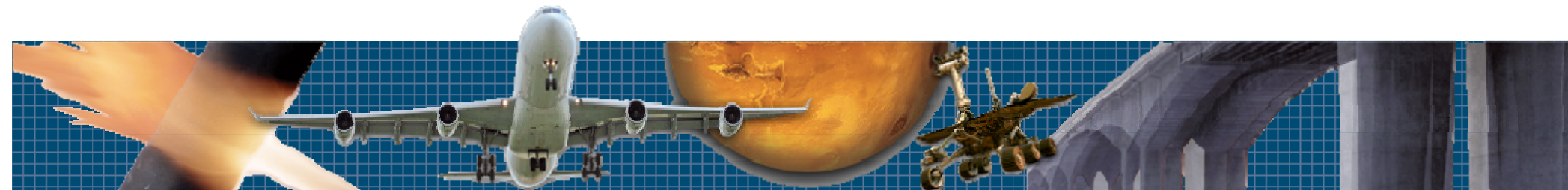


Welcome to 2006 Nine Month Report Update

October 27, 2006




TRELLEBORG

Group Highlights

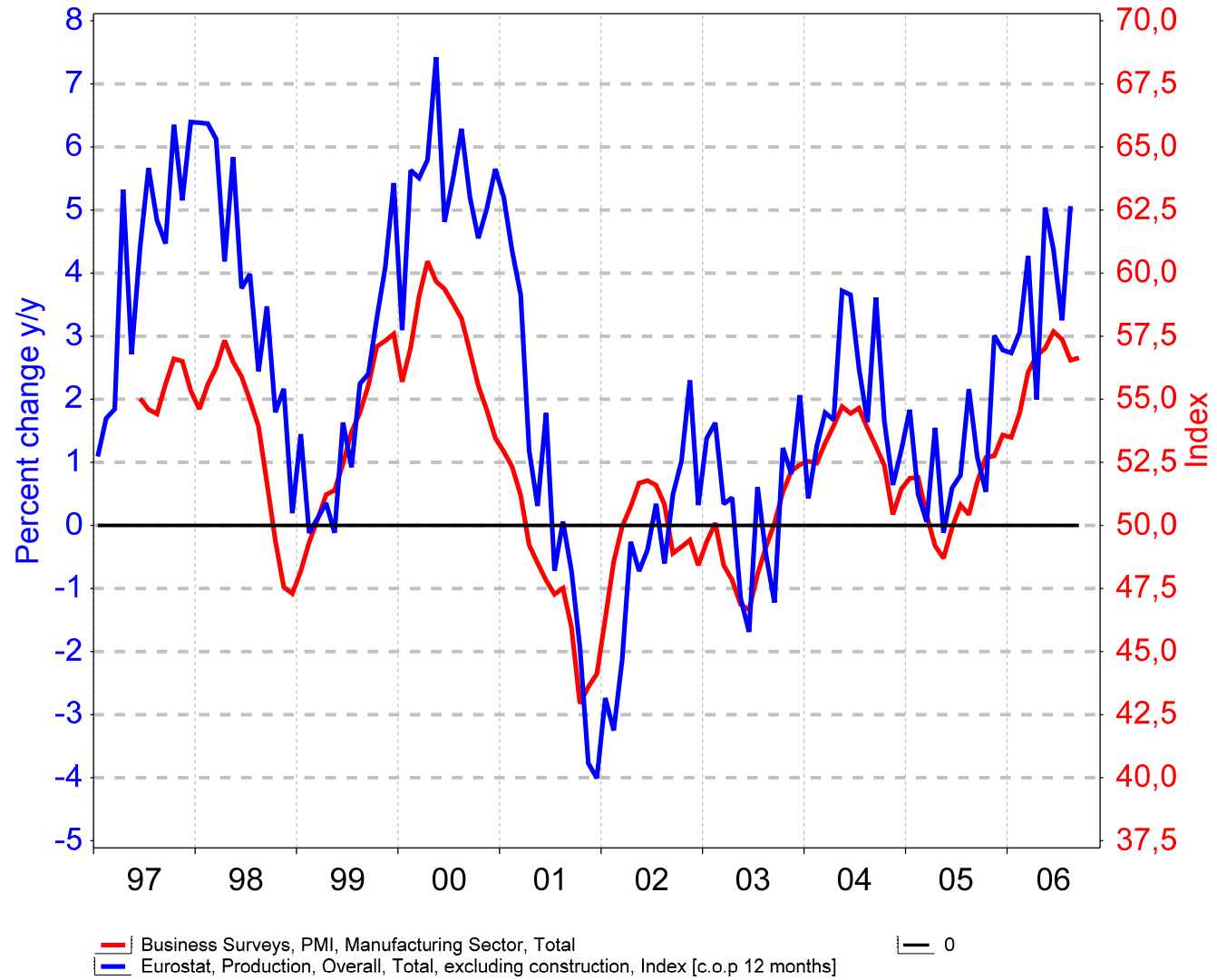
- ▼ **Nine months Sales increase of 13 % - organic growth 4.2 %**
 - ▼ Group nine months Net Sales rose to 20,342 SEK M (17,988)
 - ▼ Net Sales Q3 6,306 SEK M (5,846)
 - ▼ Group Organic Growth for Q3 1.7 % and for nine months 4.2 %

- ▼ **Continuous good development in non-auto businesses**
 - ▼ Q3 Operating Profit 364 MSEK (413) (continuing operations), nine months Operating Profit 1 339 SEK M (1 343)
 - ▼ Q3 Net Profit amounted to 201 MSEK (276) (continuing operations) , nine months Net Profit amounted to 778 SEK M (868)
 - ▼ Increased raw material prices, lower auto production and Fluid & Acoustic inefficiencies had a negative effect
 - ▼ Non-auto businesses had positive effects from acquired units and organic growth with improved operating profit by approx. 20 %

- ▼ **Continued growth through strategic acquisitions**
 - ▼ Growth through strategic acquisitions continues. The group has completed three acquisitions and signed agreements to acquire two companies since last report

EMU Purchasing managers index vs Ind. Production

EMU Industrial Production and PMI



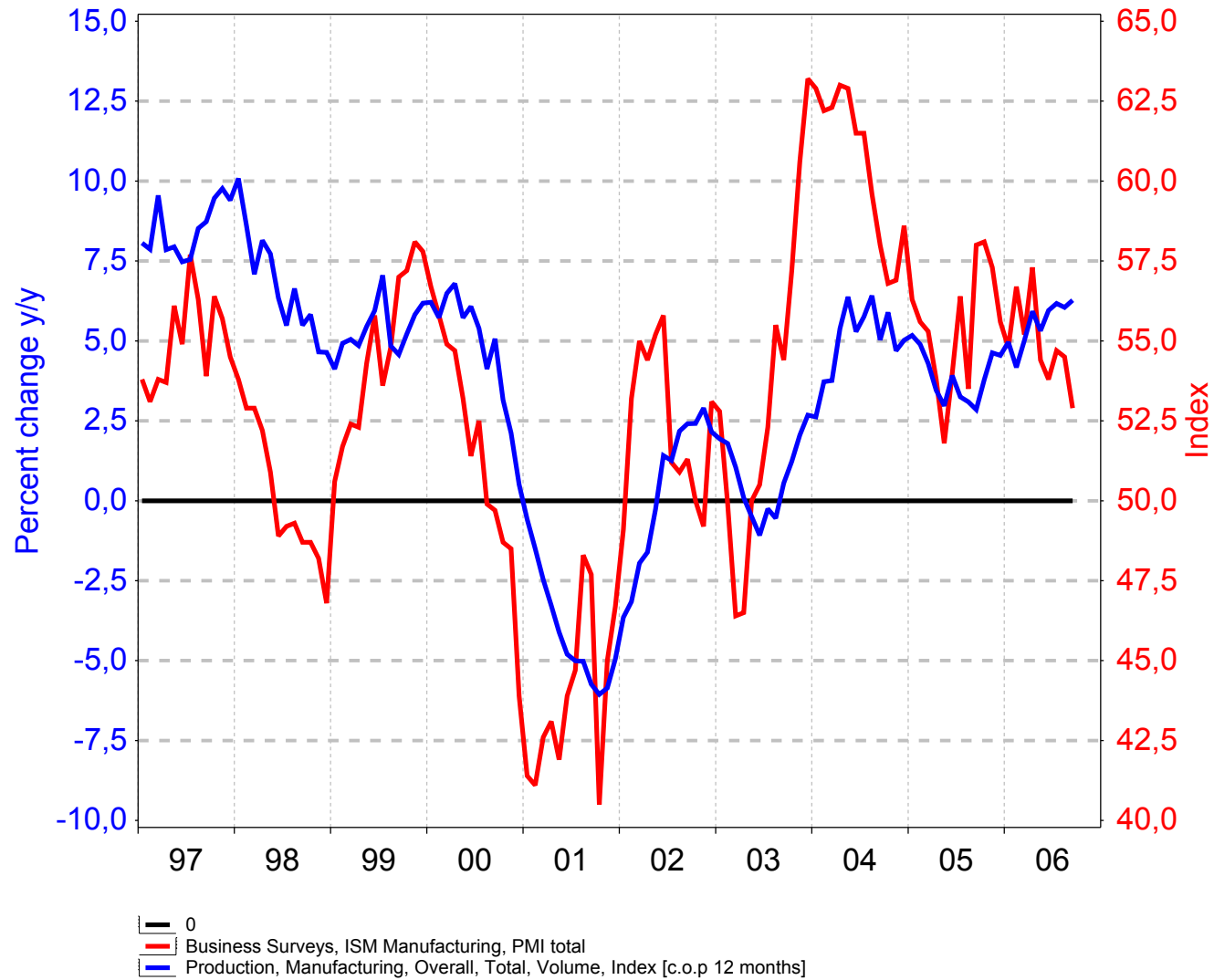
Source: Reuters EcoWin

Source: Reuters EcoWin



USA: ISM purchasing managers index vs Ind. production

US Industrial Production and ISM



Source: Reuters EcoWin

Source: Reuters EcoWin

TRELLEBORG

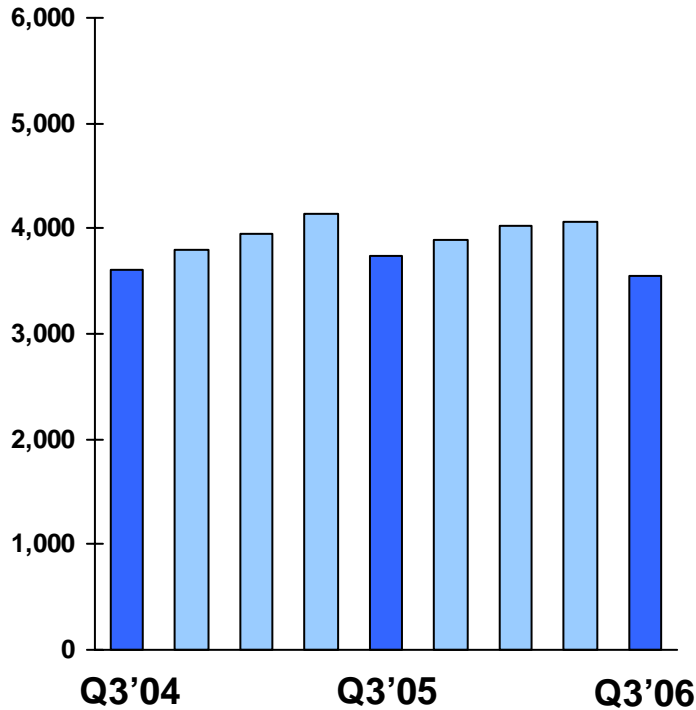


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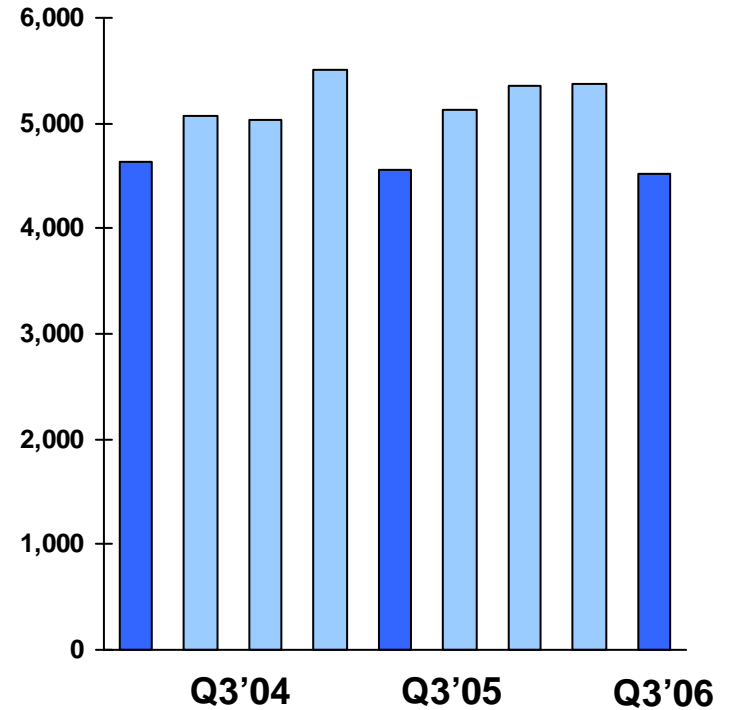
Q3 sales & production down in both N. America and Europe

Light vehicles, Quarterly change YoY

NA light vehicle production, thousand units



European light vehicle production, thousand units



	<u>Q3 YoY</u>
Sales	-5.0%
Production	-4.9%

	<u>Q3 YoY</u>
Sales	-0.4%
Production	-0.8%

Note: Light vehicle comprises of passenger cars and light trucks. Europe includes both Western and Eastern Europe. Sales figures Europe (W+E) refers to passenger cars only, sales figures North America refers to US Light Vehicles only. Source: J.D. Power; Ward; ACEA; Trelleborg analysis

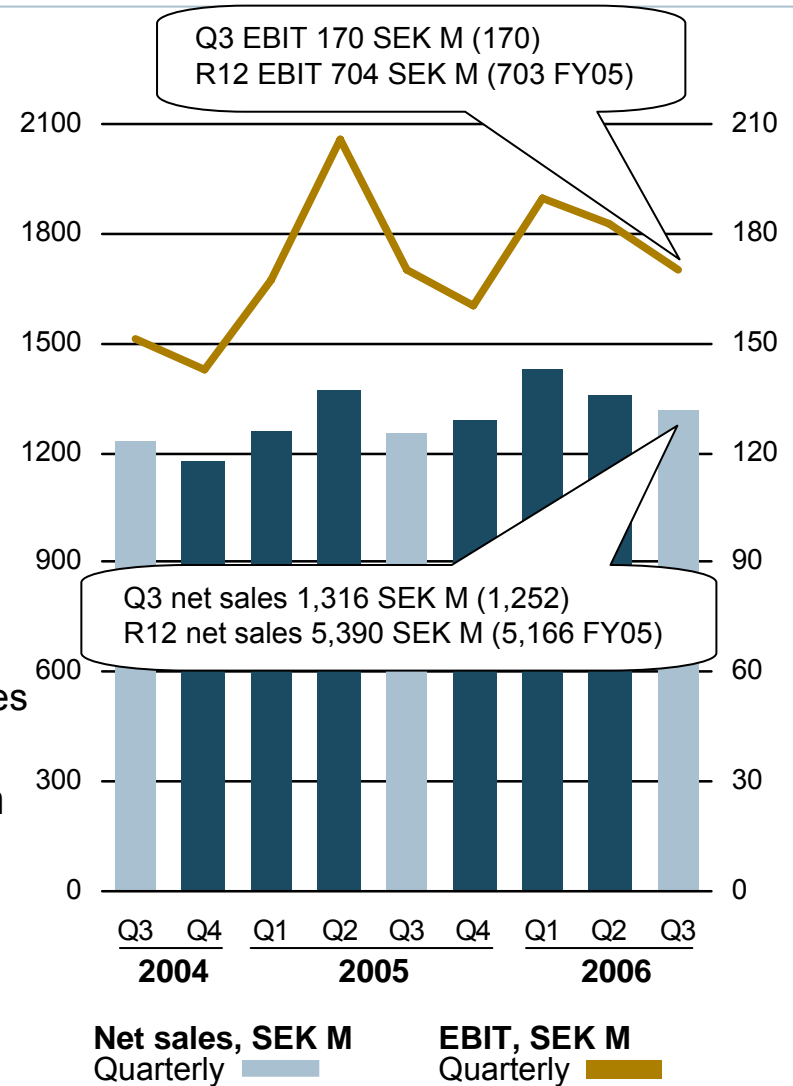
Continuous good growth in several segments

Trelleborg Sealing Solutions

- ◆ Organic growth Q3: 6.3 % and 9M: 2.5 %
- ◆ Repositioning of product portfolio continues
- ◆ Good demand and sales in industrial and aerospace segments. Organic growth of 5 and 12 % respectively
- ◆ Demand and sales down in Auto segment, especially in N America. Sales decline of 6 %
- ◆ European Logistic Center back on track
- ◆ Results effected negatively by
 - ◆ Decreasing volumes in Auto-related business
 - ◆ Investments in Asia/Pacific/Americas market activities
- ◆ Marketing efforts/organisational build-up is starting to yield results. Slower than expected in N America. Good growth in Asia – new production lines in Shanghai – Expansion in India

Near term actions

- ◆ Continued finetuning of manufacturing issues
- ◆ Continuous focus on growth initiatives in prioritized areas



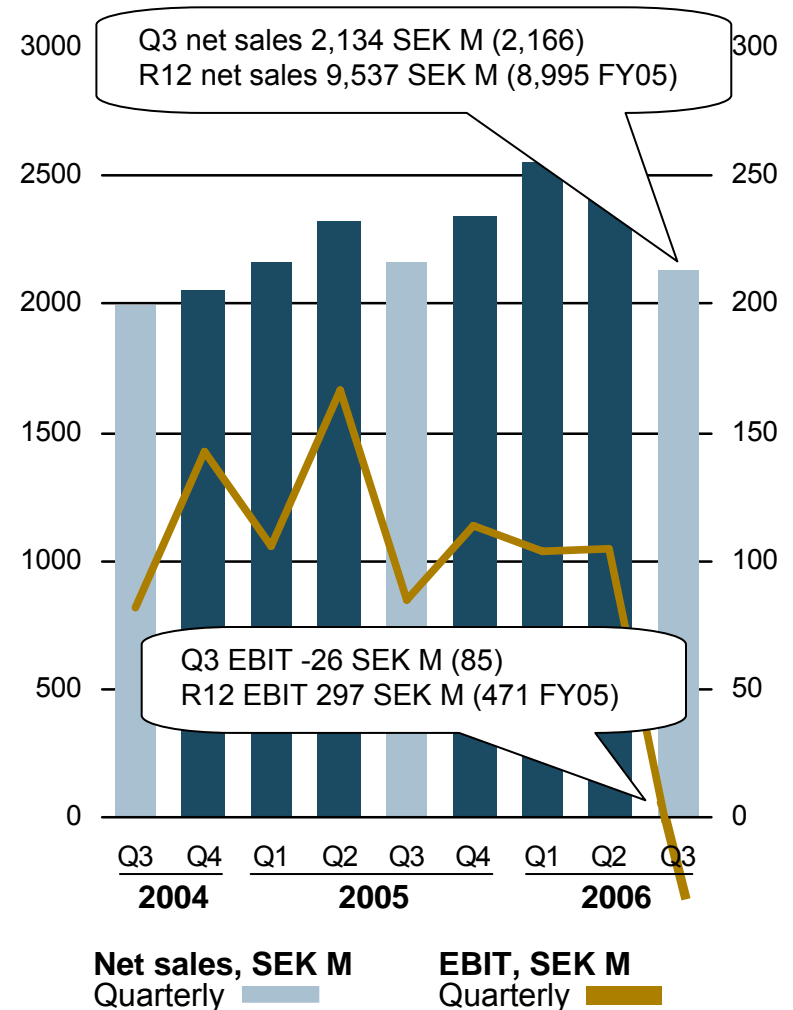
Stable sales could not compensate for higher raw material costs

Trelleborg Automotive

- ◆ Organic sales growth, 9M: 5.4 %
- ◆ Q3 Sales increased in both AVS and Fluid&Acoustic segments
- ◆ Lower NA light vehicle production had some impact on sales/product mix on Q3. Further cutbacks communicated for Q4
- ◆ Results negatively effected by
 - ◆ Prices for several raw materials at all time high
 - ◆ Customer negotiations slow
 - ◆ Compared to last year, lower net effects from capitalized dev. costs after depreciation
 - ◆ Operational inefficiencies in Fluid segment
- ◆ Management changes
 - ◆ George Caplea leaves for non competing US assignment. Peter Nilsson temporary Head of BA

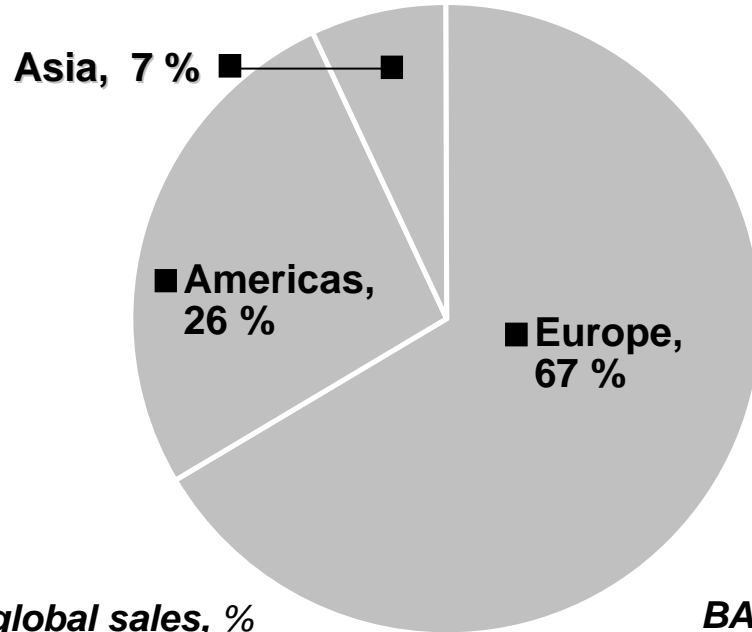
Near term actions

- ◆ Review of opportunities to reduce high cost situation. First consequences to be communicated in Q4.
- ◆ Construction/industrialisation of Romanian factory
- ◆ Start up of production of new business utilizing our global platform

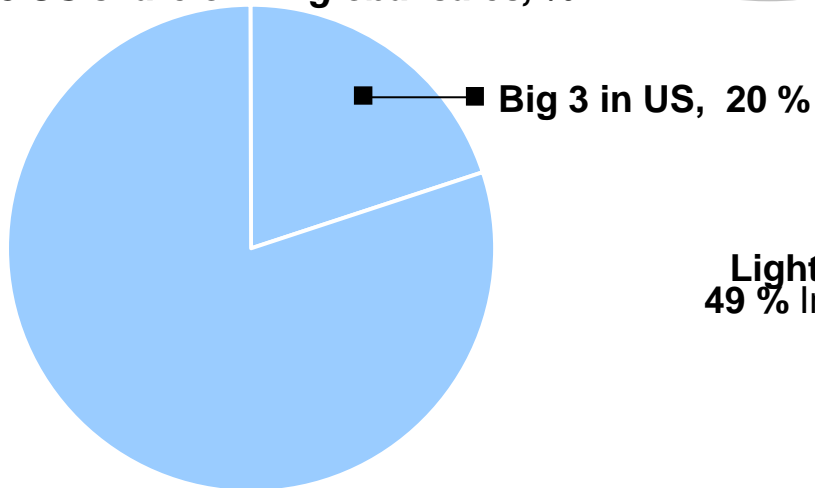


Big 3 (Ford, GM, DCX) part of sales

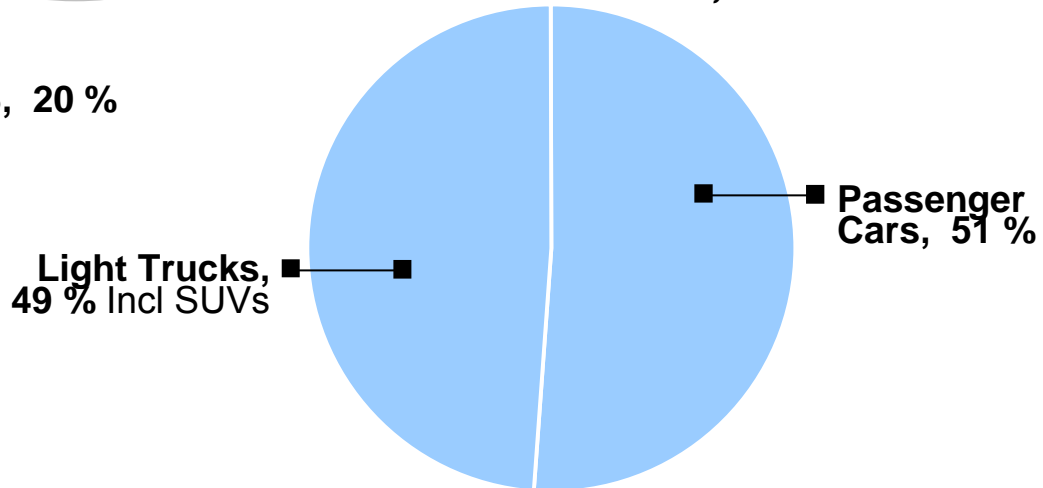
Business Area Global sales by Geographical Area, %



Big 3 US share of BA global sales, %



BA Product Mix in US, %



Source: Trelleborg Estimates

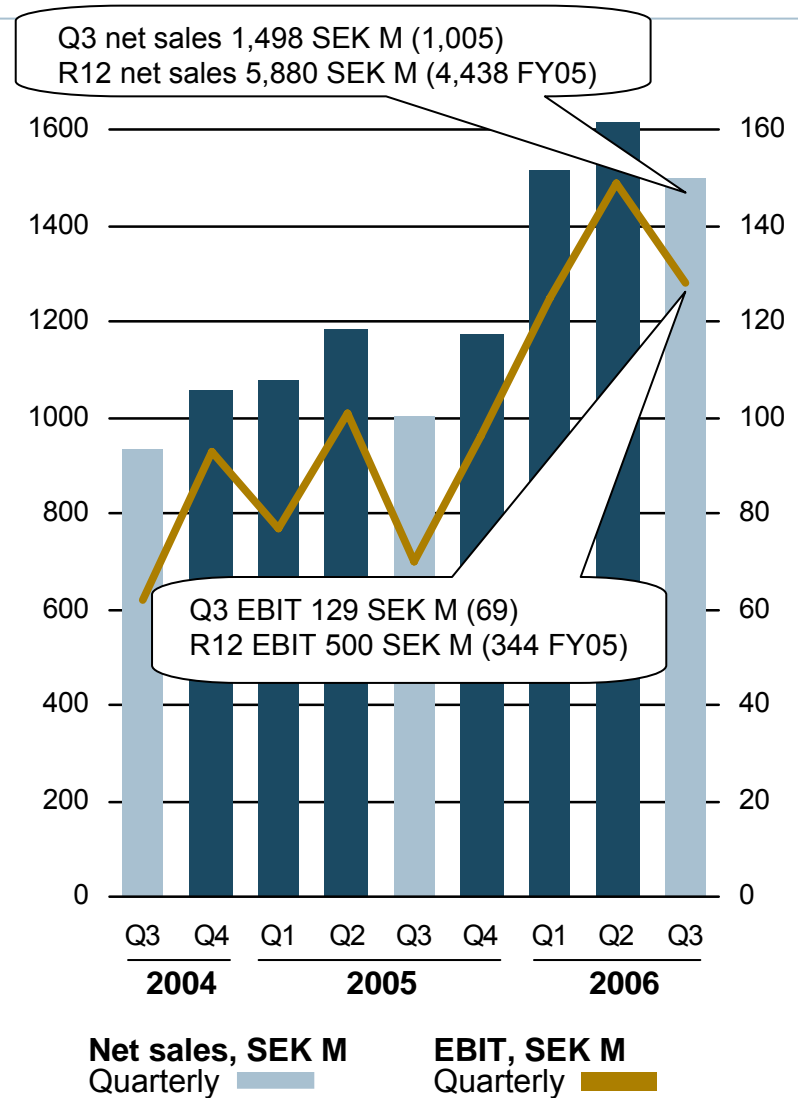
Continuous growth and focus on portfolio management

Trelleborg Engineered Systems

- ◆ Organic growth 9M: 12.9 %
- ◆ Good and stable demand in most segments effected both sales and profits positively
- ◆ Large number of project deliveries
- ◆ Good order book, especially in oil/gas and infrastructure construction
- ◆ Continued focus on portfolio management
- ◆ Continued growth through acquisitions

Near term actions

- ◆ Managing growth in prioritized areas
- ◆ Initiating new growth projects
- ◆ Continued focus on product portfolio pruning
- ◆ Integration of new entities



Acquisition of Reeves Brothers Inc.

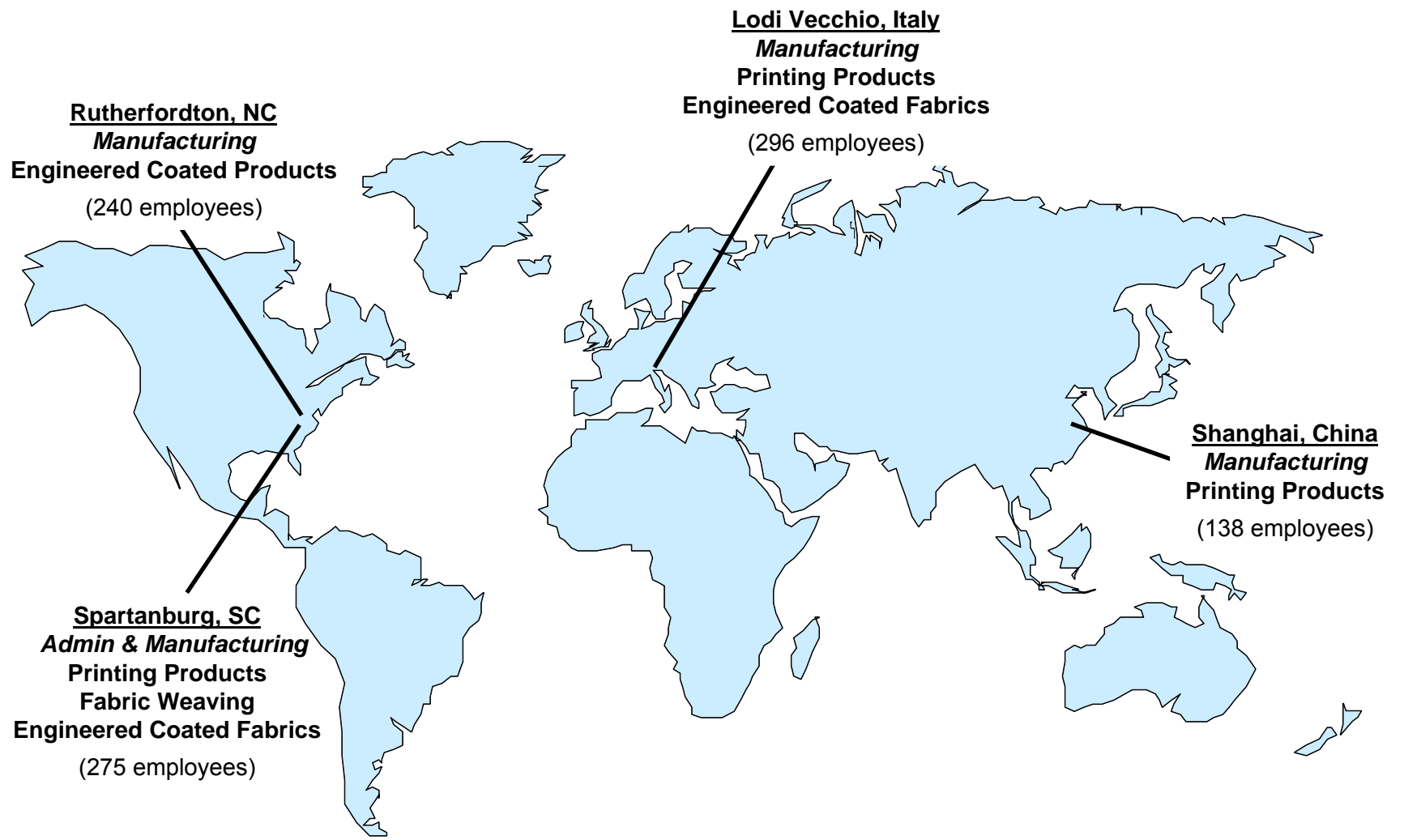
Trelleborg creates a world leading position in polymer-coated high-precision materials

- ◆ Turnover of approx. 1,400 MSEK
- ◆ Approx. 1,000 employees
- ◆ Head office in Spartanburg, South Carolina, US
- ◆ 2 production units in US, 1 in Italy and 1 in China
- ◆ Profit margins above BA Trelleborg Engineered Systems
- ◆ Purchase price: approx. 1,300 MSEK
- ◆ Acquisition expected to be completed Q4 2006

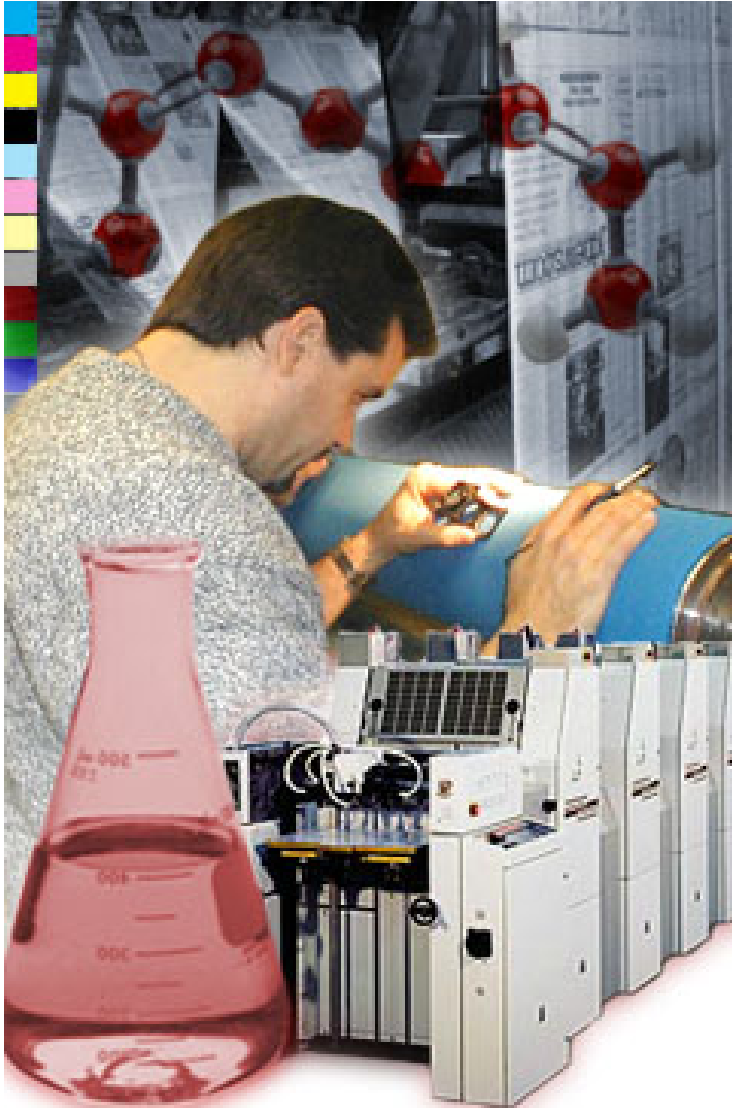
Rationales for the acquisition of Reeves

- ◆ Strategic fit with several of the Trelleborg Group's own positions
- ◆ Polymer-coated high-precision materials
 - ◆ *Adds technical, manufacturing and market expertise in prioritized growth segments*
 - ◆ *Global leadership in polymer based systems for printing blankets adds new growth platform*
- ◆ High barriers to entry
- ◆ Good earnings capacity with possibilities for further improvement under Trelleborg management
- ◆ Synergies expected in manufacturing, sales/marketing and technical development
- ◆ Further improves the Trelleborg Group's balancing of its business areas

Global footprint for Reeves



Reeves is organised in two divisions based on similar technology



Printing Blankets



Engineered Fabrics

Market overview Coated Fabrics



5 BUSD
Global Coated Fabrics market

Highly fragmented with > 300 manufacturers
75% of market served by non-rubber coated fabrics – primarily PVC
Highest volume applications include automotive interior,
wall coverings and furniture

500-700 MUSD
Printing blankets market

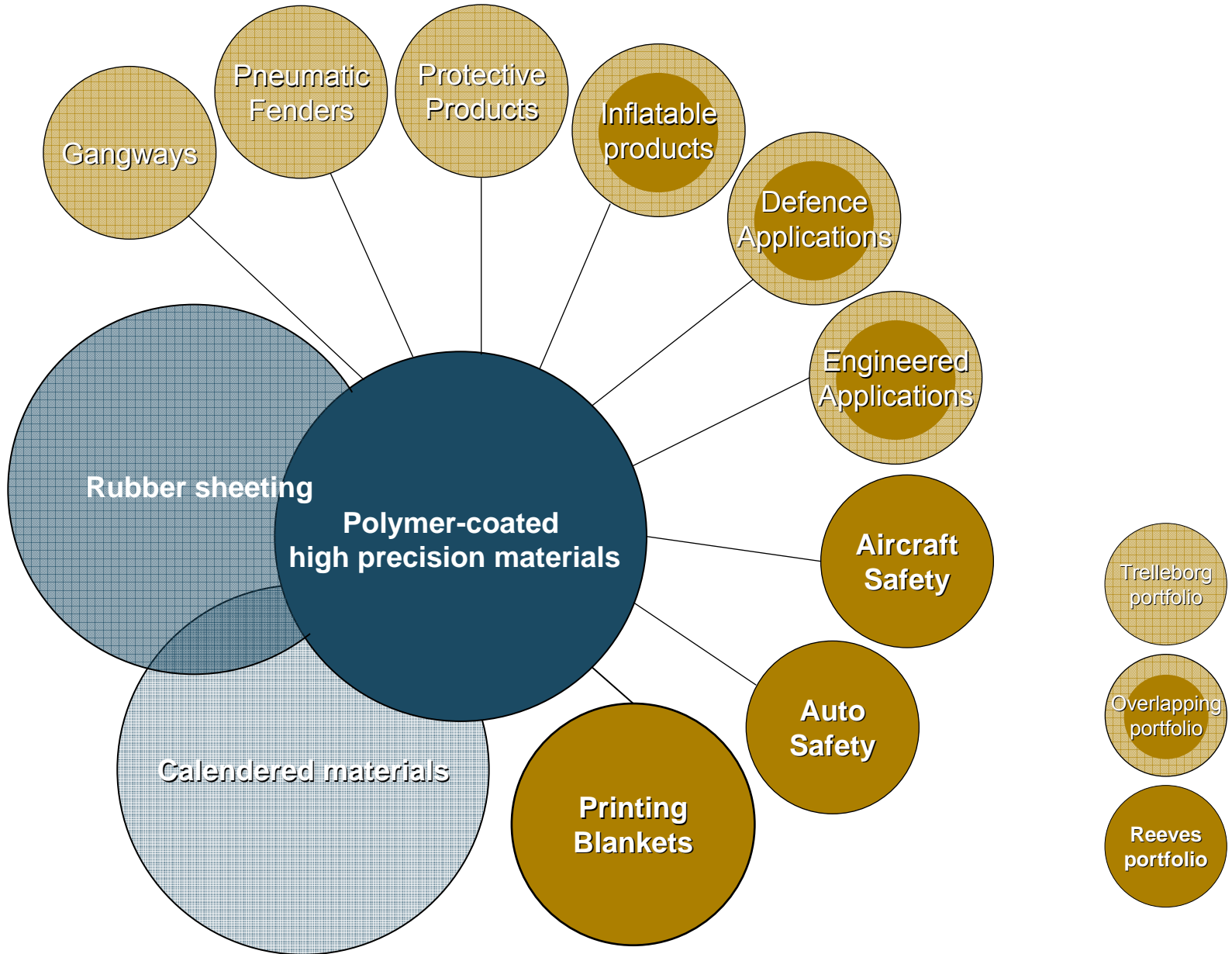
Reeves
addressable
market

500-700 MUSD
Specialized, niche applications

Trelleborg/
Reeves
addressable
market

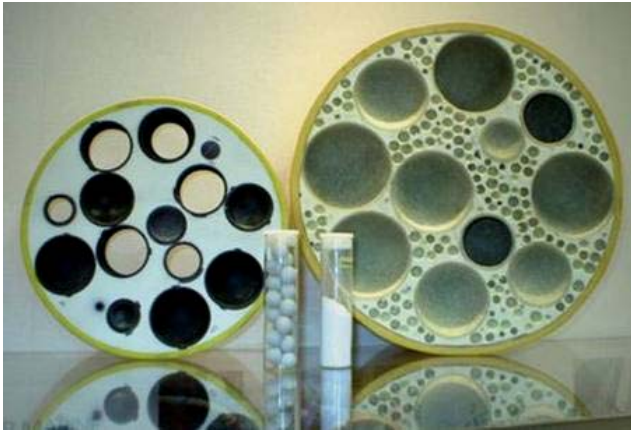
Source: Trelleborg/Management estimates

Reeves adds to our portfolio of polymer-coated high-precision materials



New factory for Syntactic Materials and Glass Microballoons

Approx. 50 MSEK investment. 7,500 square metres. Significant increase of capacity

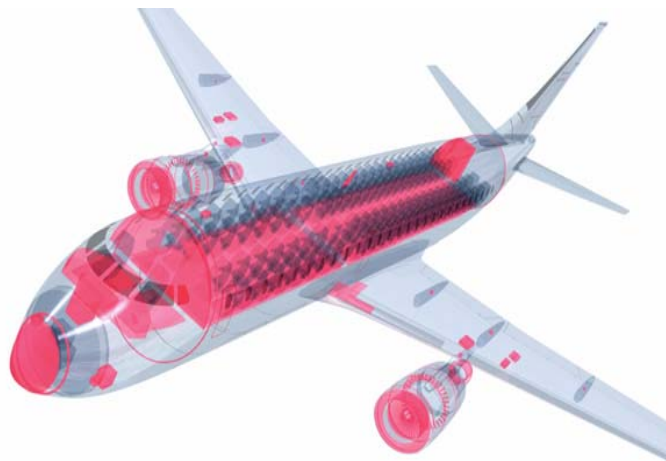


Syntactic Materials
Unique composites for the uniform entrainment of reinforced air



Glass Microballoons

Free-flowing Hollow Glass Spheres



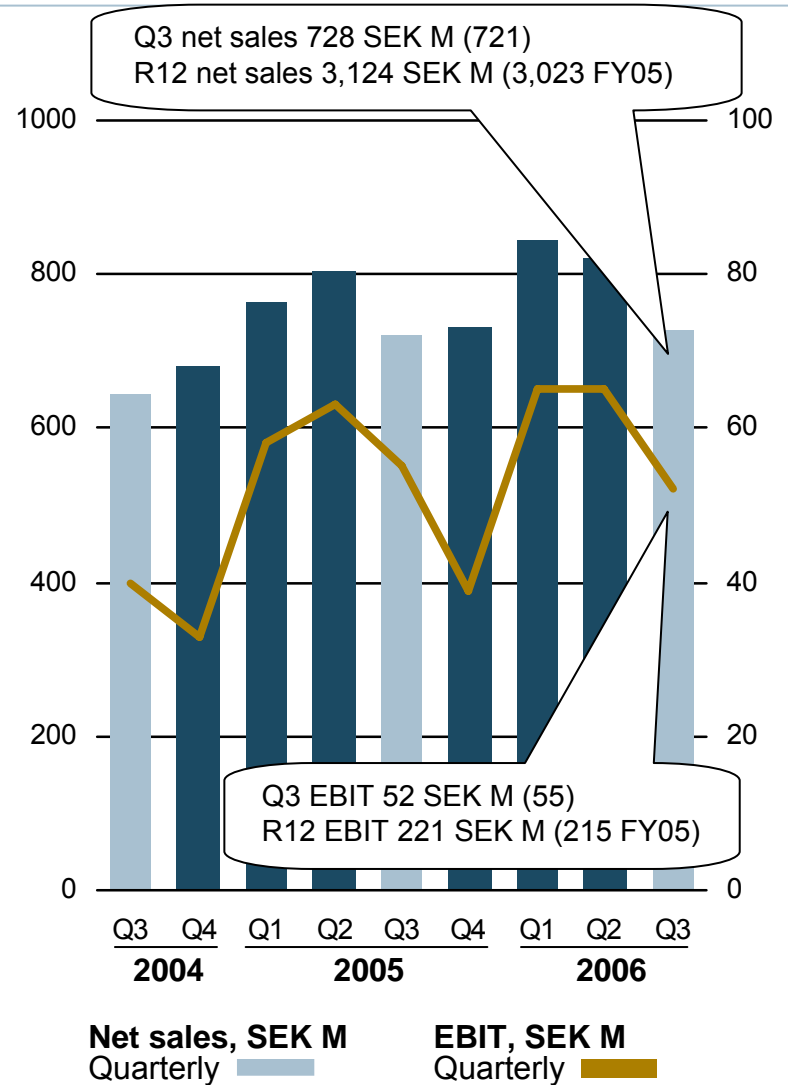
Continuously stable sales development

Trelleborg Wheel Systems

- ◆ Organic growth 9M: 3.1 %
- ◆ Stable demand in Agricultural segment. Increased sales for Industrial segment. Increased sales in growth markets
- ◆ Increased raw material costs are met with price increases and ambitious efficiency measures
- ◆ Volumes temporarily effected by successful price adjustments.
- ◆ Capacity and efficiency measures (Trelleborg plant closure/efforts in Sri Lanka) resulted in stock build up and effected cash flow

Near term actions

- ◆ Focus on measures to improve cash flow
- ◆ Continued focus on product mix and selected markets
- ◆ Secure capacity increase in Sri Lanka
- ◆ Secure success of rebranding project



Rebranding Campaign – Trelleborg TM



Soon, you'll notice there's something slightly different about the great radials of the TM range – a new brand name. Trelleborg will appear on the TM900, followed by the TM800, the TM700, the TM600 and eventually, the entire range. Trelleborg have been making and marketing PIRELLI* TM agricultural tyres since 1999, focussing on technology, quality, reliability and durability. Trelleborg's challenge is based on the research and innovation of a truly great company. It is a brand which has been specialising in agricultural products for over a century. From now on, the TM range will carry on that great tradition - with Trelleborg.

*trademark licensed to Trelleborg for agricultural tyres.

NO ONE IS CLOSER TO THE EARTH



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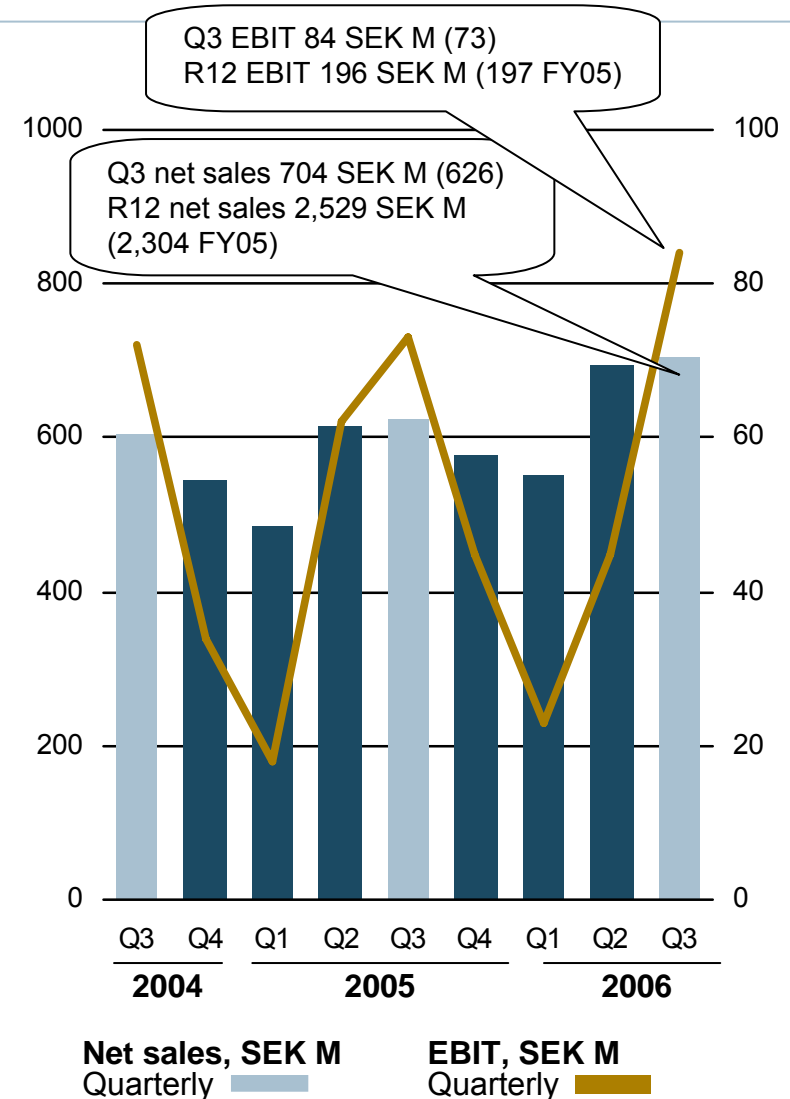
Improved sales and profits in Q3

Trelleborg Building Systems

- ◆ Organic growth 9M: 5.5 %
- ◆ Generally good demand in all markets
- ◆ Results effected positively by
 - ◆ Increased volumes
 - ◆ Improved production structure
 - ◆ Price adjustments to meet higher raw materials prices
- ◆ Stable performance in Waterproofing
- ◆ Continously good development in Pipe Seals and in Sealing Profiles.
- ◆ Newly aquired units contributed positively

Near term actions

- ◆ Integration of newly acquired units
- ◆ Continued focus on operational efficiency
- ◆ Continued development of new distribution channels and new, innovative products.
- ◆ Continued product portfolio pruning

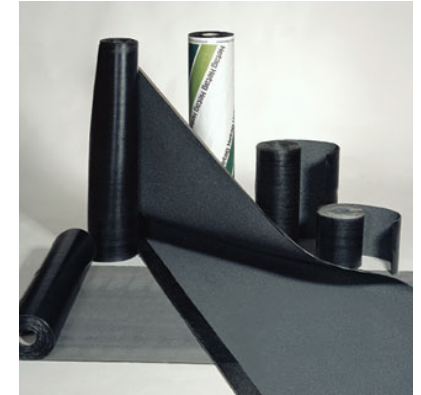


Strengthening roofing activities in Nordic region

agreement in principle to acquire Hetags Danish roofing operations

***Rationales for the acquisition include;
Strengthened market position in Denmark,
administrative and logistics synergies.***

- ◆ Agreement includes operations of Hetag Tagmaterialer A/S (Roofing distributor - 20 employees, sales of approx. SEK 100 M), and 40 % of the operations of Hetag Tagdaekning A/S (Roofing Contracting - sales of about SEK 300 M). Hetag is privately owned and based in Hedensted, Denmark.
- ◆ Hetag products complement Trelleborg Phønix' offering
- ◆ Final agreement is expected to be completed Q4, 2006



Raw materials still on a high level at a Year-on-Year comparison

- ◆ **Historically very high price levels in 2006**
- ◆ **Price impact (positive or negative) lags behind by 3-9 months**
- ◆ **Higher raw material prices in Q4 compared to the same period previous year. Negative effects expected on Group level also in Q4**
- ◆ **Continuously volatile price levels expected**

Operating Profit

SEK M	July - Sep		Jan - Sep		Operating profit	
	2006	2005	2006	2005	Oct 2005 - Sep 2006	Full year 2005
<i>Continuing operations excluding restructuring costs and impairment losses</i>						
Trelleborg Automotive	-26	85	183	357	297	471
Trelleborg Sealing Solutions	170	170	544	543	704	703
Trelleborg Engineered Systems	129	69	403	247	500	344
Trelleborg Wheel Systems	52	55	182	176	221	215
Trelleborg Building Systems	84	73	152	153	196	197
Other companies	-4	-4	-11	-14	-14	-17
Group items	-41	-35	-114	-119	-170	-175
Total excluding restructuring costs and impairment losses	364	413	1 339	1 343	1 734	1 738
Trelleborg Engineered Systems incl. restructuring costs and impairment losses	-	-	-23	-	-23	-
Total including restructuring costs and impairment losses	364	413	1 316	1 343	1 711	1 738

legal costs increased in Q306 by approx SEK 20 M compared to Q305 as a result of the US fair trade legislation investigation

Key operating ratios

Operating key ratios	July - Sep		Jan - Sep		Oct 2005 -	Full year
	2006	2005	2006	2005	Sep 2006	2005
<i>Continuing operations excluding restructuring costs and impairment losses</i>						
Operating profit	364	413	1 339	1 343	1 734	1 738
Profit before tax	285	381	1 116	1 193	1 453	1 530
Profit for the period	201	276	788	868	1 072	1 152
Earnings per share, SEK ¹⁾	2,20	3,00	8,60	9,50	11,70	12,60
EBITDA, %	9,3	10,9	9,9	11,1	9,9	10,8
Operating margin (ROS), %	5,7	7,1	6,6	7,6	6,5	7,3
Return on capital employed (ROA), %			9,7	11,1	9,7	10,7
Return on shareholders' equity, %	8,1	11,4	10,3	12,6	10,8	12,3
Operating cash flow	575	494	855	1 249	1 376	1 770
Operating cash flow/Operating profit, %	158	120	64	93	79	102
Operating cash flow per share, SEK ²⁾	6,35	5,45	9,45	13,85	15,25	19,65
Net debt/EBITDA, multiple					-3,3	-2,8
EBITDA/Financial income and expenses, multiple					9,4	12,4

* Discontinued operations refers both to operations that have been discontinued and those for which an agreement regarding discontinuation has been reached.

1) Profit for the period attributable to equity holders of the parent divided by the average number of shares outstanding

2) Operating cash flow related to the average number of shares outstanding

Income Statement

Income Statements

Group SEK M	July - Sep		Jan - Sep		Oct 2005 - Sep 2006	Full year 2005
	2006	2005	2006	2005		
<i>Continuing operations</i>						
Net sales	6 306	5 677	20 096	17 504	26 101	23 509
Cost of goods sold	-4 744	-4 179	-15 050	-12 787	-19 505	-17 242
Gross profit	1 562	1 498	5 046	4 717	6 596	6 267
Selling expenses	-496	-462	-1 522	-1 414	-2 009	-1 901
Administrative expenses	-642	-580	-1 996	-1 787	-2 647	-2 438
Research and development costs	-120	-105	-369	-347	-498	-476
Other operating income/expense	57	55	140	155	238	253
Profit from part. in assoc. Companies	3	7	17	19	31	33
Operating profit	364	413	1 316	1 343	1 711	1 738
Financial income and expenses	-79	-32	-223	-150	-281	-208
Profit before tax	285	381	1 093	1 193	1 430	1 530
Tax	-84	-105	-322	-325	-375	-378
Profit for the period	201	276	771	868	1 055	1 152
<i>Discontinued operations</i>						
Net sales		169	246	484	423	661
Operating profit		12	32	27	46	41
Profit before tax		11	30	24	43	37
Profit for the period		8	4	16	13	25
Total Net sales	6 306	5 846	20 342	17 988	26 524	24 170
Total operating profit	364	425	1 348	1 370	1 757	1 779
Total profit before tax	285	392	1 123	1 217	1 473	1 567
Total profit for the period	201	284	775	884	1 068	1 177
- attributable to minority interest	2	4	11	11	16	16
- attributable to equity holders of the parent	199	280	764	873	1 052	1 161

3,7 % of average net debt

Tax rate
Approx. 29 %

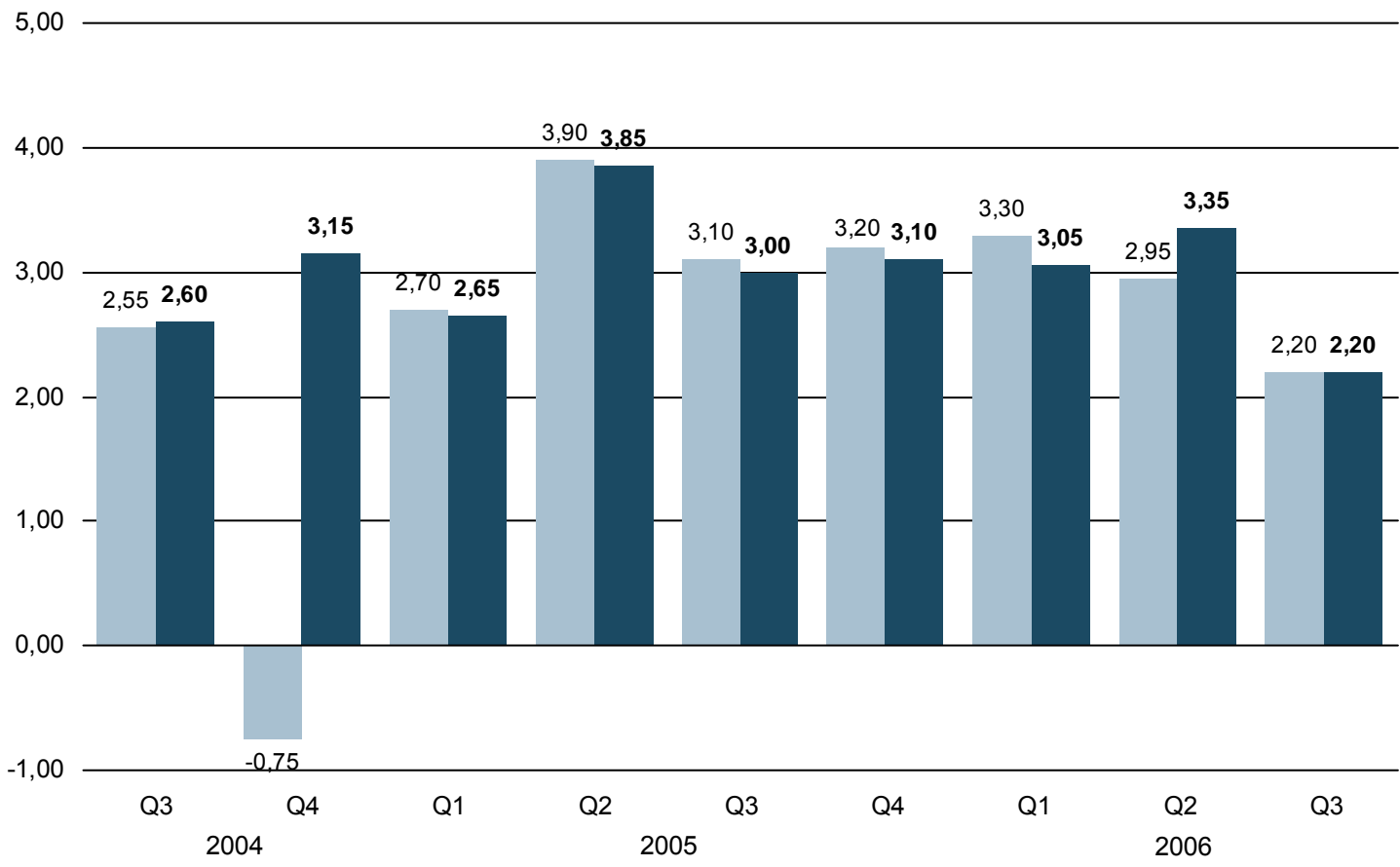
Cash Flow Report

Trelleborg Group, SEK M

Jan - Sept	EBITDA, excl. assoc. companies	Capital expendi- ture	Fixed assets sold	Change in working capital	Total cash flow		
					2006	2005	R12
Trelleborg Automotive	532	-348	3	-93	94	364	149
Trelleborg Sealing Solutions	690	-115	57	-97	535	411	834
Trelleborg Engineered Systems	552	-120	10	-86	356	338	423
Trelleborg Wheel Systems	259	-80	1	-174	6	197	44
Trelleborg Building Systems	202	-52	-	-73	77	135	172
Other companies	-6	-	-	-6	-12	-	-9
Group items	-189	-4	10	-18	-201	-196	-237
Operating cash flow	2 040	-719	81	-547	855	1 249	1 376
Restructuring measures provided for at time of acquisition					-33	-47	-49
Other restructuring measures					-63	-80	-90
Dividend paid to minority					-	-1	-
Financial items					-157	-157	-257
Taxes					-157	-263	-287
Free cash flow					445	701	693
Acquisitions					-1 650	-127	-1 891
Divestments					175	-1	177
Dividend paid to shareholders					-497	-452	-497
Excercise of warrants and call options					-	78	-
Total net cash flow					-1 527	199	-1 518

Q3 Earnings Per Share SEK 2.20 (3.00)

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



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

12.40 11.85 12.25 12.65 12.60 13.00 12.50 **11.70**

Outlook for the fourth quarter 2006

- ▼ **Within industry in general, continued good growth is forecasted.**
- ▼ **Demand is expected to remain very strong within the aerospace industry and oil and gas segments.**
- ▼ **Within automotive-related operations, the announced production cuts, mainly among North American customers, are expected to have an adverse impact.**
- ▼ **High raw-material prices are expected also in the fourth quarter**

More details on this report can be found on www.trelleborg.com.

Calendar

Full Year Report
1st Quarter Report

February 13, 2007
April 25, 2007

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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