



**BEIJER♦ALMA**

ANNUAL REPORT

**1998**

# Annual General Meeting

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*The Administration Report is contained  
on pages 19-31.*

The regularly scheduled Annual General Meeting will be held in Uppsala at 6:00 p.m., March 17, 1999 at Atrium Konferens, Dragarbrunnsgatan 46, Uppsala.

## PARTICIPATION

Shareholders who wish to participate in the proceedings of the Annual General Meeting must be recorded in their own name (not in the name of a nominee) in the share register maintained by the Securities Register Centre (Värdepapperscentralen VPC AB). Shareholders who wish to attend must also file notice of their desire to do so by submitting the enclosed form to:

Beijer Alma AB, P.O. Box 1747,  
SE-751 47 Uppsala, Sweden,  
telephone +46-18-15 71 60,  
telefax +46-18-15 89 87,  
E-mail [info@beijer-alma.se](mailto:info@beijer-alma.se).

Notice of participation must be received by the Company not later than 4:00 p.m., March 15, 1999.

In order to participate in the Annual General Meeting, shareholders whose shares are registered in the name of a nominee, must temporarily register their shares in their own name with VPC. Such registration must be completed not later than Friday, March 5, 1999.

## PAYMENT OF DIVIDEND

The Board of Directors has proposed a dividend of SEK 6.50 per share. Monday, March 22, 1999 is proposed as record date for determining who is entitled to receive dividend. On the condition that the Annual General Meeting adopts this proposal, dividend payments are expected to be remitted by VPC beginning March 29, 1999.

## AGENDA

The agenda and matters to be brought before the Annual General Meeting will be announced by notices in daily newspapers.

The agenda may also be obtained from the Company in connection with the notice of attendance at the Annual General Meeting.

## NOMINEE-REGISTERED SHARES



**Cover:**  
Uppsala Cathedral, painting by Å C Danell, Heby

## SCHEDULE OF INFORMATION

Beijer Alma will be giving financial information for 1999 on the following occasions:

March 17	Annual General Meeting
April 28	Quarterly Report
August 10	Semi-Annual Report
October 28	Quarterly Report
February 2000	Financial Report for 1999
March 2000	Annual Report for 1999

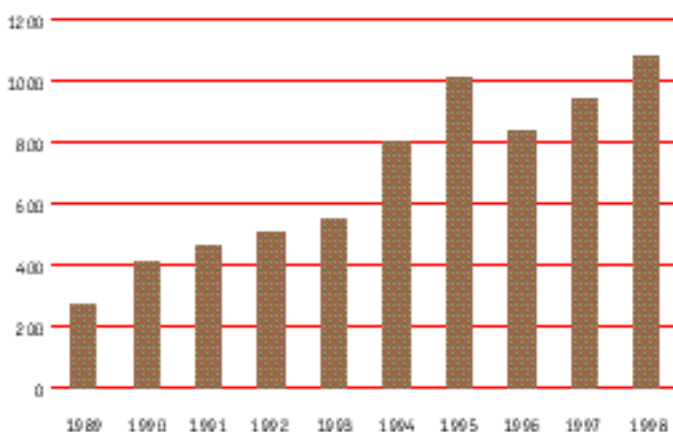
# Beijer Alma in Brief

- *Beijer Alma's business concept is to achieve good capital growth for its shareholders by acquiring and developing small and medium-sized companies.*
- *The Parent Company owns five operating subsidiaries, three of which are industrial companies – Habia Cable, Lesjöfors and Stafsjö Bruk – and two are trading companies – G & L Beijer and Bierregaard.*
- *Alma Nova is the Group's company for investments in young companies in the fast-growing areas of IT and medical technology.*
- *The industrial companies account for a dominating portion of the overall business.*

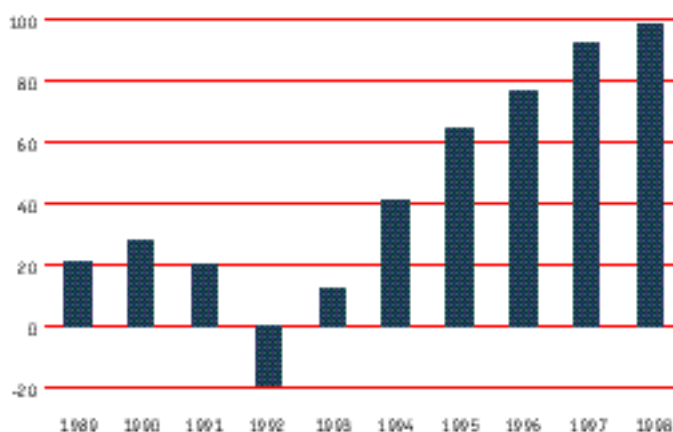
## Summary of 1998

- *Profit after financial items increased by 6.2 percent to MSEK 98 (92.2).*
- *Invoicing grew by 14.1 percent to MSEK 1,072 (940).*
- *Earnings per share were SEK 17.54 (16.51).*
- *A dividend increase to SEK 6.50 is proposed (6.00).*
- *Lesjöfors acquired the businesses in GS Industri in Värnamo and the Danish company DK Fjedre A/S. After these acquisitions, Lesjöfors has annual sales of MSEK 600 with 550 employees.*

REVENUES, MSEK



PROFIT, MSEK



# An Eventful Year



Curt Lönström and Anders Wall

**1998** was yet another successful year for Beijer Alma, now reporting a sixth consecutive year of earnings improvement. Profit rose by 6.2 percent to MSEK 98.0. Invoicing, including that of acquired entities, grew by 14.1 percent to MSEK 1,072. Excluding acquisitions and divestitures, the increase was 8.3 percent.

Earnings per share increased to SEK 17.54 (16.51) and we are proposing a dividend increase by 8.3 percent to SEK 6.50 per share.

## DEVELOPMENT IN THE SURROUNDING WORLD

The beginning of the year was marked by the belief that several more good growth years were ahead with stable government finances, low interest rates and continuing bullish stock markets around the world.

But well into the year the Asian crisis took hold and loomed ever more serious, at the same time as Russia and Brazil encountered serious economic and political problems. The euphoria from the first half of the year was replaced by lower stock prices and downward adjustments of growth forecasts.

The lions part of Beijer Alma's sales goes to Sweden and the rest of Western Europe, and here the market continued to show a satisfactory development for our products.

## LESJÖFORS

Lesjöfors reached total sales of MSEK 437, an increase of 32 percent. Not including corporate acquisitions made in September, growth was 11 percent, despite the fact that shipments to Russia were effectively halted by the early fall crisis.

In September, the Lesjöfors Group acquired the Danish company DK Fjedre A/S and the businesses in GS Industri in Värnamo.

This makes Lesjöfors one of the bigger spring companies in Europe. This position has been achieved after a period of good organic growth and seven acquisitions to complement existing businesses.

## HABIA CABLE

Habia Cable, the other large company of the Group, sold for MSEK 264, an increase of 24 percent, and earnings grew by 25 percent to MSEK 35. Over a ten-year period, Habia Cable's sales have more than trebled and earnings have grown by a factor of five. This growth is organic in its entirety. The company has evaluated a number of acquisition prospects over the years, but so far internal growth alternatives have been more attractive than acquisitions.

## THE INDUSTRIAL COMPANIES

The newly acquired companies and good growth in Lesjöfors and Habia Cable pushed Beijer Alma's manufacturing industry revenue past the 75-percent mark in spite of a weakening trend for Stafsjö Bruk and divestiture of the Group's fourth industrial company – Sundquist Components – in August 1998.

## GROUP STRUCTURE

For all intents and purposes, Beijer Alma is an engineering company with three niched, internationally oriented units with large market shares in their respective areas. Acquisition and organic growth are expected in the industrial sector in the years to come. Capital investments in the engineering companies have been high in recent years. Plans are to continue on that path in 1999, which will allow for continued rapid expansion.

## MARKET POSITION

Even if the three industrial companies are very different in their orientation, all three face a similar business situation. As suppliers to international companies like Ericsson, ABB, Volvo, Autoliv and others, Beijer Alma's companies have been able to commit themselves to product and quality development in interaction and with an exchange of know-how with their qualified customers. The stringent requirements imposed on these companies have sharpened their competence, allowing them to evolve into being more qualified industrial partners, with resources to grow together with their strong customers. In the longer term, we feel confident that the prerequisites for growth are excellent.

## MARKET SITUATION

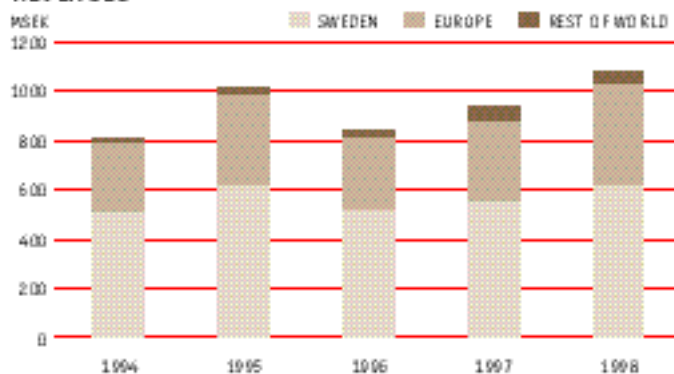
In Habia Cable and Lesjöfors, the companies that account for the greater part of Beijer Alma's sales and income, order bookings increased in late 1998 and the beginning of this year, but at a lower rate than before. Stafsjö's order bookings declined in the beginning of 1998 due to the situation in South East Asia and has since stabilized at a significantly lower level.

Beijer Alma publishes quarterly interim reports with detailed data about the development in the Group's subsidiaries.

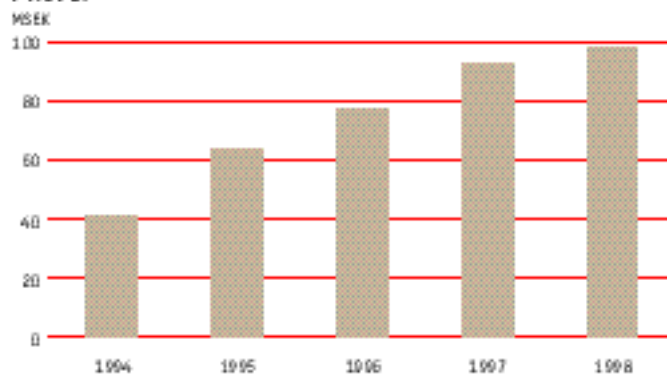
Anders Wall  
*Chairman of the Board*

Curt Lönström  
*President and CEO*

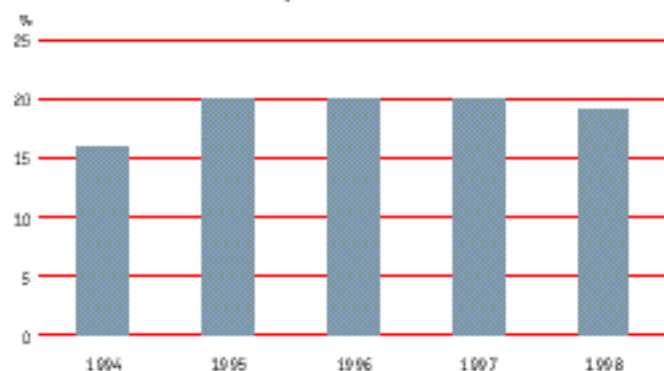
## REVENUES



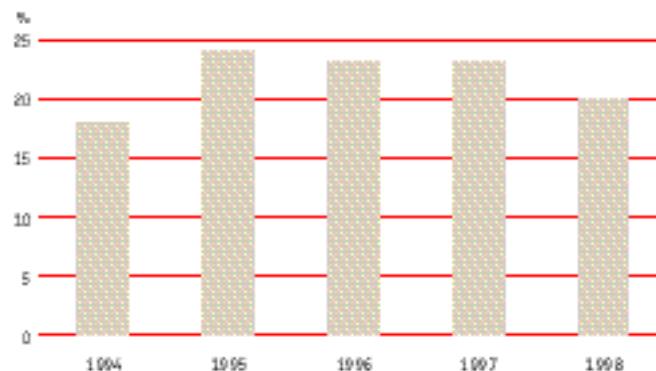
## PROFIT



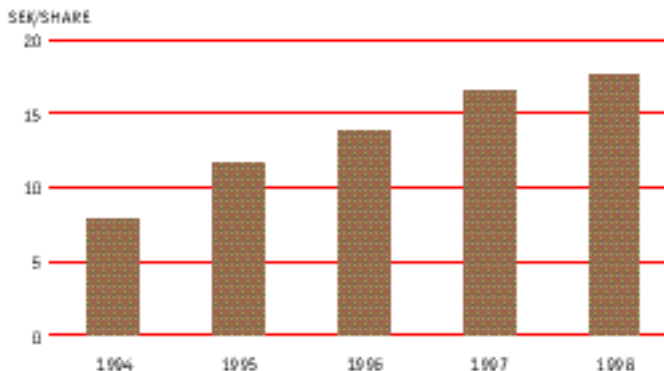
## RETURN ON AVERAGE EQUITY



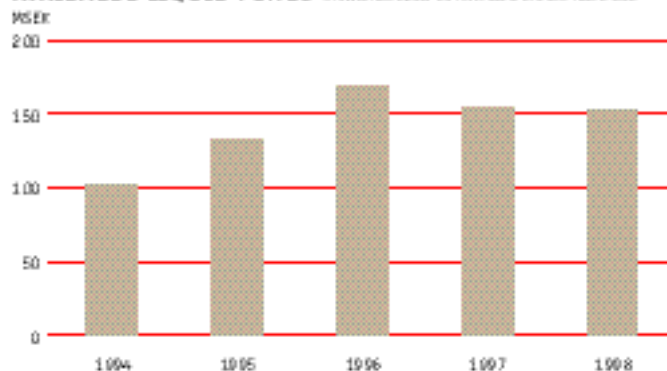
## RETURN ON AVERAGE CAPITAL EMPLOYED



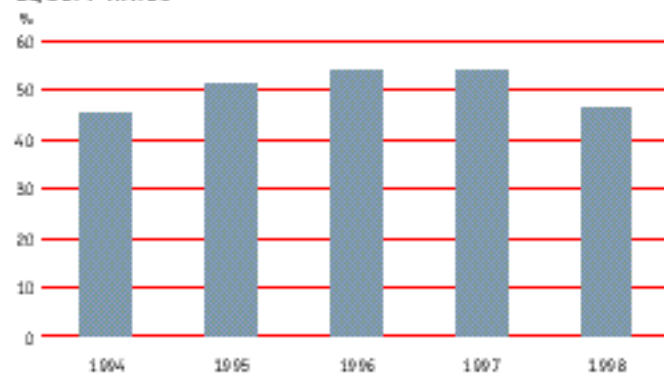
## EARNINGS PER SHARE AFTER 28% STANDARD TAXES



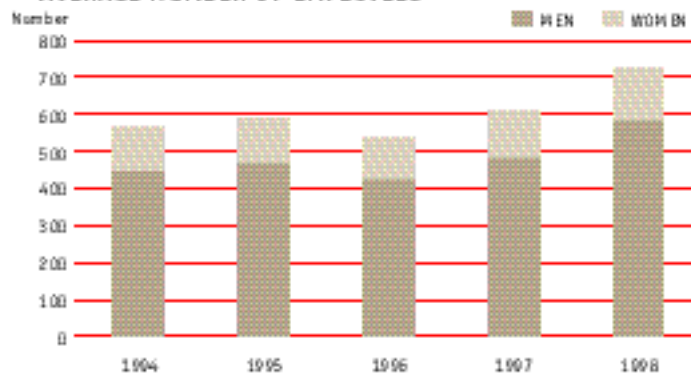
## AVAILABLE LIQUID FUNDS incl. unutilized committed credit facilities



## EQUITY RATIO



## AVERAGE NUMBER OF EMPLOYEES





# This is Beijer Alma

*Beijer Alma, the Parent Company, owns five operating subsidiaries and Alma Nova, who holds minority stakes in growth companies.*

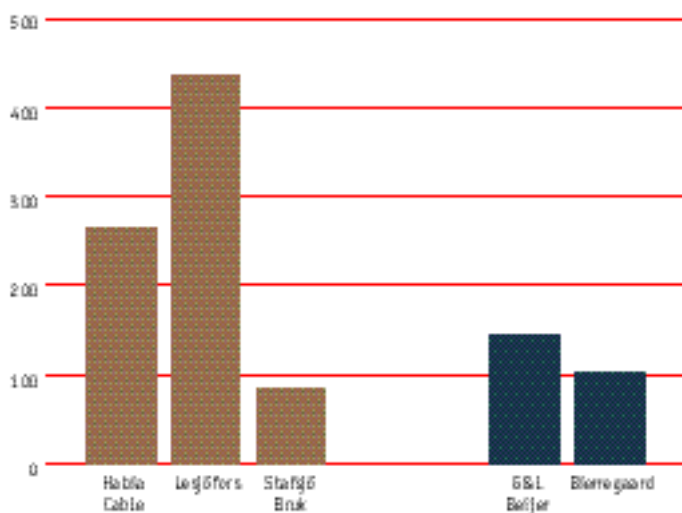
## THREE COMPANIES ARE INDUSTRIAL FIRMS

- *Lesjöfors* is one of Europe's leading manufacturers of industrial springs.
- *Habia Cable* is a leading manufacturer of specialty cable.
- *Stafsjö Bruk* manufactures knife gate valves and is one of three large companies in Europe in this niche.

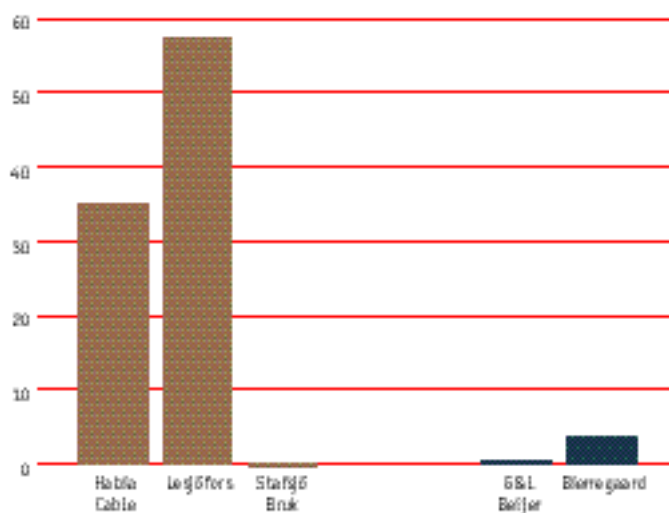
## TWO COMPANIES ARE TRADING FIRMS

- *G & L Beijer* is a well established trading company that deals in steel, metals, chemicals and industrial raw materials.
- *Bierregaard* is a wholesaler in heating and plumbing supplies.

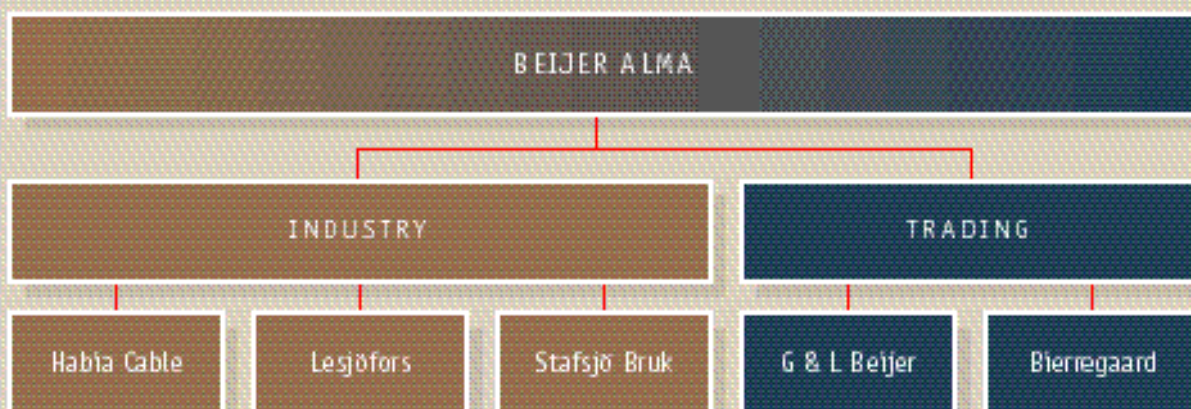
REVENUES, MSEK



PROFIT, MSEK



## ORGANIZATION



## BUSINESS CONCEPT

*Beijer Alma's business concept is to achieve good capital growth for its shareholders by acquiring and developing small and medium-sized companies.*

## IMPORTANT CUSTOMERS

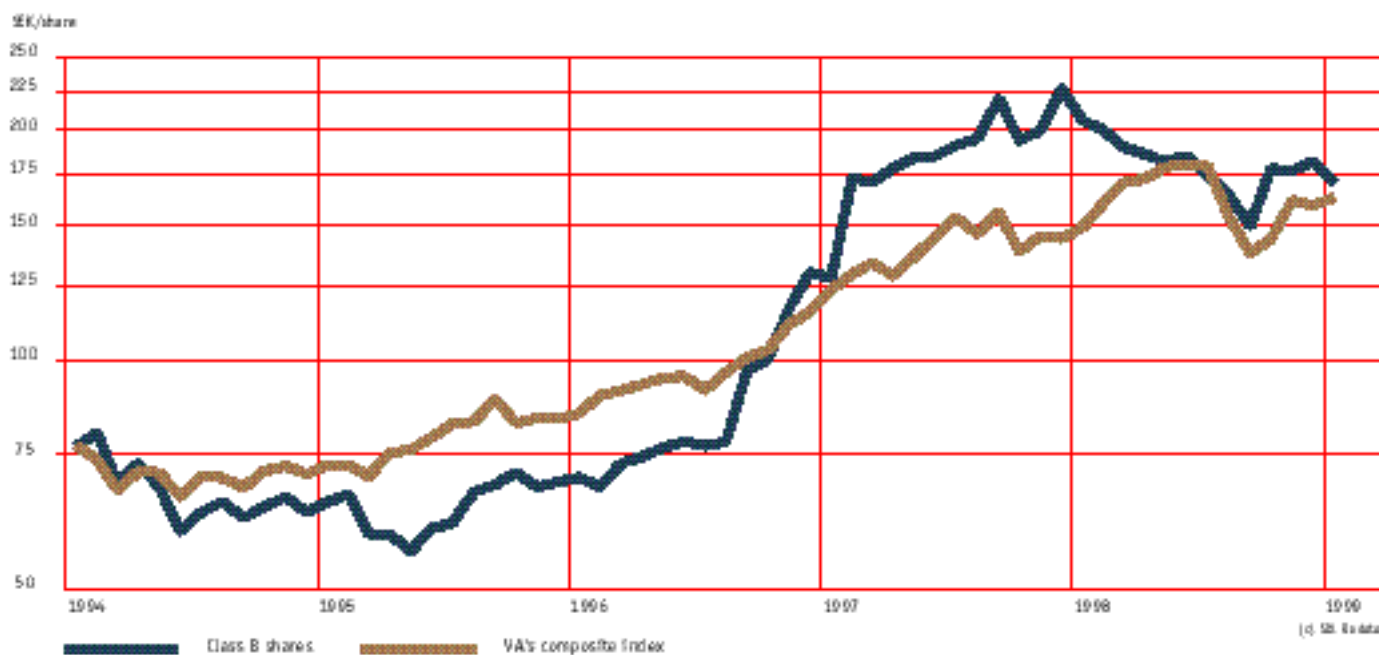
The companies in the Beijer Alma Group have their largest and most important customers among Swedish and European major companies who are gradually changing their production structure so that a growing portion of all end products are developed and manufactured by external suppliers after so-called outsourcing. This qualified customer group makes demands for technical competence, product and production development capacity, quality and environmental management systems, international experience, and last but not least, powerful financial resources.

## KEY RATIOS

	1994	1995	1996	1997	1998
Earnings per share after standard taxes, SEK	7.87	11.64	13.88	16.51	17.54
Adjusted equity per share, SEK	54	65	80	87	98
Dividend per share, SEK	3.00	4.00	5.00	6.00	6.50 <sup>1)</sup>
Price earnings ratio as of December 31	8.0	5.9	9.4	13.7	9.6

<sup>1)</sup> As proposed by the Board of Directors.

## SHARE PRICE DEVELOPMENT



The cooperation and interaction between customer and supplier are often deep and long-lasting, and in many cases mean that industrial competence is transferred from customer to supplier.

The Beijer Alma companies deem the prerequisites for continued competence and quality development in close cooperation with the major companies to be good.

## NICHE COMPANIES

The Beijer Alma companies are niche-oriented and command large market shares in their respective areas.

Large capital expenditure programs have been implemented in the industrial companies, thus creating additional capacity and cost-efficient production.

## RESOURCE DEVELOPMENT

Technology and market resources have been built in tandem, while the product development capacity has been developed at the same time.

These investments have generated organic growth at a high rate. Wherever possible, the operations have also been strengthened by complementary corporate acquisitions.



Kaj Samlin, President

“1998 was a very successful year, with healthy increases in order bookings, invoicing and earnings performance. Our efforts to become an industry leader in five areas of application have paid off during the year in the form of large and important breakthrough orders in a number of business areas. These include our first order from the nuclear power plant expansion in Korea, and we were selected as the cable supplier for YS 2000, the new Stealth frigate for the Swedish navy. We also received our first order from the British Navy.

Habia Cable's export share expanded to 65 percent during the year. Our business in Asia grew to 4 percent of total sales.

Our millennium project is progressing according to plan. We have now replaced all our business-critical systems to systems that are Y2K-compatible. We will be performing a year-end simulation during the first quarter and we expect to complete the entire project during the second quarter.

Habia Cable has for many years been promoting and running a program for environmental improvement. During 1998, we invested in equipment to lower our emissions of hydrocarbons to levels well below permissible limits. We also have as a goal to be ISO 14001 certified during the year.

We look forward to 1999 with optimism and we feel strongly that the favorable development in 1998 will continue in 1999. Among the reasons for this are that we are expecting to launch additional new products in the five priority areas of application during the year. Further more the production capacity will increase when the expansion of the production facility in Söderfors is completed in June.”

# Habia Cable AB

*Habia Cable is one of the largest manufacturers of specialty cable in the Nordic Region. Production is concentrated to a modern facility in Söderfors. Habia Cable is represented by its own subsidiaries in the Nordic Region, Belgium, England, France, Germany, The Netherlands, and Poland; Habia has representative offices in Hong Kong, Japan, Korea and the United States.*

## PRODUCTS

Habia Cable manufactures specialty cable, that is cable designed and manufactured in accordance with customer-specific specifications.

High quality and short lead times are important competitive tools. The company has invested heavily in recent years to raise the level of quality and to expand production capacity. An addition is currently being constructed to the factory in Söderfors and this will boost the capacity at that plant from June 1999. The plant is operating in four continuous shifts, which gives high capacity utilization and maximum production flexibility. Product development is gradually getting an increasingly central role and the goal is to introduce at least two new products per year.

## MARKET

Several of the market areas in which Habia Cable is active are subject to rapid structural transformation. More and more of production and development is performed by suppliers with resources to develop products and production methods, and with capacity to grow rapidly and internationally. Habia Cable's customers are found in fast-growing industries, such as telecommunications, medical technology, electro-mechanics, and defense and

nuclear industry. These industries are highly international in nature and pose rigorous demands on the technological level as well as for service. Habia Cable has therefore built up its own subsidiaries on the major markets. The number of people employed at the sales companies outside Sweden is 39. Habia Cable's export share was 65 percent.

Habia Cable has a strong market position in the Nordic Region, while the market shares in Europe remain small.

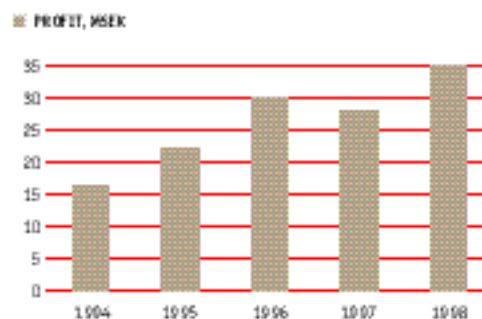
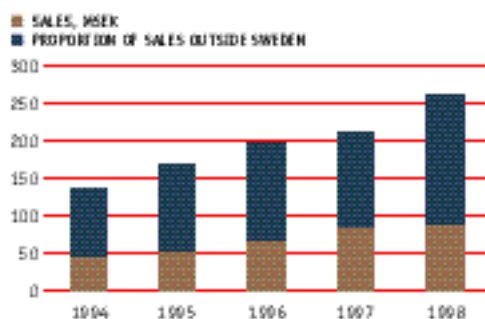
Habia Cable's own sales organization is active in markets with large potential, and sales may grow both through market growth and increased market shares.

## ENVIRONMENT

Habia Cable has worked successfully for many years at reducing the company's impact on the environment. During 1998 work began to obtain ISO 14001 certification. It is expected to be concluded and lead to certification during 1999.

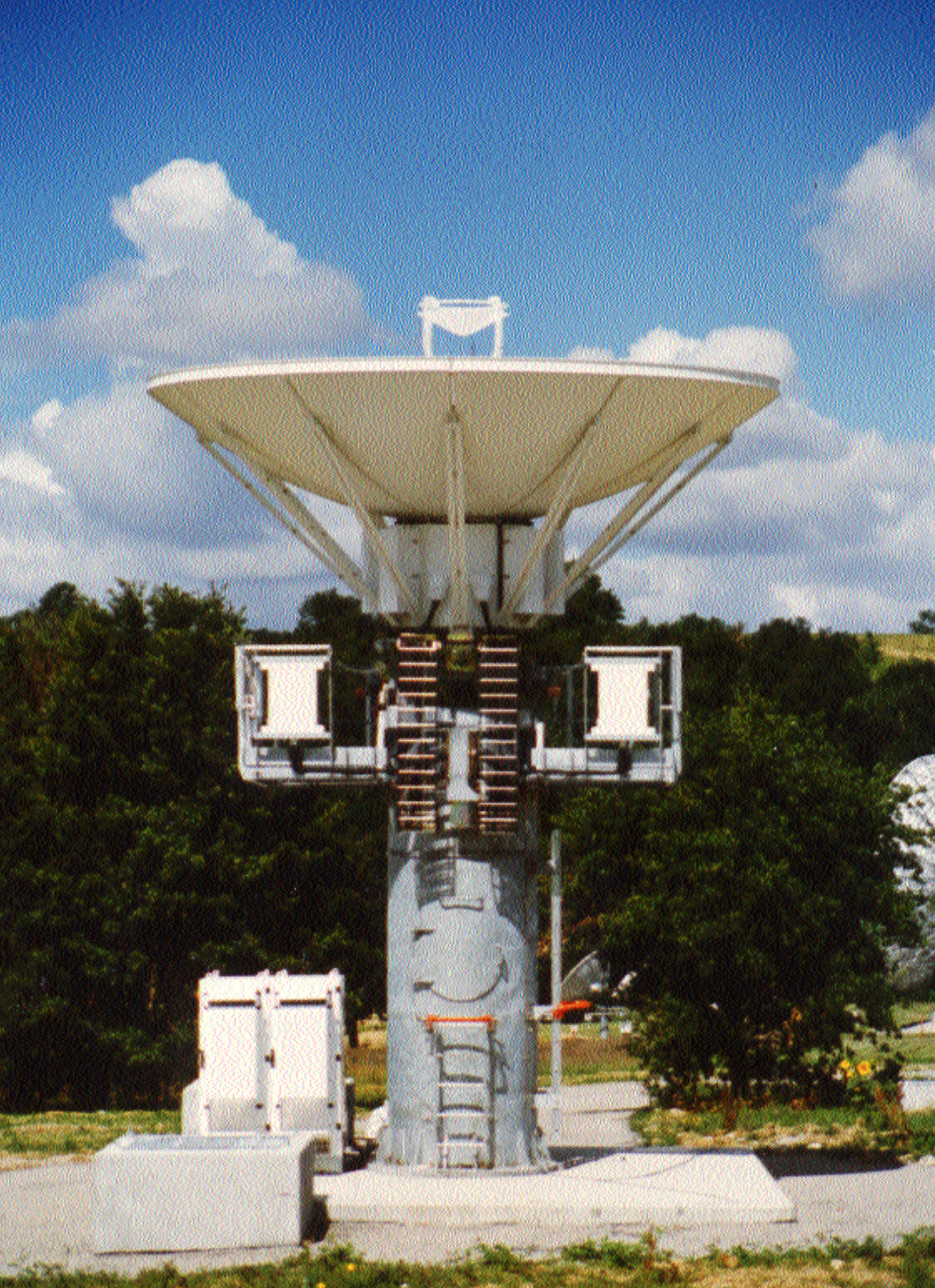
## IT

Equipment and systems equipped to handle the millennium date change have been installed and final functional testing will be conducted during the first half of 1999.



HIGHLIGHTS	1994	1995	1996	1997	1998
Revenue, MSEK	136	171	198	213	264
Profit, MSEK	16.5	22.2	30.3	28.0	35.0
Balance sheet total, MSEK	84.7	114.5	113.2	147.9	188.4
Number of employees	120	142	152	167	198
Book value in the Parent Company, MSEK	34.6	34.6	37.6	37.6	37.6
Equity ratio, %	36	38	49	45	43
Return on average capital employed, %	>30	>30	>30	>30	>30





Habia Cable is a significant supplier of cable to the telecom industry. The cables in this world-wide satellite communications system come from Habia Cable.





Kjell-Arne Lindbäck, President

“1998 was an eventful year for the Lesjöfors Group. Sales grew by 32 percent to MSEK 437 under continued good profitability. With our acquisitions counted on a full-year basis, our revenues will be MSEK 600.

We acquired GS Industri in Värnamo during the year, with operations in fine blanking and die stamping. The acquired business also includes surface treatment companies Yttek AB and Perny AB. Annual sales are MSEK 115 and the number of employees is 130. We have also acquired DK Fjedre A/S, which is Denmark's leading spring company with sales of about MSEK 95 and 100 employees.

Lesjöfors has developed into one of the leading European spring companies, both in the area of wire springs and flat strip components.

We have also started a sales company in Germany, the operations of which are showing a favorable development. We have moved all manufacturing of chassis springs to Lesjöfors, concentrating distribution to Strängnäs.

As is the case with most other companies, we are now feeling some uncertainty with respect to the volume development in 1999, although we do expect to continue expansion and that any cutbacks in the activity of existing customers can be offset by other ongoing projects. Lesjöfors stands well prepared to meet the future, with a unique position in the marketplace as a full-range supplier of springs and flat strip components to a market that is deliberately pushing for rationalization at the supplier level. Unique for the industry is also that Lesjöfors via its own program for standardized industrial springs has a high proportion of proprietary products where we see further opportunities for development.”

# Lesjöfors AB

*The Lesjöfors Group is a complete-line supplier of springs and the leading spring manufacturing company in the Nordic Region. In September 1998, GS Industri in Värnamo and the Danish company DK Fjedre A/S were acquired. The business is organized in three divisions, Industrial Springs, Flat Strip Components and Automotive.*

Operations are conducted in production companies in Sweden, Denmark, and Finland. There are sales companies in England, Finland, Germany and Norway.

## PRODUCTS

The three divisions are specialized in product and market areas. Common for all divisions is that their production units are certified in terms of quality, they have all carried out extensive investment programs, they have strengthened their technical capacity, and they have built up their sales organizations.

*Division Industrial Springs* manufactures customer-specific springs for major companies in the Nordic Region and, increasingly, in Europe. Production is located in Herrljunga, Lesjöfors, Nordmarkshyttan, Vällingby and in Finland.

*Division Flat Strip Components* grew during the year with the acquisitions of GS Industri in Värnamo and DK Fjedre in Denmark. The units in Vagnhärad and Årnäs were already parts of the division.

*Division Automotive* manufactures springs for passenger cars and trucks. The production is located in Lesjöfors and Rånäs.

## MARKET

Lesjöfors has gradually evolved into becoming a qualified partner for major European

companies. In the course of ongoing specialization in an ever stronger trend towards outsourcing, the market grows for highly qualified suppliers.

Products and production systems are designed in close cooperation with customers to ensure high and uniform quality as well as competitive prices.

For the Flat Strip Components Division, the division's own capacity for development and maintenance of tools are of crucial importance.

Division Automotive designs, manufactures and sells springs for the after-market for passenger cars as well as heavier vehicles.

The product line is very extensive and the level of service is high.

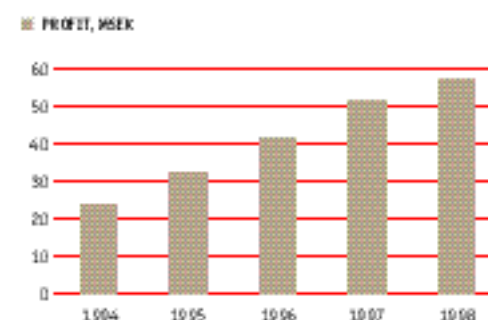
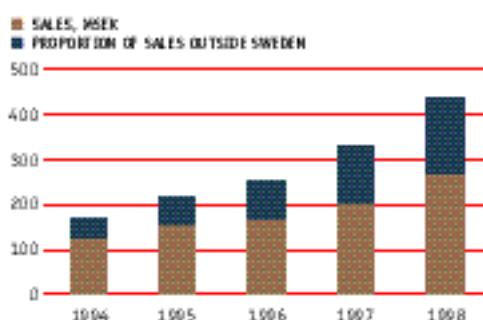
The Group's export share is 42 percent.

## ENVIRONMENT

Environmental issues are under constant surveillance in the entire operation. Certification according to ISO 14001 will be completed by three major units during 1999, with all remaining production locations to follow during 2000.

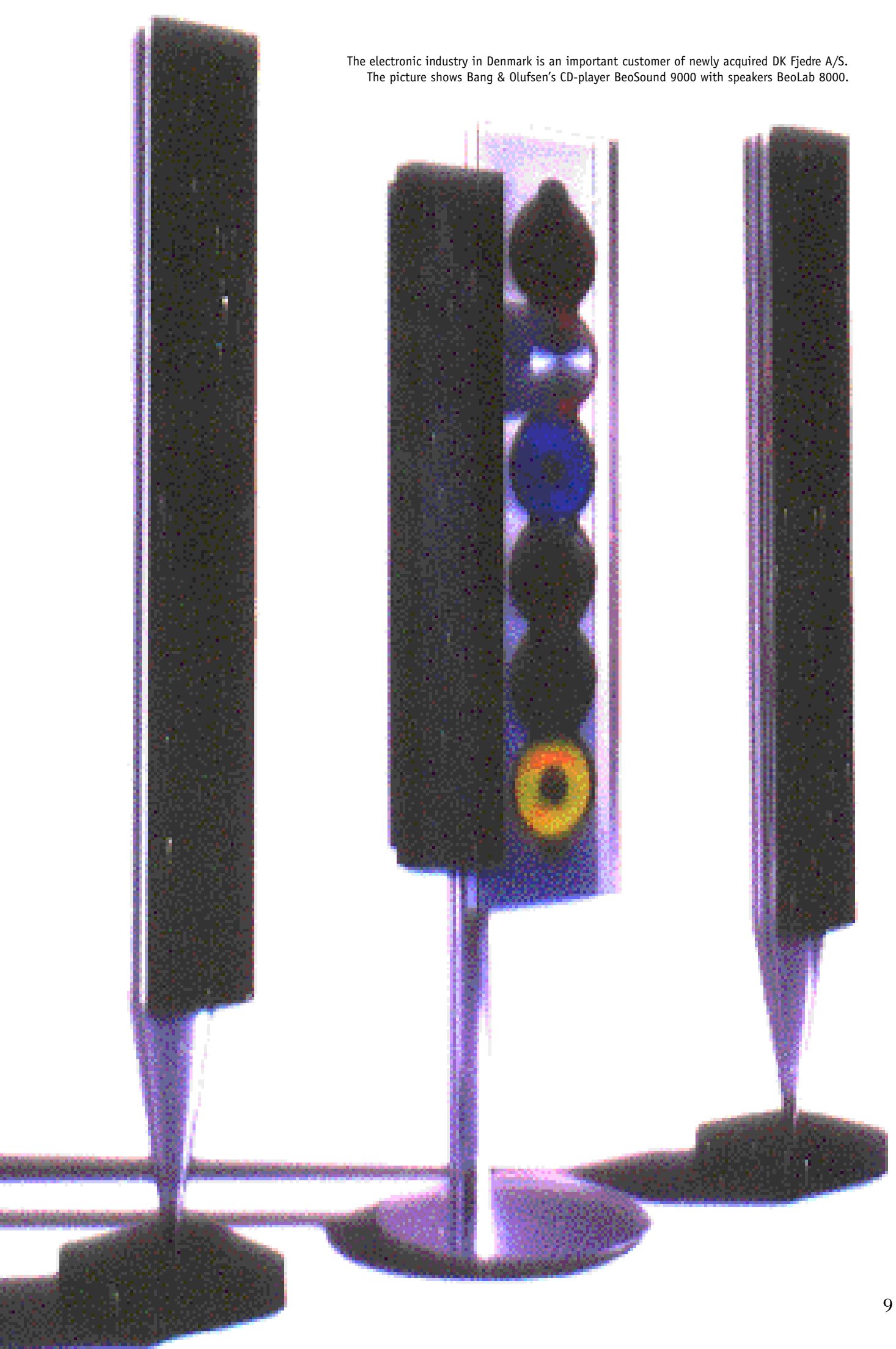
## IT

Activities to secure a smooth transition into the new millennium are under way and all installations will be completed well before the end of the year.



HIGHLIGHTS	1994	1995	1996	1997	1998
Revenue, MSEK	167	216	253	332	437
Profit, MSEK	24.1	32.7	42.0	51.6	57.5
Balance sheet total, MSEK	104.7	129.0	243.6	267.9	504.3
Number of employees	164	189	227	275	385
Book value in the Parent Company, MSEK	47.7	47.7	50	50	100
Equity ratio, %	47	52	43	47	40
Return on average capital employed, %	>30	>30	>30	>30	24

The electronic industry in Denmark is an important customer of newly acquired DK Fjedre A/S.  
The picture shows Bang & Olufsen's CD-player BeoSound 9000 with speakers BeoLab 8000.





Magnus Westher, President  
Took office as President November 9, 1998.

“Sales dropped sharply in 1998 due to the crisis in Asia.

The paper and pulp industry is our most important customer and Asia is our largest market. Unfortunately, nearly all major investment projects of the paper and pulp industry in Asia were postponed indefinitely during 1998.

This resulted in even fiercer competition among the suppliers to major projects outside Asia, which in turn had the effect of mounting pricing pressures and slimmer margins.

During 1998 we rearranged our sales resources and reduced production capacity in order to adapt to the new market situation. We also intensified our efforts to reduce purchasing costs for components and raw materials, which will have a positive effect on our result and our competitiveness during 1999.

During the year, we will focus our sales and marketing resources on our traditionally strong markets in Europe. Apart from strengthening our position in the paper and pulp industry, we also want to increase our market shares in other customer segments. Other important markets for Stafsjö will be Brazil, Canada and South Africa. We will also be monitoring our position in Asia, maintaining our preparedness once the suspended projects again are on the agenda.

Product improvements and new products will be introduced during 1999.

Cost reductions will not generate their full effect until during the second half of 1999, and we are expecting an overall market that will be slightly weaker than in 1998.”

# AB Stafsjö Bruk

*AB Stafsjö Bruk was founded in 1666 as a cannon foundry. Today, Stafsjö is a modern engineering industry with products that are sold to the process industry in all parts of the world.*

## PRODUCTS

Stafsjö manufactures knife gate valves, which are used in the most demanding applications, functionally as well as from a quality standpoint. The valves are used to close and regulate flows in the process industry, and in water treatment and sewage plants.

## MARKET

Stafsjö's products are sold worldwide. The forest industry is the totally dominating customer category. Another important customer group is water treatment and sewage plants. The customers are found among the world's machine builders as well as among producing companies. The new installation market as well as the aftermarket are covered by Stafsjö's organization.

The sales organization has been expanded in recent years. The market is covered by Stafsjö's own sales organization in Sweden, and also by agents. The crisis in South East

Asia has brought a drastic contraction in sales during 1998, which could not be compensated for on other markets. Weak demand in South East Asia is expected to continue through all of 1999.

In addition to the large markets in Europe and South East Asia, Brazil, Canada, South Africa and the United States are important and growing markets.

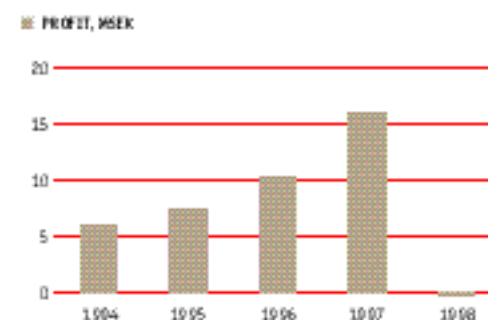
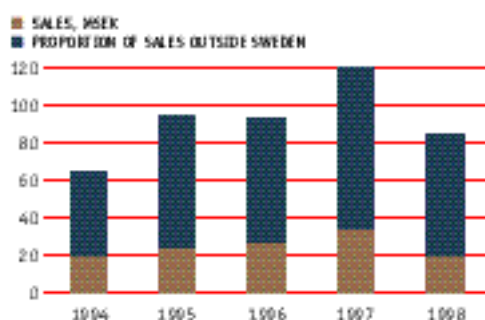
The European forest products industry had a low level of capital expenditures again during 1998.

## ENVIRONMENT

Major investments in machinery have gradually improved the work environment in production.

## IT

Installation of a new information system was completed during the year. The system gives customer and internal users access to relevant information. All systems are Y2K-compatible.



HIGHLIGHTS	1994	1995	1996	1997	1998
Revenue, MSEK	65	95	93	120	85
Profit, MSEK	6.0	7.4	10.4	16.1	-0.2
Balance sheet total, MSEK	51.4	62.1	59.6	81.8	71.1
Number of employees	48	57	53	60	58
Book value in the Parent Company, MSEK	21.4	21.4	21.4	21.4	21.4
Equity ratio, %	37	43	47	46	56
Return on average capital employed, %	27	21	26	>30	2



Mönsterås Bruk, Södra Cell, is Sweden's largest pulp mill. Stafsjö has delivered knife gate valves for the latest addition, which was commissioned during 1998.





Gunnar Setterwall, President

“The development in the 50-percent-owned subsidiary TradeARBED AB continued on a favorable tack during the year. In other sectors prices were depressed by weak demand, especially during the latter part of the year.

G & L Beijer increased its business volume in the Baltic States during the year and we are expecting the favorable development to continue.

Since many products, especially in the area of raw materials for metallurgic industry, are positioned early in the business cycle, we hope to see the first signs of a recovery during the second half of 1999.”

# G & L Beijer Import & Export AB i Stockholm

*G & L Beijer was founded in 1915 and is a well established trading company dealing in steel, metals, chemicals and industrial raw materials.*

G & L Beijer's business is based on long-term relationships with customers and suppliers. For more than 75 years the company has been the general agent of the Luxembourg steel group ARBED, which has major production units in Belgium, Germany, Luxembourg and Spain.

In 1997, a jointly owned sales company for Sweden was formed together with Trade ARBED. Operations are conducted in close cooperation with G & L Beijer.

The Group also includes Gunnar F. Höglund AB, who maintains inventory of and supplies welded stainless steel tubing for processing, construction and decorative purposes. G & L Beijer is also co-owner of Chemapol Scandinavia AB, who is an importer of chemicals, tile and clinkers from the Czech Republic to Scandinavia and Finland. Chemapol exports special chemicals and other products through Nordic Trade, Prague, to the Czech Republic.

## PRODUCTS

The operations of G & L Beijer are divided into three main areas:

*Steel Trading* is conducted in the company 50/50 owned with ARBED Luxembourg,

TradeARBED AB.

*The Metal Department* imports metals in the form of ingots and semi-finished products from leading suppliers in Europe.

*The Raw Materials and Chemicals Department* sells ferro alloys, industrial chemicals and semi-manufactured products to Scandinavian industry.

Gunnar F. Höglund AB has a broad and deep range of stainless tubing and profiles in inventory.

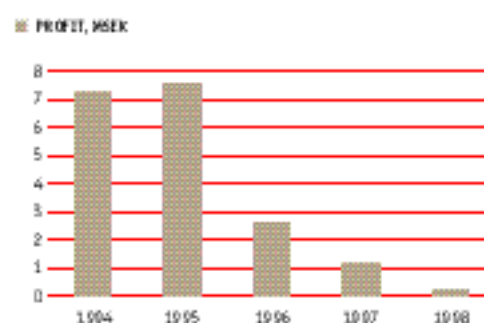
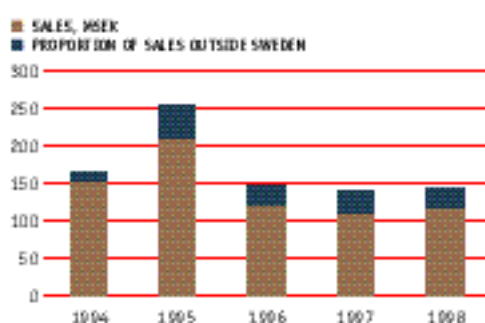
## MARKET

The Scandinavian engineering industry, foundries and wholesalers are the main customer groups. The bulk of sales are in Sweden, but exports to other Nordic and European countries are on the rise.

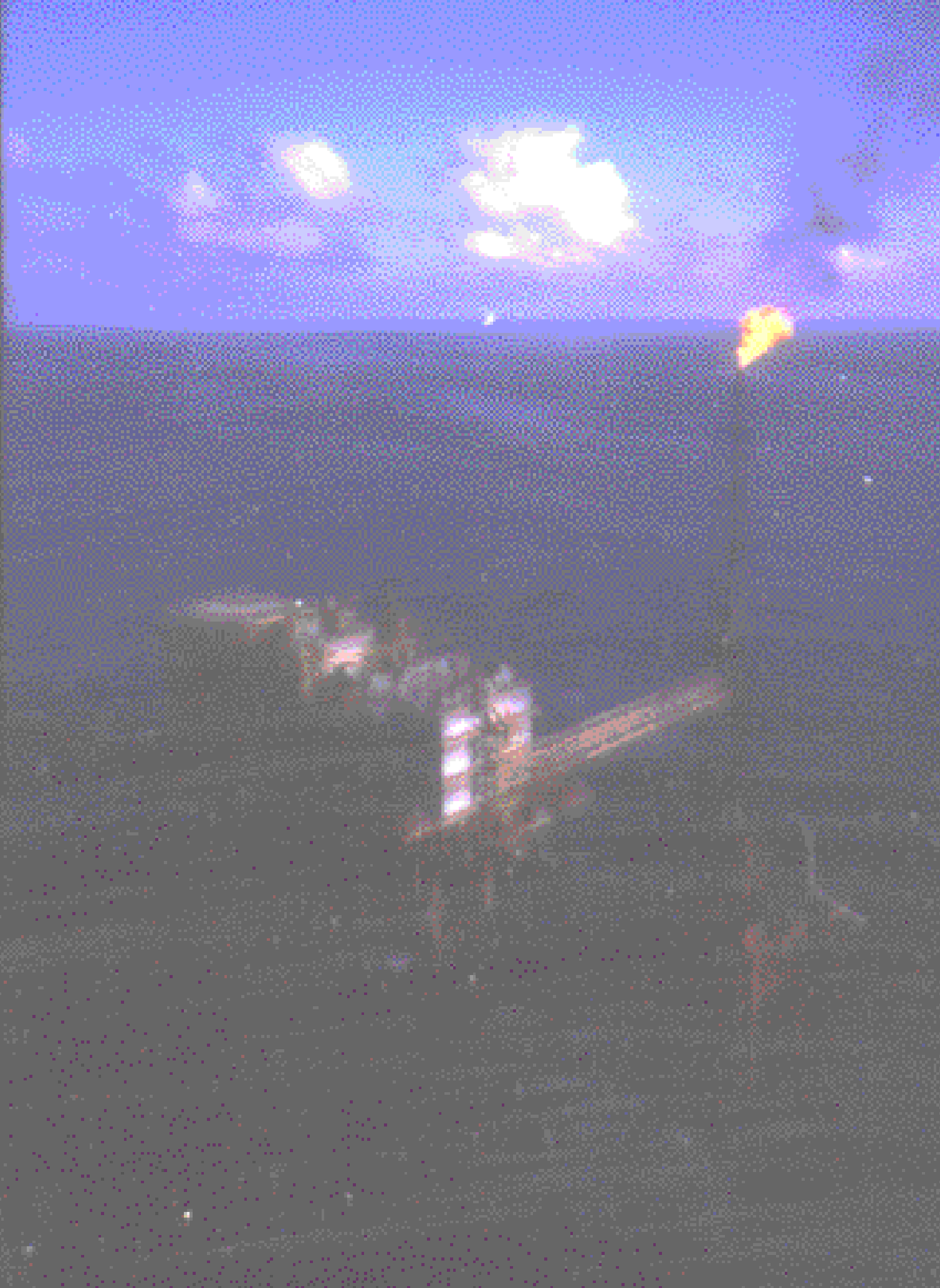
Distribution of commercial steel is primarily handled through the leading wholesalers. The automotive industry is a large buyer of body sheet steel.

## IT

All units run PC-based enterprise systems which are Y2K-compatible.



HIGHLIGHTS	1994	1995	1996	1997	1998
Revenue, MSEK	167	257	147	132	145
Profit, MSEK	7.3	7.6	2.6	1.2	0.2
Balance sheet total, MSEK	42.2	57.0	45.4	43.1	41.5
Number of employees	20	20	22	21	15
Book value in the Parent Company, MSEK	18.4	18.4	18.4	18.4	18.4
Equity ratio, %	49	41	53	56	61
Return on average capital employed, %	>30	>30	12	6	2





Bo Cnattingius, President

“1998 was the year during which the construction industry was finally able to record a solid recovery after several years of new bottom levels. And yet, the year was the second worst in modern time. One has to back to the 1950’s to find the same low volumes.

The market for heating and plumbing supplies was again distinguished by fierce competition and eroding margins. Competition among heating and plumbing supply wholesalers was further sharpened and made itself felt in the form of defense of market shares. During the year we launched “Project 2000”, which means that our enterprise systems will be functioning efficiently and without interruptions into the new millennium.

We were happy to note a clear increase in our sales, especially in the Stockholm region. We are now also firmly established in Karlstad. Sales increased by 11 percent to MSEK 102. Earnings more than doubled, to MSEK 3.8.

Overall construction spending is expected to increase somewhat in 1999. The proportion of “large” projects is growing. We are also seeing an increase in new construction and renovation of residential properties. Taken together, this should mean an increase in demand from the heating and plumbing supplies market, which lays a foundation for a positive development during the year.”

# E Bierregaard AB

*Bierregaard is active as a wholesaler in the heating and plumbing supplies business. The company’s products are primarily used for fastening, connecting and sealing pipes. Operations are nationwide, with the head office in Malmö, with warehouses and sales offices in Göteborg, Karlstad and Stockholm.*

## PRODUCTS

Bierregaard’s product line in heating and plumbing supplies is mainly aimed at assembly and sealing of pipes. Quality materials, such as copper and brass, are the most common. A special area is pipe hanging materials for industrial applications. Bierregaard has pick-up warehouses in Malmö, Göteborg, Karlstad and Stockholm. For a wholesaler, good product availability, reliability in deliveries, competence and simple procedures are important elements of the service offered to customers.

## MARKET

Bierregaard’s most important customer group is plumbing and heating contractors, who account for 80 percent of the business. Other customer groups are the ventilation, refriger-

ation and electrical industries.

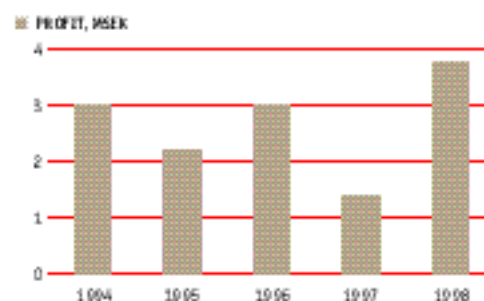
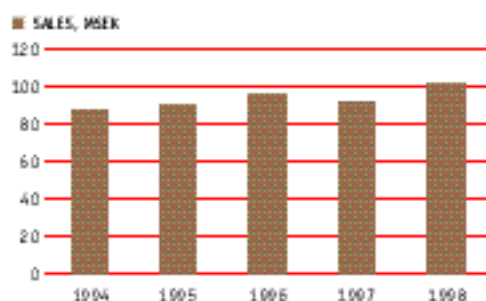
All of Sweden is covered by Bierregaard’s own sales force. The distribution is built around modern information technology, which together with four separate warehouses provide excellent opportunities for complete and “just-in-time” shipments.

## ENVIRONMENT

Bierregaard’s aim is to offer its customers products that are responsive to high requirements for function and environment. Due consideration is also given to the recycling aspects of the products.

## IT

IT systems and PC networks have gradually been upgraded to be Y2K-compatible.



## HIGHLIGHTS

### Revenue, MSEK

### Profit, MSEK

### Balance sheet total, MSEK

### Number of employees

### Book value in the Parent Company, MSEK

### Equity ratio, %

### Return on average capital employed, %

	1994	1995	1996	1997	1998
Revenue, MSEK	88	90	96	92	102
Profit, MSEK	3.0	2.2	3.0	1.4	3.8
Balance sheet total, MSEK	42.5	39.7	38.0	42.2	44.5
Number of employees	36	39	41	41	39
Book value in the Parent Company, MSEK	13.8	13.8	13.8	13.8	13.8
Equity ratio, %	28	40	44	41	38.5
Return on average capital employed, %	18	15	15	8	19

# Alma Nova Industri AB

*Alma Nova is the Beijer Alma Group's company for investments in young companies in rapidly growing areas. Most of the new companies are involved in areas related to IT and medical technology.*

IT companies have grown very rapidly in Sweden in recent years, and those companies that have gone public have received high valuations in the market.

In such an industry there are exceptional opportunities and great risks.

The intention is to build and turn over a portfolio of investments over the next few years where Beijer Alma's ownership stake in the typical instance is small. With such a portfolio the opportunities for earning a good return in average on invested capital are enhanced.

## **PHARMASOFT, INC.**

In 1995 Alma Nova invested in the Uppsala company PharmaSoft, who for several years had worked on developing advanced programs for both the pharmaceutical industry and regulatory agencies in various countries.

PharmaSoft possesses expertise in both the pharmaceutical and the IT areas. The potential market is comprised of the international pharmaceutical industry and the regulatory agencies in the industrial countries. Technical advancement and market development work draws major resources. Ownership of the business was transferred during 1997 to an American parent company, PharmaSoft Inc.

Alma Nova's ownership stake is just over 3 percent.

## **PGL PROFESSIONAL GENETICS LABORATORY AB**

Alma Nova acquired gene technology company PGL in 1996.

PGL is an advanced laboratory that performs medical analysis using gene technology methods. The international pharmaceutical industry is the most important customer group.

PGL was founded in 1993 and has been led by Associate Professor Jörgen Lönngren since inception. The company currently has 9 employees. Revenue for 1998 was MSEK 5.4 and the result was negative.

The company is located at Uppsala Science Park.

Alma Nova's ownership is 95 percent.

## **TV UPPLAND AB**

Beijer Alma owns a 19 percent stake in TV Uppland AB, a commercial, local TV station. Since the start in 1995, the station has developed a loyal TV audience and strong advertiser response in Uppland. Operations drew large initial costs and required substantial shareholder support in the beginning.

During 1998 the result of operations improved thanks to growing revenue and lower costs, but a loss for the year could not be avoided.

For legal/technical reasons TV Uppland is not formally a part of Alma Nova.

## **INDUSTRIAL DEVELOPMENT & INVESTMENT AB (IDI)**

Alma Nova has invested MSEK 3.0 in Industrial Development & Investment AB (IDI), a company that will invest in medium-sized industrial companies in Scandinavia and Europe. The ownership stake is less than 0.5 percent.

## **NOCOM AB OCH TECHNOLOGY NEXUS AB**

Nocom AB and Technology Nexus AB were both brought public and were listed on the Stockholm Stock Exchange during 1998. Alma Nova's holdings were sold in connection with the listings with positive results.

Alma Nova holds minority stakes in young but varied lines of businesses. With one exception, small minority stakes are held.

Administratively, Alma Nova is a part off the Parent Company. Outside highly merited academic experts have been elected to the Board of Directors.

Anders Wall is Chairman of the Board and Curt Lönnström is President and Chief Executive Officer.

# The Beijer Alma Share

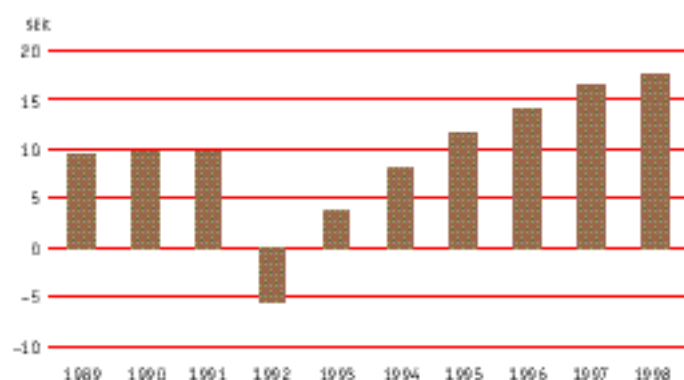
	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
Earnings per share based on average number of shares outstanding										
– after 28% standard taxes	9.36	9.57	9.67	–5.57	3.65	7.87	11.64	13.88	16.51	17.54
– after actual taxes	9.20	13.20	14.10	–7.50	4.00	9.32	13.43	18.89 <sup>1)</sup>	11.68	16.21
Adjusted shareholders' equity per share	47	58	57	45	46	54	65	80	87	98
Dividend per share	2.00	2.25	3.00	–	2.00	3.00	4.00	5.00	6.00	6.50 <sup>2)</sup>
Price earnings ratio as of Dec. 31	11.8	8.4	7.2	neg	17.8	8.0	5.9	9.4	13.7	9.6
Number of shares outstanding at year-end <sup>3)</sup>	2,146,400	2,146,400	2,146,400	2,146,400	3,634,950	4,022,450	4,022,450	4,022,450	4,022,450	4,022,450
Average number of shares outstanding	2,096,400	2,146,400	2,146,400	2,146,400	2,367,081	3,826,617	4,022,450	4,022,450	4,022,450	4,022,450

1) Including property indemnity for fire damage at Lesjöfors.

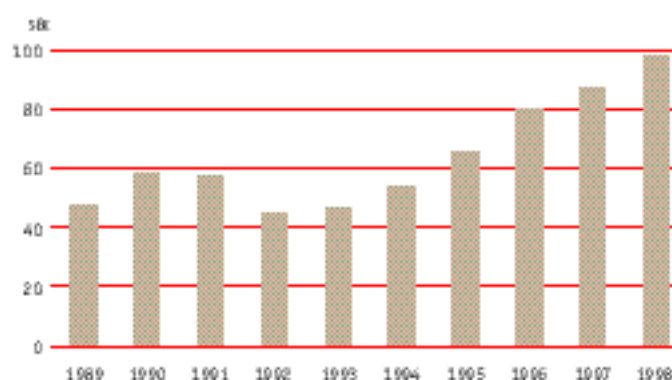
2) Dividend proposed by the Board of Directors.

3) Adjusted for stock dividend 1:1 and, from 1987, after actual effect of conversion. From 1994, including subordinated convertible debentures outstanding.

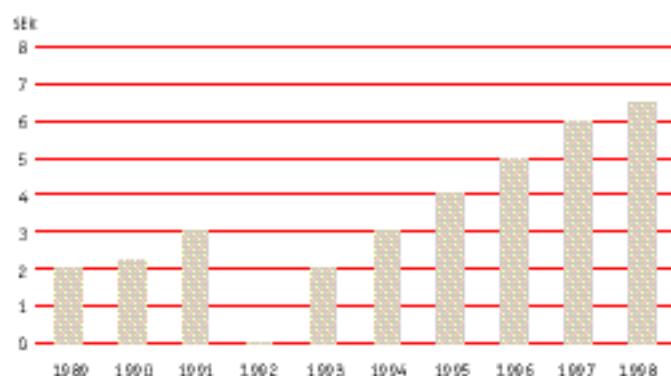
**EARNINGS PER SHARE AFTER STANDARD TAXES**



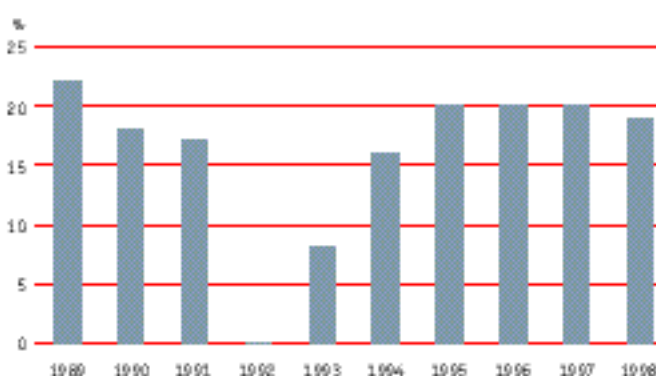
**SHAREHOLDERS' EQUITY PER SHARE**



**DIVIDEND PER SHARE**



**RETURN ON EQUITY**





# Ownership Structure – the Ten Largest Shareholders

(According to the shareholder register as of December 30, 1998)

	NUMBER OF SHARES	WHEREOF CLASS A	WHEREOF CLASS B	NUMBER OF VOTES	SHARE CAPITAL, %	VOTES, %
Anders Wall with family and companies, including Beijerinvest AB	622,520	366,500	256,020	3,921,020	15.5	43.5
Anders Wall's Foundations	210,800	48,000	162,800	642,800	5.2	7.1
Göran W Hultgren with family and companies	107,685	49,800	57,855	555,885	2.7	6.2
Skandia	365,470		365,470	365,470	9.1	4.1
Sven Boode with family	32,790	31,155	1,635	313,185	0.8	3.5
SE Banken Fonder	300,000		300,000	300,000	7.5	3.3
Fourth AP Fund	236,500		236,500	236,500	5.9	2.6
Kjell & Märta Beijer's Foundation	231,400		231,400	231,400	5.8	2.6
Per Olsson	155,500		155,500	155,500	3.9	1.7
Kjell Beijer's 80-year Foundation	141,150		141,150	141,150	3.5	1.6
Other	1,618,635	59,545	1,559,120	2,154,540	40.1	23.8
<b>Total</b>	<b>4,022,450</b>	<b>555,000</b>	<b>3,467,450</b>	<b>9,017,450</b>	<b>100.0</b>	<b>100.0</b>

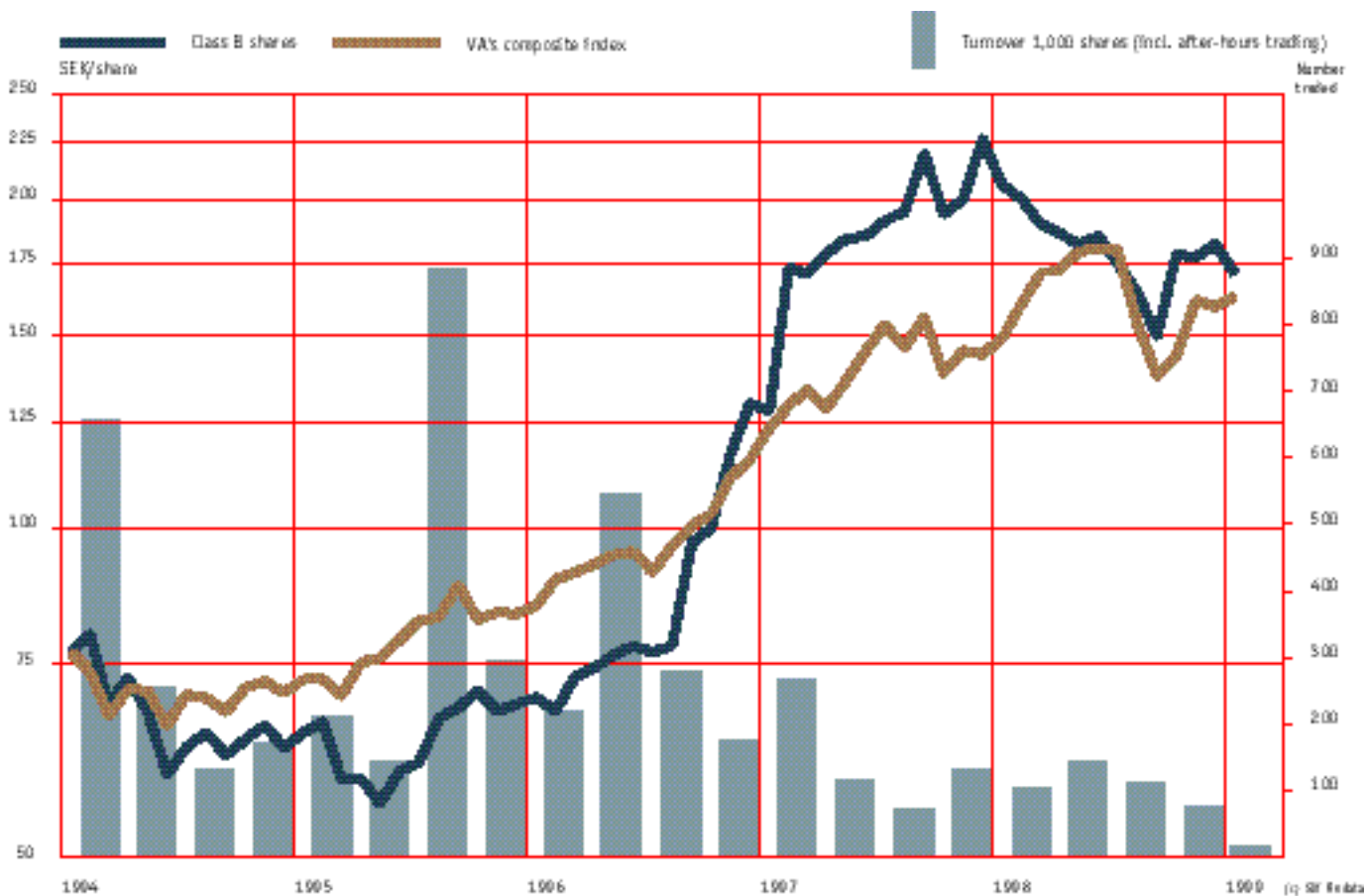
The number of shareholders is about 2,000.

The proportion of institutional ownership is  
45.3% of capital and 25.3% of the votes.

The number of shares issued is:

555,000	Class A 10 votes	= 5,550,000 votes
3,467,450	Class B 1 vote	= 3,467,450 votes
4,022,450		9,017,450 votes

## Share Price Development



# Ten-Year Summary

MSEK	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
Revenues	269.7	410.6	459.1	504.3	545.6	801.3	1,008.5	834.7	939.9	1,072.2
Operating profit	32.0	37.4	37.6	3.8	27.7	49.0	71.2	81.9	98.3	107.3
Net financial items	- 5.9	- 10.0	- 9.8	- 20.4	- 15.7	- 7.8	- 7.4	- 5.4	- 6.1	- 9.3
Profit after financial items	26.1	27.4	27.8	- 16.6	12.0	41.2	63.8	76.5	92.2	98.0
Items affecting comparability, net	- 5.2	-	- 8.0	- 2.5	-	-	-	20.5	-	-
Profit before year-end appropriations and taxes	20.9	27.4	19.8	- 19.1	12.0	41.2	63.8	97.0	92.2	98.0
Year-end appropriations	- 1.1	-	-	1.6	-	-	-	-	-	-
Taxes	- 7.8	-	1.5	0.6	-2.6	- 6.0	- 11.0	- 21.8	- 45.2	- 32.8
Net profit	12.0	27.4	21.3	-20.1	9.4	35.2	52.8	75.2	47.0	65.2
Fixed assets	126.2	127.4	131.5	147.6	137.3	167.3	177.2	258.5	290.0	440.8
Current assets	149.7	181.3	218.5	211.1	233.8	298.5	311.8	310.8	360.8	425.0
Shareholders' equity	76.8	115.6	113.9	97.0	167.5	207.9	247.8	307.9	350.3	397.8
Untaxed reserves	22.2	-	-	-	-	-	-	-	-	-
Long-term liabilities	84.3	98.1	161.9	172.8	99.8	118.3	102.2	125.2	123.0	257.1
Short-term liabilities	99.6	90.7	71.6	91.3	103.9	139.6	139.0	136.2	177.5	211.0
Adjusted shareholders' equity	92.8	115.6	113.9	97.0	167.5	207.9	247.8	307.9	350.3	397.8
Balance sheet total	283.1	309.3	350.3	361.1	371.2	465.8	489.0	569.3	650.8	865.8
<b>RATIOS (%)</b>										
Return on average shareholders' equity	22	18	17	neg	8	16	20	20	20	19
Return on average capital employed	22	19	18	5	14	18	24	23	23	20
Equity ratio	33	37	33	27	45	45	51	54	54	46
Debt equity ratio	95	84	134	175	57	52	37	34	29	58
Interest coverage ratio, multiple	3.8	3.1	2.2	neg	1.5	4.3	5.4	8.2	11.4	8.9

# Administration Report

Annual Report for Beijer Alma AB (publ) for the financial year January 1 – December 31, 1998.

## REPORT OF THE BOARD OF DIRECTORS

In addition to its statutory Board of Directors Meeting, the Board of Directors has held one special and six regular meetings during the year and during which formal minutes have been taken.

A new procedure for the work of the Board of Directors was adopted in accordance with the new provisions of the Swedish Companies Act. The following, among other things, is governed by this procedure:

- The type of matters to be brought before the Board of Directors;
- The number of regularly scheduled meetings to be held by the Board of Directors;
- The agenda for individual meetings of the Board of Directors
- Reporting of the Auditors to the Board of Directors.

Beijer Alma's Board of Directors has no special committees or councils. All matters and issues are thus dealt with by the Board of Directors in its entirety.

## REVENUES AND RESULT

### Group

Consolidated revenues amounted to MSEK 1,072 (940), an increase by MSEK 132, or 14 percent. For continuing operations, the increase was 8.3 percent.

Profit before taxes improved by 6.2 percent to MSEK 98.0 (92.2). This result includes so-called items affecting comparability in an amount of MSEK 5.1 (4.7). Earnings per share after standard taxes were SEK 17.54 (16.51), and the number of shares outstanding was unchanged at 4,022,450.

### Industry

Habia Cable increased its invoicing by 24 percent, to MSEK 264.2 (217.7). Profit increased to MSEK 35.0 (28.0), an increase by 25 percent. The increase in invoicing during the last several years has been handled by adding shifts, but now an expansion of the production facility in Söderfors has begun.

Lesjöfors increased its invoicing by 32 percent, to MSEK 437.0 (332.1). Units acquired during the year, DK Fjedre and GS Industri, have contributed MSEK 69 to total invoicing. Profit was MSEK 57.5 (51.6), an increase by 11 percent. The newly acquired companies made a positive contribution to this result.

Stafsjö Bruk's invoicing was MSEK 85.3 (120.2), a decline of 29 percent. The decline is in its entirety attributable to South East Asia. The result was MSEK – 0.2 (16.1).

Sundquist Components was sold as of August 31, 1998. Up to the date of sale, invoicing was MSEK 27.5 and profit MSEK 2.1.

## Trading

G & L Beijer increased its invoicing by 10 percent to MSEK 145.3 (132.0), while profit was MSEK 0.2 (1.2).

Bierregaard's sales rose to MSEK 102.1 (92.3), an increase by 11 percent. Profit improved from MSEK 1.4 to MSEK 3.8.

## Parent Company

Not including group contributions and dividend income from subsidiaries, the Parent Company reports a result of MSEK 6.8 (– 6.3). The reported result after taxes was MSEK 34.2 (14.2) due to intra-Group transactions such as group contributions and dividends.

## TAXES

In last year's accounts, MSEK 16.2 was set aside as a tax liability related to a raised assessment for the 1996 fiscal year. Beijer Alma's appeal of this assessment has not yet been decided by the county administrative court, so the provision remains in this year's accounts.

## ACQUISITIONS AND DIVESTITURES

Lesjöfors AB acquired DK Fjedre A/S in Brøndby, Denmark, and GS Industri in Värnamo during the year. For both of these acquisitions the day of taking possession was September 1, 1998. Beijer Alma AB subscribed for a MSEK 50 cash issue of shares in Lesjöfors AB in connection with these acquisitions.

Sundquist Components AB was sold as of August 31, 1998.

## CAPITAL EXPENDITURES

Capital investments, in the industrial companies, continue to be at a rate exceeding depreciation. The Group has invested a total of MSEK 66.1 (49) in plant and equipment, not including corporate acquisitions.

## FINANCING AND LIQUIDITY

Two largely debt-financed acquisitions were made by Lesjöfors during the year. This has resulted in a larger balance sheet total and increased debt. The entire increase in long-term liabilities of MSEK 136 is attributable to payments for acquisitions and acquired debt in the purchased entities.

Liquid funds at the end of the year amounted to MSEK 27.9 (34.5). Available liquidity, defined as liquid funds plus committed but unutilized credit facilities, was MSEK 152.1 (155.2). The equity ratio was 46 percent (54).

Shareholders' equity per share stood at SEK 98 (87) at the end of the financial year.

## PROFITABILITY

The return on average capital employed was 20 percent (23). Average shareholders' equity yielded a return of 19 percent (20).

## PERSONNEL

The average number of employees during 1998 was 728 (609). Job locations and payroll data are provided in Note 1.

## MARKET SITUATION

In Habia Cable and Lesjöfors, the companies that account for the greater part of Beijer Alma's sales and income, order bookings increased in late 1998 and the beginning of this year, but at a lower rate than before. Stafsjö's order bookings declined in the beginning of 1998 due to the situation in South East Asia and has since stabilized at a significantly lower level.

Beijer Alma publishes quarterly interim reports with detailed data about the development in the Group's subsidiaries.

## THE Y2K PROBLEM

The year 2000 problem in the Group's companies has been

under review by Beijer Alma's Board of Directors since 1997 and action has been taken to ensure a smooth transition. Any remaining problems will be dealt with and resolved under an action program to be completed during 1999.

## COMPOSITION OF THE BOARD OF DIRECTORS

All present Directors were re-elected by the regularly scheduled Annual General Meeting of 1998. Note 2 to the financial statements contains a presentation of the members of the Board of Directors.

## OWNERSHIP SITUATION

The Company has a total of about 2,000 shareholders. The largest owner is Anders Wall with family and companies, with 43.5 percent of the votes. No significant changes in ownership have occurred during the year.

## PROPOSED ALLOCATION OF PROFIT

The Board of Directors and the President propose that the funds available for distribution by the Annual General Meeting be allocated as follows:

	SEK thousand
Retained earnings	10,550
Net profit for the year	34,220
<b>Total</b>	<b>44,770</b>

to be allocated as follows:

A dividend to the shareholders of SEK 6.50 per share	26,146
To be carried forward	18,624
<b>Total</b>	<b>44,770</b>

The Group's unrestricted shareholders' equity amounts to SEK 218,349 thousand. An allocation of SEK 55 thousand to statutory reserves is proposed.

Uppsala, February 10, 1999

Anders Wall  
*Chairman*

Anders G. Carlberg

Torsten Ekström

Thomas Halvorsen

Göran W Huldtgren

Jan-Erik Wikström

Curt Lönnström  
*President and  
Chief Executive Officer*

# Statements of Income

AMOUNTS IN SEK THOUSAND	NOTE	GROUP		PARENT COMPANY	
		1998	1997	1998	1997
Invoiced sales	3, 6	1,072,213	939,931	–	–
Cost of goods sold		– 730,124	– 614,691	–	–
<b>Gross profit</b>		<b>342,089</b>	<b>325,240</b>	–	–
Selling expenses		– 145,652	– 135,050	–	–
Administrative expenses		– 96,867	– 95,806	– 13,363	– 13,536
Other revenue		–	–	8,701	8,002
Shares in profit of affiliated companies		2,633	– 711	–	–
Items affecting comparability	4	5,087	4,661	12,042	–
<b>Operating profit</b>	5	<b>107,290</b>	<b>98,334</b>	<b>7,380</b>	<b>– 5,534</b>
Interest income		3,082	2,762	2,755	2,155
Interest expense		– 12,392	– 8,874	– 3,292	– 2,885
Anticipated dividend		–	–	1,600	2,500
<b>Operating profit after financial items</b>	6	<b>97,980</b>	<b>92,222</b>	<b>8,443</b>	<b>– 3,764</b>
<b>Shareholder contributions</b>		–	–	–	<b>– 21,807</b>
<b>Group contributions</b>		–	–	<b>37,880</b>	<b>53,803</b>
<b>Year-end appropriations</b>		–	–	<b>203</b>	–
<b>Profit before taxes</b>		<b>97,980</b>	<b>92,222</b>	<b>46,526</b>	<b>28,232</b>
Taxes	7	– 32,758	– 45,233	– 12,306	– 14,009
<b>NET PROFIT FOR THE YEAR</b>		<b>65,222</b>	<b>46,989</b>	<b>34,220</b>	<b>14,223</b>



# Balance Sheets

AMOUNTS IN SEK THOUSAND	NOTE	GROUP		PARENT COMPANY	
		1998	1997	1998	1997
ASSETS					
Current assets					
Intangible fixed assets					
Goodwill	8	54,497	36,591	—	—
Tangible fixed assets					
Land and land improvements	9	7,086	4,004	—	—
Buildings	10	126,451	72,542	—	—
Machinery and equipment	11	226,864	142,601	—	—
Equipment	12	13,638	14,289	383	447
Financial fixed assets					
Long-term receivables		953	6,563	—	—
Shares in outside companies	13	11,271	13,376	1	1
Shares in subsidiaries	14	—	—	212,723	169,162
Total fixed assets		440,760	289,966	213,107	169,610
Current assets					
Inventories	15	178,025	138,612	—	—
Short-term receivables					
Prepaid expenses and accrued revenue		9,415	11,140	346	203
Accounts receivable		193,468	163,256	—	—
Due from subsidiaries		—	—	81 240	88,491
Other short-term receivables		16,235	13,278	2 724	655
Liquid funds		27,889	34,543	26	8,437
Total current assets		425,032	360,829	84,336	97,786
TOTAL ASSETS		865,792	650,795	297,443	267,396

AMOUNTS IN SEK THOUSAND	NOTE	GROUP		PARENT COMPANY	
		1998	1997	1998	1997
LIABILITIES AND SHAREHOLDERS' EQUITY					
Shareholders' equity	16				
Restricted shareholders' equity					
Share capital		100,561	98,736	100,561	98,736
Other restricted equity		76,927	66,998	58,199	54,184
New issue in progress		–	5,840	–	5,840
Total restricted shareholders' equity		177,488	171,574	158,760	158,760
Unrestricted shareholders' equity					
Retained earnings		153,127	131,754	10,550	22,984
Net profit for the year		65,222	46,989	34,220	14,223
Total unrestricted shareholders' equity		218,349	178,743	44,770	37,207
Total shareholders' equity		395,837	350,317	203,530	195,967
Untaxed reservs	17	–	–	1,078	1,281
Provisions					
Deferred tax liability		35,212	27,953	–	–
Provisions for pensions		8,069	7,803	–	–
Total provisions		43,281	35,756	–	–
Long-term liabilities					
Utilized portion of credit facility	18	33,236	35,897	2,706	–
Long-term liabilities		182,475	51,391	38,750	13,250
Total long-term liabilities		215,711	87,288	41,456	13,250
Current liabilities					
Due to subsidiaries		–	–	38,609	40,940
Accounts payable		67 987	66 410	440	1 382
Tax liabilities	19	32,525	40,701	9,901	12,158
Accrued expenses and prepaid revenue	20	59,326	50,294	1,919	2,116
Interest bearing current liabilities		8,169	6,187	–	–
Other current liabilities		42,956	13,842	510	302
Total current liabilities		210,963	177,434	51,379	56,898
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		865,792	650,795	297,443	267,396
Pledged assets	21	521,163	454,073	159,442	134,479
Contingent liabilities	22	447	2,849	13,971	12,399

# Cash Flow Analyses

AMOUNTS IN SEK THOUSAND

## GROUP

## PARENT COMPANY

	1998	1997	1998	1997
Operating profit	107,290	98,334	7,380	- 5,534
Depreciation charged to operating profit	41,984	31,115	125	144
Net financial items	- 9,310	- 6,112	1,063	1,770
Group contributions	-	-	37,880	53,803
Shareholder contribution	-	-	-	- 21,807
Taxes	- 32,758	- 45,233	- 12,306	- 14,009
<b>Cash flow before changes in working capital and capital expenditures (cash earnings)</b>	<b>107,206</b>	<b>78,104</b>	<b>34,142</b>	<b>14 367</b>
<b>Change in working capital</b>				
Short-term receivables increase (-) decrease (+)	- 31,444	- 42,029	5,039	2,208
Inventories increase (-) decrease (+)	- 39,413	- 12,169	-	-
Current liabilities decrease (-) increase (+)	33,529	41,248	- 5,519	26,084
<b>Cash flow before capital expenditures</b>	<b>69,878</b>	<b>65,154</b>	<b>33,662</b>	<b>42,659</b>
<b>Net investments in plant and equipment</b>				
Shares in subsidiaries increase (-) decrease (+)	-	-	-	- 2 611
Other shares increase (-) decrease (+)	2,105	- 7,289	- 43,561	-
Furniture and fixtures increase (-) decrease (+)	- 115,611	- 57,902	- 61	23
Real estate increase (-) decrease (+)	- 61,040	- 515	-	-
Long-term receivables increase (-) decrease (+)	5,610	3,117	-	-
Goodwill increase (-) decrease (+)	- 23,842	-	-	-
<b>Cash flow after capital expenditures (free cash flow)</b>	<b>- 122,900</b>	<b>2,565</b>	<b>- 9,960</b>	<b>40,071</b>
<b>Financial payments</b>				
New issue	-	14,850	-	14,850
Dividends paid	- 24,135	- 19,184	- 24,135	- 19,184
Group contributions rendered not affecting profit	-	-	- 2,522	- 1,884
Long-term liabilities increase (+) decrease (-)	135,948	- 2,167	28,206	- 28,123
Translation difference	4,433	- 212	-	-
<b>Change in liquid funds</b>	<b>- 6,654</b>	<b>- 4,148</b>	<b>- 8,411</b>	<b>5,730</b>
Liquid funds at beginning of year	34,543	38,691	8,437	2,707
Liquid funds at year-end	27,889	34,543	26	8,437
Unutilized committed credit facilities	124,161	120,617	61,294	64,000
Available liquidity	152,050	155,160	61,320	72,437

# Accounting Principles

## GENERAL

Starting in 1997, the Annual Report has been prepared in accordance with the provisions of the new Annual Accounts Act. The Company has elected to use the so-called Income Statement Classified According to Function. This means that operating costs are reported under the functions cost of goods sold, selling expenses and administrative expenses. Depreciation and amortization are included in the expenses for each respective function.

## CONSOLIDATED ACCOUNTING

The consolidated financial statements include the Parent Company and those companies in which Beijer Alma AB, directly or indirectly, owned more than 50 percent of the votes of the shares outstanding at year-end.

The so-called purchase method of accounting has been used in compiling the Group's balance sheet. Under the purchase method, the cost of shares in subsidiaries is eliminated against taxed equity capital at the time of acquisition, with 72 percent of untaxed reserves regarded as equity capital and 28 percent thereof regarded as deferred tax liability. This deferred tax liability is reported in the consolidated balance sheet as a long-term liability. Any difference remaining thereafter is allocated to each respective category of fixed assets based on available documentation. To the extent the difference cannot be allocated in this manner, the remainder is reported as goodwill.

Companies acquired during the year are included in the consolidated financial statements with amounts relating to the period after acquisition. The result of companies sold during the year have been included in the consolidated income statement for the period until the entity in question was sold.

The so-called current rate method has been used in recalculating the balance sheets of foreign subsidiary balance sheets. The method means that assets and liabilities are recalculated at the exchange rate prevailing at year-end. Restatement differences are carried directly to shareholder's equity and thus do not affect the Group's profit. Income statements are recalculated using an average rate of exchange.

In accordance with the recommendations of the Swedish Financial Accounting Standards Council, no untaxed reserves

are reported in the consolidated balance sheet. 72 percent of such reserves are instead reported as restricted equity capital and 28 percent as a deferred tax liability. A corresponding adjustment has been made for year-end appropriations in the consolidated statement of income.

## REPORTING OF ASSOCIATED COMPANIES

Companies which are not subsidiaries, but in which the Parent Company, directly or indirectly, owns more than 20 percent of the votes of all outstanding shares are considered to be associated companies. Shares in associated companies are reported in accordance with the so-called equity method.

Application of the equity method means consolidation in essence occurs on separate lines in the consolidated income statement and the consolidated balance sheet. Accumulated shares in profit not paid out as dividends attributable to associated companies is reported in the consolidated balance sheet as restricted reserves.

## LIABILITIES AND RECEIVABLES IN FOREIGN CURRENCY

Liabilities and receivables in foreign currency are valued at the year-end rate of exchange.

## VALUATION OF INVENTORIES

Inventories are valued at the lower of cost and market using the so-called FIFO method. A provision for obsolescence has been set aside in an appropriate amount.

## DEPRECIATION AND AMORTIZATION

Depreciation is based on the original cost of the assets and their estimated useful economic life. For machinery and equipment, the period of depreciation is 3 – 10 years, and for buildings 25 – 40 years. Goodwill is amortized by 10 percent annually.

## OTHER

Only a minor part of claims and liabilities within the Group are interest-bearing in accordance with internal rules for handling group contributions.

# Notes to the Financial Statements

All amounts in SEK thousand unless otherwise noted

## NOTE 1 PERSONNEL

JOB LOCATIONS	NUMBER OF EMPLOYEES	
	1998	1997
<b>SWEDEN:</b>		
<b>Parent Company</b>		
Uppsala	5	5
<b>Subsidiaries</b>		
Uppsala	8	9
Malmö	36	46
Karlstad	12	11
Stockholm	57	63
Norrköping	4	4
Göteborg	6	8
Filipstad	53	53
Götene	26	22
Herrljunga	58	44
Norrtälje	23	23
Växjö	6	7
Strängnäs	26	25
Trosa	23	18
Gävle	0	3
Nyköping	56	58
Tierp	155	129
Värnamo	34	0
Mullsjö	8	0
Gnosjö	5	0
<b>Total Sweden</b>	<b>601</b>	<b>528</b>
<b>OUTSIDE SWEDEN:</b>		
Norway	5	5
Denmark	52	13
Finland	22	22
Great Britain	21	20
The Netherlands	7	6
Belgium	3	3
France	4	3
Germany	8	4
Poland	3	3
Singapore	2	2
<b>Total, outside Sweden</b>	<b>127</b>	<b>81</b>
<b>TOTALT</b>	<b>728</b>	<b>609</b>

Of the number of employees, 578 (480) are men and 150 (129) are women.

PAYROLL AND COMPENSATION	GROUP		PARENT COMPANY	
	1998	1997	1998	1997
Salaries, President and Board of Directors	19,237	17,972	3,380	3,179
Bonuses, President and Board of Directors	1,300	1,445	300	240
Salaries, other	184,200	143,370	1,654	1,532
Total salaries and other compensation	204,737	162,787	5,334	4,951
Social benefits	71,810	62,545	2,362	2,764
Of which pension costs	10,924	9,420	866	1,044

## Terms of employment and compensation of senior management

The following costs were charged to the Parent Company during 1998:

### President:

Salary including benefit of automobile	1,565
Bonus	300
Social benefits	1,284
Of which pension costs	601

### Chairman of the Board:

Director's fee	266
Fee pursuant to General Meeting resolution	875
Social benefits	65

**Fees have been paid to other Directors** in a total amount of 673. The President's employment contract provides for two years notice in the event of termination at the initiative of the Company, with due offset for compensation received from other employer. The President has the right to retire at age 63 with 50 percent of compensation until normal retirement age.

## NOTE 2 BOARD OF DIRECTORS

**Anders Wall**, Member since 1992 and Chairman of the Board. Other assignments: Chairman of Beijerinvest AB, Kjell & Märta Beijer's Foundation, Anders Wall's Foundations, Consul Th C Berg's Foundation, Chemapol Scandinavia AB, TradeARBED AB, Ryda Bruk AB, Centrum för Entreprenörskap och Företagsutveckling (CEF) at Uppsala University. Director of Anders Diös AB, HDF AB, Bukowski Auktions AB (Vice Chairman), Hargs Bruk AB, AB Stafsjö Bruk, TV Uppland AB, Domarbo Skog AB and other assignments. Uppsvenska Chamber of Commerce, Swedish Chambers of Commerce in London and New York, International Advisory Board Banque Générale du Luxembourg, Honorary Fellow of Uppsala University, Member, Royal Academy of Engineering Science.

**Anders G. Carlberg**, President, Axel Johnson International AB. Director since: 1997. Other assignments: Chairman of: Munksjö AB. Director of: Axel Johnson AB, Axel Johnson Inc., BPA, SSAB, Elkem ASA, Enator and other assignments.

**Torsten Ekström**, Director, AB Bonnierföretagen. Director since: 1983. Other assignments: Chairman of: Sun Chemical AB, Sun Chemical Oy and Tierps Grafiska AB. Director of: Frlil AB, Cirrus AB and Arot AB.

**Thomas Halvorsen**, President, Fourth Fund Board of the General Pension Fund. Director since: 1992. Other assignments: Director of AB Electrolux, Sydkraft AB and other assignments.

**Göran W Hultgren**, President, Scandecor Marketing AB. Director since: 1983.

**Jan-Erik Wikström**, Former County Governor. Director since: 1997. Other assignments: Chairman of: Royal Dramatic Theater, Verbum AB, Hotel Birger Jarl AB, Svensk-finska Kulturfonden, Sveriges Allmänna Konstförening, Sponsor Stiftelseförvaltning AB. Director of: Kjell & Märta Beijer's Foundation, Förvaltningsstiftelsen för Sveriges Television och Sveriges Radio, Svenskt Tenn AB, Drottningholmsteatern.

**Johan Wall**, President, Netsolutions Sweden AB. Deputy Director since: 1997. Other assignments: Chairman of: AB Ljungskogens Strandbad, Nordic NetPartners Alliance AB. Director of: Anders Wall's Foundations and Deputy Director of: Kjell & Märta Beijer's Foundation.

**Curt Lönnström**, President and CEO, Beijer Alma AB. Director since: 1992. Other assignments: Chairman of: AB Automatic Alarm and Minvest AB. Director of: Domarbo Skog AB, Beijerinvest AB and Olle Olsson Bolagen AB.

## NOTE 3 INVOICED SALES

	1998	1997
Sweden	607,167	549,518
Other Nordic countries	173,687	111,918
Other Europe	245,585	209,825
Asia	24,844	33,848
Rest of world	20,930	34,822
<b>TOTALT</b>	<b>1,072,213</b>	<b>939,931</b>



## NOTE 4 ITEMS AFFECTING COMPARABILITY

	GROUP		PARENT COMPANY	
	1998	1997	1998	1997
Capital gain on sale of shares in Sundquist Components	10,906	–	17,861	–
Writedown of securities	– 5,819	–	– 5,819	–
Capital gains on sale of shares	–	4,661	–	–
<b>TOTAL</b>	<b>5,087</b>	<b>4,661</b>	<b>12,042</b>	<b>–</b>

## NOTE 5 OPERATING PROFIT

Depreciation and amortization has been charged to operating profit as follows:

	1998	1997
Machinery and equipment	26,674	18,617
Equipment	5,325	4,940
Buildings	4,004	2,610
Land improvements	45	27
Goodwill	5,936	4,921
<b>TOTAL</b>	<b>41,984</b>	<b>31,115</b>

Depreciation of equipment has been charged in the Parent Company by 124 (143).

## NOTE 6 PROFIT AFTER FINANCIAL ITEMS

	INVOICED SALES		PROFIT AFTER FINANCIAL ITEMS	
	1998	1997	1998	1997
Habia Cable	264,167	212,744	35,013	28,000
Lesjöfors	436,986	332,113	57,499	51,551
Stafsjö Bruk	85,323	120,259	– 190	16,084
Sundquist Components	27,536	43,304	2,054	4,032
G & L Beijer	145,283	131,984	223	1,186
Bierregaard	102,110	92,342	3,760	1,357
Parent Company and Group overhead	10,808	7,185	– 379	– 9,988
<b>TOTAL</b>	<b>1,072,213</b>	<b>939,931</b>	<b>97,980</b>	<b>92,222</b>

## NOTE 7 TAXES

	GROUP		PARENT COMPANY	
	1998	1997	1998	1997
Corporate taxes	27,820	41,903	12,306	14,009
Deferred taxes	4,938	3,330	–	–
<b>TOTAL</b>	<b>32,758</b>	<b>45,233</b>	<b>12,306</b>	<b>14,009</b>

## NOTE 8 GOODWILL

	GROUP	
	1998	1997
Cost	108,852	83,856
Writedown against equity	– 28,189	– 28,189
Accumulated amortization	– 26,166	– 19,076
<b>Book value</b>	<b>54,497</b>	<b>36,591</b>

## NOTE 9 LAND AND LAND IMPROVEMENTS

	GROUP	
	1998	1997
Cost	7,421	4,294
Accumulated depreciation	– 335	– 290
<b>Book value</b>	<b>7,086</b>	<b>4,004</b>
Tax assessment value for land in Sweden	6,394	8,102

## NOTE 10 BUILDINGS

	GROUP	
	1998	1997
Cost	153,520	90,989
Accumulated depreciation	– 27,069	– 18,447
<b>Book value</b>	<b>126,451</b>	<b>72,542</b>
Tax assessment for buildings in Sweden	42,100	35,794

## NOTE 11 MACHINERY AND EQUIPMENT

	GROUP	
	1998	1997
Cost	402,169	260,076
Accumulated depreciation	– 175,305	– 117,475
<b>Book value</b>	<b>226,864</b>	<b>142,601</b>

## NOTE 12 EQUIPMENT

	GROUP		PARENT COMPANY	
	1998	1997	1998	1997
Cost	44,853	43,135	776	1,047
Accumulated depreciation	– 31,215	– 28,846	– 393	– 600
Accelerated depreciation	–	–	–	– 203
<b>Book value</b>	<b>13,638</b>	<b>14,289</b>	<b>383</b>	<b>244</b>

## NOTE 13 SHARES IN OUTSIDE COMPANIES

	PERCENTAGE HOLDING	BOOK VALUE
<b>Parent Company</b>		
TV Uppland AB	19	1
<b>Group</b>		
<i>Associated Companies</i>		
Chemapol Scandinavia AB	49	3,007
TradeARBED AB	50	5,311
Pendax Holding AB	35	562
<i>Other companies</i>		
PharmaSoft Inc.	3	1,305
Industrial Development & Investment AB	1	875
Other	–	210
<b>TOTAL</b>		<b>11,271</b>

## NOTE 14 SHARES IN SUBSIDIARIES

	ORGANIZATION	NUMBER OF SHARES		BOOK VALUE	EQUITY
Habia Cable AB	556050-3426	100,000	Tierp	37,576	80,423
Lesjöfors AB	556001-3251	603,500	Karlstad	100,000	202,243
AB Stafsjö Bruk	556093-2112	45,000	Nyköping	21,354	39,611
G & L Beijer Import och Export AB i Stockholm	556019-0505	187,500	Sthlm	18,358	25,131 <sup>1)</sup>
E. Bierregaard AB	556210-3274	60,000	Malmö	13,765	17,109
ABStockholms Rörmide	556222-0482	10,000	Sthlm	3,161	2,472
Alma Nova Industri AB	556077-6022	60,000	Uppsala	14,780	14,979
Aihuk AB	556218-4126	9,000	Uppsala	2,056	2,111
Shipping & Aviation Sweden AB	556500-0535	10,000	Uppsala	1,000	1,290
Bierrepac AB	556067-1793	4,000	Malmö	473	945
Beijer & Alma Industri & Handel AB	556551-9005	1,000	Uppsala	100	100
O-Pack AB	556201-8639	1,000	Sthlm	100	100
<b>TOTAL</b>				<b>212,723</b>	

<sup>1)</sup> Including anticipated dividend to the Parent Company of 1,600. All companies are 100%-owned.

## NOTE 15 INVENTORIES

	1998	1997
Raw materials	63,040	45,330
Product in progress	26,154	23,105
Finished goods	88,831	70,177
<b>TOTAL</b>	<b>178,025</b>	<b>138,612</b>

## NOTE 16 SHAREHOLDERS' EQUITY

	SHARE CAPITAL	STATUTORY RESERVES	UNRESTRICTED EQUITY
<b>Group</b>			
Dec. 31, 1996	95,921	63,131	148,822
Dividend paid	–	–	– 19,184
New issue	2,815	6,195	–
New issue in progress	–	5,840	–
Transfer to restricted reserves	–	707	– 707
Translation difference	–	–	– 212
Offset between restricted and unrestricted equity	–	– 3,035	3,035
Net profit for the year	–	–	46,989
<b>Dec. 31, 1997</b>	<b>98,736</b>	<b>72,838</b>	<b>178,743</b>

Registration of new issue	1,825	– 1,825	–
Dividend paid	–	–	– 24,135
Translation difference	–	–	4,433
Offset between restricted and unrestricted equity	–	5,914	–5,914
Net profit for the year	–	–	65,222
<b>Dec. 31, 1998</b>	<b>100,561</b>	<b>76,927</b>	<b>218,349</b>

<b>Parent Company</b>			
Dec. 31, 1996	95,921	47,989	44,052
Dividend paid	–	–	– 19,184
New issue	2,815	6,195	–
New issue in progress	–	5,840	–
Group contribution rendered less taxes	–	–	– 1,884
Net profit for the year	–	–	14,223
<b>Dec. 31, 1997</b>	<b>98,736</b>	<b>60,024</b>	<b>37,207</b>

Registration of new issue	1,825	– 1,825	–
Dividend paid	–	–	– 24,135
Group contribution rendered less taxes	–	–	– 2,522
Net profit for the year	–	–	34,220
<b>Dec. 31, 1998</b>	<b>100,561</b>	<b>58,199</b>	<b>44,770</b>

Shares outstanding are of Class A and Class B, as follows:

	SHARES		VOTES
Class A shares	555,000	à 10 votes	5,550,000
Class B shares	3,467,450	à 1 vote	3,467,450
<b>TOTAL</b>	<b>4,022,450</b>		<b>9,017,450</b>

## Evolution of share capital

YEAR	INCREASE IN SHARE CAPITAL	TOTAL SHARE CAPITAL	INCREASE IN NUMBER OF SHARES	TOTAL NUMBER OF SHARES
1993 Opening balance	–	53,660	–	2,146,400
1993 Shares issued to acquire G & L Beijer Import & Export AB I Stockholm	6,923	60,583	276,900	2,423,300
1993 New issue	30,291	90,874	1,211,650	3,634,950
1994 Shares issued to acquire AB Stafsjö Bruk	5,000	95,874	200,000	3,834,950
1996 Conversion of subordinated convertible debentures	47	95,921	1,875	3,836,825
1997 Conversion of subordinated convertible debentures	2,815	98,736	112,625	3,949,450
1998 Conversion of subordinated convertible debentures	1,825	100,561	73,000	4,022,450

## NOTE 17 UNTAXED RESERVES

PARENT COMPANY	1998	1997
Accelerated depreciation	–	203
Tax allocation reserve	1,078	1,078
<b>TOTAL</b>	<b>1,078</b>	<b>1,281</b>

## NOTE 18 COMMITTED CREDIT FACILITIES

The Group's limit is 157,396 (156,514).

The Parent Company's limit is 64,000 (64,000).

## NOTE 19 TAX LIABILITY

An audit of a subsidiary's tax return for the 1996 fiscal year has resulted in an increase in assessed taxable income. The issue at hand is the length of the financial year and hence the right to deduct depreciation in foreign, partially owned companies. The assessment has been appealed.

For the 1992 tax year the Parent Company is litigating an issue relating to conversion of foreign currencies to Swedish kronor at year-end.

Provisions according to conservative principles have been set aside for additional tax in the accounts for 1997. If the ruling authority consents to the Company's action in both matters, the tax liability is reported MSEK 21 too high.

## NOTE 20 ACCRUED EXPENSES AND PREPAID INCOME

	GROUP		PARENT COMPANY	
	1998	1997	1998	1997
Accrued personnel costs	44,683	34,572	1,769	1,616
Accrued interest	157	216	–	–
Prepaid expenses	308	989	–	–
Other	14,178	14,517	150	500
<b>TOTAL</b>	<b>59,326</b>	<b>50,294</b>	<b>1,919</b>	<b>2,116</b>

## NOTE 21 PLEDGED ASSETS

	GROUP		PARENT COMPANY	
	1998	1997	1998	1997
Corporate mortgages	178,800	125,800	–	–
Real estate mortgages	59,850	47,600	–	–
Shares <sup>1)</sup>	282,513	271,673	159,442	134,479
Funds	9,000	–	–	–
<b>TOTAL</b>	<b>521,163</b>	<b>454,073</b>	<b>159,442</b>	<b>134,479</b>

<sup>1)</sup>Pledged to secure loans in the amount of SEK 38,750 (13,250) and committed credit facility in the amount of SEK 64,000 (64,000), whereof utilized SEK 2,706(0).

## NOTE 22 CONTINGENT LIABILITIES

	GROUP		PARENT COMPANY <sup>1)</sup>	
	1998	1997	1998	1997
Sureties	159	161	–	–
Guaranties	–	2,400	13,971	12,399
Pension commitments	288	288	–	–
<b>TOTAL</b>	<b>447</b>	<b>2,849</b>	<b>13,971</b>	<b>12,399</b>

<sup>1)</sup> Refers to the Parent Company's guaranties for subsidiaries.

## NOTE 23 DEFINITIONS

**PROFIT, RESULT** The terms profit and result refer to profit after financial items, unless otherwise expressly noted.

**CAPITAL EMPLOYED** Balance sheet total less non-interest-bearing liabilities.

**RETURN ON EQUITY** Profit after financial items, less 28 percent taxes, relative to average equity.

**RETURN ON CAPITAL EMPLOYED** Profit after financial items, plus interest expense, relative to average capital employed.

**EQUITY RATIO** Shareholders' equity relative to balance sheet total.

**EARNINGS PER SHARE AFTER STANDARD TAXES** Profit after financial items, less 28 percent taxes, relative to average number of shares outstanding.

**EARNINGS PER SHARE AFTER CURRENT TAXES** Profit after financial items, less current taxes, relative to average number of shares outstanding.

**DEBT EQUITY RATIO** Interest-bearing liabilities relative to shareholder's equity.

**INTEREST COVERAGE RATIO** Profit after financial items, plus financial expenses, divided by financial expenses.

# Auditors' Report

*To the Annual General Meeting of Beijer Alma (publ). Company registration number 556229-7480*

We have examined the Annual Report, the consolidated financial statements, the accounting records and the management by the Board of Directors and the President of Beijer Alma AB for 1998. Responsibility for the accounting records and management rests with the Board of Directors and the President. Our responsibility is to render our opinion on the Annual Report, the consolidated financial statements and the management based on our audit.

The audit has been performed in accordance with generally accepted auditing standards. This means that we have planned and performed the audit in such a way as to get reasonable assurance that the Annual Report and the consolidated financial statements contain no material errors. The audit procedure includes examination of a sample of supporting documentation for amounts and other information in the accounting records. An audit also includes a test of the accounting principles, and the Board of Directors' and the management's application thereof, and forming an opinion of the aggregate information contained in the Annual Report and the consolidated financial statements. We have examined significant decisions, actions and circumstances in the company to allow us to form an opinion as to whether any Director or the President is liable for damages to the company, or in any other

way has acted contrary to the Companies Act, the Annual Accounts Act or the Articles of Association. We are of the opinion that our audit gives us a reasonable ground for our statements below.

The Annual Report and the consolidated financial statements are prepared in accordance with the Annual Accounts Act and we therefore recommend

*that* the statement of income and the balance sheet for the parent company and the group be adopted, and

*that* the profit in the parent company be allocated in accordance with the recommendation contained in the report of the Board of Directors.

The members of the Board of Directors and the President have not taken any action, or are liable for negligence, which in our opinion could give rise to liability for damages against the company. We therefore recommend

*that* the members of the Board of Directors and the President be granted discharge from liability for the financial year.

Uppsala, February 12, 1999

Hans Scheja  
*Authorized Public Accountant*

Pål Wingren  
*Authorized Public Accountant*



# Board of Directors, Management and Auditors

**Anders Wall**, Chairman, *b. 1931*  
Med Dr. h.c. Consul General

*Director since:* 1992

*Share ownership through companies and family:* 622 520 whereof 366,500 Class A shares

*Chairman of:* Beijerinvest AB, Kjell & Märta Beijer's Foundation, Anders Wall's Foundations, Konsul Th C Bergh's Foundation Chemapol Scandinavia AB, TradeARBED AB, Ryda Bruk AB, Centrum för Entreprenörskap och Företagsutveckling (CEF) at Uppsala Universitet.

*Director of:* Anders Diös AB, HDF AB, Bukowski Auktioner AB (vice ordf), Hargs Bruk AB, AB Stafsjö Bruk, TV Uppland AB Domarbo Skog AB and other assignments. Uppsvenska Chamber of Commerce, Swedish Chambers of Commerce in London and New York, International Advisory Board Banque Générale du Luxembourg, Honorary Fellow of Uppsala University, Member of the Royal Academy of Engineering Science.

**Anders G. Carlberg**, *b. 1943*  
President Axel Johnson International AB

*Director since:* 1997

*Share ownership:* 0

*Chairman of:* Munksjö AB

*Director of:* Axel Johnson AB, Axel Johnson Inc., BPA, SSAB, Elkem ASA, Enator and other assignments.

**Torsten Ekström**, *b. 1931*  
Direktor, AB Bonnierföretagen

*Director since:* 1983

*Share ownership through companies and family:* 22,800

*Chairman of:* Sun Chemical AB, Sun Chemical Oy, Tierps Grafiska AB.

*Director of:* Frili AB, Cirrus AB, Arot AB.

**Thomas Halvorsen**, *b. 1949*  
President, Fourth Fund Board of the General Pension Fund

*Director since:* 1992

*Share ownership:* 0

*Director of:* AB Electrolux, Sydkraft AB and other assignments.

**Göran W Huldtgren**, *b. 1941*  
President, Scandecor Marketing AB

*Director since:* 1983

*Share ownership through family and companies:* 107,685

**Jan-Erik Wikström**, *b. 1932*  
Former County Governor

*Director since:* 1997

*Share ownership:* 150

*Chairman of:* Royal Dramatic Theater, Verbum AB, Hotel Birger Jarl AB, Svensk-finska Kulturfonden, Sveriges Allmänna Konstförening, Sponsor Stiftelseförvaltning AB.

*Director of:* Kjell & Märta Beijer's Foundation, Förvaltningsstiftelsen för Sveriges Television och Sveriges Radio, Svenskt Tenn AB, Drottningholms-teatern.

**Johan Wall**, *b. 1964*  
President, Netsolutions Sweden AB

*Director since:* 1997

*Share ownership:* 500

*Chairman of:* AB Ljungskogens Strandbad, Nordic NetPartners Alliance AB.

*Director of:* Anders Wall's Foundations

*Deputy Director of:* Kjell & Märta Beijer's Foundation

**Curt Lönnerström**, *b. 1943*  
President and CEO, Beijer Alma AB

*Director since:* 1992

*Share ownership with family:* 22,750

*Options:* 25,000 st

*Chairman of:* AB Automatic Alarm and Minvest AB.

*Director of:* Domarbo Skog AB, Beijerinvest AB and Olle Olsson Bolagen AB.

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**Curt Lönnerström**, *b. 1943*  
President and CEO, Beijer Alma AB

*Employed since:* 1994

**Jan Blomén**, *b. 1955*  
Chief Financial Officer, Beijer Alma AB

*Employed since:* 1986

*Share ownership with family:* 20,000

**Jan Olsson**, *b. 1956*  
Group Controller, Beijer Alma AB

*Employed since:* 1993

*Share ownership:* 7,000

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