

Continued favorable growth in second quarter

“The implementation of efficiency measures and continued focus on profitable segments shall create margin improvements and increased growth,”
says CEO

Peter Nilsson.

- The order and delivery scenario remained good in the second quarter and growth was favorable, with organic growth totaling 8 percent.
- Three out of four business areas increased both operating profit and operating margin as a result of such factors as favorable volumes and continued successful focus on more profitable segments.
- Trelleborg Automotive’s strategic and operational review continues. A decision was made to close a plant in Italy.
- In May, the US Justice Department and the EU competition authority started investigations into a suspected cartell for certain types of marine hoses for the transport of oil. The investigation comprises several international companies, including one of Trelleborg’s French subsidiaries.

Group key ratios

Net sales increased by 13 percent during the second quarter to SEK 7,943 M (7,044) and to SEK 15,719 M for the January-June period (14,039).

	<i>Second quarter</i>	<i>January-June</i>
Net profit	SEK 259 M (274)	SEK 481 M (574)
of which, items affecting comparability*, net	SEK -81 M (-1)	SEK -214 M (-16)

Earnings per share for the second quarter amounted to SEK 2.80 (2.95) and for the January-June period SEK 5.25 (6.25).

Key operating ratios

Continuing operations, excl. items affecting comparability*:

	<i>Second quarter</i>	<i>January-June</i>
Operating profit	SEK 594 M (507)	SEK 1,202 M (975)
Profit before tax	SEK 493 M (431)	SEK 1,004 M (831)
Net profit	SEK 340 M (305)	SEK 695 M (586)
Earnings per share	SEK 3.70 (3:35)	SEK 7.60 (6.40)

Outlook for the third quarter of 2007

The outlook for the third quarter of 2007 remains unchanged from the outlook for the first two quarters of the year.

For general industry, demand is not expected to decline and it is anticipated that the very strong demand in the Aerospace and Oil/Gas segments will continue. Cutbacks in production, mainly among North American customers, are expected to have adverse effects on automotive-related operations.

* For calculation of key operating ratios, the following items that affect comparability have been excluded: restructuring expenses, impairment losses, nonrecurring revenue and nonrecurring costs.

Key Ratios, Group						
SEK M	April - June		Jan - June		July 2006 -	Full year
Key ratios	2007	2006	2007	2006	June 2007	2006
Net sales	7 943	7 044	15 719	14 039	28 964	27 284
Operating profit	489	510	934	983	1 458	1 507
Profit before tax	388	433	736	837	1 092	1 193
Profit for the period	259	274	481	574	673	766
- attributable to minority interest	6	5	7	9	13	15
- attributable to equity holders of the parent	253	269	474	565	660	751
Earnings per share, SEK ¹⁾	2,80	2,95	5,25	6,25	7,30	8,30
Free cash flow	15	303	-219	64	635	918
Free cash flow per share, SEK ²⁾	0,20	3,35	-2,40	0,70	7,05	10,15
Net debt			10 334	8 732	10 334	9 350
Debt/equity ratio, %			105	89	105	96
Return on shareholders' equity, %	10,2	10,8	9,8	11,5	6,7	7,6
Average number of employees, <i>of whom</i>			24 677	22 247		22 506
- women			6 871	5 982		5 485
- men			17 806	16 265		17 021
Operating key ratios						
<i>Continuing operations excluding items affecting comparability</i>						
Net sales	7 943	6 983	15 719	13 790	28 970	27 041
Operating profit	594	507	1 202	975	2 042	1 815
Profit before tax	493	431	1 004	831	1 675	1 502
Profit for the period	340	305	695	586	1 176	1 067
Earnings per share, SEK ¹⁾	3,70	3,35	7,60	6,40	12,85	11,65
EBITDA, %	10,9	10,3	10,8	10,2	10,3	10,0
Operating margin (ROS), %	7,4	7,2	7,6	7,0	7,0	6,6
Return on capital employed (ROA), %	11,9	11,1	12,1	10,7	10,6	9,8
Return on shareholders' equity, %	13,5	12,1	14,3	11,8	12,0	10,7
Operating cash flow	282	389	279	280	1 606	1 607
Operating cash flow/Operating profit, %	47	77	23	29	79	89
Operating cash flow per share, SEK ³⁾	3,15	4,30	3,10	3,10	17,75	17,80
Net debt/EBITDA, multiple					3,4	3,4
EBITDA/Financial income and exp., multiple					8,2	8,7

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

2) Net cash flow excluding acquisitions and disposals after tax and cash flow related to shareholders

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

Group

April - June 2007

Net sales

During the second quarter of 2007, the Trelleborg Group's net sales amounted to SEK 7,943 M (7,044), an increase of 13 percent. Organic growth was 8 percent. The increase in sales in comparable currencies amounted to 15 percent.

Operating profit and earnings per share

Operating profit for the Group amounted to SEK 489 M (510). Profit before tax totaled SEK 388 M (433). Net profit was SEK 259 M (274). Earnings per share totaled SEK 2.80 (2.95). Operating profit was negatively affected by restructuring costs and impairment losses of SEK 35 M before tax. The restructuring costs and impairment losses are derived from the action program within the Automotive and Wheel Systems business areas. In addition, operating profit for the quarter was charged with nonrecurring costs of SEK 70 M for the ongoing competition investigation of subsidiaries (see

page 5). These items affecting comparability of a total of SEK 105 M before tax and SEK 81 M after tax have been excluded from the reporting of the Group's key operating ratios.

During the quarter, central Group expenses rose to SEK 63 M (38) as a result of estimated costs in the Group's captive company for damage mainly as a result of flooding in Sri Lanka and increased legal costs in conjunction with disputes.

Key operating ratios

For continuing operations, excl. Items affecting comparability, operating profit amounted to SEK 594 M (507). Exchange-rate fluctuations in the translation of foreign Group companies' earnings had a negative impact of about SEK 7 M on operating profit, compared with the year-earlier period. The effect of changes in exchange rates from the flow of transactions is assessed as having had a relatively marginal effect on Group earnings in total.

The Group's profit before tax, excluding items affecting comparability, rose to SEK 493 M (431), while net profit rose to SEK 340 M (305). Earnings per share amounted to SEK 3.70 (3.35). The operating margin amounted to 7.4 percent (7.2). The EBITDA margin increased to 10.9 percent (10.3).

Strong performance by three of four business areas

Excluding the Automotive business area, operating profit increased by 27 percent during the second quarter and the operating margin rose to 9.8 percent (8.9), compared with the second quarter of 2006. The EBITDA margin rose to 12.7 (11.7). The increase is a result of the successful focusing of operations, positive effects from completed acquisitions, efficiency enhancement of operations and continued favorable market conditions within such segments as the aerospace industry, oil/gas, infrastructure/construction and general industry.

January - June 2007

Net sales

During the first six months of 2007, the Trelleborg Group's net sales amounted to SEK 15,719 M (14,039), an increase of 12 percent. Organic growth was 9 percent. The sales increase in comparable currencies amounted to 15 percent.

Operating profit and earnings per share

Operating profit for the Group amounted to SEK 934 M (983). Financial revenue and expenses totaled a negative amount of SEK 198 M net (neg: 144), corresponding to 4 percent (3.5) of average net debt outstanding during the period. Profit before tax amounted to SEK 736 M (837). Net profit totaled SEK 481 M (574) and earnings per share were SEK 5.25 (6.25). Operating profit was negatively affected by restructuring costs and impairment losses from the action program of a total of SEK 224 M before tax. Nonrecurring costs relating to the ongoing competition investigation of subsidiaries had a negative impact of SEK 70 M on operating profit. A capital gain, recorded in the first quarter, from the sale of a property in Hammarbyhamnen, Stockholm, had a positive impact of SEK 26 M on operating profit before tax. These items affecting comparability, which were charged to operating profit before tax for the first six months of the year in an amount of SEK 268 M before tax and SEK 214 after tax, were excluded from the reporting of the Group's key operating ratios.

Key operating ratios

For continuing operations, excl. items affecting comparability, operating profit amounted to SEK 1,202 M (975). Exchange-rate fluctuations in the

translation of foreign Group companies' earnings had a negative impact of about SEK 28 M on the operating profit, compared with the year-earlier period.

The Group's profit before tax, excluding items affecting comparability, rose to SEK 1,004 M (831), while net profit rose to SEK 695 M (586). The tax rate amounted to 30.8 percent (29.5). Earnings per share amounted to SEK 7.60 (6.40). The operating margin amounted to 7.6 percent (7.0). The EBITDA margin amounted to 10.8 percent (10.2).

Excluding the Automotive business area, operating profit increased by 39 percent during the first six months of the year and the operating margin rose to 10.3 percent (8.5), compared with the year-earlier period. The EBITDA margin rose to 13.1 (11.5).

**Balance sheet,
Cash flow,
investments
January-June 2007**

Consolidated operating cash flow for the period January-June amounted to SEK 279 M (280). This level is unchanged from the preceding year mainly because the increased generation of earnings was offset by increased tied-up capital as a result of higher growth. The investment level was SEK 542 M (469). The Group's capital employed was SEK 19,919 M (18,126) at the end of the period. This increase was primarily attributable to acquisitions. The Group's free cash flow for the period declined to a negative SEK 219 M (pos: 64) mainly due to higher interest payments and the effects of restructuring programs undertaken. Net debt amounted to SEK 10,334 M (8,732). The debt-equity ratio amounted to 105 percent (89) at the end of the period. The equity-assets ratio was 34 percent (37). At the end of the period, shareholders' equity per share (90.4 million shares) amounted to SEK 107 (107). Return on capital employed amounted to 12.1 per cent (10.7).

Other

Roger Johansson new member of Group management

Roger Johansson was appointed President of the Trelleborg Automotive business area. Roger Johansson, who is 41 years old and a graduate in business administration, is currently responsible for GM Powertrain Europe, with approximately 9,300 employees. Roger Johansson has broad experience within General Motors, where he worked from 1991, including within the purchasing function and with several of GM's strong brands in various markets, such as SAAB in Sweden, Opel in Germany and Fiat/GM in Italy. Roger Johansson will assume his position in August 2007.

Acquisitions

*The Trelleborg Group continues to make acquisitions in line with the Group's strategy of growing within attractive segments with favorable growth and profitability potential, and where the three primary customer needs of **sealing, damping and protecting** have a principal role.*

In April, Trelleborg Engineered Systems acquired the remaining shares (75%) in **Ou Saare Martex**, which represents the basis for production expansion in Estonia.

In June, the Trelleborg Sealing Solutions business area acquired the operations of the bearing and sealing company **Hydro-Components Research & Development Corporation (HCRD)**, Streamwood, Illinois, in the US. The company has a total of about 80 employees and annual sales of approximately SEK 50 M. HCRD produces high-precision components, with a particular focus on large-diameter seals and bearings. These products are primarily used in applications involving robust cylinders, such as shock absorbers for dumpers and excavators. The products blend well with the business area's existing portfolio, increase the offering and provide the possibility of more rapid growth in the heavy vehicles segment.

At the beginning of the third quarter, the Trelleborg Sealing Solutions business area also acquired the privately owned US distributor **AFM Inc.**, with about 45 employees and annual sales of approximately SEK 85 M. AFM is a rapidly expanding distributor of hydraulic seals and customized rubber components, with its head office in Portland, Oregon, and offices in Fresno, California. Most of AFM's current sales are made to OEM customers in several industrial segments. This acquisition increases the business area's market presence in the western US.

During the quarter, Trelleborg Engineered Systems also made a minor acquisition of intellectual property from **Epoxical Inc.** The acquisition pertains to operations for the production of materials for high-precision tooling. The business, which is expected to have good growth and initially generate annual sales of about SEK 15 M, will complement the business area's existing technology portfolio, which is marketed, for example, to the oil/gas segment.

Competition issues at subsidiaries in US and France

In May 2007, the US Justice Department and the EU competition authority, started investigations into a alleged cartel for certain types of marine hoses for the transport of oil. The competition authorities in Japan and the UK also initiated investigations. These investigations encompass a several international companies, including one of Trelleborg's French subsidiaries, Trelleborg Industrie SAS. The two senior executives at Trelleborg Industrie SAS, who were arrested while in the US, have restrictions on their freedom and are assisting the authorities with their investigations.

Since August 2005, one of Trelleborg's subsidiaries in the US has also been the subject of investigation by the US Justice Department regarding a cartel for certain types of marine fenders. Over the course of the investigation, the former President of the company has admitted complicity in criminal cartel activities. In accordance with the Group's policy, his employment has been terminated and he has left the company. As a result of the investigation, the concerned subsidiary is temporarily suspended as a supplier to the US public sector.

Trelleborg is assisting the authorities in the US and the EU with their investigations on a continuous basis and also continues to take appropriate actions and investigations in respect of these issues.

Trelleborg takes a very serious view of infringements of competition legislation and already has a very clear and well-communicated set of rules and regulations to ensure conformity to applicable competition laws. However, as a result of these events, the Board of Directors and the management have also decided to significantly reinforce the existing action program with the aim of further increasing knowledge of prevailing competition legislation and to strengthen the Group's internal processes and control system.

Against the background of the content of the material to which the authorities have access, and based on privileged consultations with Trelleborg's legal representatives, it can be expected that the authorities' investigations of the US subsidiary, a manufacturer of marine equipment including certain types of fenders, and of the French subsidiary, whose operation to a limited extent comprises the manufacture of certain types of marine hoses to the oil industry may lead to members of the group incurring cost.

The operations targeted by the investigation account for a small part of the Trelleborg Group and have combined annual sales of slightly more than SEK 300 M. It is at present unclear when any improper behaviour was commenced but if irregularities have been ongoing over an extended period, this is expected to increase the level of possible costs for Trelleborg.

In the current phase of the investigations, it is impossible to accurately assess the final financial impact. However, based mainly on the assessment of Trelleborg's external legal representatives, it can be assumed that the ongoing investigations may lead to the Group incurring significant costs of a nonrecurring nature in gradual stages during 2007 and 2008. Currently, all estimations of the possible financial impact involve considerable uncertainty, but the potential combined financial impact could reach amounts that correspond to a predominant proportion of the Group's pre-tax profits for 2006.

In addition, expenses for the ongoing investigations and for the approved action program are estimated to amount to about SEK 75 to 100 M in 2007 and 2008. Costs for the approved action program will be expensed continuously. Costs for the ongoing action program, combined with the accumulated and estimated costs of the investigations in progress in 2007, were charged to operating profit in an amount of SEK 70 M in the second quarter.

Items affecting comparability for calculation of key operating ratios

Items affecting comparability in a total of SEK 105 M before tax were excluded from reporting of the Group's key operating ratios for the second quarter. These items affecting comparability comprise the nonrecurring costs described above for the ongoing competition investigation at subsidiaries in an amount of SEK 70 M and restructuring costs of SEK 20 M in Wheel Systems and SEK 15 M in Automotive.

In Wheel Systems, this pertains to the relocation of Trelleborg's production of rims for special tires from the business area's unit in Hadsten, in Denmark, to a new unit in Liepaja, in Latvia. The production transfer creates the conditions for competitive production of these relatively small series of special products. The plan is for the new unit in Latvia to be in operation in the second quarter of 2008. The costs of closure and the transfer of production from Hadsten are estimated to amount to approximately SEK 25 M before tax, of which most will affect cash flow in mainly 2007 and 2008. There are plans to divest the existing property in Denmark, which will contribute to a short payback time for the total project. The investment in production in Latvia amounts to approximately SEK 30 M over a two-year period.

Since autumn 2006, an action program has also been under way in the Automotive business area. This involves a strategic and operational review and is aimed at improving profitability and the business area's strategic position. The total action program for the Automotive business area, which was initiated in November, is expected to amount to about SEK 875 M before tax and about SEK 700 M after tax. The positive annual earnings effect is expected to be approximately SEK 175 M before tax and SEK 115 M after tax on full implementation. The positive earnings effect of the programs is expected to be marginal for 2007.

During the latter part of 2006 and the first quarter of 2007, decisions were taken on the closure of two plants in the UK (Trowbridge and West Thurrock) and efficiency measures within European operations, comprising, for example, a plant in Mannheim, in Germany, transfer of resources from Western Europe to Eastern Europe and a shared service concept in Europe. In addition, the Dawson Manufacturing Company, which is 45-percent owned by Trelleborg, decided to close a plant in Dawson, in the US, and relocate production to the company's unit in Benton Harbor, USA.

The sections of Automotive's action program that affect operating profit for the second quarter, SEK 15 M, are primarily a consequence of the closure of the business area's Italian plant in Fergom, where the process has now commenced, as well as the reduction of earlier provisions. The operation in Fergom, with about 40 employees, produces antivibration components for light vehicles. The decision foresees that most of the production will be transferred to the business unit's other plants in Europe. The operations at a small distribution office with some 10 employees in Mutzschen, in Germany, will also be discontinued.

Impact from action program, Automotive	Costs	Costs	Costs	Estimated costs, full program	Estimated yearly savings*
SEK M	2006	April - June 2007	Jan - June 2007		
Profit before tax	280	15	203	875	175
- cash flow during the period	4	40	50	460	-
<i>Profit after tax</i>	263	12	153	700	115

*after full completion

Risk management at Trelleborg

Risks in the Group's operations can generally be divided into operational risks relating to business operations and risks related to financing activities.

Operational risks

A business operation always runs the risk of lower revenues through the loss of customers, reduced sales and falling prices as a result of a declining

market or intensified competition. The Group is currently exposed to risks in relation to its business activities:

- *Raw materials.* Handling of price changes for raw materials and components will remain significant for the Group's earnings moving forward, both positively and negatively.
- *Structural measures.* The Trelleborg Group will also continue to actively initiate improvement programs to strengthen the Group's position and competitiveness. A number of structural measures that are currently in progress are described in this report and are key success factors for the Group. They offer both risks and opportunities. There is a risk that the measures taken will be inadequate or will not result in the anticipated earnings improvements, which in turn, increases the risk of the need for impairment of asset values.
- *Acquisitions and integration.* The Trelleborg Group has a distinct acquisition strategy. A successful acquisition and integration process creates value. Acquisition and integration of new units always implies risks, for example, that costs relating to an acquisition are higher than expected and synergies do not meet expectations following acquisition.
- *Legal issues.* From time to time, the Group has ongoing and potential disputes, as well as risks that include responsibility in connection with products sold. The investigation of competition issues at subsidiaries in the US and France that are described in this report carry a risk that the Group could incur considerable costs and that the Group's earnings will be affected.
- *Capacity utilization.* Capacity utilization is currently high and if disruptions or capacity shortages should arise, these could have a negative effect on operations.
- *Talent Management.* The loss of key employees can have various negative effects on the Group's earning ability. The Group works actively with Talent Management to secure key competence for the Group.

For further information about the Group's operational and financial risks, risk management and risk exposure, please refer to Trelleborg's Annual Report and www.trelleborg.com.

Outlook for the third quarter of 2007

Satisfactory growth in most segments of the Group

The outlook for the third quarter of 2007 remains unchanged from the outlook for the first two quarters of the year. For general industry, demand is not expected to decline, while the very strong demand within the Aerospace and Oil/Gas segments will continue. Cutbacks in production, mainly among North American customers, are expected to have adverse effects on automotive-related operations.

Outlook from the interim report on April 25, 2007: *The outlook for the first six months of 2007 remains unchanged. For general industry, demand is not expected to decline, while the very strong demand within the Aerospace and Oil/Gas segments will continue. Cutbacks in production, mainly among North American customers, are expected to have adverse effects on automotive-related operations.*

This report was prepared in accordance with IAS 34 Interim Financial Reporting. Effective January 1, 2007, Trelleborg AB applies the following changes established by the IASB and approved by the European Commission:

IAS 1 – Presentation of financial statements

IFRS 7 – Financial instruments

These entail no impact on the company's earnings and position.

In other respects, the same accounting policies and valuation methods are used as those described in the most recent Annual Report. This report has been reviewed by the Group's auditors.

Trelleborg Engineered Systems

SEK M	April - June		Jan - June		July 2006 -	Full year
	2007	2006	2007	2006	June 2007	2006
<i>Excluding items affecting comparability</i>						
Net sales	2 989	2 372	5 885	4 429	10 766	9 310
Operating profit	294	194	570	342	1 033	805
Operating margin (ROS), %	9,8	8,1	9,6	7,7	9,5	8,6
Operating cash flow	181	158	291	137	969	815
Operating cash flow/Operating profit, %	62	81	51	40	94	101
<i>Including items affecting comparability</i>						
Operating profit	294	194	570	319	1 020	769
ROS, %	9,8	8,1	9,6	7,2	9,4	8,2

Additional key ratios on pages 17 - 19

Favorable demand in the business area's principal markets

The market trend in a number of the business area's principal markets remained good during the second quarter, and particularly favorable for project-related products within infrastructure/construction and oil/gas industries, and the Scandinavian construction market.

Increased sales, organic growth 5 %

The second quarter's sales increase is related to growth within all prioritized market segments and completed acquisitions. The organic growth amounted to 5 percent. In line with the business area's ongoing portfolio management, certain segments were deliberately dropped, which impacted growth. A significant number of project deliveries occurred, including to customers within the area of infrastructure/construction. One example is the storm flood barrier project, which is in progress in St. Petersburg, Russia, and for which the business area supplies Omega seals. Several major deliveries were made to the oil/gas segment.

Continued favorable order intake, investments in capacity increase according to plan

The order situation was favorable during the quarter including such industry-related areas as specialty hose and coated fabrics. Earlier decisions on capacity expansion for products in the oil/gas industry in France, Norway and the UK are progressing according to plan, as is the doubling of production capacity for buoyancy aids for drilling rigs in Houston, in the US. However, the implementation of these capacity expansions meant disruptions and thereby reduced efficiency during the period.

Successful integration of Reeves

The integration of Reeves, which was acquired in autumn 2006, continues and the acquisition had a positive impact on both sales and earnings. The operation has been divided into Trelleborg Printing Blankets and Trelleborg Engineering Fabrics. Within the latter, integration with the existing Trelleborg operation has been implemented, a new global organization has been established and focus on manufacturing units is in progress.

Technology acquisition

During the quarter, an operation for the manufacture of material for high-precision tools was acquired from the company **Epoxical Inc.** Epoxical's operation supplements the existing technology portfolio that is marketed to segments including oil/gas.

Continued strong earnings generation Margin up by nearly 2 percentage points

The business area continued its strong earnings generation during the second quarter. Operating profit increased by 52 percent, compared with the year-earlier period, while margin increased to 9.8 percent (8.1) as a result of favorable demand from several segments, continued focus on operations and completed acquisitions. The business area continues to experience excellent cash flow with respect to the strong growth.

Trelleborg Automotive

SEK M	April - June		Jan - June		July 2006 -	Full year
	2007	2006	2007	2006	June 2007	
<i>Excluding items affecting comparability</i>						
Net sales	2 750	2 509	5 406	5 065	9 834	9 493
Operating profit	83	106	139	209	144	214
Operating margin (ROS), %	3,0	4,1	2,5	3,9	1,4	2,1
Operating cash flow	-12	79	-82	53	10	145
Operating cash flow/Operating profit, %	neg	75	neg	25	7	68
<i>Including items affecting comparability</i>						
Operating profit	68	106	-64	209	-339	-66
ROS, %	2,5	4,1	neg	3,9	neg	neg

Additional key ratios on pages 17 - 19

Car production down in North America, up in Europe and Asia

During the second quarter, car production in North America declined by approximately 4.5 percent compared with the year-earlier period. In Europe, production increased by 3.5 percent, driven strongly by increased East European production (+16 percent). Production in Asia grew by 5 percent. (Source: JD Powers/Trelleborg).

Increased sales, organic growth 11%

Sales increased during the second quarter with organic growth of 11 percent compared with the corresponding period in 2006. The sales trend for the business area's antivibration operation remained positive, with excellent growth in North America and Asia and for the sound-damping laminate segment. Sales growth was facilitated by global presence and delivery to global platforms. An example is the Logan platform for Renault/Dacia, in which the business area delivers or has orders for several continents. Fluid & Acoustic Solutions also increased its sales during the quarter.

Operating profit declined as a result of lower efficiency, high raw-material costs and effects pertaining to capitalization of development costs

Operating profit decreased during the quarter compared with the corresponding quarter in 2006, despite earnings improvements within AVS in North America and Asia and good earnings generation from the sound-damping laminate segment. The efficiency within parts of Fluid & Acoustic improved somewhat compared with the first quarter but continued to adversely impact earnings. During the quarter, raw-material costs were lower than the first quarter, but significantly higher than the second quarter of 2006, which also had a negative impact on earnings. For the second quarter, net capitalized development costs after amortization amounted to SEK 12 M (19), which negatively impacted earnings, compared with the same quarter in 2006. Development costs for January – June 2007 were SEK 6 M (34). The capital efficiency improved, taking into account the strong growth.

The strategic review continues. Decision concerning closure of a plant in Italy.

In November 2006, the business area initiated an action program to improve profitability. The program encompasses both a strategic and operational review. Within the framework of the program, the decision was taken concerning the closure of a plant in Fergom, Italy, where the process has now started. The operation in Fergom, with about 40 employees, manufactures antivibration components for light vehicles. The operations at a small distribution office with some 10 employees in Mutzschen, in Germany, will also be discontinued (see page 7). Efficiency and structural measures continues, and will be paralleled by growth measures and will focus on operations based in a new global structure.

Roger Johansson new business area President

Roger Johansson, who is today responsible for GM Powertrain Europe with about 9,300 employees, has been appointed the new President of the business area (see page 5).

Trelleborg Sealing Solutions

SEK M	April - June		Jan - June		July 2006 -	Full year
	2007	2006	2007	2006	June 2007	2006
Net sales	1 477	1 360	2 953	2 786	5 556	5 389
Operating profit	210	184	436	374	788	726
Operating margin (ROS), %	14,3	13,5	14,8	13,4	14,2	13,5
Operating cash flow	190	189	246	258	782	794
Operating cash flow/Operating profit, %	90	103	56	69	99	109

Additional key ratios on pages 17 - 19

Good demand in prioritized segments

The market conditions for Trelleborg Sealing Solutions within the prioritized industrial segment and aerospace industry were good during the second quarter. The trend in the European market was particularly positive, propelled primarily by Germany and Scandinavia. The automotive market was somewhat weaker than the corresponding quarter in the preceding year.

Gradual reprioritization of segments resulted in increased sales, organic growth of 11 percent

The business area's gradual prioritization of segments with higher growth and better margins led to increased sales in all segments during the quarter. Within the industrial segment, sales grew organically by nearly 14 percent, while the aerospace segment grew by 10 percent. Order intake within the aerospace industry remained extremely healthy and agreements signed during the quarter included a multiyear framework agreement for the delivery of several components for a new type of aircraft engine with the potential for global deliveries. Sales to the automotive sector increased by 2 percent, where unprofitable segments have been gradually replaced by more safety-critical and technology-demanding products in such areas as ride control, in which the business area secured a major order from a German car manufacturer during the quarter.

The business area's favorable growth in Central Europe and Asia continued in the second quarter. For example, a new logistics center was opened in China during the period. The business area's organic growth was 11 percent for the quarter.

Due to the high level of capacity utilization and intensified focus on selected segments, a review of the business area's production structure is being conducted.

Two strategic acquisitions strengthen positions in North America

Two complementary strategic acquisitions were completed. The bearing and sealing company **Hydro-Components Research & Development Corporation (HCRD)**, of Streamwood, Illinois, in the USA, with about 80 employees and annual sales of approximately SEK 50 M, was acquired during the quarter. The acquisition complements the business area's product portfolio and enables more rapid growth within the heavy vehicles segment, such as excavators. In July, American **AFM Inc.**, with about 45 employees and annual sales of approximately SEK 85 M was acquired. AFM Inc. is a rapidly expanding distributor of hydraulic seals and customized rubber components that enhances the business area's presence in the western USA (page 5).

Operating profit up by 14 percent, increased margin

During the second quarter, operating profit and margin increased compared with the second quarter in the preceding year, which was burdened by start-up problems at the business area's new European logistics center. Increased sales, strengthened by an improved product mix, also contributed to the operating profit. The operating margin increased to 14.3 percent during the second quarter.

Trelleborg Wheel Systems

SEK M	April - June		Jan - June		July 2006 -	Full year
	2007	2006	2007	2006	June 2007	
<i>Excluding items affecting comparability</i>						
Net sales	812	820	1 642	1 664	3 123	3 145
Operating profit	75	65	164	130	277	243
Operating margin (ROS), %	9,2	7,9	10,0	7,8	8,8	7,7
Operating cash flow	53	43	30	6	177	153
Operating cash flow/Operating profit, %	71	66	18	5	64	63
<i>Including items affecting comparability</i>						
Operating profit	55	65	143	130	235	222
ROS, %	6,6	7,9	8,7	7,8	7,5	7,1

Additional key ratios on pages 17 - 19

Favorable demand in the business area's prioritized segments

The market for industrial tires in Western Europe and North America enjoyed continued growth, but with early signs of some slowdown for OE customers in North America. Demand for agricultural tires declined during the quarter, but there were increased sales of larger tire dimensions, an area in which Trelleborg is well-positioned.

Focus and effective product-mix strategy resulted in favorable organic growth

Sales declined somewhat in the second quarter of 2007 due to the discontinuation of external sales of coated fabrics and other products. However, sales of agricultural/forest tires and industrial tires continued to increase compared with the year-earlier period. The business area's deliberate product-mix strategy, with its focus on large tire dimensions for agriculture, is a key reason for this. Such growth markets as Brazil and South Africa also enjoyed an improved rate of sales. Organic growth in the second quarter amounted to 6 percent compared with the year-earlier period.

Trelleborg brand strengthened by new tire launches

The brand campaign initiated in 2006, in which Trelleborg was launched as the leading brand within agricultural tires, continues. The launch of the first Trelleborg-branded radial tire, the TM 900, was successful and will be followed in the autumn by another tire dimension, the TM 800.

Efficiency enhancements in production platform, decision on production of special rims in Latvia

During the second quarter, a decision was made to initiate negotiations for the transfer of Trelleborg's production of rims for special tires from the business area's unit in Hadsten, in Denmark to a new unit in Liepaja, in Latvia. The transfer of production creates the conditions for competitive manufacturing of these relatively small series of special products. The new unit in Latvia is scheduled to be in operation during the second quarter of 2008 (see page 6).

The efficiency enhancement of industrial tire production announced in 2006, including the closure of the business area's plant in Hartville, in the US, and investments in facilities in Sri Lanka, is proceeding according to plan.

Operating profit up by 15% Increased operating margin

In the second quarter, operating profit and the operating margin increased compared with the year-earlier period. This was the result of such factors as continued positive effects from the business area's product mix and the focus of the product portfolio. But it was also a consequence of the continued positive effects of the earlier transfer of production from the Trelleborg unit and generally increased cost-efficiency.

Financial Reporting

Group SEK M	Income Statements					
	April - June		Jan - June		July 2006 -	Full year
	2007	2006	2007	2006	June 2007	2006
<i>Continuing operations</i>						
Net sales	7 943	6 983	15 719	13 790	28 970	27 041
Cost of goods sold	-5 963	-5 215	-11 766	-10 306	-21 788	-20 328
Gross profit	1 980	1 768	3 953	3 484	7 182	6 713
Selling expenses	-570	-505	-1 123	-1 026	-2 164	-2 067
Administrative expenses	-821	-677	-1 529	-1 354	-2 815	-2 640
Research and development costs	-123	-124	-268	-249	-525	-506
Other operating income/expense	19	40	-106	83	-233	-44
Profit from part. in assoc. companies	4	5	7	14	15	22
Operating profit	489	507	934	952	1 460	1 478
Financial income and expenses	-101	-76	-198	-144	-367	-313
Profit before tax	388	431	736	808	1 093	1 165
Tax	-129	-126	-255	-238	-419	-402
Profit for the period	259	305	481	570	674	763
<i>Discontinued operations</i>						
Net sales	-	61	-	249	-6	243
Operating profit	-	3	-	31	-2	29
Profit before tax	-	2	-	29	-1	28
Profit for the period	-	-31	-	4	-1	3
Total Net sales	7 943	7 044	15 719	14 039	28 964	27 284
Total operating profit	489	510	934	983	1 458	1 507
Total profit before tax	388	433	736	837	1 092	1 193
Total profit for the period	259	274	481	574	673	766
- attributable to minority interest	6	5	7	9	13	15
- attributable to equity holders of the parent	253	269	474	565	660	751
<i>Earnings per share</i>						
SEK	April - June		Jan - June		July 2006 -	Full year
	2007	2006	2007	2006	June 2007	2006
<i>Continuing operations</i>						
Earnings	2,80	3,30	5,25	6,20	7,30	8,25
<i>Discontinued operations</i>						
Earnings	-	-0,35	-	0,05	-	0,05
<i>Total</i>						
Earnings	2,80	2,95	5,25	6,25	7,30	8,30
<i>Number of shares</i>						
<i>Excluding own holdings</i>						
End of period	90 357 261	90 357 261	90 357 261	90 357 261	90 357 261	90 357 261
Average number	90 357 261	90 357 261	90 357 261	90 357 261	90 357 261	90 357 261
<i>Treasury shares</i>						
End of period	-	5 623 100	-	5 623 100	-	-
Average number	-	5 623 100	-	5 623 100	937 183	3 892 915

Balance Sheets

Group	June 30	June 30	Dec 31
SEK M	2007	2006	2006
Property, plant and equipment	6 099	5 648	6 008
Intangible assets	9 793	8 818	9 535
Financial assets	986	897	1 025
Total non-current assets	16 878	15 363	16 568
Inventories	3 901	3 280	3 604
Current operating receivables	7 876	7 036	6 681
Current interest-bearing receivables	88	76	88
Cash and cash equivalents	525	505	616
Total current assets	12 390	10 897	10 989
Total assets	29 268	26 260	27 557
Shareholders' equity, excluding minority share	9 695	9 687	9 580
Minority share	120	78	107
Total equity	9 815	9 765	9 687
Non-current interest-bearing liabilities	7 034	7 036	6 859
Other non-current liabilities	1 710	1 167	1 521
Total non-current liabilities	8 744	8 203	8 380
Interest-bearing current liabilities	3 915	2 325	3 225
Other current liabilities	6 794	5 967	6 265
Total current liabilities	10 709	8 292	9 490
Total equity and liabilities	29 268	26 260	27 557
Specification of changes in equity	June 30	June 30	Dec 31
SEK M	2007	2006	2006
<i>Attributable to equity holders of the parent</i>			
Opening balance, January 1	9 580	10 041	10 041
Cash flow hedges, net after tax	4	13	10
Translation difference	248	-546	-905
Exchange-rate difference on hedging instruments ¹⁾	-69	111	180
Profit for the period	474	565	751
Dividend	-542	-497	-497
Closing balance	9 695	9 687	9 580
<i>Attributable to minority interest</i>			
Opening balance, January 1	107	72	72
Acquisitions	4	-	26
Translation difference	2	-3	-5
Profit for the period	7	9	15
Dividend	-	-	-1
Closing balance	120	78	107
Sum Closing balance, equity	9 815	9 765	9 687

1) Net after tax

Group SEK M	Cash flow statements					
	April - June		Jan - June		July 2006 - June 2007	Full year 2006
	2007	2006	2007	2006		
<i>Operating activities</i>						
Operating profit	489	507	934	952	1 460	1 478
Adjustments for items not included in cash flow:						
Amortization, intangible assets	45	28	73	53	134	114
Depreciation, property, plant and equipment	230	194	435	401	837	803
Impairment losses, intangible assets	0	-	31	-	188	157
Impairment losses, property, plant and equipment	0	5	-4	10	67	81
Provision for restructuring costs	106	5	238	23	314	99
Undistributed result from part. in assoc. companies	-4	30	-4	21	-13	12
	866	769	1 703	1 460	2 987	2 744
Interest received and other financial items	3	10	6	13	60	67
Interest paid and other financial items	-92	-39	-214	-68	-458	-312
Taxes paid	-121	-42	-207	-116	-411	-320
Cash flow from operating activities before changes in working capital	656	698	1 288	1 289	2 178	2 179
Cash flow from changes in working capital:						
Change in inventories	-129	-2	-216	-128	-355	-267
Change in operating receivables	-350	-523	-966	-1 097	-381	-512
Change in operating liabilities	156	390	285	506	414	635
Utilization of restructuring provisions	-55	-9	-80	-29	-134	-83
Cash flow from operating activities	278	554	311	541	1 722	1 952
<i>Investing activities</i>						
Acquisitions	-59	-185	-184	-1 488	-1 791	-3 095
Restructuring measures in acquired entities	-2	-6	-3	-16	-28	-41
Disposals ¹⁾	27	192	125	179	121	175
Capital expenditure in intangible assets	-46	-40	-62	-72	-122	-132
Capital expenditure, property, plant and equipment	-225	-212	-480	-398	-1 062	-980
Sale of non-current assets	11	18	16	20	115	119
Cash flow from investing activities	-294	-233	-588	-1 775	-2 767	-3 954
<i>Financing activities</i>						
Change in interest-bearing investments	5	-34	28	11	-3	-20
Change in interest-bearing liabilities	564	278	688	1 592	1 616	2 520
Dividend paid to shareholders	-542	-497	-542	-497	-542	-497
Dividend paid to minority	-	-	-	-	-1	-1
Cash flow from the financing activities	27	-253	174	1 106	1 070	2 002
Cash flow for the period	11	68	-103	-128	25	0
Cash and cash equivalents:						
At beginning of the period	514	462	616	663	505	663
Exchange rate differences	0	-25	12	-30	-5	-47
Cash and cash equivalents at end of period	525	505	525	505	525	616

¹⁾ Including cash flow in entities for which an agreement regarding discontinuation has been reached and sale of real estate

Group review, continuing operations

SEK M	April - June		Jan - June		July 2006 -	Full year
	2007	2006	2007	2006	June 2007	2006
<i>Continuing operations excluding items affecting comparability</i>						
Net sales	7 943	6 983	15 719	13 790	28 970	27 041
EBITDA	869	727	1 707	1 427	3 010	2 730
Operating profit	594	507	1 202	975	2 042	1 815
Profit for the period	340	305	695	586	1 176	1 067

Net sales	April - June		Jan - June		July 2006 -	Full year
SEK M	2007	2006	2007	2006	June 2007	2006
<i>Continuing operations</i>						
Trelleborg Engineered Systems	2 989	2 372	5 885	4 429	10 766	9 310
Trelleborg Automotive	2 750	2 509	5 406	5 065	9 834	9 493
Trelleborg Sealing Solutions	1 477	1 360	2 953	2 786	5 556	5 389
Trelleborg Wheel Systems	812	820	1 642	1 664	3 123	3 145
Eliminations	-85	-78	-167	-154	-309	-296
Total	7 943	6 983	15 719	13 790	28 970	27 041

Operating profit before depreciations (EBITDA)	April - June		Jan - June		July 2006 -	Full year
SEK M	2007	2006	2007	2006	June 2007	2006
<i>Continuing operations excluding items affecting comparability</i>						
Trelleborg Engineered Systems	367	254	714	457	1 298	1 041
Trelleborg Automotive	205	201	354	406	568	620
Trelleborg Sealing Solutions	257	227	526	461	962	897
Trelleborg Wheel Systems	108	88	216	177	373	334
Other companies	-5	-2	-8	-3	-13	-8
Group items	-63	-41	-95	-71	-178	-154
Total excluding items affecting comparability	869	727	1 707	1 427	3 010	2 730
<i>Items affecting comparability</i>						
Trelleborg Engineered Systems	-	-	-	-18	-13	-31
Trelleborg Automotive	-15	-	-173	-	-224	-51
Trelleborg Wheel Systems	-20	-	-21	-	-38	-17
Sale of property	-	-	26	-	26	-
Legal non-recurring items	-70	-	-70	-	-70	-
Total including items affecting comparability	764	727	1 469	1 409	2 691	2 631

EBITDA, % ¹⁾	April - June		Jan - June		July 2006 -	Full year
	2007	2006	2007	2006	June 2007	2006
<i>Continuing operations excluding items affecting comparability</i>						
Trelleborg Engineered Systems	12,2	10,6	12,1	10,3	11,9	11,1
Trelleborg Automotive	7,4	7,9	6,5	7,8	5,7	6,4
Trelleborg Sealing Solutions	17,4	16,7	17,8	16,5	17,3	16,6
Trelleborg Wheel Systems	13,2	10,7	13,1	10,6	11,9	10,6
Total excluding items affecting comparability	10,9	10,3	10,8	10,2	10,3	10,0
<i>Including items affecting comparability</i>						
Trelleborg Engineered Systems	12,2	10,6	12,1	9,7	11,8	10,8
Trelleborg Automotive	6,9	7,9	3,3	7,8	3,5	5,8
Trelleborg Wheel Systems	10,6	10,7	11,8	10,6	10,7	10,1
Total including items affecting comparability	9,6	10,3	9,3	10,1	9,2	9,6

1) Operating profit before depreciations excluding participations in associated companies in relation to net sales.

TRELLEBORG AB SIX-MONTH REPORT JANUARY – JUNE 2007

Operating profit SEK M	April - June		Jan - June		July 2006 -	Full year
	2007	2006	2007	2006	June 2007	2006
<i>Continuing operations excluding items affecting comparability</i>						
Trelleborg Engineered Systems	294	194	570	342	1 033	805
Trelleborg Automotive	83	106	139	209	144	214
Trelleborg Sealing Solutions	210	184	436	374	788	726
Trelleborg Wheel Systems	75	65	164	130	277	243
Other companies	-5	-4	-9	-7	-17	-15
Group items	-63	-38	-98	-73	-183	-158
Total excluding items affecting comparability	594	507	1 202	975	2 042	1 815
<i>Items affecting comparability</i>						
Trelleborg Engineered Systems	-	-	-	-23	-13	-36
Trelleborg Automotive	-15	-	-203	-	-483	-280
Trelleborg Wheel Systems	-20	-	-21	-	-42	-21
Sale of property	-	-	26	-	26	-
Legal non-recurring items	-70	-	-70	-	-70	-
Total including items affecting comparability	489	507	934	952	1 460	1 478

Operating margin, (ROS) % ¹⁾	April - June		Jan - June		July 2006 -	Full year
	2007	2006	2007	2006	June 2007	2006
<i>Continuing operations excluding items affecting comparability</i>						
Trelleborg Engineered Systems	9,8	8,1	9,6	7,7	9,5	8,6
Trelleborg Automotive	3,0	4,1	2,5	3,9	1,4	2,1
Trelleborg Sealing Solutions	14,3	13,5	14,8	13,4	14,2	13,5
Trelleborg Wheel Systems	9,2	7,9	10,0	7,8	8,8	7,7
Total excluding items affecting comparability	7,4	7,2	7,6	7,0	7,0	6,6
<i>Including items affecting comparability</i>						
Trelleborg Engineered Systems	9,8	8,1	9,6	7,2	9,4	8,2
Trelleborg Automotive	2,5	4,1	neg	3,9	neg	neg
Trelleborg Wheel Systems	6,6	7,9	8,7	7,8	7,5	7,1
Total including items affecting comparability	6,1	7,2	5,9	6,8	5,0	5,4

1) Operating profit excluding participations in associated companies in relation to net sales.

Return on capital employed, (ROA) % ²⁾	July 2006 -	July 2005 -	Full year
	June 2007	June 2006	2006
<i>Continuing operations excluding items affecting comparability</i>			
Trelleborg Engineered Systems	17,9	16,9	16,7
Trelleborg Automotive	2,8	7,5	4,0
Trelleborg Sealing Solutions	11,9	10,3	10,9
Trelleborg Wheel Systems	18,3	15,3	16,3
Total excluding items affecting comparability	10,6	10,2	9,8
<i>Including items affecting comparability</i>			
Trelleborg Engineered Systems	17,8	16,2	16,1
Trelleborg Automotive	neg	7,5	neg
Trelleborg Wheel Systems	15,6	15,3	15,0
Total including items affecting comparability	7,6	10,1	8,0

2) Operating profit in relation to average capital employed.

Capital employed ³⁾ SEK M	June 30	June 30	Dec 31
	2007	2006	2006
<i>Continuing operations</i>			
Trelleborg Engineered Systems	6 423	4 459	5 920
Trelleborg Automotive	5 391	5 404	5 053
Trelleborg Sealing Solutions	6 745	6 671	6 374
Trelleborg Wheel Systems	1 570	1 492	1 418
Other companies	31	115	129
Group items	39	47	19
Provisions for restructuring measures	-280	-62	-95
Total	19 919	18 126	18 818

3) Total assets less interest-bearing investments and non-interest bearing operating liabilities (including pension liabilities), and excluding tax receivables and tax liabilities.

TRELLEBORG AB SIX-MONTH REPORT JANUARY – JUNE 2007

Jan - June	Cash flow report										
	EBITDA ¹⁾		Capital expenditure		Sold non current assets		Change in working capital		Total cash flow		July 2006-
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	June 2007
SEK M	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	June 2007
Trelleborg Engineered Systems	737	471	-170	-103	8	2	-284	-233	291	137	969
Trelleborg Automotive	369	450	-209	-246	5	2	-247	-153	-82	53	10
Trelleborg Sealing Solutions	537	472	-83	-76	5	6	-213	-144	246	258	782
Trelleborg Wheel Systems	223	183	-56	-40	-	-	-137	-137	30	6	177
Other companies	-8	-2	-	-	-	-	-	-3	-8	-5	-17
Group items	-156	-126	-24	-4	-2	10	-16	-49	-198	-169	-315
Operating cash flow	1 702	1 448	-542	-469	16	20	-897	-719	279	280	1 606
Restructuring measures provided for at the time of acquisition									-3	-16	-28
Other restructuring measures									-80	-29	-134
Financial items									-208	-55	-398
Paid tax									-207	-116	-411
Free cash flow									-219	64	635
Acquisitions									-184	-1 488	-1 791
Disposals ²⁾									125	179	121
Dividend paid to shareholders									-542	-497	-542
Sum net cash flow									-820	-1 742	-1 577
¹⁾ Excluding undistributed result from associated companies and allocated group expenses											
²⁾ Including cash flow in entities for which an agreement regarding discontinuation has been reached and sale of real estate											
Net debt, opening balance									-9 350	-7 236	-8 732
Net cash flow for the period									-820	-1 742	-1 577
Borrowing costs									-	1	-3
Exchange rate differences									-164	245	-22
Net debt, closing balance									-10 334	-8 732	-10 334

Acquisitions, January - June	2007	2006
SEK M		
Purchase price ¹⁾	180	1 468
Acquisition expenses	4	20
Net realizable value of acquired assets	59	526
Goodwill	125	962
Acquired assets and liabilities:		
Property, plant and equipment	38	261
Intangible assets	-	2
Deferred tax	20	18
Associated companies	-4	2
Other shares	-	3
Operating assets	48	481
Minority share	-	102
Operating liabilities	-43	-343
Total	59	526
Profit for the period	7	47
Profit for the period in acquired entities January - June	8	59

¹⁾ The acquisitions are presented on page 5

Parent Company

Parent Company in figures

Loss before tax in Trelleborg AB, the Parent Company of the Trelleborg Group, amounted to SEK 241 M (profit: 420), during the period January – June. The weaker results for the January – June 2007 period were primarily due to lower internal dividends. No sales were made. Investments amounted to SEK 22 M (3). The number of employees at the end of the period was 83 (79).

Risks/risk management within Trelleborg

For information pertaining to financial and operational risk management within Trelleborg, refer to the Trelleborg Annual Report and www.trelleborg.com, and pages 7-8 of this report, where overall significant events for the January – June 2007 period are reported.

Parent company SEK M	Income Statements					
	April - June		Jan - June		July 2006 -	Full year
	2007	2006	2007	2006	June 2007	2006
Administrative expenses	-115	-98	-194	-173	-333	-312
Other operating income	159	171	171	190	219	238
Other operating expenses	-	-1	-	-1	0	-1
Operating profit	44	72	-23	16	-114	-75
Financial income and expenses	-187	504	-218	404	-525	97
Profit before tax	-143	576	-241	420	-639	22
Tax	53	4	80	47	226	193
Profit for the period	-90	580	-161	467	-413	215


Parent company SEK M	Balance Sheets		
	June 30 2007	June 30 2006	Dec 31 2006
Property, plant and equipment	24	11	7
Intangible assets	10	12	10
Financial assets	27 141	27 090	28 420
Total non-current assets	27 175	27 113	28 437
Current operating receivables	75	60	80
Current interest-bearing receivables	1 361	857	1 906
Cash and cash equivalents	0	0	0
Total current assets	1 436	917	1 986
Total assets	28 611	28 030	30 423
Shareholders' equity, excluding minority share	6 769	7 150	7 601
Total equity	6 769	7 150	7 601
Non-current interest-bearing liabilities	137	331	121
Other non-current liabilities	4	8	4
Total non-current liabilities	141	339	125
Interest-bearing current liabilities	21 604	20 451	22 623
Other current liabilities	97	90	74
Total current liabilities	21 701	20 541	22 697
Total equity and liabilities	28 611	28 030	30 423

Board's assurance and Auditor's Report

Board of Directors' assurance

This six-month report presents a fair overview of the operations, position and earnings of the Parent Company and the Group and describes significant risks and uncertainty factors that the company and the companies included in the Group face.

Trelleborg, July 24, 2007
Trelleborg AB (publ)


Anders Narvinger, Chairman


Heléne Bergquist



Rolf Larsson



Berthold Lindqvist



Rolf Kjellman


Claes Lindqvist


Staffan Bohman


Kim Davidsson


Alf Fredlund


Karin Linsjö


Peter Nilsson, President & CEO

Auditor's report

We have reviewed the interim report for Trelleborg AB for the period January 1, 2007 to June 30, 2007. Group Management is responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

We conducted our review in accordance with the Standard on Review Engagements SÖG 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by FAR. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing in Sweden RS and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not, in all material respects, prepared in accordance with IAS 34 and the Annual Accounts Act.

Trelleborg, July 24, 2007

PricewaterhouseCoopers AB


Göran Tidström
Authorized Public Auditor
Auditor in charge


Olov Karlsson
Authorized Public Auditor

INVITATION to telephone conference on July 24, at 9.30 a.m. CET

A telephone conference will be held on July 24 at 9:30 a.m. CET. Call +44 (0)20 7806 1966 or +46 (0)8 5352 6407 and state the password "Trelleborg." Presentation materials will be available at www.trelleborg.com from about 30 minutes prior to the commencement of the conference. The conference will be recorded and will be available for five days following the conference on tel. +44 (0)207-7806 1970 or +46 (0)8 5876 9441, code 7472383#.

Calendar

Nine-month report 2007
Year-end report 2007

October 26, 2007
February 15, 2008

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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 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.