

INTERIM REPORT JANUARY–MARCH 2021

STRONG START TO THE YEAR

Continuing operations

- Organic sales increased 5 percent in the quarter compared with the preceding year. Net sales during the quarter declined 3 percent, impacted by currencies, and amounted to SEK 8,219 M (8,482).
- EBIT, excluding items affecting comparability, rose 15 percent to SEK 1,350 M (1,173), corresponding to an EBIT margin of 16.4 percent (13.8). This was the best quarter to date for both EBIT and the EBIT margin.
- Operating cash flow amounted to SEK 962 M (732). The cash conversion ratio for the most recent 12-month period amounted to 128 percent (103).
- Items affecting comparability for the quarter amounted to SEK 99 M (neg: 36) and pertained to restructuring costs of SEK 45 M and the capital gain on the sale of properties of SEK 144 M.
- Earnings per share, excluding items affecting comparability, totaled SEK 3.77 (3.04). For the Group as a whole, earnings per share were SEK 4.07 (3.05).
- The Businesses Under Development reporting segment was discontinued at the end of the quarter since its operations have been largely divested or are intended to be divested during 2021. The new organization is reflected in this report. Refer to page 9. The key figures in this report relate to continuing operations, unless otherwise stated.

SEK M	Q1 2021	Q1 2020	Change, %	R12 2021	12M 2020
Continuing operations					
Net sales	8,219	8,482	-3	29,995	30,258
Organic sales, %	5	-8		-6	-9
EBIT, excluding items affecting comparability	1,350	1,173	15	4,272	4,095
EBIT-margin, %	16.4	13.8		14.2	13.5
Restructuring costs	-45	-36		-327	-318
Capital gain on real estates	144	-		144	-
Items affecting comparability	99	-36		-183	-318
EBIT	1,449	1,137	27	4,089	3,777
Profit before tax, continuing operations	1,417	1,081	31	3,847	3,511
Net profit, discontinuing operations	4	37		17	50
Net profit, Group	1,104	827	33	2,988	2,711
Earnings per share, SEK					
Continuing operations	4.06	2.91	40	10.96	9.81
Discontinuing operations	0.01	0.14	-93	0.06	0.19
Group	4.07	3.05	33	11.02	10.00
Continuing operations, excluding items affecting comparability	3.77	3.04	24	11.18	10.45
Operating cash flow	962	732	31	5,457	5,227
Cash conversion ratio R12, %	128	103		128	128

As a result of the reorganization in March 2021, comparative figures have been restated. For further information about Group's key figures, including discontinued operations, see pages 17-18.

STRONG START TO THE YEAR

“The Group had a strong start to the year. During the first quarter, organic sales increased by 5 percent compared with the preceding year. Exchange rate effects had a negative impact on sales of 8 percentage points.

EBIT, excluding items affecting comparability, increased 15 percent, corresponding to an operating margin of 16.4 percent (13.8). This was the best quarter to date for both EBIT and the EBIT margin, despite the continued impact of the pandemic in some segments. Operating cash flow, in relation to operating profit, was very strong. The earnings improvement was enabled by higher volumes in combination with the implemented structural enhancements, continued cost control and effective price discipline at all levels of the Group.

Demand for most of our products and solutions increased gradually during the quarter, with expanding order books as a result. In some areas, demand was surprisingly favorable and created challenges in meeting the customers' increasing needs in some units. In several geographies, local restrictions related to the pandemic remained. It created high employee absenteeism and challenges in meeting the increasing order intake quickly enough, which dampened sales growth in parts of the operations.

Within Trelleborg Industrial Solutions, sales to most market segments increased, above all to the automotive industry and construction-related industries. Order intake grew gradually in the majority of segments during the quarter. Sales to aircraft and train manufacturers were lower year on year, still affected by the Coronavirus pandemic and the restrictions that remain in place.

Trelleborg Sealing Solutions noted favorable organic development in most segments during the period, at the same time as order intake improved. Sales to the aerospace industry continued to be negatively impacted by the ongoing pandemic, but order intake in this segment is also beginning to slowly improve from low levels.

Within Trelleborg Wheel Systems, a distinct and sharp increase in demand for tires for agricultural machinery was noted in most geographical markets, which could not be fully satisfied through existing inventories and increased production. Sales growth was also dampened to some extent by periodically high absenteeism among staff and challenging conditions for freight in certain units caused by the pandemic. Sales of tires for material handling and off-highway vehicles gradually improved during the period, but remained lower than in the corresponding period in 2020. However, the order intake in this market segment points toward increasing deliveries going forward.

The Businesses Under Development reporting segment was discontinued at the end of the quarter, since its operations have been largely divested or are intended to be divested during 2021. During the quarter, the offshore operation in the UK was divested and discussions with external stakeholders regarding other units in the reporting segment are at an advanced stage.

At the beginning of the second quarter, our challenges are different in many ways to what they were a year ago. At that time, demand fell sharply due to the pandemic. Today, we are grappling with the challenge of being able to produce and deliver in pace with the order intake. The availability of some raw materials and transport capacity is becoming more constricted than we have experienced in a long time. This change of scenario also emerged rapidly and strongly, which again underlines the importance of our agile and flexible organizational structure.

We continue to adapt to the constantly changing conditions. Our general assessment in the current situation is that demand for the second quarter will be better compared with the first quarter.”

Peter Nilsson,
President and CEO

MARKET OUTLOOK FOR THE SECOND QUARTER OF 2021

Demand is expected to be better than in the first quarter of 2021, adjusted for seasonal variations. Uncertainty regarding the pandemic's impact on the coming quarters remains.

Market outlook from the interim report published on February 10, 2021, relating to the first quarter of 2021

Demand is expected to be slightly better than in the fourth quarter of 2020, adjusted for seasonal variations.

NET SALES AND RESULT¹

SEK M	Q1 2021	Q1 2020	Change, %	R12 2021	12M 2020
Continuing operations					
Net sales	8,219	8,482	-3	29,995	30,258
Change total, %	-3	-3		-10	-10
Organic sales, %	5	-8		-6	-9
Structural change, %	0	2		1	1
Currency effects, %	-8	3		-5	-2
EBIT, excluding items affecting comparability	1,350	1,173	15	4,272	4,095
EBIT-margin, %	16.4	13.8		14.2	13.5
Restructuring costs	-45	-36		-327	-318
Capital gain on real estates	144	-		144	-
Items affecting comparability	99	-36		-183	-318
EBIT	1,449	1,137	27	4,089	3,777
Financial income and expenses	-32	-56	43	-242	-266
Profit before tax	1,417	1,081	31	3,847	3,511
Taxes	-317	-291	-9	-876	-850
Net profit, continuing operations	1,100	790	39	2,971	2,661
Net profit, discontinuing operations	4	37	-89	17	50
Net profit, Group	1,104	827	33	2,988	2,711
Earnings per share, SEK					
Continuing operations	4.06	2.91	40	10.96	9.81
Discontinuing operations	0.01	0.14	-93	0.06	0.19
Group	4.07	3.05	33	11.02	10.00
Continuing operations, excluding items affecting comparability	3.77	3.04	24	11.18	10.45

Net sales during the first quarter of 2021 amounted to SEK 8,219 M (8,482). Organic sales increased 5 percent compared with the year-earlier period. Exchange rate effects were negative 8 percent compared with the year-earlier period.

Sales per market. Organic sales increased 5 percent compared with the preceding year. In Europe, organic sales increased by 4 percent compared with the preceding year. Organic sales in North America declined 10 percent. In South and Central America, the organic sales increase was 26 percent, while in Asia and other markets, organic sales increased by 30 percent compared with the preceding year.

EBIT, excluding items affecting comparability, totaled SEK 1,350 M (1,173), corresponding to a margin of 16.4 percent (13.8).

The total exchange rate effect on EBIT, excluding items affecting comparability, from the translation of foreign subsidiaries had a negative impact of SEK 100 M on earnings compared with the year-earlier period.

Items affecting comparability for the quarter amounted to SEK 99 M (neg: 36) and pertained to restructuring costs of SEK 45 M (cost: 36) and the capital gain on the sale of properties of SEK 144 M.

EBIT, including items affecting comparability, amounted to SEK 1,449 M (1,137) for the quarter.

The net financial expense was SEK 32 M (expense: 56). The lower financial expenses are due to reduced net debt and nonrecurring costs attributable to a strengthening of the Group's liquidity in the preceding year. Net interest income in relation to net debt for the Group amounted to 2.2 percent (2.0).

Net profit was SEK 1,100 M (790).

The tax rate for the quarter, excluding items affecting comparability, amounted to 22 percent (26), while the tax expense for the preceding year was impacted by withholding taxes related to internal dividends from subsidiaries. These withholding taxes may vary between individual quarters.

Earnings per share, excluding items affecting comparability, totaled SEK 3.77 (3.04). For the Group in total, earnings per share were SEK 4.07 (3.05).

¹ The key figures in this report relate to continuing operations, unless otherwise stated. Continuing operations pertains to the business areas Trelleborg Industrial Solutions, Trelleborg Sealing Solutions, Trelleborg Wheel Systems and Group Activities.

CASH FLOW AND NET DEBT

SEK M	Q1 2021	Q1 2020	Change, %	R12 2021	12M 2020
EBIT, excluding items affecting comparability	1,350	1,173	15	4,272	4,095
Depreciation/write-down, property, plant and equipment	342	351		1,413	1,422
Amortization/write-down, intangible assets	86	93		358	365
EBITDA	1,778	1,617		6,043	5,882
Capital expenditure	-240	-339	29	-1,014	-1,113
Sold non-current assets	78	104		124	150
Amortization of lease liabilities	-99	-100		-400	-401
Change in working capital	-717	-521		540	736
Dividend from associated companies	0	0		1	1
Non cash-flow affecting items	162	-29		163	-28
Operating cash flow, continuing operations	962	732	31	5,457	5,227
Cash conversion ratio R12, %	128	103		128	128
Operating cash flow, discontinuing operations	90	-44	305	239	105
Operating cash flow, Group	1,052	688	53	5,696	5,332

SEK M	Q1 2021	Q1 2020	12M 2020
Net debt, opening balance	-10,026	-14,914	-14,914
Operating cash flow	1,052	688	5,332
Cash impact from items affecting comparability	-76	-104	-325
Financial items	-80	-70	-319
Paid tax	-171	-259	-772
Free cash flow	725	255	3,916
Acquisitions	-157	-3	3
Disposed operations	-12	27	147
Capital increase associated companies	-8	-	-
Dividend - equity holders of the parent company	-	-	-
Sum net cash flow	548	279	4,066
Exchange rate differences	-433	-1,006	732
Lease liability according to IFRS 16 ¹	15	-3	141
Pension liability ¹	16	-	-51
Net debt, closing balance	-9,880	-15,644	-10,026
Of which:			
Pension liability ²	-592	-637	-603
Lease liability according to IFRS 16 ²	-2,110	-2,442	-2,049
Net debt, excluding effect of lease and pension liability	-7,178	-12,565	-7,374
Debt/equity ratio, %	32	51	35
Net debt/EBITDA ³	1.6	2.6	1.7

¹ Pertains to non-cash items.

² Net debt including, as of 2019, lease liability in accordance with IFRS 16 and pension liability.

³ EBITDA including items affecting comparability.

Operating cash flow for the quarter amounted to SEK 962 M (732), positively affected by the higher earnings generation. Investments were lower than in the preceding year, while working capital for the period increased in relation to the year-earlier period, driven by higher sales. The cash conversion ratio for the most recent 12-month period amounted to 128 percent (103).

Free cash flow for the year was SEK 725 M (255). Net cash flow amounted to SEK 548 M (279). Net cash flow for the year was impacted by effects from acquisitions of negative SEK 157 M (neg: 3) and effects from divested operations of negative SEK 12 M (pos: 27).

Net debt at the end of the first quarter amounted to SEK 9,880 M (15,644) and was impacted by the year's net cash flow of SEK 548 M, negative exchange rate differences of SEK 433 M and non-cash adjustments of lease and pension liabilities totaling SEK 31 M.

The debt/equity ratio was 32 percent (51). Net debt in relation to EBITDA was 1.6 (2.6).

RETURN ON CAPITAL EMPLOYED AND RETURN ON EQUITY

%	R12 2021	R12 2020
Return on capital employed, continuing operations		
Excluding items affecting comparability	10.6	10.4
Including items affecting comparability	10.2	7.8
Return on equity, Group		
Excluding items affecting comparability	10.1	10.6
Including items affecting comparability	9.7	-0.7

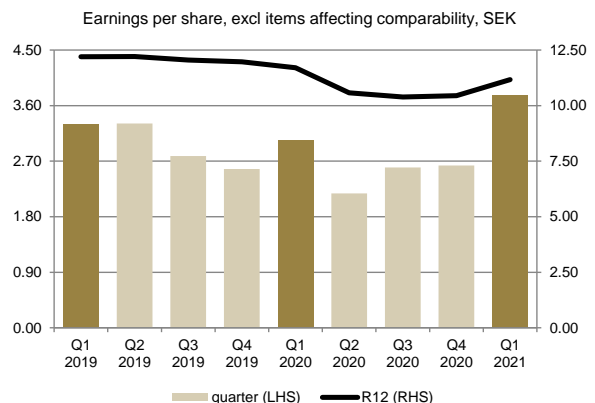
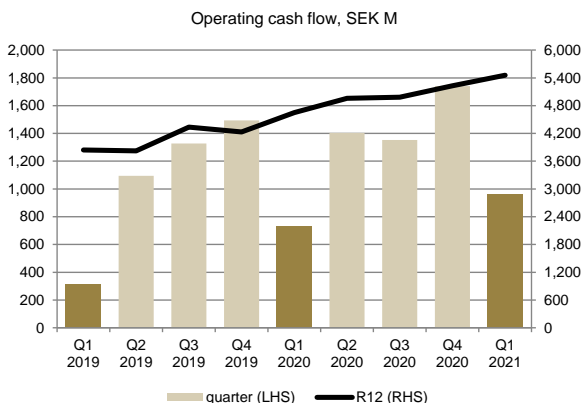
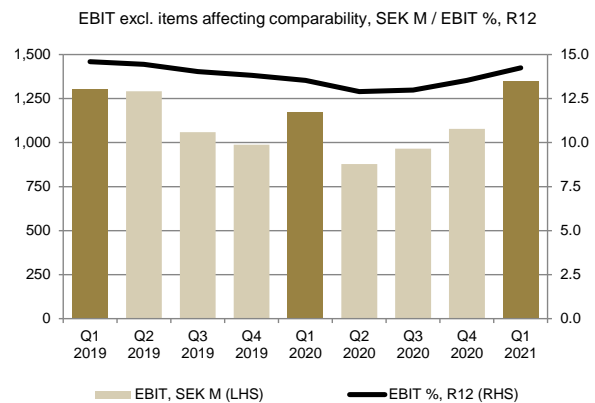
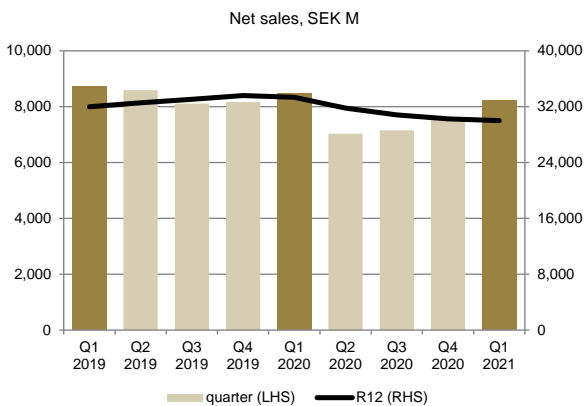
Capital employed, including items affecting comparability, declined year on year to SEK 39,849 M (44,900), impacted by exchange rate effects, reduced working capital, divestments and the net of the investments and depreciation/amortization for the year.

The return on capital employed, excluding items affecting comparability, was 10.6 percent (10.4).

Shareholders' equity for the Group at the close of the period amounted to SEK 31,027 M (30,764), positively impacted by exchange rate effects.

Equity per share amounted to SEK 114 (113). The equity/assets ratio was 56 percent (51). The return on shareholders' equity for the Group, excluding items affecting comparability, totaled 10.1 percent (10.6).

KEY FIGURES AND TRENDS



BUSINESS AREA

TRELLEBORG INDUSTRIAL SOLUTIONS

Trelleborg Industrial Solutions is a leading supplier of polymer-based critical solutions in selected industrial application areas and infrastructure projects.

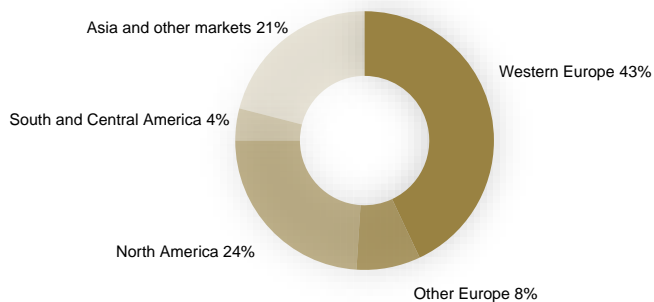
Excluding items affecting comparability, SEK M	Q1 2021	Q1 2020	Change, %	R12 2021	12M 2020
Net sales	2,616	2,748	-5	10,203	10,335
Change total, %	-5	-1		-11	-10
Organic sales, %	3	-7		-7	-9
Structural change, %	0	4		0	1
Currency effects, %	-8	2		-4	-2
EBIT	315	217	45	1,195	1,097
EBIT, %	12.1	7.9		11.7	10.6
Capital employed, closing balance	11,011	12,381		11,007	10,328
Return on capital employed R12, %	10.9	10.0		10.9	9.7

Additional key ratios on pages 16 - 18

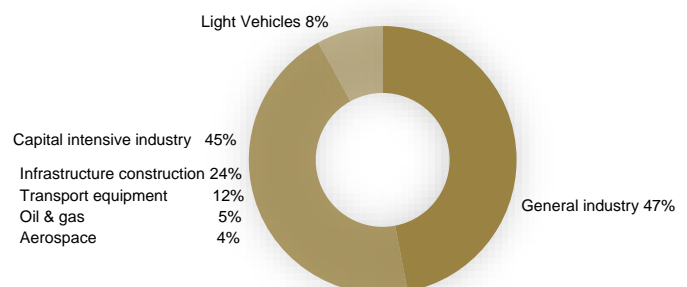
Organic sales for the quarter rose by 3 percent year on year. Sales grew in Europe and Asia, but declined in North America. Deliveries to most of the market segments increased, above all to the automotive industry and construction-related industries. Sales to the aerospace industry and train manufacturers remained negative year on year, still clearly affected by the Coronavirus pandemic and the restrictions that remain in place, but are expected to gradually improve during the year.

EBIT and the EBIT margin increased year on year, due primarily to improved demand and cost savings initiated during the preceding year. Exchange rate effects from the translation of foreign subsidiaries had a negative impact of SEK 17 M on EBIT.

Sales per geography



Sales per segment



Net sales per market segment and per geographic market are based on full-year 2020, adjusted for the new reporting structure. Historically, the percentages have not fluctuated significantly between the quarters and, accordingly, the full-year values for 2020 are a good approximation.

BUSINESS AREA

TRELLEBORG SEALING SOLUTIONS

Trelleborg Sealing Solutions is a leading global supplier of polymer-based critical sealing solutions and components deployed in general industry, automotive and aerospace.

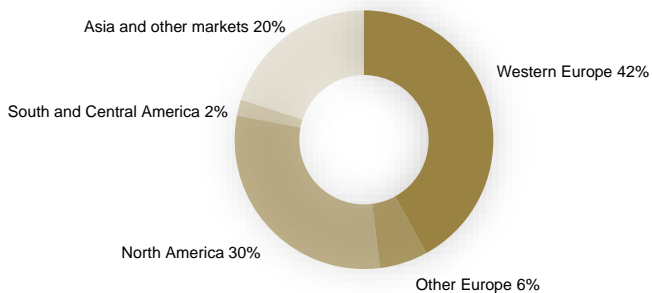
Excluding items affecting comparability, SEK M	Q1 2021	Q1 2020	Change, %	R12 2021	12M 2020
Net sales	3,133	3,209	-2	10,816	10,892
Change total, %	-2	3		-12	-10
Organic sales, %	6	-3		-8	-10
Structural change, %	-	2		1	2
Currency effects, %	-8	4		-5	-2
EBIT	734	706	4	2,165	2,137
EBIT, %	23.4	22.0		20.0	19.6
Capital employed, closing balance	14,326	16,209		14,340	13,471
Return on capital employed R12, %	15.1	18.0		15.1	14.4

Additional key ratios on pages 16 - 18

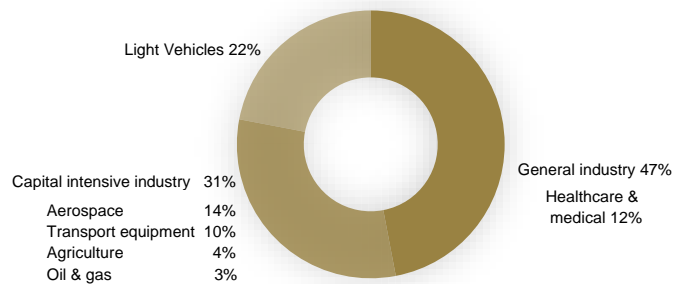
Organic sales for the quarter rose by 6 percent year on year. Organic sales grew in Europe and particularly in Asia, while sales in North America remained low. Sales to general industry declined in North America, but were positive in Europe and Asia. Deliveries to the automotive industry and to healthcare & medical increased in all geographical regions. Sales to the aerospace industry continued to be subject to a negative impact from the ongoing pandemic, but are expected to gradually improve during the year.

EBIT and the EBIT margin increased year on year, due primarily to higher deliveries and strict cost control. Exchange rate effects from the translation of foreign subsidiaries had a negative impact of SEK 52 M on EBIT.

Sales per geography



Sales per segment



Net sales per market segment and per geographic market are based on full-year 2020. Historically, the percentages have not fluctuated significantly between the quarters and, accordingly, the full-year values for 2020 are a good approximation.

BUSINESS AREA

TRELLEBORG WHEEL SYSTEMS

Trelleborg Wheel Systems is a leading global supplier of tires and complete wheels for off-highway vehicles and specialty applications.

Excluding items affecting comparability, SEK M	Q1 2021	Q1 2020	Change, %	R12 2021	12M 2020
Net sales	2,397	2,459	-3	8,703	8,765
Change total, %	-3	-10		-7	-9
Organic sales, %	6	-12		-2	-7
Structural change, %	-	0		0	0
Currency effects, %	-9	2		-5	-2
EBIT	359	297	21	1,112	1,050
EBIT, %	15.0	12.1		12.8	12.0
Capital employed, closing balance	13,891	15,648		14,239	13,650
Return on capital employed R12, %	7.8	5.6		7.8	7.2

Additional key ratios on pages 16 - 18

Organic sales for the quarter rose by 6 percent year on year. A distinct and sharp increase in demand for tires for agricultural machinery was noted in most geographical markets. The demand could not be fully satisfied through existing inventories and increased production, partly due to a shortage of available labor in some regions. Actions to increase the production rate during the second quarter have been initiated.

Sales of tires for material handling and off-highway vehicles gradually improved during the period but remained decidedly lower compared with the corresponding period last year. The order intake in this market segment for delivery later in the year was strengthened significantly.

EBIT and the EBIT margin increased as a result of higher sales volumes, structural measures implemented earlier and effective cost control. Exchange rate effects from the translation of foreign subsidiaries had a negative impact of SEK 35 M on EBIT.



Net sales per market segment and per geographic market are based on full-year 2020. Historically, the percentages have not fluctuated significantly between the quarters and, accordingly, the full-year values for 2020 are a good approximation.

SIGNIFICANT EVENTS DURING THE QUARTER

Halved CO₂ emissions relative to sale by 2025. Trelleborg launched a new climate target, “50 by 25”, meaning that the Group will reduce its CO₂ emissions by 50 percent relative to sales by 2025. This is in conjunction with a vision statement to achieve complete climate neutrality, or net zero emissions, in its own operations by the end of 2035.

More information about Trelleborg’s climate work and sustainability strategy can be found at trelleborg.com.

The press release was published on February 4, 2021

UK offshore oil & gas operation divested. Trelleborg signed an agreement and finalized the divestment of its offshore operation in Skelmersdale, England. The company was part of the overall offshore operation in what was the Businesses Under Development reporting segment. The buyers were individuals holding senior positions in the UK offshore business being sold. The divestment is part of Trelleborg’s strategy to focus on selected market segments.

The divested company had annual sales of approximately SEK 580 M in 2020.

The business was deconsolidated as of March 1, 2021. The transaction does not have a material impact on the Group’s net profit.

The press release was published on March 2, 2021.

Acquisition of leading supplier of composite hoses.

Trelleborg signed an agreement and finalized the acquisition of the Dutch company, Gutteling Group BV. The company develops and sells composite hoses to the chemical industry. The acquisition complements Trelleborg’s industrial hose, and specifically, composite hose, offering. Composite hoses are mainly used for aggressive chemicals, such as chlorine, sulfuric acid, biofuels and LNG.

Gutteling has its head office and production in Rotterdam, the Netherlands, with production in the Czech Republic, as well as a sales office in the US. Total sales amounted to about SEK 115 M in 2020.

The transaction was consolidated as of March 4, 2021.

The press release was published on March 5, 2021.

Businesses Under Development reporting segment discontinued. Trelleborg’s Businesses Under Development reporting segment was discontinued, since its operations have been largely divested or are intended to be divested during 2021.

The other operations within the reporting segment are reported as follows as of this quarterly report:

Assets held for sale:

The Norwegian oil and gas operation, the printing blankets operations and the Czech technical rubber products operations, are reported as assets held for sale. Trelleborg’s current assessment is that it is highly probable that these will be divested during 2021. These operations had annual sales of approximately SEK 2,000 M in 2020. Capital employed amounted to SEK 1,900 M end of March 2021.

Integrated in Trelleborg Industrial Solutions:

Three operations were integrated into the Trelleborg Industrial Solutions business area. One is a microspheres product area; components that are included in high-quality composite materials for a wide range of uses. Another is an operation focusing on solutions in polyurethane for a range of industrial niche applications. The third, is a bearings and sealing solutions product area whose components are deployed in engineered polymer solutions, for example, in installations of offshore wind applications. The common denominator for these operations is that they have improved their profitability and positions and fit well with Trelleborg’s strategy of securing leading positions in selected segments and niches. These operations had annual sales of approximately SEK 580 M in 2020.

Group activities:

In the Czech molded components operation, which has a large exposure to the automotive industry, investments and structural improvements are ongoing. These are expected to lead to a clearly improved profitability and a better market position. Until these structural improvements are fully carried out, the operation is reported within Group activities (formerly known as Group items). The operation had annual sales of approximately SEK 420 M in 2020.

The press release was published on March 26, 2021.

The press release on the restated key figures was published on April 12, 2021.

SIGNIFICANT EVENTS AFTER THE CLOSE OF THE PERIOD

No significant events were reported after the close of the period.

OTHER

PRODUCTS AND SOLUTIONS NEWS

Trelleborg launched GoldLine® Premium 38, a new, high-quality natural rubber sheeting for processing operations. The sheeting is a highly robust barrier that protects equipment and piping from wear and tear from wet and abrasive slurries.



Trelleborg launched FoodPro™ E75F1, a new elastomer sealing material, the formula of which complies with the most comprehensive regulations for food applications. It is



engineered for universal use in food and beverage processing applications, reducing the complexity for machine manufacturers, who no longer need to specify sealing

materials for each piece of equipment dependent on geographical use, process media and cleaning regimes.

Trelleborg is to expand its range of radial tires for loaders



and dumpers during the spring through the ERM 1042 and ERM 1051 ranges. Both tires have a tread design that provides superior traction. They also have reinforced carcass and sidewall protection to extend tire life and increase rider comfort.

Virtual tire showroom. Trelleborg launched an innovative showroom, at which customers can experience Trelleborg's tires for agriculture, construction and material handling as 3D models in a 360-degree environment. The purpose is to make it easy to do business with Trelleborg and, accordingly, the showroom also offers the possibility to book meetings with representatives from Trelleborg. In addition, there will be a conference center that offers training and various presentations. Visit the showroom [here](#).

SUSTAINABILITY

Trelleborg's initiative to eliminate disposable plastic bottles from all of its workplaces all over the world has been successfully implemented in 80 percent of relevant local companies, and approximately 850,000 fewer half-liter plastic bottles have been thrown in the trash worldwide. All companies and units have organized the venture themselves since the solutions vary widely depending on local conditions. The work is continuing at Trelleborg to reduce pressure on the environment from plastic waste that is disseminated and finds its way into seas and nature.



RISK MANAGEMENT

Trelleborg serves a broad range of customers in a variety of market segments and niches. The business has a wide geographic spread. The Group has operations in about 50 countries, sales are conducted in just over 150 countries worldwide and manufacturing operations are carried out at more than 100 production sites. The business is diversified, which provides Trelleborg with an effective underlying risk spread.

Demand for the Group's products and solutions largely moves in line with fluctuations in global industrial production. Trelleborg focuses on maintaining an exposure to its market segments that has a good balance between early and late cyclical industry, meaning general as well as capital-intensive industry, the demands from which often balance each other out. Seasonal effects occur in the various market segments, particularly in the agricultural segment, which normally experiences higher demand for tires for agricultural machines during the first half of the year. For the Group, demand is usually higher in the first half of the year than in the second half of the year.

Long-term risks. Trelleborg has identified the relevant areas based on strategic risks, operational risks, regulatory compliance risks and financial risks that may result in damage or loss with substantial impact on the entire Group and therefore justify management of the risk exposure at Group level.

For information regarding the Group's risks, risk exposure and risk management, refer to the latest Trelleborg Annual Report, www.trelleborg.com.

Short-term risks. The Coronavirus pandemic and the measures taken by various countries to prevent the spread of the virus have impacted the Group. In addition to the known effects, the macroeconomic uncertainty is causing a reduction in economic activity and the long-term impact on the Group's operations is currently unknown. The scope and length of this pandemic are uncertain, but are expected to affect Trelleborg further. The most important risks resulting from the current uncertain situation relating to the pandemic are:

- **Supply chain:** The Group's access to components and the ability to transport finished products to customers could be affected.
- **Earnings and profitability:** Trelleborg's revenue could be affected by individual countries' decisions on extraordinary measures and customer behavior resulting from the Coronavirus pandemic.

This report has not been subject to review by the company's auditor.

Trelleborg, April 22, 2021
Board of Directors of Trelleborg AB (publ)

NOTES

This report has been prepared in accordance with IAS 34 Interim Financial Reporting and the applicable rules of the Swedish Annual Accounts Act. Disclosures in accordance with IAS 34.16A appear in addition to the financial statements and their accompanying notes also in other parts of the interim report. The Parent Company applies recommendation RFR 2, Accounting for Legal Entities of the Swedish Financial Reporting Board and Chapter 9 of the Swedish Annual Accounts Act, Interim Reports.

The accounting policies applied by the Group and Parent Company correspond to the accounting policies applied in the preparation of the most recent annual report.

In addition, IASB has published amendments to standards effective from 1 January 2021 or later. These amended standards have not had any material impact on Trelleborg's financial reports.

Condensed Income Statements

Income Statements, SEK M	Q1 2021	Q1 2020	R12 2021	12M 2020
Net sales	8,219	8,482	29,995	30,258
Cost of goods sold	-5,412	-5,646	-20,048	-20,282
Gross profit	2,807	2,836	9,947	9,976
Selling expenses	-638	-755	-2,460	-2,577
Administrative expenses	-698	-754	-2,624	-2,680
Research and development costs	-132	-151	-524	-543
Other operating income/expenses	9	-5	-65	-79
Profit from associated companies	2	2	-2	-2
EBIT, excluding items affecting comparability	1,350	1,173	4,272	4,095
Items affecting comparability	99	-36	-183	-318
EBIT	1,449	1,137	4,089	3,777
Financial income and expenses	-32	-56	-242	-266
Profit before tax	1,417	1,081	3,847	3,511
Tax	-317	-291	-876	-850
Net profit, continuing operations	1,100	790	2,971	2,661
Net profit, discontinuing operations	4	37	17	50
Net profit, Group	1,104	827	2,988	2,711
- equity holders of the parent company	1,104	827	2,989	2,712
- non-controlling interest	0	0	-1	-1
Earnings per share, SEK ¹	Q1 2021	Q1 2020	R12 2021	12M 2020
Continuing operations	4.06	2.91	10.96	9.81
Discontinuing operations	0.01	0.14	0.06	0.19
Group	4.07	3.05	11.02	10.00
Continuing operations, excluding items affecting comparability	3.77	3.04	11.18	10.45
¹ No dilution effects arose.				
Number of shares				
End of period	271,071,783	271,071,783	271,071,783	271,071,783
Average number	271,071,783	271,071,783	271,071,783	271,071,783
Statements of comprehensive income, SEK M	Q1 2021	Q1 2020	R12 2021	12M 2020
Net profit, Group	1,104	827	2,988	2,711
Other comprehensive income				
Items that will not be reclassified to the income statement				
Reassessment of net pension obligation	16	-	-35	-51
Income tax relating to components of other comprehensive income	-3	-	3	6
Total	13	-	-32	-45
Items that may be reclassified to the income statement				
Cash flow hedges	29	-127	107	-49
Hedging of net investment	-242	-665	1,002	579
Translation difference	1,176	1,841	-3,672	-3,007
Income tax relating to components of other comprehensive income	-6	27	-130	-97
Total	957	1,076	-2,693	-2,574
Other comprehensive income, net of tax	970	1,076	-2,725	-2,619
Total comprehensive income	2,074	1,903	263	92
Total comprehensive income attributable to:				
- equity holders of the parent company	2,074	1,903	264	93
- non-controlling interest	0	0	-1	-1
EBIT specification, continuing operations, SEK M	Q1 2021	Q1 2020	R12 2021	12M 2020
Excluding items affecting comparability:				
EBITDA	1,778	1,617	6,043	5,882
Depreciation/write-down, property, plant and equipment	-342	-351	-1,413	-1,422
EBITA	1,436	1,266	4,630	4,460
Amortization/write-down, intangible assets	-86	-93	-358	-365
EBIT	1,350	1,173	4,272	4,095
Items affecting comparability	99	-36	-183	-318
EBIT	1,449	1,137	4,089	3,777

Condensed Balance Sheets

Balance Sheets, SEK M	Mar 31 2021	Mar 31 2020	Dec 31 2020
Property, plant and equipment	11,311	13,794	11,928
Goodwill	18,423	20,325	17,867
Other intangible assets	4,499	5,530	4,675
Participations in associated companies	39	110	104
Financial non-current assets	12	46	62
Deferred tax assets	591	964	742
Total non-current assets	34,875	40,769	35,378
Inventories	5,099	6,675	5,263
Current operating receivables	7,023	7,821	6,250
Current tax assets	887	1,144	884
Interest-bearing receivables	80	211	233
Cash and cash equivalents	4,788	4,102	5,756
Total current assets	17,877	19,953	18,386
Assets held for sale	2,848	-	-
Total assets	55,600	60,722	53,764
Share capital	2,620	2,620	2,620
Other capital contributions	226	226	226
Other reserves	1,339	4,031	382
Profit brought forward	25,730	23,050	23,005
Net profit for the year	1,104	827	2,712
Total	31,019	30,754	28,945
Non-controlling interests	8	10	8
Equity	31,027	30,764	28,953
Interest-bearing non-current liabilities	9,747	13,603	10,718
Other non-current liabilities	223	301	272
Pension obligations	580	640	619
Other provisions	137	199	149
Deferred tax liabilities	796	1,150	899
Total non-current liabilities	11,483	15,893	12,657
Interest-bearing current liabilities	4,362	5,718	4,706
Current tax liabilities	1,262	1,294	1,138
Other current liabilities	6,246	6,684	5,987
Other provisions	288	369	323
Total current liabilities	12,158	14,065	12,154
Liabilities held for sale	932	-	-
Total equity and liabilities	55,600	60,722	53,764

Specification of changes in equity, SEK M	Mar 31 2021	Mar 31 2020	Dec 31 2020
Opening balance, January 1	28,953	28,861	28,861
Total net profit	1,104	827	2,711
Other comprehensive income	970	1,076	-2,619
Dividend	-	-	-
Closing balance	31,027	30,764	28,953

Specification of capital employed, SEK M	Mar 31 2021	Mar 31 2020	Dec 31 2020
Total assets, Group total	55,600	60,722	53,764
Less:			
Interest-bearing receivables	114	233	275
Cash and cash equivalents	4,893	4,102	5,756
Tax assets	1,615	2,108	1,626
Operating liabilities	7,218	7,195	6,408
Capital employed	41,760	47,084	39,699
Of which discontinuing operations	1,911	2,184	1,831
Continuing operations	39,849	44,900	37,868

Cash-flow statements

Cash flow statements, SEK M	Q1 2021	Q1 2020	R12 2021	12M 2020
Operating activities				
EBIT incl part in associated companies	1,449	1,137	4,089	3,777
Adjustments for items not included in cash flow from operating activities:				
Depreciation, property, plant and equipment	334	365	1,373	1,404
Amortization, intangible assets	86	93	358	365
Impairment losses, property, plant and equipment	8	-15	80	57
Impairment losses, intangible assets	0	0	1	1
Dividend from associated companies	0	-	1	1
Participations in associated companies and other non cash-flow affecting items	-2	-28	20	-6
Interest received and other financial items	24	9	83	68
Interest paid and other financial items	-99	-74	-388	-363
Taxes paid	-202	-268	-718	-784
Cash flow from operating activities before changes in working capital	1,598	1,219	4,899	4,520
Cash flow from changes in working capital				
Change in inventories	-159	-104	396	451
Change in operating receivables	-1,181	-676	-654	-149
Change in operating liabilities	623	259	798	434
Change in items affecting comparability	11	-35	64	18
Cash flow from operating activities	892	663	5,503	5,274
Investing activities				
Acquisitions	-157	-3	-151	3
Disposed/discontinuing operations	-	27	-	27
Capital increase associated companies	-8	-	-8	-
Capital expenditure, property, plant and equipment	-215	-302	-916	-1,003
Capital expenditure, intangible assets	-25	-37	-98	-110
Sale of non-current assets	78	104	124	150
Cash flow from investing activities	-327	-211	-1,049	-933
Financing activities				
Change in interest-bearing investments	163	76	118	31
Change in interest-bearing liabilities	-396	-539	-399	-542
New/utilized loans	-	2,395	725	3,120
Amortized loans	-1,485	-1,084	-4,138	-3,737
Dividend - equity holders of the parent company	-	-	-	-
Cash flow from financing activities	-1,718	848	-3,694	-1,128
Total cash flow, continuing operations	-1,153	1,300	760	3,213
Total cash flow, discontinuing operations	208	45	251	88
Cash flow for the period, Group	-945	1,345	1,011	3,301
Cash and cash equivalents				
At beginning of the period	5,756	2,694	4,102	2,694
Exchange rate differences	83	63	-219	-239
Cash and cash equivalents at end of period	4,894	4,102	4,894	5,756

Change in liabilities from financing activities, SEK M	Non-cash changes								
	Dec 31 2020	Transfer between long-term and short-term loans	Cash changes	Acquisitions	Translation differences	Fair value changes	Lease liabilities according to IFRS 16	Pension liabilities	Mar 31 2021
Long-term loans	9,015	-1,051	-58	-	222	-	-	-	8,128
Current loans	4,128	1,051	-1,427	-	24	-	-	-	3,776
Other non-current financial liabilities	23	-	1	-	0	-	-	-	24
Other current financial liabilities	209	-	-168	-	184	-	-	-	225
Lease liabilities according to IFRS 16	2,049	-	-104	-	77	-	88	-	2,110
Pension obligations	618	-	-1	-	7	-	-	-16	608
Total	16,042	-	-1,757	-	514	-	88	-16	14,871

Key figures

Trelleborg employs a number of alternative performance measures related to financial position, including: return on equity and capital employed, net debt, debt/equity ratio and equity/assets ratio. The Group deems the key figures useful for the readers of its financial reports as a complement for assessing the possibility of dividends, implementing strategic investments and considering the Group's ability to meet its financial commitments. In addition, Trelleborg uses the cash-flow measurements of operating cash flow and free cash flow to provide an indication of the funds the operations generate to be able to implement strategic investments, make amortizations and pay returns to the shareholders. Trelleborg uses the performance metrics of EBITDA, EBITA and EBIT excluding items affecting comparability, which the Group considers to be relevant for investors seeking to understand its earnings generation before items affecting comparability.

For further description and calculation of key figures, see <https://www.trelleborg.com/en/investors/financial-definitions>.

SEK M	Q1 2021	Q1 2020	R12 2021	12M 2020
Net sales				
Trelleborg Industrial Solutions	2,616	2,748	10,203	10,335
Trelleborg Sealing Solutions	3,133	3,209	10,816	10,892
Trelleborg Wheel Systems	2,397	2,459	8,703	8,765
Group Activities	120	112	413	405
Eliminations	-47	-46	-140	-139
Continuing operations	8,219	8,482	29,995	30,258
Discontinuing operations	598	835	2,459	2,696
Eliminations	-44	-31	-131	-118
Group	8,773	9,286	32,323	32,836
EBIT, excluding items affecting comparability				
Trelleborg Industrial Solutions	315	217	1,195	1,097
Trelleborg Sealing Solutions	734	706	2,165	2,137
Trelleborg Wheel Systems	359	297	1,112	1,050
Group Activities	-58	-47	-200	-189
Continuing operations	1,350	1,173	4,272	4,095
Discontinuing operations	30	62	155	187
Group	1,380	1,235	4,427	4,282
EBIT %, excluding items affecting comparability				
Trelleborg Industrial Solutions	12.1	7.9	11.7	10.6
Trelleborg Sealing Solutions	23.4	22.0	20.0	19.6
Trelleborg Wheel Systems	15.0	12.1	12.8	12.0
Continuing operations	16.4	13.8	14.2	13.5
Discontinuing operations	4.9	7.4	6.3	7.0
Group	15.7	13.3	13.7	13.0
Net sales per market continuing operations, organic growth, %				
Western Europe (47)	4	-11	-11	
Other Europe (9)	4	3	2	
North America (24)	-10	-5	-15	
South and Central America (3)	26	10	-3	
Asia and other markets (17)	30	-10	-1	
Total (100% refer to share 2020)	5	-8	-9	

Bridge net sales	Q1 2020, SEK M	Organic sales, %	Structural change, %	Currency effects, %	Q1 2021, SEK M
Trelleborg Industrial Solutions	2,748	3	0	-8	2,616
Trelleborg Sealing Solutions	3,209	6	-	-8	3,133
Trelleborg Wheel Systems	2,459	6	-	-9	2,397
Group Activities	112	17	-	-10	120
Eliminations	-46	-	-	-	-47
Continuing operations	8,482	5	0	-8	8,219

Exchange rate differences impacting EBIT excluding items affecting comparability ¹ , SEK M	Q1 2021
Trelleborg Industrial Solutions	-17
Trelleborg Sealing Solutions	-52
Trelleborg Wheel Systems	-35
Group activities	4
Continuing operations	-100

¹ Impact on EBIT excluding items affecting comparability in translation of foreign subsidiaries.

SEK M	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
Net sales									
Trelleborg Industrial Solutions	2,616	2,622	2,504	2,461	2,748	2,963	2,858	2,864	2,772
Trelleborg Sealing Solutions	3,133	2,672	2,513	2,498	3,209	2,952	2,982	3,090	3,118
Trelleborg Wheel Systems	2,397	2,185	2,075	2,046	2,459	2,182	2,188	2,536	2,723
Group activities	120	155	93	45	112	104	121	140	149
Eliminations	-47	-41	-33	-19	-46	-39	-42	-43	-45
Continuing operations	8,219	7,593	7,152	7,031	8,482	8,162	8,107	8,587	8,717
Discontinuing operations	598	569	612	680	835	911	755	817	700
Eliminations	-44	-44	-22	-21	-31	-54	-32	-43	-39
Group	8,773	8,118	7,742	7,690	9,286	9,019	8,830	9,361	9,378
EBIT, excluding items affecting comparability									
Trelleborg Industrial Solutions	315	391	274	215	217	332	296	327	297
Trelleborg Sealing Solutions	734	511	455	465	706	626	668	710	724
Trelleborg Wheel Systems	359	225	272	256	297	97	148	319	349
Group items	-58	-49	-35	-58	-47	-67	-53	-64	-67
Continuing operations	1,350	1,078	966	878	1,173	988	1,059	1,292	1,303
Discontinuing operations	30	27	34	64	62	18	-23	30	-9
Group	1,380	1,105	1,000	942	1,235	1,006	1,036	1,322	1,294
EBIT %, excluding items affecting comparability									
Trelleborg Industrial Solutions	12.1	14.9	10.9	8.7	7.9	11.2	10.4	11.4	10.7
Trelleborg Sealing Solutions	23.4	19.1	18.1	18.6	22.0	21.2	22.4	23.0	23.2
Trelleborg Wheel Systems	15.0	10.3	13.1	12.5	12.1	4.4	6.8	12.6	12.8
Continuing operations	16.4	14.2	13.5	12.5	13.8	12.1	13.1	15.0	14.9
Discontinuing operations	4.9	4.7	5.7	9.4	7.4	2.1	-3.1	3.7	-1.2
Group	15.7	13.6	12.9	12.3	13.3	11.2	11.7	14.1	13.8

Condensed Income Statements, SEK M	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
Net sales	8,219	7,593	7,152	7,031	8,482	8,162	8,107	8,587	8,717
Cost of goods sold	-5,412	-5,009	-4,847	-4,780	-5,646	-5,504	-5,498	-5,679	-5,780
Gross profit	2,807	2,584	2,305	2,251	2,836	2,658	2,609	2,908	2,937
Selling expenses	-638	-636	-598	-588	-755	-726	-709	-744	-732
Administrative expenses	-698	-699	-594	-633	-754	-777	-702	-714	-726
Research and development costs	-132	-143	-120	-129	-151	-147	-140	-144	-140
Other operating income/costs	9	-27	-26	-21	-5	-19	-1	-14	-35
Profit from associated companies	2	-1	-1	-2	2	-1	2	0	-1
EBIT, excluding items affecting comparability	1,350	1,078	966	878	1,173	988	1,059	1,292	1,303
Items affecting comparability	99	-139	-82	-61	-36	-877	-113	-94	-15
EBIT	1,449	939	884	817	1,137	111	946	1,198	1,288
Financial income and expenses	-32	-68	-66	-76	-56	-80	-51	-102	-112
Profit before tax	1,417	871	818	741	1,081	31	895	1,096	1,176
Tax	-317	-265	-88	-206	-291	-103	-235	-283	-309
Net profit, continuing operations	1,100	606	730	535	790	-72	660	813	867
Net profit, discontinuing operations	4	54	-77	36	37	-2446	1	-6	-16
Net profit, Group	1,104	660	653	571	827	-2,518	661	807	851
- equity holders of the parent company	1,104	661	653	571	827	-2,518	661	807	851
- non-controlling interest	0	-1	0	0	0	0	-	-	-

Continuing operations	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
Net sales, SEK M	8,219	7,593	7,152	7,031	8,482	8,162	8,107	8,587	8,717
Organic sales, %	5	0	-7	-20	-8	-2	-1	0	2
EBITDA, excl items affecting comparability, SEK M	1,778	1,518	1,395	1,352	1,617	1,465	1,511	1,734	1,725
EBITDA, excl items affecting comparability, %	21.6	20.0	19.5	19.3	19.0	18.0	18.6	20.2	19.8
EBITA, excl items affecting comparability, SEK M	1,436	1,168	1,054	972	1,266	1,075	1,151	1,373	1,385
EBITA, excl items affecting comparability, %	17.4	15.4	14.7	13.8	14.9	13.2	14.2	16.0	15.9
EBIT, excl items affecting comparability, SEK M	1,350	1,078	966	878	1,173	988	1,059	1,292	1,303
EBIT, excl items affecting comparability, %	16.4	14.2	13.5	12.5	13.8	12.1	13.1	15.0	14.9
Items affecting comparability, SEK M	99	-139	-82	-61	-36	-877	-113	-94	-15
EBIT, SEK M	1,449	939	884	817	1,137	111	946	1,198	1,288
Earnings per share, excluding items affecting comparability SEK	3.77	2.63	2.60	2.18	3.04	2.57	2.78	3.31	3.30
Operating cash flow, excl items affecting comp., SEK M	962	1,740	1,352	1,403	732	1,494	1,328	1,095	313
Cash conversion ratio, excl items affecting comp., R12, %	128	128	124	121	103	91	94	81	82
Capital employed, closing balance, SEK M	39,849	37,868	40,775	41,735	44,900	42,258	43,945	42,153	41,660
Return on capital employed R12, %	10.2	9.1	6.9	6.9	7.8	8.3	10.5	11.4	11.9

Group total	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
Earnings per share, excl items affecting comparability, SEK	3.82	2.90	2.31	2.47	3.21	2.45	2.83	3.36	3.25
Earnings per share, Group, SEK	4.07	2.43	2.41	2.11	3.05	-9.29	2.44	2.98	3.14
Free cash flow, SEK M	725	1,397	1,165	1,099	255	1,235	1,101	630	-282
Net debt, closing balance, SEK M	-9,880	-10,026	-12,129	-13,399	-15,644	-14,914	-15,860	-15,307	-15,766
Net debt/EBITDA	1.6	1.7	2.2	2.4	2.6	2.5	2.6	2.5	2.5
Debt/equity ratio %	32	35	41	45	51	52	49	50	53
Return on equity, %	9.7	9.4	-1.5	-1.5	-0.7	-0.7	9.5	10.1	10.6
Equity/assets ratio, %	56	54	51	50	51	51	53	53	52

Acquisitions

Carrying amounts of identifiable acquired assets and assumed liabilities

2021

Trelleborg has, through its Trelleborg Industrial Solutions business area, signed an agreement and finalized the acquisition of the Dutch company Gutteling Group BV. The company develops and sells composite hoses to the chemical industry and is market leader in hoses for LNG ship-to-ship transfer.

2020

No acquisitions were carried out in 2020.

Certain adjustments were made to acquisition analyses attributable to acquisitions made in 2019.

Acquisitions, SEK M	Q1 2021 Acquired 2021	Q1 2020 Adjustments to Acquisitions 2019
Developed technology ¹	-	6
Trademarks ²	-	-
Customer relationships ³	50	-8
Other intangible assets	7	-
Property, plant and equipment	2	-
Deferred tax assets	0	-
Shares in associated companies	-	-
Interest-bearing receivables	19	-
Inventories	24	-1
Operating receivables	23	-1
Current tax asset	1	1
Cash and cash equivalents	22	-
Deferred tax liabilities	-12	-1
Interest-bearing liabilities	-19	-
Post employment benefits	-	-
Provision obligations	-	-
Current tax liability	-2	-2
Operating liabilities	-23	0
Net assets	92	-6
Goodwill	87	9
Total purchase price	179	3
Cash and other net debt in acquired operations	-22	-
Impact shown in cash flow statement	157	3

¹ Excess value of developed technology is amortized over 10-12 years.

² Trademarks have an indefinite useful life, no amortization takes place.

³ Excess value of customer relationships are amortized over 10-12 years.

The goodwill recognized above for 2021 was primarily attributable to synergy effects expected after the acquisition. The fair value of acquired, identifiable, intangible assets is preliminary pending final measurement of these assets.

Financial instruments – classification and valuation

A description of how fair value is calculated is provided below and in Accounting policies in the latest Annual Report.

At March 31, 2021, SEK M		Assets at fair value in profit and loss		Derivatives used for hedging purposes		Total
	Assets measured at amortized cost	Carrying amount	Measurement level	Carrying amount	Measurement level	
Assets in the balance sheet						
Derivative instruments	-	61	2	40	2	101
Financial non-current assets	2	-		-		2
Accounts receivable	5,995	-		-		5,995
Interest-bearing receivable	17	-		-		17
Cash and cash equivalents	4,894	-		-		4,894
Total	10,908	61		40		11,009
		Liabilities at fair value in profit and loss		Derivatives used for hedging purposes		Total
	Liabilities measured at amortized cost	Carrying amount	Measurement level	Carrying amount	Measurement level	
Liabilities in the balance sheet						
Derivative instruments	-	53	2	363	2	416
Interest-bearing non-current liabilities	8,131	21	3	-		8,152
Interest-bearing current liabilities	3,789	22	3	-		3,811
Lease liabilities according to IFRS 16	2,110	-		-		2,110
Accounts payable	3,607	-		-		3,607
Total	17,637	96		363		18,096

Measurement techniques used to calculate fair value of level 2 assets

Level 2 derivatives comprise currency futures and interest swaps and are primarily used for hedging purposes, but also for trading. Measurement of the fair value of currency futures is based on the published forward rates in an active market and on the discounted contractual cash flows. Measurement of interest swaps is based on forward interest rates prepared on the basis of observable Swedish interest curves and discounting of the contractual cash flows.

Measurement techniques used to calculate fair value of level 3 assets

Interest-bearing non-current and current liabilities include earnouts according to contract in an amount of SEK 21 M (41) and SEK 22 M (41), respectively. An assessment of the most probable outcome was made and the present value of this calculated.

Disclosure on fair value of borrowings and other financial instruments

Financial interest-bearing liabilities, except for financial derivatives that adjust loans and earnouts according to contract, are recognized at amortized cost. Changes in interest-rate levels and credit margins create differences between fair value and amortized cost. Measurement at fair value would increase the Group's non-current loans by SEK 88 M. No remeasurement was made for current loans because the carrying amount is regarded as a good estimate of the fair value due to their short term.

At March 31, 2020, SEK M		Assets at fair value in profit and loss		Derivatives used for hedging purposes		Total
	Assets measured at amortized cost	Carrying amount	Measurement level	Carrying amount	Measurement level	
Assets in the balance sheet						
Derivative instruments	-	192	2	12	2	204
Financial non-current assets	2	-		-		2
Accounts receivable	6,396	-		-		6,396
Interest-bearing receivable	20	-		-		20
Cash and cash equivalents	4,102	-		-		4,102
Total	10,520	192		12		10,724
		Liabilities at fair value in profit and loss		Derivatives used for hedging purposes		Total
	Liabilities measured at amortized cost	Carrying amount	Measurement level	Carrying amount	Measurement level	
Liabilities in the balance sheet						
Derivative instruments	-	197	2	709	2	906
Interest-bearing non-current liabilities	11,532	41	3	-		11,573
Interest-bearing current liabilities	4,674	41	3	-		4,715
Lease liabilities according to IFRS 16	2,442	-		-		2,442
Accounts payable	3,667	-		-		3,667
Total	22,315	279		709		23,303

Parent Company

Condensed Income statements, SEK M	Q1 2021	Q1 2020	R12 2021	12M 2020
Net sales	97	131	428	462
Administrative expenses	-66	-74	-287	-295
Other operating income	1	1	6	6
Other operating expenses	-28	-31	-265	-268
EBIT	4	27	-118	-95
Financial income and expenses	494	-173	1,138	471
Profit before tax	498	-146	1,020	376
Appropriations	-	-	134	134
Tax	14	11	-31	-34
Net profit	512	-135	1,123	476

Condensed Balance sheets, SEK M	Mar 31 2021	Mar 31 2020	Dec 31 2020
Property, plant and equipment	11	13	12
Intangible assets	21	24	22
Financial assets	36,914	36,043	36,777
Total non-current assets	36,946	36,080	36,811
Current receivables	153	207	83
Current tax asset	4	1	3
Interest-bearing receivables	-	0	134
Cash and cash equivalents	0	-	-
Total current assets	157	208	220
Total assets	37,103	36,288	37,031
Equity	8,537	7,415	8,025
Interest-bearing non-current liabilities	187	92	85
Other non-current liabilities	47	50	45
Total non-current liabilities	234	142	130
Interest-bearing current liabilities	28,245	28,633	28,718
Current tax liabilities	-	-	-
Other current liabilities	87	98	158
Total current liabilities	28,332	28,731	28,876
Total equity and liabilities	37,103	36,288	37,031

Other

Related parties. No material changes occurred for the Group or the Parent Company in relations or transactions with related parties, compared with what is described in Note 12 of the 2020 Annual Report.

ABOUT TRELLEBORG

Trelleborg is a world leader in engineered polymer solutions. We seal, damp and protect critical applications in demanding environments. Our innovative solutions accelerate performance for customers in a sustainable way.

Business concept

Trelleborg's business concept is to seal, damp and protect in demanding industrial environments.

Strategy

Trelleborg's strategy is to secure leading positions in selected segments. This means that Trelleborg seeks segments, niches and product categories that – by virtue of the Group's market insights, core competencies and offering of advanced products and solutions – provide market leadership. In this manner, long-term shareholder value and added value are generated for customers. Trelleborg works with the strategy, both Group-wide and in the business areas, supported by four strategic cornerstones that – individually and in combination – underpin the strategy. The strategic cornerstones are: Geographic balance, Portfolio optimization, Structural improvements and Excellence.

Value drivers

Polymer engineering. Trelleborg should be best at developing polymer-based solutions that optimize and accelerate customers' applications and processes.

Local presence, global reach. Trelleborg leverages global strength and capabilities, while acting as a local partner to customers.

Application expertise. Trelleborg should be best at understanding customers' applications, thereby adding the most value.

Customer integration. Trelleborg makes it easy to do business with the Group and integrates in close partnerships with its customers.

Business accelerator. Powered by these core capabilities, the aim is always to improve, accelerate and grow customers' businesses. Trelleborg grows with its customers.

Trelleborg's market segments:

Business area/Segment distribution	General industry	Capital intensive industry					Light Vehicles	
		Oil & gas	Transport equipment	Agriculture	Infrastructure construction	Aerospace		
Trelleborg Industrial Solutions	47%	5%	12%		24%	4%	45%	8%
Trelleborg Sealing Solutions	47%	3%	10%	4%		14%	31%	22%
Trelleborg Wheel Systems			37%	63%			100%	
Continuing operations	33%	3%	19%	20%	8%	6%	56%	11%

Net sales per market segment and business area based on full-year 2020. Historically, these percentages have not changed substantially between the quarters, the full-year figures of 2020 will therefore give a good approximation.

TELEPHONE CONFERENCE ON APRIL 22

A telephone conference will be held on April 22, at 3:00 p.m. CEST. To participate in the telephone conference, call +46 8 505 583 53 (Sweden), +44 333 3009 030 (UK) or +1 844 6251 570 (US). Code: "Trelleborg". The conference will also be streamed in real-time on the Internet. Visit our website www.trelleborg.com for the Internet link and presentation material.

FINANCIAL CALENDER

Annual General Meeting 2021	April 22, 2021
Interim report April-June 2021	July 22, 2021
Interim report July-September 2021	October 27, 2021
Year-end report 2021	February 4, 2022
Interim report January-March 2022	April 27, 2022

FOR FURTHER INFORMATION

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For information about the Trelleborg Group, Annual Reports, the stakeholder magazine *T-TIME* and other information, please visit 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 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.

This information is information that Trelleborg AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 1:00 p.m. CET on April 22, 2021.