Press release 15 July 2011

SKF Half-year report 2011

"Demand developed very much in line with our expectations during the quarter and this, combined with the actions we are taking, enabled us to deliver a record operating profit and operating margin as well as a good cash flow. Our sales in local currencies developed positively in all regions and divisions. As planned we have increased the investments in our business to support our long-term initiatives and financial targets.

Despite the increased uncertainty in the market we expect a good demand development for the Group in the third quarter, excluding the normal seasonality impact. We will continue to invest in our business and take the necessary steps to offset the high raw material costs and currency headwinds."

Tom Johnstone, President and CEO

Key figures

Key figures	Q2 2011	Q2 2010	YTD 2011	YTD 2010
Net sales, SEKm	16,712	15,709	33,414	30,155
Operating profit, SEKm	2,623	2,239	5,127	3,941
Operating margin, %	15.7	14.3	15.3	13.1
Profit before taxes, SEKm	2,446	2,047	4,764	3,551
Net profit, SEKm	1,743	1,451	3,363	2,521
Basic earnings per share, SEK	3.76	3.09	7.20	5.36

Net sales change in SEK, attributable to:	Volume	Price/mix	Structure	Currency effect	Total
Q2	12.6%	1.6%	4.4%	-12.2%	6.4%
Half year	16.1%	1.5%	4.7%	-11.5%	10.8%

Sales in local currency in the second quarter compared to the same period last year (excl. structure)

Sales for the Group were significantly higher and increased by 14.2%. In Europe they increased by 14.0%, in North America by 15.8%, in Asia by 16.9% and in the Middle East and Africa by 12.2%. In Latin America sales increased by only 2.9%, affected by the introduction of a new warehousing operation.

The manufacturing level was significantly higher than in the second quarter last year.

Outlook for the third quarter of 2011

Demand compared to the third quarter last year

The demand for SKF's products and services is expected to be significantly higher for the Group as well as for Asia and Latin America. For Europe and North America it is expected to be higher. It will be significantly higher for the Industrial Division and for the Service Division and higher for the Automotive Division.

Demand compared to the second quarter 2011 and adjusted for normal seasonality

The demand for SKF's products and services is expected to be slightly higher for the Group as well as for North America. It is expected to be relatively unchanged for Europe, higher in Asia and significantly higher in Latin America. For the Industrial Division and the Service Division it is expected to be slightly higher and for the Automotive Division relatively unchanged.

Manufacturing level

The manufacturing level will be significantly higher year on year and relatively unchanged compared to the second quarter, adjusted for normal seasonality.

AB SKF (publ) • Postal address: SE-415 50 Gothenburg, Sweden • Visiting address: Hornsgatan 1
Telephone: +46 31 337 10 00 • Company reg.no. 556007-3495 • www.skf.com

SKF Investor Relations • E-mail: skf.ir@skf.com • IR website: investors.skf.com

Demand outlook for Q3 2011 per region, division and main segments, adjusted for normal seasonality

Share of sales 2010	Regions	Sequential trend	Q3 2011 vs Q3 2010
46%	Europe	+/-	++
18%	North America	+	++
27%	Asia Pacific	++	+++
6%	Latin America	+++	+++
	Divisions		
32%	Industrial	+	+++
36%	Service	+	+++
30%	Automotive	+/-	++
	Total	+	+++

Share of sales 2010	Main segments	Sequential trend
14%	Cars	+/-
12%	Vehicle Service Market	+/-
5%	Energy	+/-
25%	Industrial Distribution	+
18%	Industrial OEM, General + Special	+
10%	Industrial OEM, Heavy + Off-highway	+
5%	Aerospace	+
4%	Railway	+
4%	Trucks	+
3%	Two-wheelers and electrical	+

Explanations: Relatively unchanged +/- ; Higher ++ ; Slightly higher + ; Significantly higher +++

Key figures

Key figures	30 June 2011	31 March 2011	30 June 2010
Inventories, % of annual sales	21.7	20.1	22.2
ROCE for the 12-month period, %	25.9	25.6	16.8
ROE for the 12-month period, %	31.5	30.7	19.3
Equity/assets ratio, %	35.8	37.0	36.0
Gearing, %	48.6	47.2	47.4
Net debt/equity, %	82.1	74.2	70.8
Net debt, SEKm	16,757	15,269	12,942
Registered number of employees	45,678	44,784	41,644

Cash flow, after investments and before financing, was SEK 1,300 million (1,160) for the second quarter 2011 and SEK 1,672 million (1,192) for the first half year. The financial net in the second quarter was SEK -177 million (-192), for the first half year it was SEK -363 million (-390).

Exchange rates, the effects of translation and transaction flows, had a negative effect of around SEK 500 million on SKF's operating profit in the second quarter, compared to the corresponding period last year and was higher than estimated primarily due to the development of currencies during the quarter. It is estimated that there will be a negative effect of SEK 400 million on operating profit in the third quarter and for the full year a negative effect of SEK 1.3 billion based on current assumptions and exchange rates and compared to the corresponding period last year.

Highlights

- SKF and Chalmers University of Technology agreed to establish a University Technology Centre (UTC) located at Chalmers in Gothenburg, Sweden. The UTC aims to conduct research and development covering technology, manufacturing, business processes and business strategy within the area of sustainability and environment.
- AB SKF issued a EUR 500 million Eurobond with a maturity of seven years. The notes have been listed on the Official List of the Luxembourg Stock Exchange. The proceeds were primarily used to refinance the debt related to the acquisition of Lincoln Industrial in 2010.
- SKF Logistics Services was awarded "Best service provider" by the Belgian Shippers' Council Organization of Traffic Management (OTM). The award honors companies that build co-operations based on trust, flexibility and creativity.

CHALMERS

Industrial Division

Comments on sales are based on local currencies excluding structure and compared to the corresponding period for 2010. The operating margin has been calculated on sales including intra-Group sales.

Yearly and quarterly comparisons*

Amounts in SEKm unless otherwise stated.	Q1/10	Q2/10	Q3/10	Q4/10	Full year 2010	Q1/11	Q2/11	Half year 2011
Net sales	4,753	4,938	5,037	4,964	19,692	5,956	5,993	11,949
Sales incl. intra-Group sales	7,120	7,529	7,559	7,457	29,665	8,629	8,653	17,282
Operating profit	727	913**	989**	911	3,540	1,177	1,179	2,356
Operating margin	10.2%	12.1%**	13.1%**	12.2%	11.9%	13.6%	13.6%	13.6%
Assets and liabilities, net	15,424	15,938	14,822	23,392	23,392	22,492	22,912	22,912
Registered number of employees	17,696	17,710	17,878	19,925	19,925	20,155	20,247	20,247

* Previously published amounts have been restated to conform to the current Group structure in 2011. The structural changes include business units being moved between the divisions and between other operations/Group activities and divisions.
** Correction vs press release SKF First-quarter report 2011.

Net sales change in SEK, attributable to:	Organic growth	Structure	Currency effect	Total
Q2	18.5%	15.2%	-12.4%	21.3%
Half year	19.7%	15.6%	-12.0%	23.3%

Sales development

Sales for the second quarter and for the half year were significantly higher in all regions. There was significantly higher sales to customers in the industries; pumps and compressors, industrial gearboxes, agriculture, construction equipment, mining, aerospace and railway. Sales to customers within the renewable energy segment were slightly higher.

Highlights

New businesses

- SKF and Bombardier Aerospace entered into a long-term contract for SKF to supply over 40 different rod assemblies and titanium bearings for Bombardier's all new CSeries* aircraft. The CSeries aircraft, which is optimized for the single-aisle 100 to 149 seat market will enter service in 2013. The contract includes rods for flight control systems and doors and landing gear bearings. The rods and bearings will be manufactured at SKF Aerospace's North American and European factories. Initial deliveries will be taking place later this year.
- SKF signed a contract worth EUR 15 million with MAN Diesel Turbo for magnetic bearings and related electronic components to be used in two sub-sea natural gas sets of compressors, located in the Asgard gas field in the Norwegian Sea. These SKF solutions offer the end-user higher reliability performance, are equipped with remote monitoring and are maintenance-free. SKF will supply these products during the second half of 2011 and in 2012.

New product

SKF launched a new series of virtually maintenance free bearings with an extended service life in extreme temperatures. These are named SKF DryLube bearings and help customers to reduce costs and to improve their environmental performance by reducing lubricant leakage and waste water contamination.

The new solution has very low friction and can be applied in extreme temperatures, as low as -150°C and up to +350°C. The main application areas for the SKF DryLube bearings are within the metal industry, as well as in the food and beverage industry.

SKF DryLube

* CSeries is a trademark of Bombardier Inc. or its subsidiaries.

Service Division

Comments on sales are based on local currencies excluding structure and compared to the corresponding period for 2010. The operating margin has been calculated on sales including intra-Group sales.

Yearly and quarterly comparisons*

Amounts in SEKm unless otherwise stated.	Q1/10	Q2/10	Q3/10	Q4/10	Full year 2010	Q1/11	Q2/11	Half year 2011
Net sales	5,035	5,569	5,553	5,603	21,760	5,682	5,786	11,468
Sales incl. intra-Group sales	5,123	5,659	5,655	5,703	22,140	5,782	5,892	11,674
Operating profit	632	737	792	834	2,995	861	919	1,780
Operating margin	12.3%	13.0%	14.0%	14.6%	13.5%	14.9%	15.6%	15.2%
Assets and liabilities, net	5,332	5,650	5,048	5,121	5,121	5,360	5,688	5,688
Registered number of employees	5,736	5,715	5,777	5,834	5,834	5,924	6,037	6,037

* Previously published amounts have been restated to conform to the current Group structure in 2011. The structural changes include business units being moved between the divisions and between other operations/Group activities and divisions.

Net sales change in SEK, attributable to:	Organic growth	Currency effect	Total
Q2	16.6%	-12.7%	3.9%
Half year	19.3%	-11.2%	8.1%

Sales development

Sales for the second quarter were significantly higher in all regions except for Latin America where they were higher. Sales for the half year were significantly higher in all regions except for Middle East and Africa where they were higher.

Highlights

- SKF awarded and celebrated its 100,000th certificate in the SKF Distributor College. The SKF Distributor College helps distributors' employees to be even better in supporting their customers, through training in the proper use of SKF products and in services, as well as in the critical applications in which they will be used. The college is used extensively with 15,000 registered users and by the end of the quarter the number of certificates issued was over 112,700.
- In June, a strategic partnership agreement was signed between SKF and Maanshan Iron & Steel (MaSteel) in Nanjing, China. This expands the co-operation scope and makes full use of the competitive advantages of both sides. It will focus on service relationships and progresses towards reduced total cost of ownership and sustainability.
- The SKF Asset Management conferences are held regionally every other year and the most recent was conducted this quarter in Buenos Aires, Argentina with over 175 customers attending. The focus was on bringing practical solutions to complex problems customers experience in their factories. The event followed a format of sharing best practices, many presented by customers and included time for networking both with other customers and SKF technical resources. Also shared with customers were the newest innovations like shaft alignment products, remote diagnostic systems to provide customers with 24/7 information at their fingertips and advanced modeling and engineering solutions to solve difficult structural and bearing applications.

New business

SKF gained new business in Columbia for the remanufacturing of large size bearings. With the establishment of the SKF Solution Factory Colombia end of 2010 SKF now offers this service close to customers in the country.

SKF signed a strategic partnership agreement with Maanshan Iron & Steel (MaSteel) in China. From left are Yi Ding, Deputy General Manager, Masteel and Vartan Vartanian, President, SKF Service Division.

Automotive Division

Comments on sales are based on local currencies excluding structure and compared to the corresponding period for 2010. The operating margin has been calculated on sales including intra-Group sales.

Yearly and quarterly comparisons*

Amounts in SEKm unless otherwise stated.	Q1/10	Q2/10	Q3/10	Q4/10	Full year 2010	Q1/11	Q2/11	Half year 2011
Net sales	4,362	4,850	4,528	4,491	18,231	4,702	4,558	9,260
Sales incl. intra-Group sales	5,229	5,831	5,499	5,436	21,995	5,636	5,509	11,145
Operating profit	373	569**	468**	445	1,855	507	448	955
Operating margin	7.1%	9.8%**	8.5%**	8.2%	8.4%	9.0%	8.1%	8.6%
Assets and liabilities, net	8,443	8,507	7,980	8,036	8,036	7,973	8,298	8,298
Registered number of employees	13,569	13,925**	14,399	14,474	14,474	13,987	14,421	14,421

* Previously published amounts have been restated to conform to the current Group structure in 2011. The structural changes include business units being moved between the divisions and between other operations/Group activities and divisions.
** Correction vs press release SKF First-quarter report 2011.

Net sales change in SEK, attributable to:	Organic growth	Structure	Currency effect	Total
Q2	6.2%	-1.0%	-11.2%	-6.0%
Half year	12.6%	-1.0%	-11.1%	0.5%

Sales development

Sales in the quarter were higher in total, significantly higher in Asia, higher in Europe and North America and lower in Latin America. For the half year sales were significantly higher in total and in all regions except Latin America where they were slightly higher.

Sales in the quarter to the car and light truck industries in Europe were lower, in North America they were relatively unchanged, in Asia they were significantly higher and in Latin America slightly higher. For the half year sales were higher in Europe and significantly higher in North America, Asia and Latin America.

Sales to the heavy trucks industries were significantly higher in all main regions both for the second quarter and the half year.

Sales to the vehicle service market in the second quarter were significantly lower in Europe and Latin America, and significantly higher in North America and Asia. For the half year they were relatively unchanged in Europe, significantly higher in North America and Asia and significantly lower in Latin America.

Sales to the electrical industry in Europe as well as to the two-wheeler industry in Asia were significantly higher in the second quarter and well as for the half year.

Highlights

New businesses

- SKF entered into a project with Volvo Car Corporation and Volvo Group aimed at evaluating industrialization of flywheel systems. This technology has potential to achieve fuel savings as high as 20% for passenger cars, which would enable significant CO_2 reductions.
- SKF expanded the range of the SKF Hub Knuckle Module, adding the central nut clamping design on the wheel connection side. The Ferrari 458 Italia sports car is equipped with this new single nut hub bearing unit from SKF. The solution has proven to withstand severe cornering forces and higher lateral accelerations.

New products

Five new products were launched, including:

- SKF Low Weight Hub Bearing Unit. This new wheel-end solution of the flanged hub bearing design contributes to a significant weight reduction and thereby reduces fuel consumption and CO_2 emissions. By combining steel, which provides the expected rolling bearing performance, with aluminium, as the flanged structural component, the overall weight can be reduced by up to 30% compared to a standard unit.

- SKF Double Clutch Bearing Set and clutch support angular contact ball bearing. These clutch bearings are robust high performing products for double clutch transmissions. It provides higher efficiency and reduces fuel consumption and CO_2 emissions compared to standard transmissions. The bearings are able to resist very high temperature and loads, as well as to achieve an extended lifetime in a compact package.

Parent company

For the first half year of 2011, profit before taxes was SEK 780 million (1,098), net sales was 999 (797) and investments were SEK 0 million (0). Current financial assets were SEK 1 million (0.2) on 30 June and were SEK 0.2 million on 1 January. The average number of employees was 242 (220) on 30 June.

Previous outlook statement: Outlook for the second quarter of 2011

Demand compared to the second quarter last year

The demand for SKF products and services is expected to be significantly higher for the Group and all geographical regions. It will be significantly higher for Industrial Division and the Service Division and slightly higher for Automotive Division.

Demand compared to the first quarter 2011

The demand is expected to be slightly higher for the Group, higher in Asia and Latin America, slightly higher in North America and relatively unchanged in Europe. The Industrial Division and the Service Division are expected to be slightly higher and the Automotive Division relatively unchanged.

Manufacturing level

The manufacturing level will be significantly higher year on year and relatively unchanged compared to the first quarter.

Highlights in the previous quarter

- SKF was awarded a contract worth around SEK 500 million with Goldwind, one of the leading turbine manufacturers in China. Goldwind selected the SKF Nautilus bearing as the main shaft arrangement for their new 2.5 MW direct drive turbine. Deliveries will be made during 2011 and the first quarter of 2012.
- SKF signed a three-year strategic partnership agreement worth SEK 335 million with Sandvik Mining and Construction.
- SKF and Konkola Copper Mines Plc in Zambia signed a three-year contract worth USD 2 million covering a Predictive Maintenance solution.
- SKF signed a strategic partnership agreement with CITIC Pacific Special Steel Co., Ltd, which includes cooperation in purchasing, new product and technology development and human resources development.
- SKF announced a new factory in Jinan, in the Shandong Province, China. This new investment of around SEK 590 million will support the rapid growth of SKF's business in China and Asia. The factory will initially employ about 500 people and primarily manufacture tapered roller bearings for the truck industry.
- SKF signed an agreement to remain as the main partner to the Gothia Cup, the world's largest youth football tournament, for an additional three years. SKF will also continue to run the "Meet the World" qualifying tournaments held in around 20 countries globally.
- SKF completed two agreements in line with its strategy to divest non-core component manufacturing:
  - On 1 February 2011, the forging business OMVP, in Villar Perosa, Italy to the German based company Neumayer Tekfor Holding GmbH. OMVP has about 550 employees and net sales of around EUR 100 million, mainly to SKF.
  - At the beginning of the second quarter the cage factory in Gothenburg to the Japanese component manufacturer Nakanishi Metal Works CO., Ltd. The factory has 130 employees and will continue to supply SKF.

Risks and uncertainties in the business

The SKF Group operates in many different industrial, automotive and geographical segments that are at different stages of the economic cycle. A general economic downturn at global level, or in one of the world's leading economies, could reduce the demand for the Group's products, solutions and services for a period of time. In addition, terrorism and other hostilities, as well as disturbances in worldwide financial markets and natural disasters, could have a negative effect on the demand for the Group's products and services. There are also political and regulatory risks associated with the wide geographical presence. Regulatory requirements, taxes, tariffs and other trade barriers, price or exchange controls or other governmental policies could limit the SKF Group's operations.

The SKF Group is subject to both transaction and translation of currency exposure. For commercial flows the SKF Group is primarily exposed to the USD and to US dollar-related currencies. As the major part of the profit is made outside Sweden, the Group is also exposed to translational risks in all the major currencies. The parent company performs services of a common Group character. The financial position of the parent company is dependent on the financial position and development of the subsidiaries. A general decline in the demand for the products and services provided by the Group could mean lower dividend income for the parent company, as well as a need for writing down values of the shares in the subsidiaries.

The Board of Directors and the CEO declare that the half-year report gives a fair view of the performance of the business, position and profit or loss of the company and the Group, and describes the principal risks and uncertainties that the company and the companies in the Group face.

Cautionary statement

This report contains forward-looking statements that are based on the current expectations of the management of SKF. Although management believes that the expectations reflected in such forward-looking statements are reasonable, 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 and other government actions, fluctuations in exchange rates and other factors mentioned in SKF's latest annual report (available on www.skf.com) under the Administration Report; "Important factors influencing the financial results", "Financial risks" and "Sensitivity analysis", and in this full-year report under "Risks and uncertainties in the business."

Gothenburg, 14 July 2011
Aktiebolaget SKF
(publ.)

Tom Johnstone
President and CEO, board member

Leif Östling
Chairman

Ulla Litzén
Board member

Winnie Fok
Board member

Lena Treschow Torell
Board member

Peter Grafoner
Board member

Lars Wedenborn
Board member

Joe Loughrey
Board member

Jouko Karvinen
Board member

Babasaheb N. Kalyani
Board member

Lennart Larsson
Board member

Kennet Carlsson
Board member

AB SKF is required to disclose the information provided herein pursuant to the Securities Markets Act and/or the Financial Instruments Trading Act. The information was submitted for publication at 08.00 on 15 July 2011.

Further information can be obtained from:

Ingalill Östman, Group Communications
tel: +46-31-3373260, mobile: +46-706-973260
e-mail: ingalill.ostman@skf.com

Marita Björk, Investor Relations
tel: +46-31-3371994, mobile: +46-705-181994
e-mail: marita.bjork@skf.com

Auditors' Review report

Introduction

We have reviewed the interim report for AB SKF (publ), reg. no 556007-3495, for the period 1 January – 30 June 2011. The board of directors and the CEO are 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.

Scope of 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. A review of interim financial information 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 the 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.

Conclusion

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

Stockholm, 14 July 2011
KPMG AB
Thomas Thiel
Authorized Public Accountant

Conference call, ref.no. 898774
15 July at 09.00 (CET), 08.00 (UK):

SE: +46 (0)8 5052 0110
UK: +44 (0)207 162 0077
US: +1 334 323 6201

Please don't use your phone's loudspeaker as this has a negative effect on the sound.

You will find all information regarding SKF Half-year results 2011 on:

investors.skf.com/quarterlyreporting

Enclosures:

Financial statements

1. Condensed consolidated income statements and reconciliation to profit before tax for the Group
2. Condensed consolidated statements of comprehensive income and condensed consolidated statements of changes in shareholders' equity
3. Condensed consolidated balance sheets
4. Condensed consolidated statements of cash flow

Other financial statements

5. Condensed consolidated financial information - yearly and quarterly comparisons
6. Condensed parent company income statements, statements of comprehensive income, balance sheets and footnote

The consolidated financial statements of the SKF Group are prepared in accordance with International Financial Reporting Standards as adopted by EU. The SKF Group applies the same accounting policies and methods of computation in the interim financial statements as compared with the Annual Report 2010 including Sustainability Report. No new or amended IFRS effective 2011 had any significant impact on the Group.

The consolidated quarterly report has been prepared in accordance with IAS 34. The report for the parent company has been prepared in accordance with the Annual Accounts Act and RFR 2. The report has been reviewed by the company's auditors.

The SKF Nine-month report 2011 will be published on Wednesday, 19 October 2011.

Enclosure 1

Condensed consolidated income statements

SEKm	**April-June 2011**	April-June 2010	**Jan-June 2011**	Jan-June 2010
Net sales	**16,712**	15,709	**33,414**	30,155
Cost of goods sold	**-11,768**	-11,336	**-23,775**	-22,037
Gross profit	**4,944**	4,373	**9,639**	8,118
Selling and administrative expenses	**-2,315**	-2,128	**-4,466**	-4,160
Other operating income/expenses, net	**-7**	-7	**-47**	-14
Profit/loss from jointly controlled and associated companies	**1**	1	**1**	-3
Operating profit	**2,623**	2,239	**5,127**	3,941
Operating margin, %	**15.7**	14.3	**15.3**	13.1
Financial income and expense, net	**-177**	-192	**-363**	-390
Profit before taxes	**2,446**	2,047	**4,764**	3,551
Taxes	**-703**	-596	**-1,401**	-1,030
Net profit	**1,743**	1,451	**3,363**	2,521
Net profit attributable to				
Shareholders of the parent	**1,709**	1,405	**3,277**	2,438
Non-controlling interests	**34**	46	**86**	83
Key figures				
Basic earnings per share, SEK *	**3.76**	3.09	**7.20**	5.36
Diluted earnings per share, SEK *	**3.76**	3.09	**7.20**	5.36
Additions to property, plant and equipment	**394**	433	**791**	822
Number of employees registered	**45,678**	41,644	**45,678**	41,644
Return on capital employed for the 12-month period ended 30 June, %	**25.9**	16.8	**25.9**	16.8

* Basic and diluted earnings per share are based on net profit attributable to shareholders of the parent.

Reconciliation to profit before tax for the Group

SEKm	**Jan-June 2011**	Jan-June 2010
Operating profit:		
Industrial Division	**2,356**	1,640
Service Division	**1,780**	1,369
Automotive Division	**955**	942
Other operations outside the divisions	**197**	182
Unallocated Group activities and adjustments, net	**-161**	-192
Financial net	**-363**	-390
Profit before tax for the Group	**4,764**	3,551

Previously published amounts have been restated to conform to the current Group structure in 2011. The structural changes include business units being moved between the divisions and between other operations/Group activities and divisions.

Enclosure 2

Condensed consolidated statements of comprehensive income

SEKm	April-June 2011	April-June 2010	Jan-June 2011	Jan-June 2010
Net profit	**1,743**	1,451	**3,363**	2,521
Other comprehensive income				
Exchange differences arising on translation of foreign operations	**550**	426	**-389**	-105
Available-for-sale assets	**-133**	-26	**-153**	-29
Cash flow hedges	**-35**	-77	**-50**	-174
Actuarial gains and losses	**-130**	-560	**-38**	-861
Income tax relating to components of other comprehensive income	**102**	196	**45**	240
Other comprehensive income, net of tax	**354**	-41	**-585**	-929
Total comprehensive income	**2,097**	1,410	**2,778**	1,592
Total comprehensive income attributable to				
Shareholders of AB SKF	**2,057**	1,320	**2,752**	1,439
Non-controlling interests	**40**	90	**26**	153

Condensed consolidated statements of changes in shareholders' equity

SEKm	Jan-June 2011	Jan-June 2010
Opening balance 1 January	**19,894**	18,280
Total comprehensive income	**2,778**	1,592
Cost for performance share programmes	**31**	15
Total cash dividends	**-2,302**	-1,611
Closing balance	**20,401**	18,276

Number of shares

	April-June 2011	April-June 2010	Jan-June 2011	Jan-June 2010
Total number of shares	**455,351,068**	455,351,068	**455,351,068**	455,351,068
- whereof A shares	**43,979,604**	45,166,004	**43,979,604**	45,166,004
- whereof B shares	**411,371,464**	410,185,064	**411,371,464**	410,185,064
Total number of diluted shares outstanding	**455,351,068**	455,351,068	**455,351,068**	455,351,068
Total weighted average number of diluted shares	**455,351,068**	455,351,068	**455,351,068**	455,351,068

Enclosure 3

Condensed consolidated balance sheet

SEKm	**June 2011**	December 2010
Goodwill	**5,833**	6,309
Other intangible assets	**3,919**	4,164
Property, plant and equipment	**12,718**	12,922
Deferred tax assets	**1,620**	1,695
Other non-current assets	**1,213**	1,411
Non-current assets	**25,303**	26,501
Inventories	**13,941**	12,879
Trade receivables	**11,371**	9,859
Other current assets	**3,317**	2,839
Other current financial assets	**3,120**	3,146
Current assets	**31,749**	28,723
Total assets	**57,052**	55,224
Equity attributable to shareholders of AB SKF	**19,442**	18,935
Equity attributable to non-controlling interests	**959**	959
Long-term financial liabilities	**11,869**	10,850
Provisions for post-employment benefits	**7,110**	7,093
Provisions for deferred taxes	**1,931**	2,132
Other long-term liabilities and provisions	**1,622**	1,622
Non-current liabilities	**22,532**	21,697
Trade payables	**5,199**	4,476
Short-term financial liabilities	**664**	1,325
Other short-term liabilities and provisions	**8,256**	7,832
Current liabilities	**14,119**	13,633
Total equity and liabilities	**57,052**	55,224

Enclosure 4

Condensed consolidated statements of cash flow

SEKm	**April-June 2011**	April-June 2010	**Jan-June 2011**	Jan-June 2010
Operating activities:				
Operating profit	**2,623**	2,239	**5,127**	3,941
Depreciation, amortization and impairment	**423**	515	**868**	979
Net loss/gain (-) on sales of intangible assets, PPE and businesses	**21**	21	**-11**	33
Taxes	**-773**	-334	**-1,383**	-850
Other including financial and non-cash items	**137**	-586	**180**	-1,254
Changes in working capital	**-822**	-273	**-2,385**	-890
Net cash flow from operations	**1,609**	1,582	**2,396**	1,959
Investing activities:				
Payments for intangible assets, PPE and businesses	**-419**	-429	**-824**	-829
Sales of PPE and businesses	**110**	7	**100**	62
Net cash flow used in investing activities	**-309**	-422	**-724**	-767
Net cash flow after investments before financing	**1,300**	1,160	**1,672**	1,192
Financing activities:				
Change in short- and long-term loans	**346**	-1,294	**324**	-1,299
Payment for finance lease liabilities	**-2**	-2	**-5**	-8
Cash dividends	**-2,296**	-1,610	**-2,302**	-1,611
Investments in short-term financial assets	**-58**	-65	**-112**	-107
Sales of short-term financial assets	**39**	93	**137**	227
Net cash flow used in financing activities	**-1,971**	-2,878	**-1,958**	-2,798
Net cash flow	**-671**	-1,718	**-286**	-1,606

	April-June 2011	April-June 2010	**Jan-June 2011**	Jan-June 2010
Change in cash and cash equivalents:				
Cash and cash equivalents at 1 April/1 January	**2,690**	4,550	**2,395**	4,430
Cash effect excl. acquired/sold businesses	**-695**	-1,718	**-237**	-1,606
Cash effect of acquired/sold businesses	**24**	-	**-49**	-
Exchange rate effect	**21**	78	**-69**	86
Cash and cash equivalents at 30 June	**2,040**	2,910	**2,040**	2,910

Change in net interest-bearing liabilities	**Closing balance 30 June 2011**	**Cash change**	**Businesses acquired/sold**	**Other non cash changes**	**Translation effect**	**Opening balance 1 January 2011**
Loans, long- and short-term	12,194	324	-	-81	155	11,796
Post-employment benefits, net	7,068	-232	-25	400	-122	7,047
Financial assets, others	-1,059	25	-20	-91	40	-1,013
Cash and cash equivalents	-2,040	237	49	-	69	-2,395
Net interest-bearing liabilities	**16,163**	**354**	**4**	**228**	**142**	**15,435**

Enclosure 5

Condensed consolidated financial information - yearly and quarterly comparisons

Amounts in SEKm unless otherwise stated.	Q1/10	Q2/10	Q3/10	Q4/10	Full year 2010	Q1/11	Q2/11	Half year 2011
Net sales	14,446	15,709	15,465	15,409	61,029	16,702	16,712	33,414
Cost of goods sold	-10,701	-11,336	-11,040	-11,139	-44,216	-12,007	-11,768	-23,775
Gross profit	**3,745**	**4,373**	**4,425**	**4,270**	**16,813**	**4,695**	**4,944**	**9,639**
Gross margin, %	25.9	27.8	28.6	27.7	27.5	28.1	29.6	28.8
Selling and administrative expenses	-2,032	-2,128	-2,042	-2,020	-8,222	-2,151	-2,315	-4,466
- as % of sales	14.1	13.5	13.2	13.1	13.5	12.9	13.9	13.4
Other operating income/expenses, net	-7	-7	-76	-49	-139	-40	-7	-47
Profit/loss from jointly controlled and associated companies	-4	1	2	1	0	0	1	1
Operating profit	**1,702**	**2,239**	**2,309**	**2,202**	**8,452**	**2,504**	**2,623**	**5,127**
Operating margin, %	11.8	14.3	14.9	14.3	13.8	15.0	15.7	15.3
Operating margin excl. one-off items, %	12.4	14.3	14.9	14.9	14.2	15.0	15.7	15.3
Financial income and expense, net	-198	-192	-359	-154	-903	-186	-177	-363
Profit before taxes	**1,504**	**2,047**	**1,950**	**2,048**	**7,549**	**2,318**	**2,446**	**4,764**
Profit margin before taxes, %	10.4	13.0	12.6	13.3	12.4	13.9	14.6	14.3
Taxes	-434	-596	-525	-698	-2,253	-698	-703	-1,401
Net profit	**1,070**	**1,451**	**1,425**	**1,350**	**5,296**	**1,620**	**1,743**	**3,363**
Net profit attributable to								
Shareholders of the parent	1,033	1,405	1,389	1,311	5,138	1,568	1,709	3,277
Non-controlling interests	37	46	36	39	158	52	34	86
Key figures								
Operating profit excl. amortization	1,742	2,288	2,333	2,239	8,602	2,567	2,682	5,249
Basic earnings per share, SEK *	2.27	3.09	3.05	2.87	11.28	3.44	3.76	7.20
Diluted earnings per share, SEK *	2.27	3.09	3.05	2.87	11.28	3.44	3.76	7.20
Dividend per share, SEK	-	3.50	-	-	3.50	-	5.00	5.00
Return on capital employed for the 12-month period, %	11.9	16.8	20.7	24.0	24.0	25.6	25.9	25.9
Gearing, % **	48.3	47.4	47.6	48.6	48.6	47.2	48.6	48.6
Equity/assets ratio, %	36.2	36.0	36.0	36.0	36.0	37.0	35.8	35.8
Net worth per share, SEK *	38	38	37	42	42	43	43	43
Additions to property, plant and equipment	389	433	369	460	1,651	397	394	791
Registered number of employees	41,055	41,644	42,475	44,742	44,742	44,784	45,678	45,678

* Basic and diluted earnings per share and Net worth per share are based on net profit attributable to shareholders of the parent.

** Current- plus non-current loans plus provisions for post-employment benefits, net, as a percentage of the sum of current- plus non-current loans, provisions for post-employment benefits, net, and shareholders equity, all at end of interim period/year end.

Enclosure 6

Parent company condensed income statements

SEKm	April-June 2011	April-June 2010	Jan-June 2011	Jan-June 2010
Net sales	**529**	428	**999**	797
Cost of services provided	**-529**	-428	**-999**	-797
Gross profit	**0**	0	**0**	0
Administrative expenses	**-34**	-61	**-61**	-132
Other operating income/expenses, net	**3**	-15	**1**	-11
Operating loss	**-31**	-76	**-60**	-143
Financial income and expenses, net	**904**	1,288	**840**	1,241
Profit before taxes	**873**	1,212	**780**	1,098
Taxes	**38**	31	**69**	60
Net profit	**911**	1,243	**849**	1,158

Parent company statements of comprehensive income

SEKm	April-June 2011	April-June 2010	Jan-June 2011	Jan-June 2010
Net profit	**911**	1,243	**849**	1,158
Other comprehensive income				
Available-for-sale assets	**-133**	-24	**-153**	-27
Other comprehensive income, net of tax	**-133**	-24	**-153**	-27
Total comprehensive income	**778**	1,219	**696**	1,131

Parent company condensed balance sheets

SEKm	Note	June 2011	December 2010
Investments in subsidiaries		**22,490**	22,257
Receivables from subsidiaries		**11,653**	10,591
Other non-current assets		**535**	689
Non-current assets		**34,678**	33,537
Receivables from subsidiaries		**1,314**	2,616
Other receivables		**303**	136
Current assets		**1,617**	2,752
Total assets		**36,295**	36,289
Shareholders' equity	1	**9,917**	11,490
Untaxed reserves		**1,417**	1,417
Provisions		**160**	165
Non-current liabilities		**11,640**	10,581
Current liabilities		**13,161**	12,636
Total shareholders' equity, provisions and liabilities		**36,295**	36,289
Assets pledged		**0**	0
Contingent liabilities		**5**	5

Note 1 - Shareholders' equity

SEKm	June 2011	June 2010
Opening balance 1 January	**11,490**	10,207
Dividends	**-2,277**	-1,594
Total comprehensive income	**696**	1,131
Exercise of shares and cost for performance share programmes, net	**8**	15
Closing balance	**9,917**	9,759