

CARDO AB**Invoiced sales**

	3 months July-Sept 2003	3 months July-Sept 2002	9 months Jan-Sept 2003	9 months Jan-Sept 2002	12 months Oct 2002- Sept 2003	Whole year 2002
SEK million						
Door	1.112	1.259	3.435	3.791	4.988	5.344
Pump	713	680	2.093	2.191	2.959	3.057
Current operations	1.825	1.939	5.528	5.982	7.947	8.401
Rail	-	633	-	1.975	-	1.975 ¹⁾
Group, total	1.825	2.572	5.528	7.957	7.947	10.376

¹⁾ Relates to the period January-September.

Earnings

	3 months July-Sept 2003	3 months July-Sept 2002	9 months Jan-Sept 2003	9 months Jan-Sept 2002	12 months Oct 2002- Sept 2003	Whole year 2002
SEK million						
Door	61	72	146	177	328	359
Pump	61	43	161	126	249	214
Other items ¹⁾	-15	-13	-45	-44	-62	-61
Non-recurring items ²⁾	-	-	-	-	-40	-40
Operating earnings	107	102	262	259	475	472
Financial items	-7	-6	-14	-26	-11	-23
Earnings after financial items, current operations	100	96	248	233	464	449
Capital gain on disposal of Rail	-	323	-	323	-	323
Earnings after financial items, Rail	-	30	-	84	-	84 ³⁾
Earnings after financial items, Group	100	449	248	640	464	856

¹⁾ Made up of the parent company, other central units and Group adjustments.

²⁾ Restructuring provision at Door.

³⁾ Relates to the period January-September.

Operating margin

	3 months July-Sept 2003	3 months July-Sept 2002	9 months Jan-Sept 2003	9 months Jan-Sept 2002	12 months Oct 2002- Sept 2003	Whole year 2002
SEK million						
Door	5,5	5,7	4,2	4,7	6,6	6,7
Pump	8,6	6,3	7,7	5,8	8,4	7,0
Current operations excl. non-recurring items	5,9	5,3	4,7	4,3	6,5	6,1
Current operations incl. non-recurring items	5,9	5,3	4,7	4,3	6,0	5,6

CARDO AB**Consolidated income statement in brief**

SEK million	3 months July-Sept 2003	3 months July-Sept 2002	9 months Jan-Sept 2003	9 months Jan-Sept 2002
Invoiced sales	1.825	2.572	5.528	7.957
Cost of goods sold	-1.172	-1.741	-3.570	-5.447
Gross earnings	653	831	1.958	2.510
Selling and administrative expenses	-524	-649	-1.627	-2.030
Other operating income and expenses - net	-22	293 ¹⁾	-69	237 ¹⁾
Operating earnings ²⁾	107	475	262	717
Financial items	-7	-26	-14	-77
Earnings after financial items	100	449	248	640
Tax	-31	-45	-75	-110
Minority share	-	-1	-	-4
Net earnings	69	403	173	526
Earnings per share, SEK	2,33	13,43	5,78	17,54
Earnings per share excluding non-recurring items, SEK	2,33	2,65	5,78	6,76
Number of shares, thousand	30.000	30.000	30.000	30.000

¹⁾ Including capital gain of SEK 323 million on disposal of Rail.

²⁾ Operating earnings have been charged with depreciation and amortization amounting to

73	103	216	310
whereof goodwill	22	33	68
		98	

Consolidated balance sheet in brief

SEK million	30-09-2003	31-12-2002
Assets		
Intangible fixed assets	958	1.044
Tangible fixed assets	1.063	1.068
Financial fixed assets	142	153
Inventories	867	815
Current receivables	1.875	2.109
Short-term investments, cash and bank balances	170	922
Total assets	5.075	6.111
Equity and liabilities		
Equity	2.726	3.875
Interest bearing provisions and liabilities	583	335
Non-interest bearing provisions and liabilities	1.766	1.901
Total equity and liabilities	5.075	6.111
Contingent liabilities	33	26

Equity

	30-09-2003	30-09-2002
Opening balance as per approved balance sheet for previous year	3.875	3.595
Dividend to shareholders	-1.200	-240
Translation differences	-122	-138
Net earnings for the period	173	526
Closing balance	2.726	3.743

CARDO AB**Consolidated cash flow statement in brief**

SEK million	9 months Jan-Sept 2003	9 months Jan-Sept 2002
Earnings after financial items	248	640
Capital gain on disposal of Rail	-	-323
Depreciation and amortization	216	310
<i>Funds generated by operations</i>	464	627
<i>Change in working capital</i>	102	300
Cash flow from operations before tax	566	927
<i>Tax paid</i>	-105	-220
Cash flow from operations after tax ¹⁾	461	707
Investments in intangible and tangible fixed assets	-205	-227
Disposal of intangible and tangible fixed assets	12	40
Acquisitions of companies	-16	816
Change in long-term receivables	-5	2
<i>Cash flow from investments</i>	-214	631
Change in interest bearing receivables	2	10
Change in interest bearing provisions and liabilities	206	-89
Dividend to shareholders	-1.200	-240
<i>Cash flow from financing</i>	-992	-319
Net cash flow effect on liquid funds	-745	1.019
¹⁾ Cash flow adjusted for effects of exchange rate movements on change in working capital	391	616

Change in net interest bearing debt

SEK million	Liquid funds	Interest bearing receivables, provisions and liabilities, net	Net interest bearing debt
Opening balance	922	-329	593
Cash flow for the period	-745	-208	-953
Interest bearing provisions and liabilities in companies acquired	-	-5	-5
Translation differences	-7	-38	-45
Closing balance	170	-580	-410

CARDO AB

Income statement broken down by current operations and operation disposed of

SEK million	Current operations		Capital gain	Rail		Group, total	
	Jan-Sept		Jan-Sept	Jan-Sept		Jan-Sept	
	2003	2002	2002	2003	2002	2003	2002
Invoiced sales	5.528	5.982	-	-	1.975	5.528	7.957
Operating expenses	-5.266	-5.723	323	-	-1.840	-5.266	-7.240
Operating earnings ¹⁾	262	259	323	-	135 ²⁾	262	717
Financial items	-14	-26	-	-	-51	-14	-77
Earnings after financial items	248	233	323	-	84	248	640
Tax	-75	-70	-	-	-40	-75	-110
Minority share	-	-	-	-	-4	-	-4
Net earnings	173	163	323	-	40	173	526
Earnings per share, SEK	5,78	5,42	10,78	-	1,34	5,78	17,54
Earnings per share excluding non-recurring items, SEK	5,78	5,42	-	-	1,34	5,78	6,76
¹⁾ Operating earnings have been charged with depreciation and amortization amounting to	216	227	-	-	83	216	310
whereof goodwill	68	74	-	-	24	68	98
²⁾ Including central amortization of goodwill relating to Rail	-	-	-	-	11	-	-

Cash flow broken down by current operations and operation disposed of

SEK million	Current operations		Payment on	Rail		Group, total	
	Jan-Sept		disposal	Jan-Sept		Jan-sept	
	2003	2002	2002	2003	2002	2003	2002
Cash flow from operations after tax ¹⁾	461	460	-	-	247	461	707
Cash flow from investments	-214	-489	1.160	-	-40	-214	631
Cash flow from financing	-992 ²⁾	-154	-	-	-165	-992	-319
Net cash flow effect on liquid funds	-745	-183	1.160	-	42	-745	1.019
¹⁾ Cash flow adjusted for effects of exchange rate movements on change in working capital	391	396	-	-	220	391	616
²⁾ Including extra dividend of SEK 960 million.							

CARDO AB**Group financial summary**

	Whole year				January-September	
<i>Amounts in SEK million unless otherwise stated</i>	1999	2000	2001	2002	2002	2003
Invoiced sales	9.489	9.786	10.777	10.376	7.957	5.528
Operating earnings	783	899	758	930	717	262
Earnings after financial items	695	789	660	856	640	248
Operating margin, %	8,2	9,2	7,0	9,0	9,0	4,7
Profit margin, %	7,3	8,1	6,1	8,3	8,0	4,5
Interest cover, times	7,7	7,1	6,8	9,7	8,3	10,8
Investments, gross	266	300	305	309	227	205
Cash flow from operations after tax	900	776	509	933	707	461
Degree of self-financing, %	338	259	167	302	311	225
Fixed assets	2.576	2.937	3.061	2.265	2.263	2.163
Current assets	4.122	4.319	5.034	3.846	4.193	2.912
Total assets	6.698	7.256	8.095	6.111	6.456	5.075
Equity	2.635	3.172	3.595	3.875	3.743	2.726
Minority interest	8	9	10	-	-	-
Interest bearing provisions and liabilities	1.657	1.506	1.526	335	731	583
Non-interest bearing provisions and liabilities	2.398	2.569	2.964	1.901	1.982	1.766
Average capital employed	4.376	4.550	4.958	4.821	4.997	3.912
Net interest bearing debt	1.332	1.265	1.242	-593	-456	410
Turnover of capital employed, times	2,17	2,15	2,17	2,15	2,19 ¹⁾	2,03 ¹⁾
Return on capital employed, %	18,3	20,2	15,6	19,8	22,3 ¹⁾	12,8 ¹⁾
Return on equity, %	21,6	18,2	13,3	18,7	22,1 ¹⁾	9,5 ¹⁾
Equity ratio, %	39,5	43,8	44,5	63,4	58,0	53,7
Debt/equity ratio, times	0,6	0,5	0,4	0,1	0,2	0,2
Net debt/equity ratio, times	0,5	0,4	0,3	-0,2	-0,1	0,2
Average number of employees	7.743	8.135	8.179	7.851	6.306 ²⁾	5.941 ²⁾
Per share data						
Earnings (after full tax), SEK	17,36	17,23	14,81	22,50	17,54	5,78
Earnings excluding non-recurring items (after full tax), SEK	14,19	15,57	15,81	12,65	6,76	5,78
Dividend for the financial year, SEK	6,00	7,00	8,00	40,00	-	-
Equity, SEK	87,83	105,74	119,84	129,17	124,78	90,86
Cash flow from operations after tax, SEK	30,00	25,87	16,97	31,10	23,57	15,37
Cash flow from operations after tax adjusted for effects of exchange rate movements on change in working capital, SEK	27,43	28,20	21,60	27,97	20,53	13,03
Number of shares, thousands	30.000	30.000	30.000	30.000	30.000	30.000

¹⁾ Based on 12-month moving totals.²⁾ Number of employees at the end of the period.