

SKF Nine-month report 2007

SKF reports record third quarter sales and profit. Operating profit rose 17.2% and sales 12.8%. Basic earnings per share increased by 20.4%. The outlook is for continued good volume growth for the fourth quarter of 2007.

- Net sales for the third quarter of 2007 were SEK 14,155 m (12,544), and for the first nine months SEK 43,489 m (39,206).
- Operating profit for the third quarter was SEK 1,803 m (1,538), and for the first nine months SEK 5,708 m (4,849). The operating margin for the third quarter was 12.7% (12.3), and for the first nine months 13.1% (12.4).
- Profit before taxes for the third quarter was SEK 1,646 m (1,422). The profit before taxes for the first nine months was SEK 5,428 m (4,541).
- Net profit for the third quarter was SEK 1,174 m (966). Net profit for the first nine months was SEK 3,662 m (3,175).
- Basic earnings per share for the third quarter were SEK 2.48 (2.06), and for the first nine months SEK 7.76 (6.81). Diluted earnings per share for the third quarter were SEK 2.48 (2.05), and for the first nine months SEK 7.74 (6.79).

The increase of 12.8% in net sales for the quarter, in SEK, was attributable to: volume 9.0%, structure 3.7%, price/mix 2.0% and currency effects -1.9%. For the first nine months, the increase of 10.9%, in SEK, was attributable to: volume 7.9%, structure 4.1%, price/mix 2.2% and currency effects -3.3%.

Sales development in the third quarter (excl. structural effects)

Sales in the third quarter of 2007, calculated in local currencies and compared to sales in the same quarter last year, were significantly higher for the Group as well as for all the Divisions. Sales were significantly higher in Europe, Asia and Latin America. Sales in North America were higher.

The manufacturing level for the third quarter was unchanged compared to the second quarter 2007 and significantly higher compared to the third quarter last year.

Outlook for the fourth quarter of 2007 (compared to the third quarter 2007)

The market demand for SKF's products and services in the fourth quarter of 2007 is expected to be higher for the Group. The demand is expected to be higher in Europe, significantly higher in Asia and Latin America and relatively unchanged in North America. The demand is expected to be higher in all divisions.

The manufacturing level for the fourth quarter 2007 will be unchanged compared to the third quarter 2007, while higher in absolute terms due to normal seasonality, and significantly higher than the fourth quarter 2006.

Financial

The financial net in the third quarter of 2007 was SEK -157 million (-116), including revaluation of share swaps of SEK -13 million (-16). The financial net for the first nine months was SEK -280 million (-308), which includes the revaluation of share swaps amounting to SEK 45 million (-13).

The tax rate in the quarter was positively affected by some SEK 75 million as a result of reassessment of tax liabilities in Germany due to the lower corporate tax rate that will be valid as from 2008.

Key figures for the first nine months of 2007 (first nine months 2006):

- Inventories, % of annual sales, 19.3% (19.3)
- ROCE for the 12-month period, 25.9% (22.9)
- ROE for the 12-month period, 25.8% (21.9)
- Equity/assets ratio, 37.8% (45.4)
- Gearing, 41.4% (32.2)
- Registered number of employees, 42,393 (39,984)

Cash flow, after operating investments and before financial items (ie excluding the effect of financial investments) was SEK 1,274 million (-143) for the third quarter and SEK 1,509 million (597) for the first nine months. The cash flow for the first nine months includes acquisitions of SEK 703 million.

Exchange rates for the third quarter of 2007, including the effects of translation and transaction flows, had a negative effect on SKF's operating profit of about SEK 100 million. Based on current assumptions and exchange rates, it is estimated that the negative effect for the fourth quarter of 2007 will be around SEK 130 million. For the full year the negative effect will be around SEK 630 million.

The Group has experienced shortage of raw material and components during the year and this worsened in the third quarter. No improvement is expected for the fourth quarter. This particularly impacted the Industrial Division with negative effects on production, service to the market and operating margin. Prices for specialty steel and steel components increased further during the third quarter and were higher in the first nine months of the year, compared to the same period last year. They are expected to be higher in the fourth quarter compared to the previous quarter. SKF expects to be able to continue to compensate for this through productivity, sourcing and pricing.

Major events in the third quarter

SKF signed an agreement with the British company Edwards Limited to acquire its subsidiary S2M, a magnetic bearing company. The acquisition is subject to approval by relevant authorities. S2M has annual sales of some EUR 40 million and 200 employees. The company is headquartered in Vernon, France, where it also has its manufacturing facilities. SKF pays approximately EUR 55 million for the shares. SKF had already earlier 12% of the share capital in S2M. S2M will be part of SKF's Industrial Division.

For the eighth year in succession, SKF was selected to be a member of Dow Jones' Sustainability World Indexes (DJSI World) and the pan-European sustainability benchmark (DJSI STOXX).

SKF's deregistration under the US Securities Exchange Act of 1934 became effective. As a result, SKF will no longer reconcile the financial statements to US GAAP, nor file an annual report on Form 20-F with the Securities and Exchange Commission.

Major events in previous quarters 2007

SKF acquired the following companies for SEK 703 million, net of cash and cash equivalents:

- ABBA Linear Tech Co., Ltd., a manufacturer of profile rail guides, Taiwan
- Baker Instruments Company, a manufacturer of test and diagnostic instruments for electric motor assessment, USA
- the remaining 40% shareholding in SKF (Shanghai) Bearing Company Ltd, China
- Automatic Lubrication Systems, Canada
- Preventive Maintenance Company Inc., USA

SKF:

- announced investments of SEK 700 million for two new factories in India.
- sold its forging business at the Lüchow factory in Germany.
- distributed SEK 6,603 million in dividend and redemption to shareholders during the second quarter.
- announced that it has developed energy efficient bearings and a number of other energy efficient solutions.
- announced investment in Sweden of SEK 600 million to increase production capacity.
- was for the seventh year in succession included in the FTSE4Good Index.

Divisions

Comments on sales per geographical region are based on local currencies and compared to the corresponding period for 2006. The operating margin has been calculated on sales including intra-Group sales.

Industrial Division

The operating profit for the third quarter of 2007 amounted to SEK 774 million (758), resulting in an operating margin of 11.0% (12.0) on sales including intra-Group sales. The operating profit for the first nine months of 2007 amounted to SEK 2,571 million (2,420), resulting in an operating margin of 11.8% (12.3).

Net sales for the third quarter amounted to SEK 4,585 million (4,039) and for the first nine months SEK 14,420 million (12,604). Sales including intra-Group sales for the third quarter were SEK 7,066 million (6,310), and for the first nine months SEK 21,814 million (19,658).

The increase of 13.5% in net sales, in SEK, for the quarter was attributable to: organic growth 9.9%, structure 5.9%, and currency effects -2.3%.

For the first nine months, the increase in net sales, in SEK, of 14.4% was attributable to: organic growth 10.4%, structure 7.1% and currency effects -3.1%.

Sales for the third quarter were significantly higher in Europe, Asia and North America.

Some segments that showed significantly higher sales were renewable energy, mining, railways, pumps, fans and metal.

SKF will supply the tapered roller bearing units to the Ile de France suburban trains manufactured by Bombardier Transportation. The total contract value will be around EUR 5 million including options. SKF will supply a special bearing design tailored to the customer needs.

Service Division

The operating profit for the third quarter amounted to SEK 673 million (567), resulting in an operating margin of 12.7% (11.8). The operating profit for the first nine months amounted to SEK 1,989 million (1,653), resulting in an operating margin of 12.8% (11.4).

Net sales for the third quarter amounted to SEK 4,875 million (4,391) and for the first nine months SEK 14,198 million (13,174). Sales including intra-Group sales for the third quarter were SEK 5,305 million (4,812), and for the first nine months SEK 15,498 million (14,501).

The increase of 11.0% in net sales, in SEK, for the quarter was attributable to: organic growth 11.8%, structure 1.5%, and currency effects -2.3%. For the first nine months, the increase in net sales, in SEK, of 7.8% was attributable to: organic growth 11.2%, structure 0.7% and currency effects -4.1%.

Sales in the third quarter were significantly higher in all the regions.

SKF USA, Inc. and Meridium, Inc. completed an agreement granting SKF non-exclusive rights to license and distribute Meridium Asset Performance Management System (APM) software. Additionally, SKF will be a preferred service provider for Meridium, providing consultation, training and services to facilitate implementation of asset management methodologies for new and existing customers.

Automotive Division

The operating profit for the third quarter amounted to SEK 319 million (218), resulting in an operating margin of 5.6% (4.3). The operating profit for the first nine months amounted to SEK 1,104 million (784), resulting in an operating margin of 6.2% (4.8).

Net sales for the third quarter amounted to SEK 4,676 million (4,103) and for the first nine months SEK 14,810 million (13,376). Sales including intra-Group sales for the third quarter were SEK 5,669 million (5,040), and for the first nine months SEK 17,912 million (16,340).

The increase of 13.9% in net sales, in SEK, for the quarter was attributable to: organic growth 11.1%, structure 4.1%, and currency effects -1.3%. For the first nine months, the increase in net sales, in SEK, of 10.7% was attributable to: organic growth 8.6%, structure 4.9% and currency effects -2.8%.

For the third quarter, sales to the car and light truck industry in Europe and North America were significantly higher. Sales to the heavy truck industry in Europe were significantly higher and in North America significantly lower. Sales to the overall vehicle service market were higher, they were significantly higher in Europe and higher in North America.

Sales to the electrical business and to two-wheelers producers were significantly higher in Europe and significantly lower in Asia.

SKF has been awarded:

- the front and the rear wheel bearings for the new Ford Focus generation in North America. Start of production will be 2008.
- the front and the rear wheel bearings, with the Chinese company Shanghai Automotive Industry Corporation for a new car platform. Start of production will be 2009.
- the rear wheel bearing for a new Alfa Romeo platform. Start of production will be 2009.

SKF and Haldex have jointly developed an integrated truck hub unit with a dual disc brake and fixed caliper. First customer is the German company GIGANT.

Previous outlook statement

Half-year report 2007:

Outlook for the third quarter of 2007 (compared to the second quarter 2007)

The market demand for SKF's products and services in the third quarter of 2007 is expected to be higher for the Group. The demand is expected to be higher in Europe and Latin America, significantly higher in Asia and relatively unchanged in North America. The demand is expected to be higher in the Industrial and Service Division and slightly higher in the Automotive Division.

The manufacturing level for the third quarter 2007 will be unchanged compared to the second quarter 2007, while lower in absolute terms due to normal seasonality, and significantly higher than the third quarter 2006.

Risks and uncertainties in the business

The company operates in many different industrial, automotive and geographical segments that are at different stages of the economic cycle. A general economic downturn at global level, or in one of the world's leading economies, could obviously reduce the demand for the Group's products, solutions and services for a period of time. In addition, terrorism and other hostilities, as well as disturbances in worldwide financial markets, could have a negative effect on the demand for the Group's products and services.

The SKF Group is subject to both transaction and translation exposure. For commercial flows the SKF Group is primarily exposed to the USD and to US dollar-related currencies. As the major part of the profit is made outside Sweden, the Group is also exposed to translational risks in all the major currencies.

The Parent company performs services of a common Group character. The risks for the parent company are the same as described for the Group.

Cautionary statement

This report contains forward-looking statements that are based on the current expectations of the management of SKF. Although management believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those implied in the forward-looking statements as a result of, among other factors, changes in economic, market and competitive conditions, changes in the regulatory environment and other government actions, fluctuations in exchange rates and other factors mentioned in SKF's latest annual report (available on www.skf.com) under the Board of Directors' Report; "Most important factors influencing the financial result", "Financial risks" and "Sensitivity analysis", and in this quarterly report under "Risks and uncertainties in the business."

Göteborg, 16 October 2007

Aktiebolaget SKF
(publ.)

Tom Johnstone
President and CEO

Presentation from SKF

A presentation will be published on SKF's website at the following address:
investors.skf.com (click on Presentations).

Review report

Introduction

We have reviewed the interim report for AB SKF (publ), reg. no 556007-3495, for the period January 1 – September 30, 2007. Management is responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the Standard on Review Engagements SÖG 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by FAR/SRS. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing in Sweden RS and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Conclusion

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

Stockholm, 16 October 2007
KPMG Bohlins AB
Thomas Thiel
Authorized Public Accountant

Enclosures:

Financial statements

1. Consolidated income statements
2. Consolidated balance sheets and Consolidated statements of changes in shareholders' equity
3. Consolidated statements of cash flow

Other financial statements

4. Consolidated financial information - yearly and quarterly comparisons
5. Segment information - yearly and quarterly comparisons
6. Parent company income statements, balance sheets and footnotes.

The consolidated financial statements of the SKF Group are prepared in accordance with International Financial Reporting Standards. The SKF Group applies the same accounting policies and methods of computation in the interim financial statements as compared with the Annual Report including Sustainability Report 2006, except as described in the first quarter report 2007.

The consolidated nine-month report has been prepared in accordance with IAS34. The nine-month report for the Parent company has been prepared in accordance with the Annual Accounts Act and RR32:06. The report has been reviewed by the Company's auditors.

The SKF year-end report 2007 will be published on Thursday, 31 January 2008.
The Annual General Meeting will be held on Wednesday, 16 April 2008 in Göteborg, Sweden.

Further information can be obtained from:

Lars G Malmer, Group Communication, tel: +46-31-3371541, +46-705-371541, e-mail: lars.g.malmer@skf.com
Marita Björk, Investor Relations, tel: +46-31-3371994, +46-705-181994, e-mail: marita.bjork@skf.com

Aktiebolaget SKF, SE-415 50 Göteborg, Sweden, Company reg.no. 556007-3495,
tel: +46-31-3371000, fax: +46-31-3372832, www.skf.com

Enclosure 1

CONSOLIDATED INCOME STATEMENTS (SEKm)

	July-Sep 2007	July-Sep 2006	Jan-Sep 2007	Jan-Sep 2006
Net sales	14,155	12,544	43,489	39,206
Cost of goods sold	-10,417	-9,296	-31,993	-29,093
Gross profit	3,738	3,248	11,496	10,113
Selling and administrative expenses	-1,902	-1,764	-5,803	-5,519
Other operating income/expenses - net	-32	4	14	11
Profit/loss from jointly controlled and associated companies	-1	50	1	244
Operating profit	1,803	1,538	5,708	4,849
Operating margin, %	12.7	12.3	13.1	12.4
Financial income and expense - net	-157	-116	-280	-308
Profit before taxes	1,646	1,422	5,428	4,541
Taxes	-472	-456	-1,766	-1,366
Net profit	1,174	966	3,662	3,175
Net profit attributable to				
Shareholders of the parent	1,132	938	3,534	3,102
Minority	42	28	128	73
Basic earnings per share, SEK*	2.48	2.06	7.76	6.81
Diluted earnings per share, SEK*	2.48	2.05	7.74	6.79
Dividend per share, SEK	-	-	4.50	4.00
Additions to property, plant and equipment	489	459	1,323	1,296
Number of employees registered	42,393	39,984	42,393	39,984
Return on capital employed for the 12-month period ended 30 September, %	25.9	22.9	25.9	22.9

NUMBER OF SHARES
30 September 2007

31 December 2006

Total number of shares	455,351,068	455,351,068
- whereof A shares	49,496,034	49,533,030
- whereof B shares	405,855,034	405,818,038

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

Enclosure 2

CONSOLIDATED BALANCE SHEETS (SEKm)

	September 2007	December 2006
Intangible assets	3,038	2,586
Deferred tax assets	976	948
Property, plant and equipment	11,587	11,388
Investments, non-current financial and other assets	1,909	1,429
Non-current assets	17,510	16,351
Inventories	11,099	9,939
Assets classified as held for sale	47	335
Current assets	13,069	10,635
Investments in jointly controlled company	3	48
Financial investments and cash and cash equivalents	3,201	8,930
Current assets	27,419	29,887
TOTAL ASSETS	44,929	46,238
Equity attributable to shareholders of AB SKF	16,277	18,973
Equity attributable to minority interests	720	634
Non-current loans	7,058	7,006
Provisions for post-employment benefits	4,740	4,731
Provisions for deferred taxes	1,245	1,243
Other non-current liabilities and provisions	1,877	1,606
Non-current liabilities	14,920	14,586
Current loans	485	1,047
Other current liabilities and provisions	12,527	10,939
Liabilities related to assets classified as held for sale	-	59
Current liabilities	13,012	12,045
TOTAL EQUITY AND LIABILITIES	44,929	46,238

**CONSOLIDATED STATEMENTS OF CHANGES
IN SHAREHOLDERS' EQUITY (SEKm)**

	September 2007	September 2006
Opening balance 1 January	19,607	18,233
Total exchange differences arising on translation of foreign operations	6	-742
Change in fair value of investments in equity securities and cash flow hedges	445	103
Release on disposal of investments in equity securities and cash flow hedges	-35	-17
Net profit	3,662	3,175
Exercise of share options	-35	-20
Other transactions with minority owners	0	43
Redemption of shares	-4,554	-
Total cash dividends	-2,099	-1,868
Closing balance	16,997	18,907

CONSOLIDATED STATEMENTS OF CASH FLOW (SEKm)

	July-Sep 2007	July-Sep 2006*	Jan-Sep 2007	Jan-Sep 2006*
Operating activities:				
Profit before taxes	1,646	1,422	5,428	4,541
Depreciation, amortization and impairment	406	405	1,239	1,191
Net gain (-) on sales of intangible assets, PPE and businesses	-4	5	-49	-19
Taxes	-508	-414	-1,721	-1,340
Other including non-cash items	-75	-150	-128	-124
Changes in working capital	189	555	-1,535	-653
Net cash flow from operations	1,654	1,823	3,234	3,596
Investing activities:				
<i>Operating investments:</i>				
Investments in intangible assets, PPE, businesses and equity securities	-454	-1,980	-2,055	-3,045
Sale of intangible assets, PPE, businesses and equity securities and pre-liquidation proceeds	74	14	330	46
<i>Subtotal operating investments</i>	<i>-380</i>	<i>-1,966</i>	<i>-1,725</i>	<i>-2,999</i>
Investments in financial and other assets	-82	-289	-182	-1,054
Sale of financial and other assets	242	506	1,482	2,983
Net cash flow used in investing activities	-220	-1,749	-425	-1,070
Net cash flow after investments before financing	1,434	74	2,809	2,526
Financing activities:				
Change in short- and long-term loans	-669	87	-603	107
Payment of finance lease liabilities	0	-1	-3	-2
Redemption	-	-	-4,554	-
Cash dividends	-	-6	-2,099	-1,868
Net cash flow used in financing activities	-669	80	-7,259	-1,763
NET CASH FLOW	765	154	-4,450	763
Change in cash and cash equivalents:				
Cash and cash equivalents at 1 July/1 January	2,066	2,876	7,242	2,379
Cash effect, excl. acquired businesses	737	-346	-4,478	259
Cash effect of acquired businesses	28	500	28	504
Exchange rate effect	-50	10	-11	-102
Cash and cash equivalents at 30 September	2,781	3,040	2,781	3,040

ADDITIONAL CASH FLOW INFORMATION**Cash flow after operating investments before
financial items:**

Net cash flow from operations	1,654	1,823	3,234	3,596
Subtotal operating investments	-380	-1,966	-1,725	-2,999
	1,274	-143	1,509	597

Change in net interest-bearing liabilities	Opening balance 1 Jan 2007	Exchange rate effect	Cash flow change	Acquired and sold businesses	Other	Closing balance 30 Sep 2007
Loans, long- and short-term	8,053	126	-603	73	-106	7,543
Post-employment benefits, net	4,540	-27	-372	-	325	4,466
Financial assets, others	-2,425	4	1,300	-	-76	-1,197
Cash and cash equivalents	-7,242	11	4,478	-28	-	-2,781
Net interest-bearing liabilities	2,926	114	4,803	45	143	8,031

* Certain reclassifications have been made between operating, investing and financing activities, see footnote 1 to the Annual Report 2006 including Sustainability Report.

CONSOLIDATED FINANCIAL INFORMATION - YEARLY AND QUARTERLY COMPARISONS
 (SEKm unless otherwise stated)

	Full year <u>2005</u>	<u>1/06</u>	<u>2/06</u>	<u>3/06</u>	<u>4/06</u>	Full year <u>2006</u>	<u>1/07</u>	<u>2/07</u>	<u>3/07</u>	Year- to-date <u>2007</u>
Net sales	49,285	13,289	13,373	12,544	13,895	53,101	14,371	14,963	14,155	43,489
Cost of goods sold	-36,931	-9,915	-9,882	-9,296	-10,400	-39,493	-10,583	-10,993	-10,417	-31,993
Gross profit	12,354	3,374	3,491	3,248	3,495	13,608	3,788	3,970	3,738	11,496
Gross margin, %	25.1	25.4	26.1	25.9	25.2	25.6	26.4	26.5	26.4	26.4
Selling and administrative expenses	-7,284	-1,868	-1,887	-1,764	-2,098	-7,617	-1,904	-1,997	-1,902	-5,803
Other operating income/ expenses - net	85	16	-9	4	-33	-22	2	44	-32	14
Profit/loss from jointly controlled and associated companies	172	87	107	50	494	738	0	2	-1	1
Operating profit	5,327	1,609	1,702	1,538	1,858	6,707	1,886	2,019	1,803	5,708
Operating margin, %	10.8	12.1	12.7	12.3	13.4	12.6	13.1	13.5	12.7	13.1
Financial income and expense - net	-74	-10	-182	-116	-12	-320	-61	-62	-157	-280
Profit before taxes	5,253	1,599	1,520	1,422	1,846	6,387	1,825	1,957	1,646	5,428
Profit margin before taxes,%	10.7	12.0	11.4	11.3	13.3	12.0	12.7	13.1	11.6	12.5
Taxes	-1,646	-461	-449	-456	-589	-1,955	-611	-683	-472	-1,766
Net profit	3,607	1,138	1,071	966	1,257	4,432	1,214	1,274	1,174	3,662
Net profit attributable to										
Shareholders of the parent	3,521	1,114	1,050	938	1,215	4,317	1,169	1,233	1,132	3,534
Minority	86	24	21	28	42	115	45	41	42	128
Basic earnings per share, SEK*	7.73	2.45	2.30	2.06	2.67	9.48	2.57	2.71	2.48	7.76
Diluted earnings per share, SEK*	7.70	2.44	2.30	2.05	2.66	9.45	2.56	2.70	2.48	7.74
Return on capital employed for the 12-month period, %	21.8	22.7	23.0	22.9	24.7	24.7	24.9	25.3	25.9	25.9
Gearing, %**	33.2	31.6	32.7	32.2	39.1	39.1	37.5	44.1	41.4	41.4
Equity/assets ratio, %	45.2	45.8	44.4	45.4	42.4	42.4	43.0	35.9	37.8	37.8
Net worth per share, SEK*	39	41	38	40	42	42	46	34	36	36
Additions to property, plant and equipment	1,623	368	469	459	637	1,933	431	403	489	1,323
Registered number of employees	38,748	38,752	38,941	39,984	41,090	41,090	41,348	41,477	42,393	42,393

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

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

SEGMENT INFORMATION - YEARLY AND QUARTERLY COMPARISONS

(SEKm unless otherwise stated)

	<u>Full year 2005</u>	<u>1/06</u>	<u>2/06</u>	<u>3/06</u>	<u>4/06</u>	<u>Full year 2006</u>	<u>1/07</u>	<u>2/07</u>	<u>3/07</u>	<u>Year- to-date 2007</u>
Industrial Division										
Net sales	14,821	4,276	4,289	4,039	4,572	17,176	4,849	4,986	4,585	14,420
Sales incl. intra-Group sales	23,695	6,637	6,711	6,310	7,040	26,698	7,251	7,497	7,066	21,814
Operating profit	2,374	824	838	758	607	3,027	880	917	774	2,571
Operating margin*	10.0%	12.4%	12.5%	12.0%	8.6%	11.3%	12.1%	12.2%	11.0%	11.8%
Assets and liabilities, net	10,054	10,396	10,150	11,490	11,543	11,543	12,646	12,683	12,852	12,852
Registered number of employees	16,513	16,540	16,448	17,494	17,760	17,760	17,940	18,039	18,454	18,454
Service Division										
Net sales	16,419	4,381	4,402	4,391	4,810	17,984	4,495	4,828	4,875	14,198
Sales incl. intra-Group sales	18,080	4,812	4,877	4,812	5,260	19,761	4,923	5,270	5,305	15,498
Operating profit	2,120	541	545	567	709	2,362	624	692	673	1,989
Operating margin*	11.7%	11.2%	11.2%	11.8%	13.5%	12.0%	12.7%	13.1%	12.7%	12.8%
Assets and liabilities, net	3,359	3,658	3,677	3,531	3,437	3,437	3,898	4,042	4,064	4,064
Registered number of employees	5,025	5,061	5,116	5,165	5,279	5,279	5,330	5,409	5,618	5,618
Automotive Division										
Net sales	17,050	4,615	4,658	4,103	4,493	17,869	5,004	5,130	4,676	14,810
Sales incl. intra-Group sales	20,882	5,605	5,695	5,040	5,467	21,807	6,067	6,176	5,669	17,912
Operating profit	499	242	324	218	162	946	354	431	319	1,104
Operating margin*	2.4%	4.3%	5.7%	4.3%	3.0%	4.3%	5.8%	7.0%	5.6%	6.2%
Assets and liabilities, net	8,772	9,360	9,422	9,574	9,786	9,786	10,504	10,039	9,689	9,689
Registered number of employees	16,053	16,029	16,238	16,106	16,832	16,832	16,880	16,836	17,042	17,042

Previously published amounts have been restated to conform to the current Group structure in 2007. The structural changes include business units being moved between the divisions and from other operations to divisions.

* Operating margin is calculated on sales including intra-Group sales.

Enclosure 6

PARENT COMPANY INCOME STATEMENTS (SEKm)

	Note	July-Sep 2007	July-Sep 2006	Jan-Sep 2007	Jan-Sep 2006
Net sales		357	354	1,116	990
Cost of services provided		-357	-354	-1,116	-990
Gross profit		0	0	0	0
Administrative expenses		-58	15	-202	-140
Other operating income/expenses – net		2	0	4	10
Operating loss		-56	15	-198	-130
Financial income and expenses - net	1	257	1,705	1,756	2,183
Profit before taxes		201	1,720	1,558	2,053
Taxes		24	7	51	70
Net profit		225	1,727	1,609	2,123

PARENT COMPANY BALANCE SHEETS (SEKm)

	Note	September 2007	December 2006
Investments in subsidiaries		9,936	9,469
Receivables from subsidiaries		7,306	7,335
Other non-current assets		968	677
Non-current assets		18,210	17,481
Receivables from subsidiaries		924	5,174
Other receivables		343	219
Current assets		1,267	5,393
TOTAL ASSETS		19,477	22,874
Shareholders' equity	2	8,071	12,653
Untaxed reserves		875	875
Provisions		105	122
Non-current liabilities		7,141	7,832
Current liabilities		3,285	1,392
TOTAL SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES		19,477	22,874

Note 1. Financial income and expenses - net

The net increase in financial income and expenses is primarily attributable to dividends from investments in subsidiaries.

Note 2. Shareholders' equity (SEKm)

	September 2007	September 2006
Opening balance 1 January	12,653	5,293
Dividends	-2,049	-1,821
Redemption of shares	-4,554	-
Net profit	1,609	2,123
Other changes	412	1
Closing balance	8,071	5,596