

## SKF First-quarter report 2011

Tom Johnstone, President and CEO:

*"The SKF Group has had a strong start to the year with records in sales, operating profit and operating margin and a good cash flow. We saw a very positive sales development in all regions and divisions with a similar demand pattern as at the end of last year. The steps which we have taken to reduce our cost base and to offset the higher raw material costs are clearly seen in the operating result of the Group. The integration of Lincoln Industrial into the SKF Group and the development of our total lubrication systems business is going according to plan.*

*During the quarter we saw no real impact in terms of demand or supply from the terrible tragedy in Japan. However we do expect to see some negative effect in the second quarter primarily in our sales to the car industry although this is very difficult to quantify. We do not see any material impact at this stage on demand in other segments of our business so we expect demand in total to be slightly higher sequentially for the Group. We will continue to work on our initiatives to strengthen the Group going forward and to invest in our business to support our long-term financial targets."*

	<b>Q1 2011</b>	<b>Q1 2010</b>
Net sales, SEKm	<b>16,702</b>	14,446
Operating profit, SEKm	<b>2,504</b>	1,702
Operating margin, %	<b>15.0</b>	11.8
Operating margin excl. one-off items, %	<b>15.0</b>	12.4
Profit before taxes, SEKm	<b>2,318</b>	1,504
Net profit, SEKm	<b>1,620</b>	1,070
Basic earnings per share, SEK	<b>3.44</b>	2.27

The increase of 15.6% in net sales for the quarter, in SEK, was attributable to: volume 20.1%, structure 5.0%, price/mix 1.3% and currency effects -10.8%.

### **Outlook for the second quarter of 2011**

#### Demand compared to the second quarter last year

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

#### Demand compared to the first quarter 2011

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

#### Manufacturing level

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

### Sales in the first quarter compared to the same period last year

Sales in local currencies were significantly higher for the Group and for all main regions and divisions.

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

### Financial

	31 March 2011	31 December 2010	31 March 2010
<b>Key figures</b>			
Inventories, % of annual sales	<b>20.1</b>	21.1	21.0
ROCE for the 12-month period, %	<b>25.6</b>	24.0	11.9
ROE for the 12-month period, %	<b>30.7</b>	28.4	13.0
Equity/assets ratio, %	<b>37.0</b>	36.0	36.2
Gearing, %	<b>47.2</b>	48.6	48.3
Net debt/equity, %	<b>74.2</b>	80.5	65.5
Registered number of employees	<b>44,784</b>	44,742	41,055

In line with SKF's ambition to invest for growth, around 600 new employees were added in the quarter. The reported number of registered employees is affected mainly by the divestment of Officine Meccaniche Villar Perosa SpA (OMVP).

Cash flow, after investments and before financing, was SEK 372 million (32) for the first quarter 2011. The financial net in the first quarter was SEK -186 million (-198).

Exchange rates, the effects of translation and transaction flows, had a negative effect of around SEK 200 million on SKF's operating profit in the first quarter, compared to the corresponding period last year. It is estimated that there will be a negative effect of SEK 400 million on operating profit in the second quarter and for the full year a negative effect of SEK 1.2 billion based on current assumptions and exchange rates and compared to the corresponding period last year.

### Highlights

- SKF was awarded a contract worth around SEK 500 million with Goldwind, one of the leading turbine manufacturers in China. Goldwind selected the SKF Nautilus bearing as the main shaft arrangement for their new 2.5 MW direct drive turbine. Deliveries will be made during 2011 and the first quarter of 2012.
- SKF signed a three-year strategic partnership agreement worth SEK 335 million with Sandvik Mining and Construction.
- SKF and Konkola Copper Mines Plc in Zambia signed a three-year contract worth USD 2 million covering a Predictive Maintenance solution.
- SKF signed a strategic partnership agreement with CITIC Pacific Special Steel Co., Ltd, which includes cooperation in purchasing, new product and technology development and human resources development.
- SKF announced a new factory in Jinan, in the Shandong Province, China. This new investment of around SEK 590 million will support the rapid growth of SKF's business in China and Asia. The factory will initially employ about 500 people and primarily manufacture tapered roller bearings for the truck industry.
- SKF signed an agreement to remain as the main partner to the Gothia Cup, the world's largest youth football tournament, for an additional three years. SKF will also continue to run the "Meet the World" qualifying tournaments held in around 20 countries globally.

- SKF completed two agreements in line with its strategy to divest non-core component manufacturing:
  - On 1 February 2011, the forging business OMVP, in Villar Perosa, Italy to the German based company Neumayer Tekfor Holding GmbH. OMVP has about 550 employees and net sales of around EUR 100 million, mainly to SKF.
  - At the beginning of the second quarter the cage factory in Gothenburg to the Japanese component manufacturer Nakanishi Metal Works CO., Ltd. The factory has 130 employees and will continue to supply SKF.

**Divisions**

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

**Industrial Division**

The operating profit for the first quarter amounted to SEK 1,177 million (727), resulting in an operating margin of 13.6% (10.2) on sales including intra-Group sales. Sales including intra-Group sales for the quarter were SEK 8,629 million (7,120).

Net sales for the first quarter amounted to SEK 5,956 million (4,753). The increase of 25.3% for the quarter was attributable to:  
organic growth 20.8%, structure 16.1% and currency effects -11.6%.

Sales in local currency for the first quarter were significantly higher in all regions and in all main segments.

**Service Division**

The operating profit for the first quarter amounted to SEK 861 million (632), resulting in an operating margin of 14.9% (12.3). Sales including intra-Group sales for the quarter were SEK 5,782 million (5,123).

Net sales for the first quarter amounted to SEK 5,682 million (5,035). The increase of 12.9% for the quarter was attributable to:  
organic growth 22.5% and currency effects -9.6%.

Sales in local currency for the first quarter were significantly higher in Europe, North America, Asia and Latin America. In Middle East and Africa they were slightly higher.

**Automotive Division**

The operating profit for the first quarter amounted to SEK 507 million (373), resulting in an operating margin of 9.0% (7.1). Sales including intra-Group sales for the quarter were SEK 5,636 million (5,229).

Net sales for the first quarter amounted to SEK 4,702 million (4,362). The increase of 7.8% for the quarter was attributable to:  
organic growth 19.8%, structure -1.0% and currency effects -11.0%.

Sales in local currencies to all geographical regions as well as to all segments were significantly higher.

**Previous outlook statement:**

**Outlook for the first quarter of 2011**

Development compared to the first quarter last year

The demand for SKF products and services is expected to be significantly higher for the Group, the divisions and for the different geographical regions.

Development compared to the fourth quarter 2010 and adjusted for normal seasonality

The demand is expected to be slightly higher for the Group and for the different geographical regions. The Industrial Division and the Service Division are expected to be slightly higher and the Automotive Division higher.

Manufacturing level

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

**Risks and uncertainties in the business**

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

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

**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](http://www.skf.com)) under the Administration Report; "Important factors influencing the financial results", "Financial risks" and "Sensitivity analysis", and in this full-year report under "Risks and uncertainties in the business."*

Gothenburg, 19 April 2011

Aktiebolaget SKF

(publ.)

Tom Johnstone

President and CEO

AB SKF is required to disclose the information provided herein pursuant to the Securities Markets Act and/or the Financial Instruments Trading Act. The information was submitted for publication at 08.00 on 19 April 2011.

**Conference call**, ref.no. 892746 - On 19 April at 10.00 (CEST), 09.00 (UK):

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

You will find all information regarding SKF First-quarter results 2011 on the IR website.

<http://investors.skf.com/quarterlyreporting>

Enclosures:

Financial statements

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

Other financial statements

5. Consolidated financial information - yearly and quarterly comparisons
6. Segment information - yearly and quarterly comparisons
7. Parent company income statements, statements of comprehensive income, balance sheets and footnote

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

The consolidated quarterly report has been prepared in accordance with IAS 34. The report for the parent company has been prepared in accordance with the Annual Accounts Act and RFR 2. The report has not been reviewed by the company's auditors.

The Annual General Meeting will be held on Thursday, 28 April 2011 in Gothenburg, Sweden.

The SKF Half-year report 2011 will be published on Friday, 15 July 2011.

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Enclosure 1

**CONSOLIDATED INCOME STATEMENTS (SEKm)**

	Jan-Mar 2011	Jan-Mar 2010
Net sales	<b>16,702</b>	14,446
Cost of goods sold	<b>-12,007</b>	-10,701
<b>Gross profit</b>	<b>4,695</b>	3,745
Selling and administrative expenses	<b>-2,151</b>	-2,032
Other operating income/expenses - net	<b>-40</b>	-7
Profit/loss from jointly controlled and associated companies	<b>0</b>	-4
<b>Operating profit</b>	<b>2,504</b>	1,702
Operating margin, %	<b>15.0</b>	11.8
Financial income and expense - net	<b>-186</b>	-198
<b>Profit before taxes</b>	<b>2,318</b>	1,504
Taxes	<b>-698</b>	-434
<b>Net profit</b>	<b>1,620</b>	1,070
<b>Net profit attributable to</b>		
Shareholders of the parent	<b>1,568</b>	1,033
Non-controlling interests	<b>52</b>	37
Basic earnings per share, SEK*	<b>3.44</b>	2.27
Diluted earnings per share, SEK*	<b>3.44</b>	2.27
Additions to property, plant and equipment	<b>397</b>	389
Number of employees registered	<b>44,784</b>	41,055
Return on capital employed for the 12-month period ended 31 March, %	<b>25.6</b>	11.9

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

<b>NUMBER OF SHARES</b>	March 2011	March 2010
Total number of shares	<b>455,351,068</b>	455,351,068
- whereof A shares	<b>44,630,604</b>	45,166,004
- whereof B shares	<b>410,720,464</b>	410,185,064
Total number of diluted shares outstanding	<b>455,351,068</b>	455,351,068
Total weighted average number of diluted shares	<b>455,351,068</b>	455,351,068

Enclosure 2

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (SEKm)**

	<b>Jan-Mar 2011</b>	Jan-Mar 2010
<b>Net profit</b>	<b>1,620</b>	1,070
<b>Other comprehensive income</b>		
Exchange differences arising on translation of foreign operations	<b>-939</b>	-531
Available-for-sale assets	<b>-20</b>	-3
Cash flow hedges	<b>-15</b>	-97
Actuarial gains and losses	<b>92</b>	-301
Income tax relating to components of other comprehensive income	<b>-57</b>	44
<b>Other comprehensive income, net of tax</b>	<b>-939</b>	-888
<b>Total comprehensive income</b>	<b>681</b>	182
<b>Total comprehensive income attributable to</b>		
Shareholders of AB SKF	<b>695</b>	119
Non-controlling interests	<b>-14</b>	63

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

	<b>March 2011</b>	March 2010
Opening balance 1 January	<b>19,894</b>	18,280
Total comprehensive income	<b>681</b>	182
Cost for performance share programme	<b>7</b>	1
Total cash dividends	<b>-6</b>	-1
<b>Closing balance</b>	<b>20,576</b>	18,462

Enclosure 3

**CONSOLIDATED BALANCE SHEETS (SEKm)**

	<b>March 2011</b>	<b>December 2010</b>
Goodwill	<b>5,913</b>	6,309
Other intangible assets	<b>3,839</b>	4,164
Property, plant and equipment	<b>12,432</b>	12,922
Deferred tax assets	<b>1,543</b>	1,695
Other non-current assets	<b>1,293</b>	1,411
<b>Non-current assets</b>	<b>25,020</b>	26,501
Inventories	<b>12,729</b>	12,879
Trade receivables	<b>11,211</b>	9,859
Other current assets	<b>2,771</b>	2,839
Other current financial assets	<b>3,922</b>	3,146
<b>Current assets</b>	<b>30,633</b>	28,723
<b>TOTAL ASSETS</b>	<b>55,653</b>	55,224
<b>Equity attributable to shareholders of AB SKF</b>	<b>19,636</b>	18,935
<b>Equity attributable to non-controlling interests</b>	<b>940</b>	959
Long-term financial liabilities	<b>10,676</b>	10,850
Provisions for post-employment benefits	<b>6,886</b>	7,093
Provisions for deferred taxes	<b>1,938</b>	2,132
Other long-term liabilities and provisions	<b>1,746</b>	1,622
<b>Non-current liabilities</b>	<b>21,246</b>	21,697
Trade payables	<b>5,047</b>	4,476
Short-term financial liabilities	<b>1,231</b>	1,325
Other short-term liabilities and provisions	<b>7,553</b>	7,832
<b>Current liabilities</b>	<b>13,831</b>	13,633
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>55,653</b>	55,224



Enclosure 4

**CONSOLIDATED STATEMENTS OF CASH FLOW (SEKm)**

	Jan-Mar 2011	Jan-Mar 2010
<b>Operating activities:</b>		
Operating profit	2,504	1,702
Depreciation and amortization	445	464
Net loss/gain (-) on sales of intangible assets, PPE and businesses	-32	12
Taxes	-610	-516
Other including financial and non-cash items	43	-668
Changes in working capital	-1,563	-617
<b>Net cash flow from operations</b>	<b>787</b>	<b>377</b>
<b>Investing activities:</b>		
Payments for intangible assets and PPE	-405	-400
Sales of PPE and businesses	-10	55
<b>Net cash flow used in investing activities</b>	<b>-415</b>	<b>-345</b>
<b>Net cash flow after investments before financing</b>	<b>372</b>	<b>32</b>
<b>Financing activities:</b>		
Change in short- and long-term loans	-22	-5
Payment for finance lease liabilities	-3	-6
Cash dividends	-6	-1
Investments in short-term financial assets	-54	-42
Sales of short-term financial assets	98	134
<b>Net cash flow used in financing activities</b>	<b>13</b>	<b>80</b>
<b>NET CASH FLOW</b>	<b>385</b>	<b>112</b>
<b>Change in cash and cash equivalents:</b>		
Cash and cash equivalents at 1 January	2,395	4,430
Cash effect excl. sold businesses	458	112
Cash effect of sold businesses	-73	0
Exchange rate effect	-90	8
<b>Cash and cash equivalents at 31 March</b>	<b>2,690</b>	<b>4,550</b>

Change in net interest-bearing liabilities	Opening balance 1 January 2011	Translation effect	Cash change	Businesses sold	Other non cash changes	Closing balance 31 March 2011
Loans, long- and short-term	11,796	-159	-22	0	-38	11,577
Post-employment benefits, net	7,047	-223	-120	0	141	6,845
Financial assets, others	-1,013	50	44	0	-74	-993
Cash and cash equivalents	-2,395	90	-458	73	0	-2,690
<b>Net interest-bearing liabilities</b>	<b>15,435</b>	<b>-242</b>	<b>-556</b>	<b>73</b>	<b>29</b>	<b>14,739</b>

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

	1/10	2/10	3/10	4/10	Full year 2010	1/11
Net sales	14,446	15,709	15,465	15,409	61,029	16,702
Cost of goods sold	-10,701	-11,336	-11,040	-11,139	-44,216	-12,007
<b>Gross profit</b>	<b>3,745</b>	<b>4,373</b>	<b>4,425</b>	<b>4,270</b>	<b>16,813</b>	<b>4,695</b>
Gross margin, %	25.9	27.8	28.6	27.7	27.5	28.1
Selling and administrative expenses	-2,032	-2,128	-2,042	-2,020	-8,222	-2,151
Other operating income/ expenses - net	-7	-7	-76	-49	-139	-40
Profit/loss from jointly controlled and associated companies	-4	1	2	1	0	0
<b>Operating profit</b>	<b>1,702</b>	<b>2,239</b>	<b>2,309</b>	<b>2,202</b>	<b>8,452</b>	<b>2,504</b>
Operating margin, %	11.8	14.3	14.9	14.3	13.8	15.0
Financial income and expense - net	-198	-192	-359	-154	-903	-186
<b>Profit before taxes</b>	<b>1,504</b>	<b>2,047</b>	<b>1,950</b>	<b>2,048</b>	<b>7,549</b>	<b>2,318</b>
Profit margin before taxes, %	10.4	13.0	12.6	13.3	12.4	13.9
Taxes	-434	-596	-525	-698	-2,253	-698
<b>Net profit</b>	<b>1,070</b>	<b>1,451</b>	<b>1,425</b>	<b>1,350</b>	<b>5,296</b>	<b>1,620</b>
<b>Net profit attributable to</b>						
Shareholders of the parent	1,033	1,405	1,389	1,311	5,138	1,568
Non-controlling interests	37	46	36	39	158	52
Basic earnings per share, SEK*	2.27	3.09	3.05	2.87	11.28	3.44
Diluted earnings per share, SEK*	2.27	3.09	3.05	2.87	11.28	3.44
Dividend per share, SEK	-	3.50	-	-	3.50	-
Return on capital employed for the 12-month period, %	11.9	16.8	20.7	24.0	24.0	25.6
Gearing, %**	48.3	47.4	47.6	48.6	48.6	47.2
Equity/assets ratio, %	36.2	36.0	36.0	36.0	36.0	37.0
Net worth per share, SEK*	38	38	37	42	42	43
Additions to property, plant and equipment	389	433	369	460	1,651	397
Registered number of employees	41,055	41,644	42,475	44,742	44,742	44,784

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

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

Enclosure 6

**SEGMENT INFORMATION - YEARLY AND QUARTERLY COMPARISONS\*\***

(SEKm unless otherwise stated)

	1/10	2/10	3/10	4/10	Full year 2010	1/11
<b>Industrial Division</b>						
Net sales	4,753	4,938	5,037	4,964	19,692	5,956
Sales incl. intra-Group sales	7,120	7,529	7,559	7,457	29,665	8,629
Operating profit	727	1,013	889	911	3,540	1,177
Operating margin*	10.2%	13.5%	11.8%	12.2%	11.9%	13.6%
Operating margin excl. restructuring*	11.4%	13.5%	11.8%	12.2%	12.2%	13.6%
Assets and liabilities, net	15,424	15,938	14,822	23,392	23,392	22,492
Registered number of employees	17,696	17,710	17,878	19,925	19,925	20,155
<b>Service Division</b>						
Net sales	5,035	5,569	5,553	5,603	21,760	5,682
Sales incl. intra-Group sales	5,123	5,659	5,655	5,703	22,140	5,782
Operating profit	632	737	792	834	2,995	861
Operating margin*	12.3%	13.0%	14.0%	14.6%	13.5%	14.9%
Operating margin excl. restructuring*	12.3%	13.0%	14.0%	14.6%	13.5%	14.9%
Assets and liabilities, net	5,332	5,650	5,048	5,121	5,121	5,360
Registered number of employees	5,736	5,715	5,777	5,834	5,834	5,924
<b>Automotive Division</b>						
Net sales	4,362	4,850	4,528	4,491	18,231	4,702
Sales incl. intra-Group sales	5,229	5,831	5,499	5,436	21,995	5,636
Operating profit	373	470	567	445	1,855	507
Operating margin*	7.1%	8.1%	10.3%	8.2%	8.4%	9.0%
Operating margin excl. restructuring*	7.1%	8.1%	10.3%	8.2%	8.4%	9.0%
Assets and liabilities, net	8,443	8,507	7,980	8,036	8,036	7,973
Registered number of employees	13,569	14,002	14,399	14,474	14,474	13,987

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

**Reconciliation to profit before tax for the Group\*\***

	Jan-Mar 2011	Jan-Mar 2010
Operating profit:		
Industrial Division	1,177	727
Service Division	861	632
Automotive Division	507	373
Other operations outside the divisions	93	69
Unallocated Group activities and adjustments, net	-134	-99
Financial net	-186	-198
<b>Profit before tax for the Group</b>	<b>2,318</b>	<b>1,504</b>

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

Enclosure 7

**PARENT COMPANY INCOME STATEMENTS (SEKm)**

	Jan-Mar 2011	Jan-Mar 2010
Net sales	470	369
Cost of services provided	-470	-369
<b>Gross profit</b>	<b>0</b>	<b>0</b>
Administrative expenses	-27	-71
Other operating income/expenses – net	-2	4
<b>Operating loss</b>	<b>-29</b>	<b>-67</b>
Financial income and expenses - net	-64	-47
<b>Loss before taxes</b>	<b>-93</b>	<b>-114</b>
Taxes	31	29
<b>Net loss</b>	<b>-62</b>	<b>-85</b>

**PARENT COMPANY STATEMENTS of COMPREHENSIVE INCOME (SEKm)**

	Jan-Mar 2011	Jan-Mar 2010
<b>Net loss</b>	<b>-62</b>	<b>-85</b>
<b>Other comprehensive income</b>		
Available-for-sale assets	-20	-3
<b>Other comprehensive income, net of tax</b>	<b>-20</b>	<b>-3</b>
<b>Total comprehensive income</b>	<b>-82</b>	<b>-88</b>

**PARENT COMPANY BALANCE SHEETS (SEKm)**

	Note	March 2011	December 2010
Investments in subsidiaries		22,259	22,257
Receivables from subsidiaries		10,503	10,591
Other non-current assets		668	689
<b>Non-current assets</b>		<b>33,430</b>	<b>33,537</b>
Receivables from subsidiaries		1,684	2,616
Other receivables		190	136
<b>Current assets</b>		<b>1,874</b>	<b>2,752</b>
<b>TOTAL ASSETS</b>		<b>35,304</b>	<b>36,289</b>
<b>Shareholders' equity</b>	1	<b>11,393</b>	<b>11,490</b>
<b>Untaxed reserves</b>		<b>1,417</b>	<b>1,417</b>
<b>Provisions</b>		<b>167</b>	<b>165</b>
<b>Non-current liabilities</b>		<b>10,490</b>	<b>10,581</b>
<b>Current liabilities</b>		<b>11,837</b>	<b>12,636</b>
<b>TOTAL SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES</b>		<b>35,304</b>	<b>36,289</b>
<b>Assets pledged</b>		<b>0</b>	<b>0</b>
<b>Contingent liabilities</b>		<b>5</b>	<b>5</b>

**Note 1. Shareholders' equity (SEKm)**

	March 2011	March 2010
Opening balance 1 January	11,490	10,207
Total comprehensive income	-82	-88
Exercise of shares and cost for performance share programme, net	-15	1
<b>Closing balance</b>	<b>11,393</b>	<b>10,120</b>