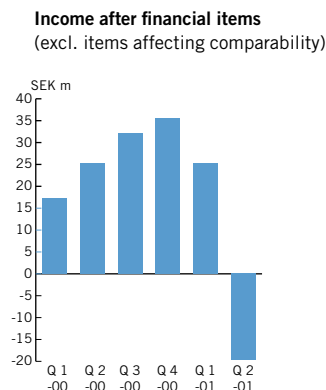
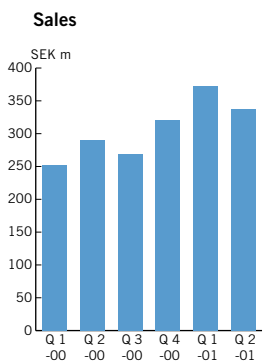


INTERIM REPORT
JANUARY-JUNE 2001



- Continued weak demand from the telecom sector
- First half year income after financial items, including structural charges, SEK 5.7 m (42.5)
- Second-quarter loss after financial items SEK -19.7 m (25.3), of which structural charges SEK 23.4 m
- Workforce reduction affects 140 Group employees



GROUP

During the period January – June sales amounted to SEK 709.4 m (543.3). Income after financial items, including structural charges, was SEK 5.7 m (42.5). Earnings per share after standard tax amounted to SEK 0.50 (3.70). The equity ratio was 38.4 percent (41.0).

Capital expenditures, excluding company acquisitions, totaled SEK 105.6 m (39.1), while depreciation amounted to SEK 44.2 m (30.7). Investments in Elimag amounted to SEK 50.8 m.

During the second quarter sales rose by 16 percent to SEK 337.5 m (290.9). Elimag, which was acquired at the beginning of the year, contributed SEK 54.0 m. Excluding Elimag, sales declined by SEK 7.4 m or 3 percent.

Order bookings amounted to SEK 274.3 m (325.1), a decrease of 16 percent. Excluding Elimag, order bookings fell 22 percent.

The loss after financial items amounted to SEK -19.7 m (25.3), which includes structural charges of SEK 23.4 m primarily for wages during the period of notice in connection with workforce reductions at Lesjöfors and Elimag. In total, around 140 employees have been terminated at these two companies.

Liquid assets, including bank overdraft facilities not drawn upon, amounted to SEK 191.0 m (124.8).

SUBSIDIARIES

Habia Cable AB (www.habia.se) is one of Europe's largest manufacturers of special cables for applications in telecommunications, transportation, nuclear power and defense. Production takes place in Sweden, Germany and China.

During the period January – June sales totaled SEK 249.5 m (170.7), with income after financial items of SEK 14.6 m (12.4).

During the second quarter sales rose by 13 percent to SEK 116.6 m (103.2). Order bookings amounted to SEK 98.4 m (126.9). The loss after financial items was SEK -0.5 m (11.7), while the operating margin was 2.6 percent (13.2).

The weak quarterly result is due to a weak market in the telecommunications business area. Inventory buildups among major customers during the first quarter led to low delivery volumes and a substantial loss in April. Habia's expanded production facilities require larger volumes from telecom customers than were achieved during the second quarter if they are to reach satisfactory profitability.

The other business areas developed well during the period.

In May and June Habia noted increased activity from the telecom sector. The Chinese market in particular has shown strength. Customers are indicating that the inventory situation is beginning to normalize, creating the potential for a higher rate of delivery during the fall.

Lesjöfors AB (www.lesjoforsab.com) is a full-range supplier of industrial springs, chassis springs and flat strip components in the Nordic region and one of the largest companies in its industry in Europe.

During the period January – June sales totaled SEK 299.6 m (331.3). Income after financial items was SEK 15.8 m (38.3).

During the second quarter Lesjöfors' sales declined by 13 percent to SEK 145.6 m (167.1). Order bookings decreased by 27 percent to SEK 128.1 m (176.5). Income after financial items amounted to SEK 3.1 m (19.0) and the operating margin was 3.6 percent (12.6). Income includes structural charges of SEK 11.4 m.

The decline in order bookings, sales and income is due to very weak demand in the telecom sector. At the end of last year major customers built up considerable inventories. Lower activity in the telecom sector, in combination with inventory sell-offs, has led to very low delivery volumes. Although deliveries remain low at the beginning of the third quarter, customers are indicating that delivery volumes may rise at the end of the third or beginning of the fourth quarter.

Lesjöfors' other operations are reporting sales volumes and results in line with the previous year.

To adjust to lower demand in the telecom sector and improve operating efficiency, a comprehensive action plan is being implemented. As a result of the restructuring of operations, a total of over 100 employees are expected to leave the company, corresponding to approximately 15 percent of the workforce. On a full-year basis, staff costs will be reduced by approximately SEK 30 m.

Elimag AB (www.elimag.se), which was acquired on January 1, 2001, specializes in high-speed aluminum machining for the telecom, defense and aerospace industries as well as contract manufacturing in medical technology.

During the period January – June sales totaled SEK 116.2 m (88.3), with a loss after financial items of SEK -2.8 m (5.6).

Elimag's sales during the second quarter amounted to SEK 54.0 m (44.6). Order bookings totaled SEK 32.3 m (39.1). The loss, after structural charges of SEK 2.0 m, was SEK -4.7 m (3.2).

Elimag's operations in Gothenburg, which consist of high-speed aluminum machining,

reported a breakeven result during the quarter. The weak demand from the telecom sector in the second quarter is expected to persist during the second half of the year. The Stockholm-based contract manufacturing in medical technology continues to operate at a loss. Operations are being concentrated on assembly work, and the number of employees is being reduced during the year to 20, compared with 60 at the beginning of the year.

AB Stafsjö Bruk (www.stafsjo.com) manufactures knife gate valves that are sold globally to the process industry.

During the period January – June sales totaled SEK 42.2 m (38.6). Income after financial items amounted to SEK 0.2 m (0.6).

Stafsjö Bruk's sales during the quarter amounted to SEK 19.9 m (19.6), with order bookings of SEK 24.4 m (20.1). The reported loss was SEK -0.5 m (0.2).

Stafsjö experienced a relatively weak quarter. Bids increased in number and size, however, which resulted in improved order bookings in June and July. The order backlog at the beginning of August was higher than in previous months, which should lead to higher deliveries in the third quarter.

SALES AND INCOME BY COMPANY

<i>Sales</i>						
SEK m	2001 Q 2	2001 Q 1	2000 Q 4	2000 Q 3	2000 Q 2	2000 Q 1
Habia Cable	116.6	132.9	131.9	96.9	103.2	67.5
Lesjöfors	145.6	154.0	165.9	148.7	167.1	164.2
Elimag	54.0	62.2	-	-	-	-
Stafsjö Bruk	19.9	22.3	24.0	18.7	19.6	19.0
Parent Company and intra-Group	1.4	0.5	-0.8	3.9	1.0	1.7
Group	337.5	371.9	321.0	268.2	290.9	252.4
<i>Income after financial items</i>						
SEK m	2001 Q 2	2001 Q 1	2000 Q 4	2000 Q 3	2000 Q 2	2000 Q 1
Habia Cable	-0.5	15.0	20.3	10.4	11.7	0.7
Lesjöfors	3.1	12.8	14.2	20.2	19.0	19.3
Elimag	-4.7	1.9	-	-	-	-
Stafsjö Bruk	-0.5	0.7	1.5	1.0	0.2	0.4
Parent Company and intra-Group	-17.1*	-5.1	-0.4	0.4	-5.6	-3.2
Group	-19.7	25.3	35.6	32.0	25.3	17.2
Items affecting comparability	-	-	0.1	9.5	-	-
TOTAL	-19.7	25.3	35.7	41.5	25.3	17.2

* Including structural charges of SEK 10 m.

CEO's STATEMENT

During the second quarter the Group was adversely affected by weak demand in the telecom sector. Sales to this customer group accounted for 24 percent of the first-half total. The period's result was affected primarily by a generally very weak April. In May and June both sales and income improved.

The second quarter's result includes charges for a comprehensive action plan to improve the companies' operating margins by increasing efficiency as well as to compensate for low order volumes from the telecom sector. The structural charges mainly relate to future payroll expenses for terminated employees. The large part of the measures that are being implemented will be completed this year.

During the second quarter a total of around 140 employees were given their notice of termination, corresponding to approximately 13 percent of all employees in the Beijer Alma Group at the beginning of the year. The staff reductions are being implemented primarily at Lesjöfors and Elimag.

Habia is now receiving signals that its customers' inventory levels are beginning to reach a balance, which means that the company, by the end of the third quarter, should reach a rate of delivery consistent with the underlying market. Lesjöfors as well is receiving signals that its major customers have reduced their inventories to levels where new deliveries will be necessary by the end of the third or beginning of the fourth quarter.

In my opinion, the remainder of the year will be influenced by the slower economy and a continued weak telecom sector. This will lead to overcapacity in several of the industries where our companies are active. A better balance in customers' parts inventories should, however, give Habia and Lesjöfors reason to expect higher demand in future quarters.

In addition, the workforce cutbacks that have been implemented and decided on will

significantly reduce the Group's cost level as early as the second half of 2001, at the same time that the subsidiaries remain prepared for an improvement in demand.

Uppsala, August 9, 2001

Beijer Alma AB (publ)
Bertil Persson
President and CEO

We have reviewed this interim report and in doing so followed the recommendation issued by the Swedish Institute of Authorized Public Accountants. A review is considerably limited in scope compared with an audit. Nothing has come to our attention that would indicate that the interim report does not comply with the requirements of the Securities and Clearing Operations Act and Annual Accounts Act.

Öhrlings PriceWaterhouse Coopers AB
Hans Lindén
Authorized Public Accountant

SUMMARY INCOME STATEMENTS

SEK m	2001 Q 2	2000 Q 2	2001 6 months	2000 6 months	2000 Full-year
Net sales	337.5	290.9	709.4	543.3	1,132.5
Cost of goods sold	-241.6	-187.0	-489.2	-355.6	-732.8
Gross income	95.9	103.9	220.2	187.7	399.7
Selling expenses	-55.1	-43.2	-105.7	-79.9	-162.3
Administrative expenses	-53.1	-30.8	-94.6	-57.2	-110.2
Share of income in associated companies before tax	-	0.5	0.3	1.0	1.9
Operating income	-12.3	30.4	20.2	51.6	129.1
Items affecting comparability	-	-	-	-	9.6
Result from financial assets	-	0.5	0.7	1.0	2.7
Result from financial liabilities	-7.4	-5.6	-15.2	-10.1	-21.7
Income after financial items	-19.7	25.3	5.7	42.5	119.7
Tax	3.4	-7.1	-3.7	-11.9	-38.4
NET INCOME/LOSS FOR THE PERIOD	-16.3	18.2	2.0	30.6	81.3

SUMMARY BALANCE SHEETS

SEK m	2001 June 30	2000 June 30	2000 Dec 31
ASSETS			
<i>Fixed assets</i>			
Goodwill	172.9	113.0	130.2
Tangible fixed assets	588.0	417.9	449.0
Fincancial fixed assets	16.3	15.2	24.6
Total fixed assets	777.2	546.1	603.8
<i>Current assets</i>			
Inventories	306.1	193.2	234.8
Receivables	327.4	270.1	288.5
Liquid assets	37.2	31.7	17.8
Total current assets	670.7	495.0	541.1
TOTAL ASSETS	1,447.9	1,041.1	1,144.9
SHAREHOLDERS' EQUITY AND LIABILITIES			
<i>Shareholders' equity</i>			
Share capital	112.4	100.6	100.6
Restricted reserves	194.1	89.2	107.0
Unrestricted reserves	247.3	206.1	193.4
Net profit for the period	2.0	30.6	81.3
Total shareholders' equity	555.8	426.5	482.3
Provisions	61.6	43.9	52.1
Long-term interest-bearing liabilities	544.8	357.2	368.9
Current interest-bearing liabilities	21.6	9.4	17.2
Current non-interest-bearing liabilities	264.1	204.1	224.4
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	1,447.9	1,041.1	1,144.9

In connection with the acquisition of Elimag Industri AB, pledged assets of SEK 72.3 m were added.

SUMMARY CASH FLOW STATEMENT

SEK m	2001 Q 2	2000 Q 2	2001 6 months	2000 6 months	2000 Full-year
Cash flow before change in working capital and capital expenditures (cash earnings)	6.4	34.4	46.2	61.1	145.7
Change in working capital increase (-) decrease (+)	-13.5	-23.7	-66.2 ¹⁾	-63.0	-94.8
Cash flow before capital expenditures	-7.1	10.7	-20.0	-1.9	50.9
Capital expenditures	-29.9	-118.5	-217.6 ²⁾	-132.0	-223.6
Cash flow after capital expenditures	-37.0	-107.8	-237.6	-133.9	-172.7
Financial payments	33.8	96.8	257.0 ³⁾	125.6	150.5
Change in liquid assets	-3.2	-11.0	19.4	-8.3	-22.2
Liquid assets, opening balance	40.4	42.7	17.8	40.0	40.0
Liquid assets, closing balance	37.2	31.7	37.2	31.7	17.8
Bank overdraft facilities not drawn upon	153.8	93.1	153.8	93.1	200.5
Available liquidity	191.0	124.8	191.0	124.8	218.3

¹⁾ Of the working capital increase, SEK 12 m is due to the acquisition of Elimag.

²⁾ Of the capital expenditures, SEK 131 m relates to the acquisition of Elimag.

³⁾ Of the financial payments, SEK 148 m relates to the acquisition of Elimag.

SPECIFICATION OF CHANGE IN SHAREHOLDERS' EQUITY

	Share capital	Restricted reserves	Unrestricted reserves
Dec. 31, 2000	100.6	107.0	274.7
Non-cash issue in connection with acquisition of Elimag Industri AB	11.8	91.8	-
Conversion of subordinated debenture	-	0.1	-
Dividend paid	-	-	-35.9
Transfer between restricted and unrestricted equity	-	-6.5	6.5
Translation difference	-	1.7	2.0
Net income for the period	-	-	2.0
June 30, 2001	112.4	194.1	249.3

KEY FIGURES

	2001 Q 2	2000 Q 2	2001 6 months	2000 6 months	2000 Full-year
Number of shares *)	9,610,180	8,470,180	9,510,180	8,470,180	8,470,180
Earnings per share after actual tax, SEK **)	-1.66	2.19	0.28	3.70	9.01
Earnings per share after 28% standard tax, SEK **)	-1.44	2.19	0.50	3.70	9.53
Return on equity, %**)	neg	17.7	0.7	14.7	17
Return on capital employed, %**)	neg	16.6	2.2	14.6	17
Equity per share, SEK	61.83	53.02	61.83	53.02	59.94
Equity ratio, %	38.4	41.0	38.4	41.0	42.1
Debt/equity ratio, %	103.2	87.5	103.2	87.5	81.6
Liquid assets including bank overdraft facilities not drawn upon, SEK m	191.0	124.8	191.0	124.8	218
Capital expenditures, SEK m	49.9	25.6	105.6	39.1	114.0
Interest cover, multiple **)	neg	6.6	1.4	6.2	6.1

*) Including outstanding convertible debentures and employee stock options and recalculated for 2:1 stock split.

**) Excluding items affecting comparability

ACCOUNTING PRINCIPLES

The accounting principles and basis of calculation used in this interim report are identical to those in the most recently published annual report.



BEIJER • ALMA

Beijer Alma AB (publ)
Dragarbrunnsgatan 45
Forngallerian
P.O. Box 1747
SE-751 47 UPPSALA
Sweden
Tel: +46 (0)18 15 71 60
Fax: +46 (0)18 15 89 87
E-mail: info@beijer-alma.se
www.beijer-alma.se

For further information, please contact:

Bertil Persson, President and CEO, Tel +46 (0)8 506 427 50
Jan Blomén, CFO, Tel +46 (0)18 15 71 60

Next report date:

Interim Report January–September October 25, 2001.