



Preliminary report on 2003 operations

- Invoiced sales amounted to SEK 1,042 M (1,024), up 2%. Adjusted for comparable currency rates, invoicing rose 8%.
 - Profit after financial items amounted to SEK 65 M (52). Net profit was SEK 46 M (33).
 - Earnings per share after full tax amounted to SEK 6.72 (4.80).
 - Continued strong financial position. The equity/assets ratio amounted to 48.0% (45.2) and the liquidity reserve to SEK 357 M (300).
 - Proposed dividend SEK 3.00 per share (2.80).
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Fourth quarter of 2003

Invoiced sales in the fourth quarter were good and amounted to SEK 307 M (263), an increase of 17% compared with the year-earlier period. Invoiced sales were adversely affected in an estimated amount of SEK 18 M as a result of changes in exchange rates. Adjusted for comparable exchange rates, the increase was 24%. Order bookings amounted to SEK 286 M (258), an increase of 11%.

The increase in invoiced sales during the fourth quarter is reflected in all geographic markets and market segments.

Profit after financial items for the fourth quarter amounted to SEK 27 M (15). The net margin was 8.8% and is an effect of better utilization of capacity in the organization.

Cash flow after investments amounted to SEK 45 M (53).

Full-year 2003

Invoiced sales in 2003 amounted to SEK 1,042 M (1,024), up 2%. Invoicing was adversely affected in an amount of SEK 60 M by changes in exchange rates. Adjusted for comparable exchange rates, invoiced sales showed an increase of 8%. During the reporting period, order bookings amounted to SEK 1,041 M (1,006), an increase of 3%.

Europe

Invoiced sales to customers in Europe during the year amounted to SEK 767 M (759), up 1%. Invoicing was adversely affected in an amount of SEK 9 M by changes in exchange rates.

The RA Produtos de Embalagem Lda packaging company in Portugal was acquired at the end of May. The company is one of Portugal's leading suppliers of packaging solutions to the industrial sector. Annual sales amount to about EUR 3 M.

At the end of September, the operations of Finnish packaging company C-J Krogus were acquired. Krogus supplies inner packaging materials to the Finnish export industry. Sales amount to approximately EUR 1 M annually.

Nefab's operations are expanding steadily in Eastern Europe. Invoicing to customers in Poland, Hungary and the Czech Republic is rising continuously from previously low levels.

Asia

Invoiced sales in the Asian market during the year amounted to SEK 184 M (164), an increase of 12%. Changes in exchange rates had an adverse effect of SEK 35 M on invoiced sales. Calculated in local currencies, the market posted an increase of 33% in invoiced sales.

Invoiced sales to customers in the telecom equipment industry declined by 22% compared with the year-earlier period. Calculated in local currencies, the decline was 6%. Reduced volumes of proprietary manufactured products to the telecom equipment industry were offset by deliveries to other customer

segments. In addition, invoicing of traded products increased as a result, for example, of deliveries intended for Microsoft's X-box.

North and South America

Invoiced sales to customers in North and South America during the year amounted to SEK 89 M (98), down 9%. Invoicing was affected adversely by SEK 16 M due to currency movements. Adjusted for comparable exchange rates, invoicing increased by 7%.

Telecom equipment industry

Invoiced sales to customers in the telecom equipment industry declined by 8% to SEK 382 M (416), corresponding to 37% (41) of consolidated sales. Changes in exchange rates adversely affected invoiced sales in an amount of SEK 30 M. Adjusted for comparable exchange rates, invoicing declined by 1%.

Invoicing for the fourth quarter increased compared with the year-earlier period.

Automotive industry and other market segments

Invoicing to customers in the automotive industry increased by 12% to SEK 126 M (111), corresponding to 12% of consolidated sales (11). The focus on deliveries of complete packaging solutions resulted in new business, with an increasing degree of products being recycled metal and plastic packaging.

Invoiced sales to other market segments increased by 7% to SEK 534 M (497).

Earnings

Profit after financial items for the year amounted to SEK 65 M (52). The effect on earnings as a result of changed currency rates was marginal.

In conjunction with a reevaluation of fixed assets, goodwill was written down by SEK 10 M during the fourth quarter. Similarly, a reappraisal of earlier provisions resulted in an increase in earnings during the fourth quarter of SEK 10 M.

Earnings per share for the year amounted to SEK 6.72 (4.80). Return on capital employed was 12.6% (9.1).

Capacity and investments

Net Group investments for the year amounted to SEK 26 M (-7). Investments during the year include SEK 5 M (0) for company acquisitions.

Financial position

The equity/assets ratio at December 31 was 48.0% (45.2). Shareholders' equity per share amounted to SEK 54.74 (52.38). The Group's liquid assets on the closing date, including unutilized credit facilities, amounted to SEK 357 M (300).

Cash flow after investments during the year amounted to SEK 73 M, compared with SEK 146 M in the preceding year. Cash flow for 2002 included the sale of a property for SEK 27 M.

Group equity, which amounted to SEK 362 M at the beginning of the year, has increased by SEK 46 M in net profit for the year to date and declined by SEK 11 M due to translation differences and SEK 19 M paid in dividends, and amounted to SEK 378 M on the closing date.

Proposed dividend

The Board of Directors proposes a dividend of SEK 3.00 per share (2.80). The total dividend amounts to SEK 20.7 M (19.3).

Annual General Meeting

The Annual General Meeting will be held on Friday, May 14 at 5.00 p.m. in Alfa. Information on the registration procedure for the Meeting will be provided in the Annual Report, which will be distributed to shareholders in early April 2004.

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Profit and loss accounts (SEK M)

	0310-0312 3 months	0210-0212 3 months	0301-0312 12 months	0201-0212 12 months	0101-0112 12 months
Net sales	307	263	1 042	1 024	1 121
Cost of goods sold	<u>-224</u>	<u>-196</u>	<u>-763</u>	<u>-755</u>	<u>-821</u>
Gross profit	83	67	279	269	300
Selling expenses	-34	-31	-127	-123	-126
Administrative expenses	-21	-21	-81	-87	-90
Other operating income	-	-	-	-	-
Operating profit	28	15	71	59	84
Net financial items	<u>-1</u>	-	<u>-6</u>	<u>-7</u>	<u>-17</u>
Profit after net financial items	27	15	65	52	67
Taxes	<u>-6</u>	<u>-4</u>	<u>-19</u>	<u>-19</u>	<u>-22</u>
Net profit for the year	<u>21</u>	<u>11</u>	<u>46</u>	<u>33</u>	<u>45</u>
<i>Depreciation included above</i>	12	12	46	49	49
<i>Profit per share, SEK</i>	3,11	1,59	6,72	4,80	6,49

Balance sheets (SEK M)

	031231	021231	011231
Intangible assets	9	20	26
Tangible assets	259	284	354
Financial assets	8	9	6
Inventories etc.	89	106	130
Other current assets	259	234	248
Cash and bank	165	148	44
Equity	378	362	369
Provisions	44	50	46
Long-term liabilities	96	160	181
Current liabilities	271	229	212
Total capital	789	801	808
<i>Of which interest-bearing liabilities</i>	173	210	229

Cash flow statements (SEK M)

	0310-0312	0210-0212	0301-0312	0201-0212	0101-0112
Operating profit	28	15	71	59	84
Depreciation, financial net and taxes	6	7	21	22	18
Cash flow from the year's operations	34	22	92	81	102
Changes in working capital	16	35	7	58	-8
Net investments in fixed assets	<u>-5</u>	<u>-4</u>	<u>-26</u>	7	<u>-129</u>
Cash flow after investments	45	53	73	146	-35
Dividend	-	-	-19	-19	-19
Financing	<u>-24</u>	<u>-14</u>	<u>-37</u>	<u>-23</u>	<u>75</u>
Changes in liquid funds	21	39	17	104	21

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Key ratios

	0310-0312	0210-0212	0301-0312	0201-0212	0101-0112
Operating margin, %	9,2	5,8	6,8	5,8	7,4
Net margin, %	8,8	5,7	6,3	5,1	6,0
Return on equity, %	23,4	12,3	12,6	9,1	12,8
Return on total capital, %	15,1	8,3	9,5	7,8	11,1
Return on capital employed, %	21,4	11,5	13,4	10,8	15,5
Equity/assets ratio, %			48,0	45,2	45,8
Employees, yearly average			1 146	1 054	1 038
Net investments, SEK M	5	4	26	-7	129

Key ratios per share

Profit per share, SEK	3,11	1,59	6,72	4,80	6,49
Equity per share, SEK			54,74	52,38	53,47
Dividend per share, SEK			3.00 *)	2,80	2,80
Direct yield, %			2,5 *)	3,4	2,5
Number of shares at the end of the period, in thousands	6 907	6 907	6 907	6 907	6 907
Share price on closing day, SEK			122,00	83,00	114,00

For definitions, see Annual Report 2002

*) Proposed dividend for 2003

Financial reports

Interim report, January-March 2004	April 29, 2004
Annual General Meeting	May 14, 2004
Interim report, January-June 2004	August 11, 2004
Interim report, January-September 2004	October 27, 2004

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Stockholm, February 11, 2004

Lars-Åke Rydh
President and CEO

This report has been prepared in accordance with the recommendations of the Swedish Financial Accounting Standards Council.

Beginning with the interim report for January-June 2003, unutilized credit facilities are reported as current liabilities (previously long-term), in accordance with recommendation RR22. All comparison periods have been adjusted to reflect this change.

Facts about Nefab

Nefab delivers complete packaging solutions to international industrial groups, primarily within the telecom equipment and automotive industries. Nefab companies are located in Europe, North and South America and Asia. Invoiced sales in 2003 amounted to slightly above SEK 1 billion. The Nefab share is listed on Stockholmsbörsen..

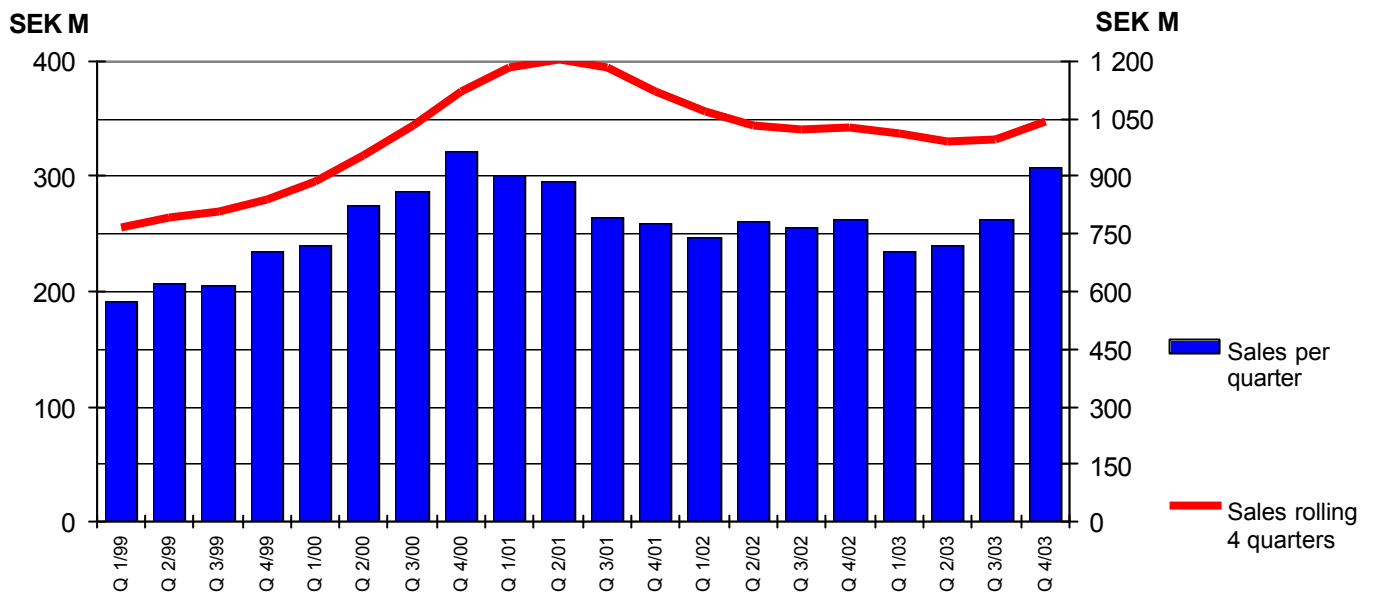
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Quarterly data

	Q1/01	Q2/01	Q3/01	Q4/01	Q1/02	Q2/02	Q3/02	Q4/02	Q1/03	Q2/03	Q3/03	Q4/03
Net sales	301	296	264	260	246	260	255	263	234	239	262	307
Cost of goods sold	-219	-218	-195	-189	-182	-189	-188	-196	-173	-176	-190	-224
Gross profit	82	78	69	71	64	71	66	67	61	63	72	83
Selling expenses	-31	-32	-30	-33	-31	-32	-29	-31	-30	-33	-30	-34
Administrative expenses	-22	-23	-20	-25	-21	-23	-21	-21	-20	-20	-20	-21
Other operation income	=	=	=	=	=	=	=	=	=	=	=	=
Operating profit	29	23	19	13	12	16	16	15	11	10	22	28
Net financial items	-5	-6	-4	-2	-2	-3	-2	-	-2	-1	-2	-1
Profit after net financial items	24	17	15	11	10	13	14	15	9	9	20	27
Taxes	-6	-6	-7	-3	-4	-5	-6	-4	-3	-5	-5	-6
Net profit	18	11	8	8	6	8	8	11	6	4	15	21
Fixed assets	362	377	394	386	346	332	321	313	308	307	295	276
Current assets	460	447	422	422	446	449	478	488	452	465	493	513
Equity	357	355	365	369	368	347	353	362	366	347	357	378
Provisions	31	31	31	46	47	48	48	50	51	54	53	44
Long-term liabilities	164	172	197	180	179	175	175	160	133	134	127	96
Current liabilities	270	266	223	213	198	211	223	229	210	237	251	271
Total capital	822	824	816	808	792	781	799	801	760	772	788	789
Operating margin, %	9,6	7,7	7,1	5,0	4,6	6,4	6,3	5,8	4,8	4,0	8,4	9,2
Net margin, %	8,1	5,8	5,5	4,2	3,9	5,1	5,5	5,7	3,7	3,8	7,7	8,8
Return on equity, %	20,9	12,7	8,2	8,9	6,6	8,8	9,4	12,3	6,2	5,4	16,5	23,4
Return on total capital, %	15,1	11,2	9,3	7,0	6,1	8,8	8,6	8,3	6,3	5,6	11,6	15,1
Return on capital employed, %	21,6	15,6	12,6	9,4	8,3	12,2	12,0	11,5	8,8	7,8	16,4	21,4
Equity/assets ratio, %	43,5	43,2	44,8	45,8	46,5	44,5	44,3	45,2	48,2	45,0	45,4	48,0
Profit per share, SEK	2,60	1,64	1,07	1,18	0,87	1,14	1,19	1,59	0,81	0,70	2,10	3,11
Equity per share, SEK	51,63	51,37	52,80	53,47	53,22	50,30	51,17	52,38	52,96	50,29	51,73	54,74
Share price on closing day, SEK	122,00	120,00	83,00	114,00	130,00	102,00	73,00	83,00	73,50	87,50	91,50	122,00

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Sales development per quarter



Earnings trend per quarter

(SPP- recovery excluded)

