

Press Release

Financial Report 2004 for Beijer Alma AB (publ)

2004 gave a record result – MSEK 162

- Net revenues for the full year were MSEK 1 422.7 (1 154.0).
- Profit after net financial items during the fourth quarter was MSEK 29.5 (15.0).
- Profit after taxes for the full year was MSEK 116.8 (7.5).
- Earnings per share after actual taxes were SEK 12.77 (0.83).
- Cash flow after the year's capital expenditures was MSEK 197.2 (74.8); the equity ratio was 50.3 percent (40.1).
- The Board of Directors proposes a dividend of SEK 5.00 per share (1.50).

GROUP

For 2004 Beijer Alma achieved its best result ever. The upturn, which began in 2003, especially in the telecom sector, continued during 2004. Market demand surged during the first six months of 2004 and spread to other industries. During the first part of the year demand was very strong and order bookings as well as invoicing increased by 30.0 and 32.6 percent, respectively, compared to the corresponding period one year ago. Growth was weaker during the second half of the year. Order bookings rose by 5.5 percent and the increase in invoicing was 14.3 percent.

Full year

Order bookings amounted to MSEK 1 427.5 (1 212.9), an increase by 17.7 percent. Net revenues increased by 23.3 percent and reached MSEK 1 422.7 (1 154.0). Profit after net financial items was MSEK 162.0 (18.0), equivalent to earnings per share after standard taxes of SEK 12.76 (1.45). Invoicing increased between the years by MSEK 268.7 and profit by MSEK 144.0, which means that the earnings impact was 53.6 percent of the increase in invoicing. The operating margin was 12.4 percent (3.4).

Cash flow after capital expenditures was MSEK 197.2 (74.8), equivalent to SEK 21.57 per share (8.29). The cash flow was applied to repayment of interest-bearing liabilities and the net indebtedness declined by MSEK 208.6 during the year to MSEK 178.3 (386.9). The equity ratio was 50.3 percent (40.1).

Fourth quarter

Order bookings were MSEK 328.4 (309.7), an increase by 6.0 percent. Net revenues increased by 7.5 percent to MSEK 339.4 (315.6). Profit after net financial items amounted to MSEK 29.5 (15.0). Earnings per share after standard taxes were SEK 2.32 (1.15). The operating margin reached 9.5 percent (6.1). Cash flow after capital expenditures was MSEK 27.1 (30.7).

SUBSIDIARIES

LESJÖFORS AB (www.lesjoforsab.com) is a full-range supplier of standard and specially produced industrial springs, wire and flat strip components. The company is a dominating player in the Nordic Region and one of the larger companies in its sector in Europe. Lesjöfors has manufacturing operations in Sweden, Denmark, Finland and Latvia.

Order bookings at Lesjöfors increased during the year by 18.5 percent to MSEK 681.2 (574.7). Invoicing reached MSEK 673.4 (572.3), an increase by 17.7 percent. Profit after net financial items amounted to MSEK 105.1 (56.2) and the operating margin reached 15.9 percent (10.5).

Order bookings during the fourth quarter were MSEK 156.1 (134.2), an increase by 16.3 percent. Invoicing rose by 15.6 percent and reached MSEK 157.9 (136.6). Profit after net financial items was MSEK 20.9 (11.5) and the operating margin was 13.5 percent (8.4).

Lesjöfors conducts business in three business areas, Industrial Springs, Chassis Springs and Flat Strip Components. Invoicing in Industrial Springs and Flat Strip Components rose by just over 16 percent during the year, while the increase in invoicing in Chassis Springs reached 21.5 percent. All business areas recorded good and rising profitability.

HABIA CABLE AB (www.habia.se) is one of Europe's largest manufacturers of specialty cable for applications in telecommunications, transportation, nuclear power and defense. Research and development is conducted in Sweden, while production facilities are located in Sweden, Germany and China.

Habia's order bookings rose during the year by 14.0 percent to MSEK 527.1 (462.4). Invoicing was MSEK 527.0 (416.8), an increase by 26.4 percent. Profit after net financial items was MSEK 63.1 (-13.4). The operating margin was 13.0 percent (neg.).

Order bookings declined by 8.4 percent during the fourth quarter and reached MSEK 117.2 (127.9). Invoicing amounted to MSEK 118.4 (132.5), a decline by 10.6 percent. Profit after net financial items was MSEK 10.0 (10.2), and the operating margin was 9.4 percent (9.0).

Habia experienced very strong demand during the first six months of the year, especially in the telecom sector. Demand slackened during the second half of the year, and this was particularly true for the Chinese market. All other customer groups showed a stable development.

ELIMAG AB (www.elimag.se) conducts high-speed machining of aluminum for customers in telecom, defense and other high-tech sectors.

Elimag's order bookings during the year were MSEK 101.5 (71.5), an increase by 42.0 percent compared to a very weak 2003. Invoicing improved by 50.2 percent, rising to MSEK 102.8 (68.4). Profit after net financial items was MSEK 8.1 (-5.0). The operating margin was 9.8 percent (neg.).

Order bookings during the fourth quarter were MSEK 27.7 (22.3), an increase by 24 percent. Invoicing grew by 35.3 percent and reached MSEK 27.2 (20.1). Profit after net financial items was MSEK 1.7 (1.0) and the operating margin was 7.7 percent (8.4).

AB STAFSJÖ BRUK (www.stafsjo.com) develops, manufactures and markets knife gate valves for the process industry. The company is internationally active with sales offices in Germany and China and a network of sales representatives in 30 countries.

Stafsjö Bruk saw order bookings of MSEK 116.5 (102.8) during the year, an increase by 13.3 percent. Invoicing rose by 24.4 percent to MSEK 118.3 (95.1). Profit after net financial items was MSEK 8.2 (3.2). The operating margin was 7.5 percent (4.1).

Order bookings during the fourth quarter were MSEK 26.5 (25.0), an increase by 6.0 percent. Invoicing improved by 32.2 percent to MSEK 34.9 (26.4). Profit after net financial items was MSEK 2.7 (1.1) and the operating margin was 8.3 percent (4.9).

NET REVENUES AND RESULT BY OPERATING SEGMENT

NET REVENUES

| MSEK | 2004 Full year | 2003 Full year | 2004 Q 4 | 2004 Q 3 | 2004 Q 2 | 2004 Q 1 | 2003 Q 4 | 2003 Q 3 | 2003 Q 2 | 2003 Q 1 |
|--|-------------------|-------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Lesjöfors | 673.4 | 572.3 | 157.9 | 159.2 | 191.6 | 164.7 | 136.6 | 138.0 | 158.0 | 139.7 |
| Habia Cable | 527.0 | 416.8 | 118.4 | 125.5 | 151.1 | 132.0 | 132.5 | 98.9 | 96.7 | 88.7 |
| Elimag | 102.8 | 68.4 | 27.2 | 22.2 | 30.0 | 23.4 | 20.1 | 14.5 | 15.3 | 18.5 |
| Stafsjö Bruk | 118.3 | 95.1 | 34.9 | 27.1 | 27.7 | 28.6 | 26.4 | 21.6 | 24.2 | 22.9 |
| Parent company and consolidation eliminations | 1.2 | 1.4 | 1.0 | – | 0.1 | 0.1 | – | 0.3 | 1.1 | – |
| Group | 1 422.7 | 1 154.0 | 339.4 | 334.0 | 400.5 | 348.8 | 315.6 | 273.3 | 295.3 | 269.8 |

OPERATING RESULT

| MSEK | 2004 Full year | 2003 Full year | 2004 Q 4 | 2004 Q 3 | 2004 Q 2 | 2004 Q 1 | 2003 Q 4 | 2003 Q 3 | 2003 Q 2 | 2003 Q 1 |
|--|-------------------|---------------------|-------------|-------------|-------------|-------------|--------------------|-------------|---------------------|-------------|
| Lesjöfors | 107.3 | 60.3 | 21.3 | 28.1 | 34.1 | 23.8 | 11.8 | 15.6 | 19.4 | 13.5 |
| Habia Cable | 68.7 | -5.2 ¹⁾ | 11.1 | 16.0 | 24.7 | 16.9 | 11.9 | 2.3 | -13.1 ¹⁾ | -6.3 |
| Elimag | 10.0 | -2.0 | 2.1 | 1.5 | 3.6 | 2.8 | 1.7 | -1.0 | -1.3 | -1.4 |
| Stafsjö Bruk | 8.9 | 3.9 | 2.9 | 1.6 | 1.8 | 2.6 | 1.2 | 0.7 | 0.9 | 1.1 |
| Parent company and consolidation eliminations | -19.0 | -17.3 ²⁾ | -5.3 | -3.9 | -5.1 | -4.7 | -7.4 ²⁾ | -2.4 | -3.7 | -3.8 |
| Group | 175.9 | 39.7 | 32.1 | 43.3 | 59.1 | 41.4 | 19.2 | 15.2 | 2.2 | 3.1 |

¹⁾ Including a provision in the amount of MSEK 10.

²⁾ Including a provision in the amount of MSEK 6.

RESULT AFTER FINANCIAL ITEMS

| MSEK | 2004 Full year | 2003 Full year | 2004 Q 4 | 2004 Q 3 | 2004 Q 2 | 2004 Q 1 | 2003 Q 4 | 2003 Q 3 | 2003 Q 2 | 2003 Q 1 |
|--|-------------------|---------------------|-------------|-------------|-------------|-------------|--------------------|-------------|---------------------|-------------|
| Lesjöfors | 105.1 | 56.2 | 20.9 | 27.6 | 33.6 | 23.0 | 11.5 | 14.4 | 18.1 | 12.2 |
| Habia Cable | 63.1 | -13.4 ¹⁾ | 10.0 | 14.7 | 23.3 | 15.1 | 10.2 | 0.3 | -15.3 ¹⁾ | -8.6 |
| Elimag | 8.1 | -5.0 | 1.7 | 1.0 | 3.2 | 2.2 | 1.0 | -1.6 | -2.1 | -2.3 |
| Stafsjö Bruk | 8.2 | 3.2 | 2.7 | 1.5 | 1.6 | 2.4 | 1.1 | 0.5 | 0.7 | 0.9 |
| Parent company and consolidation eliminations | -22.5 | -23.0 ²⁾ | -5.8 | -4.6 | -5.8 | -6.3 | -8.8 ²⁾ | -3.5 | -5.0 | -5.7 |
| Group | 162.0 | 18.0 | 29.5 | 40.2 | 55.9 | 36.4 | 15.0 | 10.1 | -3.6 | -3.5 |

¹⁾ Including a provision in the amount of MSEK 10.

²⁾ Including a provision in the amount of MSEK 6.

PRESIDENT'S STATEMENT

For Beijer Alma 2004 was a record year. The recovery that began during the second half of 2003 continued with full force in 2004. The first half of the year was particularly strong. All operating segments showed growth, but the primary contributor to the strength of the recovery was market demand in telecom. Record levels were achieved as a result hereof during the first as well as the second quarter. The powerful recovery was fueled by good volume growth as well as by forceful cost-cutting action implemented in the Group's subsidiaries in recent years. The combination of high volumes and modest cost increases generated

excellent productivity gains. The character of the recovery was also beneficial to the Beijer Alma Group. Capital expenditures during 2000 and 2001 were mainly aimed towards capacity increases in telecom. It was therefore possible to meet the higher demand without new capital spending in capacity.

The growth rate subsided somewhat during the second half of the year. Major telecom customer had built up inventory to carry them over a feared shortage of components during the summer and early fall. Demand from telecom customers in China was also weaker during the entire fall. This mainly affected Habia.

Order bookings as well as invoicing were higher during the fourth quarter than during the corresponding period one year ago. At the same time growth was weaker than during previous quarters. In spite hereof, earnings were MSEK 29.5, which is almost a doubling compared to the year before. Cash flow continued to be strong, amounting to MSEK 27.1.

Cash flow for the full year was MSEK 197.2. The Group has now had three consecutive years of positive cash flow, which has resulted in a strong balance sheet. The equity ratio is 50 percent and the debt equity ratio is 32 percent.

Lesjöfors recorded continued good growth during the fourth quarter. Industrial Springs as well as Chassis Springs displayed high growth compared to the corresponding year-ago period. Flat Strip Components, on the other hand, recorded somewhat lower volumes than in 2003. The reason is that certain telephone models were phased out during the year, without being replaced by others. This led to lower shipments of components. The operating margin for the fourth quarter was 13.5 percent, and for the full year 16 percent, which makes Lesjöfors one of the most profitable companies in the European spring industry. Demand during the first part of 2005 is expected to be at least as strong as during the corresponding period last year.

Habia experienced weaker demand during the fourth quarter than during the corresponding period one year ago. Order bookings declined by 8.4 percent and invoicing dropped by 10.6 percent. The Chinese market weakened during the second half of the year. Habia has also experienced weaker demand from European manufacturers of base station antennas. Thanks to cost savings it was still possible for Habia to record an unchanged result compared to the fourth quarter the year before. The strong demand experienced by Habia during the first half of 2004 is not likely to be repeated in 2005. Both invoicing and order bookings are thus expected to be a shade lower than during the first part of the year.

Elimag saw some recovery in order bookings compared to the two previous quarters. The balance between order bookings and invoicing is also favorable. Order bookings rose by 24 percent and invoicing by 35 percent compared to the corresponding year-ago quarter. The primary contributors to higher demand were customers in the telecom and defense industries. The intensified marketing efforts in Elimag have also had good effect, resulting in a considerably broader customer base. The company has also been quite successful in its export promotions during the year. Profitability was satisfactory. The operating margin for the full year was 10 percent. Elimag enters 2005 with a relatively stable demand situation.

Stafsjö saw a strong finish on the year. Invoicing increased by 32 percent compared to the year before. The trend in order bookings was slightly weaker than in invoicing, which led to a declining order backlog. The markets with the best development are Sweden, Germany and China. Stafsjö is well positioned with its own sales organizations in these countries, but pricing pressures are continuously severe. In order to meet these pricing pressures, more and more of the supply of components and production is being moved to China. Access to major projects is still good, especially in the Chinese market. This means that there are good opportunities for strong order bookings during the first quarter.

The Beijer Alma Group has all the necessary qualities for continued profit growth. The market demand situation is favorable, costs have been lowered in all companies, and after several years of positive cash flows the balance sheet is strong. At the same time it is less likely that the exceptionally strong demand from the telecom industry – which primarily benefited Habia during the first half of 2004 – will be repeated during 2005.

DIVIDEND PROPOSAL OF THE BOARD OF DIRECTORS

The Board of Directors propose to the Annual General Meeting a dividend amounting to SEK 5.00 (1.50) per share, consisting of a regular dividend of SEK 3.00 (1.50) and an extra dividend of SEK 2.00 (0) .

ANNUAL GENERAL MEETING

The Annual General Meeting will be held at 6:00 p.m., March 30 in Uppsala.

EVENTS AFTER THE END OF THE PERIOD

No significant events have occurred after the close of the financial year.

Uppsala, February 9, 2005

BEIJER ALMA AB (publ)

Board of Directors

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Next report date:

Quarterly report April 28, 2005

Previous reports are available at Beijer Alma's homepage www.beijer-alma.se under tab Investor Relations.

SUMMARY STATEMENTS OF INCOME

| MSEK | 2004 Q 4 | 2003 Q 4 | 2004 Full year | 2003 Full year | 2002 Full year |
|---|--------------|-------------|-------------------|-------------------|-------------------|
| Net revenues | 339.4 | 315.6 | 1 422.7 | 1 154.0 | 1 113.0 |
| Cost of goods sold | -229.6 | -218.9 | -943.2 | -821.0 | -770.7 |
| Gross profit | 109.8 | 96.7 | 479.5 | 333.0 | 342.3 |
| Selling expenses | -45.4 | -42.9 | -179.9 | -176.0 | -185.6 |
| Administrative expenses | -33.2 | -34.4 | -125.0 | -116.2 | -118.9 |
| Writedowns of fixed assets | - | - | - | - | -99.9 |
| Share in result of associated companies before tax | 0.9 | -0.2 | 1.3 | -1.1 | -5.4 |
| Operating result | 32.1 | 19.2 | 175.9 | 39.7 | -67.5 |
| Interest income and similar items | 0.7 | 1.1 | 1.3 | 2.8 | 3.3 |
| Interest expenses and similar items | -3.3 | -5.3 | -15.2 | -24.5 | -30.9 |
| Result after financial items | 29.5 | 15.0 | 162.0 | 18.0 | -95.1 |
| Taxes | -2.8 | -7.7 | -45.2 | -10.5 | 11.1 |
| Net result for the period | 26.7 | 7.3 | 116.8 | 7.5 | -84.0 |
| Earnings per share before dilution, SEK | 2.92 | 0.82 | 12.77 | 0.83 | -9.31 |
| Earnings per share fully diluted basis, SEK | 2.92 | 0.79 | 12.77 | 0.83 | -9.31 |
| Proposed/declared dividend per share, SEK | - | - | 5.00 | 1.50 | 1.00 |
| Depreciation and amortization is included in an amount of, MSEK | 25.0 | 24.6 | 91.4 | 89.6 | 96.6 |

SUMMARY BALANCE SHEETS

| MSEK | 2004 Dec. 31 | 2003 Dec. 31 | 2002 Dec. 31 |
|---|-----------------|-----------------|-----------------|
| ASSETS | | | |
| Fixed assets | | | |
| Intangible fixed assets | 61.1 | 90.7 | 107.7 |
| Tangible fixed assets | 467.8 | 501.5 | 518.8 |
| Financial assets | 22.3 | 32.2 | 30.9 |
| Total fixed assets | 551.2 | 624.4 | 657.4 |
| Current assets | | | |
| Inventories | 223.1 | 205.5 | 251.6 |
| Receivables | 228.9 | 225.9 | 220.2 |
| Liquid funds | 105.5 | 71.0 | 47.2 |
| Total current assets | 557.5 | 502.4 | 519.0 |
| Total assets | 1 108.7 | 1 126.8 | 1 176.4 |
| SHAREHOLDERS' EQUITY AND LIABILITIES | | | |
| Shareholders' equity | | | |
| Share capital | 114.3 | 112.8 | 112.8 |
| Restricted reserves | 166.4 | 179.1 | 185.6 |
| Unrestricted reserves | 160.5 | 152.3 | 243.9 |
| Net result for the period | 116.8 | 7.5 | -84.0 |
| Total shareholders' equity | 558.0 | 451.7 | 458.3 |
| Provisions | 37.0 | 44.2 | 50.6 |
| Long-term liabilities to credit institutions | 130.5 | 184.0 | 248.2 |
| Current liabilities to credit institutions | 146.0 | 266.6 | 254.1 |
| Current non-interest-bearing liabilities | 237.2 | 180.3 | 165.2 |
| Total shareholders' equity and liabilities | 1 108.7 | 1 126.8 | 1 176.4 |

SUMMARY STATEMENTS OF CASH FLOW

| MSEK | 2004 Q 4 | 2003 Q 4 | 2004 Full year | 2003 Full year | 2002 Full year |
|---|---------------------|---------------------|---------------------------|---------------------------|---------------------------|
| Cash flow from current operations before change in working capital and capital expenditures | 73.2 | 24.1 | 236.2 | 99.3 | 98.4 |
| Change in working capital, increase (-) decrease (+) | -34.9 | 21.0 | 0.4 | 26.8 | 35.7 |
| Cash flow from current operations | 38.3 | 45.1 | 236.6 | 126.1 | 134.1 |
| Investment operations | -11.2 | -14.4 | -39.4 | -51.3 | -17.9 |
| Cash flow after capital expenditures | 27.1 | 30.7 | 197.2 | 74.8 | 116.2 |
| <u>Financing operations</u> | <u>-1.8</u> | <u>-7.8</u> | <u>-160.0</u> | <u>-48.8</u> | <u>-97.8</u> |
| Change in liquid funds | 25.3 | 22.9 | 37.2 | 26.0 | 18.4 |
| Liquid funds at beginning of period | 82.9 | 50.3 | 71.0 | 47.2 | 32.0 |
| Sold cash and exchange rate changes in cash | -2.7 | -2.2 | -2.7 | -2.2 | -3.2 |
| Liquid funds at end of period | 105.5 | 71.0 | 105.5 | 71.0 | 47.2 |
| Approved but unutilized committed credit facilities | 309.3 | 204.4 | 309.3 | 204.4 | 226.9 |
| Available liquid funds | 414.8 | 275.4 | 414.8 | 275.4 | 274.1 |

SPECIFICATION OF CHANGE IN SHAREHOLDERS' EQUITY

| | 2004 Jan. – Dec. | 2003 Jan. – Dec. | 2002 Jan. – Dec. |
|---------------------------------------|-----------------------------|-----------------------------|-----------------------------|
| Opening shareholders' equity | 451.7 | 458.3 | 577.4 |
| Dividend paid | -13.5 | -9.0 | -18.0 |
| Conversion of subordinated debentures | 10.2 | - | 0.4 |
| Translation difference | -7.2 | -5.1 | -17.5 |
| Net result for the period | 116.8 | 7.5 | -84.0 |
| Closing shareholders' equity | 558.0 | 451.7 | 458.3 |

NUMBER OF SHARES

| | 2004 Dec. 31 | 2003 Dec. 31 | 2002 Dec. 31 |
|---|-------------------------|-------------------------|-------------------------|
| Number of shares outstanding | 9 143 700 | 9 023 300 | 9 023 300 |
| Subordinated debentures outstanding | - | 386 880 | 386 880 |
| Personnel options outstanding | - | 200 000 | 200 000 |
| Total number of shares outstanding, fully diluted basis | 9 143 700 | 9 610 180 | 9 610 180 |
| Average number of shares outstanding, fully diluted basis | 9 143 700 | 9 610 180 | 9 610 180 |

1 110 000 of shares outstanding are class A shares; the remainder is class B shares.

| KEY FINANCIAL INDICATORS | 2004 | 2003 | 2004 | 2003 | 2002 |
|--|-----------|-----------|-----------|-----------|--------------------|
| | Q 4 | Q 4 | Full year | Full year | Full year |
| Number of shares outstanding | 9 143 700 | 9 610 180 | 9 143 700 | 9 610 180 | 9 610 180 |
| Net revenues, MSEK | 339.4 | 315.6 | 1 422.7 | 1 154.0 | 1 113.0 |
| Operating result, MSEK | 32.1 | 19.2 | 175.9 | 39.7 | -67.5 |
| Result before taxes, MSEK | 29.5 | 15.0 | 162.0 | 18.0 | -95.1 |
| Earnings per share after actual taxes, SEK | 2.92 | 0.79 | 12.77 | 0.83 | -9.31 |
| Earnings per share after 28 % standard taxes, SEK | 2.32 | 1.15 | 12.76 | 1.45 | 0.45 ¹⁾ |
| Cash flow after capital expenditures per share, SEK | 2.96 | 3.40 | 21.57 | 8.29 | 12.88 |
| Return on equity, % | 15.5 | 9.7 | 23.1 | 2.9 | 0.7 ¹⁾ |
| Return on capital employed, % | 15.5 | 8.9 | 20.2 | 4.5 | 3.3 ¹⁾ |
| Shareholders' equity per share, SEK | 61.03 | 50.06 | 61.03 | 50.06 | 50.79 |
| Equity ratio, % | 50.3 | 40.1 | 50.3 | 40.1 | 39.0 |
| Debt equity ratio (net), % | 31.9 | 85.7 | 31.9 | 85.7 | 100.9 |
| Liquid assets including committed credit facilities not drawn upon, MSEK | 414.8 | 275.4 | 414.8 | 274.4 | 274.1 |
| Capital expenditures, MSEK | 10.7 | 11.1 | 48.0 | 55.1 | 17.9 |
| Interest coverage ratio | 10.4 | 3.8 | 11.8 | 1.7 | 1.2 ¹⁾ |
| Number of employees at end of period | 922 | 879 | 922 | 879 | 909 |

1) Not including writedown of fixed assets in September, 2002.

ACCOUNTING PRINCIPLES

This interim report has been compiled in accordance with recommendation RR 20 – Interim reporting of the Swedish Financial Accounting Standards Council. From January 1, 2004 Beijer Alma has applied RR 29/IAS 19 – Compensation to employees of the Swedish Financial Accounting Standards Council.

The implementation of these recommendations have had no significant impact on profit or financial position. It is not possible, however, to make an assessment of the effect of implementing recommendation RR 29/IAS 19 with respect to ITP plans since Alecta is still unable to provide the necessary information.

In all other respects the same accounting principles and bases of calculation have been applied in this interim report as in the most recently submitted annual report.

TRANSITION TO IFRS

From January 1, 2005 the Company will apply the new accounting standard International Financial Reporting Standards (IFRS). A preliminary overview description of the transition to IFRS and its effects is given below.

With respect to compensation to employees, RR 29/IAS 19, see the comments above regarding Alecta. Other effects primarily refer to amortization of goodwill. Goodwill will no longer be amortized according to plan. The value at which goodwill is carried will instead regularly be subject to assessment for any perceived writedown requirement.

The table below shows the effects of the transition based on currently applicable IFRS. These rules are subject to change until December 31, 2005, which may affect the information provided below.

| MSEK | 2004, according to present accounting principles | 2004, according to IFRS |
|----------------------------------|--|-------------------------|
| Operating profit | 175.9 | 185.9 |
| Profit after net financial items | 162.0 | 172.0 |
| Net profit for the year | 116.8 | 127.2 |
| Shareholders' equity | 558.0 | 566.4 |

The change in profit refers to amortization of goodwill of MSEK 10.0 not charged.

