

Continued favorable growth and improved earnings

“Another strong quarter that emphasizes that our long-term focus on profitable segments is yielding results,” says President and CEO Peter Nilsson.

- The order and delivery scenario remained favorable during the second quarter, with organic growth of 7 percent.
- Operating profit for the quarter in continuing operations, excluding items affecting comparability, was the strongest to date and increased to SEK 734 M (596). Operating margin increased to 8.7 percent (7.5)
- Four acquisitions were completed during the quarter, adding combined annual sales of approximately SEK 750 M.
- As a result of the restructuring program for Trelleborg Automotive that was announced in April 2008 that affects the Fluid Solutions business unit, operating profit for the quarter was charged with SEK 353 M and SEK 238 M after tax.

April - June	Group		Continuing operations excl. items affecting comparability	
	2008	2007	2008	2007
SEK M	2008	2007	2008	2007
Net sales	8,326	7,943	8,326	7,904
Operating profit	337	489	734	596
Profit for the period	173	259	442	343
Earnings per share, SEK ¹⁾	1.90	2.80	4.85	3.75

January - June				
SEK M	2008		2007	
	2008	2007	2008	2007
Net sales	16,393	15,719	16,393	15,633
Operating profit	911	934	1,356	1,203
Profit for the period	482	481	785	697
Earnings per share, SEK ¹⁾	5.25	5.25	8.60	7.65

1) Profit for the period attributable to equity holders of the parent divided by the average number of shares

Demand expected to remain favorable within most of the Group's market segments

Outlook for the third quarter of 2008. Demand is expected to remain favorable within most of the Group's market segments. In such segments as Aerospace, Offshore Oil/Gas, Infrastructure Construction and Agriculture, demand is expected to remain very strong.

For automotive-related operations, the North American market is expected to be weaker than in 2007. A slowdown is expected in the European market.

Key ratios	Apr - June		Jan - June		July 2007 -	Full year
SEK M	2008	2007	2008	2007	June 2008	2007
Net sales	8,326	7,943	16,393	15,719	31,645	30,971
Operating profit	337	489	911	934	1,684	1,707
Profit before tax	212	388	654	736	1,186	1,268
Profit for the period	173	259	482	481	839	838
- attributable to equity holders of the parent	171	253	476	474	823	821
- attributable to minority interest	2	6	6	7	16	17
Earnings per share, SEK ¹⁾	1.90	2.80	5.25	5.25	9.10	9.10
Average number of employees, of whom			25,649	24,677		25,158
- women			6,684	6,871		6,431
- men			18,965	17,806		18,727

Operating key ratios	Apr - June		Jan - June		July 2007 -	Full year
SEK M	2008	2007	2008	2007	June 2008	2007
<i>Continuing operations excluding items affecting comparability</i>						
Net sales	8,326	7,904	16,393	15,633	31,570	30,810
Operating profit	734	596	1,356	1,203	2,427	2,274
Profit before tax	609	495	1,099	1,005	1,930	1,836
Profit for the period	442	343	785	697	1,370	1,282
Earnings per share, SEK ¹⁾	4.85	3.75	8.60	7.65	14.95	14.00
EBITDA, %	11.8	10.9	11.3	10.8	10.8	10.6
Operating margin (ROS), %	8.7	7.5	8.2	7.6	7.6	7.3

1) Profit for the period attributable to equity holders of the parent divided by the average number of shares

The Group's key figures

April – June 2008

Organic growth was 7%

Net sales. In the second quarter of 2008, the Trelleborg Group's net sales increased to SEK 8,326 M (7,943), up 5 percent. Organic growth was 7 percent. Based on comparable exchange rates, sales growth amounted to 8 percent.

Change in net sales	Apr - June	Apr - June
%	2008	2007
Organic growth	+7	+8
Acquisitions/divestments	+1	+7
Currency impact	-3	-2
Total	+5	+13

Market conditions remained favorable in several segments, such as Aerospace, Offshore Oil/Gas, Infrastructure Construction, Agricultural and General Industry.

Operating profit totaled SEK 337 M

Operating profit and earnings per share. During the second quarter of 2008, operating profit amounted to SEK 337 M (489). Net financial expense amounted to SEK 125 M (expense: 101), corresponding to an average interest rate of 4.6 percent (4.0).

Profit before tax amounted to SEK 212 M (388). Net profit was SEK 173 M (259). The tax rate was 18 percent (33). The tax effect of restructuring costs reduced the tax rate during the period. Earnings per share amounted to SEK 1.90 (2.80).

Organic growth was 6%**January – June 2008**

Net sales. In the first six months of 2008, the Trelleborg Group's net sales amounted to SEK 16,393 M (15,719), up 4 percent. Organic growth was 6 percent. Based on comparable exchange rates, sales growth amounted to 7 percent.

Change in net sales	Jan - June	Jan - June
%	2008	2007
Organic growth	+6	+9
Acquisitions/divestments	+1	+6
Currency impact	-3	-3
Total	+4	+12

Earnings per share in line with 2007

Operating profit and earnings per share. During the first six months of 2008, operating profit amounted to SEK 911 M (934). Net financial expense amounted to SEK 257 M (expense: 198), corresponding to an average interest rate of 4.8 percent (4.0).

Profit before tax amounted to SEK 654 M (736). Net profit was SEK 482 M (481). Earnings per share amounted to SEK 5.25 (5.25).

Net debt and cash flow. Net debt increased during the period with SEK 1,316 M to SEK 11,409 M, primarily due to executed company acquisitions and paid dividend to shareholders.

The debt/equity ratio was 118 percent at the end of the period, compared with 100 percent in December 2007.

New long-term credit facilities were obtained during the period at a value of approximately SEK 1.5 billion and amounted to SEK 14.1 billion at the end of the period.

The equity/assets ratio was 31 percent (34).

Change in net debt	Jan - June	Jan - June	Full year
SEK M	2008	2007	2007
Net debt, opening balance	-10,093	-9,350	-9,350
Net cash flow for the period	-1,503	-820	-513
Borrowing costs	0	0	2
Exchange rate differences	187	-164	-232
Net debt, closing balance	-11,409	-10,334	-10,093
Debt/equity ratio, %	118	105	100

At the end of the period, capital employed amounted to SEK 20,824 M, compared with SEK 19,855 M at the end of 2007.

At the end of the period, shareholders' equity per share amounted to SEK 106 (107).

%	Group	Continuing operations excl items affecting comparability	
	July 2007 - June 2008	Full year 2007	July 2007 - June 2008
Return on capital employed	8.4	8.7	12.0
Return on shareholders' equity	8.6	8.4	14.1

The Group's operating key figures

April – June 2008

Operating profit increased to SEK 734 M (596)

Earnings and margins. For continuing operations, excluding items affecting comparability, operating profit increased to SEK 734 M (596).

This rise in operating profit was primarily attributable to continued favorable conditions in the market, efficiency enhancements and an improved product and price mix. The cost of raw materials increased during the quarter. Overall, Trelleborg continued to offset this rising cost successfully, among others through increased productivity and efficiency, enhanced procurement measures and price increases.

Exchange-rate differences from the translation of earnings in foreign Group companies and from transaction flows have had a marginal effect on consolidated earnings.

EBITDA margin improved to 11.8 percent (10.9)

The operating margin amounted to 8.7 percent (7.5). Operating profit before depreciation (EBITDA) rose to SEK 989 M (869) during the quarter. The EBITDA margin for the quarter was 11.8 percent (10.9).

Profit before tax totaled SEK 609 M (495) and net profit amounted to SEK 442 M (343). Earnings per share amounted to SEK 4.85 (3.75).

The tax rate was 27 percent (31). The decline was attributable to an increased utilization of loss carry forwards during the quarter.

Strong operating cash flow

Cash flow. Operating cash flow improved compared with the preceding year and amounted to SEK 746 M (269) in the second quarter.

The capital expenditure level totaled SEK 326 M (271) during the quarter.

	Apr - June		July 2007 -	Full year
	2008	2007	June 2008	2007
Operating cash flow, SEK M	746	269	1,806	1,718
Operating cash flow/operating profit %	102	45	74	76
Operating cash flow per share, SEK	8.25	3.00	20.00	19.00

Items affecting comparability: negative SEK 397 M before tax and negative SEK 269 M after tax

Items affecting comparability for the calculation of operating key figures. Items affecting comparability totaling negative SEK 397 M before tax were excluded in the presentation of consolidated operating key figures for the second quarter. These items affecting comparability mainly comprise restructuring costs within the parameters of programs approved during the quarter and programs already in progress in Trelleborg Automotive, as well as relocation of Trelleborg Sealing Solutions' production in Guelph, Canada. The total cost for this relocation is expected to amount to approximately SEK 40 M, of which SEK 25 M was incurred in the second quarter of 2008. The remaining costs are expected to occur in the second half of 2008.

Items affecting comparability of operating profit ¹⁾ SEK M	Apr - June		July 2007 -	Full year
	2008	2007	June 2008	2007
Trelleborg Engineered Systems	-	-	-111	-89
Trelleborg Automotive	-361	-15	-565	-382
Trelleborg Sealing Solutions	-25	-	-25	-
Trelleborg Wheel Systems	-	-20	-7	-27
Sale of property	-	-	-	26
Legal non-recurring items	-11	-70	-27	-86
Total items affecting comparability	-397	-105	-735	-558

1) Main part reported as other operating expenses

Operating profit increased to SEK 1,356 M (1,203)

EBITDA margin improved to 11.3% (10.8)

Acquisition of MacDermid Offset Printing Blankets completed

January – June 2008

Earnings and margins. For continuing operations, excluding items affecting comparability, operating profit increased to SEK 1,356 M (1,203).

The operating margin was 8.2 percent (7.6). Operating profit before depreciation (EBITDA) rose to SEK 1,860 M (1,704) during the first six months of the year. The EBITDA margin improved to 11.3 percent (10.8) in the first half of the year.

Profit before tax totaled SEK 1,099 M (1,005) and net profit amounted to SEK 785 M (697). Earnings per share amounted to SEK 8.60 (7.65). The tax rate was 28 percent (31).

Cash flow and capital employed. Operating cash flow increased to SEK 358 M (270) during the first six months of 2008. The capital expenditure level totaled SEK 650 M (541).

Return on capital employed during the most recent 12-month period amounted to 12.0 percent (compared with 11.5 percent for full-year 2007).

Other

The Trelleborg Group continues to make acquisitions in line with the Group's strategy of growing within attractive segments with favorable growth and profitability potential, and where the three primary customer needs of sealing, damping and protecting play a key role.

The Trelleborg Engineered Systems business area's acquisition of the US company MacDermid Offset Printing Blankets was completed. MacDermid has about 400 employees and annual sales of approximately SEK 540 M. The company is a leading player in the area of printing blankets for the graphic industry. The acquisition gives Trelleborg a solid platform for continued growth and makes Trelleborg the market leader in Europe and gives a good second position in the US. The acquisition provides the possibility of favorable synergies both in terms of marketing and costs. The operations will be integrated with the existing business in Trelleborg Engineered Systems.

Trelleborg Engineered Systems also acquired the operations of the US company NPC, with approximately 100 employees and sales of about SEK 110 M. The acquisition strengthens Trelleborg's leading position in pipe seals, primarily for newbuilding and replacement in the infrastructure market. The operations will be integrated with the existing business within Trelleborg Engineered Systems.

The Trelleborg Sealing Solutions business area acquired the Italian company Officine Meccaniche GNL, with about 60 employees and sales of approximately SEK 90 M. GNL strengthens Trelleborg's leading global position in the area of mechanical face seals, i.e. seals for the construction industry, mining industry and agricultural machinery. The operations will be integrated in the business area Trelleborg Sealing Solutions.

Trelleborg Sealing Solutions also completed the acquisition of the remaining outstanding privately owned minority share (20 percent) in Trelleborg Sealing Solutions India, thereby becoming sole owner of the company.

Downsizing of operations in the Fluid Solutions business unit in Nantes, France

Restructuring of the Fluid Solutions business unit in Nantes, France, which is part of Trelleborg Automotive, was initiated during the quarter. It has been proposed that sizeable parts of Fluid Solutions in Nantes will be transferred to existing operation in Turkey. In total, the action program is expected to affect about 450 persons.

The costs are estimated at approximately SEK 400 M before tax and about SEK 275 M after tax, of which SEK 353 M and SEK 238 M, respectively, were charged to the second quarter of 2008. The estimated cash effect amounts to approximately SEK 275 M and is expected to mainly be charged to 2009. The measures are expected to have a cash-impacting repayment time of about three years. The positive earnings effect per year is estimated at approximately SEK 110 M before tax and with full impact in 2011. Most of the improvements are expected to occur during 2010.

Relocation of production from Canada to Brazil and Mexico

The production plant of the Trelleborg Sealing Solutions business area in Guelph, Canada, with approximately 100 employees, will be shut down during the second half of 2008 and production will primarily be relocated to existing operation in Brazil and Mexico and at the same time are some existing product groups to be phased out. This measure is part of the improvement of the business area's production structure and in line with the move toward profitable segments.

The costs are estimated at approximately SEK 40 M, whereof SEK 25 M was charged to the second quarter of 2008. The remaining costs are estimated to occur during the second half of 2008. The repayment time is estimated to less than two years.

The Trelleborg Group continues to assist the authorities in ongoing competition investigations

Since 2007, two of Trelleborg's subsidiaries in France and the US have been the subject of investigations by competition authorities in the US, EU, UK, Brazil and Japan. The authorities in Japan have completed their investigation without taking measures against Trelleborg.

Trelleborg continues to assist the authorities with their investigations and to take the necessary measures in conjunction with these issues. During the second quarter, Trelleborg received and responded to a statement of objections from the European Commission and the process is continuing in accordance with prevailing EU procedures.

Information and assessments announced earlier concerning the possible impact on the Trelleborg Group apply. Currently, all estimations of the possible financial impact involve considerable uncertainty, but the potential combined financial impact could reach amounts that correspond to a predominant proportion of the Group's pre-tax profits for 2006.

Of the earlier communicated cost assessment of about SEK 100 M for the action program, SEK 86 M was charged to 2007. An additional SEK 11 M was charged against profit in the second quarter of 2008.

The investigations are expected to be concluded during 2008.

Events after period-end

Acquisition strengthens the production process for brake shims

The Trelleborg Automotive business area acquired the Swedish company PressoNova AB in Kalmar, Sweden, with sales of approximately SEK 35 M and 30 employees. The acquisition will strengthen the production process for brake shims and provide increased control in the value chain, thereby immediately generating a positive operating and financial effect. The acquisition will also provide greater customer flexibility and enable further specialization and synergies for customers and the business area's production processes.

Risk management

Risks/risk management at Trelleborg. Risks in the Group's operations can generally be divided into operational risks relating to business operations and risks related to financing activities.

Operational risks. A business operation always runs the risk of lower revenues through the loss of customers, reduced sales and falling prices as a result of a declining market or intensified competition. The Group is currently exposed to risks in relation to its business activities:

- *Raw materials.* Handling of price changes for raw materials and components will remain significant for the Group's earnings moving forward, both positively and negatively.
- *Structural measures.* The Trelleborg Group will also continue to actively initiate improvement programs to strengthen the Group's position and competitiveness. A number of structural measures that are currently in progress are described in this report and are key success factors for the Group. They offer both risks and opportunities. For example, there is a risk that the measures taken will not generate the anticipated outcome, which could be positive or negative.
- *Legal issues.* From time to time, the Group has ongoing and potential disputes, as well as risks that include responsibility in connection with products sold and so forth. The investigations relating to competition issues at subsidiaries in the US and France carry a risk that the Group could incur considerable costs and that the Group's earnings will be affected.
- *Acquisitions and integration.* The Trelleborg Group has a distinct acquisition strategy. A successful acquisition and integration process creates value. Acquisition and integration of new units always implies risks and opportunities, for example, that costs relating to an acquisition are higher or lower than expected or that future earnings and synergies do not meet or surpass expectations.
- *Capacity utilization.* Capacity utilization is currently high and if disruptions or capacity shortages should arise, these could have a negative effect on operations.
- *Talent Management.* The loss of key employees can have various negative effects on the Group's earning ability. The Group works actively with Talent Management to secure key competence for the Group.

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

The Group's outlook

Demand expected to remain favorable within most of the Group's market segments

Outlook for the third quarter of 2008. Demand is expected to remain favorable within most of the Group's market segments. In such segments as Aerospace, Offshore Oil/Gas, Infrastructure Construction and Agriculture, demand is expected to remain very strong.

For automotive-related operations, the North American market is expected to be weaker than in 2007. A slowdown is expected in the European market.

Outlook taken from the interim report published on April 28, 2008:

Outlook for the second quarter of 2008. Continued favorable growth is expected within most of the Group's market segments. For such segments as Aerospace, Offshore Oil/Gas and Agriculture, demand is expected to remain highly robust.

For automotive-related operations, the North American market is expected to be weaker than in 2007, while the European market is expected to experience slight growth.

This report was prepared in accordance with IAS 34 Interim Financial Reporting.

Trelleborg AB applies the same accounting policies and valuation methods as those described in the most recent Annual Report. This report was subject to special review by the company's auditors.

Trelleborg Engineered Systems

SEK M	Apr - June		Jan - June		July 2007 -	Full year
	2008	2007	2008	2007	June 2008	2007
<i>Excluding items affecting comparability</i>						
Net sales	3,214	2,989	6,110	5,885	11,970	11,745
Operating profit	366	294	633	570	1,231	1,168
Operating margin (ROS), %	11.1	9.8	10.2	9.6	10.1	9.9
Operating cash flow	260	181	181	291	961	1,071
Operating cash flow/Operating profit, %	71	62	29	51	78	92
<i>Including items affecting comparability</i>						
Operating profit	366	294	611	570	1,120	1,079
ROS, %	11.1	9.8	9.8	9.6	9.2	9.1

Additional key ratios on pages 16 - 18

Continued favorable demand in main markets

The trend in most of the business area's main markets remained healthy during the second quarter and was particularly favorable for products involving the Offshore Oil/Gas industry and Infrastructure.

Organic growth of 10% and operating profit up 24%

Both sales and operating profit were stronger than in the second quarter of 2007. Organic growth amounted to 10 percent, primarily due to favorable demand involving the Offshore Oil/Gas industry and Infrastructure and increased project deliveries of orders on hand. Operating profit increased by 24 percent to SEK 366 M as a result of strong volumes, increased cost efficiency and higher sales in more profitable segments.

Acquisition strengthens leading position within printing blankets

The acquisition of MacDermid Offset Printing Blankets, with sales of about SEK 540 M, strengthens Trelleborg's leading position in the area of Printing Blankets. Integration with existing Trelleborg activity has commenced.

The business area's cutting-edge technology for lightweight design within deep-sea Offshore Oil/Gas is successfully being transferred to new areas of application, in which this materials technology can generate significant value. During the quarter, an agreement was signed with the Scottish company Microsphere Technology Ltd that is aimed at accelerating the pace of development in new areas of application.

Increased production capacity within oil and gas extraction

Production capacity at the site in Houston, in the US, for Drill Riser Buoyancies to deep-sea drilling increased gradually in 2007 and to date in 2008. Production capacity has tripled as a result of the expansion.

Trelleborg Automotive

SEK M	Apr - June		Jan - June		July 2007 -	Full year
	2008	2007	2008	2007	June 2008	2007
<i>Excluding items affecting comparability</i>						
Net sales	2,626	2,711	5,339	5,320	10,318	10,299
Operating profit	20	85	52	140	115	203
Operating margin (ROS), %	0.8	3.1	1.0	2.6	1.1	1.9
Operating cash flow	205	-25	-121	-91	70	100
Operating cash flow/Operating profit, %	1,025	neg	neg	neg	61	49
<i>Including items affecting comparability</i>						
Operating profit	-341	70	-334	-63	-450	-179
ROS, %	neg	2.6	neg	neg	neg	neg

Additional key ratios on pages 16 - 18

Car production down 12% in North America

In the second quarter, car production in North America declined by 12 percent compared with the corresponding period in 2007. Car production was down 1 percent in Western Europe and up 21 percent in Eastern Europe. In Asia, car production increased by about 4 percent
(Source: JD Power/Trelleborg).

Organic growth down 1%

Sales were somewhat lower than in the corresponding period in 2007, primarily due to the decline in the North American market and a changed product mix.

Decline creates opportunities for consolidation

The situation in the automotive industry, including in the North American market, creates opportunities for consolidation by absorbing volumes from competitors. This consolidation also strengthens the opportunities to improve the production structure and the final project within the parameters of the earlier action program is under final preparation.

Downsizing of significant areas within Fluid Solutions in Nantes, France

The earlier communicated restructuring of the Fluid Solutions business unit in Nantes, France, was initiated during the quarter. It has been proposed that sizeable parts of Fluid Solutions in Nantes will be transferred to existing operation in Turkey.

Continued focus on increase efficiency

The main reason for the decline in operating profit is the increased cost of raw materials and some negative impact from currency effects. The business area has a continued focus on improved purchasing activities, enhanced efficiency in the organization and price increases to offset the rising prices of raw materials.

Acquisition strengthens the production process for brake shims

The acquisition of Swedish company PressoNova AB in Kalmar, Sweden, strengthens the production process for brake shims. The acquisition will provide greater customer flexibility and enable further specialization and synergies for customers and the business area's production processes.

To ensure growth for newly developed products and applications, a decision has also been made to invest approximately SEK 50 M to expand the production capacity for laminated damping material at Trelleborg Automotives operation in Kalmar, Sweden.

Trelleborg Sealing Solutions

SEK M	Apr - June		Jan - June		July 2007 -	Full year
	2008	2007	2008	2007	June 2008	
Net sales	1,602	1,477	3,186	2,953	6,077	5,844
Operating profit	281	210	530	436	933	839
Operating margin (ROS), %	17.5	14.3	16.6	14.8	15.4	14.4
Operating cash flow	234	190	356	246	861	751
Operating cash flow/Operating profit, %	83	90	67	56	92	90
<i>Including items affecting comparability</i>						
Operating profit	256	210	505	436	908	839
ROS, %	16.0	14.3	15.8	14.8	14.9	14.4

Additional key ratios on pages 16 - 18

Favorable demand in prioritized segments

The market conditions for Trelleborg Sealing Solutions remained favorable in the second quarter within both prioritized industrial segments and the aerospace industry.

Organic growth of 9%, operating profit up 34%

Organic growth in the second quarter amounted to 9 percent, with favorable growth in all geographic markets. Operating profit rose 34 percent, mainly as a result of a healthy product and price mix, favorable volumes and enhanced internal efficiency.

Continued growth initiative

The business area's focus on growth initiatives continues to yield results, with improved growth in many markets and positive signals in areas such as chemical processing. The business area is evaluating additional growth opportunities through proprietary initiatives and through acquisitions.

Continued initiatives are being carried out in emerging markets in Asia, South America and Eastern Europe, with increased efforts in Brazil and Russia, including the introduction of a significant increase in the production capacity in Brazil.

Consolidation of plant structure

The production in Guelph, Canada, with approximately 100 employees, will be relocated during the second half of 2008 to existing plants in Brazil and Mexico. This measure is part of the improvement of the business area's production structure and the move toward more profitable segments. At the same time, some existing product groups will be phased out.

As part of the integration of the acquisition of the Italian company Officine Meccaniche GNL, the Trelleborg unit in Spilamberto, Italy, will be transferred to GNL operation in Modena, Italy, during the second half of 2008.

The closure of the facility in Eugene, in the US, and the transfer of production to the plant in Streamwood, in the US, are now complete. The acquisition during 2007 of the sealing company Hydro-Components has made this transfer possible and aims to generate synergies.

As part of the efforts to further focus the production portfolio, flexible solutions within the business area's production structure and opportunities for increased sourcing continue to be investigated. A number of changes were identified and are being evaluated.

Trelleborg Wheel Systems

SEK M	Apr - June		Jan - June		July 2007 -	Full year
	2008	2007	2008	2007	June 2008	
<i>Excluding items affecting comparability</i>						
Net sales	977	812	1,939	1,642	3,545	3,248
Operating profit	110	75	219	164	343	288
Operating margin (ROS), %	11.2	9.2	11.3	10.0	9.7	8.9
Operating cash flow	87	53	53	30	169	146
Operating cash flow/Operating profit, %	79	71	24	18	49	51
<i>Including items affecting comparability</i>						
Operating profit	110	55	218	143	336	261
ROS, %	11.1	6.6	11.2	8.7	9.5	8.0

Additional key ratios on pages 16 - 18

Favorable demand in the business area's prioritized segments

The total market for agricultural tires – which comprises two thirds of the business area's sales – continued to expand during the quarter. The positive global trend for large agricultural tires continued and this benefits Trelleborg given that the Group's products are well-positioned in this product area. There was continued good demand in the market for industrial tires in Europe.

Strong organic growth, up 21%...

The business area's organic growth for the quarter amounted to 21 percent. The business area captured market shares during the period. Sales of agricultural and forestry tires continued to increase compared with the year-earlier period, primarily as a result of a strong underlying market driven by a structural growth that is resulting in increased investments in farm machinery. The business area's growth initiative for agricultural tires successfully strengthened market presence in Eastern Europe, Australia and South America.

In industrial tires in North America, there is continued focus on the aftermarket to offset the somewhat lower demand in the OEM market.

...and earnings growth up 47%

Operating profit increased by 47 percent in the quarter, primarily as a result of good volume growth, exceptionally high capacity utilization in the production of agricultural tires and an enhanced product and price mix. Increased raw materials costs were offset by operational measures, increased efficiency as a result of higher volumes and price increases. To meet the rising demand for agricultural tires, an expansion of the capacity is currently being implemented.

Streamlining of product platform proceeding according to plan

The relocation of the production of rims for special tires from the business area's unit in Hadsten, in Denmark, to a new unit in Liepaja, in Latvia, is in its last phase and is estimated to be completed at the year-end in line with the initial plan.

The closure of the business area's plant for industrial tires in Hartville, in the US, is also progressing as planned. In parallel with a high investment level, the industrial tire production capacity in Sri Lanka achieved a favorable increase.

Financial accounts

Income Statements

Group	Apr - June		Jan - June		July 2007 -	Full year
	2008	2007	2008	2007	June 2008	
SEK M						
<i>Continuing operations</i>						
Net sales	8,326	7,904	16,393	15,633	31,570	30,810
Cost of goods sold	-6,172	-5,929	-12,195	-11,694	-23,652	-23,151
Gross profit	2,154	1,975	4,198	3,939	7,918	7,659
Selling expenses	-584	-569	-1,182	-1,120	-2,306	-2,244
Administrative expenses	-779	-817	-1,519	-1,522	-2,999	-3,002
Research and development costs	-152	-120	-302	-262	-590	-550
Other operating income/expense	-310	19	-293	-106	-346	-159
Profit from part. in assoc. companies	8	3	9	6	15	12
Operating profit	337	491	911	935	1,692	1,716
Financial income and expenses	-125	-101	-257	-198	-498	-439
Profit before tax	212	390	654	737	1,194	1,277
Tax	-39	-129	-172	-255	-347	-430
Profit for the period	173	261	482	482	847	847
<i>Discontinued operations</i>						
Net sales	-	39	-	86	75	161
Operating profit	-	-2	-	-1	-8	-9
Profit before tax	-	-2	-	-1	-8	-9
Profit for the period	-	-2	-	-1	-8	-9
Total Net sales	8,326	7,943	16,393	15,719	31,645	30,971
Total operating profit	337	489	911	934	1,684	1,707
Total profit before tax	212	388	654	736	1,186	1,268
Total profit for the period	173	259	482	481	839	838
- attributable to equity holders of the parent	171	253	476	474	823	821
- attributable to minority interest	2	6	6	7	16	17

Earnings per share	Apr - June		Jan - June		July 2007 -	Full year
	2008	2007	2008	2007	June 2008	
SEK						
Continuing operations	1.90	2.80	5.25	5.25	9.20	9.20
Discontinued operations	-	-	-	-	-0.10	-0.10
Total	1.90	2.80	5.25	5.25	9.10	9.10
Number of shares						
End of period	90,357,261	90,357,261	90,357,261	90,357,261	90,357,261	90,357,261
Average number	90,357,261	90,357,261	90,357,261	90,357,261	90,357,261	90,357,261

Balance Sheets

Group	June 30	June 30	Dec 31
SEK M	2008	2007	2007
Property, plant and equipment	6,317	6,099	6,293
Intangible assets	10,187	9,793	10,098
Financial assets	994	986	967
Total non-current assets	17,498	16,878	17,358
Inventories	4,330	3,901	4,012
Current operating receivables	8,635	7,876	7,339
Current interest-bearing receivables	78	88	95
Cash and cash equivalents	492	525	530
Total current assets	13,535	12,390	11,976
Total assets	31,033	29,268	29,334
Shareholders' equity, excluding minority share	9,549	9,695	9,932
Minority share	98	120	120
Total equity	9,647	9,815	10,052
Non-current interest-bearing liabilities	8,554	7,034	7,276
Other non-current liabilities	1,680	1,710	1,598
Total non-current liabilities	10,234	8,744	8,874
Interest-bearing current liabilities	3,429	3,915	3,446
Other current liabilities	7,723	6,794	6,962
Total current liabilities	11,152	10,709	10,408
Total equity and liabilities	31,033	29,268	29,334

Specification of changes in equity	June 30	June 30	Dec 31
SEK M	2008	2007	2007
<i>Attributable to equity holders of the parent</i>			
Opening balance, January 1	9,932	9,580	9,580
Cash flow hedges, net after tax	33	4	-16
Translation difference	-419	248	172
Exchange-rate difference on hedging instruments ¹⁾	114	-69	-83
Profit for the period	476	474	821
Dividend	-587	-542	-542
Closing balance	9,549	9,695	9,932
<i>Attributable to minority interest</i>			
Opening balance, January 1	120	107	107
Acquisitions	-8	4	4
Translation difference	-17	2	-5
Profit for the period	6	7	17
Dividend	-3	-	-3
Closing balance	98	120	120
Sum Closing balance, equity	9,647	9,815	10,052

1) Net after tax

Cash flow statements

Group	Apr - June		Jan - June		July 2007 -	Full year
SEK M	2008	2007	2008	2007	June 2008	2007
<i>Operating activities</i>						
Operating profit	337	491	911	935	1,692	1,716
Adjustments for items not included in cash flow:						
Depreciation, intangible assets	36	45	71	73	147	149
Depreciation, property, plant and equipment	216	229	430	432	834	836
Impairment losses, intangible assets	-	-	-	31	38	69
Impairment losses, property, plant and equipment	131	-	135	-4	157	18
Provision for restructuring costs	268	106	312	238	558	484
Undistributed result from part. in assoc. companies	-9	-5	-4	-5	11	10
	979	866	1,855	1,700	3,437	3,282
Interest received and other financial items	17	3	4	6	59	61
Interest paid and other financial items	-67	-92	-208	-214	-481	-487
Taxes paid	-128	-121	-214	-207	-453	-446
Cash flow from operating activities before changes in working capital	801	656	1,437	1,285	2,562	2,410
Cash flow from changes in working capital:						
Change in inventories	-80	-127	-260	-216	-368	-324
Change in operating receivables	-311	-364	-997	-973	-383	-359
Change in operating liabilities	432	154	355	284	414	343
Utilization of restructuring provisions	-102	-55	-172	-80	-412	-320
Cash flow from operating activities	740	264	363	300	1,813	1,750
<i>Investing activities</i>						
Acquisitions	-641	-59	-679	-184	-1,111	-616
Restructuring measures in acquired entities	-	-2	-	-3	-2	-5
Disposals ¹⁾	-2	40	-2	134	-9	127
Capital expenditure in intangible assets	-26	-46	-48	-62	-107	-121
Capital expenditure, property, plant and equipment	-300	-225	-602	-479	-1,335	-1,212
Sale of non-current assets	52	11	55	16	146	107
Cash flow from investing activities	-917	-281	-1,276	-578	-2,418	-1,720
<i>Financing activities</i>						
Change in interest-bearing investments	51	5	17	28	8	19
Change in interest-bearing liabilities	716	565	1,464	689	1,175	400
Dividend paid to shareholders	-587	-542	-587	-542	-587	-542
Dividend paid to minority	-3	-	-3	-	-6	-3
Cash flow from the financing activities	177	28	891	175	590	-126
Cash flow for the period	0	11	-22	-103	-15	-96
Cash and cash equivalents:						
At beginning of the period	483	514	530	616	525	616
Exchange rate differences	9	0	-16	12	-18	10
Cash and cash equivalents at end of period	492	525	492	525	492	530

¹⁾ Including cash flow in entities for which an agreement regarding discontinuation has been reached and sale of real estate

Group review, continuing operations

SEK M	Apr - June		Jan - June		July 2007 -	Full year
	2008	2007	2008	2007	June 2008	
<i>Continuing operations excluding items affecting comparability</i>						
Net sales	8,326	7,904	16,393	15,633	31,570	30,810
EBITDA	989	869	1,860	1,704	3,432	3,276
Operating profit	734	596	1,356	1,203	2,427	2,274
Profit for the period	442	343	785	697	1,370	1,282

SEK M	Apr - June		Jan - June		July 2007 -	Full year
	2008	2007	2008	2007	June 2008	
<i>Continuing operations</i>						
Trelleborg Engineered Systems	3,214	2,989	6,110	5,885	11,970	11,745
Trelleborg Automotive	2,626	2,711	5,339	5,320	10,318	10,299
Trelleborg Sealing Solutions	1,602	1,477	3,186	2,953	6,077	5,844
Trelleborg Wheel Systems	977	812	1,939	1,642	3,545	3,248
Eliminations	-93	-85	-181	-167	-340	-326
Total	8,326	7,904	16,393	15,633	31,570	30,810

SEK M	Apr - June		Jan - June		July 2007 -	Full year
	2008	2007	2008	2007	June 2008	
<i>Continuing operations excluding items affecting comparability</i>						
Trelleborg Engineered Systems	447	367	787	714	1,537	1,464
Trelleborg Automotive	123	205	260	351	543	634
Trelleborg Sealing Solutions	328	257	622	526	1,115	1,019
Trelleborg Wheel Systems	131	108	264	216	422	374
Other companies	-3	-5	-5	-8	-3	-6
Group items	-37	-63	-68	-95	-182	-209
Total excluding items affecting comparability	989	869	1,860	1,704	3,432	3,276
<i>Items affecting comparability</i>						
Trelleborg Engineered Systems	-	-	-19	-	-105	-86
Trelleborg Automotive	-236	-15	-261	-173	-402	-314
Trelleborg Sealing Solutions	-20	-	-20	-	-20	-
Trelleborg Wheel Systems	-	-20	-1	-21	-7	-27
Sale of property	-	-	-	26	-	26
Legal non-recurring items	-11	-70	-11	-70	-27	-86
Total including items affecting comparability	722	764	1,548	1,466	2,871	2,789

1) Operating profit before depreciations and impairment losses.

%	Apr - June		Jan - June		July 2007 -	Full year
	2008	2007	2008	2007	June 2008	
<i>Continuing operations excluding items affecting comparability</i>						
Trelleborg Engineered Systems	13.6	12.2	12.7	12.1	12.7	12.4
Trelleborg Automotive	4.7	7.5	4.9	6.5	5.3	6.1
Trelleborg Sealing Solutions	20.4	17.4	19.5	17.8	18.4	17.4
Trelleborg Wheel Systems	13.4	13.2	13.6	13.1	11.9	11.5
Total excluding items affecting comparability	11.8	10.9	11.3	10.8	10.8	10.6
<i>Including items affecting comparability</i>						
Trelleborg Engineered Systems	13.6	12.2	12.4	12.1	11.8	11.7
Trelleborg Automotive	neg	6.9	0.0	3.3	1.4	3.1
Trelleborg Sealing Solutions	19.2	17.4	18.9	17.8	18.0	17.4
Trelleborg Wheel Systems	13.3	10.6	13.5	11.8	11.7	10.7
Total including items affecting comparability	8.5	9.6	9.4	9.3	9.0	9.0

1) Operating profit before depreciations excluding participations in associated companies in relation to net sales.

TRELLEBORG AB SIX-MONTH REPORT JANUARY – JUNE 2008

Operating profit SEK M	Apr - June		Jan - June		July 2007 -	Full year
	2008	2007	2008	2007	June 2008	2007
<i>Continuing operations excluding items affecting comparability</i>						
Trelleborg Engineered Systems	366	294	633	570	1,231	1,168
Trelleborg Automotive	20	85	52	140	115	203
Trelleborg Sealing Solutions	281	210	530	436	933	839
Trelleborg Wheel Systems	110	75	219	164	343	288
Other companies	-3	-5	-6	-9	-5	-8
Group items	-40	-63	-72	-98	-190	-216
Total excluding items affecting comparability	734	596	1,356	1,203	2,427	2,274
<i>Items affecting comparability</i>						
Trelleborg Engineered Systems	-	-	-22	-	-111	-89
Trelleborg Automotive	-361	-15	-386	-203	-565	-382
Trelleborg Sealing Solutions	-25	-	-25	-	-25	-
Trelleborg Wheel Systems	-	-20	-1	-21	-7	-27
Sale of property	-	-	-	26	-	26
Legal non-recurring items	-11	-70	-11	-70	-27	-86
Total including items affecting comparability	337	491	911	935	1,692	1,716

Operating margin, (ROS) ¹⁾ %	Apr - June		Jan - June		July 2007 -	Full year
	2008	2007	2008	2007	June 2008	2007
<i>Continuing operations excluding items affecting comparability</i>						
Trelleborg Engineered Systems	11.1	9.8	10.2	9.6	10.1	9.9
Trelleborg Automotive	0.8	3.1	1.0	2.6	1.1	1.9
Trelleborg Sealing Solutions	17.5	14.3	16.6	14.8	15.4	14.4
Trelleborg Wheel Systems	11.2	9.2	11.3	10.0	9.7	8.9
Total excluding items affecting comparability	8.7	7.5	8.2	7.6	7.6	7.3
<i>Including items affecting comparability</i>						
Trelleborg Engineered Systems	11.1	9.8	9.8	9.6	9.2	9.1
Trelleborg Automotive	neg	2.6	neg	neg	neg	neg
Trelleborg Sealing Solutions	16.0	14.3	15.8	14.8	14.9	14.4
Trelleborg Wheel Systems	11.1	6.6	11.2	8.7	9.5	8.0
Total including items affecting comparability	3.9	6.2	5.5	5.9	5.3	5.5

1) Operating profit excluding participations in associated companies in relation to net sales.

Capital employed ¹⁾ SEK M	June 30	June 30	Dec 31
	2008	2007	2007
<i>Continuing operations</i>			
Trelleborg Engineered Systems	7,114	6,423	6,201
Trelleborg Automotive	5,160	5,316	5,215
Trelleborg Sealing Solutions	7,101	6,745	6,975
Trelleborg Wheel Systems	1,811	1,570	1,679
Other companies	15	31	20
Group items	10	39	19
Provisions for restructuring measures	-387	-280	-254
Total	20,824	19,844	19,855

1) Total assets less interest-bearing investments and non-interest bearing operating liabilities (including pension liabilities), and excluding tax receivables and tax liabilities.

TRELLEBORG AB SIX-MONTH REPORT JANUARY – JUNE 2008

Return on capital employed, (ROCE) ¹⁾	July 2007 - June 2008	July 2006 - June 2007	Full year 2007
<i>Continuing operations excluding items affecting comparability</i>			
Trelleborg Engineered Systems	19.2	17.9	18.6
Trelleborg Automotive	2.2	3.0	3.9
Trelleborg Sealing Solutions	13.5	11.9	12.5
Trelleborg Wheel Systems	20.4	18.3	18.5
Total excluding items affecting comparability	12.0	10.7	11.5
<i>Including items affecting comparability</i>			
Trelleborg Engineered Systems	17.7	17.8	17.3
Trelleborg Automotive	neg	neg	neg
Trelleborg Sealing Solutions	13.2	11.9	12.5
Trelleborg Wheel Systems	20.2	15.6	16.9
Total including items affecting comparability	8.5	7.7	8.8

1) Operating profit in relation to average capital employed.

Cash flow report	EBITDA ¹⁾		Capital expenditure		Sold non current assets		Change in working capital		Total cash flow		
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	July 2007 - June 2008
SEK M											
Trelleborg Engineered Systems	806	737	-226	-170	7	8	-406	-284	181	291	961
Trelleborg Automotive	284	367	-245	-208	1	5	-161	-255	-121	-91	70
Trelleborg Sealing Solutions	633	537	-87	-83	2	5	-192	-213	356	246	861
Trelleborg Wheel Systems	271	223	-82	-56	2	-	-138	-137	53	30	169
Other companies	-5	-8	-	-	-	-	3	-	-2	-8	4
Group items	-134	-156	-10	-24	43	-2	-8	-16	-109	-198	-259
Operating cash flow	1,855	1,700	-650	-541	55	16	-902	-905	358	270	1,806
Utilization of restructuring provisions									-172	-83	-414
Dividend paid to minority									-3	-	-6
Financial items									-204	-208	-422
Paid tax									-214	-207	-453
Free cash flow									-235	-228	511
Acquisitions									-679	-184	-1,111
Disposals ²⁾									-2	134	-9
Dividend paid to shareholders									-587	-542	-587
Sum net cash flow									-1,503	-820	-1,196

1) Excluding undistributed result from associated companies and allocated group expenses

2) Including cash flow in entities for which an agreement regarding discontinuation has been reached and sale of real estate

Acquisitions, January - June		
SEK M	2008	2007
Purchase price ¹⁾	671	180
Acquisition expenses	8	4
Net realizable value of acquired assets	384	59
Goodwill	295	125
Acquired assets and liabilities:		
Property, plant and equipment	159	38
Intangible assets	53	-
Deferred tax	-16	20
Associated companies	-	4
Operating assets	263	48
Minority share	8	-
Operating liabilities	-83	-43
Total	384	59
Profit/Loss for the period	2	7
Profit/Loss for the period in acquired entities January - June	-1	8

¹⁾ The acquisitions during the second quarter are presented on page 5

Parent Company

Income Statements

Parent company	Apr - June		Jan - June		July 2007 -	Full year
SEK M	2008	2007	2008	2007	June 2008	2007
Administrative expenses	-90	-115	-162	-194	-407	-439
Other operating income	182	159	195	171	278	254
Operating profit	92	44	33	-23	-129	-185
Financial income and expenses	-252	-187	-555	-218	2,055	2,392
Profit before tax	-160	-143	-522	-241	1,926	2,207
Tax	61	53	150	80	334	264
Profit for the period	-99	-90	-372	-161	2,260	2,471
Capital expenditure			6	22	15	31
Average number of employees			73	83		83

Balance Sheets

Parent company	June 30	June 30	Dec 31
SEK M	2008	2007	2007
Property, plant and equipment	31	24	32
Intangible assets	14	10	10
Financial assets	32,963	27,141	32,520
Total non-current assets	33,008	27,175	32,562
Current operating receivables	263	75	76
Current interest-bearing receivables	1,354	1,361	1,877
Cash and cash equivalents	0	0	0
Total current assets	1,617	1,436	1,953
Total assets	34,625	28,611	34,515
Shareholders' equity	9,252	6,769	10,209
Total equity	9,252	6,769	10,209
Non-current interest-bearing liabilities	128	137	137
Other non-current liabilities	6	4	6
Total non-current liabilities	134	141	143
Interest-bearing current liabilities	25,163	21,604	24,073
Other current liabilities	76	97	90
Total current liabilities	25,239	21,701	24,163
Total equity and liabilities	34,625	28,611	34,515

Board's assurance and Auditor's Report

Board's assurance

This six-month report presents a fair overview of the operations, position and earnings of the Parent Company and the Group and describes significant risks and uncertainty factors that the company and the companies included in the Group face.

*Trelleborg, July 24, 2008
Trelleborg AB (publ)*

*Anders Narvinger
Chairman of the Board*

*Heléne Bergquist
Board member*

*Rolf Larsson
Board member*

*Rolf Kjellman
Board member*

*Claes Lindqvist
Board member*

*Staffan Bohman
Board member*

*Sören Mellstig
Board member*

*Kim Davidsson
Board member*

*Alf Fredlund
Board member*

*Karin Linsjö
Board member*

*Peter Nilsson
Board member
and President*

Auditor's Report

We have reviewed this report for the period January 1, 2008 to June 30, 2008 for Trelleborg AB. 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 Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

We conducted our review in accordance with the Swedish Standard on Review Engagements SÖG 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review 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 Standards on Auditing in Sweden, RS, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

*Trelleborg July 24, 2008
PricewaterhouseCoopers AB*

*Göran Tidström
Authorized Public Accountant
Auditor in charge*

*Olov Karlsson
Authorized Public Accountant*

Invitation to telephone conference on July 24 at 9:30 a.m.

A telephone conference will be held on July 24 at 9:30 a.m. Call +46 (0)8 – 5051 3643 or +44 (0)20 7806 1966 and state the code 695 2004 or the password “Trelleborg.” Presentation materials will be available at www.trelleborg.com about 30 minutes prior to the commencement of the conference. Click on “Investors” and then “Presentations.”

Calendar

Interim report January-September 2008	October 28, 2008
Capital Markets Day in Stockholm	December 3, 2008
Year-end report 2008	February 11, 2009

For further information, please contact:

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Trelleborg AB, Corporate Communications, PO Box 153, SE-231 22 Trelleborg, by telephone on +46 (0)410-670 09, by fax on +46 (0)410-427 63, by e-mail info@trelleborg.com or can be downloaded from the Group's website: www.trelleborg.com

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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 Thursday, July 24, 2008 at 7:45 a.m.