



Report for Q1 2011

- Orders received and margins
- Highlights
- Development per segment
- Geographical development
- Financials
- Outlook

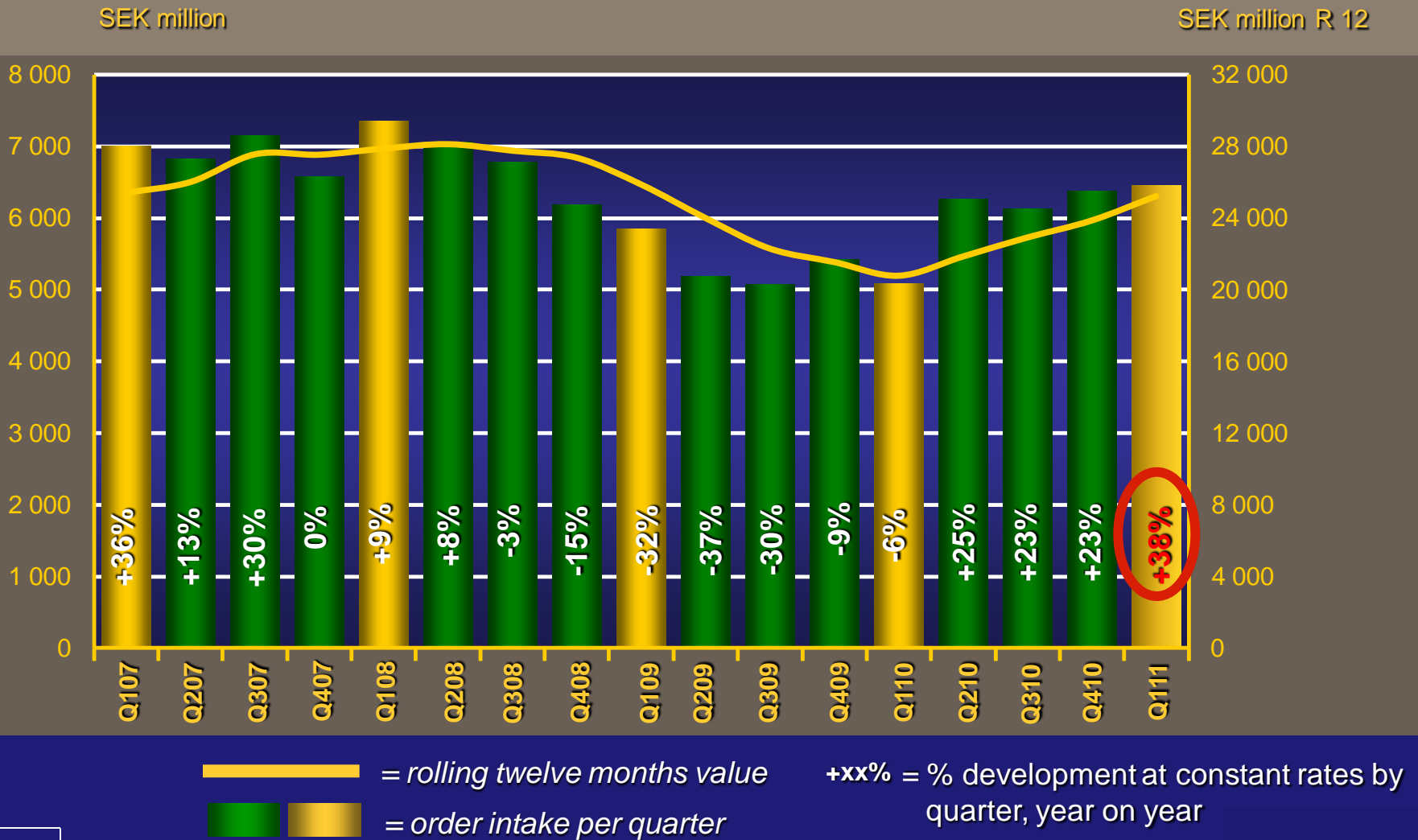
Mr. Lars Renström
President and CEO
Alfa Laval Group

Key figures

January – March 2011

- Orders received rose 27% to SEK 6,455 million.
- Net sales increased 10% to SEK 5,899 million.
- Adjusted EBITA up 12% at SEK 1,134 million.
- Adjusted EBITA margin 19.2% vs 18.8%
- *Negative currency effect SEK 85 million.*

Orders received



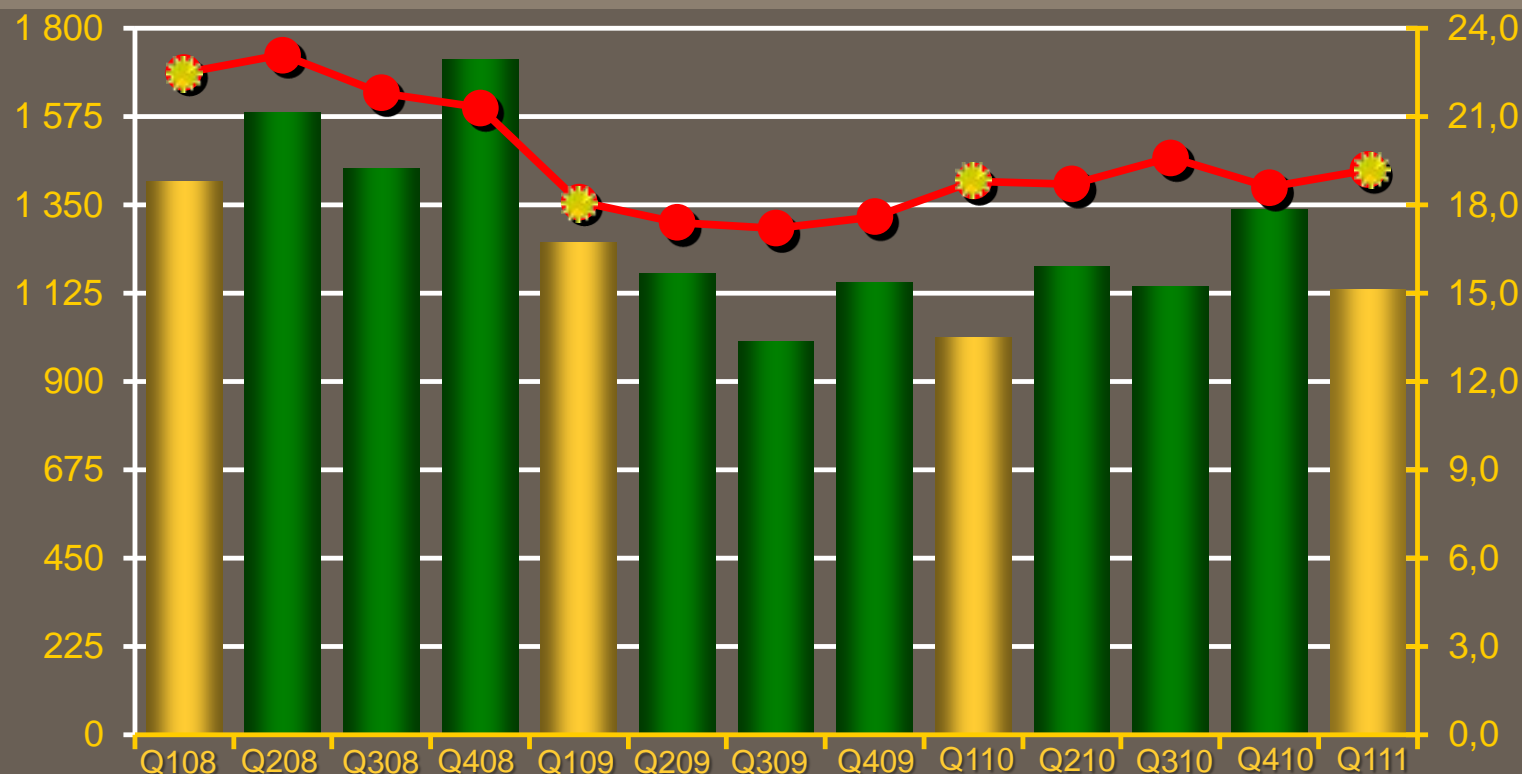
Order analysis

Jan – March 2011

2010 (SEK millions)	5,089
Structural change, %	+ 4.4
Currency effects,%	- 11.4
Organic development, %	+ 33.8
Total, %	+ 26.8
2011 (SEK million)	6,455

Adjusted EBITA / margin *

SEK millions and in percent of sales



* Adjusted EBITA – "Earnings before interests, taxes, amortization of goodwill and step up values and comparison distortion items."

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Highlights during the quarter

Large orders, total SEK 185 million (140)

* Food order in India.

Order to a vegetable oil plant in India. The order value is approximately SEK 50 million and delivery is scheduled for 2011.

Highlights during the quarter

Large orders, total SEK 185 million (140)

- * Food order in India.

- * Refinery order in Saudi Arabia.

Order for Packinox heat exchangers worth approximately SEK 75 million, delivery scheduled for 2012.

Highlights during the quarter

Large orders, total SEK 185 million (140)

- * Food order in India.
- * Refinery order in Saudi Arabia.
- * Power order from MAN.

SEK 60 million order for oil-treatment modules to a power plant. Delivery scheduled for 2012.

Aalborg Industries

Status of acquisition

- ★ Closing of transaction is subject to clearance from regulatory authorities. Clearance obtained in 4 jurisdictions out of 5, as of March 31st.
- ★ Decision from Chinese authorities is still pending.



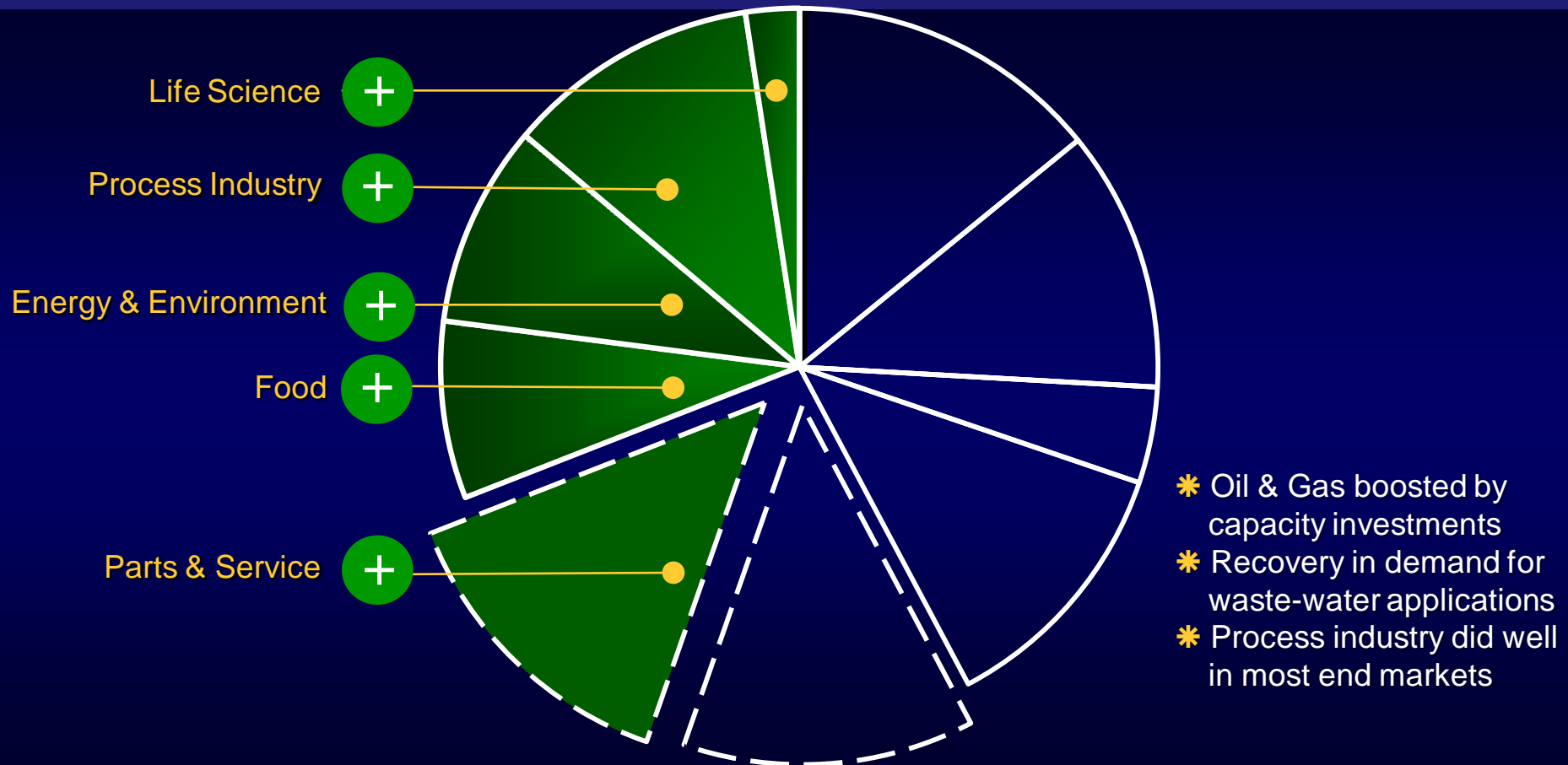
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Orders received by customer segment

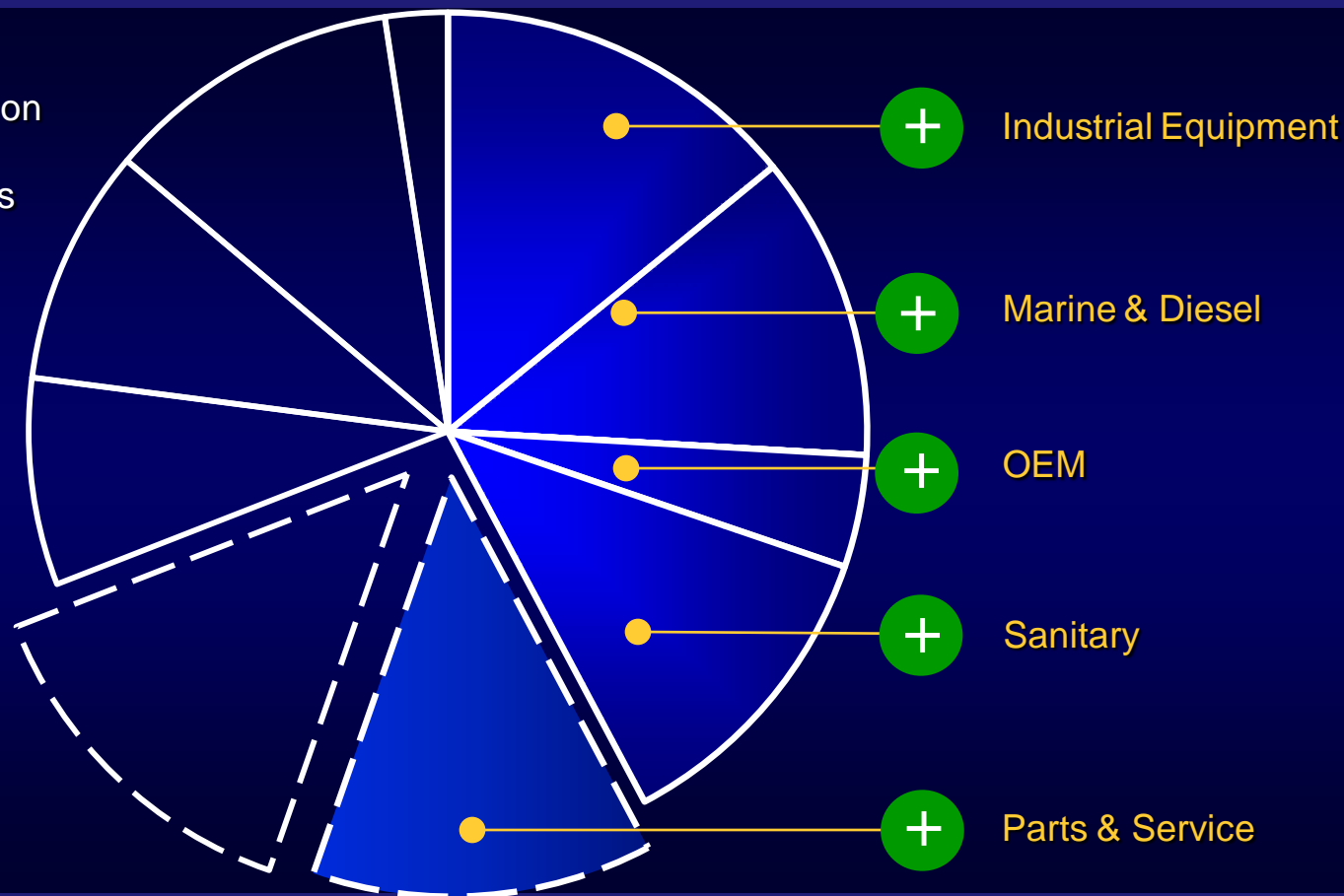
Process Technology Division Jan – March 2011, at constant rates



Orders received by customer segment

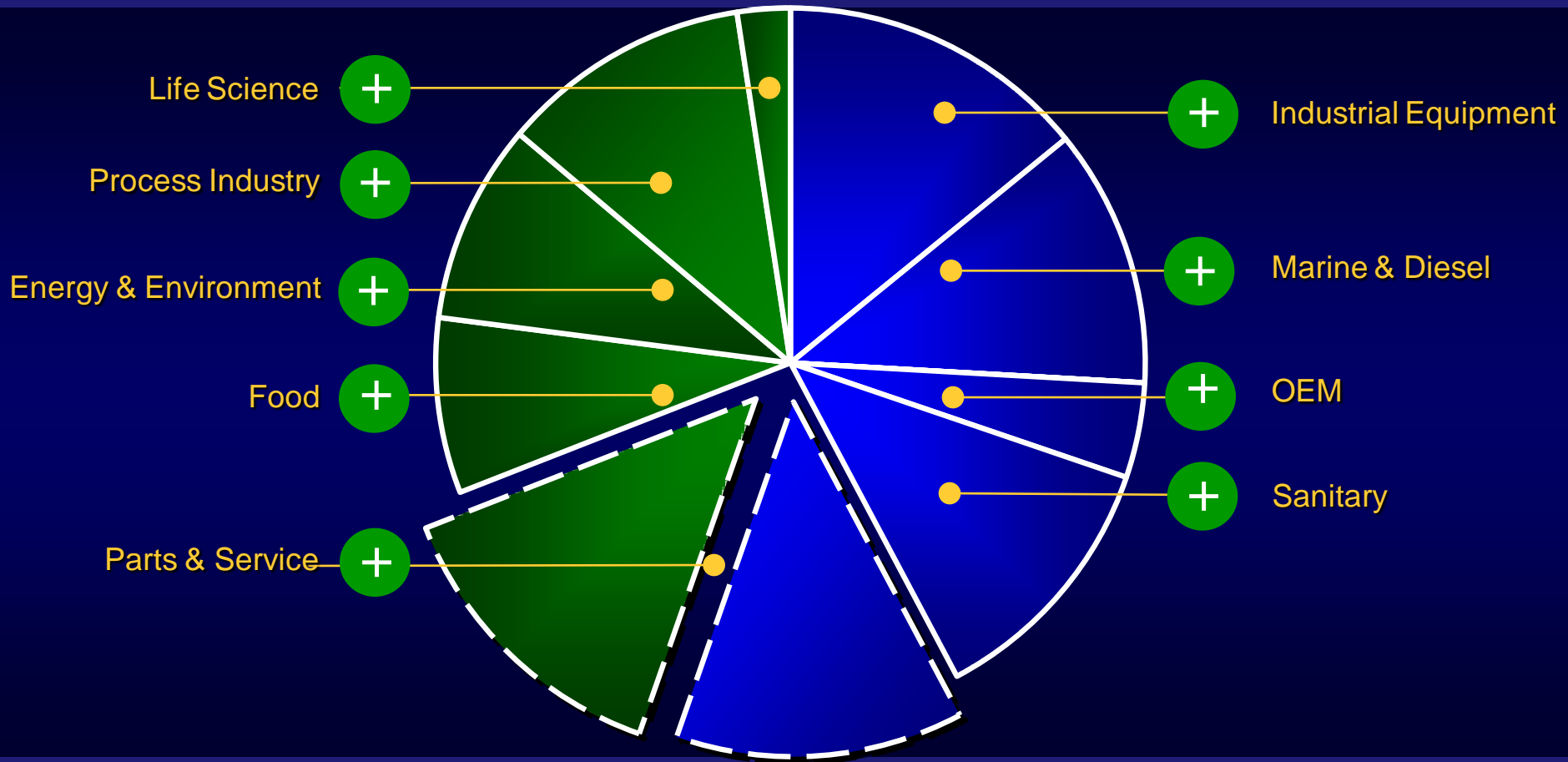
Equipment Division, Jan – March 2011, at constant rates

- * Industrial Equipment up on strong demand for refrigeration applications
- * Continued increase in demand for Sanitary
- * Marine got continued support from last year's contracting at the yards



Orders received by customer segment

Jan - March 2011, at constant rates



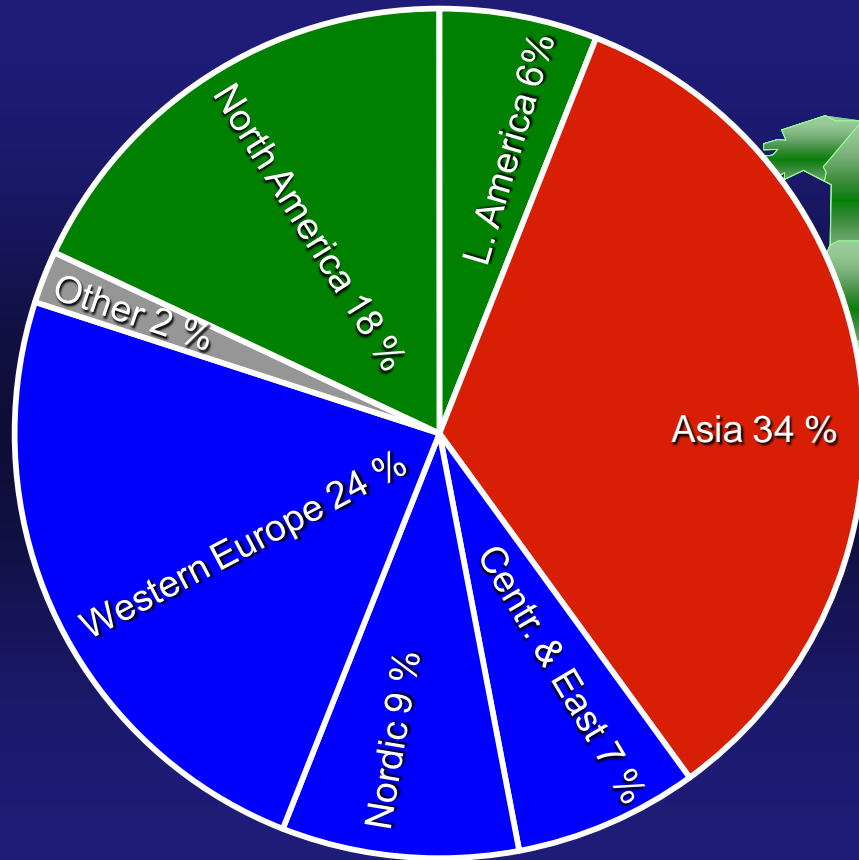
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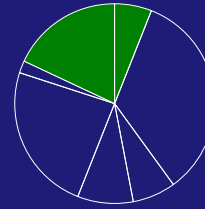
Orders received by Region

Jan – March 2011, at constant rates



Highlights Americas

Jan – March 2011, at constant rates

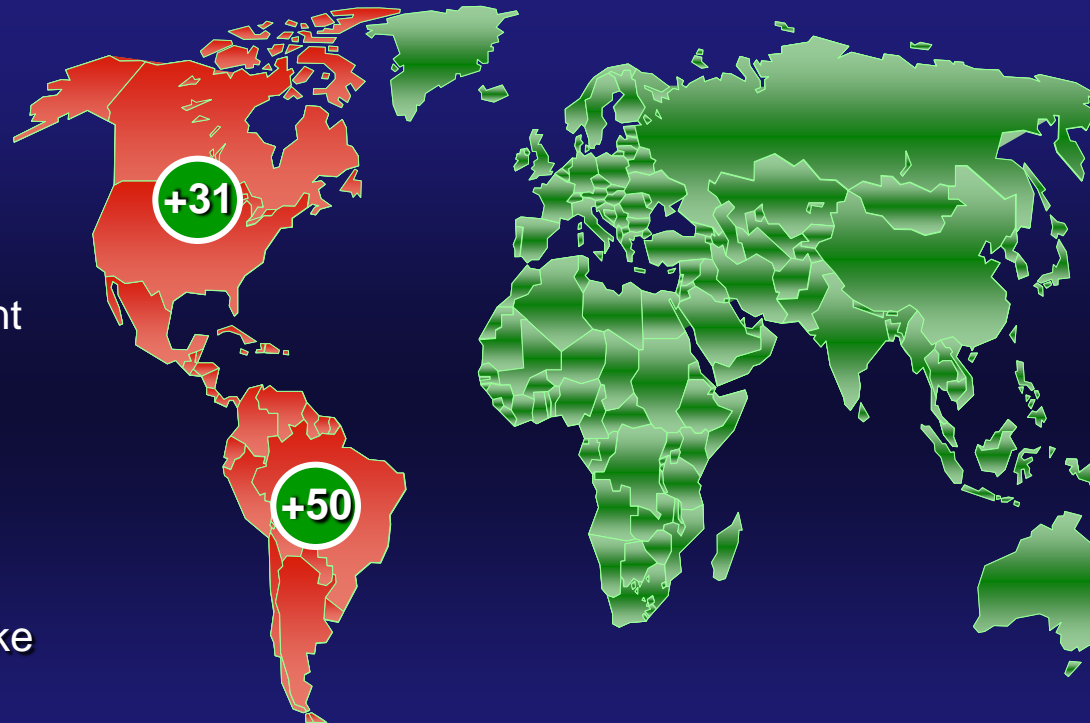


North America

- * Good contribution from the base business
- * Particularly good development for segments in the Process Technology division

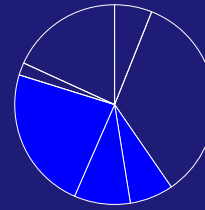
Latin America

- * Strong development for base business and large orders alike
- * Good sales growth in Brazil, Mexico and Chile



Highlights Europe

Jan – March 2011, at constant rates



Western Europe incl. Nordic

- * Substantial growth in base business
- * Best development seen in Process Industry, Food Technology and Marine & Diesel

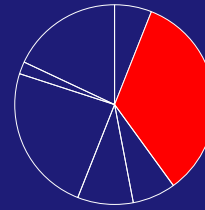
Central and Eastern Europe

- * Strong quarter; particularly for Sanitary and Food
- * Russia and the Czech Republic did well



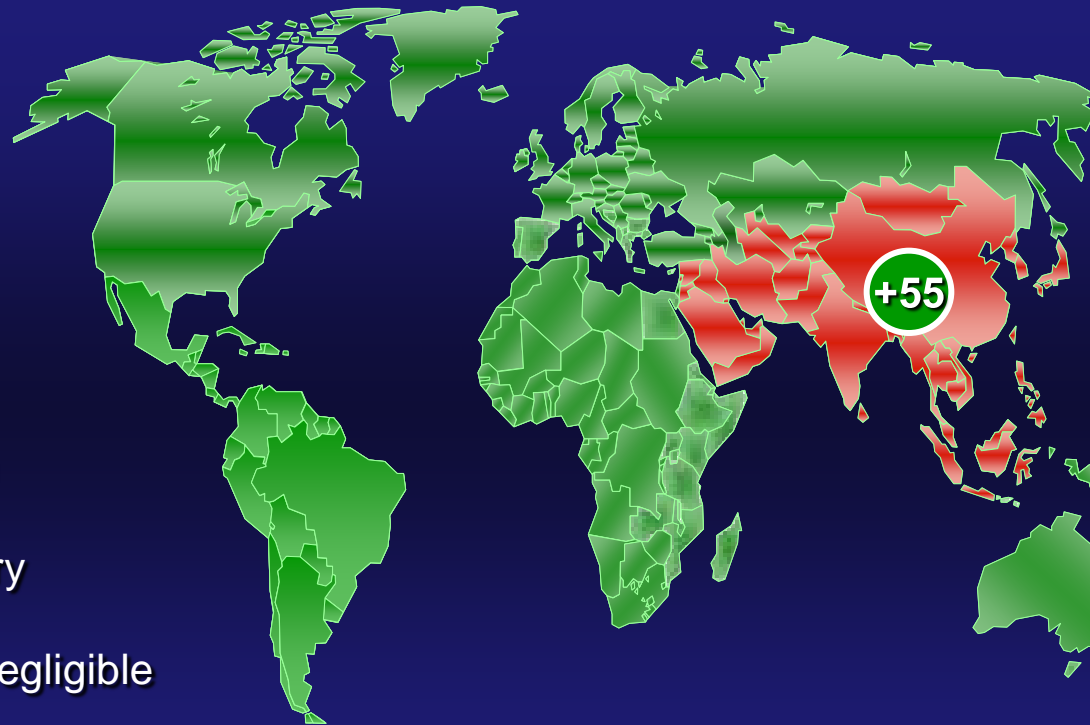
Highlights Asia

Jan – March 2011, at constant rates



Asia

- * Very strong development in China and Korea
- * Marine and Process Industry performed the best
- * Japanese earthquake had negligible effect on the operations



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Mr. Thomas Thuresson
CFO
Alfa Laval Group

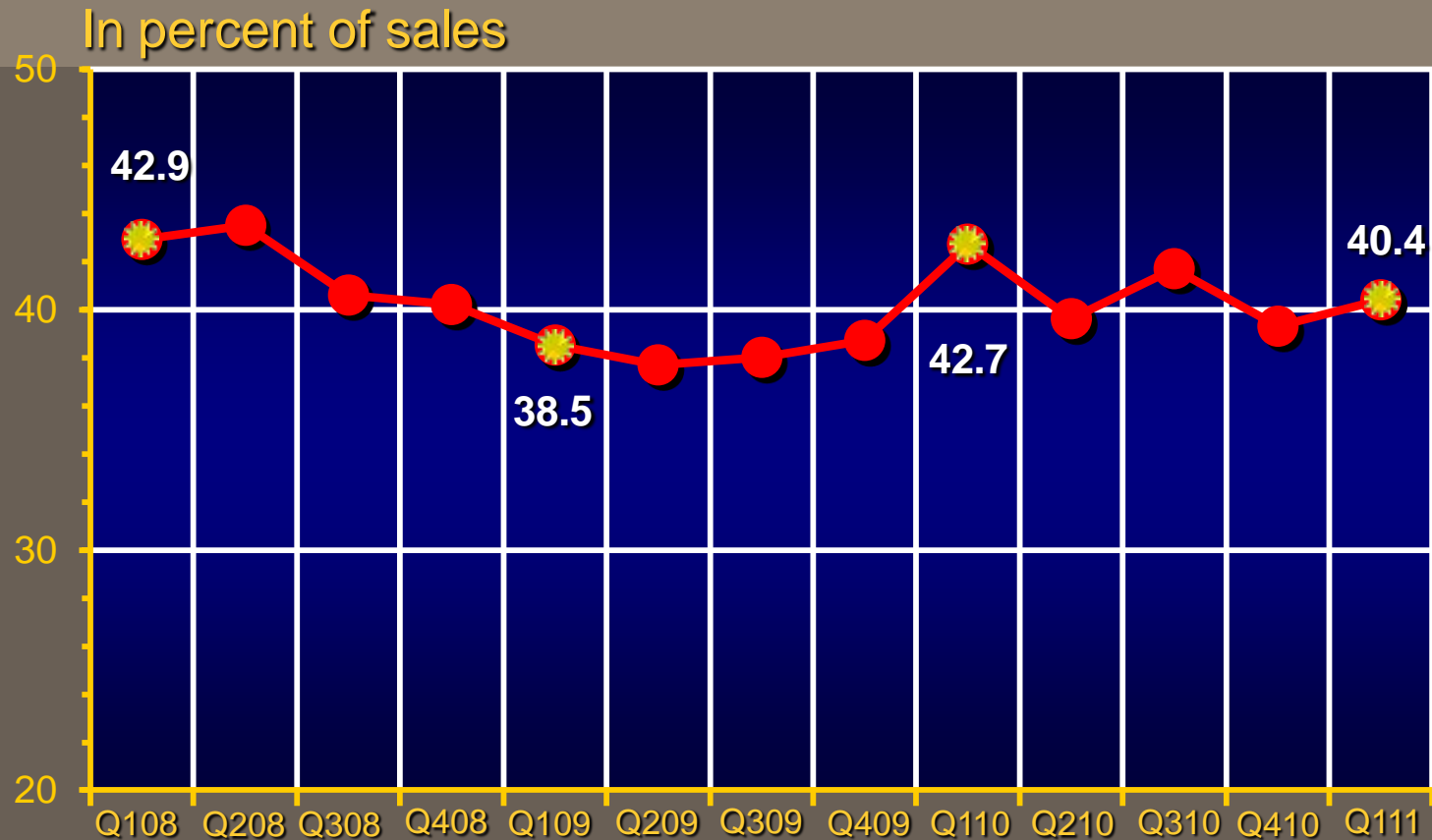
Highlights

SEK millions

Jan – March 2011

Order intake	6,455
Net sales	5,899

Gross profit margin



Gross Profit Margin

- analysis year-on-year

In percent

Q1 2010

Actual Q1 '10

42.7

- Foreign exchange, transaction

- 0.5

- Changes in mix

- 1.7

Sub.total:

40.5

-Procurement (neg)

-Productivity (pos)

-Margin in order backlog (neg)

-Price and volume (pos)

Actual for Q1 2011:

40.4

Highlights

SEK millions

Jan – March 2011

Order intake	6,455
Net sales	5,899
Adjusted EBITA	1,134
Adjusted EBITA-margin	19.2%
Profit before tax	1,007

Earnings per share

	Jan - March	
	2011	2010
Earnings	1.71	1.45
Earnings, excluding step-up	1.83	1.62

Highlights

SEK millions

Jan – March 2011

Order intake	6,455
Net sales	5,899
Adjusted EBITA	1,134
Adjusted EBITA-margin	19.2%
Profit before tax	1,007
Cash flow from operating activities	438
ROCE	38.3%
ROE	24.6%

Cash-flow statement

SEK millions	Jan – March 2011	Jan – March 2010
Cash flow from		
- operating activities	438	1,007
- investing activities	- 116	- 330
Financial net paid	+ 151	+ 48
Total	473	725
Pro Forma Free cash-flow*	528	1000

**Incl. operating activities, capital expenditure and financial net paid.*

Foreign exchange

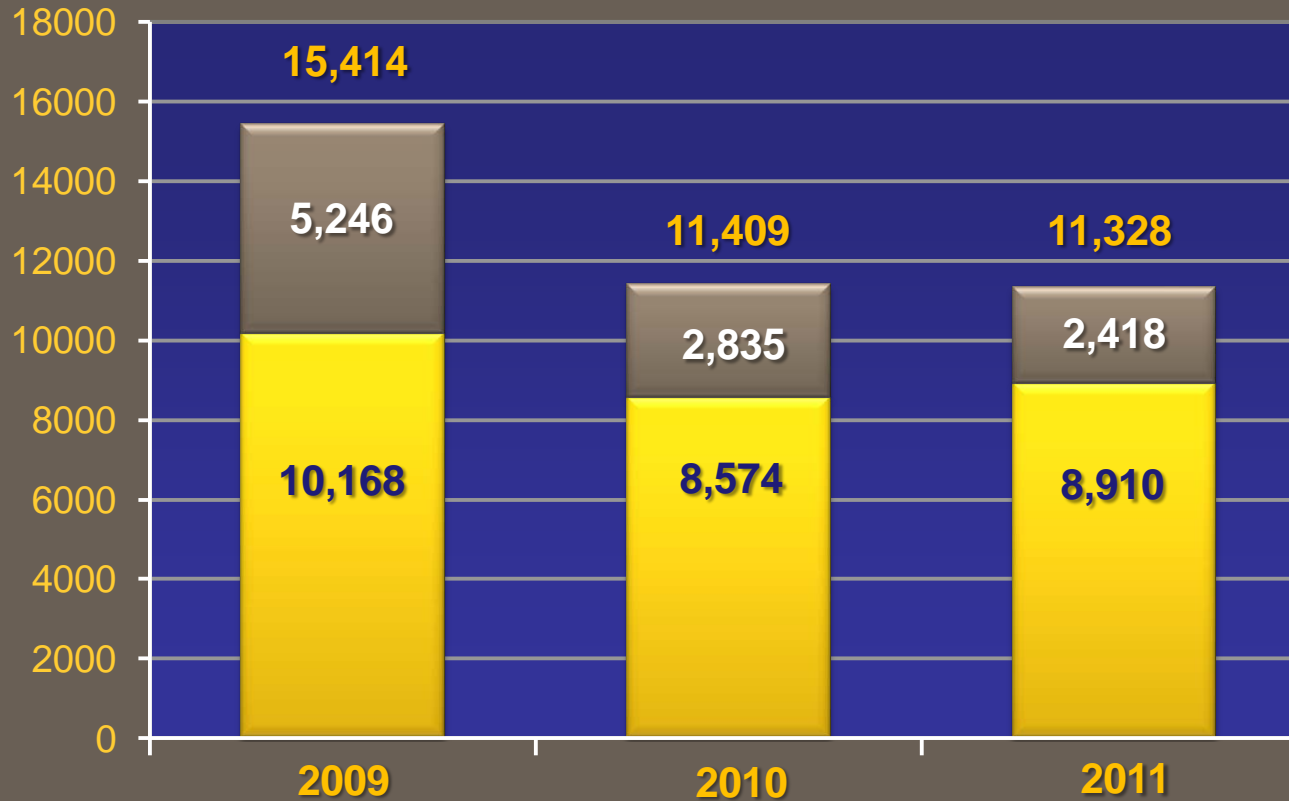
Estimated impact on adjusted EBITA from FX fluctuations



SEK million	Q1 11	WY 11	WY 12*
Translation effect	-57	- 245	-
Transaction effect	-28	-180	-200
Total	-85	-425	-200

**Based on EUR/USD 1.43 and EUR/SEK 9.00*

Order backlog as per March 31

SEK millions



 For delivery later than 2011
 For delivery in 2011

Sales

Full year 2011

SEK (bln)

Full year 2010		24.7
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FX-translation	-	1.9
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Subtotal		22.8
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Orders “in-for-out”		?
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Price		?
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Acquisitions (incl Olmi)	+	0.4
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Aalborg (8 months as 2010)	+	2.0
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Full year 2011

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Outlook for the second quarter

“We expect demand during the second quarter 2011 to be somewhat higher than the second quarter of 2010.”

