



Interim Report January 1st – September 30th, 2004

Third Quarter 2004

- Net sales increased by 25 per cent to 2 000 MSEK (1 605). Using fixed exchange rates and a comparable group structure, the organic growth was 12 per cent.
- Earnings before taxes increased by 128 per cent to 114 MSEK (50).
- Earnings after taxes increased by 183 per cent to 82 MSEK (29)
- Earnings per share after taxes increased by 183 per cent to 4.43 SEK (1.57).
- Cash flow per share decreased to 3.62 SEK (8.33)

Nine month of 2004

- Net sales increased by 12 per cent to 5 886 MSEK (5 277). Using fixed exchange rates and a comparable group structure, net sales increased by 9 per cent.
- Earnings before taxes increased by 55 per cent to 321 MSEK (207).
- Earnings after taxes increased by 67 per cent to 222 MSEK (133)
- Earnings per share after taxes increased by 67 per cent to 12.01 SEK (7.19).
- Cash flow per share increased to 20.66 SEK (14.49).

Outlook

- Hexagon's long-term financial target of an increase in earnings by at least 15 per cent per annum will, for 2004, be exceeded.

	Third quarter				Nine months			
	2004	2003	Change		2004	2003	Change	
			Recorded	Adjust.*			Recorded	Adjust.*
Order intake	2 019	1 630	24 %	11 %	6 203	5 296	17 %	15 %
Net sales	2 000	1 605	25 %	12 %	5 886	5 277	12 %	9 %
Operating earnings	143	68	110 %	76 %	387	270	43 %	33 %
EBITA	172	87	98 %	60 %	463	328	41 %	29 %
Margin %	8.6	5.4	3.2	1.6	7.9	6.2	1.7	1.0
EBIT 1	143	68	110 %	76 %	392	270	45 %	35 %
Earnings before taxes	114	50	128 %	102 %	321	207	55 %	49 %
Earnings after taxes	82	29	183 %	152 %	222	133	67 %	70 %
Earnings per share	4.43	1.57	183 %	152 %	12.01	7.19	67 %	70 %
Cash flow per share	3.62	8.33	-57 %		20.66	14.49	43 %	

* Adjusted for currency fluctuations and changes in group structure

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The Interim Report will be discussed on Thursday, 28th October, at 15.00 hrs C.E.T. in a telephone conference. Please see instructions at: www.hexagon.se

A subscription service to Hexagon's financial information is available as e-mail at www.hexagon.se.

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Hexagon is a global technology group with the long-term ambition of positioning itself as number one or number two within its strategic sectors. The group's targets are to increase earnings per share after tax by at least 15 per cent p.a., and achieve a return on capital employed of more than 15 per cent over a business cycle.

General

During the first nine months, the earnings have been adversely affected, by the disposal of the subsidiaries Metodsveits i Kungälv AB, Tjust Mekaniska Verkstad AB, as well as by the sale of Nordic Brass AB to the joint venture company Outokumpu Nordic Brass. Simultaneously, the acquisitions of Sheffield, Thona Group and the Romer Companies in France and the USA affect the earnings positively. The average exchange rate for the US Dollar during the period was 7.480 SEK. During the corresponding period 2003 the average rate was 8.255 SEK. This implies a decrease by -9.4 per cent, which affects all relevant comparisons adversely.

Third Quarter 2004 – Earnings, Net Sales and Order Intake

The demand situation in Europe has continued to improve during the quarter. The improvement was particularly strong in the heavy vehicles industry, but the situation has also improved within other industry sectors. In North America, the demand for Hexagon's products continued to improve. The North American industrial activity was satisfactory. The strong growth in Asia continued during the quarter. Generally, a stabilisation and growth in the global demand seems to be evident for the Group. The organic growth during the quarter was 12 per cent. All business areas show improved margins and good growth.

Order intake increased by 24 per cent to 2 019 MSEK (1 630). Net sales increased by 25 per cent to 2 000 MSEK (1 605). Using fixed exchange rates and a comparable group structure, was for order intake 11 per cent and for net sales 12 per cent.

Operating earnings before amortisation of goodwill (EBITA) increased by 98 per cent to 172 MSEK (87), which corresponds to an operating margin of 9 per cent (5). Operating earnings were adversely affected by -8 MSEK, due to exchange rate fluctuations.

Operating earnings adjusted for capital gains (EBIT 1) increased to 143 MSEK (68). Operating earnings were adversely affected by -7 MSEK, due to exchange rate fluctuations.

Earnings before tax increased by 128 per cent to 114 MSEK (50). The earnings were adversely affected by -6 MSEK, due to exchange rate fluctuations.

Earnings after tax increased by 183 per cent and amounted to 82 MSEK (29), corresponding to an earnings per share of 4.43 SEK (1.57).

(MSEK)	2004			2003				
	Q1	Q2	Q3	Q1	Q2	Q3	Q4	2003
Order intake	1 950	2 234	2 019	1 907	1 759	1 630	1 830	7 126
Net sales	1 760	2 126	2 000	1 847	1 825	1 605	1 826	7 103
EBITA *)	120	171	172	115	126	87	152	480
Margin, %	6.8	8.0	8.6	6.2	6.9	5.4	8.3	6.8
EBIT 1 **)	102	147	143	95	107	68	136	406
Margin, %	5.8	6.9	7.1	5.1	5.9	4.2	7.4	5.7
EBIT 2 ***)	102	142	143	95	107	68	136	406
PBT ****)	86	121	114	70	87	50	116	323

* = Earnings before financial items, tax, capital gains, non-recurring items and amortization on goodwill

**) = Earnings before financial items, tax, capital gains and non-recurring items.

***) = Earnings before financial items and tax

****) = Earnings before tax

First nine months 2004 – Earnings, invoiced sales and order intake

Order intake increased by 17 per cent to 6 203 MSEK (5 296). Net sales increased by 12 per cent to 5 886 MSEK (5 277). Using fixed exchange rates and a comparable group structure, increased order intake by 15 per cent and net sales by 9 per cent

Earnings before amortisation of goodwill (EBITA) increased by 41 per cent to 463 MSEK (328), which corresponds to a margin of 8 per cent (6). Earnings were adversely affected by -27 MSEK, due to exchange rate fluctuations.

Earnings before capital gains and non-recurring items (EBIT 1) amounted to 392 MSEK (270). During the period a capital loss arose in connection with the disposal of Tjust Mekaniska Verkstad, which makes that the operating earnings including capital gains/losses (EBIT 2) amounted to 387 MSEK (270). These earnings were adversely affected by -23 MSEK, due to exchange rate fluctuations.

Earnings before tax increased by 55 per cent to 321 MSEK (207). These earnings were adversely affected by -20 MSEK, due to exchange rate fluctuations.

Earnings after tax increased by 67 per cent to 222 MSEK (133), which corresponds to earnings per share of 12.01 SEK (7.19).

Profitability

The Group's capital employed, defined as total assets less non-interest bearing liabilities, amounted to 5 552 MSEK (4 427). Return on average capital employed excluding amortisation on goodwill increased to 13.1 per cent (10.0). Return on average capital employed was 11.2 per cent (8.3). The capital turnover rate was 1.6 times (1.6).

Return on average shareholders' equity excluding amortisation on goodwill amounted to 17, 4 per cent (11.4). Return on average shareholders' equity was 13, 2 per cent (8.0)

Group financial position

Shareholders' equity amounted to 2 273 MSEK (2 221). The moderate increase in equity during the period is explained by the extraordinary distribution to Hexagons shareholders of the shareholding in VBG, carried out during the second quarter together with the payment of the ordinary dividend. These dividends reduced equity by 210 MSEK. The Equity ratio was 30 per cent (38). The Group's total assets increased, as a consequence of the recent acquisitions, to 7 622 MSEK (5 937).

Cash, including non-utilised credit limits, amounted to 973 MSEK (925). On the 25th of October the Hexagon Group was refinanced by a new five year syndicated facility of 400 MEUR. This facility is replacing the previous facility of 255 MUSD. The Group's net debt amounted to 2 909 MSEK (1 927), and the net indebtedness amounted to 1.28 times (0.87). Interest coverage ratio was 4.5 times (3.9).

Cash flow

The Cash flow from operations, before changes in working capital, increased to 516 MSEK (406), which corresponds to 27.90 SEK per share (21.96). The cash flow from operations increased to 382 MSEK (268), which corresponds to 20.66 SEK per share (14.49). The operating cash flow increased to 204 MSEK (100).

Investments and depreciation

The Group's net investments, excluding acquisitions, amounted to 178 MSEK (168). Depreciations for the period were 253 MSEK (231), of which 71 MSEK (58) was amortisation of goodwill.

Divestitures and acquisitions

Divestitures

Effective January 2nd, 2004, Metodsvets in Kungälv AB (formerly Roto-Sieve AB) was divested to key employees within the company. The company, which was consolidated within the business area Hexagon Automation, had a turnover of 29 MSEK last year.

Effective May 3rd, 2004, Tjust Mekaniska Verkstad AB was divested to the Managing Director of the company, among others. The company, which was consolidated within the business area Hexagon Engineering, had a turnover of 22 MSEK last year. This divestiture resulted in a capital loss of 5 MSEK in the second quarter.

Effective May 10th, 2004, Hexagon's shares in VBG were distributed to the shareholders in Hexagon. In 2003, VBG contributed to Hexagon's operating earnings with 11 MSEK. The dividend caused a reduction of the Group's assets and equity by 125 MSEK.

Acquisitions

Effective February 27th, 2004, the metrology operations were acquired from the South Korean company Korea ErFa Systems Eng. Co. Hexagon runs the operations in a new company, Hexagon Metrology Korea. At takeover, the company's turnover was approximately 10 MSEK on a yearly basis.

Effective March 1st, 2004, the metrology operations were acquired from the American company Sheffield Automation LLC. Hexagon runs the operations in a new company, Sheffield Measurement Inc. At takeover, the company's turnover was approximately 125 MSEK on a yearly basis.

Effective May 1st, 2004, Hexagon acquired the Belgium based polymer compounder Thona Group, with production facilities in Belgium, the Czech Republic, Canada and USA. Thona Group is a technically advanced supplier with capacity to produce both rubber and TPE compounds. The Group has an annual turnover of approximately 100 MEUR. Through this acquisition Hexagon Polymers became the world-leading supplier of polymer products.

Effective July 1st, 2004, Hexagon acquired the French metrology company Romer S.A. The company has a turnover of approximately 8 MEUR.

Effective August 17th, 2004 Hexagon acquired the American metrology company Romer Cimcore, Inc. The company has an annual turnover of approximately 16 MUSD.

All acquisitions during the year are contributing to Hexagons earnings from their respective date of consolidation.

Group Tax rate

The Group's income taxes amounted to 93 MSEK (64), which corresponds to a tax rate of 29 per cent (31). The tax cost is affected by amortisation of goodwill, which is non-tax deductible, as well as the fact that a considerable part of the Group's earnings is generated in foreign subsidiaries located in countries, where the tax rates differ from those in Sweden.

Workforce

During the period, the average number of employees in the Group was 5 898 (5 376). The number of employees at the end of the period was 6 309 (5 529), which is an increase from the beginning of the year of 773 employees. This increase is explained by the acquisitions made during the period as well as increased production in Sri Lanka.

Business areasHexagon Automation

The business area is focused on products and services, and includes a range of components and systems as well as aftermarket services within hydraulics, pneumatics, electromechanical engineering, flow control, lubrication systems and electric and control systems. The customers are found within a great variety of industries – as for example, wind power, offshore, pulp and paper, processing, engineering, the automotive industry and materials handling.

Order intake increased by 3 per cent to 1 704 MSEK (1 653). Net sales amounted to 1 683 MSEK (1 655). Operating earnings (EBITA) amounted to 81 MSEK (76), which corresponds to an operating margin of 5 per cent (5).

The hydraulics market in Sweden and Finland continued to improve during the period. The activity within the Norwegian off shore market has improved as big orders have been booked during the quarter. The Danish market is improved volume wise but suffers from a significant pressure on prices. Generally, a stabilisation and growth seems to be imminent after a three-year period of sluggish demand in the Nordic hydraulics market.

Hexagon Engineering

The Business area is focused on selling key components and systems to customers within the automotive, engineering and construction industries.

Order intake increased to 1 209 MSEK (1 155) and net sales amounted to 1 075 MSEK (1 130). Using a comparable group structure, order intake increased by 26 per cent and net sales by 19 per cent. Operating earnings (EBITA) increased by 57 per cent to 66 MSEK (42), which corresponds to an operating margin of 6 per cent (4).

The business area has progressed well during the quarter. The reasons behind the impressive turn around is the increasing demand from the heavy vehicles sector combined with the successful outcome from the restructuring measures, where, among others, loss generating businesses have been sold or turned around. The joint venture company Outokumpu Nordic Brass is developing well. The new products Hexagon has invested in, within the segment key components, have all performed according to or better than, the aggressive, market plan established for these projects.

Hexagon Metrology

The business area is the world leader within the metrology industry, with production of coordinate measurement machines (CMM's) and hand tools at seven plants in different parts of the world. Extensive aftermarket services are fulfilled via some 30 regional so called Precision Centres, with responsibility for upgrades of machines and software, training, contracted maintenance and other services. The largest customers are found within the automotive industry including its sub-suppliers, aerospace and defence related industries, engineering and electronics, computing and medical industries.

Order intake increased to 2 103 MSEK (1 833). Using fixed exchange rates and a comparable group structure, order intake increased by 16 per cent. Net sales amounted to 2 009 MSEK (1 855). Using fixed exchange rates and a comparable group structure, net sales increased by 10 per cent. Operating earnings (EBITA) increased to 177 MSEK (139), which corresponds to an operating margin of 9 per cent (7). EBITA was adversely affected by -19 MSEK, due to exchange rate movements.

The total market for tactile measurement grew during the period. The organic growth for the business area was 10 per cent. The strongest growth was recorded in Asia. NAFTA recorded a continuous good growth. The European market improved substantially during the quarter. Hexagon has during the year launched a number of new products. These products have been well received, and as a con-

sequence, order intakes, as well as, sales were positively affected. Sales of coordinate measurement machines (CMM) continued to increase. The profitability is beginning to improve within this segment. Sales of services and software increased sharply. The organic growth for the segment was 18 per cent during the quarter. Sales of hand tools and manual measurement machines have also progressed well.

The software system EMS is now commercialised with all its modules. During 2004 Hexagon will put resources into building up distribution channels for the different modules. Financially, Hexagon estimates that EMS will contribute significantly to the business areas profit as from fiscal 2005.

Hexagon Polymers

The Business area operates within three product areas; gaskets for plate heat exchangers, rubber and plastic wheels for fork lift trucks and track drive applications, semi-finished rubber compounds and extrusions. The main customers are major international OEM's, active within the market areas of plate heat exchangers, forklifts, materials handling equipment and cable manufacturing.

Order intake increased to 1 187 MSEK (655) and net sales amounted to 1 136 MSEK (662). The organic growth was 11 per cent. The residual growth is explained by the acquisition of Thona Group, which was consolidated May 1st, 2004. Operating earnings (EBITA) increased to 162 MSEK (77), which corresponds to an operating margin of 14 per cent (12).

During the period, the business area has continued to develop positively within all its operations. A decision to expand the capacity of the Sri Lankan unit has been taken. The new capacity is expected to be commissioned during the first half-year next year. Increasing raw material prices have partly been compensated by price increases, but primarily by, improved internal efficiency.

Net sales and operating earnings by business area.

(MSEK)	Net sales		Earnings	
	2004 1 Jan–30 Sept	2003 1 Jan–30 Sept	2004 1 Jan–30 Sept	2003 1 Jan–30 Sept
Hexagon Automation	1 683	1 655	81	76
Hexagon Engineering	1 075	1 130	66	42
Hexagon Metrology	2 009	1 855	177	139
Hexagon Polymers	1 136	662	162	77
Share of earnings in associated companies			7	12
Group costs and adjustments	-17	-25	-30	-18
EBITA			463	328
Amortisation of goodwill			-71	-58
EBIT 1			392	270
Per cent of net sales			6.7 %	5.1 %
Capital loss			-5	-
EBIT 2			387	270
Financial net			- 66	-63
The Group	5 886	5 277	321	207

Associated companies

Associated companies include primarily VBG AB and the joint venture Outokumpu Nordic Brass. Associated companies contribute to Hexagon's operating earnings according to the equity method with 12 MSEK (15). The earnings in VBG are included until May 10th, which is the date when the shareholding was distributed to Hexagon's shareholders. In the operational reporting, Outokumpu Nordic Brass is reported in the business area Hexagon Engineering.

Restructuring Provisions

The restructuring provisions were 5 MSEK at the beginning of the year. Coincident with the acquisitions made during the period, further restructuring provisions with 72 MSEK have been made. Out of the total reserve, 13 MSEK (21) has been utilised during the period, out of which 8 MSEK (14) are personnel related.

Share data

Earnings per share after tax increased to 12,01 SEK (7.19). On September 30th, 2004, the equity per share had increased to 122.92 SEK (120.11), and the share price was 232 SEK (180).

Parent company

The Parent company's earnings after financial items amounted to -23 MSEK (69). The equity ratio of the parent company was 24 per cent (34). The shareholders' equity, including the equity portion of untaxed reserves, amounted to 1 436 MSEK (1 602). Liquid assets, including unutilised credit limits, amounted to 568 MSEK (661).

Accounting principles

This Interim Report is prepared in compliance with the Swedish Financial Accounting Standards Council's Recommendation RR20, Interim reporting. Effective as of January 1st, 2004, Hexagon applies the Swedish Financial Accounting Standards Council's Recommendation RR29, Employee Benefits, which is based on IAS 19. The adoption of this recommendation has led to a reduction of the Group's equity by 23 MSEK. The application of this recommendation has not had any material impact on the pension expense for the period. In all other respects, the accounting principles and calculation methods remain unchanged compared to those applied in the latest annual report. Hexagon is prepared to follow the new accounting principles, IFRS, valid for Swedish listed companies as of 2005.

Stock options

During 2000 Hexagon introduced a stock option programme. After the cancellation of the warrants possessed by the Group on July 1st, 2003, the programme comprises 648 500 warrants, which gives the right to subscribe for in total 732 805 new series B shares in the Company at a subscription rate of 178:60 SEK until May 31st, 2005, inclusive. The subscription rights have been transferred at market value.

During 2003 Hexagon introduced a stock option programme addressed to key personnel, mainly within Hexagon Metrology. The programme comprises in total 500 000 warrants, of which currently 290 000 have been subscribed. Each warrant entitles the holder the right to subscribe for 1,03 new series B share during the period October 1st, 2003 until September 30th, 2006, inclusive, at 241:90 SEK. The subscription rights are transferred at market value.

The dilution effect upon full exercise of these stock option programmes corresponds to approximately 6.3 per cent of the share capital and 4.3 per cent of the votes.

Outlook

Hexagon has further strengthened its market position, product portfolio and organisation to enable further growth in net sales and earnings. Our long-term financial target of an increase in earnings per share after tax by at least 15 per cent p.a. remains. For 2004, this target will be surpassed.

Earlier text in the half year report:

Hexagon has further strengthened its market position, product portfolio and organisation to enable further growth in net sales and earnings. Our financial target of an increase in earnings per share after tax by at least 15 per cent p.a. remains.

Nomination Committee

At the AGM in May 2004 Melker Schörling and Maths O Sundquist were appointed members of the Nomination Committee. Further, the Nomination Committee was assigned to choose two representatives for the bigger institutional shareholders to confer with during the nomination process. These representatives are Henrik Didner from Didner & Gerge Fonder and Anders Algotsson from AFA Försäkring.

Financial information

External financial information will be published on the Group's website, www.hexagon.se, as soon as it has become public.

- Year-end report, 2004

11 February, 2005

Nacka Strand, 28th of October, 2004

HEXAGON AB (publ)

Ola Rollén
President & C.E.O.

The Company's auditors have not audited this interim report

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Consolidated Income Statement – Summary

(MSEK)	2004 Q3	2003 Q3	2004 1/1-30/9	2003 1/1-30/9	Outcome last 12 months	2003 Full year
Net sales	2 000	1 605	5 886	5 277	7 712	7 103
Cost of goods sold	-1 469	-1 190	-4 358	-3 940	-5 700	-5 282
Gross Profit	531	415	1 528	1 337	2 012	1 821
Sales expenses, administration costs etc	-359	-337	-1 077	-1 024	-1 414	-1 361
Earnings from shares in associated comp	0	9	12	15	17	20
Earnings before amortisation of good- will	172	87	463	328	615	480
Amortisation of goodwill	-29	-19	-71	-58	-87	-74
Capital gloss	-	-	-5	-	-5	-
Operating earnings	143	68	387	270	523	406
Financial revenue and expenses	-29	-18	-66	-63	-86	-83
Earnings before tax	114	50	321	207	437	323
Tax	-31	-16	-93	-64	-118	-89
Minority interest	-1	-5	-6	-10	-9	-13
Net earnings	82	29	222	133	310	221
Earnings per share (EPS) after tax (SEK)	4.43	1.57	12.01	7.19	16.76	11.95
EPS adjusted for amortisation on good- will (SEK)	6.00	2.60	15.85	10.33	21.47	15.95
Shareholder's equity per share (SEK)*)	122.92	120.11	122.92	120.11	122.92	122.88
CB number of shares (thousands)	18 491	18 491	18 491	18 491	18 491	18 491
Depreciations are included with (MSEK)	-91	-76	-253	-231	-327	-305

*) A calculation of the dilution effect in the key numbers has not been made as the effect is estimated to be marginal.

Translation schedule for the different levels of earnings in the report

(MSEK)	2004 1/1 - 30/9	2003 1/1 - 30/9	Outcome last 12 months	2003 Full year
Earnings before amortisation of goodwill (EBITA)	463	328	615	480
Amortisation of goodwill	-71	-58	-87	-74
Earnings before net financial items, tax, capital gains and non-recurring items (EBIT 1)	392	270	528	406
Non-recurring items	-	-	-	-
Capital loss	-5	-	-5	-
Earnings before financial items and tax (EBIT 2)	387	270	523	406

Consolidated Balance Sheet - Summary

(MSEK)	2004-09-30	2003-09-30	2003-12-31
Intangible fixed assets	2 030	1 104	1 072
Tangible fixed assets	1 580	1 413	1 409
Financial fixed assets	268	330	385
Total fixed assets	3 878	2 847	2 866
Inventories	1 549	1 422	1 390
Accounts receivable	1 579	1 251	1 269
Other receivables	133	93	76
Prepaid expenses and accrued income	150	90	106
Total current receivables	1 862	1 434	1 451
Cash and cash equivalents	333	234	219
Total current assets	3 744	3 090	3 060
Total assets	7 622	5 937	5 926
Shareholders' equity	2 273	2 221	2 272
Minority interest	37	45	47
Provision for pensions *)	206	203	204
Provision for taxes	116	80	92
Other provisions	192	93	124
Total provisions	514	376	420
Interest bearing liabilities	3 019	1 889	1 731
Accounts payable	4	3	4
Total long-term liabilities	3 023	1 892	1 735
Interest bearing liabilities	85	135	113
Accounts payable	777	559	612
Other liabilities	375	223	283
Accrued costs and prepaid incomes	538	486	444
Total current liabilities	1 775	1 403	1 452
Total equity and liabilities	7 622	5 937	5 926
*) Of which interest bearing provisions for pensions	138	137	137

Change in Group shareholders' equity

(MSEK)	1/1-30/9 2004	1/1-30/9 2003	Full year 2003
Opening balance on January 1st	2 272	2 194	2 194
Dividend	-210	-85	-85
Premiums for subscription warrants	5	-	-
Translation difference	7	-21	-55
Change in accounting principles RR29	-23	-	-
Change in accounting principles in VBG	-	-	-3
Net earnings	222	133	221
Closing balance on June 30th	2 273	2 221	2 272

At the beginning and end of the period the number of shares was 18 491 477 of which 1 050 000 of Class A and 17 441 77 of class B.

Consolidated cash flow analysis

(MSEK)	2004	2003
	1 Jan–30 Sept.	1 Jan–30 Sept.
Cash flow from operations before change in working capital	516	406
Change in working capital	-134	-138
Net cash flow from operations	382	268
Net investments in fixed assets	-178	-168
Operating cash flow	204	100
Cash flow from other investment activities	-807	5
Cash flow from financing activities	802	69
Dividend	-85	-85
Change in net cash position	114	89

The currency effect in liquid assets was 0 MSEK

Key ratios

	2004	2003	2002
	1 Jan-30 Sept.	1 Jan-30 Sept	Full year
Operating margin (%)	6.7	5.1	5.7
Profit margin (%)	5.5	3.9	4.5
Return on shareholders' equity excluding amortisation on Goodwill (%)	17.4	11.4	13.2
Return on shareholders' equity (%)	13.2	8.0	9.9
Return on capital employed excl. amortisation on goodwill (%)	13.1	10.0	11.3
Return on capital employed (%)	11.2	8.3	9.7
Solvency ratio (%)	30.3	38.2	39.1
Net indebtedness (multiple)	1.28	0.87	0.78
Interest coverage ratio (multiple)	4.5	3.9	4.2
Average number of shares (thousands)	18 491	18 491	18 491
Earnings per share after tax (SEK)	12.01	7.19	11.95
Earnings per share after tax excl. amortisat. on goodwill (SEK)	15.85	10.33	15.95
Cash flow per share (SEK)	20.66	14.49	23.79
Cash flow per share before change in working capital (SEK)	27.90	21.96	28.88
Share price (SEK)	232	180	196

EBITA, Development per quarter per business area

	2004			2003				
(MSEK)	Q1	Q2	Q3	Q1	Q2	Q3	Q4	2003
Automation	20	32	29	22	28	26	26	102
Engineering	20	26	20	20	16	6	10	52
Metrology	48	69	60	47	60	32	98	237
Polymers	32	61	69	27	26	24	22	99
Associated companies	7	0	0	5	2	5	2	14
Group costs and adjustments	-7	-17	-6	-6	-6	-6	-6	-24
EBITA	120	171	173	115	126	87	152	480

Net sales by market

(MSEK)	1 Jan-30 Sept. 2004		1 Jan-30 Sept. 2003		Full year 2003	
	MSEK	%	MSEK	%	MSEK	%
Sweden	1 665	28	1 618	31	2 145	30
Other Europe	2 850	48	2 646	50	3 537	50
North America	838	14	578	11	823	12
Asia	447	8	341	6	522	7
Other markets	86	2	94	2	76	1
Group total	5 886	100	5 277	100	7 103	100

The table above is displaying Net Sales to customers within each, respective, geographical area.

Definitions

Return on shareholders' equity:	Net earnings as a percentage of average shareholders' equity.
Return on shareholders' equity excluding goodwill amortisation:	Net earnings adjusted for amortisation of goodwill and similar fixed assets, as a percentage of average shareholders' equity.
Return on capital employed:	Earnings before taxes plus financial expenses as a percentage of average capital employed.
Return on capital employed excluding goodwill amortisation:	Earnings before taxes plus financial expenses and amortisation of goodwill and similar fixed assets, as a percentage of average capital employed.
Share price:	Last settled transaction at the OM Stockholm Stock Exchange on the last business day for the period.
Investments:	Purchases less sales of tangible and intangible fixed assets, excluding those included in acquisitions and divestitures of subsidiaries.
Operating cash flow:	Cash flow after change in working capital and net investments in fixed assets.
Cash flow per share:	Cash flow from operations after change in working capital, divided by the average number of shares.
Cash flow per share before change in working capital:	Cash flow from operations before change in working capital divided by the average number of shares.
Net indebtedness:	Interest bearing liabilities less liquid assets divided by shareholders' equity.
Earnings per share:	Net earnings divided by the average number of shares.
Earnings per share excluding goodwill amortisation:	Net earnings excluding amortisation of goodwill and similar fixed assets divided by the average number of shares.
Operating earnings (EBITA):	Operating earnings excluding capital gains, items effecting comparability and amortisation of goodwill and similar fixed assets.
Operating margin:	Operating earnings adjusted for non-recurring items as a percentage of the period's net sales.
Interest coverage ratio:	Earnings before taxes plus interest expenses divided by interest expenses.
Equity ratio:	Shareholders' equity including minority interest as percentage of total assets.
Capital employed:	Total assets less non-interest bearing liabilities.
Shareholders' equity per share:	Shareholders' equity divided by the number of shares at the end of the period.
Profit margin:	Earnings before taxes as a percentage of net sales for the period.