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Half-yearly report January - June 2006

OEM report increased profit first half year

The profit of OEM International after net financial income increased with 14 % to 34,8 SEK million (30,5) compared with the same period last year. The turnover increased with 3 % to 412 SEK million (399) and the inflow of orders increased to 395 SEK million (404).

The profit for the half year 2006 is 73,4 SEK million (59,3), an increase with 24 %. The turnover increased with 3 % to 804 SEK million (780) during the same period.

- Thriving sales and better margins are at the root of our improved profit, attributed to OEM Automatic, JMS Systemhydraulik and Development. OEM Electronics and Cyncrona's results are lower, says OEM International Group President Jörgen Zahlin.

- The market situation together with an improved product range and effective organisation make good growth in the majority of the Group's companies Jörgen continues.

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 2005 the group's turnover amounted to 1.525 MSEK with 541 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
