

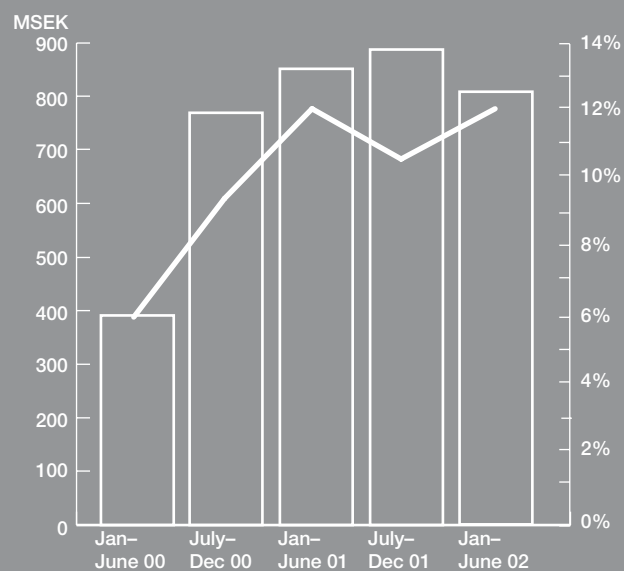


Year 2002

Interim report April 1 - June 30



Gross margin in percent



Adjusted EBITA⁽²⁾ - Margin

	Q202	Q201	1.1-30.6.2002	1.1-30.6.2001	2001
Order intake	3 964 MSEK	4 087 MSEK	7 645 MSEK	8 205 MSEK	15 894 MSEK
Net sales	3 654 MSEK	3 807 MSEK	6 916 MSEK	7 259 MSEK	15 830 MSEK
Adjusted EBITDA ¹⁾	528 MSEK	584 MSEK	978 MSEK	1 053 MSEK	2 138 MSEK
Adjusted EBITA ²⁾	445 MSEK	485 MSEK	807 MSEK	851 MSEK	1 738 MSEK
Adjusted EBITA ²⁾ - margin	12,2%	12,7%	11,7%	11,7%	11,0%
Result after financial items	- 253 MSEK	- 33 MSEK	- 193 MSEK	46 MSEK	42 MSEK
Return on capital employed			17,7%	15,2%	18,5%
No. of employees ³⁾	9 399	9 493	9 399	9 493	9 259

1) Adjusted EBITDA - "Earnings before interests, taxes, depreciation, amortisation of goodwill and step up values and comparison distortion items."

2) Adjusted EBITA - "Earnings before interests, taxes, amortisation of goodwill and step up values and comparison distortion items."

3) Number of employees at the end of the period.

2002

Interim report April 1 - June 30, 2002

Alfa Laval AB (publ)

Organisation number: 556587-8054

“The first half of the year 2002 developed fully in line with our expectations. We estimate that this will also be the case for the second half,” says Sigge Haraldsson, CEO Alfa Laval.

In summary

- The company's shares were listed on the Stockholm Stock Exchange's O-list on May 17. The initial price was set to 91 SEK per share;
- The new issue of shares in connection with the IPO has together with on-going amortisation decreased the financial net debt by MSEK 3 491 since the beginning of the year;
- Adjusted EBITA¹⁾ for the second quarter 2002 was MSEK 445 (485). During the first six months adjusted EBITA amounted to MSEK 807 (851);
- The adjusted EBITA¹⁾-margin for the second quarter was 12,2 percent (12,7). The adjusted EBITA-margin for the first six months 2002 was 11,7 percent (11,7);
- Net sales during the second quarter were MSEK 3 654 (3 807). Excluding divested activities and exchange rate variances, net sales increased during the second quarter 2002 by 1,2 percent. Net sales amounted to MSEK 6 916 (7 259) for the first six months;
- Orders received during the second quarter were MSEK 3 964 (4 087). Excluding divested activities and exchange rate variances, orders received increased during the second quarter by 0,8 percent. Orders received amounted to MSEK 7 645 (8 205) for the first six months;
- Cash flows from operating activities were MSEK 937 (899) for the first six months;
- The return on capital employed including goodwill and step-up values amounted to 17,7 percent (15,2) for the first six months;
- The result after financial items was MSEK -193 (46) for the first six months. Non-recurring costs related to the change in capital structure in connection with the IPO have burdened the result by MSEK 304.

Expectations for the rest of the year

During the autumn 2001 a decreased demand was noted. For 2002, a decrease of orders received of approximately 4 percent was estimated, with a weaker first six months and a certain recovery during the last six months. Despite the further increased uncertainty in the world economy during the last quarter, the estimate remains.

Despite the downturn in orders received, the EBITA-margin is expected to improve for the current year compared to 2001. The improved profitability is achieved through higher gross margins and lower overheads. The operations are thus very well prepared to further increase the profitability when the upturn in the economy comes.

¹⁾Adjusted EBITA - "Earnings before interests, taxes, amortisation of goodwill and step-up values and comparison distortion items".

The interim report has not been subject to review by the company's auditors.



Lund, 22 August, 2002

Sigge Haraldsson
President and CEO
Alfa Laval AB (publ)

MANAGEMENT'S DISCUSSION AND ANALYSIS

Ownership

Alfa Laval AB (publ) is since May 17, 2002 listed on the Stockholm Stock Exchange's O-list and on Attract 40 since July 1. The two largest owners are also after the IPO Industri Kapital and Tetra Laval, where 26,9 (62,2) percent are owned by the partnerships that are controlled by Industri Kapital 2000 Ltd, United Kingdom and 15,9 (36,7) percent are owned by Tetra Laval B.V., the Netherlands. Next to them there are eight institutional investors with ownerships of 5,9 to 1,5 percent. These 10 largest owners own 66,2 percent of the shares.

IPO of the Alfa Laval share

On April 8, the owners of Alfa Laval decided to list the Alfa Laval share in connection with a new issue of shares in the order of MSEK 3 000. The IPO was completed on May 17, 2002. All warrants held by Alfa Laval management have also been used for subscription of new shares at the IPO. The capital injection of totally MSEK 3 134,8 that the new issue of shares resulted in has been used to repay the debt to Tetra Laval Finance Ltd and to amortise 35 percent of the bond loan. In connection with the IPO, the previous syndicated loan has been replaced by a new loan at conditions that better reflect the financial position of Alfa Laval after the new issue of shares. In connection with the IPO an additional purchase price of MEUR 40,0, corresponding to MSEK 367,5, was paid to Tetra Laval BV for the original acquisition on August 24, 2000 of the Alfa Laval Credit Finance AB Group. This has entirely been booked as goodwill in the Group and is amortised over 20 years.

Legal structure

Alfa Laval AB (publ) is the parent company of the Alfa Laval Group.

Operations

The Alfa Laval Group is engaged in the development, production and sales of components and systems based on three main technologies: centrifugal separation, heat exchange and fluid handling. As of January 1, 2001, the sales and marketing activities are performed in two divisions - "Equipment" and "Process Technology". The divisions are based on totally ten customer groups. The Group also has a common function "Operations" for procurement, production and logistics. The Group's secondary segments are geographical markets.

Accounting principles

The same accounting principles and accounting estimates have been applied in the interim report for June 2002 as for the annual report for 2001.

Disposals

The sale of the real estate in Warminster in the United States was completed at the end of March at a price of MUSD 6,4 corresponding to MSEK 65,0. The realised loss was MSEK -44,3.

Orders received and order backlog

Orders received amounted to MSEK 3 963,8 (4 087,3) for the second quarter. This is 3,0 percent lower than the same period in 2001. Excluding exchange rate variations and after adjusting for divested activities, the order intake for the Group was 0,8 percent higher than the same period last year.

Orders received amounted to MSEK 7 645,2 (8 205,4) for the first six months. This is 6,8 percent lower than the same period in 2001. Excluding exchange rate variations and after adjusting for divested activities, the order intake for the Group was 4,0 percent lower than the same period last year.

The order backlog as per June 30 was MSEK 4 899,1 (5 151,8). This is 4,9 percent lower than June 30 last year. Excluding exchange rate variations and divested activities, the order backlog was 4,4 percent lower than the order backlog per June 2001 and 17,0 percent higher than the order backlog per the end of 2001. The latter is due to the fact that the Group normally has considerably higher invoicing during the last months of the year.

Net sales

Net sales of the Alfa Laval Group amounted to MSEK 3 654,2 (3 806,5) for the second quarter of this year. This is 4,0 percent lower than the same period in 2001. Excluding exchange rate variations and divested activities, the invoicing was some 1,2 percent higher than the second quarter of last year.

Net sales of the Alfa Laval Group amounted to MSEK 6 916,1 (7 258,9) for the first six months. This is 4,7 percent lower than the same period in 2001. Excluding exchange rate variations and divested activities, the invoicing was 0,5 percent lower than the period January to June last year.

COMMENTS ON THE PROFIT & LOSS STATEMENT

As a basis for comments on the various main items of the profit & loss statement, please find a comparison between January - June 2002 and 2001 below:

Profit & loss analysis	1.4-30.6 2002	1.4-30.6 2001	1.1-30.6 2002	1.1-30.6 2001
MSEK				
Net sales	3 654,2	3 806,5	6 916,1	7 258,9
Adjusted gross profit	1 426,4	1 433,3	2 717,8	2 769,1
- in % of net sales	39,0	37,7	39,3	38,1
Expenses	-898,3	-848,8	-1 740,1	-1 715,7
- in % of net sales	24,6	22,3	25,2	23,6
Adjusted EBITDA	528,1	584,5	977,7	1 053,4
- in % of net sales	14,5	15,4	14,1	14,5
Depreciation	-83,1	-99,8	-170,9	-202,7
Adjusted EBITA	445,0	484,7	806,8	850,7
- in % of net sales	12,2	12,7	11,7	11,7
Amortisation of goodwill*	-125,7	-134,3	-252,1	-254,2
Comparison distortion items	0,5	-	-44,3	-
EBIT	319,8	350,4	510,4	596,5

* Including amortisation of step-up values

The first six months generated a gross profit of MSEK 2 556,1 (2 602,1). Excluding the amortisation of MSEK 161,7 (167,0) on step-up values, the adjusted gross profit is MSEK 2 717,8 (2 769,1). This corresponds to 39,3 % (38,1%) of net sales. The gross profit margin is thereby some 1,2 percent higher compared with that of the same period last year. This is primarily a result of the restructuring programme. The proportion of the after market sales shows an increase, which also contributed to the increased gross profit margin.

Sales and administration expenses amounted to MSEK 1 643,4 (1 695,4). Excluding exchange rate variations and divested activities, these expenses were on the same level as for the corresponding period 2001.

Research and development expenses amounted to MSEK 166,5 (157,3). corresponding to 2,4 % (2,2 %) of net sales.

Adjusted EBITDA amounted to MSEK 977,7 (1 053,4) for the first six months. The adjusted EBITA amounted to MSEK 806,8 (850,7). This means that adjusted EBITA is somewhat lower than the first six months 2001. The adjusted EBITA margin is on the same level as last year.

In order to illustrate the quarterly development, the corresponding profit & loss analysis is shown for the last eight quarters below:

Profit & loss analysis for the group

MSEK	2000		2001				2002	
	Q3	Q4	Q1	Q 2	Q3	Q4	Q1	Q 2
Net sales	3 713,9	4 632,3	3 452,4	3 806,5	3 832,0	4 738,6	3 261,9	3 654,2
Adjusted gross profit	1 269,0	1 500,8	1 335,9	1 433,3	1 366,9	1 679,5	1 291,5	1 426,4
- in % of net sales	34,2	32,4	38,7	37,7	35,7	35,4	39,6	39,0
Expenses	-863,7	-889,7	-866,7	-848,8	-881,6	-1 080,2	-841,9	-898,3
- in % of net sales	23,3	19,2	25,1	22,3	23,0	22,8	25,8	24,6
Adjusted EBITDA	405,3	611,1	469,2	584,5	485,3	599,3	449,6	528,1
- in % of net sales	10,9	13,2	13,6	15,4	12,7	12,6	13,8	14,5
Depreciation	-113,9	-133,2	-103,1	-99,8	-94,3	-103,3	-87,8	-83,1
Adjusted EBITA	291,4	477,9	366,1	484,7	391,0	496,0	361,8	445,0
- in % of net sales	7,8	10,3	10,6	12,7	10,2	10,5	11,1	12,2
Amortisation of goodwill*	2,7	-119,7	-119,9	-134,3	-130,0	-127,9	-126,4	-125,7
Comparison distortion items	27,3	-386,1	0,0	0,0	0,0	5,3	-44,9	0,5
EBIT	321,4	-27,9	246,2	350,4	261,0	373,3	190,5	319,8

* Including amortisation of step-up values

The result after financial items was MSEK -192,8 (45,8).

The result has been affected by comparison distortion items of MSEK -348,7 (-). During the first six months 2002, the Group divested the real estate in Warminster in the United States for a price of MUSD 6,4, corresponding to MSEK 65,0. The realised loss was MSEK -44,3. In connection with the dissolution of the previous capital structure, the profit and loss statement has been burdened by non-recurring financial costs of MSEK -304,4.

The result after financial items for the parent company was MSEK -87,2 (-185,2), out of which interest expenses were MSEK -109,7 (-115,8), unrealised exchange gains/losses on loans MSEK 24,9 (-69,3) remunerations to the Board of Director's -2,0 (-) and administration expenses the remaining MSEK -0,4 (-0,1).

The financial net for the first six months was MSEK -337,7 (-444,9), excluding exchange differences and comparison distortions items. The principal elements of costs were interest on debt to credit institutions MSEK -124,3 (-168,2), interest on the high yield bond MSEK -120,5 (-121,1), interest on the loan from Tetra Laval Finance Ltd MSEK -97,1 (-115,1) and a net of other interest income and interest costs MSEK 4,2 (-40,5).

For the first six months income taxes amounted to MSEK -111,9 (7,4).

In order to illustrate the effect on the profit and loss statement of the new capital structure, the following proforma calculation is made. It shows the Group's result if the new capital structure had been in place already on January 1, 2002 and without the comparison distortion items fully related to the change in capital structure.

Proforma for the Group

MSEK	1.1-30.6 2002
EBIT according to the profit and loss statement	510,4
Interest and other income	117,2
Interest and other costs	-334,7
Comparison distortion items	-
Result after financial items	292,9
Income tax*	-111,9
Minority interests	-16,0
Net income	165,0
Result per share (SEK)	1,48

Average number of shares 111 671 993

* Since the Group's financial debt is allocated to countries where the Group's subsidiaries have tax losses carried forward, the proforma calculation does not contain an increased tax cost.



SEGMENT REPORTING

Consolidated

Orders received

	1.4-30.6	1.4-30.6	1.1-30.6	1.1-30.6	1.1-31.12
MSEK	2002	2001	2002	2001	2001
Equipment	2 153,0	2 168,0	4 271,7	4 410,9	8 557,9
Process Technology	1 781,1	1 905,8	3 317,9	3 556,8	7 026,9
Operations and other	29,7	4,1	55,6	27,5	96,1
Subtotal	3 963,8	4 077,9	7 645,2	7 995,2	15 680,9
Divested	-	9,0	-	210,2	213,0
Total	3 963,8	4 086,9	7 645,2	8 205,4	15 893,9

Consolidated

Order backlog

	30.6	30.6	31.12	
MSEK	2002	2001	2001	
Equipment	1759,4	1 989,4	1 648,3	
Process Technology	3 123,7	3 127,3	2 654,7	
Operations and other	16,0	30,2	9,5	
Subtotal	4 899,1	5 146,9	4 312,5	
Divested	-	4,9	1,0	
Total	4 899,1	5 151,8	4 313,5	

Consolidated

Net sales

	1.4-30.6	1.4-30.6	1.1-30.6	1.1-30.6	1.1-31.12
MSEK	2002	2001	2002	2001	2001
Equipment	2 105,9	2 110,6	4 084,0	4 057,9	8 576,2
Process Technology	1 524,6	1 641,9	2 773,2	2 898,0	6 872,0
Operations and other	23,7	20,0	58,9	79,0	169,4
Subtotal	3 654,2	3 772,5	6 916,1	7 034,9	15 617,6
Divested	-	34,0	-	224,0	212,0
Total	3 654,2	3 806,5	6 916,1	7 258,9	15 829,6

Consolidated

EBIT

	1.4-30.6	1.4-30.6	1.1-30.6	1.1-30.6	1.1-31.12
MSEK	2002	2001	2002	2001	2001
Equipment	262,0	272,7	506,7	492,3	1 083,6
Process Technology	89,1	145,1	116,1	143,1	472,7
Operations and other	-31,8	-83,0	-68,1	-54,5	-321,0
Subtotal	319,3	334,8	554,7	580,9	1 235,3
Comparison distortion items	0,5	-	-44,3	-	5,3
Divested	-	15,6	-	15,6	-9,2
Total	319,8	350,4	510,4	596,5	1 231,4

An increase in orders received has mainly been recognised from the customer segment "Food Technology" but also from "Life science". Decreases in orders received have been noted from primarily the "Energy & Environment" and "Process industry" customer segments. The decreased demand within "Process Industry" is due to a continued low capacity utilisation in parts of the process industry. The decrease within "Energy & Environment" is partly the result of large orders last year within the environmental area that have not been repeated this year and partly the strong investment climate within the oil and gas industry last year that this year has returned to a more normal level. Orders received from the after market were somewhat higher compared to the corresponding period last year and thereby increased its relative share of total orders received.

Net sales by geographical markets

Consolidated

	1.1-30.6 2002		1.1-30.6 2001	
	MSEK	%	MSEK	%
Customers in:				
Sweden	393,6	5,7	348,7	4,8
Other EU	2 271,3	32,9	2 597,9	35,8
Other Europe	690,9	10,0	553,8	7,6
North America	1 500,1	21,7	1 592,4	22,0
South America	325,3	4,7	329,7	4,5
Africa	44,0	0,6	28,6	0,4
Asia	1 585,5	22,9	1 678,3	23,1
Oceania	105,4	1,5	129,5	1,8
Total	6 916,1	100,0	7 258,9	100,0

A strong increase in the invoicing has been realised in Central and Eastern Europe and an increase in the Nordic countries. Mainly Western Europe but also Asia and North America have been below the level of last year. This is after considering the divestment of Industrial Flow. South America is on the same level as 2001.

Return on capital employed

The return on capital employed including goodwill and step up values amounted to 17,7 (15,2) percent for the first six months 2002.

Cash flow

Cash flow from operating and investing activities amounted to MSEK 451,1 (694,3) for the period January-June, out of which divestments generated cash of MSEK 60,8 (283,4).

Working capital decreased by MSEK 117,0 during the first six months 2002, partly as a result of the efforts to further improve capital management and partly due to the business climate. The corresponding figure for the first six months 2001 was a decrease by MSEK 141,4.

Capital expenditure was MSEK 152,1 (118,2) for the first six months. Depreciation, excluding allocated step up values, amounted to MSEK 170,9 (202,7) for the same period.

Cash and bank

The Group's cash and bank at the end of the period amounted to MSEK 789,5 (654,2) compared to MSEK 666,4 at the end of 2001.

Borrowings and net debt

Total bank borrowings amounted to MSEK 3 918,8 (5 507,0) as per June 30. The total financial indebtedness including leasing and interest bearing pension liabilities amounted to MSEK 5 243,6 (9 604,3).

Net financial debt amounted to MSEK 4 286,2 (8 720,7) as per June 30. The cash and bank deposits included bank deposits in the publicly listed subsidiary Alfa Laval (India) Ltd of some MSEK 137,9 (147,8).

As a consequence of the IPO of Alfa Laval, the structure of the financial debt has been changed. The costs for the change of the structure are of non-recurring nature.

On May 23 the loan from Tetra Laval Finance Ltd was repaid.

On May 28 the loans from the previous banking syndicate were replaced by loans from a new banking syndicate, at terms that better reflect the financial position of Alfa Laval after the new issue of shares. During the period January 1 and May 28, these loans were amortised by MSEK 325,1.

On June 24, 35 percent of the bond loan of MEUR 220 were amortised, which corresponded to MEUR 77 or MSEK 698,6. This was made at a premium of 12,125 percent corresponding to one year's interest, which amounted to MEUR 9,3 or MSEK 84,8. This cost has been reported as a comparison distortion item.

In connection with the repayment of the loan from Tetra Laval Finance Ltd, the replacement of the previous syndicated loans and the amortisation of the bond loan, capitalised financing costs of totally MSEK 219,6 have been reversed. This cost is reported as a comparison distortion item.

As of the end of June 2002, MEUR 424,2 has been utilised of the loan facility of MEUR 575, committed for five years, which has been agreed with the new banking syndicate.

Debt table Consolidated

MSEK	30.6.2002	31.12.2001
Subordinated loan from Tetra Laval Finance Ltd	-	2 085,6
Credit institutions	3 918,8	4 573,1
Bond loan	1 297,7	2 045,3
Capitalised finance leases	20,7	26,9
Interest-bearing pension liabilities	6,4	6,4
Total debt	5 243,6	8 737,2
Cash and bank and other current deposits	957,4	959,7
Net debt	4 286,2	7 777,5

Investments

Investments in property, plant and equipment amounted to MSEK 152,1 (118,2) for the first six months.

Personnel

The number of employees amounted to 9 399 (9 493) at June 30, 2002.

Date for the next interim report

The interim report for the first three quarters of 2002 will be published on October 31, 2002.

CONSOLIDATED PROFIT AND LOSS STATEMENT

Amounts in MSEK	1.4-30.6 2002	1.4-30.6 2001	1.1-30.6 2002	1.1-30.6 2001	1.1-31.12 2001
Net sales	3 654,2	3 806,5	6 916,1	7 258,9	15 829,6
Cost of goods sold	-2 307,8	-2 461,3	-4 360,0	-4 656,8	-10 348,0
Gross profit	1 346,4	1 345,2	2 556,1	2 602,1	5 481,6
Selling costs	-577,7	-581,2	-1 117,1	-1 145,7	-2 442,6
Administration costs	-258,9	-274,1	-526,3	-549,7	-789,2
Research & developm. costs	-90,1	-80,8	-166,5	-157,3	-341,4
Comparison distortion items	0,5	0,0	-44,3	0,0	5,3
Other operating income	29,3	62,5	128,2	141,3	389,1
Other operating costs	-84,0	-75,0	-229,3	-207,0	-893,3
Goodwill depreciation	-45,7	-46,2	-90,4	-87,2	-178,0
EBIT	319,8	350,4	510,4	596,5	1 231,4
Interest and other income	-47,6	36,4	117,2	120,1	247,6
Interest and other costs	-220,4	-304,2	-516,0	-670,8	-1 437,2
Comparison distortion items	-304,4	-	-304,4	-	-
Result after financial items	-252,6	82,6	-192,8	45,8	41,8
Income tax	-66,6	57,0	-111,9	7,4	26,3
Minority interests	-7,8	-15,2	-16,0	-18,5	-32,0
Net income (loss)	-327,0	124,4	-320,7	34,7	36,1
Result per share (SEK)	-4,09	3,32	-5,45	0,93	0,96
Average number of shares*	79 986 060	37 496 325	58 858 568	37 496 325	37 496 325

* The average number of shares has been changed through split and new issue of shares.

CONSOLIDATED BALANCE SHEET

	30.6 2002	31.12 2001
Amounts in MSEK		
Assets		
Non-current assets:		
Intangible assets	4 858,6	5 013,3
Property, plant and equipment	3 186,6	3 598,9
Financial assets	255,4	478,7
Current assets:		
Inventories	2 784,7	2 623,9
Accounts receivable	2 691,5	3 032,0
Other receivables	1 520,5	1 925,4
Other current deposits	167,9	293,3
Cash and bank	789,5	666,4
Total assets	16 254,7	17 631,8
Shareholders' equity and liabilities		
Shareholders' equity:	4 203,8	1 445,1
Minority interests	104,7	131,8
Provisions for: Pensions and similar commitments	682,7	774,9
Deferred taxes	1 058,1	1 143,6
Other	947,3	1 063,2
	2 688,1	2 981,7
Non-current liabilities:		
Subordinated loan from Tetra Laval Finance Ltd	-	2 085,6
Liabilities to credit institutions	3 725,2	4 190,5
Bond loan	1 297,7	2 045,3
	5 022,9	8 321,4
Current liabilities:		
Liabilities to credit institutions	193,6	382,5
Accounts payable	1 278,6	1 425,9
Advances from customers	746,5	609,1
Other liabilities	2 016,5	2 334,1
Total shareholders' equity and liabilities	16 254,7	17 631,8

CONSOLIDATED CASH FLOW STATEMENT

Amounts in MSEK	1.1-30.6 2002	1.1-30.6 2001
Cash flows from operating activities		
EBIT	510,4	596,5
Adjustments for depreciation	423,0	456,9
Adjustments for non operating items	44,3	-39,4
	977,7	1 014,0
Taxes paid	-157,7	-256,1
Cash generated from operations before changes in working capital	820,0	757,9
Change in working capital:		
(Increase)/decrease of current receivables	358,3	161,2
(Increase)/decrease of inventories	-335,7	-300,1
Increase/(decrease) of current liabilities	94,4	280,3
	117,0	141,4
Cash flows from operating activities	937,0	899,3
Cash flows from investing activities		
Capital expenditure	-152,1	-118,2
Divestment of fixed assets	60,8	29,3
Additional purchase price	-367,5	-
Disposal of business activities	-	254,1
Provisions	-27,1	-370,2
Cash flows from investing activities	-485,9	-205,0
Cash flows from financing activities		
Financial net, paid	-727,9	-459,0
Unrealised foreign exchange gains/losses	-48,4	-112,1
New issue of shares	3 134,8	-
(Increase)/decrease of other current deposits	106,7	377,3
Capitalised financing costs, acquisition loans	-	17,8
Increase/(decrease) of liabilities to credit institutions	-2 702,2	-522,4
Cash flows from financing activities	-237,0	-698,4
Net increase (decrease) in cash and bank	214,1	-4,1
Cash and bank at the beginning of the period	666,4	634,5
Translation difference in cash and bank	-91,0	23,8
Cash and bank at the end of the period	789,5	654,2

CHANGES IN CONSOLIDATED EQUITY CAPITAL

Amounts in MSEK	1.1-30.6 2002	1.1-30.6 2001
At the beginning of the period	1 445,1	1 312,3
New issue of shares	3 134,8	-
Translation difference	-55,4	232,5
Net income for the period	-320,7	34,7
At the end of the period	4 203,8	1 579,5

The share capital of SEK 1 116 719 930 (374 963) is divided into 111 671 993 (37 496 325) shares at par value 10 (0,01) SEK.

At an extraordinary shareholders' meeting on April 8, 2002 it was decided to increase the share capital by SEK 374 963 through a transfer of SEK 374 963 from unrestricted equity capital. The bonus issue of shares was implemented so that shareholders received one new share for each old share. The reconciliation day for the bonus issue of shares was May 3, 2002.

The shareholders' meeting decided - in consideration of the planned initial public offering - to change the articles of association, such that the company will be a public company. It was also decided that the par value of each share should be changed to SEK 10 and that the limits for the company's share capital shall be a minimum of SEK 745 000 000 and a maximum of SEK 2 980 000 000.

The shareholders' meeting also decided that the company's share capital should be increased by SEK 749 176 574, through a transfer of SEK 749 176 574 from unrestricted equity capital. The bonus issue of shares was implemented through an increase of the par value of each share by SEK 9,99 to SEK 10.

At the new issue of shares in connection with the IPO, 32 967 033 new shares were issued, which increased the share capital by SEK 329 670 330. The subscription price was SEK 91. This means that the equity capital increased by SEK 3 000 000 003, which after deduction for transaction costs of SEK 86 034 276 means a net increase by SEK 2 913 965 727. Before the IPO, Alfa Laval management executed all 3 712 310 warrants, which means a corresponding increase of the number of shares and an increase of the share capital by SEK 37 123 100. The subscription price was SEK 59,48, which means an increase of the equity capital by SEK 220 793 851. Totally, this meant an increase of the equity capital by SEK 3 134 759 578.

The interim report has not been subject to review by the company's auditors.



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Information for shareholders

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Calendar
 6 May: interim report Q102
 22 August: interim report Q202
 9 October: Capital Market Day
 31 October: interim report Q302

Further information is available at www.alfalaval.com
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Alfa Laval in brief

Alfa Laval is a leading global provider of specialized products and engineering solutions. The equipment, systems and service are dedicated to assisting customers in optimizing the performance of their processes. Time and time again. The company helps its customers to heat, cool, separate and transport products such as oil, water, chemicals, beverages, foodstuff, starch and pharmaceuticals.

