

Press release 2005-10-26

Interim report January-September 2005

OEM report result improvement

OEM International's profit continues to increase. The net profit after financial items for the third quarter 2005, increased by 16 % to 30,7 SEK million (26,5). Turnover increased by 3 % to 349 SEK million (339) and the incoming orders increased by 4 % to 335 SEK million (323).

The profit after nine months has increased by 30 % to 90,0 SEK million (69,5) Turnover increased by 7 % to 1 129 SEK million (1 052) during the same period. Cost of disposal and winding up of company burdening the profit by 14 SEK million.

- The largest increase in turnover was within Group EP and Hydraulics during the third quarter, while EP and Automation have the largest positive earnings trend. Increased demand together with an improved product range and increased efficiency means that many of the group's companies are showing excellent growth, says CEO Jörgen Zahlin.

The average number of employees in the OEM Group during the first nine months 2005, was 537 persons (578).

Further information, please contact:

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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 International's 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