Presentation
Interim Report Q3 2004

Interim Report Q3 2004

Mr. Lars Renström
President and CEO
Alfa Laval Group

Highlights

MSEK	Q3		Q1 - Q3	
Order intake	3,866	+15%*	11,969	+19%*
Net sales	3,838	+15%*	10,820	+14%*

** Excluding exchange rate variations*

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Q on Q vs last year (excl FX)

Order intake

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Highlights

MSEK	Q3	Q1 - Q3
Order intake	3,866	11,969
Net sales	3,838	10,820
Adjusted EBITA	426	1,229
Adjusted EBITA-margin	11.1 %	11.4 %

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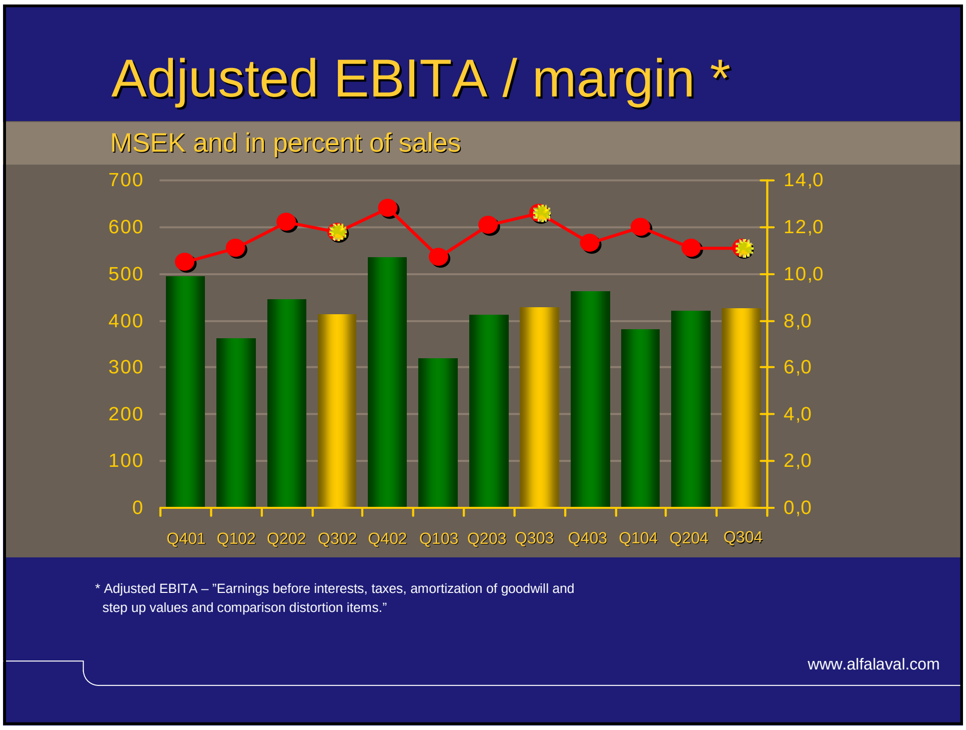
Adjusted EBITA / margin *
MSEK and in percent of sales
700
600
500
400
300
200
100
0
14,0
12,0
10,0
8,0
6,0
4,0
2,0
0,0
Q401 Q102 Q202 Q302 Q402 Q103 Q203 Q303 Q403 Q104 Q204 Q304
* Adjusted EBITA – "Earnings before interests, taxes, amortization of goodwill and step up values and comparison distortion items."
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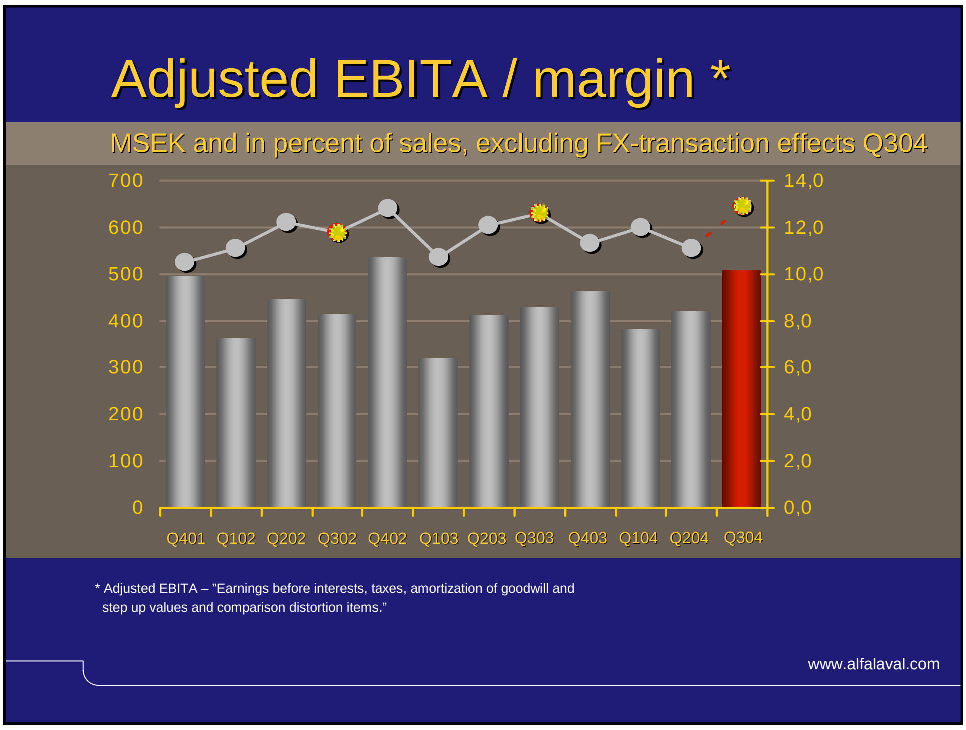
Adjusted EBITA / margin *
MSEK and in percent of sales, excluding FX-transaction effects Q304
700
600
500
400
300
200
100
0
14,0
12,0
10,0
8,0
6,0
4,0
2,0
0,0
Q401 Q102 Q202 Q302 Q402 Q103 Q203 Q303 Q403 Q104 Q204 Q304
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Business highlights

July – September 2004

- Alfdex – letter of intent from Scania
- Agreement with Sartorius
- Large order in India – evaporator
- Renewed alliance agreement with Tetra Pak

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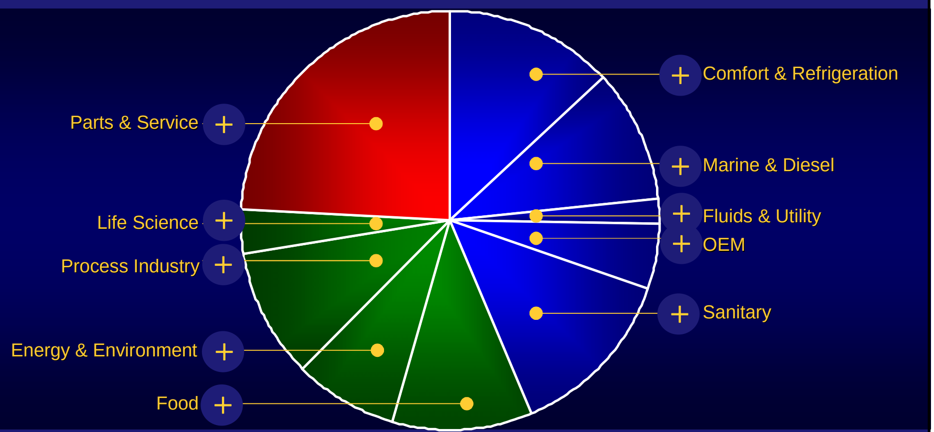
Orders received by Segment

January – September 2004



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Orders received by Segment

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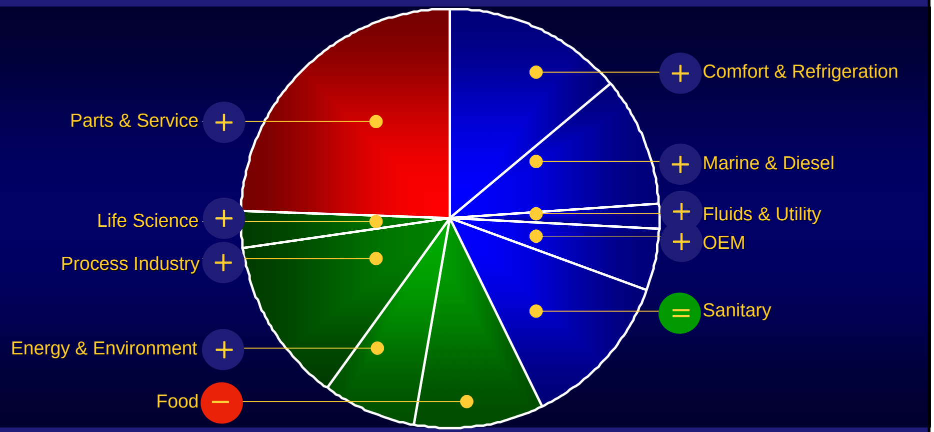

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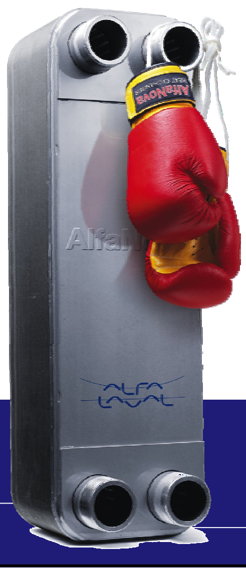
Highlights - Comfort & Refrigeration



AlfaNova

- New markets
- Available today in four sizes
- Pace of 14 000 units/year
- Launch of one more size in short

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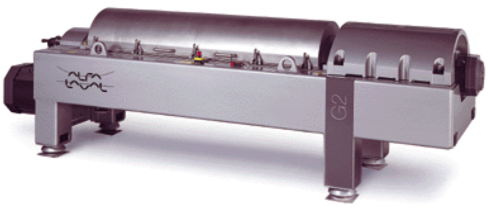
Highlights – Energy & Environment



Aldec G2

- New generation of decanters
- 30% increased capacity
- Pace of 300 units/year

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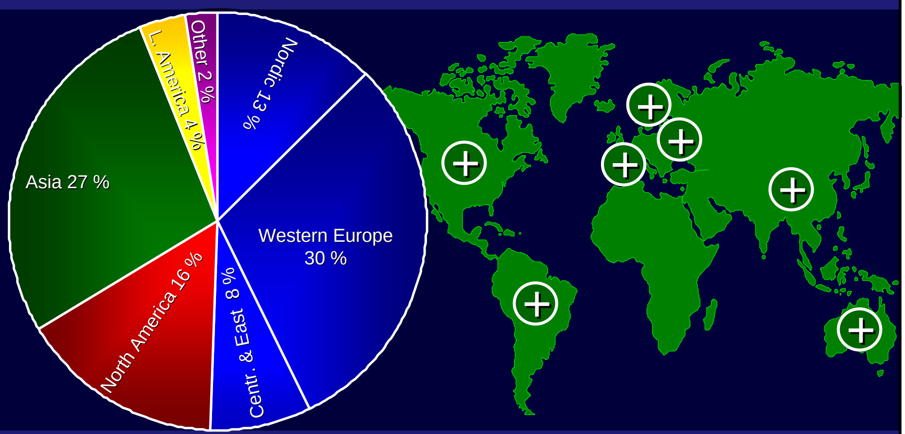
Orders received by Region

January – September 2004



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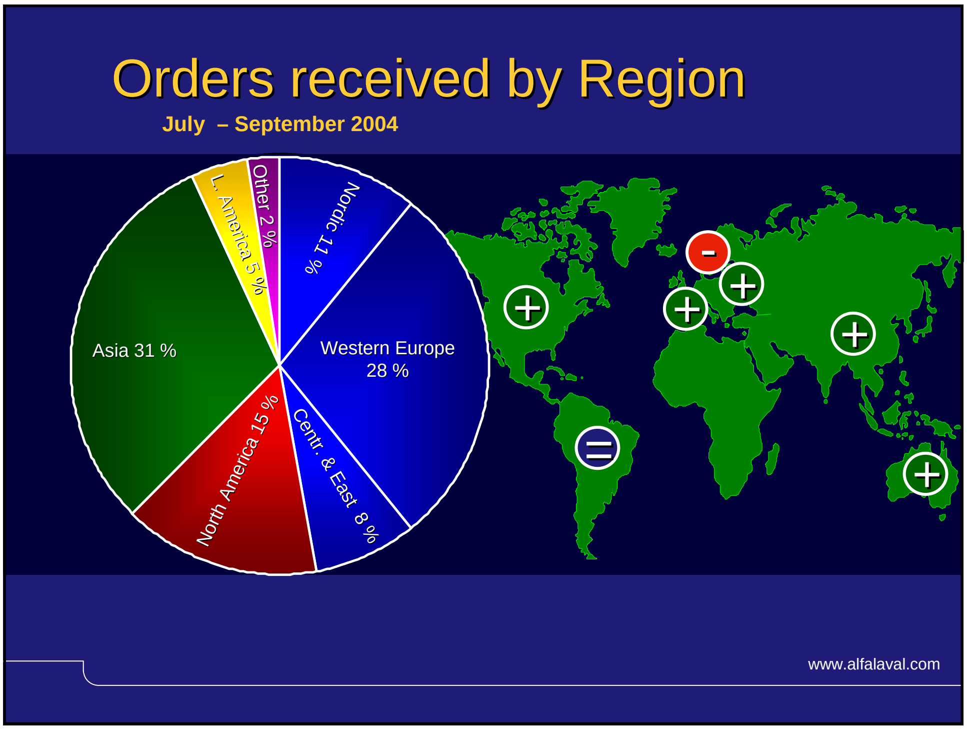
Orders received by Region
July – September 2004
Nordic 11 %
Western Europe 28 %
Centr. & East 8 %
North America 15 %
Asia 31 %
L. America 5 %
Other 2 %
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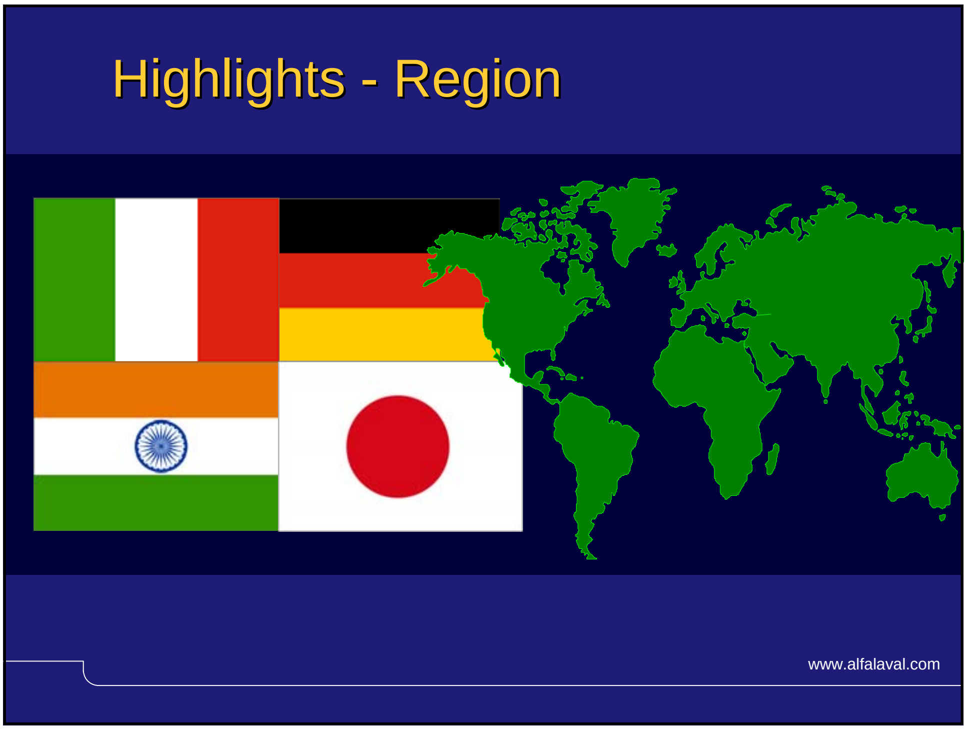
Highlights - Region
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Mr. Thomas Thuresson
CFO
Alfa Laval Group

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Adjusted EBITA

MSEK	Q3	Q1 – Q3
2003	430	1,164
2004	426	1,229
Deviation	- 4	65
FX. translation	12	42
FX. transaction	69	182
Deviation excl FX	77	289

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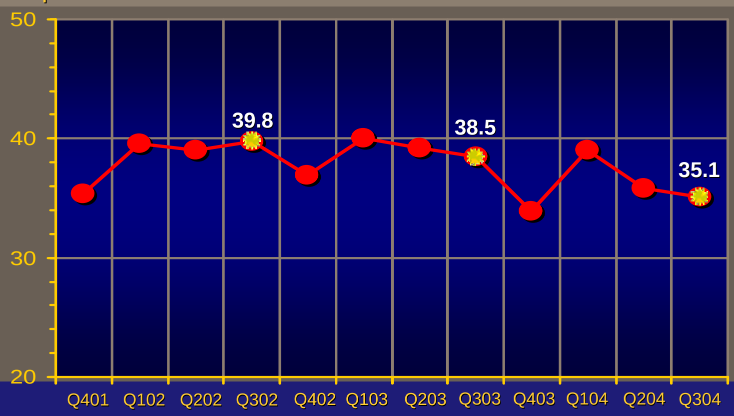
Gross profit margin

In percent of sales



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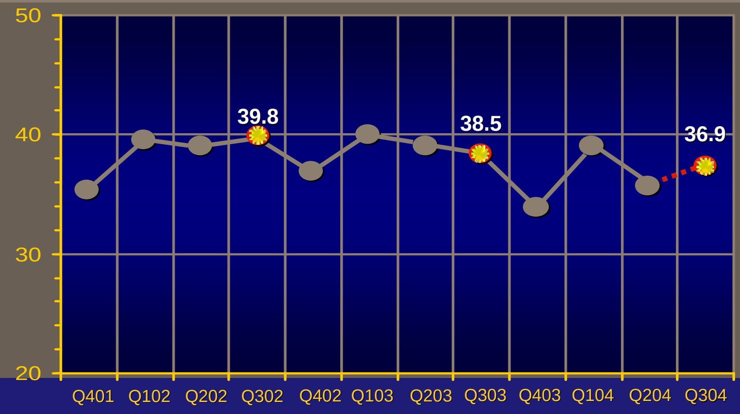
Gross profit margin

In percent of sales, excluding Fx-transaction effects Q304



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Order intake	3,866	11,969
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Adjusted EBITA	426	1,229
Adjusted EBITA-margin	11.1 %	11.4 %
Profit before tax	297	767

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Earnings per share

	Jan - Sep 2004	Jan – Sep 2003
Earnings	3.94	3.70
Earnings excluding goodwill and step-up	6.59	6.37

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Profit before tax	297	767
Cash flow from operating activities	-	816
ROCE	-	23.5 %

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Cash-flow statement

MSEK	Q1- Q3 2004	Q1 – Q3 2003
Cash flows from		
- operating activities	816	1,024
- investing activities	301	- 28
Financial net paid	- 121	- 152
Dividends	- 447	- 223
Total	549	621
Pro Forma Free-cash-flow*	598	864

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

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Foreign exchange

Estimated impact on adjusted EBITA from Fx. fluctuations 2004 vs. 2003

MSEK	Q3	Q1 – Q3	Est Q4*	WY est*
Translation effect	- 12	- 42	- 13	- 55
Transaction effect	- 69	- 182	- 73	- 255
Total	- 81	- 224	- 86	- 310

**Based on market exchange rates as per September 30, 2004.*

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Outlook fourth quarter 2004

Alfa Laval is expecting …

… an order intake on the same high level as during the same period 2003.

… the EBITA-margin - in comparison with 2003 - to continue to be strongly affected by exchange rate variations and the large portion of capital sales, meaning an EBITA on the same level as the fourth quarter 2003 in absolute terms.

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