

## Press Release

# Interim Report January - March 2002 for Beijer Alma AB (publ)

- Sales in continuing operations were MSEK 287.8 (342.7).
- Income after financial items was MSEK 3.1 (25.3).
- Cost-cutting program has generated good effect on earnings.
- Fifty percent of the shares in Elimag Stockholm were sold.

### GROUP

The period was distinguished by weak demand, although order bookings improved compared to the last quarter of 2001. Cost adjustments made in all companies during 2001 had a positive effect on the period's earnings. On an invoiced volume that was unchanged compared to the fourth quarter of 2001, the result improved from MSEK -9.2 to MSEK 3.1.

Revenues during the first quarter were MSEK 287.7 (371.9), a decrease of 23 percent. In continuing operations revenues declined by 16 percent.

Order bookings declined by 17 percent to MSEK 317.5 (384.8). In continuing operations revenues declined by 11 percent.

Income after financial items was MSEK 3.1 (25.3). Earnings per share after standard taxes were SEK 0.25 (1.96).

The operating margin during the quarter was 3.3 percent (8.7). Capital expenditures amounted to MSEK 10.1 (55.7). Liquid funds, including unutilized committed credit facilities, stood at MSEK 205.8 (189.8). The equity ratio was 40.4 percent (42.1). Dividends in the amount of MSEK 18 were paid during the period. Operating cash flow after capital expenditures was MSEK 7.6 (-47.4).

### SUBSIDIARIES

**LESJÖFORS AB** ([www.lesjoforsab.com](http://www.lesjoforsab.com)) is a full-range supplier of industrial springs, chassis springs and wire and strip components in the Nordic Region and one of the larger companies in its sector in Europe.

Lesjöfors invoiced for MSEK 143.0 (154.0) during the period, a drop of 7 percent. Order bookings declined by 2 percent to MSEK 143.3 (146.5). Income was MSEK 14.0 (12.8) and the operating margin amounted to 11.0 percent (9.6).

Lesjöfors conducts business in three business areas: Industrial Springs, Automotive and Flat Strip Components. Industrial Springs had invoicing on a par with last year and enjoyed continued good profitability. Automotive, a seller of chassis springs to the after market, increased its invoicing by 26 percent and reports good profitability. Flat Strip Components, which has a relatively large proportion of sales to the telecom sector, had lower invoicing than last year and reports a negative result.

Lesjöfors posts higher earnings despite lower revenues. This is the effect of extensive cost-cutting efforts carried out over the past year.

**HABIA CABLE AB** ([www.habia.se](http://www.habia.se)) is one of Europe's largest manufacturers of specialty cable for applications in telecommunications, transportation, nuclear power and defense. Production facilities are located in Sweden, Germany and China.

Invoicing amounted to MSEK 95.9 (132.9), a decrease by 28 percent. Order bookings amounted to MSEK 116.8 (143.4), a drop of 19 percent. The result after financial items was MSEK -1.0 (15.0) and the operating margin was 1.8 percent (13.3).

#### Beijer Alma AB (publ)

Forumgallerian Dragarbrunnsgatan 45, P.O. Box 1747 SE-751 47 Uppsala Sweden  
Telephone +46 18 15 71 60 Telefax +46 18 15 89 87

Registered office: Uppsala Corporate identity number: 556229-7480 Internet: [www.beijer-alma.se](http://www.beijer-alma.se)

Habia's order bookings improved compared with the last quarter of 2001 and the company's backlog of orders has increased. Cost savings implemented have reduced the cost level. The company has captured market shares in the telecom sector. The underlying market demand in the telecom sector remains weak, however.

**ELIMAG AB** ([www.elimag.se](http://www.elimag.se)) conducts high-speed machining of aluminum and assembly work for customers in the telecom and other high-tech sectors.

Fifty percent of the shares in Elimag Stockholm were sold during the period and from 2002 the company is an affiliated company, the share in the result of which is reported under "Parent Company and consolidation eliminations." The reporting below and comparative data refer to Elimag Göteborg, active in high-speed machining of aluminum.

Elimag's invoicing was MSEK 28.9 (33.0), a decrease of 12 percent. Order bookings declined by 19 percent to MSEK 32.3 (40.0). The result was MSEK -1.2 (3.4).

Elimag's business is distinguished by over-capacity in the entire industry. Demand is highly volatile with extremely short delivery and lead times.

**AB STAFSJÖ BRUK** ([www.stafsjo.com](http://www.stafsjo.com)) manufactures knife gate valves sold to the process industry on a global basis.

Invoicing was MSEK 19.7 (22.3), a decrease of 12 percent. Order bookings increased by 25 percent to MSEK 24.9 (19.9). The result was MSEK -0.5 (0.7).

Stafsjö Bruk began the year with low capacity utilization due to a weak flow of new orders at the end of 2001. The capacity utilization situation has improved gradually and the company continues in its efforts to reduce production costs.

## NET REVENUES AND INCOME BY COMPANY

### NET REVENUES

MSEK	2002 Q1	2001 Q4	2001 Q3	2001 Q2	2001 Q1
Habia Cable	95.9	99.9	105.4	116.6	132.9
Lesjöfors	143.0	138.5	128.0	145.6	154.0
Elimag	28.9	27.5	24.9	30.8	33.0
Stafsjö Bruk	19.7	23.3	25.9	19.9	22.3
Parent Company and consolidation eliminations	0.3	0.1	0.1	1.4	0.5
<b>The present Group</b>	<b>287.8</b>	<b>289.3</b>	<b>284.3</b>	<b>314.3</b>	<b>342.7</b>
Divested companies*	-	22.8	14.4	23.2	29.2
<b>Group</b>	<b>287.8</b>	<b>312.1</b>	<b>298.7</b>	<b>337.5</b>	<b>371.9</b>

### INCOME AFTER FINANCIAL ITEMS

MSEK	2002 Q1	2001 Q4	2001 Q3	2001 Q2	2001 Q1
Habia Cable	-1.0	-12.7	-0.5	-0.5	15.0
Lesjöfors	14.0	5.9	9.2	3.1	12.8
Elimag	-1.2	-3.2	-0.6	0.0	3.4
Stafsjö Bruk	-0.5	1.2	2.7	-0.5	0.7
Parent Company and consolidation eliminations**	-8.2	2.6	-2.0	-17.0	-5.1
<b>The present Group</b>	<b>3.1</b>	<b>-6.2</b>	<b>8.8</b>	<b>-14.9</b>	<b>26.8</b>
Divested companies*	-	-3.0	-3.3	-4.7	-1.5
<b>Group</b>	<b>3.1</b>	<b>-9.2</b>	<b>5.5</b>	<b>-19.6</b>	<b>25.3</b>

\* Refers to Elimag Stockholm

\*\* The result for Q2, 2001 was charged with a provision for restructuring costs of MSEK 10. This was reversed by MSEK 2 during the third quarter and by MSEK 5.5 during the fourth quarter. Actual restructuring costs were charged

to the results of each respective company during the second half of 2001.

## THE ANNUAL GENERAL MEETING

A dividend of SEK 2.00 was resolved by the Annual General Meeting held March 20. Jan-Erik Wikström resigned from the Board of Directors for age reasons and Marianne Nivert and Johan Norman were elected as new members. Bertil Persson, President and CEO, was elected as Deputy Director. All other directors were re-elected.

## ACCOUNTING PRINCIPLES

From January 1, 2002 Beijer Alma has adopted the following accounting recommendations from the Swedish Financial Accounting Standards Council:

RR 1:00	Consolidated accounting
RR 15	Intangible assets
RR 16	Provisions, contingent liabilities and contingent assets
RR 17	Writedowns
RR 21	Borrowing costs
RR 23	Information about closely related parties

Adopting the above recommendations has had no material effect on the Group's income or financial position. The same accounting principles and calculation methods have been used in all other respects in this interim report as in the most recently published Annual Report.

## PRESIDENT'S STATMENT

The first quarter continued to be weak. Invoicing in continuing operations was largely unchanged compared with the fourth quarter of 2001. On the other hand, the flow of new orders improved in all of the Group's subsidiaries. An improvement was seen in several industry segments. In particular, we saw an increase in telecom-related sales. This increase is not likely to be due to a general improvement in demand, but is more probably a sign that inventory levels of those components that our companies manufacture now are beginning to reach equilibrium. For several of our companies this means that customers are again beginning to take delivery of components, which in the case of certain products has not happened since the beginning of 2001. Shipment volumes are still at levels far below what we experienced at the end of 2000 and the beginning of 2001, however.

The savings efforts implemented in the Groups' companies during the second half of 2001 have generated effects during the first quarter of this year. In spite of a largely unchanged invoicing volume, compared with the fourth quarter last year, results improved from MSEK -9.2 to MSEK 3.1 in continuing operations. This is in line with our strategy of creating a positive result at the volumes we are seeing today.

The largest savings were reaped in **Lesjöfors**. Despite a lower invoiced volume than last year, Lesjöfors reports higher profit than for the corresponding period 2001. The chassis spring business in particular recorded a positive development, but also parts of the industrial spring business registered good earnings performance. Telecom deliveries in the flat strip component business area are beginning to return after having been at a virtual standstill since the beginning of last year. Deliveries are from a very low base, however.

**Habia** saw a marked increase in the flow of new orders during the first quarter. Increased order bookings have not yet translated into higher invoicing, however. Improvements are seen mostly from telecom customers, but to some extent also from other customer segments, such as defense and the engineering industry. In addition, the cost savings programs initiated during the fourth quarter of 2001 generated a positive effect. As capacity utilization in production improved, the factory in Germany has gone from a three-day week to a full workweek for the employees.

**Elimag**, with half of its sales to the telecom sector, is under pressure as a result of the weak demand situation. It has been possible, however, to maintain the invoicing volume at an acceptable level during the first quarter thanks to individual projects that have given a boost to capacity utilization. There is

considerable uncertainty with respect to the capacity utilization situation for second quarter. This uncertainty has recently been aggravated.

**Stafsjö** began the quarter on a weak note due to a low backlog of orders at the beginning of the year. The flow of new orders has gradually improved, however, and the order backlog as well as the backlog of quotes indicates improved volumes in the months to come

The improvement in order bookings seen during the first quarter, combined with cost savings implemented during the previous year, should generate a positive effect during the second quarter. Underlying market demand remains weak, however.

Uppsala, April 29, 2002

**BEIJER ALMA AB (publ)**

Bertil Persson  
*President and CEO*

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

---

**For further information, please contact:**

Bertil Persson, President and CEO, Tel +46 8 506 427 50, e-mail [bertil.persson@beijer-alma.se](mailto:bertil.persson@beijer-alma.se)  
Jan Blomén, Chief Financial Officer, Tel +46 18 15 71 60, e-post [jan.blomen@beijer-alma.se](mailto:jan.blomen@beijer-alma.se)

**Next report date:**

Semi-annual Report August 9, 2002

**SUMMARY STATEMENTS OF INCOME**

MSEK	2002 Q1	2001 Q1	2001 Full year
Net revenues	287.8	371.9	1 320.2
Cost of goods sold	-199.2	-247.6	-937.8
<b>Gross profit</b>	<b>88.6</b>	<b>124.3</b>	<b>382.4</b>
Selling expenses	-44.5	-50.6	-204.0
Administrative expenses	-34.3	-41.5	-147.6
Share in result of affiliated company before taxes	-0.3	0.3	1.5
<b>Operating profit</b>	<b>9.5</b>	<b>32.5</b>	<b>32.3</b>
Interest income and similar items	0.5	0.7	5.4
Interest expense and similar items	-6.9	-7.9	-35.7
<b>Profit after financial items</b>	<b>3.1</b>	<b>25.3</b>	<b>2.0</b>
Taxes	-1.1	-7.1	10.3
<b>Net income for the period</b>	<b>2.0</b>	<b>18.2</b>	<b>12.3</b>

**SUMMARY BALANCE SHEETS**

MSEK	2002 March 31	2001 March 31	2001 Dec. 31
<b>ASSETS</b>			
<b>Fixed assets</b>			
Intangible fixed assets	161.3	179.3	169.1
Tangible fixed assets	625.6	565.1	640.7
Financial assets	23.2	25.6	20.1
<b>Total fixed assets</b>	<b>810.1</b>	<b>770.0</b>	<b>829.9</b>
<b>Current assets</b>			
Inventories	263.4	304.1	289.5
Receivables	288.1	332.7	268.5
Liquid funds	12.5	40.4	32.0
<b>Total current assets</b>	<b>564.0</b>	<b>677.2</b>	<b>590.0</b>
<b>Total assets</b>	<b>1 374.1</b>	<b>1 447.2</b>	<b>1 419.9</b>

**SHAREHOLDERS' EQUITY AND LIABILITIES**

<b>Shareholders' equity</b>			
Share capital	112.7	112.4	112.7
Restricted reserves	201.2	200.8	204.2
Unrestricted reserves	239.7	278.4	248.2
Net profit for the period	2.0	18.2	12.3
<b>Total shareholders' equity</b>	<b>555.6</b>	<b>609.8</b>	<b>577.4</b>
Provisions	55.6	62.1	54.9
Long-term liabilities to credit institutions	550.2	472.9	565.4
Current liabilities to credit institutions	24.3	11.6	39.1
Current non-interest-bearing liabilities	188.4	290.8	183.1
<b>Total shareholders' equity and liabilities</b>	<b>1 374.1</b>	<b>1 447.2</b>	<b>1 419.9</b>

**SUMMARY STATEMENT OF CASH FLOW**

<b>MSEK</b>	<b>2002 Q1</b>	<b>2001 Q1</b>	<b>2001 Full year</b>
Cash flow before change in working capital and capital expenditures (cash earnings)	25.1	39.8	99.1
Change in working capital increase (-) decrease (+)	-7.4	-37.0	-36.5
Operative cash flow before capital expenditures	17.7	2.8	62.6
Capital expenditures	-10.1	-50.2	-116.0
Operative cash flow after capital expenditures	7.6	-47.4	-53.4
Non-operative cash flow <sup>1)</sup>	13.0	-153.2	-213.9
Financial payments	-40.1	223.2	281.5
<b>Change in liquid funds</b>	<b>-19.5</b>	<b>22.6</b>	<b>14.2</b>
Liquid assets, opening balance	32.0	17.8	17.8
Liquid assets, closing balance	12.5	40.4	32.0
Unutilized committed credit facilities	193.3	149.4	207.0
Available liquidity	205.8	189.8	239.0

<sup>1)</sup> Refers to effects of corporate acquisitions, foreign exchange effects and financial leasing.

**SPECIFICATION OF CHANGE IN SHAREHOLDERS' EQUITY**

	<b>Share capital</b>
<b>December 31, 2001</b>	577.4
Dividend paid	-18.0
Translation difference	-5.8
Net income for the period	2.0
<b>March 31, 2002</b>	<b>555.6</b>

**KEY FINANCIAL INDICATORS**

	<b>2002 Q1</b>	<b>2001 Q1</b>	<b>2001 Full year</b>
Number of shares outstanding*)	9 610 180	9 410 180	9 610 180
Earnings per share after actual taxes, SEK	0.23	1.96	1.46
Earnings per share after 28% standard taxes, SEK	0.25	1.96	0.28
Return on equity, %	1.6	13.4	0.3
Return on capital employed, %	3.5	13.3	3.3
Equity per share, SEK	61.61	67.85	64.03
Equity ratio, %	40.4	42.1	41
Debt/equity ratio, %	101.1	72.8	99.7
Liquid assets including committed credit facilities not drawn upon, MSEK	205.8	189.8	239.0
Capital expenditures, MSEK	10.1	55.7	116.0
Interest coverage ratio	1.5	4.2	1.1

\*) Including outstanding subordinated convertible debentures and personnel options, and restated for split 2:1.

