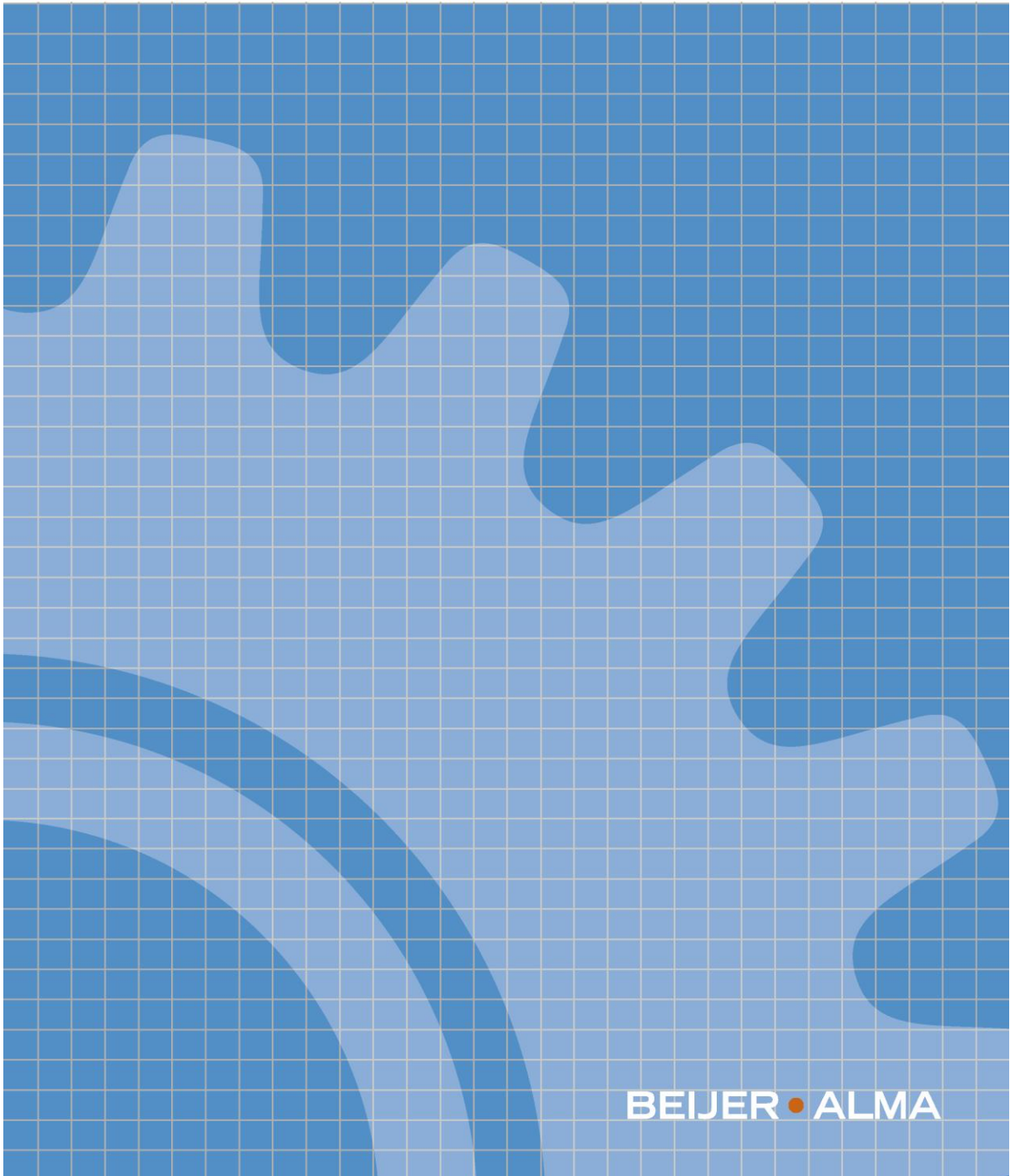


INTERIM REPORT
JANUARY-MARCH 2014



BEIJER • ALMA

Interim report January–March 2014

Improved quarterly earnings

- Net revenues amounted to MSEK 855 (704).
- Profit after net financial items totaled MSEK 109.4 (74.0).
- Earnings per share amounted to SEK 2.74 (1.88).
- Cash flow after capital expenditures totaled MSEK 8.9 (11.7).
- The balance sheet was strong and net debt amounted to MSEK 85 (263).

CEO's comments

The first quarter of the year was characterized by the continued recovery of the Beijer Alma Group. All subsidiaries reported higher invoicing than in the year-earlier period. The largest increase was noted for Lesjöfors's chassis springs and Habia's telecom products. The Group's other business areas, which are more dependent on the general economic situation, also displayed growth. Invoicing rose 21 percent to MSEK 855. The increase in comparable units was 14 percent. Order bookings grew faster than invoicing and the stock of orders increased. Profit after net financial items rose to MSEK 109 (74).

Cash flow amounted to MSEK 9. This relatively weak cash flow was mainly attributable to higher accounts receivable, which in turn was the result of Habia's increased invoicing in China, where credit periods tend to be longer. Cash flow is expected to improve in the next quarter. Net debt totaled MSEK 85. This means that the Group has maintained a strong financial position, with ample resources to expand its operations.

Lesjöfors's invoicing rose 25 percent. Adjusted for the acquisition of the German company S & P Federwerk in 2013, the increase amounted to 12 percent. The most significant growth was reported by the Chassis Springs business area, where invoicing increased 19 percent. The Industry business area grew 9 percent in comparable units. Operating profit amounted to MSEK 91, compared with MSEK 70 in the year-earlier period. Operating profit improved in both Industry and Chassis Springs. Within Industry, the most significant improvement was noted in the German operations, where invoicing volumes, earnings and the operating margin increased sharply year-on-year. The only region to decline compared with year-earlier period was China, where demand for mobile phone components decreased. Sales of chassis springs were positively impacted by the cold weather in early 2013, which resulted in high comparative sales figures. Although Europe as a whole experienced milder winter weather in 2014, sales nevertheless continued to increase in the first quarter. However, it is reasonable to expect Chassis Springs' growth to decline in the coming months.

Habia's invoicing rose 34 percent compared with the year-earlier period. Sales increased in both the Telecom business area and the company's other product areas. The highest growth was reported by the telecom operations, where invoicing rose 67 percent. Demand remained strong, particularly in the Chinese market, which is driving the company's invoicing. The expansion of the 4G network in China has had a favorable impact on Habia's sales. Demand currently exceeds the company's capacity and the stock of orders grew significantly during the quarter. In order to meet this demand, Habia is now expanding its manufacturing capacity in China. The expansion is expected to be completed by mid-year. Improved invoicing volumes contributed to increased earnings and a higher operating margin. Operating profit totaled MSEK 21, compared with MSEK 5 in the year-earlier period.

Beijer Tech also reported growth. Invoicing rose 4 percent compared with the year-earlier period, with increases reported in both of the company's business areas – Fluid Technology and Industrial Products – and the largest increase was noted by Fluid Technology. Operating profit for the quarter totaled MSEK 8, compared with MSEK 7 in the year-earlier period.

In general for the Group, it can be said that the recovery of the economy remains slow. However, demand in the key German market is improving at a faster rate than in other markets. Nevertheless, Lesjöfors's sales of chassis springs are expected to be adversely impacted by the mild winter.

*Bertil Persson
President and CEO*

Group

Order bookings increased 20 percent to MSEK 895 (748). The increase in comparable units was 15 percent. Invoicing totaled MSEK 855 (704), up 21 percent. In comparable units, invoicing increased 14 percent. Operating profit totaled MSEK 112.6 (77.2) and the operating margin was 13.2 percent (11.0). Profit after net financial items amounted to MSEK 109.4 (74.0). Earnings per share after tax totaled SEK 2.74 (1.88).

Cash flow after capital expenditures amounted to MSEK 8.9 (11.7) and net debt to MSEK 85 (263). Dividends totaling MSEK 241, which were paid in early April, were recognized as a liability in the financial statements and will impact cash, net debt and cash flow during the second quarter. In 2013, dividends totaling MSEK 211 were paid in March.

Subsidiaries

Lesjöfors

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

Order bookings increased 17 percent to MSEK 463 (398). Invoicing rose 25 percent to MSEK 479 (382). In comparable units, order bookings increased 7 percent and invoicing 12 percent. Operating profit totaled MSEK 90.9 (70.5).

Lesjöfors conducts its operations in two business areas: Industry and Chassis Springs. Both business areas reported improved invoicing and profit. From a geographic perspective, the largest increase was reported in the German market.

Habia Cable

Habia Cable AB is one of Europe's largest manufacturers of custom-designed cable for customers in the telecom, transport, nuclear power, defense and other industries. The company has manufacturing operations in Sweden, Germany, China and Poland, and conducts sales worldwide.

Order bookings increased 47 percent to MSEK 238 (162). Invoicing totaled MSEK 182 (135), up 34 percent. Operating profit amounted to MSEK 20.5 (5.3).

Habia experienced a notable level of demand from the telecom sector. The company produces cables for base-station antennas used in mobile telecom and has benefitted from major investments made in base stations due to the upgrade to a 4G network in China.

Beijer Tech

Beijer Tech AB specializes in industrial trading in the Nordic region and represents several of the world's leading manufacturers. The company's operations are conducted in two business areas: Industrial Products and Fluid Technology/Industrial Rubber.

Order bookings and invoicing amounted to MSEK 194 (187), up 4 percent. Operating profit totaled MSEK 8.0 (6.8).

Beijer Tech sells its products exclusively in the Nordic region, where demand is characterized by a wait-and-see approach. However, demand stabilized in both business areas during the quarter.

Parent Company

The Parent Company, Beijer Alma AB, is a holding company that does not conduct external invoicing. The Parent Company reported an operating loss of MSEK 6.8 (loss: 5.3) and loss after financial items of MSEK 6.7 (loss: 6.0).

Revenues and earnings per operating sector/segment

Net revenues

MSEK	2014	2013	2013	2013	2013	2013	2012
	Q1	Q4	Q3	Q2	Q1	Full-year	Full-year
Lesjöfors	479.1	398.8	423.5	472.1	381.9	1,676.3	1,366.7
Habia Cable	182.0	177.3	150.8	160.8	135.4	624.3	632.4
Beijer Tech	194.0	197.0	178.2	203.7	186.7	765.6	780.3
Parent Company and intra-Group	0.1	–	0.1	–	0.2	0.3	0.3
Total	855.2	773.1	752.6	836.6	704.2	3,066.5	2,779.7

Operating profit

MSEK	2014	2013	2013	2013	2013	2013	2012
	Q1	Q4	Q3	Q2	Q1	Full-year	Full-year
Lesjöfors	90.9	80.7	82.7	97.8	70.5	331.7	285.4
Habia Cable	20.5	20.2	14.9	12.8	5.3	53.2	61.9
Beijer Tech	8.0	3.0	9.9	13.9	6.8	33.6	47.2
Parent Company and intra-Group	–6.8	–5.4	–4.4	–7.0	–5.4	–22.2	–22.2
Total operating profit	112.6	98.5	103.1	117.5	77.2	396.3	372.3
Net financial items	–3.2	–2.1	–2.8	–3.5	–3.2	–11.6	–10.5
Profit after net financial items	109.4	96.4	100.3	114.0	74.0	384.7	361.8

Annual General Meeting

The Annual General Meeting held on March 27, 2014 approved a dividend of SEK 8.00 (7.00) per share. All Board members were re-elected.

Events after the end of the period

No significant events occurred after the end of the period.

Risks and uncertainties

The Group's material risks and uncertainties include business and financial risks. Business risks may include major customer exposures to individual industries or companies. Financial risks primarily pertain to foreign currency risks that arise because more than 85 percent of sales for Habia and Lesjöfors are conducted outside Sweden, while approximately 50 percent of production takes place in Sweden.

Management of the Group's financial risks is described in Note 31 of the 2013 Annual Report. The Group is deemed to have a favorable risk spread across industries and companies and the assessment is that the risk situation remained unchanged during the year.

Accounting policies

Group

This interim report was prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the European Union (EU). The presentation of the interim report complies with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act.

No new or revised IFRS that took effect in 2014 had a significant impact on the Group. Accounting policies and terms of calculation are unchanged compared with those applied in the 2013 Annual Report. Significant accounting and valuation policies are found on pages 52–55 of the 2013 Annual Report.

Parent Company

The Parent Company, Beijer Alma AB, applies the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. These accounting policies correspond with the preceding year and with the consolidated accounting policies where applicable.

Condensed income statement

Group					
MSEK	2014	2013	2013	2012	2011
	Q1	Q1	Full-year	Full-year	Full-year
Net revenues	855.2	704.2	3,066.5	2,779.7	2,830.2
Cost of goods sold	-585.5	-483.6	-2,071.5	-1,842.5	-1,845.5
Gross profit	269.7	220.6	995.0	937.2	984.7
Selling expenses	-83.0	-77.4	-325.0	-316.3	-299.6
Administrative expenses	-74.9	-66.0	-276.8	-249.5	-244.6
Other income	-	-	2.0	-	-
Profit from participations in associated companies	0.8	-	1.1	0.9	0.9
Operating profit	112.6	77.2	396.3	372.3	441.4
Interest income	0.3	0.3	2.1	3.2	3.5
Interest expenses	-3.5	-3.5	-13.7	-13.7	-16.2
Profit after net financial items	109.4	74.0	384.7	361.8	428.7
Tax on net profit for the year	-26.8	-17.4	-95.7	-93.3	-115.8
Net profit attributable to Parent Company shareholders	82.6	56.6	289.0	268.5	312.9

Other comprehensive income

Income/expenses recognized directly against shareholders' equity					
Cash-flow hedges	-1.5	3.6	-6.4	0.6	-18.6
Translation differences	-7.9	-16.5	19.7	-21.6	5.0
Total other comprehensive income after tax	-9.4	-12.9	13.3	-21.0	-13.6
Total comprehensive income attributable to Parent Company shareholders	73.2	43.7	302.3	247.5	299.3

Other comprehensive income pertains in its entirety to items that may be reclassified to profit or loss.

Net earnings per share					
before and after dilution, SEK	2,74	1,88	9,59	8,91	10,38
Dividend per share, SEK	-	-	8,00	7,00	7,00
Includes amortization and depreciation in the amount of, MSEK	23,4	20,4	86,7	78,7	76,3

Parent Company

	2014	2013	2013	2012	2011
	Q1	Q1	Full-year	Full-year	Full-year
Administrative expenses	-11.4	-9.9	-40.4	-39.2	-36.3
Other operating income	4.6	4.6	18.2	17.0	12.1
Operating loss	-6.8	-5.3	-22.2	-22.2	-24.2
Group contributions received	-	-	40.0	81.7	110.1
Income from participations in Group companies	-	-	209.0	161.0	145.0
Interest income and similar revenues	0.2	0.3	1.8	2.5	4.2
Interest expenses and similar expenses	-0.1	-1.0	-2.7	-20.6	-5.8
Profit/loss after net financial items	-6.7	-6.0	225.9	202.4	229.3
Tax on net profit for the period	1.2	1.1	-4.6	-10.2	-22.6
Net profit/loss	-5.5	-4.9	221.3	192.2	206.7

Condensed balance sheet

Group	2014	2013	2013	2012	2011
MSEK	Mar 31	Mar 31	Dec 31	Dec 31	Dec 31
Assets					
Fixed assets					
Intangible assets	504.5	527.1	504.8	533.3	378.2
Tangible assets	630.1	532.0	640.0	537.2	504.7
Deferred tax assets	23.2	15.7	23.9	15.7	17.3
Financial assets	25.2	24.2	23.8	25.4	27.2
Total fixed assets	1,183.0	1,099.0	1,192.5	1,111.6	927.4
Current assets					
Inventories	546.0	502.1	541.2	516.1	508.8
Receivables	683.3	617.0	560.5	527.5	495.6
Cash and bank balances	332.6	116.9	253.8	239.5	269.0
Total current assets	1,561.9	1,236.0	1,355.5	1,283.1	1,273.4
Total assets	2,744.9	2,335.0	2,548.0	2,394.7	2,200.8
	2014	2013	2013	2012	2011
	Mar 31	Mar 31	Dec 31	Dec 31	Dec 31
Shareholders' equity and liabilities					
Shareholders' equity					
Share capital	125.5	125.5	125.5	125.5	125.5
Other contributed capital	444.4	444.4	444.4	444.4	444.4
Reserves	-32.2	-48.9	-22.8	-36.0	-15.0
Retained earnings, including net profit for the period	905.3	831.3	1,063.8	985.6	928.0
Shareholders' equity attributable to Parent Company shareholders	1,443.0	1,352.3	1,610.9	1,519.5	1,482.9
Non-controlling interests	3.6	2.6	3.6	2.6	2.7
Total shareholders' equity	1,446.6	1,354.9	1,614.5	1,522.1	1,485.6
Non-current liabilities to credit institutions	168.0	146.7	181.3	151.5	122.3
Other non-current liabilities	112.8	165.0	117.9	172.0	48.7
Current liabilities to credit institutions	249.6	231.8	164.8	144.8	124.2
Current non-interest-bearing liabilities	767.9	436.6	469.5	404.3	420.0
Total liabilities	1,298.3	980.1	933.5	872.6	715.2
Total shareholders' equity and liabilities	2,744.9	2,335.0	2,548.0	2,394.7	2,200.8

Parent Company

MSEK	2014	2013	2013	2012	2011
	Mar 31	Mar 31	Dec 31	Dec 31	Dec 31
Assets					
Fixed assets					
Tangible assets	1.0	1.0	1.0	1.0	1.0
Financial assets	532.2	533.0	532.2	534.0	529.4
Total fixed assets	533.2	534.0	533.2	535.0	530.4
Current assets					
Receivables	114.2	160.4	277.3	310.5	328.2
Cash and cash equivalents	191.7	0.1	41.1	40.0	42.2
Total current assets	305.9	160.5	318.4	350.5	370.4
Total assets	839.1	694.5	851.6	885.5	900.8
MSEK	2014	2013	2013	2012	2011
	Mar 31	Mar 31	Dec 31	Dec 31	Dec 31
Shareholders' equity and liabilities					
Share capital	125.5	125.5	125.5	125.5	125.5
Statutory reserve	444.4	444.4	444.4	444.4	444.4
Retained earnings	19.3	39.1	39.1	57.8	62.1
Net profit/loss for the period	-5.5	-4.9	221.3	192.2	206.7
Total shareholders' equity	583.7	604.1	830.3	819.9	838.7
Current liabilities to credit institutions	-	82.0	-	47.2	41.5
Current non-interest-bearing liabilities	255.4	8.4	21.3	18.4	20.6
Total shareholders' equity and liabilities	839.1	694.5	851.6	885.5	900.8

Condensed cash-flow statement

	2014	2013	2013	2012	2011
	Q1	Q1	Full-year	Full-year	Full-year
Cash flow from operating activities before change in working capital and capital expenditures	104.7	79.6	394.7	318.2	388.4
Change in working capital, increase (-) decrease (+)	-77.7	-46.9	7.6	18.0	-61.0
Cash flow from operating activities	27.0	32.7	402.3	336.2	327.4
Investing activities	-18.1	-19.0	-125.3	-72.0	-94.6
Acquired companies less cash and cash equivalents	-	-2.0	-68.8	-134.1	-77.5
Cash flow after capital expenditures	8.9	11.7	208.2	130.1	155.3
Financing activities	69.9	-134.4	-193.9	-159.6	-124.4
Change in cash and cash equivalents	78.8	-122.7	14.3	-29.5	30.9
Cash and cash equivalents at beginning of period	253.8	239.6	239.5	269.0	238.1
Cash and cash equivalents at end of period	332.6	116.9	253.8	239.5	269.0
Approved but not utilized committed credit facilities	376.7	303.5	461.0	306.0	389.9
Available liquidity	709.3	420.4	714.8	545.5	658.9

Specification of changes in shareholders' equity

	2014	2013	2013	2012	2011
	Q1	Q1	Full-year	Full-year	Full-year
Opening shareholders' equity attributable to Parent Company shareholders	1,610.8	1,519.5	1,519.5	1,482.9	1,394.5
Comprehensive income for the period	73.2	43.7	302.3	247.5	299.3
Dividend paid	-241.0	-210.9	-210.9	-210.9	-210.9
Closing shareholders' equity attributable to Parent Company shareholders	1,443.0	1,352.3	1,610.9	1,519.5	1,482.9
Non-controlling interests	3.6	2.6	3.6	2.6	2.7
Total closing shareholders' equity	1,446.6	1,354.9	1,614.5	1,522.1	1,485.6

Specification of shareholders' equity attributable to Parent Company shareholders for the period

	Share capital	Other contributed capital	Reserves	Retained earnings, including net profit for the period	Total
December 31, 2013	125.5	444.4	-22.7	1,063.6	1,610.8
Comprehensive income for the period			-9.4	82.6	73.2
Dividend paid				-241.0	-241.0
March 31, 2014	125.5	444.4	-32.1	905.2	1,443.0

Number of shares

	2014	2013	2012
	Mar 31	Dec 31	Dec 31
Number of shares outstanding	30,131,100	30,131,100	30,131,100
Total number of shares, after full dilution	30,131,100	30,131,100	30,131,100
Average number of shares, after full dilution	30,131,100	30,131,100	30,131,100

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

Key figures

	2014	2013	2013	2012	2011
	Q1	Q1	Full-year	Full-year	Full-year
Number of shares	30,131,100	30,131,100	30,131,100	30,131,100	30,131,100
Net revenues, MSEK	855.2	704.2	3,066.5	2,779.7	2,830.2
Operating profit, MSEK	112.6	77.2	396.3	372.3	441.4
Profit before tax, MSEK	109.4	74.0	384.7	361.8	428.7
Earnings per share after tax, SEK	2.74	1.88	9.59	8.91	10.38
Earnings per share after 22.0% or 26.3% standard tax, SEK	2.83	1.92	9.96	8.85	10.49
Cash flow after capital expenditures, excluding acquisitions per share, SEK	0.30	0.39	9.19	8.77	7.73
Return on shareholders' equity, %	22.4	15.2	19.2	17.8	21.8
Return on capital employed, %	23.6	17.5	21.1	21.2	26.4
Shareholders' equity per share, SEK	47.89	44.88	53.46	50.43	49.22
Equity ratio, %	52.6	57.9	63.2	63.5	67.4
Net debt/equity ratio, %	5.9	19.5	5.7	3.7	-1.5
Cash and cash equivalents, including unutilized credit facilities, MSEK	709.3	420.4	714.8	625.5	658.9
Capital expenditures, MSEK	18.9	19.9	126.4	70.5	89.2
Interest-coverage ratio, multiple	33.0	22.0	29.0	27.5	27.5
Number of employees at end of period	2,115	1,983	2,132	1,972	1,686

Uppsala, April 29, 2014

Beijer Alma AB (publ)

Bertil Persson
President and CEO

This interim has not been audited.

If you have any questions, please contact:

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Read more at: www.beijeralma.se

Visit our subsidiaries:

www.lesjoforsab.com

www.habia.com

www.beijertech.se

Next report date:

Interim report on August 14, 2014.

Beijer Alma AB (publ)

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