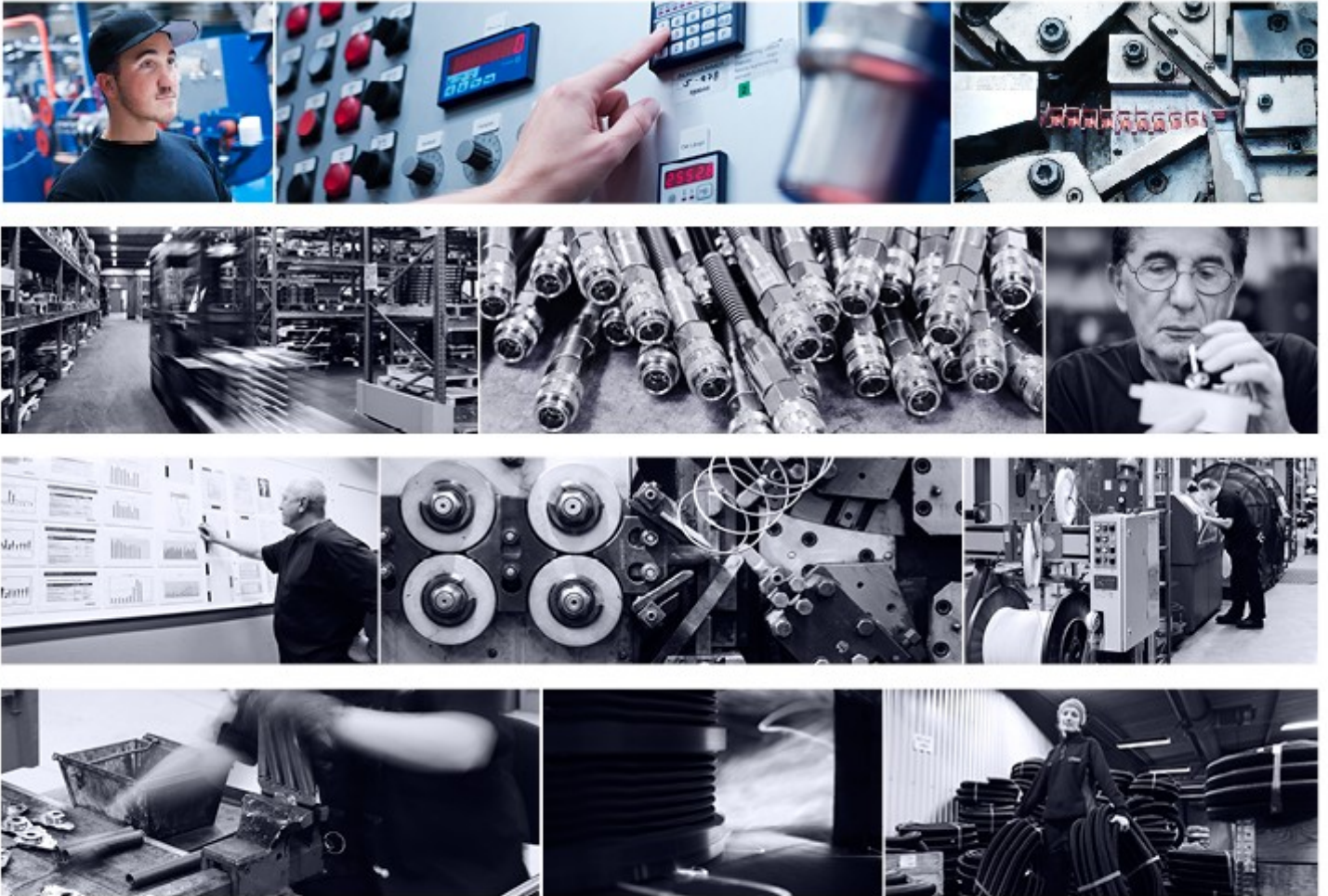


# INTERIM REPORT JANUARY–MARCH 2012



## Interim report, January–March 2012

### Stable demand

- Net revenues amounted to MSEK 718 (721).
- Profit after net financial items totaled MSEK 97.9 (108.7).
- Earnings per share after tax amounted to SEK 2.37 (2.60).
- Healthy cash flow of MSEK 57.2 (9.4) and continued strong finances, with net cash of MSEK 76 (16).

### Group

The demand scenario is largely in line with the end of 2011. The trend was stable in most market segments, with no major increases or decreases in sales. However, Lesjöfors experienced lower demand for chassis springs than in the year-earlier period, partly due to the mild winter, which reduced the need for replacement parts. Overall, the Group's order bookings were weak at start of the quarter, but in line with invoicing during February and March.

The Group's order bookings amounted to MSEK 706 (762), down 7 percent. Invoicing declined less than 1 percent to MSEK 718 (721). In comparable units, order bookings fell 8 percent and invoicing slightly more than 1 percent. Operating profit totaled MSEK 100.1 (111.3) and the operating margin was 14.0 percent (15.4). Profit after net financial items amounted to MSEK 97.9 (108.7). Earnings per share totaled SEK 2.37 (2.60).

Cash flow after capital expenditures amounted to MSEK 57.2 (9.4 excluding corporate acquisitions). Net cash totaled MSEK 76.3 (15.9). As in 2011, a dividend of MSEK 211 (211) was approved, but had not been paid as of the balance-sheet date. The amount has been entered as a liability and reduced the company's shareholders' equity.

### 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 and China.

Order bookings declined 13 percent compared with the strong first quarter in the preceding year and amounted to MSEK 351 (402). Invoicing totaled MSEK 355 (380), down 7 percent. Lesjöfors's operating profit amounted to MSEK 78.1 (97.6).

Lesjöfors's operations are conducted in three business areas: Industrial Springs, Flat Strip Components and Chassis Springs. Industrial Springs and Flat Strip Components sell to the engineering industry, while Chassis Springs targets the aftermarket for vehicles. Industrial Springs and Flat Strip Components delivered approximately the same volumes as in the year-earlier period. Demand in Chassis Springs was significantly lower than in the corresponding period in 2011, partly due to the mild winter, which reduced the need for replacement parts. However, the decline affected the market as a whole and Lesjöfors did not lose any market shares.

#### 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. Manufacturing is carried out in Sweden, Germany, China and Poland and sales are conducted in Europe, Asia and North America.

Order bookings amounted to MSEK 154 (170), down 10 percent. Invoicing increased 7 percent to MSEK 162 (151). Operating profit totaled MSEK 15.3 (3.8). During the first quarter of 2011, the company recognized MSEK 7.2 in expenses in conjunction with the appointment of a new President.

Habia started the year with weak order bookings, particularly from the telecom sector. Demand gradually recovered and order bookings and invoicing were in balance during the second half of the quarter. A new divisional organization was implemented during the period. The new organization provides a better focus on strategically prioritized businesses and markets.

## 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 201 (190), up 6 percent. The increase in comparable units was 1 percent. Operating profit totaled MSEK 12.5 (14.4).

The Fluid Technology and Industrial Products business areas both experienced stable demand, with no significant growth. The unfavorable product mix in the Industrial Products business area had a somewhat negative impact on the company's margins.

## 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 5.7 (loss: 4.6).

## Revenues and earnings per operating sector/segment

### Net revenues

MSEK	2012	2011	2011	2011	2011	2011	2010
	Q1	Q4	Q3	Q2	Q1	Full-year	Full-year
Lesjöfors	354.9	298.6	336.5	370.8	380.1	1,386.0	1,206.7
Habia Cable	162.4	165.6	179.6	171.9	151.1	668.2	558.1
Beijer Tech	200.7	206.5	180.9	199.8	189.9	777.1	525.3
Parent Company and intra-Group	0.1	-2.4	0.1	1.1	0.1	-1.1	-
Total	718.1	668.3	697.1	743.6	721.2	2,830.2	2,290.1

### Operating profit/loss

MSEK	2012	2011	2011	2011	2011	2011	2010
	Q1	Q4	Q3	Q2	Q1	Full-year	Full-year
Lesjöfors	78.1	76.1	78.8	99.6	97.6	352.1	349.3
Habia Cable	15.3	12.7	20.2	19.2	3.8	55.9	46.2
Beijer Tech	12.5	12.0	14.5	16.9	14.4	57.8	41.6
Parent Company and intra-Group	-5.8	-5.8	-4.5	-9.6	-4.5	-24.4	-30.8
Total operating profit	100.1	95.0	109.0	126.1	111.3	441.4	406.3
Net financial items	-2.2	-3.4	-3.7	-3.0	-2.6	-12.7	-7.5
Profit after net financial items	97.9	91.6	105.3	123.1	108.7	428.7	398.8

## President's statement

Despite signals indicating a deteriorating global economic situation, most of the Beijer Alma Group's operating areas continued to display a stable performance. Invoicing totaled MSEK 718, which was essentially unchanged year-on-year. Invoicing in comparable units declined 1 percent. Demand in the general industrial sector was in line with the corresponding period in 2011, while the telecom and chassis springs segments were weaker than in the year-earlier period. This meant that profitability declined slightly. Profit after net financial items amounted to MSEK 98, which was MSEK 11 lower than in the year-earlier period, and the operating margin fell from 15.4 percent to 14.0 percent. Cash flow remained favorable and the Group's net cash amounted to MSEK 76 at the end of the period. This means that we remain well prepared to expand our operations. In addition to our efforts to generate organic growth, the Group companies also continuously work to identify and assess suitable acquisition candidates.

Lesjöfors's invoicing declined 7 percent during the quarter. Industrial Springs and Flat Strip Components were in line with the year-earlier period, while invoicing in Chassis Springs declined. The weaker demand experienced in Chassis Springs was due to the mild winter in many parts of northern Europe, which is also expected to impact the second quarter. The operating margin was adversely affected and operating profit declined MSEK 20 to MSEK 78.

Habia's invoicing rose 7 percent to MSEK 162. Demand from telecom customers weakened significantly during the quarter, while other industrial segments displayed solid growth compared with the year-earlier period. Demand from the telecom sector was particularly weak early in the year, but has gradually normalized since then. The operating margin increased and operating profit rose to MSEK 15, compared with MSEK 11 in the year-earlier period, adjusted for expenses incurred in conjunction the appointment of a new President.

Beijer Tech's invoicing increased 6 percent to MSEK 200. Invoicing in comparable units was relatively unchanged. The operating margin declined somewhat and operating profit amounted to MSEK 12, down MSEK 2 year-on-year. The lower margin was primarily due to a less favorable product mix in the Industrial Products business area, while profitability in Fluid Technology was slightly stronger.

We are now entering the second quarter with a lower order stock than we had in the year-earlier period. In addition, Lesjöfors will probably continue to be impacted by weaker demand in its chassis springs operations in the second quarter. All things considered, it is reasonable to expect lower earnings during the first half of the year compared with the corresponding period in 2011.

## Annual General Meeting

The Annual General Meeting held on March 28, 2012 approved an ordinary dividend of SEK 6.00 per share (6.00) and an extra dividend of SEK 1.00 per share (1.00). All members of the Board were re-elected.

## Events after the end of the period

No significant events have taken place 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 since more than 85 percent of sales in Habia and Lesjöfors are conducted outside Sweden, while approximately 55 percent of production takes place in Sweden.

Management of the Group's financial risks is described in Note 29 of the 2011 Annual Report. The Group is deemed to have a favorable risk spread across industries and companies, and the assessment is that no material risks arose during the year.

## Accounting policies

### **Group**

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

No new or revised IFRS that took effect in 2012 had any significant impact on the Group. Accounting policies and terms of calculation remain unchanged compared with those applied in the 2011 Annual Report. Key accounting policies and terms of calculation are described on pages 46-48 of the 2011 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. The accounting policies correspond with the consolidated accounting policies where applicable.

## Consolidated comprehensive income

### Condensed income statement

#### Group

MSEK	2012	2011	2011	2010	2009
	Q1	Q1	Full-year	Full-year	Full-year
Net revenues	<b>718.1</b>	721.2	2,830.2	2,290.1	1,571.2
Cost of goods sold	<b>-477.2</b>	-471.6	-1,845.5	-1,426.2	-999.0
Gross profit	<b>240.9</b>	249.6	984.7	863.9	572.2
Selling expenses	<b>-77.9</b>	-73.6	-299.6	-238.3	-190.7
Administrative expenses	<b>-63.3</b>	-64.7	-244.6	-220.2	-142.5
Profit/loss from participations in associated companies	<b>0.4</b>	-	0.9	0.9	-0.8
Operating profit	<b>100.1</b>	111.3	441.4	406.3	238.2
Interest income	<b>0.8</b>	0.4	3.5	1.9	1.1
Interest expenses	<b>-3.0</b>	-3.0	-16.2	-9.4	-12.8
Profit after net financial items	<b>97.9</b>	108.7	428.7	398.8	226.5
Tax on net profit for the year	<b>-26.4</b>	-30.5	-115.8	-112.3	-64.1
Net profit attributable to Parent Company shareholders	<b>71.5</b>	78.2	312.9	286.5	162.4

#### Other comprehensive income

Income/expenses recognized directly against shareholders' equity

Cash-flow hedges	<b>-0.5</b>	-2.5	-18.6	8.5	26.8
Translation differences	<b>-8.0</b>	-13.8	5.0	-39.5	-25.7
Total other comprehensive income after tax	<b>-8.5</b>	-16.3	-13.6	-31.0	1.1
Total comprehensive income attributable to Parent Company shareholders	<b>63.0</b>	61.9	299.3	255.5	163.5

#### Net profit per share

before and after dilution, SEK	<b>2.37</b>	2.60	10.38	9.51	5.92
Dividend per share, SEK	<b>-</b>	-	7.00	7.00	5.00
Includes amortization and depreciation in the amount of, MSEK	<b>19.6</b>	18.7	76.3	70.7	71.4

#### Parent Company

MSEK	2012	2011	2011	2010	2009
	Q1	Q1	Full-year	Full-year	Full-year
Administrative expenses	<b>-10.0</b>	-7.0	-36.3	-41.2	-30.8
Other operating income	<b>4.3</b>	2.4	12.1	14.6	13.7
Operating loss	<b>-5.7</b>	-4.6	-24.2	-26.6	-17.1
Group contributions received	<b>-</b>	-	110.1	113.8	42.8
Income from participations in Group companies	<b>-</b>	-	145.0	116.0	85.0
Interest income and similar income	<b>0.6</b>	1.1	4.2	5.0	6.1
Interest expenses and similar expenses	<b>-1.2</b>	-1.3	-5.8	-4.4	-8.3
Profit after net financial items	<b>-6.3</b>	-4.8	229.3	203.8	108.5
Tax on net profit for the period	<b>1.2</b>	1.0	-22.6	-25.3	-8.6
Net profit	<b>-5.1</b>	-3.8	206.7	178.5	99.9



## Condensed balance sheet

## Group

MSEK	2012	2011	2011	2010	2009
	31 Mar	31 Mar	31 Dec	31 Dec	31 Dec
<b>Assets</b>					
Fixed assets					
Intangible assets	<b>378.9</b>	370.6	378.2	349.8	121.3
Tangible assets	<b>495.7</b>	484.9	504.7	440.2	462.7
Deferred tax assets	<b>17.7</b>	19.1	17.3	2.0	2.3
Financial assets	<b>26.6</b>	28.4	27.2	28.3	30.3
Total fixed assets	<b>918.9</b>	903.0	927.4	820.3	616.6
Current assets					
Inventories	<b>462.7</b>	422.6	508.8	427.6	288.7
Receivables	<b>576.1</b>	621.4	495.6	489.8	289.4
Cash and bank balances	<b>272.3</b>	188.7	269.0	238.1	195.5
Total fixed assets	<b>1,311.1</b>	1,232.7	1,273.4	1,155.5	773.6
Total assets	<b>2,230.0</b>	2,135.7	2,200.8	1,975.8	1,390.2
<b>Shareholders' equity and liabilities</b>					
Shareholders' equity					
Share capital	<b>125.5</b>	125.5	125.5	125.5	114.3
Other contributed capital	<b>444.4</b>	444.4	444.4	444.4	165.3
Reserves	<b>-23.4</b>	-17.8	-15.0	-1.5	29.6
Retained earnings, including net profit for the period	<b>788.5</b>	693.4	928.0	826.1	676.7
Shareholders' equity attributable to Parent Company shareholders	<b>1,335.0</b>	1,245.5	1,482.9	1,394.5	985.9
Non-controlling interests	<b>2.7</b>	2.7	2.7	2.7	3.1
Total shareholders' equity	<b>1,337.7</b>	1,248.2	1,485.6	1,397.2	989.0
Long-term liabilities to credit institutions	<b>118.2</b>	96.9	122.3	89.0	66.9
Other long-term liabilities	<b>48.0</b>	49.3	48.7	51.2	33.1
Current liabilities to credit institutions	<b>76.2</b>	74.3	124.2	57.9	68.8
Current non-interest-bearing liabilities	<b>649.9</b>	667.0	420.0	380.5	232.4
Total liabilities	<b>892.3</b>	887.5	715.2	578.6	401.2
Total shareholders' equity and liabilities	<b>2,230.0</b>	2,135.7	2,200.8	1,975.8	1,390.2

**Parent Company**

MSEK	2012	2011	2011	2010	2009
	31 Mar	31 Mar	31 Dec	31 Dec	31 Dec

**Assets**

Fixed assets					
Tangible assets	<b>1.0</b>	1.1	1.0	1.0	1.3
Financial assets	<b>528.5</b>	532.1	529.4	533.0	203.0
Total fixed assets	<b>529.5</b>	533.2	530.4	534.0	204.3
Current assets					
Receivables	<b>193.6</b>	219.9	328.2	313.5	340.1
Cash and cash equivalents	<b>125.1</b>	93.7	42.2	35.9	0.1
Total current assets	<b>318.7</b>	313.6	370.4	349.4	340.2
Total assets	<b>848.2</b>	846.8	900.8	883.4	544.5

MSEK	2012	2011	2011	2010	2009
	31 Mar	31 Mar	31 Dec	31 Dec	31 Dec

**Shareholders' equity and liabilities**

Share capital	<b>125.5</b>	125.5	125.5	125.5	114.3
Statutory reserve	<b>444.4</b>	444.4	444.4	444.4	165.3
Retained earnings	<b>57.8</b>	62.1	62.1	94.5	132.8
Net profit for the period	<b>-5.1</b>	-3.8	206.7	178.5	99.9
Total shareholders' equity	<b>622.6</b>	628.2	838.7	842.9	512.3
Current liabilities to credit institutions	<b>6.6</b>	-	41.5	-	17.3
Current non-interest-bearing liabilities	<b>219.0</b>	218.6	20.6	40.5	14.9
Total shareholders' equity and liabilities	<b>848.2</b>	846.8	900.8	883.4	544.5

**Condensed cash-flow statement**

MSEK	2012	2011	2011	2010	2009
	Q1	Q1	Full-year	Full-year	Full-year
Cash flow from operating activities before change in working capital and capital expenditures	<b>90.3</b>	92.6	388.4	389.7	245.9
Change in working capital, increase (-) decrease (+)	<b>-11.9</b>	-55.4	-61.0	-109.4	31.5
Cash flow from operating activities	<b>78.4</b>	37.2	327.4	280.3	277.4
Investing activities	<b>-21.2</b>	-27.8	-94.6	-47.1	-61.6
Acquired operations	<b>-</b>	-71.9	-80.8	-65.0	-
Cash flow after capital expenditures	<b>57.2</b>	-62.5	152.0	168.2	215.8
Financing activities	<b>-53.9</b>	13.1	-124.4	-138.5	-181.1
Change in cash and cash equivalents	<b>3.3</b>	-49.4	27.6	29.7	34.7
Cash and cash equivalents at beginning of period	<b>269.0</b>	238.1	238.1	195.5	161.5
Cash from acquired/discontinued operations and exchange-rate differences in cash	<b>-</b>	-	3.3	12.9	-0.7
Cash and cash equivalents at end of period	<b>272.3</b>	188.7	269.0	238.1	195.5
Approved but unutilized committed credit facilities	<b>417.5</b>	424.6	389.9	428.3	418.5
Available liquidity	<b>689.8</b>	613.3	658.9	666.4	614.0



**Specification of changes in shareholders' equity**

MSEK	2012	2011	2010	2009
	Q1	Full-year	Full-year	Full-year
Opening shareholders' equity attributable to Parent Company shareholders	<b>1,482.9</b>	1,394.5	985.9	959.6
Comprehensive income for the period	<b>63.0</b>	299.3	255.5	163.5
Dividend paid	<b>-210.9</b>	-210.9	-137.2	-137.2
New issue	–	–	290.3	–
Closing shareholders' equity attributable to Parent Company shareholders	<b>1,335.0</b>	1,482.9	1,394.5	985.9
Non-controlling interests	<b>2.7</b>	2.7	2.7	3.1
Total closing shareholders' equity	<b>1,337.7</b>	1,485.6	1,397.2	989.0

**Specification of shareholders' equity for the period**

	Share capital	Other contributed capital	Reserves	Retained earnings, incl. net profit for the period	Total
Dec 31, 2011	125.5	444.4	-15.0	928.0	1,482.9
Comprehensive income for the period	–	–	-8.5	71.5	63.0
Dividend paid	–	–	–	-210.9	-210.9
<b>Mar 31, 2012</b>	<b>125.5</b>	<b>444.4</b>	<b>-23.5</b>	<b>788.6</b>	<b>1,335.0</b>

**Number of shares**

	2012	2011	2010
	31 Mar	31 Dec	31 Dec
Number of shares outstanding	<b>30,131,100</b>	30,131,100	30,131,100
Total number of shares, after full dilution	<b>30,131,100</b>	30,131,100	30,131,100
Average number of shares, after full dilution	<b>30,131,100</b>	30,131,100	30,131,100

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

**Key figures**

	2012	2011	2011	2010	2009
	Q1	Q1	Full-year	Full-year	Full-year
Number of shares	<b>30,131,100</b>	30,131,100	30,131,100	30,131,100	27,431,100
Net revenues, MSEK	<b>718.1</b>	721.2	2,830.2	2,290.1	1,571.2
Operating profit, MSEK	<b>100.1</b>	111.3	441.4	406.3	238.2
Profit before tax, MSEK	<b>97.9</b>	108.7	428.7	398.8	226.5
Earnings per share after tax, SEK	<b>2.37</b>	2.60	10.38	9.51	5.92
Earnings per share after 26.3% standard tax, SEK	<b>2.39</b>	2.66	10.49	9.75	6.08
Cash flow after capital expenditures per share, SEK	<b>1.90</b>	0.31	5.04	5.58	7.87
Return on shareholders' equity, %	<b>20.5</b>	24.3	21.8	24.7	17.2
Return on capital employed, %	<b>24.8</b>	30.2	26.4	30.6	21.2
Shareholders' equity per share, SEK	<b>44.31</b>	41.34	49.22	46.28	35.94
Equity ratio, %	<b>59.9</b>	58.3	67.4	70.6	70.9
Net/debt equity ratio, %	<b>-5.7</b>	-1.3	-1.5	-6.5	-6.0
Cash and cash equivalents, including unutilized credit facilities, MSEK	<b>689.8</b>	613.3	658.9	666.4	614.0
Capital expenditures, MSEK	<b>20.5</b>	27.0	89.2	55.2	60.5
Interest-coverage ratio, multiple	<b>31.1</b>	37.4	27.5	43.4	18.7
Number of employees at end of period	<b>1,674</b>	1,630	1,686	1,435	1,107

Uppsala, April 25, 2012

Beijer Alma AB (publ)

Bertil Persson  
President and CEO

This interim report is unaudited.

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**Read more at:** [www.beijeralma.se](http://www.beijeralma.se)

**Visit our subsidiaries:**

[www.lesjoforsab.com](http://www.lesjoforsab.com)

[www.habia.com](http://www.habia.com)

[www.beijertech.se](http://www.beijertech.se)

**Next report date:**

Interim report: August 16, 2012.

**Beijer Alma AB** (publ)

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