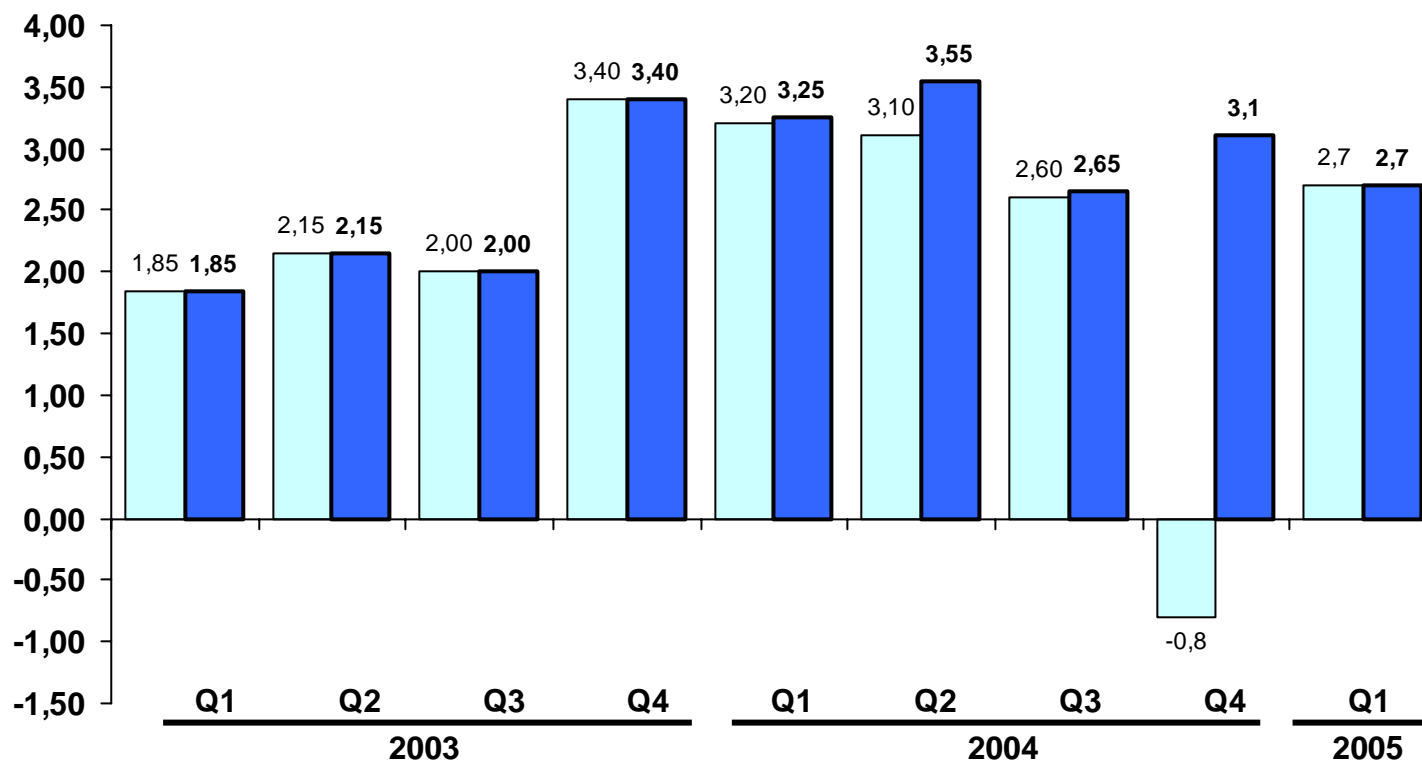
SEK M -486
in 2004

* Investments/depreciations in tangible assets

Earnings Per Share 2.70 SEK

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Earnings per share for continuing operations, **Light Blue**, and also excl. restructuring costs/impairment losses, **Blue**, SEK



R12 EPS, continuing operations excl. restructuring costs/impairment losses

8.15 7.95 8.00 9.40 10.80 12.20 12.85 12.55 12.00

Reduced financing costs and extended maturity

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- **The Trelleborg Group has strengthened its long-term financing:**
 - Syndicated loan - counter value of EUR 1,200 M (approx. SEK 10.9 billion)
 - Five years with possibility to extend a further two years.
 - Significantly oversubscribed - increased from EUR 1,100 M to EUR 1,200 M.
 - Refinances Trelleborg's earlier USD 600 million facility of June 2002 and EUR 540 million of October 2003.
 - Divided into two tranches of EUR 750 million and USD 600 million.
 - Facility margin at present gearing is 0,275% and the commitment fee 0.09%.
- **17 domestic and international banks participated:**
 - Mandated Lead Arrangers are Danske Bank, Fortis Bank, Handelsbanken, Nordea and SEB Merchant Banking.
 - Arrangers are Lloyds Bank and ING Bank. Co-Arrangers are DNB NOR, Nord LB, Societe Generale and Deutsche Bank. Senior Lead Manager is Citigroup.
 - Lead Managers are San Paolo IMI, HSBC, BBVA, Commerzbank and BNP Paribas.

Decisions at the Trelleborg AGM

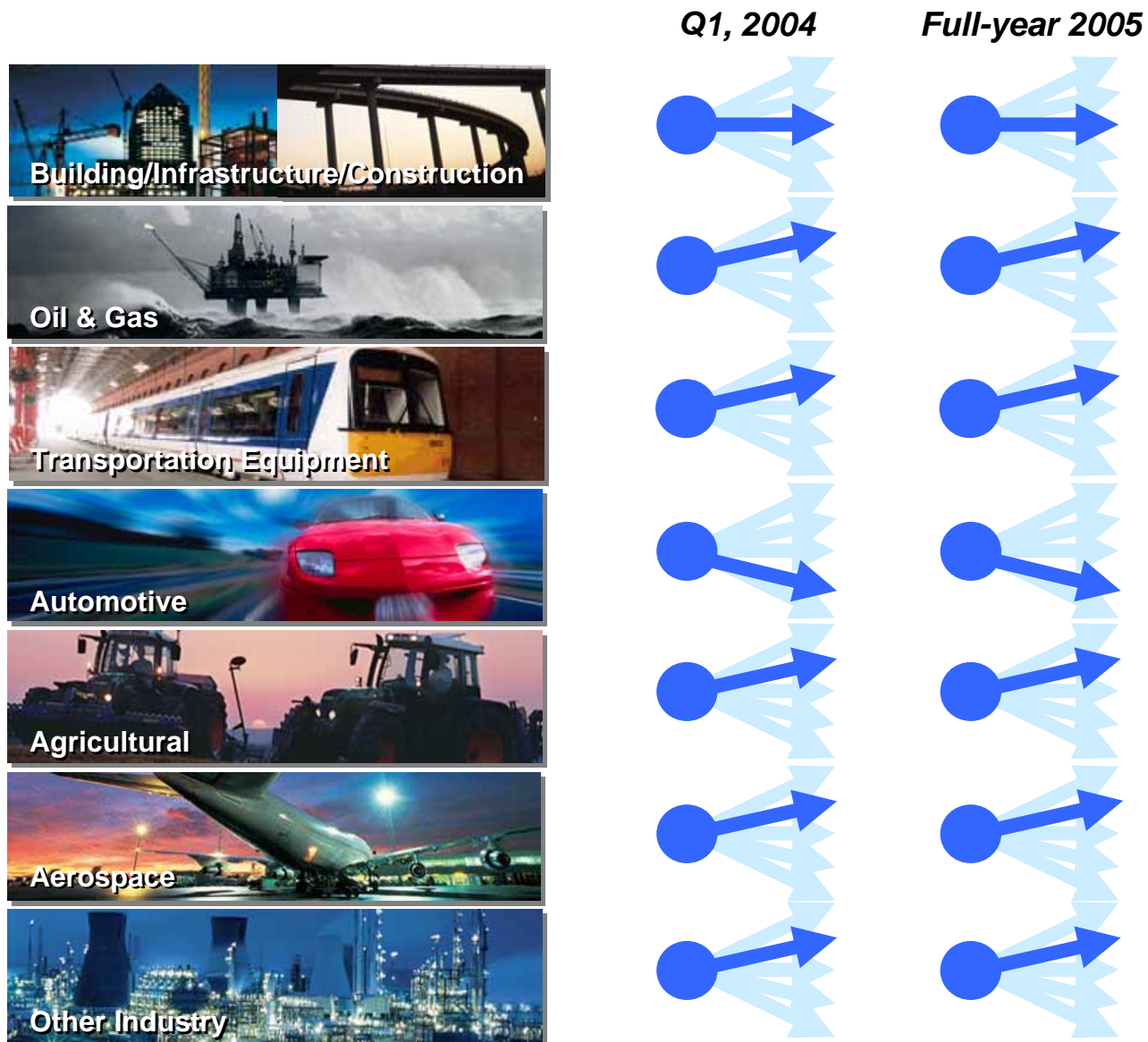
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- **The Trelleborg AGM decided on a cash dividend of 5.00 SEK (4.50) per share.**
The dividend, amounting to 449 MSEK, means that approx. 45 % of net results 2004 are distributed. Present dividend policy will continue also after changes according to IFRS.
- **The AGM gave authority to repurchase up to 10 % of total no. of shares.**
Trelleborg holds approximately 5.6 million own shares.
The mandate is to repurchase a maximum of approx. 3.4 million shares

Largely unchanged market conditions

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Trelleborg Group Estimates for our 7 key markets



GROUP

- Continuously good growth during 2005 in Aerospace, Agri, Transport, Oil & Gas och Other Industry.
Negative development in Trelleborg's main markets in automotive industry.
Varied demand in our different geographical markets for Building & Infrastructure related industry
- Group to perform in line with or slightly better than underlying markets.
- For remaining part of 2005 net results are expected to be in line or slightly better than same period 2004
- Continuous focus on efficiency measures/price adjustments to balance negative effects from increased raw material costs
- Extensive investments/market initiatives are ongoing to capture potential to increase organic growth in prioritized areas.

This interim report presentation is the first financial report presented according to International Financial Reporting Standards (IFRS). Comparison figures has been compiled from January 1, 2004. More details can be found in the full Interim Report, pages 17-18 on www.trelleborg.com.

Calendar

Half year Report January - June
Interim Report January - September

July 21, 2005
October 26, 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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This report contains forward-looking statements that are based on the current expectations of the management of Trelleborg. Although management believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those implied in the forward-looking statements as a result of, among other factors, changes in economic, market and competitive conditions, changes in the regulatory environment and other government actions, fluctuations in exchange rates and other factors .



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