

Tuesday the 18th of February 2003

Annual Earnings figures 2002 - OEM International

Fourth quarter better than previous year, but lower than third quarter

OEM International improved their profit after net financial income/expense in the fourth quarter 2002 to 2,1 SEK million (-13,1). However, compared to the third quarter the profit was lower (15,9). In the figures for the fourth quarter costs of non-recurrent nature to the amount of approx. 5 SEK million are included. The turnover during the period was 376 SEK million (406). For the whole year 2002 the profit after net financial income/expense was 34,3 SEK million (61,1) and the turnover was 1 534 SEK million (1 944).

– The profit for the fourth quarter is an improvement compared to the same period the previous year, but does not reach the level of the third quarter. The action program that was launched a little more than a year ago to reduce cost is now beginning to show result, says Jörgen Zahlin, CEO of OEM International. Therefore we have been able to turn the loss of quarter 4 2001 to profit, in spite of a lower turnover.

– Operating cost were reduced during the year by 65 SEK million and the average number of employees in the Group has decreased from 773 to 701. Consequently, our position is strong even though a turn in the economy doesn't look likely. The largest company group, Automation, improved their profit last year by 31 percent. Also in group Hydraulics the profit has improved, in spite of a reduced turnover. Group Electronics and group EP, that market input goods for electronics production, were strongly affected by the drop in the telecom industry.

- Thanks to the fact that we gain market shares we can keep the sales figures up, in spite of a continuously low demand. The implemented rationalisations strengthen our competitiveness and will increase the profit level 2003 even at unaltered turnover, Jörgen Zahlin finishes.

The solidity has improved during the year and is 56 percent (47). The dividend proposal is an unaltered SEK 4,5 per share.

For further information please contact:

Jörgen Zahlin, CEO of OEM International AB phone +46-709-760 695

[Read the whole report](#)