April 28, 2005

BEIJER • ALMA

Press Release

Interim Report January – March 2005 for Beijer Alma AB (publ)

Result increase for the seventh consecutive quarter

- Net revenues were MSEK 346.4 (348.8).
- Order bookings were MSEK 367.0 (375.6).
- The result after financial items was MSEK 39.2 (38.9).
- The result after taxes was MSEK 27.8 (26.3).
- Earnings per share after actual taxes were SEK 3.04 (2.76).
- Cash flow after capital expenditures was MSEK –7.6 (36.9).
- The equity ratio was 53.1 percent (40.7).

GROUP

Towards the end of 2004 order bookings were relatively weak and order backlogs were shrinking. This contributed to a weak opening of 2005, but order bookings and invoicing improved gradually during the quarter. This was particularly true in the case of telecom customers, while sales to other customers were more stable. Our earnings performance is still positive, however, thanks to good control over costs. The result after financial items increased compared to the corresponding period one year ago for the seventh consecutive time.

Order bookings were MSEK 367.0 (375.6), a decrease by 2.3 percent. Invoicing decreased by 0.7 percent to MSEK 346.4 (348.8). The result after financial items was MSEK 39.2 (38.9), equivalent to earnings per share after standard taxes of SEK 3.09 (2.94). The operating margin reached 12.2 percent (12.6). The net effect of exchange rate differences on the result after financial items was MSEK –2.2. The comparison refers to the period's currency exchange rates relative to the exchange rates prevailing during the corresponding year-ago period.

The rate of capital expenditures continued to be low, with investments in non-current assets of MSEK 8.7 (7.7), as compared with depreciation of MSEK 18.4 (19.9). Cash flow after capital expenditures amounted to MSEK–7.6 (36.9), in part due to supplementary payment of tax for income year 2004 in the amount of MSEK 22. Interest-bearing net liabilities were MSEK 181.8 (359.9) and the net indebtedness was 30.3 percent (77.0). The equity ratio stood at 53.1 percent (40.7).

SUBSIDIARIES

LESJÖFORS AB (www.lesjoforsab.com) 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 larger companies in its industry in Europe. Lesjöfors has manufacturing operations in Sweden, Denmark, Finland, Latvia and China.

Lesjöfors increased order bookings by 8 percent to MSEK 184.1 (170.2). Invoicing was MSEK 178.0 (164.7), an increase by 8 percent. The result after financial items amounted to MSEK 29.9 (23.7) and the operating margin was 17.0 percent (14.9).

Lesjöfors conducts business in three business areas, Industrial Springs, Flat Strip Components and Chassis Springs. Industrial Springs and Chassis Springs increased invoicing by 12.3 and 23.0 percent, respectively, with continued and rising profitability. In business area Flat Strip Components invoicing declined by 7.4 percent due to lower shipments to the telecom sector. The result was unchanged, however.

HABIA CABLE AB (www.habia.se) is one of Europe's largest manufacturers of specialty cable for applications in telecommunications, transportation, nuclear power and defense. Manufacturing and product development is conducted in Sweden, with manufacturing also in Germany and China.

Habia's order bookings declined by 14 percent to MSEK 125.2 (145.3). Invoicing amounted to MSEK 118.1 (132.0), a decrease by 10 percent. The result after financial items was MSEK 11.3 (16.7), and the operating margin reached 10.4 percent (14.0).

Habia began the year with low order backlogs and weak capacity utilization. Demand grew stronger and capacity utilization and result improved gradually, however. The impact on earnings of weaker invoicing compared to the preceding year was compensated for, in part, by cost savings.

ELIMAG AB (www.elimag.se) is a leading manufacturer of precision parts in aluminum for customers in telecom, defense and other high-tech industries.

Elimag's order bookings were MSEK 25.6 (32.6), a decrease by 22 percent compared to the very high rate of order bookings during the corresponding period one year ago. Invoicing increased by 4 percent and amounted to MSEK 24.3 (23.4). The result after financial items was MSEK 2.5 (2.2) and the operating margin reached 12.0 percent (11.8).

Elimag shows a positive development, although order bookings can vary between quarters because of major individual projects. Broadening of the customer base continues, in part with the objective of more even demand.

AB STAFSJÖ BRUK (www.stafsjo.com) develops, manufactures and markets knife gate valves for the process industry worldwide. The company has manufacturing operations and product development in Sweden and China.

Stafsjö's order bookings increased by 24 percent to MSEK 32.1 (27.4). Invoicing was MSEK 25.8 (28.6), a decrease by 10 percent. The result after financial items was MSEK 0.4 (2.6), and the operating margin reached 2.0 percent (9.8).

Stafsjö is experiencing strong order bookings and the order backlog grew during the quarter. Among other things, two major projects were won in China. Moving component supply and assembly to China continues and will lower future product costs.

NET REVENUES AND RESULT BY OPERATING SEGMENT

NET REVENUES

MSEK	**2005 Q 1**	**2004 Q 4**	**2004 Q 3**	**2004 Q 2**	**2004 Q 1**	**2004 Full year**	**2003 Full year**
Lesjöfors	178.0	157.9	159.2	191.6	164.7	673.4	572.3
Habia Cable	118.1	118.4	125.5	151.1	132.0	527.0	416.8
Elimag	24.3	27.2	22.2	30.0	23.4	102.8	68.4
Stafsjö Bruk	25.8	34.9	27.1	27.7	28.6	118.3	95.1
Parent Company and consolidation eliminations	0.2	1.0	–	0.1	0.1	1.2	1.4
Group	**346.4**	**339.4**	**334.0**	**400.5**	**348.8**	**1 422.7**	**1 154.0**

OPERATING RESULT

MSEK	**2005 Q 1**	**2004 Q 4**	**2004 Q 3**	**2004 Q 2**	**2004 Q 1**	**2004 Full year**	**2003 Full year**
Lesjöfors	30.3	22.1	28.8	34.8	24.5	110.2	60.3
Habia Cable	12.4	12.7	17.6	26.3	18.5	75.1	–5.2 [1]
Elimag	2.9	2.1	1.5	3.6	2.8	10.0	–2.0
Stafsjö Bruk	0.5	3.1	1.7	2.0	2.8	9.6	3.9
Parent Company and consolidation eliminations	–3.8	–5.3	–3.9	–5.1	–4.7	–19.0	–17.3 [2]
Group	**42.3**	**34.7**	**45.7**	**61.6**	**43.9**	**185.9**	**39.7**

[1] Including a provision in the amount of MSEK 10.
[2] Including a provision in the amount of MSEK 6.

RESULT AFTER FINANCIAL ITEMS

MSEK	2005 Q 1	2004 Q 4	2004 Q 3	2004 Q 2	2004 Q 1	2004 Full year	2003 Full year
Lesjöfors	29.9	21.7	28.3	34.3	23.7	108.0	56.2
Habia Cable	11.3	11.6	16.3	24.9	16.7	69.5	–13.4 [1]
Elimag	2.5	1.7	1.0	3.2	2.2	8.1	–5.0
Stafsjö Bruk	0.4	2.9	1.6	1.8	2.6	8.9	3.2
Parent Company and consolidation eliminations	–4.9	–5.8	–4.6	–5.8	–6.3	–22.5	–23.0 [2]
Group	**39.2**	**32.1**	**42.6**	**58.4**	**38.9**	**172.0**	**18.0**

[1] Including a provision in the amount of MSEK 10.
[2] Including a provision in the amount of MSEK 6.

PRESIDENT’S STATEMENT

The result for the first quarter surpassed the result for the corresponding period 2004, which was the best thus far in Beijer Alma’s history. This improved result was achieved despite marginally lower invoicing and is due, in part, to high efficiency and good cost control in all subsidiaries. The Group has a strong financial position. At the end of the quarter the equity ratio stood at 53.4 percent and the debt to equity ratio was down to 30 percent. This gives the Group high financial preparedness.

Lesjöfors continues its strong performance. Even though flat strip components, which accounts for 30 percent of invoicing, was somewhat weaker than during the preceding year, invoicing for the entire Lesjöfors Group increased by 8 percent. Profitability was also good and the operating margin was 17 percent. The chassis spring business developed extremely well and grew by 23 percent compared to the corresponding year-ago period. Demand is strong for chassis springs in the large European markets and market shares are being captured. The industrial spring business also shows good growth. Revenue increased by 12 percent during the first quarter thanks to good demand from the manufacturing industry. Flat strip components were affected negatively by lower demand from telecom customers. This was due, in part, to weaker demand for components for base stations, in part to the fact that certain mobile telephone handsets were phased out during the period. But during March demand from the telecom sector improved, especially for infrastructure products. This strength in demand continued into April. During the second quarter the invoicing volume should also be affected positively by the fact that components for new telephone handset models are beginning to be delivered. Lesjöfors has excellent opportunities for a continued positive development of invoicing as well as result during 2005.

Weaker demand from telecom customers affected **Habia**’s invoicing negatively. Lower demand from customers who manufacture base station antennas was the root of lower invoicing volumes. After very strong demand during the first half of 2004, demand faltered sharply during the second half of the year. This lower level of demand continued during the first quarter of 2005, although some improvement began to be discernible during the latter part of the quarter. During March, Habia’s order bookings and invoicing were satisfactory. The favorable demand situation continued, and is even more robust, during April. Habia also has good cost control, which means that the company, despite lower invoicing, had an operating margin as high as 10 percent during the first quarter. With improved demand, and continued good cost control, Habia should be able to generate satisfactory profitability again in coming quarters.

Elimag had slightly better invoicing than the year before. Even though order bookings were weaker than last year, the company has increased its backlog of orders slightly. The company has good cost control, which together with a satisfactory development of volume means that the operating margin was 12 percent during the quarter. The company received several large orders during April, which means that capacity utilization should be high during the second quarter.

Stafsjö had weaker invoicing compared to the corresponding period one year ago. Order bookings, on the other hand, were significantly higher and the order backlog grew by more than MSEK 6. The company has captured major orders, especially in China, where delivery will take place during the second quarter. This means that invoicing and result should show a positive development during the next several months.

Overall, conditions are favorable for Beijer Alma as we enter the second quarter. Demand has seen a positive development in all parts of the Group over the past several months. The parts of the business aimed at traditional industry continue to perform well and the parts that deliver components to the telecom industry grew appreciably in strength during March and April, after a period of weaker demand since mid-2004. The result for the second quarter should therefore be higher than during the first quarter.

ANNUAL GENERAL MEETING

A resolution was passed by the regularly scheduled Annual General Meeting held March 30 to declare a dividend of SEK 5.00 per share (1.50), SEK 2.00 of which in the form of extra dividend. All directors and the deputy were re-elected. The Annual General Meeting authorized the Board of Directors to buy back up to 10 percent of the Company's outstanding shares.

EVENTS AFTER THE END OF THE PERIOD

No special events have occurred after the end of the period under review.

ACCOUNTING PRINCIPLES

In accordance with the recommendation of Stockholmsbörsen, information was provided in the Financial Report 2004 and the Annual Report about the most important effects of adopting IFRS. The recalculation made increased the result after financial items for 2004 by MSEK 10.0 and shareholders' equity by MSEK 8.4. These effects stem from ceasing amortization of goodwill pursuant to IFRS 3.

IAS 39 is being applied from January 1, 2005. This recommendation deals with financial instruments and these should be valued at market going forward. The effects of this valuation have been carried to equity.

The effects of adopting IFRS described in this interim report are preliminary and may change since the review process of certain IAS/IFRS standards is still ongoing and additional IFRIC statements can be expected during 2005. It may also be possible to introduce new standards to be applied from January 1, 2006 with early application.

Exceptions from the main rule in IFRS 1 that Beijer Alma has elected to apply:

- Beijer Alma has elected to set to zero translation differences in equity at the beginning of 2004.
- Beijer Alma has elected not to apply IAS 39 (Financial instruments: Recognition and Measurement) for the 2004 comparative year. No recalculation of comparative figures has thus been performed for IAS 39.

Adoption of IFRS has had no significant effects on the result or financial position. In all other respects the same accounting principles and calculation methods have been used in this interim report as were applied in the most recently submitted Annual Report.

Comparative numbers from January 1, 2004 have been recalculated to conform to IFRS. No recalculation has been made for prior periods.

Preliminary effect of the adoption of IFRS on the income statement

	Income statement before adoption of IFRS	**IFRS 3**	**Income statement after adoption of IFRS**
1/1 – 31/3 2004			
Net revenues	348.8	–	348.8
Operating result	41.4	2.5	43.9
Result after financial items	36.4	2.5	38.9
Net result	23.7	2.6	26.3
Earnings per share, SEK	2.49	0.27	2.76

	Income statement before adoption of IFRS	IFRS 3	Income statement after adoption of IFRS
1/1 – 31/12 2004			
Net revenues	1 422.7	–	1 422.7
Operating result	175.9	10.0	185.9
Result after financial items	162.0	10.0	172.0
Net result	116.8	10.4	127.2
Earnings per share. SEK	12.77	1.14	13.91

Preliminary effect of adopting IFRS

	Balance sheet before adoption of IFRS	IFRS 3	Balance sheet after adoption of IFRS
12/31/2003			
Shareholders' equity	451.7	-2.0	449.7
Deferred taxes	37.0	2.0	39.0
3/31/2004			
Intangible non-current assets	87.7	2.5	90.2
Shareholders' equity	466.7	0.6	467.3
Deferred taxes	36.6	1.9	38.5
12/31/2004			
Intangible non-current assets	61.1	10.0	71.1
Shareholders' equity	558.0	8.4	566.4
Deferred taxes	29.8	1.6	31.4

SUMMARY INCOME STATEMENTS

MSEK	2005 Q 1	2004 Q 1	2004 Full year	2003 Full year	2002 Full year
Net revenues	346.4	348.8	1 422.7	1 154.0	1 113.0
Cost of goods sold	–227.4	–229.2	–933.8	–821.0	–770.7
Gross profit	**119.0**	**119.6**	**488.9**	**333.0**	**342.3**
Selling expenses	–45.5	–44.8	–179.3	–176.0	–185.6
Administrative expenses	–31.0	–31.1	–125.0	–116.2	–118.9
Write-downs of fixed assets	–	–	–	–	–99.9
Share in result of associated companies before tax	–0.2	0.2	1.3	–1.1	–5.4
Operating result	**42.3**	**43.9**	**185.9**	**39.7**	**–67.5**
Interest income and similar items	0.2	0.4	1.3	2.8	3.3
Interest expenses and similar items	–3.3	–5.4	–15.2	–24.5	–30.9
Result after financial items	**39.2**	**38.9**	**172.0**	**18.0**	**–95.1**
Taxes	–11.4	–12.6	–44.8	–10.5	11.1
Net result for the period	**27.8**	**26.3**	**127.2**	**7.5**	**–84.0**
Earnings per share before dilution, SEK	3.04	2.91	13.91	0.83	–9.31
Earnings per share, fully diluted basis, SEK	3.04	2.76	13.91	0.83	–9.31
Dividend, SEK	–	–	5.00	1.50	1.00
Depreciation and amortization is included in an amount of, MSEK	18.4	19.9	81.4	89.6	96.6

SUMMARY BALANCE SHEETS

MSEK	2005 Mar. 31	2004 Mar. 31	2004 Mar. 31	2003 Dec. 31	2002 Dec. 31
ASSETS					
Non-current assets					
Intangible non-current assets	71.7	90.2	71.2	90.7	107.7
Tangible non-current assets	460.8	493.6	467.8	501.5	518.8
Financial non-current assets	22.9	31.4	22.3	32.2	30.9
Total non-current assets	**555.4**	**615.2**	**561.3**	**624.4**	**657.4**
Current assets					
Inventories	222.4	208.2	223.1	205.5	251.6
Receivables	262.6	267.5	228.9	225.9	220.2
Liquid funds	89.0	56.5	105.5	71.0	47.2
Total current assets	**574.0**	**532.2**	**557.5**	**502.4**	**519.0**
Total assets	**1 129.4**	**1 147.4**	**1 118.8**	**1 126.8**	**1 176.4**
SHAREHOLDERS' EQUITY AND LIABILITIES					
Shareholders' equity					
Share capital	114.3	112.8	114.3	112.8	112.8
Restricted reserves	169.7	186.7	166.4	179.1	185.6
Unrestricted reserves	288.2	141.5	158.5	150.3	243.9
Net result for the period	27.8	26.3	127.2	7.5	-84.0
Total shareholders' equity	**600.0**	**467.3**	**566.4**	**449.7**	**458.3**
Provisions	37.8	45.7	38.7	46.2	50.6
Long-term liabilities to credit institutions	125.2	165.0	130.5	184.0	248.2
Current liabilities to credit institutions	138.7	244.3	146.0	266.6	254.1
Current non-interest-bearing liabilities	227.7	225.1	237.2	180.3	165.2
Total shareholders' equity and liabilities	**1 129.4**	**1 147.4**	**1 118.8**	**1 126.8**	**1 176.4**

SUMMARY CASH FLOW STATEMENTS

MSEK	2005 Q 1	2004 Q 1	2004 Full year	2003 Full year	2002 Full year
Cash flow from current operations before change in working capital and capital expenditures	46.2	47.4	236.2	99.3	98.4
Change in working capital, increase (–) decrease (+)	–44.5	–3.7	0.4	26.8	35.7
Cash flow from current operations	1.7	43.7	236.6	126.1	134.1
Investment operations	–9.3	–6.8	–39.4	–51.3	–17.9
Cash flow after capital expenditures	–7.6	36.9	197.2	74.8	116.2
Financing operations	–11.2	–51.4	–160.0	–48.8	–97.8
Change in liquid funds	**–18.8**	**–14.5**	**37.2**	**26.0**	**18.4**
Liquid funds at beginning of period	105.5	71.0	71.0	47.2	32.0
Sold cash and exchange rate changes in cash	2.3	–	-2.7	–2.2	–3.2
Liquid funds at end of period	89.0	56.5	105.5	71.0	47.2
Approved but unutilized committed credit facilities	314.9	248.4	309.3	204.4	226.9
Available liquid funds	403.9	304.9	414.8	275.4	274.1

SPECIFICATION OF CHANGE IN SHAREHOLDERS' EQUITY

	2005 Jan.–Mar.	2004 Jan.–Mar.	2004 Jan.–Dec.	2003 Jan.–Dec.	2002 Jan.–Dec.
Opening shareholders' equity	**566.4**	**451.7**	**451.7**	**458.3**	**577.4**
Effects of IFRS	–	–2.0	–2.0	–	–
Dividend paid	–	–13.5	–13.5	–9.0	–18.0
Conversion of subordinated debentures	–	–	10.2	–	0.4
Currency translation effect in futures – contracts according to IAS 39	–0.4	–	–	–	–
Translation difference	6.2	4.8	–7.2	–5.1	–17.5
Net result for the period	27.8	26.3	127.2	7.5	–84.0
Closing shareholders' equity	**600.0**	**467.3**	**566.4**	**451.7**	**458.3**

NUMBER OF SHARES

	2005 Mar. 31	2004 Mar. 31	2004 Dec. 31	2003 Dec. 31	2002 Dec. 31
Number of shares outstanding	9 143 700	9 023 300	9 143 700	9 023 300	9 023 300
Subordinated debentures outstanding	–	386 880	–	386 880	386 880
Personnel options outstanding	–	200 000	–	200 000	200 000
Total number of shares outstanding, fully diluted basis	9 143 700	9 610 180	9 143 700	9 610 180	9 610 180
Average number of shares outstanding, fully diluted basis	9 143 700	9 610 180	9 143 700	9 610 180	9 610 180

1 110 000 of shares outstanding are class A shares; the remainder is class B shares.

BEIJER • ALMA

KEY FINANCIAL INDICATORS	2005 Q 1	2004 Q 1	2004 Full year	2003 Full year	2002 Full year
Number of shares outstanding	9 143 700	9 610 180	9 143 700	9 610 180	9 610 180
Net revenues, MSEK	346.4	348.8	1 422.7	1 154.0	1 113.0
Operating result, MSEK	42.3	43.9	185.9	39.7	-67.5
Result before taxes, MSEK	39.2	38.9	172.0	18.0	-95.1
Earnings per share after actual taxes, SEK	3.04	2.76	13.91	0.83	-9.31
Earnings per share after 28 % standard taxes, SEK	3.09	2.94	13.55	1.45	0.45 [1)]
Cash flow after capital expenditures per share, SEK	-0.83	4.30	21.57	8.29	12.88
Return on equity, %	19.4	24.5	24.4	2.9	0.7 [1)]
Return on capital employed, %	19.6	19.8	21.3	4.5	3.3 [1)]
Shareholders' equity per share, SEK	65.62	51.79	61.94	50.06	50.79
Equity ratio, %	53.1	40.7	50.6	39.9	39.0
Debt equity ratio (net), %	30.3	77.0	31.5	86.1	100.9
Liquid assets including committed credit facilities not drawn upon, MSEK	403.9	304.9	414.8	274.4	274.1
Capital expenditures, MSEK	8.7	7.7	48.0	55.1	17.9
Interest coverage ratio	13.0	8.3	12.5	1.7	1.2 [1)]
Number of employees at end of period	928	901	922	879	909

1) Not including write-down of fixed assets in September 2002.

Uppsala, April 28, 2005

BEIJER ALMA AB (publ)

Bertil Persson
President & CEO

This report has not been subject to review by the Company's auditors.

For further information, please contact:

Bertil Persson, President and CEO, telephone +46 8 506 427 50, e-mail bertil.persson@beijer-alma.se
Jan Blomén, Chief Financial Officer, telephone +46 18 15 71 60, e-mail jan.blomen@beijer-alma.se

Next report date:

Quarterly report August 17, 2005

Previous reports are available at Beijer Alma's homepage www.beijer-alma.se under tab Investor Relations.