Alfa Laval in brief

- Sales 2011: SEK 28.7 billion
- Operating margin 18.5%
- Market cap: SEK 54 billion*
- 37 larger production sites
- Employees: 16,000

*As of May 15
Alfa Laval in brief
- our position

No. 1 in all its product areas

An unparalleled global presence

Energy  Environment  Food

3-4% acquired growth p.a.

www.alfalaval.com
Alfa Laval in brief
- Three key technologies

Heat transfer
>30%*

Separation
25-30%*

Fluid Handling
10-12%*

*of the world market
Alfa Laval in brief
- What we offer

Leading provider of products and solutions to heat, cool, separate and transport liquids and products - basic needs in most industries.
Alfa Laval in brief
Supplier to many industries

- Biofuels
- Biotech and pharmaceutical
- Chemicals
- Engine and transport
- Fluid power
- Food and beverages
- HVAC
- Industrial fermentation
- Latex
- Machinery
- Marine and diesel
- Metal working
- Mining and mineral processing
- Oil and gas
- Oil refinery
- Power
- Pulp and paper
- Refrigeration and AC
- Steel and coke oven gas
- Vegetable oil
- Wastewater treatment
- Sugar

www.alfalaval.com
Alfa Laval in brief
- Establishment of new division

Equipment Division

“Component” Driven
Sales Channels, e-Business, OEM

Marine & Diesel Division

“Marine and Diesel Industry” Driven
Products Customised systems, Modules, Service solutions

Process Technology Division

“Process Solution” Driven
Product solutions, Systems/Modules, Process lines

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Alfa Laval in brief
- Customer-oriented organization

Equipment
- Sanitary
- OEM
- Industrial Equipment
- Parts & Service

Marine & Diesel
- Marine & Diesel Equipment
- Marine & Offshore Systems
- Parts & Service

Process Technology
- Energy & Environment
- Food Technology
- Process Industry
- Parts & Service

www.alfalaval.com
Alfa Laval in brief
- Marine & Diesel Division

- 35% aftermarket
- >10% land-based diesel power
- >50% relates to contracting at the yards and includes - traditional and - environmental products
Alfa Laval in brief
- An unmatched global footprint

• 37 major production units*
• 100 service centres
• Sales companies in 55 countries
• Other sales representation in 45 countries

* Plus a number of minor production and assembling units
Top 10 markets
Order intake 2011

United States
China
Nordic
S.Korea
Mid Europe
Adriatic
Russia
Brazil
India
Japan

SEK at prevailing rates
**Financial targets**
- This is Alfa Laval

- Average annual growth of at least 8% over an economic cycle
  - Goal fulfillment in 2011: 23.7%

- Operating margin of 15% over an economic cycle
  - Goal fulfillment in 2011: 18.5%

- ROCE of at least 25%
  - Goal fulfillment in 2011: 31.3%
Going forward
Going forward
- Structural changes

Energy demand
Environmental legislation
Improved living standards
Globalization
Going forward
R&D

- Development of new products as well as improving existing
- 35-40 products launched/year
- More than 400 patents
- Last year we invested SEK 650 mln in R&D (2.3% of sales)
- The key to profitable growth
Going forward
Focus on fast-growing markets

- Fast-growing regions’ share of order intake has grown from 34 percent in 2002 to 50 percent in 2011.
- Continued belief in the fast-growing countries’ long-term prospects.
- In 2011 we invested in new manufacturing facilities for air heat exchangers, to meet demand in the BRIC countries.
- We are currently continuing to selectively invest, targeting applications where we see demand growing.
Going forward
- Multibrand strategy

* Separate channels with alternative offerings
* Share of group sales has increased to 12% from 1% in 5 years
Going forward
- the aftermarket

- 100 service centers, up 50% over 5 years
- We continue to invest in our presence and offering
Other factors adding to growth
- Energy efficiency and the technology shift

Energy efficiency –
The most profitable way to reduce oil dependency

A report in McKinsey quarterly concluded that energy efficiency is the most profitable way to reduce oil dependency. The potential energy savings, if all process plants around the world were to operate as efficiently as the best plants, would correspond to 3 times the world nuclear capacity.
Other factors adding to growth
- Mergers & Acquisitions

- 3-4% of acquired growth a year
- Strengthen existing key technologies
- Develop the aftermarket business
- Add complementary products and sales channels
Latest numbers
Key figures

January – March 2012

- Orders received rose 22% to SEK 7,895 million.
- Net sales increased 16% to SEK 6,831 million.
- Adjusted EBITA declined 1% to SEK 1,128 million.
- Adjusted EBITA margin 16.5% vs 19.2%

- Negative currency effect SEK 25 million.
Orders received

<table>
<thead>
<tr>
<th>SEK million</th>
<th>SEK million R 12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q108</td>
<td>8 000</td>
</tr>
<tr>
<td>Q208</td>
<td>7 000</td>
</tr>
<tr>
<td>Q308</td>
<td>6 000</td>
</tr>
<tr>
<td>Q408</td>
<td>5 000</td>
</tr>
<tr>
<td>Q109</td>
<td>-32%</td>
</tr>
<tr>
<td>Q209</td>
<td>-6%</td>
</tr>
<tr>
<td>Q309</td>
<td>+9%</td>
</tr>
<tr>
<td>Q409</td>
<td>+21%</td>
</tr>
<tr>
<td>Q110</td>
<td>+38%</td>
</tr>
<tr>
<td>Q210</td>
<td>+6%</td>
</tr>
<tr>
<td>Q310</td>
<td>-32%</td>
</tr>
<tr>
<td>Q410</td>
<td>-6%</td>
</tr>
<tr>
<td>Q111</td>
<td>+9%</td>
</tr>
<tr>
<td>Q211</td>
<td>+21%</td>
</tr>
<tr>
<td>Q311</td>
<td>+38%</td>
</tr>
<tr>
<td>Q411</td>
<td>+9%</td>
</tr>
<tr>
<td>Q112</td>
<td>+21%</td>
</tr>
</tbody>
</table>

= Order intake per quarter “large”

= Order intake per quarter

= Rolling twelve months value

+XX% = % development at constant rates by quarter, year on year

www.alfalaval.com
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.”

www.alfalaval.com
Orders received by customer segment

January – March 2012, at constant rates and like for like

PTD Parts & Service
Process Industry
Energy & Environment
Food Technology
Industrial Equipment
OEM
Sanitary Equipment
EQD Parts & Service
Marine & Offshore Systems
Marine & Diesel Equipment
MDD Parts & Service

* New customer segment, no corresponding period last year exists.

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Equipment division

Highlights and sequential comments

* Sanitary boosted by demand for prepared food.
* Industrial equipment declined somewhat due to seasonality in Comfort.
* OEM slightly positive on demand from AC and Industrial Refrigeration customers.
* Parts & Service reached all-time high level.

<table>
<thead>
<tr>
<th></th>
<th>Order</th>
<th>Sales</th>
<th>Backlog</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2012</td>
<td>2,339</td>
<td>2,233</td>
<td>1,501</td>
</tr>
<tr>
<td>Q1 2011</td>
<td>2,316</td>
<td>2,193</td>
<td>1,469</td>
</tr>
</tbody>
</table>

*Share of Group total
Marine & Diesel division

Highlights and sequential comments

* Demand for environmental solutions continued to grow, while demand for other marine equipment stayed at Q4 level. Diesel down due to non-repeats.
* Marine & Offshore lifted by demand for boiler systems.
* SEK230 mln order for A.P. Møller – Mærsk vessels.

<table>
<thead>
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<th></th>
<th>Order</th>
<th>Sales</th>
<th>Backlog</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2012</td>
<td>1,956</td>
<td>1,820</td>
<td>5,665</td>
</tr>
<tr>
<td>Q1 2011</td>
<td>1,271</td>
<td>1,207</td>
<td>3,378</td>
</tr>
</tbody>
</table>

Year-on-year comparison
Sequential comparison

Marine & Diesel Equipment 9%*  
Marine & Offshore Systems 8%  
Parts & Service 9%

* Share of Group total

www.alfalaval.com
Food Technology supported by further investments in brewery and vegetable oil.

Orders for newly developed decanters boosted Energy & Environment.

Process Industry affected by lower order intake in Refinery and Life Science.

Good activity in end markets supported P&S.

<table>
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<th></th>
<th>Order</th>
<th>Sales</th>
<th>Backlog</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2012</td>
<td>3,600</td>
<td>2,778</td>
<td>7,723</td>
</tr>
<tr>
<td>Q1 2011</td>
<td>2,868</td>
<td>2,499</td>
<td>6,481</td>
</tr>
</tbody>
</table>

Year-on-year comparison

Sequential comparison

*Share of Group total

www.alfalaval.com
Orders received by Region

January – March 2012, development at constant rates

- North America 21%
- Asia 34%
- Latin America 7%
- Western Europe 19%
- Nordic 9%
- Central and Eastern Europe 8%
- Other 2%

Year-on-year comparison:
- +38
- +26
- +61
- -3
- +25
- +32

www.alfalaval.com
Order backlog as per March 31

SEK millions

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q108</th>
<th>Q109</th>
<th>Q110</th>
<th>Q111</th>
<th>Q112</th>
</tr>
</thead>
<tbody>
<tr>
<td>For delivery during the same year</td>
<td>8,910</td>
<td>8,910</td>
<td>8,910</td>
<td>8,910</td>
<td>8,910</td>
</tr>
<tr>
<td>For delivery next year or later</td>
<td>8,910</td>
<td>8,910</td>
<td>8,910</td>
<td>8,910</td>
<td>8,910</td>
</tr>
</tbody>
</table>

Book to bill

www.alfalaval.com
Outlook for the second quarter

“We expect that demand during the second quarter 2012 will be on about the same level as in the first quarter, excluding large orders.”
This presentation contains forward-looking statements that are based on the current expectations of the management of Alfa Laval Group.

Although management believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those implied in the forward-looking statements as a result of, among other factors, changes in economic, market and competitive conditions, changes in the regulatory environment, other government actions and fluctuations in exchange rates. Alfa Laval undertakes no obligation to publicly update or revise these forward-looking statements, other than as required by law or other regulations.