

Q1

- Net revenues amounted to MSEK 1,166 (1,134)
- Operating profit totaled MSEK 161 (159) and the operating margin was 13.8 percent (14.0)
- Profit after net financial items totaled MSEK 155 (155) and earnings per share amounted to SEK 1.99 (1.93)
- Order bookings amounted to MSEK 1,151 (1,283)
- Cash flow from operating activities totaled MSEK -72.4 (-49.8)
- The equity ratio was 50.8 percent (52.0).



Summary of earnings

	2019	2018	Change	Rolling	2018
	Q1	Q1	%	12 months	Full-year
Net revenues, MSEK	1,165.6	1,134.0	2.8	4,440.4	4,408.8
Operating profit, MSEK	161.2	159.1	1.3	625.0	622.8
Operating margin, %	13.8	14.0	-	14.1	14.1
Profit after net financial items, MSEK	155.5	155.1	0.3	609.6	609.2
Earnings per share	1.99	1.93	3.1	7.84	7.78
Order bookings, MSEK	1,151.1	1,283.5	-10.3	4,483.8	4,615.2
Net debt, MSEK	498.6	747.1	-	498.6	439.6
Net debt/equity ratio, %	23.8	40.4	-	23.8	19.7
Cash flow after capital expenditures	-72.4	-49.8	-	206.7	229.3

CEO's comments

High level of activity at the start of the year, but varying demand among customer segments.

Group

Demand has generally remained strong for Beijer Alma's operations, particularly in Europe and the US. In Germany and China, however, a weaker automotive industry impacted the overall picture and cost adjustments have been made. Order bookings declined 10 percent during the quarter compared with the year-earlier period, when Habia signed a major offshore order worth MSEK 100. Net revenues rose 3 percent, with earnings remaining essentially unchanged. Order bookings from industrial customers in the Nordic region, which impact all of our subsidiaries, remained strong. Cash flow declined slightly as a result of acquisitions.

Subsidiaries

Within Lesjöfors, Industrial Springs continued to grow. Net revenues increased 5 percent, despite the effects of the automotive industry in Germany. Positive developments included the trend in the US and sales synergies with other geographic regions. Within Chassis Springs, demand from end customers declined approximately 15 percent compared with the record-breaking levels in the preceding year, primarily in the UK.

Within Habia, demand in Other Industry remained strong, particularly from defense customers. Telecom was on a par with the past two quarters. Production for offshore projects began, with deliveries scheduled during the year. Additional orders were signed during the quarter.

Beijer Tech had a very strong quarter, with profitable growth in most customer segments, resulting in nearly doubled operating profit and higher margins. As a result of selected acquisitions and a clear strategic direction, the customer and product mix has improved over time.

Acquisitions

In March, the Group acquired Encitech Connectors AB in Halmstad, which produces and distributes electronic components, with a large share comprising exports. The company has expanded Beijer Tech's position as a long-term owner of industrial manufacturing and trading companies. In January, the Group completed the minor acquisition of Uudenmaan Murskaus, which was successfully integrated into Beijer Tech's Finnish operations during the quarter. On May 3, Beijer Tech signed an agreement to acquire Codan AS in Norway, thereby providing a platform for the geographic expansion of the Fluid Technology business area.



Henrik Perbeck
President and CEO



Group

Beijer Alma is an international, listed industrial group. Its business concept is to acquire, own and develop companies with strong growth potential. The companies in the Group specialize in component manufacturing and industrial trading. The Group has more than 2,600 employees and a presence in over 60 markets. Its customers include companies in such sectors as automotive, engineering, infrastructure, telecom, energy, defense and offshore.

Performance measures for the Group

	2019	2018	Change	Rolling	2018
	Q1	Q1	%	12 months	Full-year
Net revenues, MSEK	1,165.6	1,134.0	2.8	4,440.4	4,408.8
Operating profit, MSEK	161.2	159.1	1.3	625.0	622.8
Operating margin, %	13.8	14.0	–	14.1	14.1
Profit after net financial items, MSEK	155.5	155.1	0.3	609.6	609.2
Order bookings	1,151.1	1,283.5	-10.3	4,482.8	4,615.2

Order bookings declined 10 percent during the quarter to MSEK 1,151 (1,283). In organic terms, meaning excluding corporate acquisitions and fluctuations in exchange rates, the decrease was 14 percent compared with the year-earlier period, when Habia signed a major offshore order worth MSEK 100. Net revenues increased 3 percent to MSEK 1,165 (1,134). In organic terms, however, net revenues declined 1 percent. The trend varied between industries and geographic regions. Sales to industrial customers increased in all markets except Germany, while the trend in the telecom sector and automotive aftermarket was weak.

Operating profit amounted to MSEK 161 (159) and profit after net financial items to MSEK 155 (155). Earnings per share increased to SEK 1.99 (1.93).

Financial position and cash flow

The return on shareholders' equity was 22.4 percent (25.2) and the return on capital employed was 22.7 percent (25.3).

Cash flow after capital expenditures totaled MSEK –72.4 (–49.8). Cash flow for the year was charged with corporate acquisitions amounting to MSEK 48.3 (0).

At the end of the quarter, the equity ratio was 50.8 percent (52.0) and the net debt/equity ratio was 23.8 percent (40.4). Dividends of MSEK 307 had been decided on but not yet paid out at the end of the quarter, which impacted shareholders' equity but not net debt.

Number of employees

The number of employees during the period increased to 2,622 (2,579).

Subsidiaries

Lesjöfors

Lesjöfors is a full-range supplier of standard and specially produced industrial springs as well as wire and flat strip components. The company is a dominant player in the Nordic region and one of the largest companies in its industry in Europe. Lesjöfors has manufacturing operations in Sweden, Denmark, Finland, Germany, Latvia, the UK, Slovakia, the US, Mexico, Singapore, Thailand and China. Its operations are conducted in two business areas: Industry and Chassis Springs.

Performance measures for Lesjöfors

	2019	2018	Change	Rolling	2018
	Q1	Q1	%	12 months	Full-year
Net revenues, MSEK	690.0	689.7	–	2,625.2	2,624.9
– Industry	503.9	478.0	5.4	1,890.1	1,864.2
– Chassis Springs	186.1	211.7	-12.1	735.1	760.7
Operating profit, MSEK	125.7	141.1	-10.9	515.3	530.6
Operating margin, %	18.2	20.5	–	19.6	20.2
Order bookings	654.0	699.8	-6.5	2,570.3	2,616.1

Demand in the Industry business area was favorable in all business areas except Germany. Demand in the Chassis Springs business area declined, however, compared with a record-breaking 2018. Overall, order bookings amounted to MSEK 654 (700), down 7 percent. In organic terms, the decrease was 10 percent. Invoicing remained unchanged at MSEK 690, but declined 3 percent in organic terms. Operating profit amounted to MSEK 126 (141).

Within the Industry business area, the trend with respect to customers in the German automotive industry remained weak. Other customer groups and geographic regions experienced strong, growing demand. Net revenues for Industry amounted to MSEK 504 (478), corresponding to an increase of 5 percent.

Demand in the Chassis Springs business area was lower than in the strong year-earlier period. The decline in invoicing was attributable to a combination of weaker demand from end customers and a reduction in inventories among the Group's customers. Net revenues declined 12 percent to MSEK 186 (212). The most significant decreases were noted in the UK and Russia.

Subsidiaries

Habia Cable

Habia Cable is one of Europe's largest manufacturers of custom-designed cables for customers in the telecom, transport, nuclear power, defense, offshore and other industries. The company has manufacturing operations in Sweden, Germany, China and Poland, and conducts sales worldwide. Its operations are conducted in two business areas: Telecom and Other Industry.

Performance measures for Habia Cable

	2019	2018	Change	Rolling	2018
	Q1	Q1	%	12 months	Full-year
Net revenues, MSEK	219.8	227.6	-3.4	862.7	870.4
– Telecom	51.8	92.4	-43.9	272.4	313.0
– Other Industry	168.0	135.2	24.3	590.2	557.4
Operating profit, MSEK	15.8	13.8	14.5	59.3	57.3
Operating margin, %	7.2	6.1	–	6.9	6.6
Order bookings	236.6	367.0	-35.5	913.5	1,043.9

Within the Telecom business area, the market remained weak. The Other Industry business area reported favorable demand, with particularly strong growth in volumes from engineering and defense customers. Order bookings for Habia fell to MSEK 237 (367) during the quarter. Net revenues amounted to MSEK 220 (228), down 3 percent. In organic terms, net revenues declined 7 percent. Habia's operating profit increased to MSEK 16 (14) during the quarter.

Net revenues for Telecom amounted to MSEK 52 (92). No major infrastructure projects are currently being rolled out and the market remained weak.

Other Industry reported a strong performance. Net revenues increased 24 percent to MSEK 168 (135). The upturn in the defense and engineering industry was far-reaching. The offshore orders signed in 2018 are now in production and the delivery rate will be gradually increased during the year.

Subsidiaries

Beijer Tech

Beijer Tech specializes in industrial trading and manufacturing. The company sells consumables, components and machinery to Nordic industrial companies, and represents several of the world's leading manufacturers. The company's operations are conducted in two business areas: Industrial Products and Fluid Technology.

Performance measures for Beijer Tech

	2019	2018	Change	Rolling	2018
	Q1	Q1	%	12 months	Full-year
Net revenues, MSEK	255.6	216.6	18.0	952.1	913.1
– Industrial Products	130.2	117.9	10.4	510.4	498.1
– Fluid Technology	125.4	98.7	27.1	441.7	415.0
Operating profit, MSEK	23.8	12.1	96.7	72.2	60.5
Operating margin, %	9.3	5.6	–	7.6	6.6
Order bookings	260.4	216.6	20.2	998.5	954.7

Sales volumes increased in both the Industrial Products and Fluid Technology business areas. This growth included most customer groups. Order bookings increased 20 percent to MSEK 260 (217). Net revenues amounted to MSEK 256 (217), up 18 percent. In organic terms, net revenues increased 11 percent. Operating profit totaled MSEK 24 (12).

Demand in the Industrial Products business area was stable. Net revenues rose 10 percent to MSEK 130 (118). Two acquisitions were carried out during the quarter which will contribute approximately MSEK 70 in invoicing on an annual basis. The two companies contributed MSEK 8 in net revenues during the quarter and Industrial Products reported organic growth of 3 percent.

Fluid Technology delivered a strong performance. Net revenues increased 27 percent, of which 19 percentage points was organic growth. While the upturn was far-reaching, Svenska Brandslangfabriken reported the most significant increase in sales.

Parent Company

The Parent Company, Beijer Alma AB, a holding company that does not generate its own external net revenues, reported an operating loss of MSEK 4 (loss: 8) during the quarter.

Corporate acquisitions

Uudenman Murskaus

Beijer Tech acquired the assets and liabilities in Uudenman Murskaus. The company sells spare and wear parts for rock crushers in the Finnish market and generates revenues of approximately MSEK 20 on an annual basis.

Encitech Connectors AB

Beijer Tech acquired Encitech Connectors AB in Halmstad. The company manufactures and distributes electronic components. The company's net revenues amount to approximately MSEK 50 on an annual basis, of which about 70 percent is exported to some 20 countries.

Preliminary acquisition calculation for the two acquisitions above, MSEK

Purchase consideration	64.2
Net assets measured at fair value	13.3
Goodwill	50.9

Of the total purchase consideration, MSEK 46 was paid in cash and the remainder will be paid within three years.

Net assets measured at fair value, MSEK

Machinery	2.3
Other intangible assets	2.0
Inventories	11.4
Receivables	7.2
Current liabilities	-9.6
Total	13.3

Since the closing date, the acquisitions have contributed MSEK 8 in net revenues and MSEK 1 in earnings. Transaction costs of MSEK 0.9 were expensed in the quarter.

Annual General Meeting

The Annual General Meeting on March 28 approved a dividend of SEK 5.10 per share, which was paid in early April. The Meeting re-elected Johnny Alvarsson, Carina Andersson, Caroline av Ugglas, Anders Ullberg and Cecilia Wikström as directors. Johan Wall was re-elected as Chairman of the Board. Hans Landin was elected as a new director.

Events after the end of the period

On May 3, Beijer Tech's subsidiary Lundgrens Sverige AB signed an agreement to acquire the shares in the Norwegian company Codan AS, a supplier of hoses and couplings. The company generates revenues of approximately MNOK 33 in the Norwegian market. Other than this, no significant events occurred after the end of the period.

Condensed income statement

Group, MSEK	2019	2018	Rolling	2018	2017	2016
	Q1	Q1	12 months	Full-year	Full-year	Full-year
Net revenues	1,165.6	1,134.0	4,440.4	4,408.8	3,971.5	3,527.5
Cost of goods sold	-813.3	-789.3	-3,056.4	-3,032.4	-2,706.9	-2,381.7
Gross profit	352.3	344.7	1,384.0	1,376.4	1,264.6	1,145.8
Selling expenses	-100.4	-98.2	-410.7	-408.5	-376.1	-368.7
Administrative expenses	-90.7	-87.4	-349.5	-346.3	-347.7	-324.3
Items affecting comparability	-	-	-	-	-16.1	-
Other income	-	-	-	-	2.9	-
Profit from participations in associated companies	-	-	1.2	1.2	0.8	2.4
Operating profit	161.2	159.1	625.0	622.8	528.4	455.2
Interest income	0.5	0.4	2.1	2.1	1.5	1.2
Interest expenses	-6.2	-4.4	-17.5	-15.7	-12.5	-9.4
Profit after net financial items	155.5	155.1	609.6	609.2	517.4	447.0
Tax on profit for the period	-35.4	-38.8	-137.0	-140.4	-129.1	-119.4
Net profit attributable to Parent Company shareholders	120.1	116.3	472.6	468.8	388.3	327.6

Other comprehensive income

Items that may be reclassified to profit or loss

Cash-flow hedges	-3.8	-13.7	17.6	7.7	-5.6	-5.7
Translation differences	51.1	43.1	52.8	44.8	-6.9	30.6
Total other comprehensive income after tax	47.3	29.4	70.4	52.5	-12.5	24.9
Total comprehensive income attributable to Parent Company shareholders	167.4	145.7	543.0	521.3	375.8	352.5

Other comprehensive income pertains in its entirety to items that may be reclassified to profit or loss.

Net earnings per share

before and after dilution, SEK	1.99	1.93	7.84	7.78	6.45	5.22
Dividend per share, SEK	-	-	-	-	4.75	4.75
Includes amortization and depreciation in the amount of, MSEK	41.9	34.1	146.3	138.5	130.5	117.3

Parent Company, MSEK	2019	2018	Rolling	2018	2017	2016
	Q1	Q1	12 months	Full-year	Full-year	Full-year
Administrative expenses	-8.5	-12.4	-39.9	-43.8	-43.4	-48.0
Items affecting comparability	-	-	-	-	-16.1	-
Other operating income	4.5	4.5	18.2	18.2	21.1	18.2
Operating loss	-4.0	-7.9	-21.7	-25.6	-38.4	-29.8
Group contributions	-	-	58.1	58.1	60.1	52.1
Income from participations in Group companies	-	-	272.0	272.0	309.0	260.0
Interest income and similar revenues	0.2	0.2	0.6	0.6	0.8	0.7
Interest expenses and similar expenses	-0.2	-0.2	-1.1	-1.1	-1.1	-0.7
Profit/loss after net financial items	-4.0	-7.9	307.9	304.0	330.4	282.3
Tax on profit for the period	0.7	1.5	-8.4	-7.6	-4.9	-5.8
Net profit	-3.3	-6.4	299.5	296.4	325.5	276.5

No items are attributable to other comprehensive income.

Condensed balance sheet, Group

Group, MSEK

	2019	2018	2018	2017	2016
	Mar 31	Mar 31	Dec 31	Dec 31	Dec 31
Assets					
Fixed assets					
Intangible assets	686.8	612.1	628.2	607.4	550.6
Tangible assets	1,016.0	900.4	987.9	892.0	904.8
Deferred tax assets	28.1	19.1	27.7	15.8	19.1
Financial assets	33.1	34.4	33.0	36.3	30.3
Right-of-use assets ¹⁾	214.1	–	–	–	–
Total fixed assets	1,978.1	1,566.0	1,676.8	1,551.5	1,504.8
Current assets					
Inventories	1,005.9	826.9	951.7	824.6	717.9
Receivables	987.7	999.6	808.9	731.1	654.9
Cash and bank balances	146.4	164.4	291.3	328.1	273.6
Total current assets	2,140.0	1,990.9	2,051.9	1,883.8	1,646.4
Total assets	4,118.1	3,556.9	3,728.7	3,435.3	3,151.2
Shareholders' equity and liabilities					
Shareholders' equity					
Share capital	125.5	125.5	125.5	125.5	125.5
Other contributed capital	444.4	444.4	444.4	444.4	444.4
Reserves	137.8	67.5	90.5	38.1	50.6
Retained earnings, including net profit for the period	1,384.2	1,213.0	1,571.4	1,383.1	1,281.0
Shareholders' equity attributable to Parent Company shareholders	2,091.9	1,850.4	2,231.8	1,991.1	1,901.5
Non-controlling interests	4.1	3.9	4.1	3.9	3.8
Total shareholders' equity	2,096.0	1,854.3	2,235.9	1,995.0	1,905.3
Non-current liabilities to credit institutions	218.2	185.0	189.8	144.7	242.8
Non-current right-of-use liabilities ¹⁾	139.9	–	–	–	–
Other non-current liabilities	95.8	77.8	80.6	75.0	66.2
Current liabilities to credit institutions	426.8	726.5	541.1	592.1	343.9
Current non-interest-bearing liabilities	1,069.5	713.3	681.3	628.5	593.0
Current right-of-use liabilities ¹⁾	71.9	–	–	–	–
Total liabilities	2,022.1	1,702.6	1,492.8	1,440.3	1,245.9
Total shareholders' equity and liabilities	4,118.1	3,556.9	3,728.7	3,435.3	3,151.2

¹⁾ Refer to accounting policies under IFRS 16 on page 13

Condensed balance sheet, Parent Company

Parent Company, MSEK	2019	2018	2018	2017	2016
	Mar 31	Mar 31	Dec 31	Dec 31	Dec 31
Assets					
Fixed assets					
Tangible assets	0.2	1.2	1.1	1.2	1.2
Deferred tax assets	5.9	0.0	5.9	5.7	–
Participations in Group companies	532.0	532.0	532.0	532.0	532.2
Total fixed assets	538.1	533.2	539.0	538.9	533.4
Current assets					
Receivables	351.6	266.8	439.9	440.2	362.8
Cash and cash equivalents	33.2	0.1	58.2	59.7	3.1
Total current assets	384.8	266.9	498.1	499.9	365.9
Total assets	922.9	800.1	1,037.1	1,038.8	899.3
Shareholders' equity and liabilities					
Share capital	125.5	125.5	125.5	125.5	125.5
Statutory reserve	444.4	444.4	444.4	444.4	444.4
Retained earnings	37.2	42.4	48.1	8.8	12.8
Net profit/loss for the period	-3.3	-6.4	296.4	325.5	276.5
Total shareholders' equity	603.8	605.9	914.4	904.2	859.2
Current liabilities to credit institutions	–	168.3	100.3	100.3	14.7
Current non-interest-bearing liabilities	319.1	25.9	22.4	34.3	25.4
Total shareholders' equity and liabilities	922.9	800.1	1,037.1	1,038.8	899.3

Condensed cash-flow statement, Group

MSEK	2019	2018	2018	2017	2016
	Q1	Q1	Full-year	Full-year	Full-year
Cash flow from operating activities before change in working capital and capital expenditures	163.0	159.1	612.6	520.2	436.5
Change in working capital, increase (–) decrease (+)	-138.6	-172.7	-155.3	-132.1	28.5
Cash flow from operating activities	24.4	-13.6	457.3	388.1	465.0
Investing activities	-48.5	-36.2	-224.4	-118.0	-213.3
Acquired companies less cash and cash equivalents	-48.3	–	-3.6	-83.6	-78.1
Cash flow after capital expenditures	-72.4	-49.8	229.3	186.5	173.6
Financing activities	-73.9	-115.8	-274.4	-130.1	-157.4
Change in cash and cash equivalents	-146.3	-165.6	-45.1	56.4	16.2
Cash and cash equivalents at beginning of period	291.3	328.1	328.1	273.6	252.2
Exchange-rate fluctuations in cash and cash equivalents	1.4	1.9	8.3	-1.9	5.2
Cash and cash equivalents at end of period	146.4	164.4	291.3	328.1	273.6
Approved but not utilized committed credit facilities	565.9	434.4	565.9	566.2	694.3
Available liquidity	712.3	598.8	857.2	894.3	967.9

Specification of changes in consolidated shareholders' equity

MSEK	2019	2018	2018	2017	2016
	Q1	Q1	Full-year	Full-year	Full-year
Opening shareholders' equity attributable to Parent Company shareholders	2,231.8	1,996.7	1,996.7	1,907.1	1,840.9
Comprehensive income for the period	167.4	145.8	521.3	375.8	352.4
Dividend paid	-307.3	-286.3	-286.2	-286.2	-286.2
Closing shareholders' equity attributable to Parent Company shareholders	2,091.9	1,856.2	2,231.8	1,996.7	1,907.1
Non-controlling interests	4.1	3.9	4.1	4.0	3.8
Total closing shareholders' equity	2,096.0	1,860.1	2,235.9	2,000.7	1,910.9

Specification of shareholders' equity attributable to Parent Company shareholders for the period

MSEK	Share capital	Other contributed capital	Reserves	Retained earnings, incl. net profit for the period	Total
December 31, 2018	125.5	444.4	90.5	1,571.4	2,231.8
Dividend paid				-307.3	-307.3
Comprehensive income for the period			47.3	120.1	167.4
December 31, 2019	125.5	444.4	137.8	1,384.2	2,091.9

Number of shares

MSEK	2019	2018	2017
	Mar 31	Dec 31	Dec 31
Number of shares outstanding	60,262,200	60,262,200	30,131,100
Total number of shares, after full dilution	60,262,200	60,262,200	30,131,100
Average number of shares, after full dilution	60,262,200	60,262,200	30,131,100

Of the total number of shares outstanding, 6,605,000 are Class A shares and the remaining shares are Class B shares. The Annual General Meeting on March 22, 2018 resolved on a 2:1 share split, which entails that the number of shares after the split will amount to 60,262,000, of which 6,605,000 are Class A shares and the remaining shares are Class B shares. The split was carried out in May.

Performance measures per subsidiary and quarter

Net revenues, MSEK	2019	2018	2018	2018	2018	Rolling	2018
	Q1	Q4	Q3	Q2	Q1	12 months	Full-year
Lesjöfors	690.0	582.7	614.1	738.4	689.7	2,625.2	2,624.9
Habia Cable	219.8	209.8	191.0	242.0	227.6	862.7	870.4
Beijer Tech	255.6	250.3	210.7	235.5	216.6	952.1	913.1
Parent Company and intra-Group	0.1	0.1	0.1	0.1	0.1	0.4	0.4
Total	1,165.5	1,042.9	1,015.9	1,216.0	1,134.0	4,440.4	4,408.8

Annual change in net revenues, %

Lesjöfors	0.0	5.8	16.4	14.0	10.4	23.6	11.6
Habia Cable	-3.4	13.7	13.5	16.3	-8.0	4.0	7.7
Beijer Tech	18.0	7.5	14.6	13.3	15.8	30.3	12.5
Parent Company and intra-Group	-	-	-	-	-	-	-
Total	2.8	7.7	15.5	14.3	7.0	20.5	11.0

Order bookings, MSEK

Lesjöfors	654.0	581.1	611.1	724.1	699.8	2,570.3	2,616.1
Habia Cable	236.6	208.9	201.6	266.4	367.0	913.5	1,043.9
Beijer Tech	260.4	245.7	239.9	252.5	216.6	998.5	954.7
Parent Company and intra-Group	-	0.3	-	0.1	0.1	0.4	0.5
Total	1,151	1,035.8	1,052.8	1,243.1	1,283.5	4,482.7	4,615.2

Operating profit, MSEK

Lesjöfors	125.7	105.3	121.2	163.0	141.1	515.3	530.6
Habia Cable	15.8	8.7	14.0	20.8	13.8	59.3	57.3
Beijer Tech	23.8	18.2	16.2	14.0	12.1	72.2	60.5
Parent Company and intra-Group	-4.1	-3.4	-3.2	-11.1	-7.9	-21.8	-25.6
Total	161.2	128.8	148.2	186.7	159.1	625.0	622.8

Operating margin, %

Lesjöfors	18.2	18.1	19.7	22.1	20.5	19.6	20.2
Habia Cable	7.2	4.1	7.3	8.6	6.1	6.9	6.6
Beijer Tech	9.3	7.3	7.7	5.9	5.6	7.6	6.6
Parent Company and intra-Group	-	-	-	-	-	-	-
Total	13.8	12.4	14.6	15.4	14.0	14.1	14.1

Performance measures

	2019	2018	2018	2017	2016
	Q1	Q1	Full-year	Full-year	Full-year
Number of shares ¹⁾	60,262,200	60,262,200	60,262,200	60,262,200	60,262,200
Net revenues, MSEK	1,165.6	1,134.0	4,408.8	3,971.5	3,527.5
Operating profit, MSEK	161.2	159.1	622.8	528.4	455.2
Profit before tax, MSEK	155.5	155.1	609.2	517.4	447.0
Earnings per share after tax, SEK ¹⁾	1.99	1.93	7.78	6.45	5.44
Earnings per share after 21.4% or 22.0% standard tax, SEK ¹⁾	2.03	2.01	7.89	6.70	5.79
Cash flow after capital expenditures, excluding acquisitions per share, SEK ¹⁾	-0.40	-0.83	3.87	4.48	3.68
Return on shareholders' equity, %	22.4	25.2	22.5	20.7	18.7
Return on capital employed, %	22.7	23.2	22.0	20.8	19.1
Shareholders' equity per share, SEK ¹⁾	34.71	30.71	37.04	33.04	31.55
Equity ratio, %	50.8	52.0	59.9	58.0	60.3
Net debt/equity ratio, %	23.8	40.4	19.7	20.5	16.5
Cash and cash equivalents, including unutilized credit facilities, MSEK	922.4	491.9	857.2	894.3	967.9
Investments in tangible assets, MSEK	41.9	19.4	205.3	125.9	203.6
Interest-coverage ratio, multiple	25.9	36.5	39.9	42.5	48.8
Number of employees at end of period	2,622	2,579	2,622	2,546	2,341

¹⁾ Recalculated after 2:1 split on May 31, 2018

Accounting policies

Group

This interim report was prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the European Union (EU). The presentation of the interim report complies with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act.

New accounting policies for 2019

As of January 1, 2019, Beijer Alma applies IFRS 16 Leases.

IFRS 16 is applied retrospectively without restating comparative figures. Accordingly, the opening balance for 2019 has been restated in accordance with the new standard. For leases that were previously classified as operating leases with the Group as the lessee, a lease liability has been recognized at the present value of future lease payments, which amounted to MSEK 229 as of January 1, 2019. The average interest rate used for the transition calculation was approximately 2 percent. The Group applies the modified retrospective approach, which entails that the asset is recognized at the same amount as the lease liability. Accordingly, no transition effect has been recognized in shareholders' equity. Comparative information will thus continue to be recognized in accordance with IAS 17 Leases.

The recognition of depreciation of assets using right-of-use assets rather than lease payments had a minor positive impact on operating profit. Interest on lease liabilities had a minor negative impact on net financial items. Profit before tax was impacted negatively in amount of MSEK 0.9 due to IFRS 16. Since the main payment is recognized as financing activities, cash flow from financing activities has declined by an amount corresponding to the increase in operating activities. The interest portion of the lease payment remains as cash flow from operating activities and is included in net financial items. The Group recognizes a right-of-use asset in the balance sheet and a lease liability is recognized at the present value of future lease payments. The leased asset is depreciated on a straight-line basis over the lease term, or over the useful life of the underlying asset if it is deemed reasonably certain that the Group will assume the ownership right at the end of the lease term. The lease liability is recognized as depreciation in operating profit and an interest expense in net financial items. If the lease is deemed to include a low-value asset

or has a term of 12 months or less, of if the lease includes service components, these lease payments are recognized as operating expenses in profit or loss over the term of the lease. Additional disclosures concerning transition effects and new accounting policies under IFRS 16 are presented in Beijer Alma's Annual Report for 2018.

The fair value of financial assets and liabilities is deemed to correspond to the carrying amount.

Use of performance measures not defined in IFRS

Beijer Alma applies the European Securities and Markets Authority's (ESMA) new Guidelines on Alternative Performance Measures. In short, an alternative performance measure is a financial measure of historical or future financial performance, financial performance or cash flows that is not defined or specified in IFRS.

Parent Company

The Parent Company, Beijer Alma AB, applies the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. With the exception of what is stated above regarding IFRS 9 and IFRS 15, these accounting policies correspond with the preceding year and with the consolidated accounting policies where applicable.

The interim report comprises pages 1–15, and pages 1–8 are thus an integrated part of this financial report.

Risks and uncertainties

The Group's material risks and uncertainties include business and financial risks. Business risks may include major customer exposures to individual industries or companies. Financial risks primarily pertain to foreign currency risks that arise because more than 94 and 84 percent of sales for Habia and Lesjöfors, respectively, are conducted outside Sweden, while approximately 65 percent of production takes place outside Sweden. Beijer Tech does not have a corresponding foreign currency risk since 70 percent of its sales are conducted in Sweden.

Management of the Group's financial risks is described in Note 31 of the 2018 Annual Report. The Group is deemed to have a favorable risk spread across industries and companies and the assessment is that the risk situation has remained unchanged during the year.

Uppsala, May 6, 2019

Beijer Alma AB (publ)

Henrik Perbeck
President and CEO

This report has not been reviewed by the company's auditors.

If you have any questions, please contact:

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This information is information that Beijer Alma AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact persons set out above, at 10:00 a.m. on May 6, 2019.

Read more at

www.beijeralma.se

Link to the Group's investor relations page: www.beijeralma.se/ir

Visit our subsidiaries:

www.lesjoforsab.com

www.habia.com

www.beijertech.se

Calendar

- Interim report for the second quarter: August 16, 2019
- Interim report for the third quarter: October 24, 2019
- Interim report for the fourth quarter: February 14, 2020

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