

## AS Norma

Interim report for the period Q3 and nine month Y2004  
(unaudited)

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FINANCIAL RESULTS Q3 and 9 month Y2004  
(unaudited)

Sales and Revenues

During the period of nine month Y2004 consolidated net sales of AS Norma totalled 715.2 MEEK (45.7 MEUR), of which those of the parent company were 699.9 MEEK (44.7 MEUR). Consolidated sales decreased by 1% (6.8 MEEK, 0.5 MEUR) from nine month Y2003.

Q3 Y2004 consolidated sales totalled 207.7 MEEK (13.3 MEUR)

Sales to Russian customers decreased by 15% and to Western customers rose by 10% compared to nine month Y2003. Q2 sales to Russia were very high in Y2003. Sales to Russian customers decreased by 18% in Q3 Y2004.

Sales to Autoliv in nine month were Y2004 417.9 MEEK (26.7 MEUR).

The group's main fields of activity include production and sale of safety belts, car components.

Exports accounted to 99% of sales revenue, 35% of production was exported to Russian customers (nine month Y2003 41%).

The number of employees at the end of the period was 848.

Use of Capital

Accounts receivable at the end nine month Y2004 totalled 152.4 MEEK (9.7 MEUR), of which 37% related to the Russian customers.

During the nine month period Y2004 volume of accounts receivable has decreased by 50.0 MEEK (3.2 MEUR) and the provision for bad debts was cut down by 37% (3.5 MEEK, 0.2 MEUR). The reserve totalled 5.9 MEEK (0.4 MEUR). The share of accounts in arrears of total receivable was 8%.

Autoliv receivables was 86.9 MEEK (5.6 MEUR).

Norma's payables to Autoliv was 43.1 MEEK (2.7 MEUR).

As of the nine month period Y2004, the consolidated total assets were 914.7 MEEK (58.5 MEUR), a decrease 47.9 MEEK (3.0 MEUR), main decrease in the current assets 47.3 MEEK (3.0 MEUR).

Total liabilities amounted to 113.7 MEEK (7.3 MEUR).

The company has no long term liabilities.

The group's owners' equity increased by 9.4 MEEK (0.6 MEUR), amounting to 800.9 MEEK (51.2 MEUR) (88% of total assets).

Investments

AS Norma invested a total of 32.3 MEEK (2.1 MEUR), to support existing production capacities and assure the future profits.

Profit and Earnings per Share

The company's consolidated unaudited net profit nine month period Y2004 was 75.4 MEEK (4.8 MEUR). Net profit has decreased by 22.3 MEEK (1.4 MEUR), a 23% decrease (97.7 MEEK, 6.3 MEUR nine month Y2003).

Dividends (66.0 MEEK, 4.2 MEUR) paid out for 2003 in Q3 Y2004 and related taxes were 18.5 MEEK (1.2 MEUR)

Profit before tax Q3 Y2004 was 30.9 MEEK (1.9 MEUR) and decrease by 1% (31.3 MEEK, 2.0 MEUR).

Net profit Q3 Y2004 was 12.2 MEEK (0.8 MEUR)


Earnings per share were 5.72 EEK (0.37 EUR) in nine month Y2004.

Nine month in Y2003 7.40 EEK (0.47 EUR).


## Management Board's Confirmation on the Interim Financial Statements

The Management Board confirms the completeness and correctness of AS Norma Q3 and nine month Y2004 interim statements:


- 1) the interim financial statements have been prepared in accordance with International Financial Reporting Standards;
- 2) the interim financial statements give a true and fair view of the financial position and the results of operations of AS Norma parent company and the group;
- 3) AS Norma and its group companies are going concerns.

Peep Siimon 

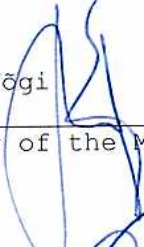
Chairman of the Management Board

Peeter Tibbo 


Member of the Management Board

Ivar Aas 


Member of the Management Board

Ülle Jõgi 


Member of the Management Board

Garri Krieger 

Member of the Management Board

Kaido Salurand 

Member of the Management Board

Stig Carlsson 

Member of the Management Board

Tallinn, 22.november 2004

Consolidated balance sheet as of 30.09.04  
unaudited

	EEK in thousands		EUR in thousands	
	30.09.04	31.12.03	30.09.04	31.12.03
<b>Assets</b>				
Current assets				
Cash and bank accounts	231 302	179 092	14 783	11 446
Marketable securities	82 603	120 077	5 279	7 674
Accounts receivable	152 384	202 419	9 739	12 937
Allowance for doubtful receivables	-5 924	-9 340	-379	-597
Other receivables and prepayments	88 511	119 666	5 657	7 648
Inventories	89 544	73 816	5 723	4 718
Total current assets	638 420	685 730	40 802	43 826
Non-current assets				
Long-term financial assets	16 182	5 196	1 034	332
Property, plant and equipment	240 362	249 762	15 362	15 963
Intangible assets	19 726	21 935	1 261	1 402
Total non-current assets	276 270	276 893	17 657	17 697
Total assets	914 690	962 623	58 459	61 523
<b>Liabilities and shareholders' equity</b>				
Liabilities				
Current liabilities				
Accounts payable and accrued expenses	113 706	171 090	7 267	10 935
Total current liabilities	113 706	171 090	7 267	10 935
Total liabilities	113 706	171 090	7 267	10 935
Owners' equity				
Share capital (par value)	132 000	132 000	8 436	8 436
Retained earning and reserves	593 533	531 200	37 934	33 950
Net profit	75 451	128 333	4 822	8 202
Total owners' equity	800 984	791 533	51 192	50 588
Total liabilities and owners' equity	914 690	962 623	58 459	61 523

Parent company balance sheet as of 30.09.04  
unaudited

	EEK in thousands		EUR in thousands	
	30.09.04	31.12.03	30.09.04	31.12.03
<b>Assets</b>				
Current assets				
Cash and bank accounts	229 185	178 658	14 648	11 418
Marketable securities	82 603	120 077	5 279	7 674
Accounts receivable	158 480	206 971	10 129	13 228
Allowance for doubtful receivables	-5 924	-9 340	-379	-597
Other receivables and prepayments	87 090	117 112	5 566	7 485
Inventories	81 758	64 625	5 225	4 130
Total current assets	633 192	678 103	40 468	43 339
Non-current assets				
Long-term financial assets	33 861	23 775	2 164	1 519
Property, plant and equipment	224 933	237 668	14 376	15 190
Intangible assets	19 124	21 301	1 222	1 361
Total non-current assets	277 918	282 744	17 762	18 071
Total assets	911 110	960 847	58 231	61 409

Liabilities and shareholders' equity

Liabilities

Current liabilities

Accounts payable and accrued expenses	110 126	169 315	7 038	10 821
Total current liabilities	110 126	169 315	7 038	10 821
Total liabilities	110 126	169 315	7 038	10 821
Owners' equity				
Share capital (par value)	132 000	132 000	8 436	8 436
Retained earning and reserves	593 533	531 200	37 934	33 950
Net profit	75 451	128 333	4 822	8 202
Total owners' equity	800 984	791 533	51 192	50 588
Total liabilities and owners' equity	911 110	960 847	58 231	61 409

Consolidated income statement Q3 and 9 month Y2004  
unaudited

	EEK in thousands			
	01.07.04- 30.09.04	01.01.04- 30.09.04	01.07.03- 30.09.03	01.01.03- 30.09.03
Net sales	207 738	715 250	222 849	722 076
Cost of goods sold	167 350	590 978	174 339	583 030
Gross profit	40 388	124 272	48 510	139 046
Marketing expenses	1 845	4 326	4 631	12 499
Administrative and general exp.	5 406	17 984	6 838	20 013
Product development expense	8 878	22 689	5 930	14 390
Bad debt provision	-3 554	-3 444	13	304
Other income	2 167	6 518	150	4 059
Other expenses	1 351	2 051	1 276	1 993
Operating profit	28 629	87 184	29 972	93 906
Financial income/Financial expenses	2 252	7 077	1 463	7 275
Profit before taxes	30 881	94 261	31 435	101 181
Provision for taxes	18 658	18 810	3 454	3 457
Net profit	12 223	75 451	27 979	97 724
Earnings per share in EEK	0,93	5,72	2,12	7,40

Consolidated income statement Q3 and 9 month Y2004  
unaudited

	EUR in thousands			
	01.07.04- 30.09.04	01.01.04- 30.09.04	01.07.03- 30.09.03	01.01.03- 30.09.03
Net sales	13 277	45 713	14 243	46 149
Cost of goods sold	10 696	37 770	11 142	37 262
Gross profit	2 581	7 942	3 100	8 887
Marketing expenses	118	276	296	799
Administrative and general exp.	346	1 149	437	1 279
Product development expense	567	1 450	379	920
Bad debt provision	-227	-220	1	19
Other income	138	417	10	259
Other expenses	86	131	82	127
Operating profit	1 830	5 572	1 916	6 002
Financial income/Financial expenses	144	452	94	465
Profit before taxes	1 974	6 024	2 009	6 467

Provision for taxes	1 192	1 202	221	221
Net profit	781	4 822	1 788	6 246
Earnings per share in EEK	0,06	0,37	0,14	0,47

Parent company income statement Q3 and 9 month Y2004  
unaudited

	EEK in thousands			
	01.07.04-01.01.04- 30.09.04	01.07.03- 30.09.04	01.01.03- 30.09.03	
Net sales	202 911	699 916	216 965	703 444
Cost of goods sold	161 793	578 627	172 146	571 677
Gross profit	41 118	121 289	44 819	131 767
Marketing expenses	1 845	4 326	4 553	12 253
Administrative and general exp.	4 398	14 887	4 218	14 615
Product development expenses	8 878	22 689	5 930	14 390
Bad debt provision	-3 554	-3 444	13	304
Other income	1 031	4 908	928	6 537
Other expenses	1 030	1 310	497	158
Operating profit	29 552	86 429	30 536	96 584
Financial income/ Financial expenses	1 182	7 533	899	4 595
Profit before taxes	30 734	93 962	31 435	101 179
Provision for taxes	18 511	18 511	3 454	3 455
Net profit	12 223	75 451	27 979	97 724
Earnings per share in EEK	0,93	5,72	2,12	7,40

Parent company income statement Q3 and 9 month Y2004  
unaudited

	EUR in thousands			
	01.07.04-01.01.04- 30.09.04	01.07.03- 30.09.04	01.01.03- 30.09.03	
Net sales	12 968	44 733	13 867	44 958
Cost of goods sold	10 340	36 981	11 002	36 537
Gross profit	2 628	7 752	2 864	8 421
Marketing expenses	118	276	291	783
Administrative and general exp.	281	951	270	934
Product development expenses	567	1 450	379	920
Bad debt provision	-227	-220	1	19
Other income	66	314	59	418
Other expenses	66	84	32	10
Operating profit	1 889	5 524	1 952	6 173
Financial income/ Financial expenses	76	481	57	294
Profit before taxes	1 964	6 005	2 009	6 467
Provision for taxes	1 183	1 183	221	221
Net profit	781	4 822	1 788	6 246
Earnings per share in EEK	0,06	0,37	0,14	0,47

Consolidated cash flows as of 30.09.04  
 unaudited

	EEK in thousands		EUR in thousands	
	30.09.04	30.09.03	30.09.04	30.09.03
Operating activities				
Operating profit	87 184	93 906	5 572	6 002
Profit from sale of property, plant and equipment	-1 125	-221	-72	-14
Deprecation	42 936	36 023	2 744	2 302
Property, plant and equipment write-off	350	2 021	22	129
Property write-down	550		35	
Increase (-), decrease (+) in current assets	62 584	-85 126	4 000	-5 441
Increase (-), decrease (+) in current liabilities	-57 384	-3 115	-3 668	-199
Interest received and other financial income	6 705	7 768	429	496
Interest and other financial expenses paid	-351	-22	-22	-1
Total operating activities	141 449	51 234	9 040	3 274
Investing activities				
Property, plant and equipment sold	1 187	221	76	14
Property, plant and equipment acquired	-32 290	-49 459	-2 064	-3 161
Loans issued	-65	-93	-4	-6
Financial activities change	-10 953	0	-700	0
Loans repaid	43	102	3	7
Total investing activities	-42 078	-49 229	-2 689	-3 146
Financing activities				
Dividends paid	-66 000	-66 000	-4 218	-4 218
Income tax on dividends	-18 511	-3 455	-1 183	-221
Total financing activities	-84 511	-69 455	-5 401	-4 439
Net cash flow	14 860	-67 450	950	-4 311
Movement in cash and cash equivalents				
Cash and cash equivalents at the beginning of the period	299 169	342 848	19 120	21 912
Net cash flow	14 860	-67 450	950	-4 311
Foreign exchange gain	-124	-153	-8	-10
Cash and cash equivalents at the end of the period	313 905	275 245	20 062	17 591
incl.cash and bank accounts	231 302	134 308	14 783	8 584
marketable securities	82 603	140 936	5 279	9 007



Changes in owners' equity as of 30.09.04  
unaudited

	Share capital	EEK in thousands Reserves	EEK in thousands		Total owners equity
			Previous period profit	Financial year profit	
31.12.2002	132 000	13 200	390 376	193 624	729 200
Net retained earnings of 2002			193 624	-193 624	
Dividends			-66 000		-66 000
Net profit for the financial year				128 333	128 333
31.12.2003	132 000	13 200	518 000	128 333	791 533
31.12.2003	132 000	13 200	518 000	128 333	791 533
Net retained earnings of 2003			128 333	-128 333	
Dividends			-66 000		-66 000
Net profit for the financial year				75 451	75 451
30.09.2004	132 000	13 200	580 333	75 451	800 984

	Share capital	EUR in thousands Reserves	EUR in thousands		Total owners equity
			Previous period profit	Financial year profit	
31.12.2002	8 436	844	24 950	12 375	46 604
Net retained earnings of 2002			12 375	-12 375	
Dividends			-4 218		-4 218
Net profit for the financial year				8 202	8 202
31.12.2003	8 436	844	33 106	8 202	50 588
31.12.2003	8 436	844	33 106	8 202	50 588
Net retained earnings of 2003			8 202	-8 202	
Dividends			-4 218		-4 218
Net profit for the financial year				4 822	4 822
30.09.2004	8 436	844	37 090	4 822	51 192

# Notes to the Consolidated Interim Financial Statements

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 September 30, 2004. 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 31.12.2003	85 891	383 037	5 391	5 167	641	480 127
Additions	2 779	17 763	395	10 603	516	32 056
Sale and written off		-7 812	-32			-7 844
Reconstruction		5 808	-31	-5 167	-641	
Acquisition cost as of 30.09.2004	88 670	398 796	5 754	10 603	5516	504 339
Depreciation as of 31.12.2003	-16 486	-211 439	-2 440			-230 365
Depreciation charge	-3 382	-36 450	-660			-40 492
Write-down		-550				-550
Depreciation of fixed assets sold and written off		7 400	31			7 431
Depreciation as of 30.09.2004	-19 868	-241 039	-3 069			-263 976
Net book amount as of 31.12.2003	69 405	171 598	2 951	5 167	641	249 762
Net book amount as of 30.09.2004	68 802	157 757	2 685	10 603	516	240 362

## 2. Intangible assets

	Product and technology licences	Software licenses	Total
Acquisition cost as of 31.12.03	8 053	22 402	30 455
Additions	234		234
Acquisition cost 30.09.04	8 287	22 402	30 689
Accumulated amortization as of 31.12.03	-6 280	-2 240	-8 520
Amortization change	-764	-1 680	-2 444
Accumulated amortization as of 30.09.04	-7 044	-3 920	-10 964
Net book amount as of 31.12.03	1 773	20 162	21 935
Net book amount as of 30.09.04	1 243	18 482	19 725

### 3. Share Capital

30.09.2004 31.12.2003

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. 66,0 million EEK was paid out in dividends for 2003 in Q3 Y2004 at EEK 5 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 30.09.2004:

Autoliv AB	51,0%
ING Luxembourg S.A.	8,0%
Skandinaviska Enskilda Banken AB Clients	5,5%
Clearstream Banking Luxembourg S.A. Clients	3,4%

4. Segment Information by Product Lines	Safety belts 01.01.04- 30.09.04	Other products 01.01.04- 30.09.04	Total 01.01.04- 30.09.04	Safety belts 01.01.03- 30.09.03	Other products 01.01.03- 30.09.03	Total 01.01.03- 30.09.03
Sales	641 708	89 766	731 474	670 954	68 637	739 591
Internal sales		(16 224)	(16 224)		(17 515)	(17 515)
Net sales	641 708	73 542	715 250	670 954	51 122	722 076
Operating profit	87 830	(646)	87 184	94 248	(342)	93 906
Assets	516 770	21 408	538 178	640 776	20 284	661 060
Unallocated assets			376 511			219 169
Total assets			914 689			880 229
Liabilities	107 987	5 719	113 706	112 673	6 631	119 304
Investments	28 971	3 319	32 290	49 119	340	49 459
Depreciation charge	38 522	4 414	42 936	33 473	2 550	36 023
Write-down	154	396	550	7	8	15

The primary segment form contains the business segments of the group while the secondary segment form contains the geographical segment group.

Segments are based on the production lines of the company where the main product group is safety belts and other products (car components) have separately less than 10% of total sales. The consistence of other products in segments has changed due to finishing the activities in real-estate-maintenance.

Cost are in line with the product's share in profit. Assets (except shares, other securities and loans), liabilities and investments are divided by their relation to the segments. Depreciation charge and revaluation are divided by relations with the main product groups.

Segmets' Information by Market	Net sales 01.01.04- 30.09.04	Net sales 01.01.03- 30.09.03
Sweden	404 357	382 564
Russia	245 310	290 491
Germany	17 838	4 684
France	15 797	5 835
Estonia	7 488	13 106
Ukrainian	5 452	9 184
Czech Republic	4 864	4 063
Italian	2 569	2 319
Belgium	2 005	1 988
USA	1 371	1 861
Netherlands	1 033	1 197
Finland	539	974
Denmark	115	198
Other countries	6 512	3 612
<b>Total:</b>	<b>715 250</b>	<b>722 076</b>

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

5. Earnings per Share	30.09.2004	30.09.2003
Net profit	75 451	97 724
Average number of shares (in thousands)	13 200	13 200
Earnings per share (EPS)	5,72	7,40

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

6. Related Parties	01.01.04-30.09.04		01.01.03-30.09.03	
	Sale to AS Norma	Purchases from AS Norma	Sale to AS Norma	Purchases from AS Norma
Autoliv AB	254 622	417 859	290 122	379 903

Signatures of the Management Board to the Q3 and nine month Y2004 Interim Report

Q3 and nine month Y2004 Interim Report of AS Norma which is approved by the Management Board, signed on 22. November 2004:



Peep Siimon  
Chairman of the Management Board



Peeter Tibbo  
Member of the Management Board



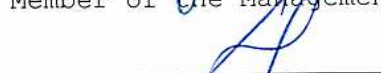
Ivar Aas  
Member of the Management Board



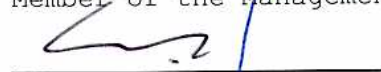
Ülle Jõgi  
Member of the Management Board



Garri Krieger  
Member of the Management Board



Kaido Salurand  
Member of the Management Board



Stig Carlsson  
Member of the Management Board