



For immediate release

9 August 2000

Continuing improvement

- Operating income totalled MSEK 104, almost three times as much as for the corresponding period in 1999
- Income after financial items totalled MSEK 101 (MSEK 42)
- Net turnover was MSEK 578, an increase of 21 per cent
- Order levels increased by 11 per cent during the second quarter
- Earnings per share amounted to SEK 4,82 (SEK 1,92)

The improvement in the economic climate has benefited the IRO Group, and demand for the products of both its Weaving and Knitting Divisions has increased. The Weaving Division's order intake increased by 30 per cent during the first six months of the year, while that of the Knitting Division increased by 11 per cent. Operating income continued to be highly satisfactory during the second quarter, and totalled MSEK 51. This, together with operating income for the first quarter of MSEK 53, brings the total for the first six months of the year to MSEK 104, an increase of 187 per cent over the corresponding period in 1999.

The continuing steady increases in operating income, profit margins and order levels reflect the positive trends on practically all the IRO Group's markets. Order intake during the second quarter totalled MSEK 304, representing an increase of 11 per cent. Much was expected of the Asian markets, and it has been in Asia that the strongest growth has been seen, with China leading the way.

"Order intake has been in line with our expectations, and we anticipate that the high levels achieved will be sustained throughout the rest of the year 2000," says Stig-Arne Blom, IRO's President.

Net earnings per share were SEK 4,82, as against SEK 1,92 for the first six months of 1999 and SEK 4,95 for the whole year.

"Thanks to our technological head start, broad geographical base and the strong market positions we enjoy, we are now increasing our already substantial share of a market for textile machinery that is experiencing a worldwide boom," adds Stig-Arne Blom.

Further information is available from:

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IRO is an international group that develops and manufactures yarn feeders for textile machines. Its principal customers are manufacturers of knitting and weaving machines. IRO is the world's leading manufacturer of yarn feeders, with a share of more than 60 per cent of the global market. Production takes place at locations in Sweden, Germany, Italy, China and Taiwan. Markets outside Sweden account for some 97 per cent of sales.

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