

AS NORMA
COMMENTARY TO Q1 Y2002 CONSOLIDATED FINANCIAL RESULTS
(unaudited)

Sales and Revenues

During the period Q1 Y2002 consolidated net sales of AS Norma totalled 231.4 MEEK (14.8 MEUR), of which those of the parent company were 225.6 MEEK (14.4 MEUR). Consolidated sales increased by 39% (+64.9 MEEK, +4.1 MEUR) from Q1 Y2001. Sales to Russian customers remained on the same level (+0.7%) and to Western customers rose by 148%.

Sales to Autoliv was Q1 Y2002 91.6 MEEK (5,9 MEUR).

Revenues of AS Norma accounted for 97%.

The group's main fields of activity include production and sale of safety belts, car components and also real estate administration. Exports accounted to 98% of sales revenue, 53% of production was exported to Russian customers (Q1 Y2001 71%).

The number of employees at the end of the period was 1054.

Use of Capital

Accounts receivable at the end Q1 Y2002 totalled 167.6 MEEK (10.7 MEUR), of which 53% related to the Russian customers. During the period Q1 Y2002 volume of accounts receivable has increased by 14.3 MEEK (0.9 MEUR), Autoliv receivables was 63.0 MEEK (4.0 MEUR).

The share of accounts in arrears of total receivable was 11%.

The provision for bad debts remained on the same level and the reserve totalled 13.1 MEEK (0.8 MEUR).

As of the Q1 Y2002, the consolidated balance sheet size was

764.9 MEEK (48.9 MEUR), a growth by 39.8 MEEK(+2.5 MEUR),

increased due to the current assets 41.9 MEEK (+2.7 MEUR).

Total liabilities amounted to 108.0 MEEK (6.9 MEUR).

The company has no long term liabilities.

The group's owners' equity increased by 42.2 MEEK(+2.7 MEUR), amounting to 656.9 MEEK (42.0 MEUR) (86% of balance sheet size).

Investments

AS Norma invested a total of 3.4 MEEK (0.2 MEUR), to support existing production capacities and assure the efficiency its production processes. Of the total 2.1 MEEK (0.1 MEUR) was invested in machinery and equipment.

Profit and Earnings per Share

The company's consolidated unaudited net profit was 42.2 MEEK (2.7 MEUR).

Net profit has decreased by 6.3 MEEK (0.4 MEUR), a 13% decrease (48.4 MEEK, 3.1 MEUR Q1 Y2001). The biggest decrease was shown on other income, where at 2001 profit from the sales of subsidiary was booked.

Earnings per share was 3.19 EEK (0.20 EUR) in Q1 Y2002. Q1 Y2001 it was 3.67 EEK (0.23 EUR).

Significant Events and Changes in Business Activities

In the next phase of production movement 1 assembly line was installed. Norwegian company Det Norske Veritas certified that the environmental managements system of AS Norma conforms to the requirements of the ISO 14001 standard.

The Q2 Y2002 results of AS Norma will be released at July 17, 2002.

Consolidated balance sheet as of 31.03.02
 unaudited

	EEK in thousands		EUR in thousands		Note
	31.03.02	31.12.01	31.03.02	31.12.01	
Assets					
Current assets					
Cash and bank accounts	39 659	59 449	2 535	3 799	
Marketable securities	167 323	123 452	10 694	7 890	
Accounts receivable	167 559	153 291	10 709	9 797	
Allowance for doubtful receivables	-13 113	-13 136	-838	-840	
Other receivables and prepayments	96 993	99 985	6 199	6 390	
Inventories	89 665	83 132	5 731	5 313	
Total current assets	548 086	506 173	35 029	32 350	
Non-current assets					
Long-term financial assets	5 060	1 060	323	68	
Property, plant and equipment	210 213	216 042	13 435	13 808	1
Intangible assets	1 567	1 886	100	121	
Total non-current assets	216 840	218 988	13 859	13 996	
Total assets	764 926	725 161	48 888	46 346	
Liabilities and shareholders' equity					
Liabilities					
Current liabilities					
Accounts payable and accrued expenses	107 992	110 385	6 902	7 055	
Total current liabilities	107 992	110 385	6 902	7 055	
Total liabilities	107 992	110 385	6 902	7 055	
Owners' equity					
Share capital (par value)	132 000	132 000	8 436	8 436	2
Retained earning and reserves	482 776	305 137	30 855	19 502	
Net profit	42 158	177 638	2 694	11 353	
Total owners' equity	656 934	614 776	41 986	39 291	
Total liabilities and owners' equity	764 926	725 161	48 888	46 346	

Parent company balance sheet as of 31.03.02
 unaudited

	EEK in thousands		EUR in thousands	
	31.03.02	31.12.01	31.03.02	31.12.01
Assets				
Current assets				
Cash and bank accounts	34 017	57 647	2 174	3 684
Marketable securities	167 323	123 452	10 694	7 890
Accounts receivable	192 949	179 026	12 332	11 442
Allowance for doubtful receivables	-12 791	-12 791	-817	-817
Other receivables and prepayments	96 611	99 274	6 175	6 345
Inventories	83 097	77 357	5 311	4 944
Total current assets	561 206	523 965	35 868	33 487
Non-current assets				
Long-term financial assets	82 941	76 634	5 301	4 898
Property, plant and equipment	117 935	121 996	7 537	7 797
Intangible assets	950	1120	61	72
Total non-current assets	201 826	199 750	12 899	12 766
Total assets	763 032	723 715	48 767	46 254

Liabilities and owners' equity

Liabilities

Current liabilities

Accounts payable and accrued exp.	106 098	108 939	6 781	6 962
Total current liabilities	106 098	108 939	6 781	6 962
Kohustused kokku	106 098	108 939	6 781	6 962
Owners' equity				
Share capital (par value)	132 000	132 000	8 436	8 436
Retained earning and reserves	482 776	305 137	30 855	19 502
Net profit	42 158	177 638	2 694	11 353
Total owners' equity	656 934	614 776	41 986	39 291
Total liabilities and owner equity	763 032	723 715	48 767	46 254

Consolidated income statement Q1 Y2002

unaudited

	EEK in thousands		EUR in thousands		Note
	01.01.02- 31.03.02	01.01.01- 31.03.01	01.01.02- 31.03.02	01.01.01- 31.03.01	
Net sales	231 426	166 549	14 791	10 644	3
Cost of goods sold	175 025	109 289	11 186	6 985	
Gross profit	56 401	57 260	3 605	3 660	
Marketing expenses	5 280	5 641	337	361	
Administrative and general exp.	8 167	7 198	522	460	
Product development expenses	4 211	3 887	269	248	
Bad debt provision	-18	116	-1	7	4
Other income	431	5 325	28	340	
Other expenses	768	477	49	30	
Operating profit	38 424	45 266	2 456	2 893	
Financial income	3 907	3 359	250	215	
Financial expenses	145	202	9	13	
Profit before taxes	42 186	48 423	2 696	3 095	
Provision for taxes	28	0	2	0	
Net profit	42 158	48 423	2 694	3 095	
Earnings per share in EEK and EUR	3,19	3,67	0,20	0,23	5

Parent company income statement Q1 Y2002

unaudited

	EEK in thousands		EUR in thousands	
	01.01.02- 31.03.02	01.01.01- 31.03.01	01.01.02- 31.03.02	01.01.01- 31.03.01
Net sales	225 603	160 265	14 419	10 243
Cost of goods sold	174 346	107 248	11 143	6 854
Gross profit	51 257	53 017	3 276	3 388
Marketing expenses	5 188	5 677	332	363
Administrative and general expenses	5 386	5 003	344	320
Product development expenses	4 211	3 887	269	248
Bad debt provision	-1	74	0	5
Other income	356	387	23	25
Other expenses	719	346	46	22

Operating profit	36 110	38 417	2 308	2 455
Financial income	6 175	10 207	395	652
Financial expenses	127	201	8	13
Profit before taxes	42 158	48 423	2 694	3 095
Net profit	42 158	48 423	2 694	3 095
Earnings per share in EEK and EUR	3,19	3,67	0,20	0,23

Consolidated cash flows as of 31.03.02
unaudited

	EEK in thousands		EUR in thousands	
	31.03.02	31.03.01	31.03.02	31.03.01
Operating activities				
Operating profit	38424	45 266	2 456	2 893
Profit from sale of property, plant and equipment	-344	-386	-22	-25
Revenues from subsidiary companies	0	1 094	0	70
Depreciation	9 496	8 303	607	531
Property, plant and equipment write-off	4	52	0	3
Increase (-), decrease (+) in current assets	-16 438	-18 278	-1 051	-1 168
Increase (-), decrease (+) in current liabilities	-2 421	-486	-155	-31
Interest received and other financial income	2 417	2 187	154	140
Interest and other financial expenses paid	-7	-2	0	0
Total operating activities	31 131	37 750	1 990	2 413
Investing activities				
Property, plant and equipment sold	344	540	22	35
Property, plant and equipment acquired	-3 352	-9 919	-214	-634
Loans issued	-32	-46	-2	-3
Subsidiary companies sold	0	5 000	0	320
Financial activities change	-4 000	0	-256	0
Loans repaid	120	206	8	13
Total investing activities	-6 920	-4 219	-442	-270
Net cash flow	24 211	33 531	1 547	2 143
Movement in cash and cash equivalents				
Cash and cash equivalents at the beginning of the period	182 901	146 937	11 689	9 391
Net cash flow	24 211	33 531	1 547	2 143
Foreign exchange gain	-130	-124	-8	-8
Cash and cash equivalents at the end of the period	206 982	180 344	13 229	11 526
incl.cash and bank accounts	39 659	55 725	2 535	3 561
marketable securities	167 323	124 619	10 694	7 965

Changes in owners` equity as of 31.03.02
 unaudited

	EEK in thousands				
	Share capital	Reserves	Previous period profit	Financial year Profit	Total owners equity
31.12.2000	132 000	13 200	200 488	157 449	503 137
Net retained earnings of 2000			157 449	-157 449	0
Dividends			-66 000		-66 000
Net profit for the financial year				177 638	177 638
31.12.2001	132 000	13 200	291 938	177 638	614 776
31.12.2001	132 000	13 200	291 938	177 638	614 776
Net retained earnings of 2001			177 638	-177 638	0
Net profit for the financial year				42 158	42 158
31.03.2002	132 000	13 200	469 576	42 158	656 934

	EUR in thousands				
	Share capital	Reserves	Previous period profit	Financial year Profit	Total owners equity
31.12.2000	8 436	844	12 813	10 063	32 156
Net retained earnings of 2000			10 063	-10 063	
Dividends			-4 218		-4 218
Net profit for the financial year				11 353	11 353
31.12.2001	8 436	844	18 658	11 353	39 291
31.12.2001	8 436	844	18 658	11 353	39 291
Net retained earnings of 2001			11 353	-11 353	
Net profit for the financial year				2 694	2 694
31.03.2002	8 436	844	30 011	2 694	41 986

Notes to the Consolidated Financial Statements Q1 2002

In thousands of Estonian kroons (EEK 000'), unless otherwise stated

Accounting principles and principles of consolidation

AS Norma Consolidated Financial Statements have been prepared in accordance with International Accounting Standards (IAS 34 "Interim Financial Reporting") and with Estonian Accounting Law.

In Management Board opinion, the financial statements give a true and fair view of the financial position of AS Norma on March 31, 2002. Presented statements are not audited.

1. Property, Plant and Equipment

	Land and buildings	Machinery and Equip.	Other assets	Buildings under construction	Prepayments	Total
Acquisition cost as of 31.12.2001	87 988	280 291	5 753	4 244	6 432	384 708
Additions	860	6 406	3	248	921	8 438
Sale and written off	0	-5 812	0	0	0	-5 812
Reconstruction	0	0	0	-4 244	-842	-5 086
Acquisition cost as of 31.03.2002	88 848	280 885	5 756	248	6 511	382 248
Depreciation as of 31.12.2001	-9 994	-157 173	-1 500	0	0	-168 667
Depreciation charge	-887	-8 072	-219	0	0	-9 178
Depreciation of fixed assets sold and written off	0	5 808	0	0	0	5 808
Depreciation as of 31.03.2002	-10 881	-159 437	-1 719	0	0	-172 037
Net book amount as of 31.12.2001	77 994	123 118	4 253	4 244	6 432	216 041
Net book amount as of 31.03.2002	77 967	121 448	4 037	248	6 511	210 211

2. Share Capital

	31.03.2002	31.03.2001
Share capital par value (EEK 10 per share)	132 000	132 000

AS Norma has issued 13.2 million common shares which grant one vote per share. 79,2 million kroons was paid out in dividends for 2001 at EEK 6 per share.

AS Norma shares are listed in the main list of the Tallinn Stock Exchange and are quoted on the Frankfurt, Berlin and Munich Stock Exchanges.

AS Norma shareholders with participation over 3% as of 31.03.2002:

Autoliv Ab	51.0%
Nordea Bank Finland PLC Clients Account Trading	8.5%
Skandinaviska Enskilda Banken Ab Clients	6.4%
Clearstream Banking Luxembourg S.A. Clients	5.4%

3. Segment Information by Product Lines	Safety belts 01.01.02- 30.09.02	Other products 01.01.02- 30.09.02	Total 01.01.02- 30.09.02	Safety belts 01.01.01- 30.09.01	Other products 01.01.01- 30.09.01	Total 01.01.01- 30.09.01
Sales	215 695	32 463	248 158	146 923	35 170	182 093
Internal sales		(16 732)	(16 732)		(15 544)	(15 544)
Net sales	215 695	15 731	231 426	146 923	19 626	166 549
Operating profit	38 070	354	38 424	43 636	1 630	45 266
Assets	417 534	101 836	519 370	339 045	74 157	413 202
Unallocated assets			245 556			202 852
Total assets			764 926			616 054
Liabilities	98 167	8 847	107 014	55 585	8 909	64 494
Investments	3 274	78	3 352	9 774	145	9 919
Depreciation charge	7 378	2 119	9 497	6 307	1 996	8 303
Fixed assets' revaluation	0	0	0	0	0	0

Segments are based on the production of the company where main product group is safety belt and other products (car components, sheet metal products) have separately less than 10% of total sales. Costs are in line with the product's importance in profit. Assets are divided by the assets' relations with the main product groups. Liabilities (except bank loans) are divided proportionally by products groups. Investments are divided by the actual needs for production. Depreciation charge and revaluation are divided by the relations with the main product groups.

Segments' Information by Market

	Net sales 01.01.02- 31.03.02	Net sales 01.01.01- 31.03.01
Estonia	4 405	4 565
Lithuania	403	85
Russia	119 437	118 649
Ukrainian	2 106	0
Sweden	94 580	29 497
Austria	3 836	4 960
Germany	256	384
France	2 097	3 498
Netherlands	394	345
Finland	1 038	694
USA	518	77
Belgium	336	1 019
Other countries	2 022	2 776
Total:	231 428	166 549

Geographic segments are divided by the location of clients and assets.

4. Bad Debt Provisions

The amount of
receivables
charged to
expenses
01.01.02.-
31.03.02

The amount of
receivables
charged to
expenses
01.01.01-
31.03.01

Received from the allowance of previous years	-23	-58
Provisions reserve	0	21
Written-of provisions	5	154
Total	-18	116

5. Earnings per Share

31.03.2002 30.03.2001

Net profit	42 158	48 423
Average number of shares (in thousands)	13 200	13 200
Earnings per share (EPS)	3,19	3,67

The company has no unissued common shares and therefore primary and fully diluted earnings per share are equal.

6. Related Parties

01.01.02-31.03.02 01.01.01-31.03.01

	Sale to AS Norma	Purchases from AS Norma	Sale to AS Norma	Purchases from AS Norma
Autoliv AB	83 463	91 921	24 526	21 489

Peep Siimon
Chairman of the Board
+372 6500-442