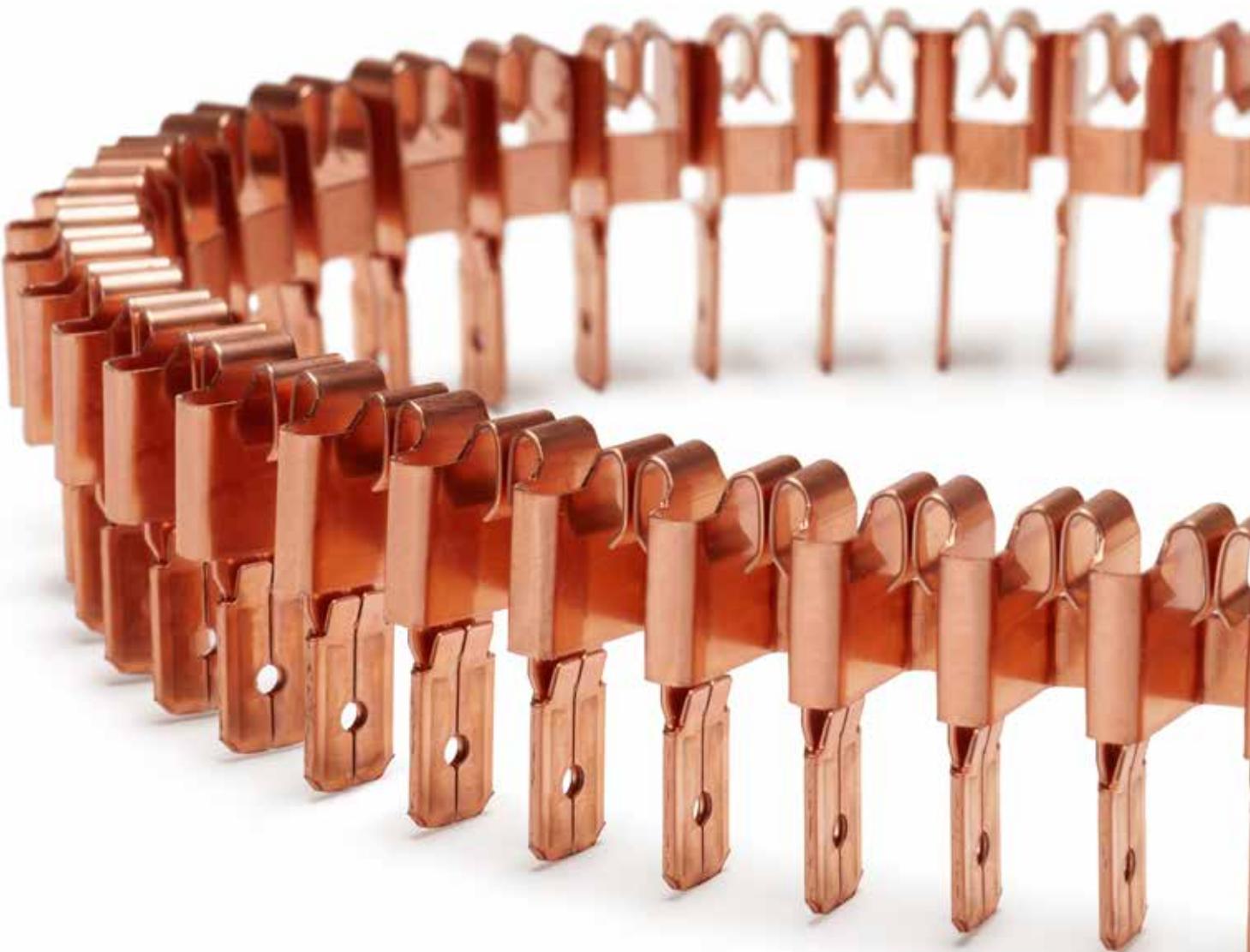


Q1/2016



Interim report January–March 2016

Demand from industrial customers remains sluggish

- Net revenues amounted to MSEK 902 (915).
- Profit after net financial items totaled MSEK 107 (112).
- Earnings per share amounted to SEK 2.69 (2.80).
- Cash flow after capital expenditures was a negative MSEK 2 (neg: 34).

CEO's comments

After five consecutive quarters of increased year-on-year earnings, the Group's profit declined during the first quarter of the year. We are seeing the effects of continued sluggish demand from industrial companies worldwide. During the preceding year, this was offset by strong demand in the nuclear power segment in Habia and the Chassis Springs business area in Lesjöfors. While demand from customers in the nuclear power sector remained strong at the beginning of 2016, Chassis Springs reported a weaker trend. Overall, this meant that sales during the first quarter declined approximately 1 percent and that profit after net financial items fell from MSEK 112 to MSEK 107. The operating margin declined from 12.6 percent to 12.1 percent during the quarter.

Cash flow after capital expenditures amounted to a negative MSEK 2 (neg: 34). As in the preceding year, this negative cash flow was mainly attributable to higher accounts receivable in Lesjöfors due to a seasonal sales increase in the Chassis Springs business area. Net debt totaled MSEK 205 (490). Net debt for 2015 was impacted by the payment of dividends. This year, dividends were paid after the close of the quarter.

Lesjöfors's invoicing fell 5 percent to MSEK 510. The company's two business areas – Chassis Springs and Industrial Springs – experienced an equal decline. Within Chassis Springs, which grew substantially in 2015, both invoicing and order bookings decreased. This decline was primarily attributable to the UK market, which displayed the fastest growth during 2015. These operations are strongly seasonal in nature, with peak sales in the first and second quarters. The level of incoming orders also indicates a slightly weaker trend at the beginning of the second quarter. Industrial Springs continued to feel the impact of the declining demand in general industry. Similar trends were reported in all geographic regions. Order bookings were in line with invoicing in both Industrial Springs and Chassis Springs.

Operating profit amounted to MSEK 90, compared with MSEK 100 in the year-earlier period, and the operating margin declined slightly. This decline in earnings was mainly attributable to the Industrial Springs business area.

Habia's invoicing increased 8 percent to MSEK 204. This increase in invoicing was mainly attributable to higher sales of cables to customers in the nuclear power industry. The company's other customer areas reported unchanged invoicing compared with preceding year. Order bookings were higher than invoicing and significantly higher than order bookings in the preceding year. This year-on-year improvement was attributable to customers in the telecom, nuclear power and defense industries, while order bookings from customers in general industry declined.

Operating profit totaled MSEK 22, compared with MSEK 21 in the year-earlier period, which means that the operating margin was largely unchanged.

Beijer Tech's invoicing amounted to MSEK 188, which was unchanged compared with the preceding year. Fluid Technology reported weak growth and unchanged profitability. Industrial Products reported slightly lower sales than in the year-earlier period and weaker earnings. Profit was mainly impacted by the trend in the offshore sector in Norway.

Operating profit totaled MSEK 4 (1). It should be noted that the first quarter of the preceding year was charged with severance expenses of approximately MSEK 4 related to the change of President.

The trend noted in the first quarter of the year continued into the beginning of the second quarter. Demand in the operating areas impacted by the general economy remained weaker than in the year-earlier period. Sales in Lesjöfors's Chassis Springs business area were also weaker than in 2015. This was partly offset by the strong performance of certain other segments, such as nuclear power cables in Habia. Overall, the comparative data for the second quarter is challenging.

*Bertil Persson
President and CEO*

Group

During the period, order bookings increased 1 percent to MSEK 916 (903). Invoicing totaled MSEK 902 (915), down 1 percent. Fluctuations in exchange rates had a negative impact of 2 percent on order bookings and invoicing.

Operating profit amounted to MSEK 109 (115) and the operating margin was 12.1 percent (12.6). Profit after net financial items totaled MSEK 107 (112). Earnings per share amounted to SEK 2.69 (2.80). Fluctuations in exchange rates and forward agreements had a positive impact of approximately MSEK 4 on earnings, evenly distributed between Lesjöfors and Habia.

Cash flow after capital expenditures was a negative MSEK 2 (neg: 34). Net debt totaled MSEK 205 (490) and the net debt/equity ratio was 10.8 percent (30.8).

Subsidiaries

Lesjöfors

Lesjöfors 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, the US, Mexico and China.

During the quarter, order bookings declined 5 percent to MSEK 511 (540). Invoicing amounted to MSEK 509 (538), down 5 percent. Adjusted for fluctuations in exchange rates, order bookings and invoicing fell 3 percent. Operating profit totaled MSEK 90 (100).

Habia Cable

Habia Cable is one of Europe's largest manufacturers of custom-designed cables 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 declined MSEK 221 (175) during the year period, up 26 percent. Invoicing increased 8 percent to MSEK 204 (189). Exchange-rate effects had a negative impact of 2 percent on order bookings and invoicing. Operating profit amounted to MSEK 22 (21).

Beijer Tech

Beijer Tech 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.

During the quarter, order bookings and invoicing amounted to MSEK 188 (188). Operating profit totaled MSEK 4 (1).

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 7 (loss: 8) for the quarter.

Revenues and earnings per operating sector/segment

Net revenues

MSEK	2016	2015	2015	2015	2015	2015	2014
	Q1	Q4	Q3	Q2	Q1	Full-year	Full-year
Lesjöfors	509.6	437.3	470.1	550.7	537.8	1,995.9	1,725.7
Habia Cable	204.5	205.9	198.2	171.6	189.4	765.1	790.2
Beijer Tech	187.6	197.4	170.3	204.9	188.0	760.6	782.1
Parent Company and intra-Group	0.1	0.1	–	0.1	0.1	0.3	0.2
Total	901.8	840.7	838.6	927.3	915.3	3,521.9	3,298.2

Operating profit

MSEK	2016	2015	2015	2015	2015	2015	2014
	Q1	Q4	Q3	Q2	Q1	Full-year	Full-year
Lesjöfors	90.1	86.5	89.1	113.1	99.7	388.4	319.5
Habia Cable	22.0	31.0	29.7	17.8	20.5	99.0	93.6
Beijer Tech	4.0	3.4	6.0	7.4	0.7	17.5	44.1
Parent Company and intra-Group	–6.8	–5.5	–6.9	–9.8	–5.4	–27.6	–29.7
Total operating profit	109.3	115.4	117.9	128.5	115.5	477.3	427.5
Net financial items	–2.2	–0.9	–2.3	–3.3	–3.9	–10.4	–3.9
Profit after net financial items	107.1	114.5	115.6	125.2	111.6	466.9	423.6

No sales are conducted between segments.

Annual General Meeting

The Annual General Meeting held on April 5, 2016 approved a dividend of SEK 9.50 (8.50) per share. The Meeting re-elected Carina Andersson, Marianne Brismar, Anders G. Carlberg, Peter Nilsson, Caroline af Ugglas, Anders Ullberg and Johan Wall as regular Board members. Johan Wall was elected as Chairman of the Board. Anders Wall declined re-election.

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 95 and 87 percent of sales for Habia and Lesjöfors, respectively, are conducted outside Sweden, while approximately 60 percent of production takes place outside Sweden. Beijer Tech does not have a corresponding foreign currency risk since about 70 percent of its sales are conducted in Sweden.

Management of the Group's financial risks is described in Note 30 of the 2015 Annual Report. The Group is deemed to have a favorable risk spread across industries and companies and the assessment is that the risk situation has remained unchanged during the year.

Condensed income statement

Group					
MSEK	2016	2015	2015	2014	2013
	Q1	Q1	Full-year	Full-year	Full-year
Net revenues	901.8	915.3	3,521.9	3,298.2	3,066.5
Cost of goods sold	-625.7	-628.9	-2,367.8	-2,229.1	-2,071.5
Gross profit	276.1	286.4	1,154.1	1,069.1	995.0
Selling expenses	-90.1	-90.0	-366.1	-343.3	-325.0
Administrative expenses	-77.6	-81.7	-313.2	-300.8	-276.8
Other income				0.6	2.0
Profit from participations in associated companies	0.9	0.8	2.5	1.9	1.1
Operating profit	109.3	115.5	477.3	427.5	396.3
Interest income	0.7	-	1.0	6.6	2.1
Interest expenses	-2.9	-3.9	-11.4	-10.5	-13.7
Profit after net financial items	107.1	111.6	466.9	423.6	384.7
Tax on net profit for the period	-25.9	-27.3	-113.2	-104.3	-95.7
Net profit attributable to Parent Company shareholders	81.2	84.3	353.7	319.3	289.0

Other comprehensive income

Items that may be reclassified to profit or loss

Cash-flow hedges	2.6	0.4	12.6	-4.7	-6.4
Translation differences	-13.3	18.0	-19.7	60.3	19.7
Total other comprehensive income after tax	-10.7	18.4	-7.1	55.6	13.3
Total comprehensive income attributable to Parent Company shareholders	70.5	102.7	346.6	374.9	302.3

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	2.69	2.80	11.74	10.60	9.59
Dividend per share, SEK	-	-	9.50	8.50	8.00
Includes amortization and depreciation in the amount of, MSEK	28.2	27.7	110.6	98.4	86.7

Parent Company

MSEK	2016	2015	2015	2014	2013
	Q1	Q1	Full-year	Full-year	Full-year
Administrative expenses	-11.2	-12.2	-45.8	-41.0	-40.4
Other operating income	4.6	4.6	18.2	18.2	18.2
Operating loss	-6.6	-7.6	-27.6	-22.8	-22.2
Group contributions	-	-	52.1	26.0	40.0
Income from participations in Group companies	-	-	270.0	246.0	209.0
Interest income and similar revenues	0.1	0.1	0.6	0.6	1.8
Interest expenses and similar expenses	-0.1	-0.1	-0.9	-0.8	-2.7
Profit after net financial items	-6.6	-7.6	294.2	249.0	225.9
Tax on net profit for the period	1.4	1.4	-6.1	-1.2	-4.6
Net profit/loss	-5.2	-6.2	288.1	247.8	221.3

No items are attributable to other comprehensive income.

Condensed balance sheet

Group	2016	2015	2015	2014	2013
MSEK	Mar 31	Mar 31	Dec 31	Dec 31	Dec 31
Assets					
Fixed assets					
Intangible assets	507.6	542.0	508.6	546.6	504.8
Tangible assets	757.9	758.0	758.3	747.0	640.0
Deferred tax assets	18.7	25.8	18.6	25.6	23.9
Financial assets	29.1	29.5	28.7	27.8	23.8
Total fixed assets	1,313.3	1,355.3	1,314.2	1,347.0	1,192.5
Current assets					
Inventories	648.1	655.4	673.3	636.5	541.2
Receivables	734.0	769.7	630.1	568.9	560.5
Cash and bank balances	272.3	88.2	252.2	191.3	253.8
Total current assets	1,654.4	1,513.3	1,555.6	1,396.7	1,355.5
Total assets	2,967.7	2,868.6	2,869.8	2,743.7	2,548.0
	2016	2015	2015	2014	2013
	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	15.2	51.2	25.8	32.8	-22.8
Retained earnings, including net profit for the period	1,320.8	970.2	1,239.6	1,142.0	1,063.8
Shareholders' equity attributable to Parent Company shareholders	1,905.9	1,591.3	1,835.3	1,744.7	1,610.9
Non-controlling interests	3.7	3.8	3.7	3.8	3.6
Total shareholders' equity	1,909.6	1,595.1	1,839.0	1,748.5	1,614.5
Non-current liabilities to credit institutions	194.2	244.6	206.0	229.1	181.3
Other non-current liabilities	51.6	80.3	56.3	84.8	117.9
Current liabilities to credit institutions	283.3	333.3	240.2	152.0	164.8
Current non-interest-bearing liabilities	529.0	615.3	528.3	529.3	469.5
Total liabilities	1,058.1	1,273.5	1,030.8	995.2	933.5
Total shareholders' equity and liabilities	2,967.7	2,868.6	2,869.8	2,743.7	2,548.0

Parent Company

MSEK	2016	2015	2015	2014	2013
	Mar 31	Mar 31	Dec 31	Dec 31	Dec 31
Assets					
Fixed assets					
Tangible assets	1.1	1.1	1.1	1.1	1.0
Financial assets	532.2	532.2	532.2	532.2	532.2
Total fixed assets	533.3	533.3	533.3	533.3	533.2
Current assets					
Receivables	199.8	178.3	367.6	327.9	277.3
Cash and cash equivalents	139.8	0.3	9.3	1.4	41.1
Total current assets	339.6	178.6	376.9	329.3	318.4
Total assets	872.9	711.9	910.2	862.6	851.6
MSEK	2016	2015	2015	2014	2013
	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	299.1	11.0	11.0	19.3	39.1
Net profit/loss for the period	-5.5	-6.2	288.1	247.8	221.3
Total shareholders' equity	863.5	574.7	869.0	837.0	830.3
Current liabilities to credit institutions	-	122.5	19.1	6.0	-
Current non-interest-bearing liabilities	9.4	14.7	22.1	19.6	21.3
Total shareholders' equity and liabilities	872.9	711.9	910.2	862.6	851.6

Condensed cash-flow statement**Group**

MSEK	2016	2015	2015	2014	2013
	Q1	Q1	Full-year	Full-year	Full-year
Cash flow from operating activities before change in working capital and capital expenditures	103.4	109.1	456.0	422.4	394.7
Change in working capital, increase (-) decrease (+)	-80.6	-111.7	-92.7	-19.8	7.6
Cash flow from operating activities	22.8	-2.6	363.3	402.6	402.3
Investing activities	-24.3	-31.7	-111.5	-141.4	-125.3
Acquired companies less cash and cash equivalents	-	-	-	-115.2	-76.9
Cash flow after capital expenditures	-1.5	-34.3	251.8	146.0	200.1
Financing activities	21.6	-68.8	-190.9	-208.5	-185.8
Change in cash and cash equivalents	20.1	-103.1	60.9	-62.5	14.3
Cash and cash equivalents at beginning of period	252.2	191.3	191.3	253.8	239.5
Cash and cash equivalents at end of period	272.3	88.2	252.2	191.3	253.8
Approved but not utilized committed credit facilities	618.5	467.0	630.8	645.0	461.0
Available liquidity	890.8	555.2	883.0	836.3	714.8

Specification of changes in consolidated shareholders' equity

MSEK	2016	2015	2015	2014	2013
	Q1	Q1	Full-year	Full-year	Full-year
Opening shareholders' equity attributable to Parent Company shareholders	1,835.4	1,744.8	1,744.8	1,610.9	1,519.5
Comprehensive income for the period	70.5	102.6	346.6	374.9	302.3
Dividend paid	–	–256.1	–256.1	–241.0	–210.9
Closing shareholders' equity attributable to Parent Company shareholders	1,905.9	1,591.3	1,835.3	1,744.8	1,610.9
Non-controlling interests	3.7	3.8	3.6	3.8	3.6
Total closing shareholders' equity	1,909.6	1,595.1	1,838.9	1,748.6	1,614.5

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

MSEK	Share capital	Other contributed capital	Reserves	Retained earnings, including net profit for the period	Total
December 31, 2015	125.5	444.4	25.8	1,239.6	1,835.3
Comprehensive income for the period			–10.6	81.2	70.6
March 31, 2015	125.5	444.4	15.2	1,320.8	1,905.9

Number of shares

	2015	2014	2013
	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, 3,325,000 are Class A shares and the remaining shares are Class B shares.

Note 1**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 2016 had a significant impact on the Group. Accounting policies and terms of calculation are unchanged compared with those applied in the 2015 Annual Report. Significant accounting and valuation policies are found on pages 48–51 of the 2015 Annual Report.

The fair value of financial assets and liabilities is deemed to correspond to the carrying amount.

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.

The interim information on pages 1-3 are an integrated part of this financial report.

Key figures

	2016	2015	2015	2014	2013
	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	901.8	915.3	3,521.9	3,298.2	3,066.5
Operating profit, MSEK	109.3	115.5	477.3	427.5	396.3
Profit before tax, MSEK	107.1	111.6	466.9	423.6	384.7
Earnings per share after tax, SEK	2.69	2.80	11.74	10.60	9.59
Earnings per share after 22.0% standard tax, SEK	2.77	2.89	12.09	10.96	9.96
Cash flow after capital expenditures, excluding acquisitions per share, SEK	0.05	-1.14	8.36	8.66	9.19
Return on shareholders' equity, %	17.9	20.9	20.3	19.7	19.2
Return on capital employed, %	18.9	21.5	21.7	21.3	21.1
Shareholders' equity per share, SEK	63.25	52.81	60.91	57.91	53.46
Equity ratio, %	64.2	55.5	64.0	63.6	63.2
Net debt/equity ratio, %	10.8	30.8	10.6	10.9	5.7
Cash and cash equivalents, including unutilized credit facilities, MSEK	890.8	555.2	883.0	836.3	714.8
Capital expenditures, MSEK	31.1	30.5	35.2	140.0	126.4
Interest-coverage ratio, multiple	37.6	29.6	41.8	41.3	29.0
Number of employees at end of period	2,291	2,284	2,342	2,179	2,132

Uppsala, April 28, 2016

Beijer Alma AB (publ)

Bertil Persson
President and CEO

This report has not been reviewed by the company's auditors.

If you have any questions, please contact:

Bertil Persson, President and CEO, Telephone +46 8 506 427 50, bertil.persson@beijeralma.se
Jan Blomén, Chief Financial Officer, Telephone +46 18 15 71 60, jan.blomen@beijeralma.se

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 18, 2016.

Beijer Alma AB (publ)

Dragarbrunnsgatan 45, Box 1747, SE-751 47 Uppsala, Sweden. Tel: +46 18 15 71 60. Fax +46 18 15 89 87.
Registered office: Uppsala. Corp. Reg. No: 556229-7480. www.beijeralma.se
