First quarter 2008

"The demand for Alfa Laval's products was strong and order intake reached the record level of SEK 7.4 billion. The strongest customer segments were Energy & Environment and Marine & Diesel.

Our high exposure to emerging markets offset a slowdown in the US, resulting in an organic growth of 6 percent. Combined, Asia, Eastern Europe and Latin America accounted for 51 percent of the Group's order intake.

The combination of an increase in invoicing of 22 percent to SEK 6.3 billion, a continued favourable product mix and high internal efficiency resulted in an operating margin of 22.5 percent, corresponding to SEK 1.4 billion.

We are well positioned for the future, with strong positions in the energy, environment and food areas."

Lars Renström, President and CEO

First quarter:

Order intake increased by 8.5 percent * to SEK **7,433** (7,005) million.

Net sales increased by 23.6 percent * to SEK **6,267** (5,150) million.

Adjusted EBITA was SEK **1,410** (835) million, including adverse foreign exchange effects of SEK 44 million.

Adjusted EBITA-margin was **22.5** (16.2) percent.

Result after financial items was SEK **1,256** (681) million.

Result after tax increased to SEK **898** (469) million.

Earnings per share increased to SEK **8.26** (4.11).

Cash flow from operating activities was SEK **729** (550) million.

* excluding exchange rate variations

Outlook for the near future

"We expect the demand to remain on the current high level."

(unchanged since the fourth quarter and full year 2007 report published on February 6, 2008)

The interim report has been issued on April 22, 2008 by the President and Chief Executive Officer Lars Renström by proxy from the Board of Directors.

Lund, April 22, 2008,

Lars Renström
President and Chief Executive Officer
Alfa Laval AB (publ)

The interim report has not been subject to review by the company's auditors.

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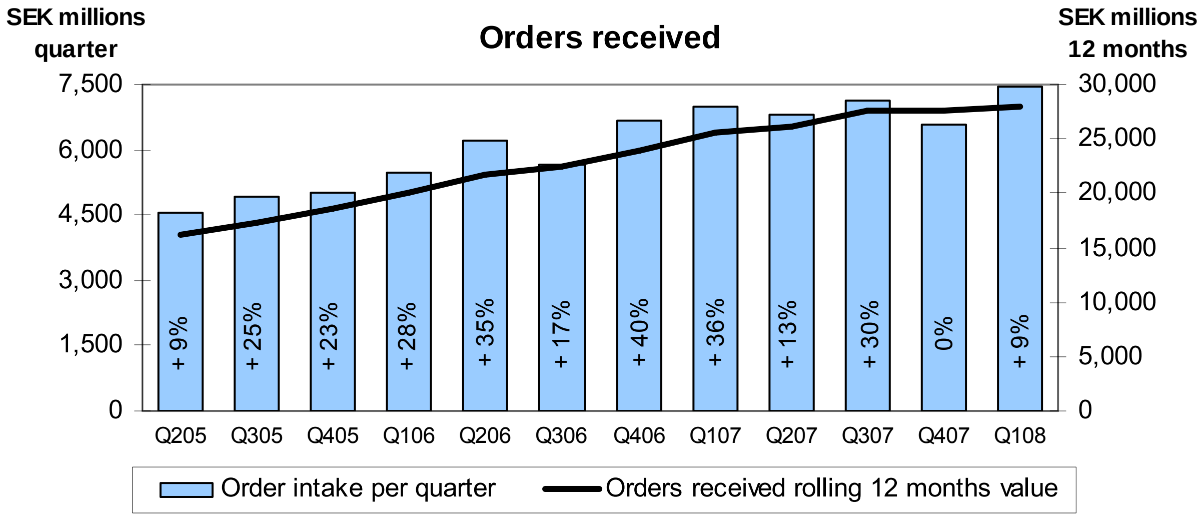
Key figures SEK millions, unless otherwise stated	**Jan 1 - March 31 2008**	Jan 1 - March 31 2007	2007	2006	2005
Order intake	7,433	7,005	27,553	24,018	18,516
Net sales	6,267	5,150	24,849	19,802	16,330
Adjusted EBITDA 1)	1,476	898	5,245	3,273	2,030
Adjusted EBITA 2)	1,410	835	4,980	3,010	1,765
Adjusted EBITA - margin 2)	22.5%	16.2%	20.0%	15.2%	10.8%
Result after financial items	1,256	681	4,557	2,375	1,099
Return on capital employed 3)	57.6%	36.9%	54.2%	35.9%	22.7%
Return on equity capital 3)	48.0%	28.2%	44.1%	25.3%	16.0%
Solidity	36.8%	37.4%	34.1%	36.4%	35.9%
Net debt to EBITDA, times	1.4	1.3	0.5	0.5	1.0
Debt ratio, times	0.25	0.16	0.30	0.22	0.35
Cash flow from operations	729	550	3,264	2,619	1,616
Investments	94	54	556	373	324
No. of employees 4)	11,592	10,321	11,395	10,115	9,429

1. Adjusted EBITDA – ”Earnings before interests, taxes, depreciation, amortisation of step up values and comparison distortion items."
2. Adjusted EBITA – ”Earnings before interests, taxes, amortisation of step up values and comparison distortion items.
3. Calculated on a 12 months’ revolving basis.
4. Number of employees at the end of the period.

Management's discussion and analysis



% = change by quarter compared to corresponding period last year, at constant rates

Order analysis	**Jan 1 - March 31**
2007 (SEK millions)	7,005
Structural change	2.6%
Currency effects	-2.4%
Organic development	5.9%
Total	6.1%
2008 (SEK millions)	7,433

Orders received amounted to SEK 7,433 (7,005) million for the first quarter. Excluding exchange rate variations, the order intake for the Group was 8.5 percent higher than the first quarter last year. Adjusted for acquisitions of businesses [5] the corresponding figure is an increase by 5.9 percent.

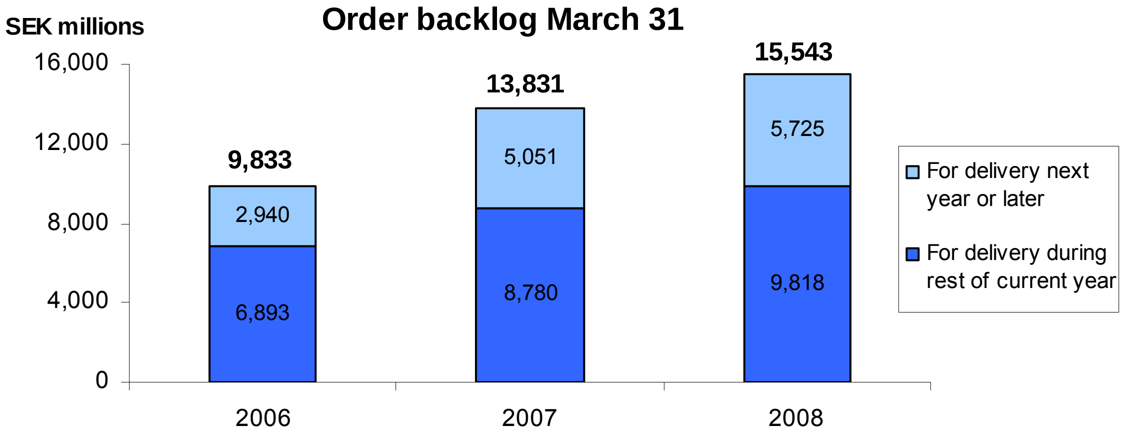
Orders received from the aftermarket "Parts & Service" has continued to develop positively and increased by 11.9 percent compared to last year excluding exchange rate variations. Its relative share of the Group's total orders received was 19.8 (19.2) percent.

Large orders [6] in the first quarter:

During the first quarter 2008 Alfa Laval received large orders for SEK 390 (435) million:

- Order for high capacity plate heat exchangers to a central cooling system in a petrochemical plant in the Middle East. The order value is about SEK 100 million. Delivery will take place in 2008.
- Order for crude oil treatment at a gas turbine power plant in Saudi Arabia. The order value is about SEK 100 million. Delivery is scheduled for 2008.
- Two orders for plate heat exchangers to the power industry in China. The total order value is about SEK 140 million. Delivery is planned for 2009 and 2010.
- Order for Alfa Laval Packinox plate heat exchangers for a refinery in Saudi Arabia. The order value is about SEK 50 million. Delivery is scheduled for 2009.

5. Acquired businesses are: Høyer Promix at February 11, 2008
Fincoil, at December 1, 2007
AGC Engineering at July 2, 2007
Helpman at April 4, 2007
DSO at March 16, 2007
6. Orders with a value over EUR 5 million.



The order backlog at March 31, 2008 was SEK 15,543 (13,831) million. Excluding exchange rate variations and adjusted for acquisitions of businesses the order backlog was 14.6 percent higher than the order backlog at March 31, 2007 and 8.1 percent higher than the order backlog at the end of 2007.

CONSOLIDATED INCOME STATEMENT

Amounts in SEK millions	**Jan 1 - March 31 2008**	Jan 1 - March 31 2007	Jan 1 - Dec 31 2007	Jan 1 - Dec 31 2006
Net sales	6,267	5,150	24,849	19,802
Cost of goods sold	-3,657	-3,230	-15,340	-12,598
Gross profit	2,610	1,920	9,509	7,204
Sales costs	-741	-639	-2,751	-2,607
Administration costs	-270	-275	-1,159	-948
Research and development costs	-162	-147	-643	-526
Other operating income *	59	53	362	281
Other operating costs *	-167	-161	-627	-852
Operating income	1,329	751	4,691	2,552
Dividends	1	1	2	2
Interest income	74	21	271	174
Interest expense *	-148	-92	-407	-353
Result after financial items	1,256	681	4,557	2,375
Taxes	-358	-212	-1,377	-650
Net income for the year	898	469	3,180	1,725
Attributable to:				
Equity holders of the parent	890	459	3,137	1,687
Minority interests	8	10	43	38
Earnings per share (SEK)	8.26	4.11	28.48	15.10
Average number of shares **	107,804,080	111,671,993	110,152,876	111,671,993

* The line has been affected by comparison distortion items, see separate specification on page 6.
** Average number of shares has been affected by the repurchase of shares.

Excluding exchange rate variations, the invoicing was 23.6 percent higher than the first quarter last year. Adjusted for acquisitions of businesses the corresponding figure is 20.6 percent.

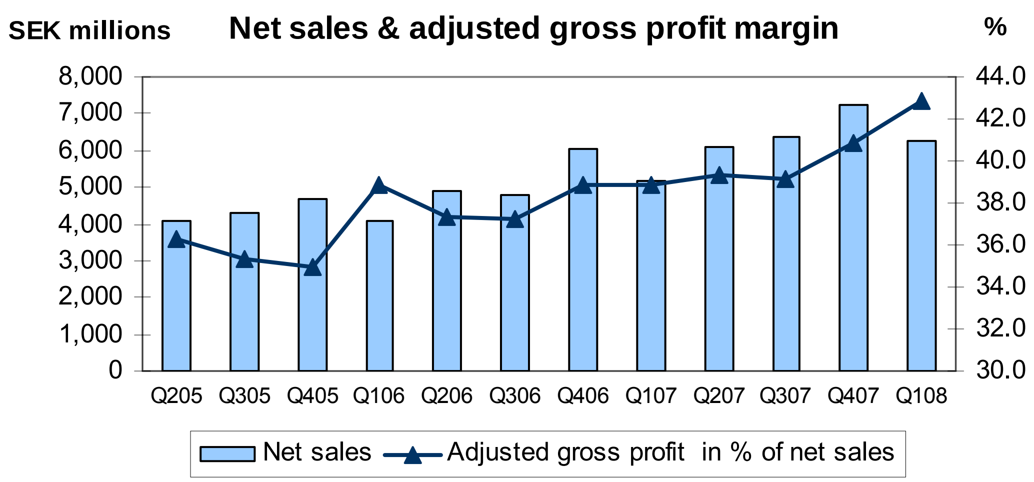
Sales and administration expenses amounted to SEK 1,011 (914) million. Adjusted for exchange rate variations and acquisitions of businesses, sales and administration expenses were 9.4 percent higher than last year.

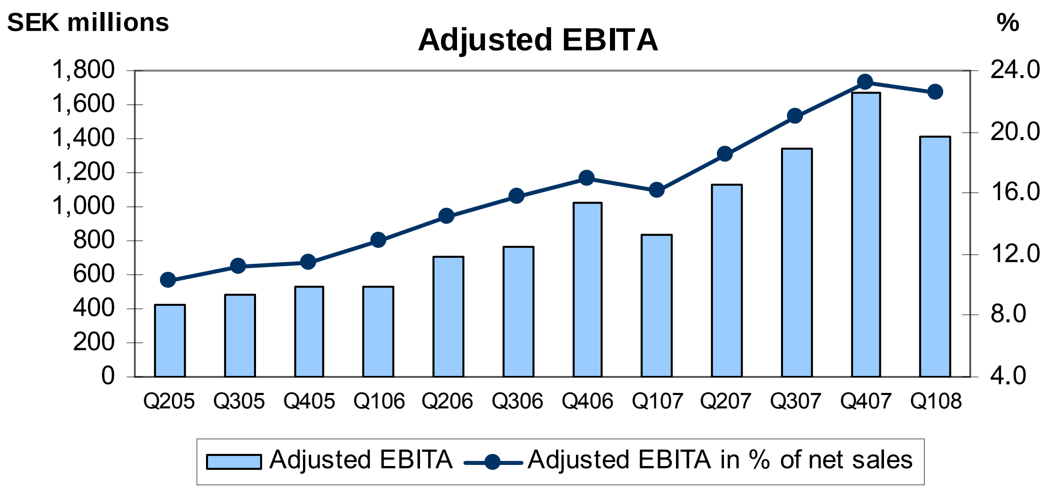
The costs for research and development have amounted to SEK 162 (147) million, corresponding to 2.6 (2.9) percent of net sales. Adjusted for exchange rate variations and acquisitions of businesses, the costs for research and development have increased by 7.7 percent compared to last year.

Income statement analysis SEK millions	**Jan 1 - March 31 2008**	Jan 1 - March 31 2007	Jan 1 - Dec 31 2007	Jan 1 - Dec 31 2006
Net sales	6,267	5,150	24,849	19,802
Adjusted gross profit *	2,691	2,004	9,852	7,542
- in % of net sales	***42.9***	***38.9***	***39.6***	***38.1***
Expenses **	-1,215	-1,106	-4,607	-4,269
- in % of net sales	*19.4*	*21.5*	*18.5*	*21.6*
Adjusted EBITDA	**1,476**	**898**	**5,245**	**3,273**
- in % of net sales	*23.6*	*17.4*	*21.1*	*16.5*
Depreciation	-66	-63	-265	-263
Adjusted EBITA	**1,410**	**835**	**4,980**	**3,010**
- in % of net sales	***22.5***	***16.2***	***20.0***	***15.2***
Amortisation of step up values	-81	-84	-343	-338
Comparison distortion items	-	-	54	-120
EBIT	1,329	751	4,691	2,552

* Excluding amortisation of step up values. ** Excluding comparison distortion items.

The adjusted result after tax and the minority's share of the result, excluding amortisation of step-up values and the corresponding tax, is SEK 8.77 (4.63) per share.





Comparison distortion items Amounts in SEK millions	**Jan 1 - March 31 2008**	Jan 1 - March 31 2007	Jan 1 - Dec 31 2007	Jan 1 - Dec 31 2006
Operational				
Other operating income	59	53	308	275
Comparison distortion income	-	-	54	6
Total other operating income	59	53	362	281
Other operating costs	-167	-161	-627	-726
Comparison distortion costs	-	-	-	-126
Total other operating costs	-167	-161	-627	-852

In the income statement comparison distortion items are reported gross as a part of other operating income and other operating costs.

Consolidated financial result and taxes

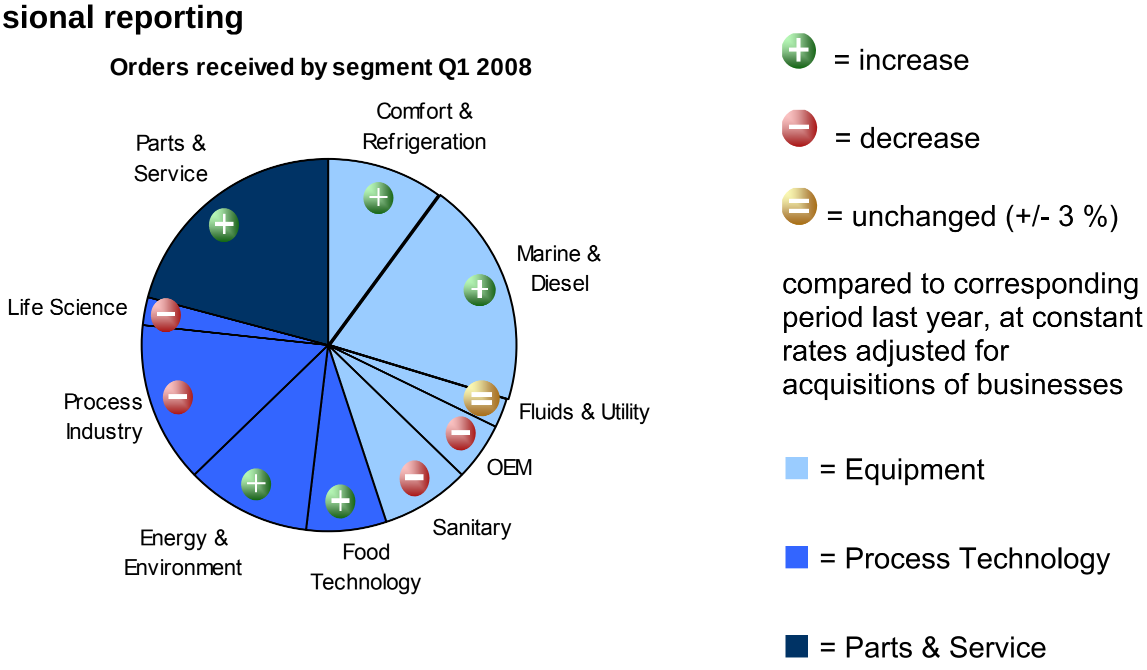
The financial net has amounted to SEK -50 (-40) million, excluding realised and unrealised exchange rate losses and gains. The main elements of costs were interest on debt to the banking syndicate of SEK -20 (-9) million, interest on the private placement of SEK -9 (-10) million and a net of dividends and other interest income and interest costs of SEK -21 (-21) million.

The net of realised and unrealised exchange rate differences amounts to SEK -23 (-30) million.

The increase in income taxes between 2008 and 2007 is primarily due to the increased result before tax.

Divisional reporting

Orders received by segment Q1 2008



Equipment division

SEK millions	**Jan 1 - March 31 2008**	Jan 1 - March 31 2007	Jan 1 - Dec 31 2007	Jan 1 - Dec 31 2006
Orders received	4,196	3,926	15,896	12,617
Order backlog *	8,237	6,468	7,915	5,721
Net sales	3,623	2,993	13,586	10,934
Operating income	840	517	2,805	2,072

* At the end of the period.

Orders received and net sales (all comments are after adjustment for exchange rate fluctuations)

Orders received increased by 9.8 percent and net sales increased by 23.3 percent during the first quarter 2008 compared to the corresponding period last year. Adjusted for acquisitions of businesses, the corresponding figures are 5.1 percent and 18.3 percent.

During the first quarter the Marine & Diesel and the Comfort & Refrigeration segments continued to grow in relation to the corresponding quarter last year. The Marine & Diesel segment continues with good order growth as a result of a high backlog in the world's shipyards and continued good development of land based diesel installations. The refrigeration business, in industrial and commercial cooling markets, was well above last year being propelled by the recent acquisition in Finland and a good order intake in the US. The comfort business encompassing both district heating and cooling developed well, particularly in Russia. Parts & Service also continues to develop positively. The OEM business continued to be on a lower level than last year predominately as a result of slow market conditions in the heat pump industry in Europe.

Operating income (excluding comparison distortion items)

The increase in operating income during the first quarter 2008 compared to the corresponding period last year is mainly explained by a higher gross profit due to volume and increased margins, partially offset by sales and administration costs and adverse foreign exchange effects.

Process Technology division

SEK millions	**Jan 1 - March 31 2008**	Jan 1 - March 31 2007	Jan 1 - Dec 31 2007	Jan 1 - Dec 31 2006
Orders received	3,233	3,069	11,594	11,391
Order backlog *	7,261	7,347	6,766	6,630
Net sales	2,637	2,155	11,242	8,829
Operating income	599	358	2,265	1,060

* At the end of the period.

Orders received and net sales (all comments are after adjustment for exchange rate fluctuations)

Orders received increased by 7.1 percent and net sales increased by 23.7 percent during the first quarter 2008 compared to the corresponding period last year.

The first quarter 2008 was the best quarter ever in terms of orders received for the Process Technology division despite a very slow business in bio fuels. The strongest markets in the first quarter are seen in:

- Oil & Gas, where activities are expected to remain strong.
- Power, especially in China and fuel treatment for conventional Power in the Middle-East.
- Petrochemical in Middle-East.
- Inorganic industry that has shown a continued strong growth and where Alfa Laval is developing new applications.
- Brewery on a global basis - a market also expected to have a continuing high investment level.
- Parts & Service continue to reach new record levels.

This means that except biofuel no other slowdown is seen in the quarter.

Operating income (excluding comparison distortion items)

The increase in operating income during the first quarter 2008 compared to the corresponding period last year is foremost explained by a higher gross profit due to the increased volume, marginally offset by increased R&D and sales and administration costs as well as adverse foreign exchange effects.

Operations division and Other

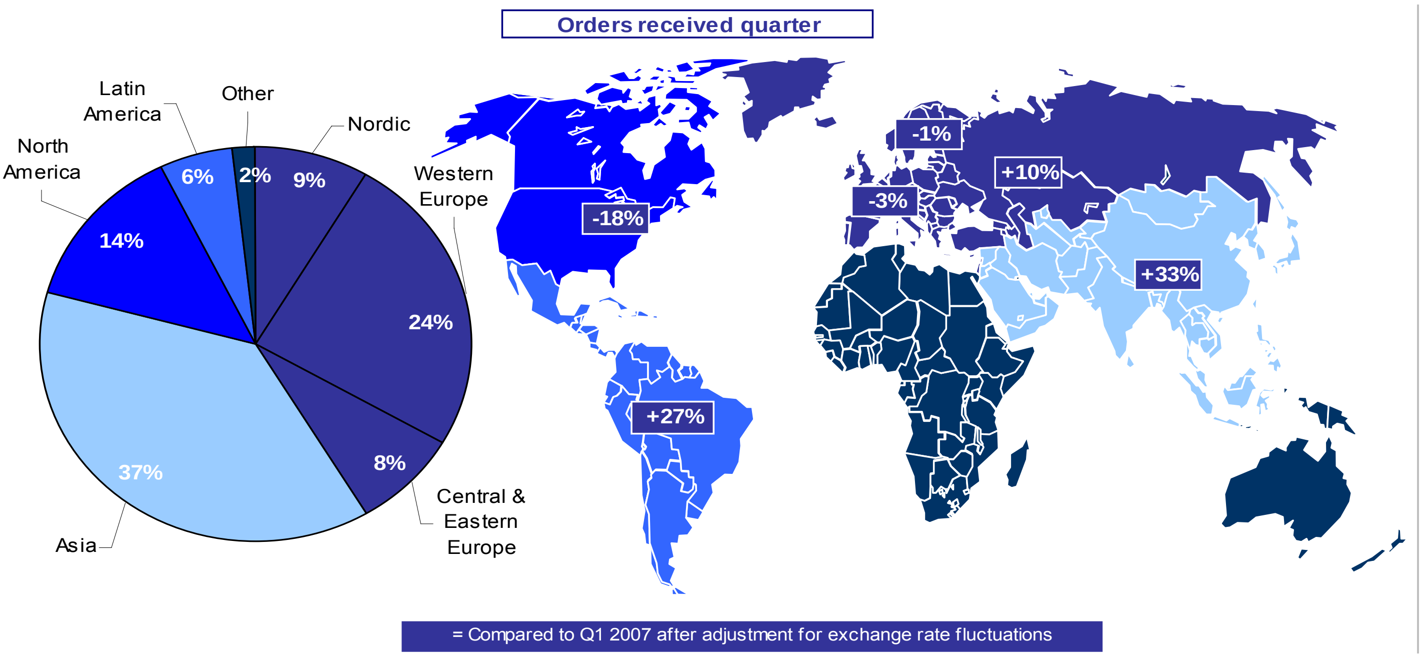
SEK millions	**Jan 1 - March 31 2008**	Jan 1 - March 31 2007	Jan 1 - Dec 31 2007	Jan 1 - Dec 31 2006
Orders received	4	10	63	10
Order backlog *	45	16	49	8
Net sales	7	2	21	39
Operating income	-110	-124	-433	-460

* At the end of the period.

Operations are responsible for procurement, production and logistics. Other is referring to corporate overhead and non-core businesses.

Reporting by geographical markets

The Group's secondary segments are geographical markets. All comments are after adjustment for exchange rate fluctuations.



Western Europe including Nordic

Orders for capital goods in the Equipment division and Parts & Service were above last year. The best development is found in the refrigeration and the marine businesses. Orders for capital goods in the Process Technology division were substantially lower than last year. Base orders (less than EUR 0.5 million) were on the same level as last year. The best development was in the United Kingdom and the Adriatic regions.

Central and Eastern Europe

The region showed good overall growth with the best development in Energy & Environment, Parts & Service and Process Industry. From a country perspective Russia and Turkey stand out. Russia had an excellent increase in orders from all segments within the Process Technology division, as well as from Comfort & Refrigeration where there are significant investments in district heating systems. Parts & Service also developed very well. When it comes to Turkey large orders were received for boron processing within Process Industry, equipment for the Sanitary segment and for Parts & Service. The marine business continues on a high level in Turkey.

North America

Orders for capital goods in the Equipment division and Parts & Service showed a strong development. Orders for capital goods in the Process Technology division were substantially lower than last year, while base orders were above last year. Excluding the ethanol application orders in the US were on the same level as last year.

Latin America

Latin America has shown a very good increase with the best development for the Process Technology division. The segments with the highest growth were Energy & Environment, Process Industry, Food Technology and Comfort & Refrigeration. Brazil and Chile had the strongest development. In Brazil large orders from the ethanol industry contributed to a very good order development in the Process Industry segment.

Asia

The first quarter was a very strong quarter for the region, with the best growth in the Middle East, China and India. The Energy & Environment, Life Science and Marine & Diesel segments including Parts & Service had the strongest development.

CONSOLIDATED CASH-FLOW STATEMENTS Amounts in SEK millions	**Jan 1 - March 31 2008**	Jan 1 - March 31 2007	Jan 1 - Dec 31 2007
Cash flow from operating activities			
Operating income	1,329	751	4,691
Adjustment for depreciation	147	147	608
Adjustment for other non-cash items	30	-7	-73
	1,506	891	5,226
Taxes paid	-534	-353	-1,130
	972	538	4,096
Changes in working capital:			
(Increase)/decrease of current receivables	-34	-69	-1,163
(Increase)/decrease of inventories	-49	-413	-1,110
Increase/(decrease) of liabilities	-223	314	896
Increase/(decrease) of provisions	63	180	545
(Increase)/decrease in working capital	**-243**	**12**	**-832**
	729	550	3,264
Cash flow from investing activities			
Investments in fixed assets (Capex)	-94	-54	-556
Divestment of fixed assets	0	0	79
Acquisition of businesses	-16	-92	-1,199
Additional purchase price	-24	-	-
	-134	-146	-1,676
Cash flow from financing activities			
Financial net, paid	16	-32	-244
Repurchase of shares	-367	-	-1,497
Dividends to owners of parent company	-	-	-698
Dividends to minority owners in subsidiary	-	-18	-27
(Increase)/decrease of other financial assets	-134	8	-13
Increase/(decrease) of liabilities to credit institutions	-223	-305	1,188
	-708	-347	-1,291
Net increase (decrease) in cash and bank	-113	57	297
Cash and bank at the beginning of the year	856	546	546
Translation difference in cash and bank	-31	15	13
Cash and bank at the end of the period	712	618	856
Free cash flow per share (SEK) *	5.52	3.62	14.42
Capex in relation to sales	1.5%	1.0%	2.2%
Average number of shares **	107,804,080	111,671,993	110,152,876

* Free cash flow is the sum of cash flows from operating and investing activities.
** Average number of shares has been affected by the repurchase of shares.

Cash flow from operating and investing activities amounted to SEK 595 (404) million during the first quarter 2008. As a result of increased volumes and profit the cash flow has been burdened by increased tax payments and build up of working capital.

Depreciation, excluding allocated step-up values, was SEK 66 (63) million during the first quarter, whereas the investments were SEK 94 (54) million.

CONSOLIDATED BALANCE SHEET

Amounts in SEK millions	**March 31 2008**	March 31 2007	Dec 31 2007
ASSETS			
Non-current assets			
Intangible assets	5,496	5,013	5,734
Property, plant and equipment	2,778	2,527	2,824
Other non-current assets	1,161	1,016	1,133
	9,435	8,556	9,691
Current assets			
Inventories	4,975	4,289	5,086
Assets held for sale	-	1	-
Accounts receivable	5,185	4,284	5,049
Other receivables	1,695	1,559	2,082
Derivative assets	472	161	297
Other current deposits	319	226	190
Cash and bank *	712	618	856
	13,358	11,138	13,560
TOTAL ASSETS	22,793	19,694	23,251
SHAREHOLDERS' EQUITY AND LIABILITIES			
Equity			
Shareholders' equity	8,273	7,237	7,846
Minority interest	111	123	91
	8,384	7,360	7,937
Non-current liabilities			
Liabilities to credit institutions	2,028	834	2,378
Private placement	654	768	703
Provisions for pensions and similar commitments	852	963	877
Provision for deferred tax	1,035	955	1,090
Other provisions	411	388	409
	4,980	3,908	5,457
Current liabilities			
Liabilities to credit institutions	441	386	339
Accounts payable	2,198	2,078	2,522
Advances from customers	2,090	1,966	1,895
Other provisions	1,368	1,046	1,401
Other liabilities	3,140	2,787	3,478
Derivative liabilities	192	163	222
	9,429	8,426	9,857
Total liabilities	14,409	12,334	15,314
TOTAL SHAREHOLDERS' EQUITY & LIABILITIES	22,793	19,694	23,251

* The item cash and bank is mainly relating to bank deposits.

Cash, bank and current deposits include bank and other deposits in the publicly listed subsidiary Alfa Laval (India) Ltd of SEK 74 (63) million. The company is not a wholly owned subsidiary of the Alfa Laval Group. It is owned to 76.7 (64.1) percent.

Borrowings and net debt

Consolidated SEK in millions	**March 31 2008**	March 31 2007	Dec 31 2007
Credit institutions	2,469	1,220	2,717
Private placement	654	768	703
Capitalised financial leases	34	25	34
Interest-bearing pension liabilities	2	2	2
Total debt	3,159	2,015	3,456
Cash, bank and current deposits	-1,031	-844	-1,046
Net debt	2,128	1,171	2,410

Alfa Laval has a senior credit facility with a banking syndicate of EUR 268 million and USD 348 million, corresponding to SEK 4,581 million. At March 31, 2008, SEK 1,760 million of the facility were utilised. The facility matures in April 2011 with another year's option until April 2012.

The private placement of USD 110 million matures in 2016.

CHANGES IN CONSOLIDATED EQUITY

Amounts in SEK millions	**Jan 1 - March 31 2008**	Jan 1 - March 31 2007	Jan 1 - Dec 31 2007
At the beginning of the period	7,937	6,831	6,831
Changes attributable to:			
Equity holders of the parent			
Repurchase of shares	-367	-	-1,497
Increase of ownership in Alfa Laval (India) Ltd	-	-	56
Cash flow hedges	169	-67	-26
Translation difference	-233	112	155
Deferred tax	-32	20	6
Net income for the period	890	459	3,137
Dividends	-	-	-698
Subtotal	427	524	1,133
Minority			
Decrease of minority in Alfa Laval (India) Ltd	-	-	-56
Translation difference	12	13	13
Net income for the period	8	10	43
Dividends	-	-18	-27
Subtotal	20	5	-27
At the end of the period	8,384	7,360	7,937

The share capital of SEK 1,116,719,930 is divided into 111,671,993 shares.

Ownership and legal structure

Alfa Laval AB (publ) is the parent company of the Alfa Laval Group. The company had 18,979 (13,102) shareholders on March 31, 2008. The largest owner is Tetra Laval B.V., the Netherlands who owns 17.7 (17.7) percent. Next to the largest owner there are nine institutional investors with ownership in the range of 6.4 to 1.4 percent. These ten largest owners own 43.4 (54.4) percent of the shares.

Material factors of risk and uncertainty

The main factors of risk and uncertainty facing the Group concern the price development and availability of strategic metals, fluctuations in major currencies and when the business cycle driven downturn in the demand for the company’s products comes and how deep the downturn will be. It is the company’s opinion that the description of risks made in the Annual Report for 2007 is still correct.

Asbestos-related lawsuits

The Alfa Laval Group was as of March 31, 2008, named as a co-defendant in a total of 250 asbestos-related lawsuits with a total of approximately 294 plaintiffs. Alfa Laval strongly believes the claims against the Group are without merit and intends to vigorously contest each lawsuit.

Based on current information and Alfa Laval’s understanding of these lawsuits, Alfa Laval continues to believe that these lawsuits will not have a material adverse effect on the Group’s financial condition or results of operation.

Purchase of businesses

On February 11, 2008 Alfa Laval acquired the Danish company Høyer Promix A/S. The company has a turnover of approximately DKK 12 million and develops, produces and markets agitators mainly for the food and pharma industry.

Accounting principles

The first quarter interim report 2008 is prepared in accordance with RR 31 Consolidated Interim Reports, which requires IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act to be applied. The accounting principles are according to IFRS (International Financial Reporting Standards). This means that the same accounting principles and accounting estimates have been applied in the first quarter interim report 2008 as for the annual report for 2007.

Parent company

The parent company's result after financial items was SEK 3 (6) million, out of which net interests were SEK 7 (7) million, realised and unrealised exchange rate gains and losses SEK -0 (1) million, costs related to the listing SEK -1 (-1) million, fees to the Board SEK -2 (-) million, cost for annual report and annual general meeting SEK -1 (-1) million and other administration costs the remaining SEK -0 (-0) million.

PARENT COMPANY INCOME STATEMENT

Amounts in SEK millions	**Jan 1 - March 31 2008**	Jan 1 - March 31 2007	Jan 1 - Dec 31 2007	Jan 1 - Dec 31 2006
Administration costs	-3	-1	-10	-11
Other operating costs	-1	-1	-2	-1
Operating income/loss	-4	-2	-12	-12
Dividends	-	-	1,208	2,000
Interest income and similar result items	8	8	44	15
Interest costs and similar result items	-1	0	-3	-10
Result after financial items	3	6	1,237	1,993
Appropriation to tax allocation reserve	-	-	-378	-254
Income tax	-1	-17	-318	-214
Tax on received Group contribution	-	-	413	286
Net result for the year	2	-11	954	1,811

PARENT COMPANY BALANCE SHEET

Amounts in SEK millions	**March 31 2008**	March 31 2007	Dec 31 2007
ASSETS			
Non-current assets			
Shares in group companies	4,669	4,669	4,669
Current assets			
Receivables on group companies	1,695	1,897	2,385
Other receivables	41	3	1
Cash and bank	-	-	-
	1,736	1,900	2,386
TOTAL ASSETS	6,405	6,569	7,055
SHAREHOLDERS' EQUITY AND LIABILITIES			
Equity			
Restricted equity capital	2,387	2,387	2,387
Unrestricted equity capital	3,264	3,795	3,628
	5,651	6,182	6,015
Untaxed reserves			
Tax allocation reserve, taxation 2005	81	81	81
Tax allocation reserve, taxation 2006	25	25	25
Tax allocation reserve, taxation 2007	254	254	254
Tax allocation reserve, taxation 2008	378	-	378
	738	360	738
Current liabilities			
Liabilities to group companies	15	18	47
Accounts payable	1	1	1
Tax liabilities	-	8	254
	16	27	302
TOTAL EQUITY CAPITAL AND LIABILITIES	6,405	6,569	7,055

Proposed disposition of earnings

The Board of Directors have proposed a dividend for 2007 of SEK 9.00 (6.25) per share corresponding to SEK 963 (698) million and that the remaining income available for distribution in Alfa Laval AB (publ) of SEK 2,665 (3,109) million be carried forward.

The proposed dividend has decreased by SEK 10 million and the income available for distribution to be carried forward has increased by SEK 10 million compared to the proposed disposition of earnings in the fourth quarter and full year 2007 report and the annual report for 2007 due to the repurchases of shares made during the first quarter 2008.

Repurchase of shares

The Annual General Meeting 2007 gave the Board a mandate to decide on repurchase of the company's shares – if the Board deems this appropriate – until the next Annual General Meeting. The mandate referred to repurchase of up to 10 percent of the issued shares with the purpose to cancel the repurchased shares and reduce the share capital. The repurchase would be made through transactions on OMX Stockholm Stock Exchange. Until March 31, 2008 Alfa Laval has made the following repurchases:

Specification of repurchase of shares	April 1 - June 30	July 1 - Sept 30	Oct 1 - Dec 31	Jan 1 - March 31	Total
Number of repurchased shares	1,011,969	2,246,920	343,650	1,084,200	4,686,739
Percentage of outstanding shares	0.9%	2.0%	0.3%	1.0%	4.2%
Decrease of equity capital in parent company and consolidated Group (SEK millions)	426	939	132	367	1,864

Proposal to cancel repurchased shares and make a bonus issue

On March 11, 2008 when the notice to the Annual General Meeting was sent the number of repurchased shares was 4,323,639. The Board will propose to the Annual General Meeting to cancel these repurchased shares. Cancellation of 4,323,639 shares means that the share capital will decrease with SEK 43 million. At the same time the Board will propose that the share capital is increased by a bonus issue of the same amount decided by the Annual General Meeting. In this way the size of the share capital is restored and the company avoids to have to obtain permission from Bolagsverket or if disputed the local court to cancel the repurchased shares.

Proposal on repurchase of additional shares

Alfa Laval's financial position is still very strong. In order to adjust the Group's balance sheet to a more efficient structure while maintaining financial flexibility, the Board of Directors will propose the Annual General Meeting to again mandate the Board to decide on repurchases of the company's shares – if the Board deems this appropriate – until the next Annual General Meeting. The mandate will refer to repurchase of up to 5 percent of the issued shares with the purpose to cancel the repurchased shares and reduce the share capital. The repurchase will be made through transactions on OMX Stockholm Stock Exchange.

Proposal to make a share split 4:1

The Alfa Laval share has shown a strong development during the last two years. In order to facilitate trading by shareholders with small holdings, the Board of Directors will propose the Annual General Meeting to make a share split 4:1 meaning that each old share will be split into 4 new shares. If the proposal is accepted the split is expected to be completed during the month of June 2008

Date for the next financial reports during 2008

Alfa Laval will publish interim reports during 2008 at the following dates:

Interim report for the second quarter	July 16
Interim report for the third quarter	October 22

Events after the balance sheet date

The balance sheets and the income statements will be adopted at the Annual General Meeting of shareholders on April 22, 2008.