

Date/Datum

Our ref./Unser Zeichen

12 July 2002
Your letter/ihre Nachricht vom

CL/bh
Your ref./Ihr Zeichen



02042822

Securities and Exchange
Commission
Division of Corporation Finance
Room 3094 (3-6)
450 Fifth Street, N.W.
WASHINGTON, D.C. 20549
USA

02 JUL 23 AM 10:07

Attention: Special Counsel, Office of
International Corporate Finance

Dear Sir or Madam,

Re.: Rule 12g3-2(b)
File No. 82-3754

PROCESSED SUPPL

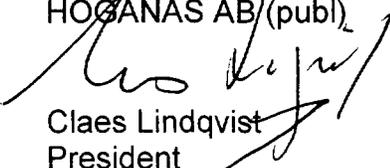
AUG 01 2002

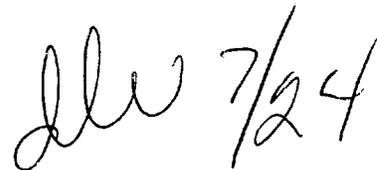
THOMSON
FINANCIAL

The enclosed information is being furnished to the Securities and Exchange Commission (the "Commission") pursuant to the exemption from the Securities Exchange Act of 1934 (the "Exchange Act") afforded by Rule 12g3-2(b) thereunder.

This information is being furnished under Paragraph (1) of Rule 12g3-2(b) with the understanding that such information and documents will not be deemed to be "filed" with the Commission or otherwise subject to the liabilities of Section 18 of the Exchange Act and that neither this letter nor the furnishing of such information and documents shall constitute an admission for any purpose that Höganäs AB is subject to the Exchange Act.

Yours sincerely,
HÖGANÄS AB (publ)


Claes Lindqvist
President



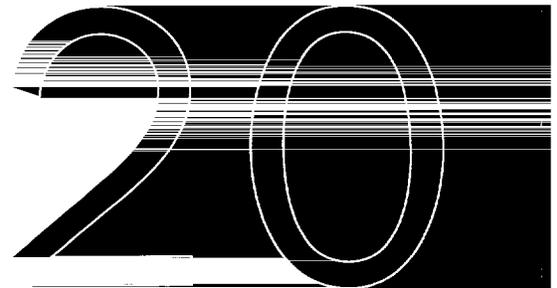
Encl. Interim Report January – June 2002

Rock 103-2(b)
No. 8 754



Höganäs AB

Interim Report January - June 2002



Highlights

• Net sales	MSEK 1,704	+3%
• Income before tax	MSEK 265	+13%
• Operating margin	17.0%	(15.7)
• Equity/assets ratio	40%	(41)

Market situation

Höganäs' turnover* increased by 3% to MSEK 1,704 (1,661) during the first half of 2002. The Swedish krona was on the same level as in the corresponding period of the previous year. Sales in North America continued to increase substantially in the second quarter, largely as a result of increased market share. The trend in terms of volume was still weak in Europe.

The volume of sales (excluding semis) during the first six months of the year rose by 6% compared to 2001. Volume fell by 5% in Europe and by 7% in Japan. Volumes in the rest of Asia rose by 15%. Other Markets recorded a volume increase of over 30%.

Press powders recorded an increase in volume of 10%. The volume sold to European markets was down by 6%, while the volume on the Japanese market was up by 4%. On other Asian markets volumes rose by 22%. That figure includes an increase of 30% in Taiwan, 23% in South Korea, and in China by 16%. The increase on other markets was nearly 50%.

The volume of other iron powders decreased by 7%. The decline affected all markets except Other Markets, which increased by 5%. Sales of Coldstream powders increased by 13%.

Financial position

Operating income in the first half of the year amounted to MSEK 290 (260).

Other operating income and expenses included a net exchange gain of MSEK 10 (-48) from forward contracts.

The operating margin for the period was 17.0% (15.7).

The net result of the Group's financial income and expenses was MSEK -25 (-25). Cash flow before investments for the half-year was MSEK 449 (-127).

Income before taxes amounted to MSEK 265 (235), an increase of MSEK 30.

The equity-assets ratio amounted to 40% (41).

* As of 2002, bonuses to customers have been reclassified from being a cost and are instead booked as a deduction from turnover. This has reduced turnover by about 2% compared to 2001.

Acquisition

At the end of the second quarter Höganäs' stake in Höganäs India Ltd amounted to 94%. The process of delisting the company from the stock exchange has been almost completed.

Investments

Investments in fixed assets by the Group during the period amounted to MSEK 149 (397).

Finances

The Group's net debt was reduced by MSEK 128 during the period. The debt-equity ratio was 87%.

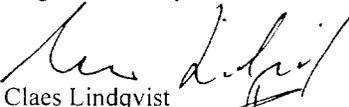
Parent Company

Invoicing by the Parent Company during the period amounted to MSEK 1,128 (1,070), including MSEK 525 invoiced to Group companies. Income after financial income and expenses was MSEK 340 (202). Cash & Bank at 30 June 2002 totalled MSEK 164 (16), not counting unutilized overdraft facilities. Investments totalled MSEK 52 (77).

Outlook

The forecast previously given for the whole of 2002 still stands, viz. that income before taxes (excluding non-comparable items) is expected to be better than in 2001.

Höganäs, 12 July 2002



Claes Lindqvist
President and Chief Executive Officer

Volume development (tons) per application area and market

Markets	Press Powder			Other Iron Powder ³⁾			Coldstream Powder ⁴⁾		
	Q2	Q2 ¹⁾	12months ²⁾	Q2	Q2 ¹⁾	12months ²⁾	Q2	Q2 ¹⁾	12months ²⁾
Europe	25600	- 2%	- 8%	6600	- 6%	- 11%	1350	+ 16%	+ 3%
Japan	8000	+ 7%	- 4%	2000	- 28%	- 21%	130	+ 18%	- 4%
Asia (excl. Japan)	14400	+30%	+ 2%	3700	- 2%	- 5%	470	+ 39%	+16%
Others	13800	+ 52%	+ 17%	5700	+ 9%	+ 3%	330	+ 14%	+20%
Totally	61800	15%	- 1%	18000	- 4%	- 8%	2280	+ 18%	+ 7%

¹⁾ %- change compared with corresponding quarter previous year ²⁾ %- change rolling 12-months ³⁾ excl. semi finished powders

⁴⁾ From August 2000 Powdrex is included

Consolidated income statements, MSEK

	Jan - June 2002	2001	Year 2001
Net sales	1,704	1,661	3,245
Cost of sales	-1,171	-1,141	-2,246
Gross profit	533	520	999
Selling expenses	- 95	- 95	- 203
Administrative expenses	- 76	- 70	- 139
R&D expenses	- 67	- 57	- 115
Items affecting comparabilities	-	-	- 117
Other income	23	1	2
Other expenses	- 28	- 39	- 93
Operating income	290	260	334
Financial income	16	5	19
Financial expenses	- 41	- 30	- 58
Income before tax	265	235	295
Taxes	- 81	- 69	- 85
Minority share	-	- 1	- 1
Net income	184	165	209
Operating margin,%	17.0	15.7	10.3
Earnings per share, SEK (after actual tax)	5.30	4.80	6.00

Consolidated balance sheets, MSEK

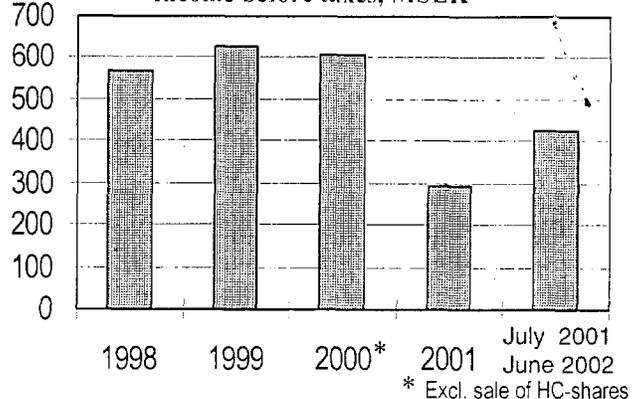
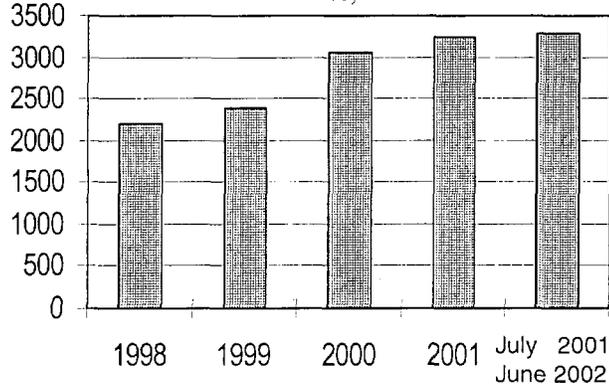
	30 June 2002	31 Dec 2001
Intangible assets	178	207
Tangible assets	2,643	2,794
Financial assets	86	92
Inventory	626	697
Short-term receivables	620	540
Cash and bank	197	78
Total assets	4,350	4,408
Shareholders' equity	1,747	1,744
Minority interests	5	6
Interest-bearing liabilities	1,730	1,739
Non interest-bearing liabilities	868	919
Total shareholders' equity and liabilities	4,350	4,408
Equity/assets ratio	40%	40%

FINANCIAL INFORMATION

Höganäs intends to publish the following financial information during 2002:

- Interim report for first nine months on 15 October

This interim report has not been subjected to scrutiny by company's auditors.



Consolidated Quarterly data MSEK	April - June		Jan - March		Oct - Dec		July - Sept	
	2002	2001	2002	2001	2001	2000	2001	2000
Net sales	872	851	832	810	779	828	805	753
Operating expenses	- 656	- 668	- 635	- 630	- 765	- 615	- 643	- 577
Depreciation	- 61	- 53	- 62	- 50	- 49	- 45	- 53	- 42
Operating income	155	130	135	130	- 35	168	109	134
Income before tax	142	117	123	118	- 37	159	97	126
Net income	97	83	87	82	- 26	122	70	89
Operating margin, %	17.8	15.3	16.2	16.0	- 4.5	20.3	13.5	17.8
Key indicators								
Earnings per share, SEK	2.80	2.40	2.50	2.40	- 0.80	3.50	2.00	2.50
Equity, SEK/share	50.60	49.60	52.80	51.50	50.50	51.10	51.50	47.80
Number of shares, 1000's	34,502	34,527	34,502	34,527	34,502	35,198	34,527	35,198
Number of shares, average 1000's	34,502	34,527	34,502	34,862	34,515	35,198	34,527	35,417
Consolidated Cash Flow analysis, MSEK					2002	2001		
					Jan - June	Jan - June		
Cash flow before change in working capital					513	116		
Change in working capital					- 64	- 243		
Acquisitions					-	- 61		
Disposals					-	-		
Net investments					- 149	- 397		
Change in long-term receivables, provisions and liabilities					10	24		
Cash flow after investments					310	- 561		
Buy back of own shares					-	- 116		
Dividend					- 155	- 155		
Change in financing					- 9	871		
Translation difference and others					- 27	23		
Change in liquid funds					119	62		
Changes in shareholders' equity, MSEK					2002	2001		
					Jan - June	Jan - June		
Balance brought forward					1,744	1,798		
Net income					184	165		
Buy back of own shares					-	- 116		
Dividend					- 155	- 155		
Translation difference					- 26	20		
Balance carried forward					1,747	1,712		
Return on shareholders' equity (rolling 12-months)					13.2%	22.4%		

Höganäs

Höganäs AB (publ), 263 83 Höganäs, Sweden.
Tel +46 42 33 80 00 • Fax +46 42 33 83 60
www.hoganas.com