



OEM INTERNATIONAL

Press release 2005-08-12

Half-yearly report January - June 2005

OEM:s profit increase with 38 %

The profit of OEM International after net financial income increased with 43 % to 30,5 SEK million (21,4) compared with the same period last year. The turnover increased with 11 % to 399 SEK million (359) and the inflow of orders increased with 7 % to 404 SEK million (379).

The profit for the half year 2005 is 59,3 SEK million (43), an increase with 38 %. The turnover increased with 9 % to 780 SEK million (713) during the same period. Liquidation costs of two companies charge the profit with 8,2 SEK million.

- The largest increase in turnover was within Group EP and Automation during the first half year. Increased demand together with an improved range of products and increased efficiency means that there is excellent growth in many of the Group's companies, says CEO Jörgen Zahlin.

The improvement in profit is the result of the increase in turnover, streamlining and disposal of unprofitable operations. Better internal efficiency in the organization increase profit with 43 % , in spite of the fact that we charge the profit with 8,2 SEK million for the liquidation of two units.

The average number of employees in the OEM Group for the first 6 months 2005 was 528 persons (586).

Further information, please contact:

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

OEM International, head office located in Tranås, Sweden, comprises 23 operating units in eight countries. The Group trades in components and systems used in industrial automation. During 2004 the group's turnover amounted to 1.406 MSEK with 571 employees. OEM Internationals B-share is quoted on the Stockholm stock exchange's O-list. The financial targets of OEM are an annual growth of 15 %, a return on equity of minimum 20 % and a solidity not below 35 %. Visit our website – www.oem.se