



Year-end Report 2011

President and CEO Peter Nilsson

"2011 was a successful year for Trelleborg. Our efforts within continuous improvements continued at a brisk pace. We grew organically and made acquisitions and divestments to create improved leading positions in attractive segments as well as a better geographical balance. We achieved our financial targets for the Group.

Sales were favorable during the fourth quarter of 2011, with the exception of the offshore oil/gas segment in Trelleborg Engineered Systems, where there was a significant year-on-year decline. The previously announced problems - production disruptions and extended lead times - in the offshore oil/gas segment had a distinctly negative impact on both sales and earnings. The production disruptions have been resolved since year-end and we have generally noticed a steady and clear stepwise improvement in orders received as well as sales, in addition to improved earnings within the segment.

During the quarter, Trelleborg signed an agreement with Freudenberg to create a joint venture in antivibration solutions for light and heavy vehicles. The completion of the transaction is subject to the approval of the relevant competition authorities.

The year 2012 has started well for Trelleborg, but because of the market uncertainties, we are monitoring developments closely and we are maintaining readiness in order to manage a volatile market."

Continuing operations:

- Net sales during the fourth quarter of 2011 rose to SEK 7,106 M (6,852) and for the full-year to SEK 29,106 M (27,196).
- Operating profit in the quarter totaled SEK 459 M (400). Items affecting comparability amounted to an expense of SEK 70 M (expense: 118). For full-year 2011, operating profit totaled SEK 2,431 M (2,036). Items affecting comparability were included in a negative amount of SEK 204 M (neg: 250).
- Operating cash flow during the fourth quarter was SEK 726 M (929). For full-year 2011, the operating cash flow was SEK 1,655 M (2,190).

The Group in total:

- Consolidated net sales for the quarter amounted to SEK 7,106 M (7,045) and for the full year to SEK 29,150 M (28,778). Operating profit for the quarter increased to SEK 459 M (423) and for full-year to SEK 2,689 M (1,952).

Key ratios, continuing operations	Oct - Dec	Oct - Dec	Jan - Dec	Jan - Dec
SEK M	2011	2010	2011	2010
Net sales	7,106	6,852	29,106	27,196
Operating profit	459	400	2,431	2,036
Net profit	266	234	1,578	1,284
Earnings per share, SEK	0.95	0.85	5.75	4.65

Market outlook for the first quarter 2012

Market outlook for the first quarter 2012. Demand is expected to be in line with or slightly higher than the fourth quarter of 2011, adjusted for seasonal variations.

The Board proposes dividend of SEK 2.50

Proposed dividend. The Board of Directors and President propose a cash dividend of SEK 2.50 per share (1.75).

The Group, October – December 2011

Key ratios, continuing operations SEK M	Oct - Dec 2011	Oct - Dec 2010	Jan - Dec 2011	Jan - Dec 2010
Net sales	7,106	6,852	29,106	27,196
Operating profit	459	400	2,431	2,036
Profit before tax	396	357	2,222	1,818
Net profit	266	234	1,578	1,284
- equity holders of the parent	262	229	1,559	1,263
- non-controlling interest	4	5	19	21
Earnings per share, SEK	0.95	0.85	5.75	4.65
Average number of employees within the Group, of whom			20,274	20,042
- women			5,029	5,083
- men			15,245	14,959

Organic sales increased by 3 percent (18)

Net sales. The Trelleborg Group's net sales for the fourth quarter 2011 for continuing operations totaled SEK 7,106 MSEK (6,852), up 4 percent (11). Organic sales increased 3 percent (18). Structural changes represented a positive 2 percent (0) while exchange-rate effects were a negative 1 percent (neg: 7).

Change in net sales, continuing operations %	Oct - Dec 2011	Oct - Dec 2010
Organic sales	+3	+18
Structural changes	+2	0
Exchange-rate effects	-1	-7
Total	+4	+11

The Group's sales to the general industry, light vehicles, transport, aerospace, infrastructure and agriculture segments were higher or on a par with the levels recorded in the fourth quarter of 2010. Sales in the offshore oil/gas segment were lower than in the year-earlier period.

Sales to all segments were on a par with the third quarter of 2011, adjusted for seasonal effects.

Operating profit rose to SEK 459 M (400)

Earnings. Operating profit for the quarter increased to SEK 459 M (400).

Currency translation effects had a negative impact on operating profit of approximately SEK 5 M compared with the corresponding period in 2010.

The financial net expense was SEK 63 M (expense: 43), corresponding to an average interest rate of 3.7 percent (2.5). The higher interest rate mirrors the new long-term financing.

Profit before tax increased to SEK 396 M (357).

Net profit was SEK 266 M (234). The tax rate was 33 percent (34).

Earnings per share were SEK 0.95 (0.85).

**EBITDA margin
amounted to 10.6
percent (11.0)**

Operating profit, excluding items affecting comparability, increased to SEK 529 M (518). Items affecting comparability pertaining to restructuring costs within the previously announced scope for structural projects for 2011 had an adverse impact of SEK 70 M (expense: 118) on earnings. The operating margin was 7.4 percent (7.5). Operating profit before depreciation and amortization (EBITDA) declined to SEK 757 M (761). The EBITDA margin was 10.6 percent (11.0). Earnings per share, excluding items affecting comparability, were SEK 1.15 (1.15).

Operating key ratios, continuing operations excl. items affecting comparability SEK M	Oct - Dec 2011	Oct - Dec 2010	Jan - Dec 2011	Jan - Dec 2010
Operating profit	529	518	2,635	2,286
Operating margin (ROS), %	7.4	7.5	9.0	8.4
EBITDA, %	10.6	11.0	12.1	12.1
Earnings per share, SEK	1.15	1.15	6.30	5.35

The previously communicated problems - production disruptions and extended lead times - in the offshore oil/gas segment in Trelleborg Engineered Systems had a significantly negative impact on both sales and earnings throughout the quarter, and more than was initially anticipated. The production disruptions have been resolved since year-end. During the quarter, a change in the operations was also implemented aimed at enhancing efficiency and adapting to future market trends. Altogether, there is a steady and clear stepwise improvement in orders received as well as sales, in addition to improved earnings within the segment.

**Free cash flow
was SEK 445 M
(683)**

Cash flow. Operating cash flow for the period amounted to SEK 726 M (929). Tied-up working capital increased somewhat due, in part, to higher raw-material prices. The higher level of capital expenditure totaling SEK 466 M (377) also adversely impacted cash flow. Free cash flow was SEK 445 M (683).

Continuing operations SEK M	Oct - Dec 2011	Oct - Dec 2010	Jan - Dec 2011	Jan - Dec 2010
Operating cash flow	726	929	1,655	2,190
Utilization of restructuring provisions	-94	-111	-294	-414
Dividend - non-controlling interest	-1	-2	-3	-3
Financial items	-43	-27	-284	-306
Paid tax	-143	-106	-480	-294
Free cash flow	445	683	594	1,173

Debt/equity ratio was 48 percent (53)

Net debt. Compared with the preceding quarter, net debt declined by SEK 567 M to SEK -6,425 M (-6,409).

The debt/equity ratio was 48 percent (53). Net debt in relation to EBITDA was 1.8 (1.9).

Change in net debt	Oct - Dec	Oct - Dec	Jan - Dec	Jan - Dec
SEK M	2011	2010	2011	2010
Net debt, opening balance	-6,992	-7,097	-6,409	-8,369
Net cash flow for the period	448	615	-67	950
Disposals	-	-	98	134
Exchange rate differences	119	73	-47	876
Net debt, closing balance	-6,425	-6,409	-6,425	-6,409
Debt/equity ratio, %			48	53
Net Debt/EBITDA excl items aff comp.			1.8	1.9

The Group, January – December 2011

Net sales totaled SEK 29,106 M (27,196)

Net sales. The Trelleborg Group's net sales for continuing operations for 2011 totaled SEK 29,106 M (27,196), up 7 percent (10). Organic sales increased 11 percent (17). Structural changes represented a positive impact of 2 percent (0), while exchange rates had a negative impact of 6 percent (negative 7).

Operating profit amounted to SEK 2,431 M (2,036)

Earnings. Operating profit for 2011 amounted to SEK 2,431 M (2,036). Exchange-rate fluctuations arising from the translation of earnings of foreign Group companies had a negative impact on operating profit of SEK 165 M compared with the corresponding period in 2010. Profit before tax totaled SEK 2,222 M (1,818). Net profit was SEK 1,578 M (1,284). Earnings per share were SEK 5.75 (4.65).

EBITDA margin was 12.1 percent

Operating profit, excluding items affecting comparability, increased to SEK 2,635 M (2,286). Items affecting comparability amounted to an expense of SEK 204 M (expense: 250). The operating margin was 9.0 percent (8.4).

Operating profit before depreciation and amortization (EBITDA) increased to SEK 3,538 M (3,304). The EBITDA margin was 12.1 percent (12.1).

Operating cash flow was SEK 1,655 M (2,190)

Cash flow. Operating cash flow was satisfying in relation to the increased sales and level of capital expenditure. The operating cash flow amounted to SEK 1,655 M (2,190). The capital expenditure level was SEK 1,135 M (822).

Shareholders' equity amounted to SEK 13,338 M (12,079)

Capital employed and shareholders' equity. Capital employed for 2011 totaled SEK 19,574 M, compared with SEK 17,785 M in the year-earlier period.

Shareholders' equity at the close of the period amounted to SEK 13,338 M (12,079), excluding non-controlling interests. Shareholders' equity per share totaled SEK 49.20 (44.55). The equity/asset ratio was 47 percent (45).

Return on shareholders' equity was 13.4 percent (11.9)

Return. The return on shareholders' equity, excluding items affecting comparability, for the past twelve-month period was 13.4 percent (11.9), while the return on capital employed, excluding items affecting comparability, was 13.5 percent for the same period (11.9).

	Continuing operations		Excl. items affecting comparability	
	Jan - Dec 2011	Jan - Dec 2010	Jan - Dec 2011	Jan - Dec 2010
%				
Return on capital employed, ROCE	12.6	10.8	13.5	11.9
Return on shareholders' equity	12.3	10.4	13.4	11.9

Important events during the quarter

Structural changes October-December 2011

Agreement on the formation of a joint venture in antivibration solutions

Agreement on the formation of a joint venture in antivibration solutions. On December 22, 2011, it was announced that an agreement had been signed covering all points of principle in respect of the joint venture in antivibration solutions for light and heavy vehicles. After the end of the period, on February 1, 2012, all ancillary and transitional arrangements were also finalized and signed. Completion of the transaction is subject to approval of the relevant competition authorities.

Background: Trelleborg and Freudenberg intend to form a 50/50 joint-venture company in antivibration solutions for light and heavy vehicles. Trelleborg and Freudenberg currently command strong positions in the market. The companies' customer portfolios complement each other favorably, while Trelleborg's broad geographical presence is complemented by Freudenberg's product portfolio. Overall, this means that the company will attain a market-leading position and will be able to offer automakers worldwide the market's best geographical coverage and the broadest portfolio in antivibration solutions.

The new company will comprise Trelleborg Automotive's operations in antivibration solutions and Freudenberg's corresponding activities, Vibracoustic. At year-end, the combined annual sales were approximately SEK 13.4 billion.

The part of Trelleborg Automotive that will be included in the joint venture relates to the antivibration business for light and heavy vehicles. At year-end, this accounted for about 75 percent of sales in Trelleborg Automotive and had annual sales of approximately SEK 7.1 billion. Trelleborg Automotive's operations outside the antivibration area are not affected.

Events after the close of the period

Restructuring within the business areas

Trelleborg strengthens and focuses the Group. The Trelleborg Group will be strengthened and focused through organizational changes.

Trelleborg Automotive will be focused on antivibration solutions. Trelleborg Automotive's other operations – polymer boots for drive shafts and steering applications and noise-damping solutions for brake systems – will be strengthened by integrating them into Trelleborg Engineered Systems and Trelleborg Sealing Solutions, respectively.

Trelleborg Engineered Systems will be focused on three prioritized areas: offshore and infrastructure construction, general industrial applications and polymer-coated fabrics for advanced industrial applications. As a consequence, three people will assume new positions in Trelleborg's Group Management: Denis Blanc, Mikael Fryklund and Dario Porta. Trelleborg's President and CEO Peter Nilsson will assume responsibility for Trelleborg Engineered Systems.

Lennart Johansson, Trelleborg Engineered Systems' current President, and current President of Trelleborg Automotive, Jim Law, have been appointed as the Trelleborg Group's representatives on the management board of the joint venture in antivibration solutions for light and heavy vehicles that is planned between Trelleborg and Freudenberg. Trelleborg's President and CEO Peter Nilsson will become the company's Chairman.

Agreement on the divestment of the light-vehicle component operation

Divestment of the light-vehicle component operation. On January 24, 2012, Trelleborg signed an agreement to divest an operation that manufactures high-technology rubber, plastic and foam components and systems for the light vehicles industry. The operation is primarily located in France and is part of the Trelleborg Automotive business area. The buyer is Bavaria Industriekapital AG with its registered office in Munich, Germany. The divestment is a further step in the Trelleborg Group's strategy to focus on selected segments. The capital gain will have a minor impact on earnings 2012.

Other

Nomination Committee's proposals to the 2012 AGM

Nomination Committee. The Nomination Committee comprising representatives of the major owners, representing approximately 64 percent of the votes in Trelleborg AB, and the Chairman of the Board, has resolved to propose to the Annual General Meeting the reelection of all Board members:

- Hans Biörck
- Claes Lindqvist
- Sören Mellstig
- Peter Nilsson
- Bo Risberg
- Nina Udnes Tronstad
- Heléne Vibbleus Bergquist
- Anders Narvinger as Chairman.

Furthermore, the Nomination Committee has decided to propose to the AGM the reelection of PricewaterhouseCoopers AB as the company's auditor for 2012.

The following people serve as members of the Nomination Committee:

- Rolf Kjellman, Henry and Gerda Dunker Foundation
- Henrik Didner, Didner & Gerge Funds,
- Peter Rönström, Lannebo funds
- Thomas Eriksson, Swedbank Robur funds
- Johan Held, AFA insurance companies.

The AGM will be held in Trelleborg at 5:00 p.m. on April 19, 2012.

New CFO

New CFO. Ulf Berghult has been appointed new Chief Financial Officer (CFO) of the Trelleborg Group and will assume the position during the second quarter of 2012. He replaces Carolina Dybeck Happe who will join Assa Abloy as CFO in the spring, which was communicated on December 12, 2011. Ulf Berghult most recently served as CFO of Dometic Group. He has previously worked as CFO of the Thule Group and Rolls Royce Marine Systems, among other companies. Between 1987 and 1995, he was employed as controller within the Trelleborg Group.

Risk management

Risk/risk management at Trelleborg. Trelleborg focuses continuously on identifying, evaluating and managing risks arising in the Group's companies, business areas, business units and processes. Trelleborg has an Enterprise Risk Management process (ERM process) which aims to give a Groupwide overview of Trelleborg's risks, deliver a basis for risk management decisions and enable assessment of the risks and of how they are managed.

The principal risks and uncertainties currently faced by the Group relate to the economy's effect on demand, supply and price movements of raw materials and components, legal risks, structural programs and financial business environment risks.

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

The Group's market outlook

Market outlook for the first quarter 2012. Demand is expected to be in line with or slightly higher than the fourth quarter of 2011, adjusted for seasonal variations.

Outlook from the interim report published on October 26, 2011:

Market outlook for the fourth quarter of 2011. Demand is expected to be in line with or somewhat lower than the third quarter of 2011, adjusted for seasonal variations.

Trelleborg, February 15, 2012

Board of Directors of Trelleborg AB (publ)

This report has been prepared in accordance with IAS 34 Interim Financial Reporting and applicable rules of the Annual Accounts Act. The interim report for the Parent Company has been prepared in accordance with chapter 9 of the Annual Accounts Act, Interim Reports. Unless otherwise stated, 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.

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

Trelleborg Engineered Systems

Continuing operations	Oct - Dec	Oct - Dec	Jan - Dec	Jan - Dec
SEK M	2011	2010	2011	2010
<i>Excluding items affecting comparability</i>				
Net sales	2,339	2,541	9,435	9,795
Operating profit	58	215	628	855
Operating margin (ROS), %	2.5	8.5	6.7	8.7
EBITDA margin, %	5.8	11.5	9.9	12.1
Operating cash flow	92	426	267	722
<i>Including items affecting comparability</i>				
Operating profit	11	177	542	745
ROS, %	0.4	7.0	5.7	7.6

Additional key ratios on pages 16 - 19

Fourth quarter 2011

Market trend. The underlying market in the general industry segment performed favorably. Inquiries in the offshore oil/gas segments remained at a high level and demand increased gradually.

Net sales. The demand for input goods to general industry was favorable, but the business area's sales were significantly impacted by lower sales in the offshore oil/gas segment. Net sales declined 8 percent during the quarter compared with the year-earlier period. Organic sales decreased 9 percent, effects of structural changes represented a positive 1 percent and exchange-rate effects were 0 percent.

Operating profit and cash flow. Operating profit for the quarter declined year-on-year due to previously communicated problems of production disruptions and extended lead times in the offshore oil/gas segment, which also resulted in a considerable drop in sales. Combined with continued start-up costs in Brazil, this resulted in a considerably poorer earnings level in this part of the business area. Other parts of the business area performed well during the quarter.

Cash flow declined during the quarter compared with the year-earlier period, primarily as a result of the lower earnings and higher level of tied-up working capital.

Other. Production disruptions in the offshore oil/gas segments have been resolved since year-end. Furthermore, changes were made to the offshore oil/gas operation during the quarter aimed at enhancing efficiency and adapting it to future market trends. The activity level in the offshore oil/gas segment remains high and the order intake is at a good level. Overall, a steady and clear stepwise improvement in orders received as well as sales is expected, in addition to improved earnings within the segment.

During the first six months of 2012, the investment project in Brazil will progressively have a positive impact on future production capacity and efficiency. After the close of the period, organizational changes were implemented aimed at strengthening and focusing the Group (see page 6).

Full-year 2011

Net sales. Net sales declined 4 percent in 2011 compared with 2010, mainly resulting from lower sales in the offshore oil/gas segment. Organic sales increased 1 percent, effects of structural changes represented a positive 1 percent and exchange-rate effects were a negative 6 percent.

Operating profit and cash flow. Operating profit declined compared with 2010 largely as a result of lower project deliveries and production disruptions in the offshore oil/gas segment in addition to start-up costs in Brazil. Other parts of the business area performed well during the year.

The operating cash flow was weaker than in the preceding year, due primarily to lower earnings, a higher capital expenditure level and higher level of tied-up working capital.

Trelleborg Automotive

Continuing operations SEK M	Oct - Dec 2011	Oct - Dec 2010	Jan - Dec 2011	Jan - Dec 2010
<i>Excluding items affecting comparability</i>				
Net sales	2,288	2,188	9,360	8,819
Operating profit	165	121	510	524
Operating margin (ROS), %	7.0	5.4	5.3	5.8
EBITDA margin, %	10.2	9.6	8.6	10.1
Operating cash flow	111	249	242	642
<i>Including items affecting comparability</i>				
Operating profit	146	58	417	426
ROS, %	6.2	2.5	4.3	4.7

Additional key ratios on pages 16 - 19

Fourth quarter 2011

Market trend. Global production and sales of light vehicles remained positive during the quarter, with favorable growth in North America and parts of Asia.

Net sales. The business area continued to perform well in comparison to the underlying market, driven by a positive customer mix.

Net sales during the quarter rose 4 percent compared with the year-earlier period. Organic sales increased 9 percent, effects of structural changes represented a negative 3 percent and exchange-rate effects had a negative impact of 2 percent.

Operating profit and cash flow. The operating profit and operating margin were higher during the quarter compared with the corresponding period in 2010 as a result of higher volumes, a favorable customer mix and enhanced efficiency. Earlier cost increases for raw material were well offset, albeit not fully.

The higher sales volume increased tied-up working capital during the period, thus impacting cash flow.

Other. During the quarter, a project was initiated in Brazil to adapt the operation to current and future market trends.

An agreement was signed covering the formation of the joint venture in antivibration solutions for light and heavy vehicles between Trelleborg and Freudenberg (see page 6).

After the close of the period, an agreement was signed concerning the divestment of a light-vehicles component operation (see page 6).

In addition, organizational changes were implemented following the close of the period aimed at strengthening and focusing the Group (see page 6).

Full-year 2011

Net sales. Demand was favorable for much of the year in the majority of geographical markets. Net sales in 2011 increased 6 percent compared with 2010. Organic sales increased 15 percent, effects of structural changes represented a negative 2 percent and exchange-rate effects had a negative impact of 7 percent.

Operating profit and cash flow. Operating profit dropped slightly compared with 2010, primarily as a result of rising and volatile raw-material prices. Earnings were also impacted by impairments made in Brazil to inventory and other assets, primarily of an historical nature, in conjunction with a review following the divestment made during the year of the brake hose operation in Brazil. Earnings were positively influenced by previously made capacity and cost adaptations and healthy volumes in some regions.

Operating cash flow was impacted by a higher capital expenditure level and a higher level of tied-up working capital.

Trelleborg Sealing Solutions

Continuing operations SEK M	Oct - Dec 2011	Oct - Dec 2010	Jan - Dec 2011	Jan - Dec 2010
<i>Excluding items affecting comparability</i>				
Net sales	1,570	1,434	6,643	5,783
Operating profit	281	216	1,360	876
Operating margin (ROS), %	17.9	15.0	20.5	15.1
EBITDA margin, %	21.3	18.1	23.3	18.5
Operating cash flow	344	207	1,252	885
<i>Including items affecting comparability</i>				
Operating profit	277	208	1,336	854
ROS, %	17.7	14.5	20.1	14.8

Additional key ratios on pages 16 - 19

Fourth quarter 2011

Market trend. Underlying demand was favorable in all main segments and geographical areas.

Net sales. Demand remained high in all main segments and geographical areas. The general industry and aerospace segments outperformed the underlying markets.

Net sales for the quarter rose 9 percent compared with the year-earlier period. Organic sales increased 4 percent, effects of structural changes represented a positive 6 percent and changes in exchange rates had a negative impact of 1 percent.

Operating profit and cash flow. Operating profit improved compared with the year-earlier period as a result of a continued favorable product mix and good capacity utilization.

Operating cash flow remained strong due to favorable earnings generation and continued efficient management of working capital.

Other. The expansion in India is proceeding according to plan and the new unit in Bangalore will gradually go onstream in the first half of 2012.

The business area continued to focus on and invest in selected segments. Among other activities, a decision was taken concerning new investments in the Life Science segment in the form of expanded production capacity in Europe and establishment of a new full-scale production unit in North America.

After the close of the period, organizational changes were implemented aimed at strengthening and focusing the Group (see page 6).

Full-year 2011

Net sales. Demand was high in all segments and geographical areas. Net sales in 2011 rose 15 percent compared with 2010. Organic sales increased 16 percent, effects of structural changes represented a positive 6 percent and changes in exchange rates had a negative impact of 7 percent.

Operating profit and cash flow. Operating profit improved significantly compared with 2010 on account of higher demand, a more efficient structure, a continued favorable product mix and good capacity utilization.

Operating cash flow remained very strong due primarily to the improvement in earnings and continued efficient management of working capital.

Trelleborg Wheel Systems

Continuing operations SEK M	Oct - Dec 2011	Oct - Dec 2010	Jan - Dec 2011	Jan - Dec 2010
<i>Excluding items affecting comparability</i>				
Net sales	954	738	3,863	2,990
Operating profit	99	51	401	263
Operating margin (ROS), %	10.4	7.0	10.4	8.8
EBITDA margin, %	12.8	10.4	12.7	12.0
Operating cash flow	219	169	185	251
<i>Including items affecting comparability</i>				
Operating profit	99	43	401	247
ROS, %	10.4	6.0	10.4	8.3

Additional key ratios on pages 16 - 19

Fourth quarter 2011

Market trend. Underlying demand remained high, primarily from OEMs, compared with the corresponding year-earlier period.

Net sales. Demand remained high during the quarter, primarily by OEMs.

Net sales during the quarter rose 29 percent compared with the year-earlier period. Organic sales increased 20 percent, structural changes represented a positive 11 percent and changes in exchange rates had a negative impact of 2 percent.

Operating profit and cash flow. Operating profit increased significantly compared with the fourth quarter of 2010. The operating margin was impacted by a changed product mix. Earlier cost increases for raw materials were well offset, albeit not fully.

Despite the high level of capital expenditure, operating cash flow for the quarter was strong as a result of favorable earnings generation and efficient management of working capital.

Other. Integration of the operation acquired during the first quarter of 2011 primarily for agricultural tires, located in Xingtai in eastern China, is progressing according to plan. The local presence creates a platform for a broader product range and establishment in the local market.

Full-year 2011

Net sales. Demand was particularly strong in the agricultural tire segment. The acquisition of Watts contributed to the sales increase in industrial tires. Net sales in 2011 rose 29 percent compared with 2010. Organic sales increased 27 percent, structural changes represented a positive 10 percent and changes in exchange rates had a negative impact of 8 percent.

Operating profit and cash flow. Operating profit improved significantly on account of favorable demand, enhanced efficiency and effective management of volatile raw-material prices. Operating profit was also influenced by a changed product mix and high capacity utilization.

Operating cash flow declined during the year, mainly as a result of a rise in tied-up working capital and establishment in China.

Financial statements

Income Statements

Group SEK M	Oct - Dec 2011	Oct - Dec 2010	Jan - Dec 2011	Jan - Dec 2010
<i>Continuing operations</i>				
Net sales	7,106	6,852	29,106	27,196
Cost of goods sold	-5,358	-5,045	-21,483	-19,897
Gross profit	1,748	1,807	7,623	7,299
Selling expenses	-558	-548	-2,200	-2,124
Administrative expenses	-706	-698	-2,590	-2,490
Research and development costs	-149	-143	-574	-577
Other operating income/expenses	121	-22	161	-86
Profit from part. in assoc. companies	3	4	11	14
Operating profit	459	400	2,431	2,036
Financial income and expenses	-63	-43	-209	-218
Profit before tax	396	357	2,222	1,818
Tax	-130	-123	-644	-534
Net profit	266	234	1,578	1,284
<i>Discontinued operations</i>				
Net sales	-	193	44	1,582
Operating profit	-	23	258	-84
Profit before tax	-	23	258	-86
Net profit	-	28	260	-101
<i>Group, total</i>				
Net sales	7,106	7,045	29,150	28,778
Operating profit	459	423	2,689	1,952
Profit before tax	396	380	2,480	1,732
Total net profit	266	262	1,838	1,183
<i>of which attributable to:</i>				
- equity holders of the parent	262	257	1,819	1,162
- non-controlling interest	4	5	19	21
Earnings per share	Oct - Dec	Oct - Dec	Jan - Dec	Jan - Dec
SEK	2011	2010	2011	2010
Continuing operations	0.95	0.85	5.75	4.65
Discontinued operations	0.00	0.10	0.95	-0.35
Group, total	0.95	0.95	6.70	4.30
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	Oct - Dec 2011	Oct - Dec 2010	Jan - Dec 2011	Jan - Dec 2010
Total net profit	266	262	1,838	1,183
Other comprehensive income				
Cash flow hedges	0	37	-74	24
Hedging of net investment	190	87	-72	892
Translation difference	-385	-97	15	-1,890
Income tax relating to components of other comprehensive income	-53	-37	46	-235
Other comprehensive income, net of tax	-248	-10	-85	-1,209
Total comprehensive income	18	252	1,753	-26
Total profit for the period				
- equity holders of the parent	11	245	1,733	-43
- non-controlling interest	7	7	20	17

Balance Sheets

Group	Dec 31	Dec 31
SEK M	2011	2010
Property, plant and equipment	5,958	5,609
Intangible assets	10,457	9,980
Financial assets	1,284	1,297
Total non-current assets	17,699	16,886
Inventories	4,001	3,433
Current operating receivables	6,025	5,597
Current interest-bearing receivables	213	100
Cash and cash equivalents	753	832
Total current assets	10,992	9,962
Assets held for sale	-	466
Total assets	28,691	27,314
Equity holders of the parent	13,338	12,079
Non-controlling interest	166	117
Total equity	13,504	12,196
Non-current interest-bearing liabilities	5,452	4,343
Other non-current liabilities	1,125	1,138
Total non-current liabilities	6,577	5,481
Interest-bearing current liabilities	2,171	3,162
Other current liabilities	6,439	6,345
Total current liabilities	8,610	9,507
Liabilities held for sale	-	130
Total equity and liabilities	28,691	27,314

Specification of changes in equity	Dec 31	Dec 31
SEK M	2011	2010
<i>Attributable to equity holders of the parent</i>		
Opening balance, January 1	12,079	12,258
Total comprehensive income	1,733	-43
Dividend	-474	-136
Closing balance	13,338	12,079
<i>Attributable to non-controlling interest</i>		
Opening balance, January 1	117	103
Total comprehensive income	20	17
Acquisition	32	-
Dividend	-3	-3
Closing balance	166	117
Sum total equity, closing balance	13,504	12,196

Cash flow statements

Group	Oct - Dec	Oct - Dec	Jan - Dec	Jan - Dec
SEK M	2011	2010	2011	2010
<i>Operating activities</i>				
Operating profit	459	400	2,431	2,036
Adjustments for items not included in cash flow:				
Depreciation, property, plant and equipment	203	204	797	845
Amortization, intangible assets	29	34	113	145
Impairment losses, property, plant and equipment	-2	29	6	38
Impairment losses, intangible assets	0	5	-3	20
Provision for restructuring costs	68	89	194	220
Other, non cash-flow affecting items	-5	8	-32	6
	752	769	3,506	3,310
Interest received and other financial items	10	4	17	14
Interest paid and other financial items	-53	-31	-301	-320
Taxes paid	-143	-106	-480	-294
Cash flow from operating activities before changes in working capital	566	636	2,742	2,710
Cash flow from changes in working capital:				
Change in inventories	129	-72	-494	-471
Change in operating receivables	292	233	-301	-718
Change in operating liabilities	7	369	40	838
Utilization of restructuring provisions	-94	-111	-294	-414
Cash flow from operating activities	900	1,055	1,693	1,945
<i>Investing activities</i>				
Acquisitions	0	-138	-746	-165
Disposals	3	70	559	78
Capital expenditure, property, plant and equipment	-426	-338	-1,074	-776
Capital expenditure in intangible assets	-40	-39	-61	-46
Sale of non-current assets	12	7	39	53
Cash flow from investing activities	-451	-438	-1,283	-856
<i>Financing activities</i>				
Change in interest-bearing investments	-20	210	-152	712
Change in interest-bearing liabilities	-724	-571	153	-1,387
Dividend - equity holders of the parent	-	-	-474	-136
Dividend - non-controlling interest	-1	-2	-3	-3
Cash flow from financing activities	-745	-363	-476	-814
Cash flow for the period	-296	254	-66	275
Cash and cash equivalents:				
At beginning of the period	1,053	578	832	591
Reclassification to assets held for sale	-	-6	-	-6
Exchange rate differences	-4	6	-13	-28
Cash and cash equivalents at end of period	753	838	753	832

TRELLEBORG AB FOURTH QUARTER AND YEAR-END REPORT 2011

Group review

	Oct - Dec	Oct - Dec	Jan - Dec	Jan - Dec
SEK M	2011	2010	2011	2010
<i>Continuing operations excluding items affecting comparability</i>				
Net sales	7,106	6,852	29,106	27,196
EBITDA	757	761	3,538	3,304
Operating profit	529	518	2,635	2,286
Net profit	317	326	1,727	1,474

Net sales	Oct - Dec	Oct - Dec	Jan - Dec	Jan - Dec
SEK M	2011	2010	2011	2010
<i>Continuing operations</i>				
Trelleborg Engineered Systems	2,339	2,541	9,435	9,795
Trelleborg Automotive	2,288	2,188	9,360	8,819
Trelleborg Sealing Solutions	1,570	1,434	6,643	5,783
Trelleborg Wheel Systems	954	738	3,863	2,990
Eliminations	-45	-49	-195	-191
Total	7,106	6,852	29,106	27,196

EBITDA	Oct - Dec	Oct - Dec	Jan - Dec	Jan - Dec
SEK M	2011	2010	2011	2010
<i>Continuing operations excluding items affecting comparability</i>				
Trelleborg Engineered Systems	136	294	937	1,188
Trelleborg Automotive	236	214	814	908
Trelleborg Sealing Solutions	335	259	1,550	1,071
Trelleborg Wheel Systems	122	77	492	360
Group items	-72	-83	-255	-223
Total excl. items affecting comparability	757	761	3,538	3,304
<i>Items affecting comparability</i>				
Trelleborg Engineered Systems	-48	-38	-80	-111
Trelleborg Automotive	-15	-41	-89	-76
Trelleborg Sealing Solutions	-5	-1	-24	-13
Trelleborg Wheel Systems	-	-8	-	-16
Group items	-	-1	-1	-4
Total items affecting comparability	-68	-89	-194	-220
Total incl. items affecting comparability	689	672	3,344	3,084

EBITDA	Oct - Dec	Oct - Dec	Jan - Dec	Jan - Dec
%	2011	2010	2011	2010
<i>Continuing operations excluding items affecting comparability</i>				
Trelleborg Engineered Systems	5.8	11.5	9.9	12.1
Trelleborg Automotive	10.2	9.6	8.6	10.1
Trelleborg Sealing Solutions	21.3	18.1	23.3	18.5
Trelleborg Wheel Systems	12.8	10.4	12.7	12.0
Total excl. items affecting comparability	10.6	11.0	12.1	12.1
<i>Including items affecting comparability</i>				
Trelleborg Engineered Systems	3.8	10.0	9.1	11.0
Trelleborg Automotive	9.5	7.8	7.6	9.3
Trelleborg Sealing Solutions	21.0	18.0	23.0	18.3
Trelleborg Wheel Systems	12.9	9.3	12.7	11.5
Total incl. items affecting comparability	9.6	9.8	11.4	11.3

TRELLEBORG AB FOURTH QUARTER AND YEAR-END REPORT 2011

Operating profit	Oct - Dec	Oct - Dec	Jan - Dec	Jan - Dec
SEK M	2011	2010	2011	2010
<i>Continuing operations excluding items affecting comparability</i>				
Trelleborg Engineered Systems	58	215	628	855
Trelleborg Automotive	165	121	510	524
Trelleborg Sealing Solutions	281	216	1,360	876
Trelleborg Wheel Systems	99	51	401	263
Group items	-74	-85	-264	-232
Total excl. items affecting comparability	529	518	2,635	2,286
<i>Items affecting comparability</i>				
Trelleborg Engineered Systems	-47	-38	-86	-110
Trelleborg Automotive	-19	-63	-93	-98
Trelleborg Sealing Solutions	-4	-8	-24	-22
Trelleborg Wheel Systems	0	-8	0	-16
Group items	0	-1	-1	-4
Total items affecting comparability	-70	-118	-204	-250
Total incl. items affecting comparability	459	400	2,431	2,036

Operating margin, (ROS)	Oct - Dec	Oct - Dec	Jan - Dec	Jan - Dec
%	2011	2010	2011	2010
<i>Continuing operations excluding items affecting comparability</i>				
Trelleborg Engineered Systems	2.5	8.5	6.7	8.7
Trelleborg Automotive	7.0	5.4	5.3	5.8
Trelleborg Sealing Solutions	17.9	15.0	20.5	15.1
Trelleborg Wheel Systems	10.4	7.0	10.4	8.8
Total excl. items affecting comparability	7.4	7.5	9.0	8.4
<i>Including items affecting comparability</i>				
Trelleborg Engineered Systems	0.4	7.0	5.7	7.6
Trelleborg Automotive	6.2	2.5	4.3	4.7
Trelleborg Sealing Solutions	17.7	14.5	20.1	14.8
Trelleborg Wheel Systems	10.4	6.0	10.4	8.3
Total incl. items affecting comparability	6.4	5.8	8.3	7.4

Capital employed	Dec 31	Dec 31
SEK M	2011	2010
<i>Continuing operations</i>		
Trelleborg Engineered Systems	6,728	6,036
Trelleborg Automotive	3,922	3,739
Trelleborg Sealing Solutions	7,015	6,545
Trelleborg Wheel Systems	2,191	1,712
Group items	-175	-32
Provision for restructuring costs and legal costs	-107	-215
Total	19,574	17,785

TRELLEBORG AB FOURTH QUARTER AND YEAR-END REPORT 2011

Return on capital employed, (ROCE)	Jan - Dec	Jan - Dec
%	2011	2010
<i>Continuing operations excluding items affecting comparability</i>		
Trelleborg Engineered Systems	9.6	13.4
Trelleborg Automotive	13.0	12.9
Trelleborg Sealing Solutions	19.7	12.9
Trelleborg Wheel Systems	18.2	14.1
Total excluding items affecting comparability	13.5	11.9
<i>Including items affecting comparability</i>		
Trelleborg Engineered Systems	8.3	11.8
Trelleborg Automotive	10.8	10.7
Trelleborg Sealing Solutions	19.3	12.6
Trelleborg Wheel Systems	18.3	13.3
Total including items affecting comparability	12.6	10.8

Cash flow report	EBITDA ¹⁾		Capital expenditure		Sold non current assets		Change in working capital		Total cash flow	
SEK M	2011	2010	2011	2010	2011	2010	2011	2010	Jan - Dec 2011	Jan - Dec 2010
Trelleborg Engineered Systems	996	1,235	-352	-248	14	14	-391	-279	267	722
Trelleborg Automotive	805	938	-374	-284	9	7	-198	-19	242	642
Trelleborg Sealing Solutions	1,571	1,087	-236	-180	10	14	-93	-36	1,252	885
Trelleborg Wheel Systems	503	371	-156	-104	4	2	-166	-18	185	251
Group items	-369	-321	-17	-6	2	16	93	1	-291	-310
Operating cash flow	3,506	3,310	-1,135	-822	39	53	-755	-351	1,655	2,190
Utilization of restructuring provisions									-294	-414
Dividend - non-controlling interest									-3	-3
Financial items									-284	-306
Paid tax									-480	-294
Free cash flow									594	1,173
Acquisitions									-746	-165
Disposals									559	78
Dividend - equity holders of the parent									-474	-136
Sum net cash flow									-67	950

1) Excluding other non cash-flow affecting items

Acquisitions

There were no acquisitions during the period.

Key ratios per quarter

	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
SEK M	2011	2011	2011	2011	2010	2010	2010	2010	2009
<i>Continuing operations</i>									
Net sales	7,106	7,191	7,583	7,226	6,852	6,601	7,187	6,556	6,185
Operating profit	459	621	706	645	400	505	643	488	166
Profit for the period	266	420	469	423	234	327	415	308	19
Operating cash flow	726	644	467	-182	929	391	792	78	845
Items aff. comparability in operating profit	-70	-80	-45	-9	-118	-54	-51	-27	-218
Operating profit, excl. items aff. comp.	529	701	751	654	518	559	694	515	384
EBITDA, %, excl. items aff. comparability	10.6	13.0	12.8	12.1	11.0	12.3	13.2	11.7	10.5

Net sales by business area

	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
SEK M	2011	2011	2011	2011	2010	2010	2010	2010	2009
<i>Continuing operations</i>									
Trelleborg Engineered Systems	2,339	2,264	2,515	2,317	2,541	2,316	2,564	2,374	2,451
Trelleborg Automotive	2,288	2,320	2,379	2,373	2,188	2,123	2,332	2,176	2,001
Trelleborg Sealing Solutions	1,570	1,705	1,735	1,633	1,434	1,477	1,522	1,350	1,164
Trelleborg Wheel Systems	954	953	1,006	950	738	732	795	725	629
Eliminations	-45	-51	-52	-47	-49	-47	-26	-69	-60
Total	7,106	7,191	7,583	7,226	6,852	6,601	7,187	6,556	6,185

EBITDA % by business area

	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
%	2011	2011	2011	2011	2010	2010	2010	2010	2009
<i>Continuing operations excluding items affecting comparability</i>									
Trelleborg Engineered Systems	5.8	10.9	11.8	11.1	11.5	12.9	13.7	10.3	10.9
Trelleborg Automotive	10.2	8.4	7.8	8.0	9.6	8.7	11.5	10.6	9.8
Trelleborg Sealing Solutions	21.3	25.5	24.4	21.9	18.1	19.8	19.7	16.3	15.0
Trelleborg Wheel Systems	12.8	12.9	13.1	12.1	10.4	13.8	10.3	13.8	11.3
Total	10.6	13.0	12.8	12.1	11.0	12.3	13.2	11.7	10.5

Operating profit by business area

	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
SEK M	2011	2011	2011	2011	2010	2010	2010	2010	2009
<i>Continuing operations excluding items affecting comparability</i>									
Trelleborg Engineered Systems	58	168	223	179	215	220	261	159	181
Trelleborg Automotive	165	120	111	114	121	90	177	136	98
Trelleborg Sealing Solutions	281	386	378	315	216	238	251	171	123
Trelleborg Wheel Systems	99	98	108	96	51	77	59	76	46
Group items	-74	-71	-69	-50	-85	-66	-54	-27	-64
Total	529	701	751	654	518	559	694	515	384

Income Statements

Group	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
SEK M	2011	2011	2011	2011	2010	2010	2010	2010	2009
<i>Continuing operations</i>									
Net sales	7,106	7,191	7,583	7,226	6,852	6,601	7,187	6,556	6,185
Cost of goods sold	-5,358	-5,239	-5,561	-5,325	-5,045	-4,848	-5,195	-4,809	-4,599
Gross profit	1,748	1,952	2,022	1,901	1,807	1,753	1,992	1,747	1,586
Selling expenses	-558	-547	-552	-543	-548	-511	-542	-523	-562
Administrative expenses	-706	-638	-649	-597	-698	-576	-626	-590	-622
Research and development costs	-149	-141	-138	-146	-143	-140	-149	-145	-140
Other operating income/costs	121	-8	21	27	-22	-24	-36	-4	-100
Profit from part. in assoc. companies	3	3	2	3	4	3	4	3	4
Operating profit	459	621	706	645	400	505	643	488	166
Financial income and expenses	-63	-54	-49	-43	-43	-56	-50	-69	-70
Profit before tax	396	567	657	602	357	449	593	419	96
Tax	-130	-147	-188	-179	-123	-122	-178	-111	-77
Net profit	266	420	469	423	234	327	415	308	19
<i>Discontinued operations</i>									
Net sales	-	-	-	44	193	264	627	498	570
Operating profit	-	-	-2	260	23	40	-160	13	31
Profit before tax	-	-	-2	260	23	38	-159	12	32
Net profit	-	-	-2	262	28	28	-141	-16	73
<i>Group, total</i>									
Net sales	7,106	7,191	7,583	7,270	7,045	6,865	7,814	7,054	6,755
Operating profit	459	621	704	905	423	545	483	501	197
Profit before tax	396	567	655	862	380	487	434	431	128
Total net profit	266	420	467	685	262	355	274	292	92
- equity holders of the parent	262	413	465	679	257	351	269	285	87
- non-controlling interest	4	7	2	6	5	4	5	7	5
Earnings per share									
SEK	2011	2011	2011	2011	2010	2010	2010	2010	2009
Continuing operations	0.95	1.55	1.70	1.55	0.85	1.20	1.50	1.10	0.05
Discontinued operations	0.00	0.00	0.00	0.95	0.10	0.10	-0.50	-0.05	0.30
Group, total	0.95	1.55	1.70	2.50	0.95	1.30	1.00	1.05	0.35

Parent Company

Income Statements

Parent company	Oct - Dec	Oct - Dec	Jan - Dec	Jan - Dec
SEK M	2011	2010	2011	2010
Administrative expenses	-134	-100	-355	-338
Other operating income	31	51	229	244
Operating profit	-103	-49	-126	-94
Financial income and expenses	1,137	1,033	1,464	2,013
Profit before tax	1,034	984	1,338	1,919
Tax	-153	-266	4	-176
Net profit	881	718	1,342	1,743

Statements of comprehensive income

Net profit	881	718	1,342	1,743
Other comprehensive income				
Fair value	19	-11	-	-4
Income tax relating to components of other comprehensive income	-5	3	-	1
Other comprehensive income, net of tax	14	-8	-	-3
Total comprehensive income	895	710	1,342	1,740

Balance Sheets

Parent company	Dec 31	Dec 31
SEK M	2011	2010
Property, plant and equipment	23	26
Intangible assets	4	9
Financial assets	34,732	34,362
Total non-current assets	34,759	34,397
Current operating receivables	53	52
Current interest-bearing receivables	597	1,078
Cash and cash equivalents	0	5
Total current assets	650	1,135
Total assets	35,409	35,532
Shareholders' equity	13,477	12,609
Total equity	13,477	12,609
Non-current interest-bearing liabilities	29	52
Other non-current liabilities	16	14
Total non-current liabilities	45	66
Interest-bearing current liabilities	21,789	22,768
Other current liabilities	98	89
Total current liabilities	21,887	22,857
Total equity and liabilities	35,409	35,532

Financial definitions

Return on shareholders' equity, %

Net profit for the period, attributable to equity holders of the parent as a percentage of average shareholders' equity, excluding non-controlling interests.

Return on capital employed (ROCE), %

Operating profit divided by the average capital employed.

EBITDA

Operating profit excluding depreciation and amortization of PPE and intangible assets.

EBITDA margin, %

EBITDA excluding profit from participation in associated companies as a percentage of net sales.

Free cash flow

Operating cash flow, cash flow from financial items, taxes and the effect of restructuring measures on cash flow.

Net debt

Interest-bearing liabilities less interest-bearing assets, cash and cash equivalents.

Operating cash flow

EBITDA excluding non cash-flow affecting items, investments, sold non-current assets and changes in working capital. Excluding cash flow pertaining to restructuring.

Operating cash flow/operating profit, %

Operating cash flow as a percentage of operating profit.

Earnings per share

Profit for the period, attributable to equity holders of the parent divided by the average number of shares outstanding.

Operating margin (ROS), %

Operating profit excluding profit from participation in associated companies as a percentage of net sales.

Operating profit

Operating profit according to profit and loss.

Debt/equity ratio, %

Net debt divided by total equity.

Net debt/EBITDA

Net debt in relation to EBITDA.

Equity/assets ratio, %

Total equity in relation to total assets.

Capital employed

Total assets less interest-bearing financial assets, noninterest-bearing operating liabilities (including pension liabilities). Excluding tax assets/tax liabilities.

Invitation to a presentation and a telephone conference on February 15 at 9:30 a.m.

A presentation and telephone conference will be held on February 15 at 9:30 a.m. The presentation will be held at Operaterrassen in Stockholm, Sweden. To participate in the telephone conference, call +46 (0)8 505 629 32 or +44 (0)20 7750 9950 or +1866 676 58 69. Code: "Trelleborg". The conference will also be broadcast on the Internet in real time. Visit our website at: www.trelleborg.com/en/Investerare/Presentationer for the Internet link and presentation materials.

Calendar 2012

Interim report January-March	April 19
Annual General Meeting (Trelleborg)	April 19, 5:00 p.m.
Interim report April-June	July 19
Interim report July-September	October 24

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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 is information of the type that Trelleborg AB (publ) is obligated to disclose in accordance with the Swedish Securities Exchange and Clearing Operations Act and/or the Financial Instruments Trading Act. The information was issued for publication on Wednesday, February 15, 2012, at 7:45 a.m.