



january--september 09

Interim report January-September 2009

More stable demand situation

- Net revenues totaled MSEK 1,210 (1,412) during the January-September period and MSEK 344 (460) during the third quarter
- Profit after financial items amounted to MSEK 171.1 (245.5) for the January-September period and MSEK 48.9 (77.2) during the third quarter
- The operating margin was 15.0 percent (18.0) for the January-September period and 15.6 percent (17.3) for the third quarter
- Cash flow after capital expenditures totaled MSEK 170.8 (126.1) during the January-September period and MSEK 80.8 (52.4) during the third quarter
- The Group's debts were converted into net cash.
- Earnings per share after tax totaled SEK 4.60 (6.52) during the January-September period and SEK 1.31 (2.04) during the third quarter

Group

Demand stabilized during the quarter. Although volumes remained low, no further decline was reported. Order bookings exceeded invoicing during the quarter, causing the stock of orders to grow. Along with a number of other signs, this indicates that the demand situation has improved, albeit from a low level. Major cost-cutting measures have been implemented during the past year. The number of employees is currently 1,077, down 19 percent or 254 people from the year-earlier period. These cost reductions have gradually had a positive impact on profitability and were one of the main contributing factors in enabling an operating margin of 15 percent, despite the drop in sales.

During the January-September period, order bookings totaled MSEK 1,206 (1,411), down 14.5 percent. Invoicing declined 14.3 percent to MSEK 1,210 (1,412). Since the Group's invoicing for the year was translated at a weaker rate, the actual decline in volume was approximately 22 percent. Operating profit totaled MSEK 181.8 (253.5) and the operating margin was 15.0 percent (18.0). Profit after financial items totaled MSEK 171.1 (245.5) and earnings per share after tax amounted to SEK 4.60 (6.52). Investments in tangible assets amounted to MSEK 52.3 (49.5) and depreciation totaled MSEK 55.7 (52.4). Cash flow after capital expenditures totaled MSEK 170.8 (126.1). The Group's net cash at the end of the quarter amounted to MSEK 15.7, compared with net debt of MSEK 52.9 in the year-earlier period.

During the third quarter, order bookings totaled MSEK 357 (440), down 18.9 percent. Invoicing declined 25.2 percent to MSEK 344 (460). Operating profit totaled MSEK 53.8 (79.5) and the operating margin was 15.6 percent (17.3). Profit after financial items amounted to MSEK 48.9 (77.2) and earnings per share after tax totaled SEK 1.31 (2.04). Capital expenditures amounted to MSEK 13.4 (12.3). Cash flow after capital expenditures totaled MSEK 80.8 (50.4).

Lesjöfors AB

Lesjöfors AB is a full-range supplier of standard and specially produced industrial springs, wire and flat strip components. The company is a dominating player in the Nordic Region and one of the largest companies in its industry in Europe. Lesjöfors has manufacturing operations in Sweden, Denmark, Finland, Latvia, the UK and China.

During the January-September period, order bookings totaled MSEK 807 (888), down 9.1 percent. Invoicing declined 9.2 percent to MSEK 815 (898). Operating profit amounted to MSEK 185.0 (209.3) and the operating margin was 22.7 percent (23.3).

During the third quarter, order bookings declined 17.2 percent to MSEK 241 (291). Invoicing totaled MSEK 229 (285), down 19.5 percent. Operating profit amounted to MSEK 55.7 (62.6) and the operating margin was 24.3 percent (22.0).

Lesjöfors' operations are conducted in three business areas: Industrial Springs, Flat Strip Components and Chassis Springs. Sales declined in Industrial Springs and Flat Strip Components, whose customers

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primarily operate in the engineering industry. Chassis Springs, which sells to the aftermarket for vehicles, reported increased sales.

Habia Cable AB

Habia Cable AB is one of Europe's largest manufacturers of custom-designed cable for customers in telecom, transport, nuclear power, defense and other industries. Manufacturing and product development are conducted in Sweden, with additional manufacturing carried out in Germany, China and Poland.

During the January-September period, order bookings declined 24.0 percent to MSEK 397 (523). Invoicing totaled MSEK 393 (513), down 22.6 percent. Operating profit amounted to MSEK 8.8 (61.1) and the operating margin was 2.3 percent (11.9).

During the third quarter, order bookings totaled MSEK 115 (159), down 27.7 percent. Invoicing declined 35.4 percent to MSEK 113 (175). Operating profit totaled MSEK 0.3 (20.8) and the operating margin was 0.3 percent (11.9).

Although Habia's sales to all customer groups were weak, order bookings improved during the past month. Major personnel reductions were made in order to adapt Habia's fixed costs to the prevailing business climate and further cost-saving measures will be implemented in the fourth quarter.

Parent Company

The Parent Company, Beijer Alma AB, is a holding company that does not conduct its own operations or external invoicing.

During the January-September period, the Parent Company reported an operating loss of MSEK 3.5 (loss: 15.0). The operating loss during the third quarter amounted to MSEK 3.7 (loss: 3.3)

Revenues and earnings per operating sector/segment

Net revenues

MSEK	2009	2009	2009	2008	2008	2008	2008	2008	2007
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Full-year	Full-year
Lesjöfors	229.3	296.9	289.1	253.3	285.0	323.8	289.1	1,151.2	1,032.3
Habia Cable	112.9	123.3	156.4	171.5	174.7	177.4	161.3	684.9	622.0
Parent Company and intra-Group	1.9	–	0.1	–	0.1	0.1	0.1	0.2	0.1
Total	344.1	420.2	445.6	424.8	459.8	501.3	450.5	1,836.3	1,654.4

Operating profit/loss

MSEK	2009	2009	2009	2008	2008	2008	2008	2008	2007
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Full-year	Full-year
Lesjöfors	55.7	70.8	58.5	42.3	62.6	82.4	64.3	251.6	222.7
Habia Cable	0.3	–5.3	13.8	10.7	20.8	18.8	21.5	71.8	89.7
Parent Company and intra-Group	–2.2	–6.2	–3.6	–4.1	–3.9	–7.6	–5.4	–21.0	–22.8
Total	53.8	59.3	68.7	48.9	79.5	93.6	80.4	302.4	289.6

President's statement

September marked the one year anniversary of the collapse of Lehman Brothers investment bank and the beginning of a major global recession. This downturn has impacted several of the Beijer Alma Group's operations. During the third quarter, the weak overall economic situation continued to have an adverse effect on invoicing and earnings. The Group's total invoicing was 25 percent lower than in the year-earlier period. Our operations in the traditional engineering and telecom industries were hit hardest. The stabilization in demand noted late in the second quarter, particularly in Lesjöfors, was confirmed during the third quarter. The Group's order bookings during the quarter exceeded invoicing and the stock of orders increased. Operating profit for the quarter fell 32 percent, compared with the year-earlier period, to MSEK 54. Although this was certainly a substantial drop, it was smaller than we had feared given that an unusually large number of customers closed down their operations during the summer vacation period this year. The operating margin for the quarter was nearly 16 percent. One key reason for this relatively favorable result was the cost-saving measures implemented during the year. Compared with the end of September 2008, the number of employees declined approximately 20 percent.

The cash-flow trend remained strong. Cash flow for the third quarter amounted to MSEK 81, which means that the Group's net cash now totals MSEK 16. Inventories and accounts receivable decreased substantially during the quarter.

Lesjöfors' invoicing decreased 20 percent compared with the year-earlier period. As in earlier years, Chassis Springs continued to perform well, while Industrial Springs and Flat Strip Components reported declining volumes. Nonetheless, Industrial Springs experienced a certain level of improvement compared with the year-earlier period, while Flat Strip Components, which to a certain extent is dependent on the telecom industry, remained weak. Operating profit for the third quarter fell from MSEK 63 to MSEK 56. Lesjöfors' cost reductions, product mix and exchange-rate effects contributed to an improvement in the operating margin, compared with the year-earlier period, to 24 percent.

Habia's invoicing declined 35 percent compared with the third quarter of 2008. Order bookings fell 28 percent. The most substantial decline was reported in the telecom sector, where invoicing was nearly halved. Despite the severe recession, Habia succeeded in posting a marginal operating profit for the quarter due to its extensive cost reductions. To further adapt its costs during October, Habia issued layoff notices to some 40 people.

The stabilization in demand that began in the second quarter continued during the third. Although the increased stock of orders should provide invoicing support during the next quarter, the fourth quarter tends to be seasonally weak in Chassis Springs.

Events after the end of the period

No significant events occurred after the end of the period.

Risks and uncertainties

The Group's material risks and uncertainties include business and financial risks. Business risks may include major customer exposure to individual industries or companies. Financial risks primarily pertain to foreign currency risks that arise because more than 80 percent of the company's sales are conducted outside Sweden, while approximately 55 percent of production takes place in Sweden.

Management of the Group's financial risks is described on pages 8-9 and in Note 28 of the 2008 Annual Report. The business risks are described on pages 8-9 of the 2008 Annual Report. The Group is deemed to have a favorable risk spread across industries and companies. The prevailing economic trend generally means that the companies' financial strength has weakened. This has resulted in the increased risk of individual companies not being able to fulfill their payment commitments. Besides this, the assessment is that no material risks arose during the year.

Accounting policies

Group

This interim report was prepared in accordance with 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.

The following standards and amendments came into effect in 2009: IFRS 8 Operating Segments. IFRS 8 replaces IAS 14 Segment Reporting and applies from January 1, 2009. This standard has not resulted in any changes to Beijer Alma's identified segments. Operations are conducted in two business areas, which, as in earlier years, comprise the Group's segments.

IAS 1 (Revised) Presentation of Financial Statements. This revised standard does not permit the presentation of income and expense items in the statement of changes in shareholders' equity. Instead, these items are to be recognized as other comprehensive income. Beijer Alma recognizes income and expenses in its statement of consolidated comprehensive income. Comprehensive income for the period and changes in shareholders' equity pertaining to transactions with shareholders are recognized in the statement of changes in shareholders' equity.

In all other respects, the accounting policies and terms of calculation are unchanged from those applied in the 2008 Annual Report.

Parent Company

The Parent Company, Beijer Alma AB, applies the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2.2 Accounting for legal entities. These accounting policies correspond with those used in the year-earlier period and with the consolidated accounting policies where applicable.

Consolidated comprehensive income

Condensed income statement

Group

MSEK	2009 Q3	2008 Q3	2009 Jan.-Sep.	2008 Jan.-Sep.	2008 Full-year	2007 Full-year	2006 Full-year
Net revenues	344.1	459.8	1,209.9	1,411.5	1,836.3	1,654.4	1,487.8
Cost of goods sold	-217.1	-300.8	-773.8	-902.3	-1,187.6	-1,035.3	-924.6
Gross profit	127.0	159.0	436.1	509.2	648.7	619.1	563.2
Selling expenses	-42.1	-45.6	-145.5	-142.6	-194.1	-178.1	-164.9
Administrative expenses	-31.2	-33.9	-108.8	-115.1	-153.7	-152.2	-130.9
Profit from participations in associated companies	0.1	-	-	2.0	1.5	0.8	1.0
Operating profit	53.8	79.5	181.8	253.5	302.4	289.6	268.4
Interest income	0.1	1.4	0.6	3.0	7.1	5.6	3.0
Interest expenses	-5.0	-3.7	-11.3	-11.0	-14.5	-12.5	-9.2
Profit after financial items	48.9	77.2	171.1	245.5	295.0	282.7	262.2
Tax on profit for period	-12.9	-21.2	-45.0	-66.6	-78.3	-77.2	-72.4
Net profit from continuing operations	36.0	56.0	126.1	178.9	216.7	205.5	189.8
Net loss from discontinued operations	-	-	-	-	-	-	-37.3
Net profit attributable to Parent Company shareholders	36.0	56.0	126.1	178.9	216.7	205.5	152.5

Other comprehensive income	2009	2008	2009	2008	2008	2007	2006
Income/expenses recognized directly against shareholders' equity	Q3	Q3	Jan.-Sep.	Jan.-Sep.	Full-year	Full-year	Full-year
Cash-flow hedges	18.9	- 8.9	29.8	- 8.9	- 14.6	- 2.3	4.6
Translation differences	- 44.6	19.6	- 31.9	15.2	48.0	5.4	- 17.6
Total other comprehensive income after tax	- 25.7	10.7	- 2.1	6.3	33.4	3.1	- 13.0
Total comprehensive income attributable to: Parent Company shareholders	10.3	66.7	124.0	185.2	250.1	208.6	139.5
Earnings per share from continuing operations before and after dilution, SEK	1.31	2.04	4.60	6.52	7.90	7.49	6.92
Earnings per share from discontinued operations before and after dilution, SEK	-	-	-	-	-	-	-1.36
Net earnings per share before and after dilution, SEK	1.31	2.04	4.60	6.52	7.90	7.49	5.56
Dividend per share, SEK	-	-	-	-	5.00	5.00	4.00
Includes amortization and depreciation in the amount of, MSEK	17.3	16.9	55.7	50.4	68.2	65.3	68.8
Parent Company							
MSEK	2009	2008	2009	2008	2008	2007	2006
	Q3	Q3	Jan.-Sep.	Jan.-Sep.	Full-year	Full-year	Full-year
Administrative expenses	- 7.2	- 6.8	- 23.8	- 25.3	- 31.7	- 33.4	- 32.2
Other operating income	3.5	3.5	10.3	10.3	13.7	13.2	12.8
Operating loss	- 3.7	- 3.3	- 13.5	- 15.0	- 18.0	- 20.2	- 19.4
Income from participations in Group companies	-	-	-	-	75.0	232.0	57.2
Interest income and similar revenues	1.5	2.7	4.7	6.9	9.9	0.5	0.1
Interest expenses and similar expenses	- 1.7	- 0.1	- 4.0	- 1.7	- 8.5	- 5.0	- 3.4
Profit/loss after financial items	- 3.9	- 0.7	- 12.8	- 9.8	58.4	207.3	34.5
Tax on profit for the period	0.7	0.1	3.0	2.6	2.5	6.4	6.1
Net profit/loss	- 3.2	- 0.6	- 9.8	- 7.2	60.9	213.7	40.6

Condensed balance sheet

Group

MSEK	2009 Sep. 30	2008 Sep. 30	2008 Dec. 31	2007 Dec. 31	2006 Dec. 31
Assets					
Fixed assets					
Intangible assets	123.7	126.7	130.8	116.4	70.4
Tangible assets	463.0	452.3	483.5	434.3	408.2
Financial assets	34.1	44.0	42.9	57.1	48.2
Total fixed assets	620.8	623.0	657.2	607.8	526.8
Current assets					
Inventories	276.0	311.5	325.8	267.4	245.1
Receivables	317.0	428.8	316.3	308.9	255.4
Cash and bank balances	157.6	136.8	161.5	165.3	191.1
Total current assets	750.6	877.1	803.6	741.6	691.6
Total assets	1,371.4	1,500.1	1,460.8	1,349.4	1,218.4

MSEK	2009 Sep. 30	2008 Sep. 30	2008 Dec. 31	2007 Dec. 31	2006 Dec. 31
Shareholders' equity and liabilities					
Shareholders' equity					
Share capital	114.3	114.3	114.3	114.3	114.3
Other contributed capital	165.3	165.3	165.3	165.3	165.3
Reserves	26.3	1.4	28.4	- 4.9	- 8.0
Retained earnings, including net profit for the period	640.5	613.7	651.6	572.0	476.2
Shareholders' equity attributable to Parent Company shareholders	946.4	894.7	959.6	846.7	747.8
Minority interest	3.3	-	3.3	-	-
Total shareholders' equity	949.7	894.7	962.9	846.7	747.8
Long-term liabilities to credit institutions	68.3	88.4	80.7	40.4	72.3
Other long-term liabilities	25.1	17.7	26.9	27.6	28.6
Current liabilities to credit institutions	73.3	101.3	99.1	157.4	111.6
Current non-interest-bearing liabilities	255.0	398.0	291.2	277.3	258.1
Total shareholders' equity and liabilities	1,371.4	1,500.1	1,460.8	1,349.4	1,218.4

Parent Company

MSEK	2009	2008	2008	2007	2006
	Sep. 30	Sep. 30	Dec. 31	Dec. 31	Dec. 31
Assets					
Fixed assets					
Tangible assets	1.3	1.6	1.5	0.9	0.3
Financial assets	207.3	216.3	210.0	219.7	236.3
Total fixed assets	208.6	217.9	211.5	220.6	236.6
Current assets					
Receivables	219.7	229.7	368.4	433.7	295.5
Cash and cash equivalents	0.1	0.1	0.1	0.1	0.1
Total current assets	219.8	229.8	368.5	433.8	295.6
Total assets	428.4	447.7	580.0	654.4	532.2
MSEK	2009	2008	2008	2007	2006
	Sep. 30	Sep. 30	Dec. 31	Dec. 31	Dec. 31
Shareholders' equity and liabilities					
Share capital	114.3	114.3	114.3	114.3	114.3
Statutory reserve	165.3	165.3	165.4	165.3	165.3
Retained earnings	132.8	151.4	209.0	71.9	77.1
Net profit for the period	- 9.8	- 7.2	60.9	213.7	40.7
Total shareholders' equity	402.6	423.8	549.6	565.2	397.4
Current liabilities to credit institutions	13.3	7.9	12.1	60.7	85.2
Current non-interest-bearing liabilities	12.5	16.0	18.3	28.5	49.6
Total shareholders' equity and liabilities	428.4	447.7	580.0	654.4	532.2

Condensed cash-flow statement

MSEK	2009	2008	2009	2008	2008	2007	2006
	Q3	Q3	Jan.-Sep.	Jan.-Sep.	Full-year	Full-year	Full-year
Cash flow from operating activities before change in working capital and capital expenditures	52.4	67.2	206.0	239.5	260.0	260.7	241.2
Cash flow from discontinued operations	–	–	–	–	–	–	– 8.0
Change in working capital, increase (–) decrease (+)	36.5	17.4	12.3	– 46.9	– 26.4	– 66.0	– 33.1
Cash flow from operating activities	88.9	84.6	218.3	192.6	233.6	194.7	200.1
Investing activities	– 8.1	– 27.0	– 47.5	– 61.3	– 60.2	– 74.8	– 79.1
Acquired operations	–	– 5.2	–	– 5.2	– 23.3	– 48.9	–
Cash flow after capital expenditures	80.8	52.4	170.8	126.1	150.1	71.0	121.0
Financing activities	– 14.5	1.0	– 174.3	– 155.1	– 156.5	– 96.8	– 56.2
Change in cash and cash equivalents	66.3	53.4	– 3.5	– 29.0	– 6.4	– 25.8	64.8
Cash and cash equivalents at beginning of period	91.7	83.0	161.5	165.3	165.3	191.1	124.4
Cash from acquired/discontinued operations and exchange-rate differences in cash	– 0.4	0.4	– 0.4	0.5	2.6	–	1.9
Cash and cash equivalents at end of period	157.6	136.8	157.6	136.8	167.9	191.1	191.1
Approved but unutilized committed credit facilities	423.2	385.8	423.2	385.8	338.6	221.3	301.7
Available liquidity	580.8	522.6	580.8	522.6	500.1	386.6	492.8

Specification of earnings in discontinued operations

MSEK	2009	2008	2009	2008	2008	2007	2006
	Q3	Q2	Jan.-Sep.	Jan.-Sep.	Full-year	Full-year	Full-year
Capital gain/loss	–	–	–	–	–	–	– 32.5
Sales income	–	–	–	–	–	–	23.0
Expenses	–	–	–	–	–	–	– 28.6
Loss before tax	–	–	–	–	–	–	– 38.1
Tax	–	–	–	–	–	–	0.8
Loss after tax	–	–	–	–	–	–	– 37.3

Specification of changes in shareholders' equity

MSEK	2009	2008	2007	2006
	Sep. 30	Full-year	Full-year	Full-year
Opening shareholders' equity attributable to Parent Company shareholders	959.6	846.7	747.8	708.9
Comprehensive income for the period	124.0	250.1	208.6	139.5
Dividend paid	– 137.2	– 137.2	– 109.7	– 100.6
Closing shareholders' equity attributable to Parent Company shareholders	946.4	959.6	846.7	747.8
Minority interest		3.3	3.3	–
Total closing shareholders' equity	949.7	962.9	846.7	747.8

Specification of shareholders' equity for the period

	Share capital	Other contributed capital	Reserves	Retained earnings incl. net profit for the period	Total
Dec. 31, 2008	114.3	165.3	28.4	651.6	959.6
Comprehensive income for the period	–	–	– 2.1	126.1	124.0
Dividend paid	–	–	–	– 137.2	– 137.2
Sept. 30, 2009	114.3	165.3	26.3	640.5	946.4

Number of shares

	2009	2008	2007	2006
	Sept. 30	Dec. 31	Dec. 31	Dec. 31
Number of shares outstanding	27,431,100	27,431,100	27,431,100	27,431,100
Total number of shares, after full dilution	27,431,100	27,431,100	27,431,100	27,431,100
Average number of shares, after full dilution	27,431,100	27,431,100	27,431,100	27,431,100

Of the total number of shares outstanding, 3,330,000 are Class A shares and the remaining shares are Class B shares.

Key figures

	2009	2008	2009	2008	2008	2007	2006
	Q3	Q3	Jan.-Sep.	Jan.-Sep.	Full-year	Full-year	Full-year
Number of shares	27,431,100	27,431,100	27,431,100	27,431,100	27,431,100	27,431,100	27,431,100
Net revenues, MSEK	344.1	459.8	1,209.9	1,411.5	1,836.3	1,654.4	1,487.8
Operating profit, MSEK	53.8	79.5	181.8	253.5	302.4	289.6	268.4
Profit before tax, MSEK	48.9	77.2	171.1	245.5	295.0	282.7	262.2
Earnings per share after tax, SEK	1.31	2.04	4.60	6.52	7.90	7.49	6.92
Earnings per share after 26.3% standard tax, SEK	1.31	2.02	4.60	6.44	7.74	7.42	6.88
Cash flow per share after capital expenditures, SEK	2.95	1.91	6.23	4.60	5.47	4.37	4.41
Return on shareholders' equity, %	15.3	25.8	17.6	27.1	23.5	25.5	25.9
Return on capital employed, %	19.8	30.9	21.8	32.1	28.3	29.9	30.0
Shareholders' equity per share, SEK	34.50	32.62	34.50	32.62	34.98	30.87	27.26
Equity ratio, %	69.0	59.6	69.0	59.6	65.7	62.8	61.4
Net debt/equity ratio, %	– 1.7	5.9	– 1.7	5.9	1.9	3.9	– 0.9
Cash and cash equivalents, including unutilized credit facilities, MSEK	580.8	522.6	580.8	522.6	500.1	386.7	492.8
Capital expenditures, MSEK	13.4	12.3	52.3	49.5	89.1	79.2	71.0
Interest-coverage ratio, multiple	10.9	21.7	16.1	23.2	21.4	23.6	29.6
Number of employees at end of period	1,077	1,331	1,077	1,331	1,220	1,163	980

Uppsala, October 23, 2009

Beijer Alma AB (publ)

Bertil Persson
President & CEO

This interim report is unaudited.

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Next report date: Year-end report on February 15, 2010

The Annual General Meeting will be held in Uppsala on March 23, 2010.