annual report 2010

BEIJER ALMA

Beijer Alma AB (publ) is an internationally
active industrial group focused on the production
of components and industrial trading.
Its business concept is to acquire, own and develop
small and mid-sized companies with favorable
growth potential.

BEIJER ALMA

Beijer Alma's proactive and long-term strategy and development initiatives, combined with investments and supplementary acquisitions, result in competitive companies in selected market segments. In all segments, the Group companies focus on developing strong relationships with customers that offer growth and profitability. The key criteria for the companies' long-term profitable growth are:

- Products **and concepts with high customer value**
- International **market coverage**
- Strong **market position**
- Diversified **customer base**

Beijer Alma takes a proactive and long-term approach to ownership. The goal is to own and develop successful companies with a high level of growth and favorable profitability. Beijer Alma is listed on the NASDAQ OMX Stockholm Mid Cap list (ticker: BEIAb).

398.8

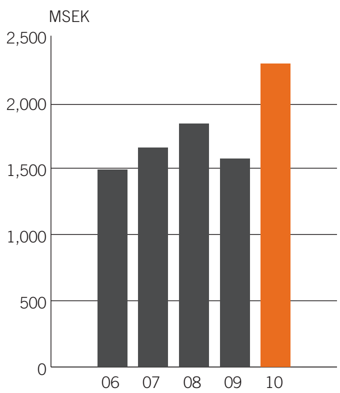
MSEK in profit after financial items

MSEK 2,290 invoicing **17.7%** operating margin

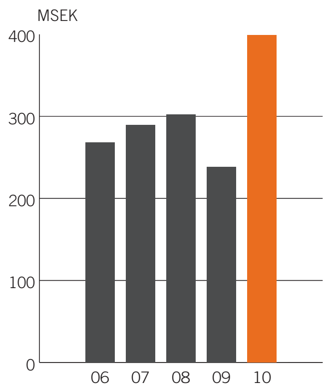
SEK 9.51 earnings per share **71%** equity ratio

SEK 6.00 ordinary dividend **SEK 1.00** extra dividend

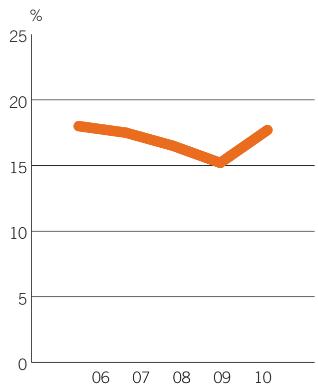
Invoicing



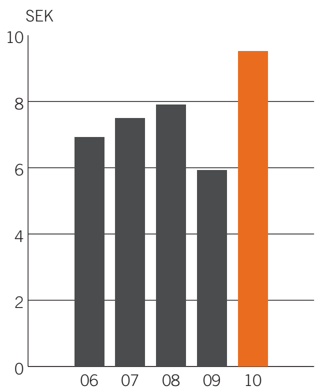
Operating profit



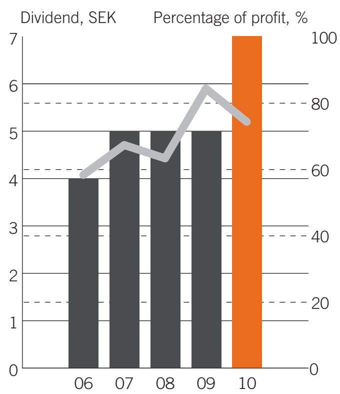
Operating margin



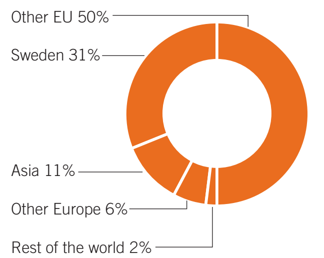
Earnings per share



Dividend and dividend ratio



Geographic distribution of invoicing

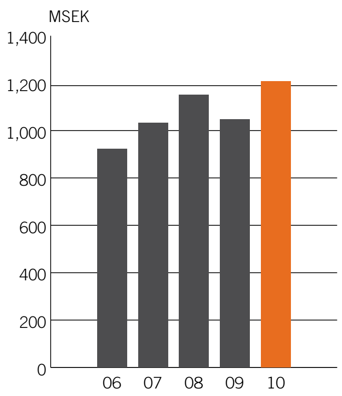


LESJÖFORS

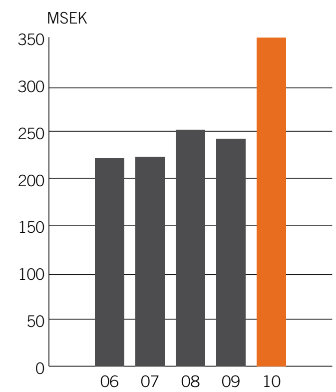
Lesjöfors is an international full-range supplier of industrial springs, wire and flat strip components. The company offers both standard and customized products. Lesjöfors holds leading positions in the European market and conducts operations in the following business areas:

- Industrial **Springs** – standard industrial springs and customized products
- Flat **Strip Components** – flat strip components and leaf springs
- Chassis **Springs –** aftermarket for passenger cars and light trucks

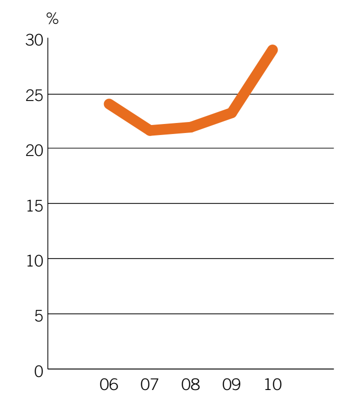
Invoicing



Operating profit



Operating margin

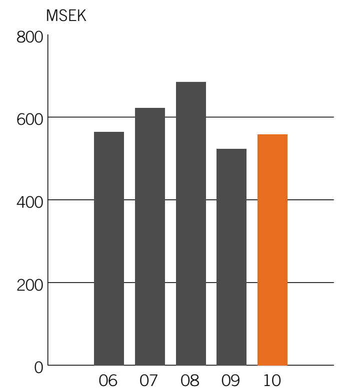


HABIA CABLE

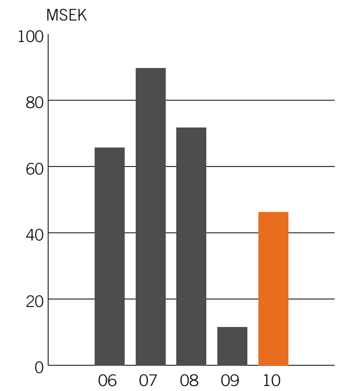
Habia Cable develops, manufactures and sells cables and cable systems for demanding applications. The company is one of the largest players in custom-designed cable in Europe and conducts operations in the following business areas:

- Radio **Frequency & Communication** – mobile telecom
- High **Specification Products** – defense, nuclear power and infrastructure/ communications
- Engineered **Cable Solutions** – tools, sensors, power generation and standardized products

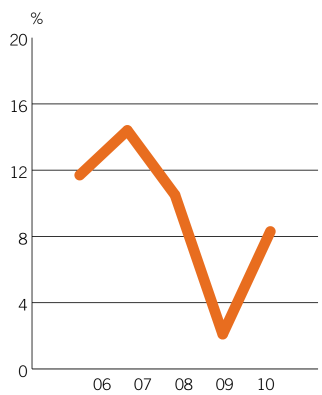
Invoicing



Operating profit



Operating margin

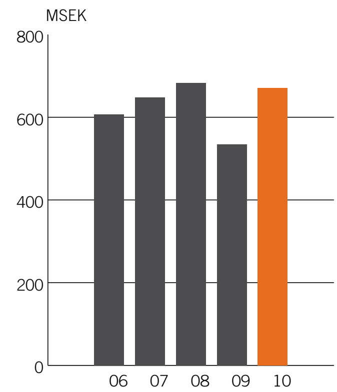


BEIJER TECH

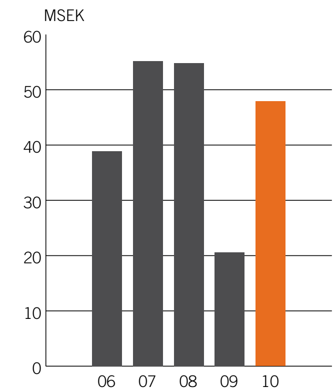
Beijer Tech focuses on industrial trading and represents several of the world's leading manufacturers. The company offers products and solutions in which expertise and products are combined to create value for the customer. Beijer Tech has two principal business areas:

- Fluid **Technology/Industrial Rubber** – hoses, fittings, rubber sheeting, wear protection, and power transmission
- Industry – surface treatment, foundry, and steelworks and smelters

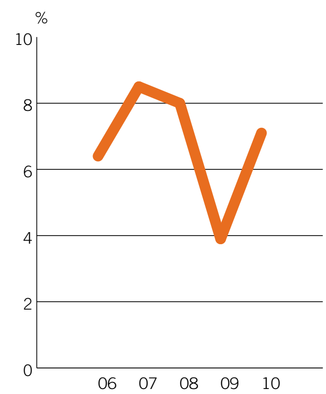
Invoicing



Operating profit



Operating margin



2010 in brief

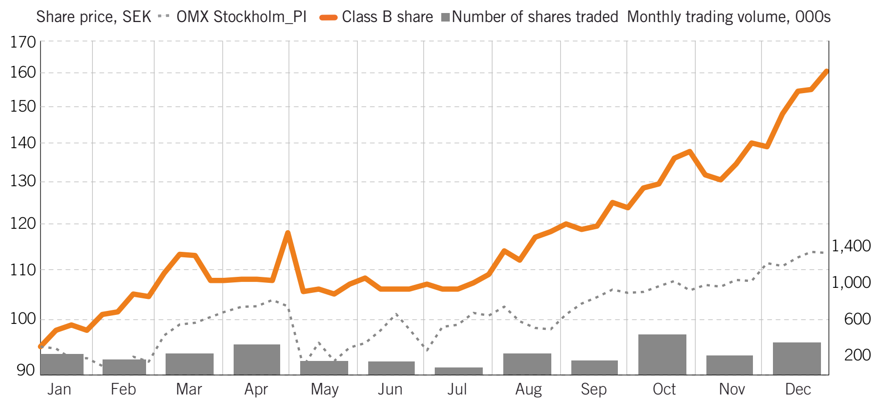
Beijer Alma is an internationally active industrial group focused on the production of components and industrial trading. The Group's operations are conducted through three subsidiaries: Lesjöfors, Habia Cable and Beijer Tech.

- **Record earnings** in a growing market
- **Order bookings increased** 48 percent to MSEK 2,321 (1,566)
- **Invoicing rose** 46 percent to MSEK 2,290 (1,571)
- **Profit after net financial items** was MSEK 399 (226)
- **Earnings per share** totaled SEK 9.51 (5.92)
- **The Board of Directors proposed** a dividend of SEK 7.00 per share (5.00)
- **Beijer Alma acquired** and integrated Beijer Tech

Key figures	2010	2009	2008	2007	2006
Net revenues, MSEK	2,290	1,571	1,836	1,654	1,488
Profit after financial items, MSEK	398.8	226.5	295.0	282.7	262.2
Operating margin, %	17.7	15.2	16.5	17.5	18.0
Dividend per share, SEK	7.00	5.00	5.00	5.00	4.00

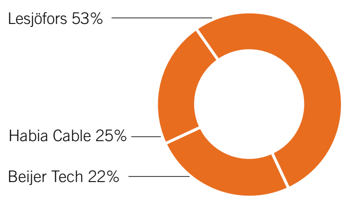
contents

Share performance 2010



Source: Nasdaq OMX AB

Subsidiaries' share of total invoicing



Net revenues and operating profit

Net revenues

MSEK	Q4	Q3	Q2	Q1	Total
Lesjöfors	272.6	281.9	342.9	309.3	1,206.7
Habia Cable	154.4	135.4	136.6	131.7	558.1
Beijer Tech	191.9	157.8	175.6	–	525.3
Parent Company and and Intra-Group	–	0.1	–0.2	0.1	0.0
Total	**618.9**	**575.2**	**654.9**	**441.1**	**2,290.1**

Operating profit/loss

MSEK	Q4	Q3	Q2	Q1	Total
Lesjöfors	75.3	77.2	106.8	90.0	349.3
Habia Cable	15.1	16.6	6.5	8.0	46.2
Beijer Tech	14.5	12.8	14.3	–	41.6
Parent Company and and Intra-Group	–8.8	–4.4	–8.0	–9.6	–30.8
Total	**96.1**	**102.2**	**119.6**	**88.4**	**406.3**

annual general meeting

The Annual General Meeting will take place on **Wednesday, March 30, 2011**, at 6:00 p.m. in the Main Hall (Stora Salen) of the Uppsala Concert and Conference Hall (Uppsala Konsert & Kongress), Vaksala torg 1, Uppsala, Sweden.

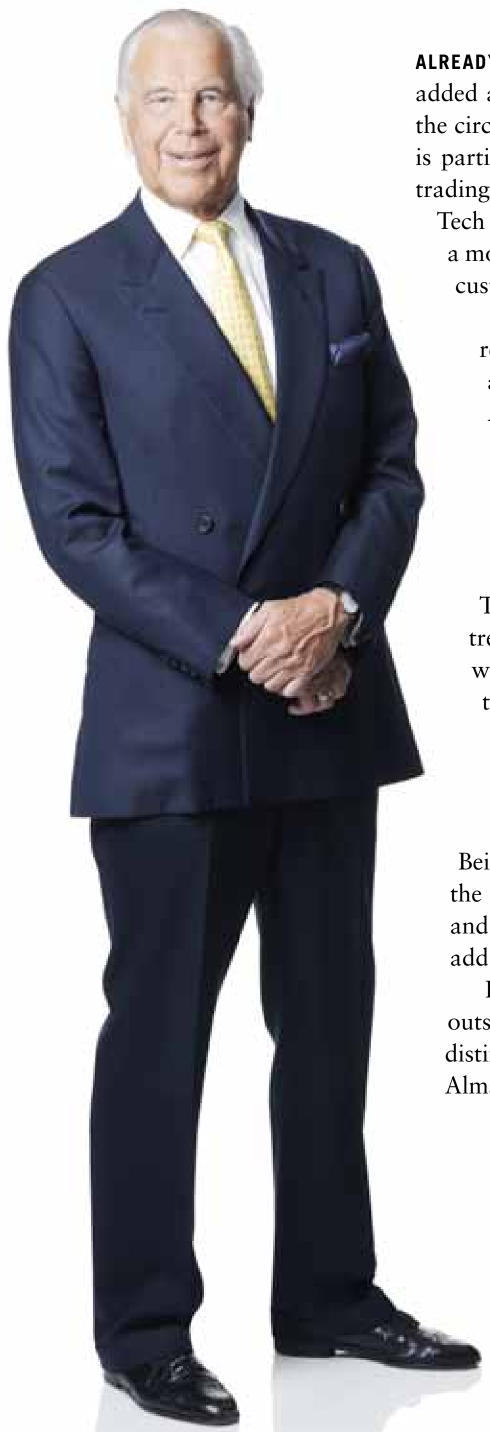
For further information, see page 68.

Ten-year summary

MSEK	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Net revenues	2,290.1	1,571.2	1,836.3	1,654.4	1,487.8	1,323.1	1,201.6	1,154.0	1,113.0	1,320.2
Operating profit	406.3	238.2	302.4	289.6	268.4	206.7	166.4	39.7	32.4	32.3
Net financial items	–7.5	–11.7	–7.4	–6.9	–6.2	–6.9	–11.4	–21.7	–27.6	–30.3
Profit after financial items	398.8	226.5	295.0	282.7	262.2	199.8	155.0	18.0	4.8	2.0
Items affecting comparability	–	–	–	–	–	–	–	–	–99.9	–
Profit/loss before tax	398.8	226.5	295.0	282.7	262.2	199.8	155.0	18.0	–95.1	2.0
Tax	–112.3	–64.1	–78.3	–77.2	–72.4	–57.8	–39.7	–10.5	11.1	10.3
Net profit/loss	286.5	162.4	216.7	205.5	189.8	142.0	115.3	7.5	–84.0	12.3
Non-current assets	820.3	616.6	657.2	607.8	526.8	558.4	561.3	624.4	657.5	839.3
Current assets	1,155.5	773.6	803.6	741.6	691.6	621.7	557.5	502.4	519.0	590.0
Shareholders' equity	1,394.5	985.9	959.6	846.7	747.8	708.9	566.4	449.7	458.3	577.4
Long-term liabilities and provisions	140.2	100.0	107.7	68.0	100.9	126.2	169.2	230.2	299.0	376.6
Current liabilities	438.4	301.2	390.2	434.6	369.7	345.0	383.2	446.9	198.3	475.3
Total assets	1,975.8	1,390.2	1,460.8	1,349.4	1,218.4	1,180.1	1,118.8	1,126.8	1,176.5	1,429.3
Cash flow after capital expenditures	168.3	215.8	150.1	120.0	121.0	142.6	197.2	74.8	116.2	–85.8
Depreciation and amortization	70.7	71.4	68.2	65.3	68.8	65.2	76.9	89.6	96.6	86.8
Net capital expenditures excluding corporate acquisitions	55.2	60.5	89.1	79.2	71.0	48.0	48.0	55.1	18.3	116.0
Capital employed	1,541.7	1,122.2	1,139.4	1,044.9	932.1	876.3	850.2	909.6	967.9	1,189.3
Net liabilities	–91.2	–59.5	18.4	32.8	–6.8	43.0	178.3	386.9	462.4	579.8
Key figures, %										
Gross margin	37.7	36.4	35.3	37.4	37.9	36.8	35.9	28.9	30.7	29.0
Operating margin	17.7	15.2	16.5	17.5	18.0	15.6	13.8	3.4	2.9	2.5
Profit margin	17.4	14.4	16.1	17.1	17.6	15.1	12.9	1.6	0.4	0.1
Equity ratio	71	71	66	63	61	60	51	40	39	40
Proportion of risk-bearing capital	73	73	68	65	64	62	53	43	43	44
Net debt/equity ratio	–6	–6	2	4	–1	6	31	86	101	100
Return on shareholders' equity	24.7	17.2	23.5	25.5	25.9	22.6	22.0	2.9	0.7	0.3
Return on capital employed	30.6	21.2	28.3	29.9	30.0	24.3	19.3	4.5	3.3	3.3
Interest-coverage ratio, multiple	43.3	18.7	21.4	23.6	29.6	24.2	13.2	1.7	1.2	1.1
Average number of employees	1,397	1,146	1,220	1,163	980	907	805	896	940	1,092
Earnings per share after tax, SEK	9.51	5.92	7.90	7.49	6.92	5.17	4.21	0.28	–2.88	0.45
Dividend per share, SEK	7.00	5.00	5.00	5.00	4.00	3.67	1.67	0.50	0.33	0.67

A focus on growth and expansion

Record earnings, exciting new acquisitions and retained financial strength in the Group. The trend in 2010 can be summarized not only as favorable, but also as showing promise for the future. Beijer Alma stands strong and the positions created by the company provide robust conditions for long-term profitability and distinct shareholder value.



ALREADY EARLY IN THE YEAR, we were able to present the acquisition of Beijer Tech, which added a third business to the Group. This acquisition could also be said to complete the circle by reconnecting with a company that has historical ties to Beijer Alma. This is particularly gratifying for me since I have long monitored and contributed to the trading operations that can be associated with the Beijer name. At the same time, Beijer Tech can be described as much more than a traditional agent operation. Beijer Tech is a modern and specialized industrial trading company, which focuses on professional customers and thus operates in the same market as the other Group companies.

I would also like to emphasize that business has been favorable for both sales representatives and purchasers. G & L Beijer can concentrate on its refrigeration and air conditioning operations, which are exponentially larger than Beijer Tech. At the same time, Beijer Alma can advance its industrial trading operations, which add balance to the Group and are highly compatible with our growth criteria. I see the fact that G & L Beijer has simultaneously become a majority owner of Beijer Alma as an additional advantage.

Strong finances

The year's highlights naturally include our strong earnings and the robust volume trend in most operations. Our rapid capitalization on increasing demand reflects well on the managers and employees at our companies. Equally positive is the fact that the current Group structure allows for continued growth through acquisitions – of both supplemental companies and of entirely new subgroups, thereby adding an extra dimension to our expansion plans.

Beijer Alma's financial strength also enables a continued attractive dividend yield. Shareholder value serves as a guiding light for us and I am satisfied that Beijer Alma has been able to deliver strong dividends for several years. Considering the Group's performance and our high dividends presence in the media, demands and expectations are also rising. However, I can assure you that these demands only add to our impetus.

I would like to express my sincere gratitude to all of our employees for their outstanding efforts in 2010. Your commitment and resourcefulness are what distinguish us and provide the means for further growth and expansion at Beijer Alma.

Anders Wall, *Chairman of the Board*

Record earnings in a growing market

2010 was a record year for Beijer Alma. Following the economic downturn in 2009, sales and earnings recovered rapidly and we can reflect on the best business year to date in Beijer Alma's 28-year history.

ALREADY IN LATE 2009, WE noted clear signs of an economic recovery. The upturn continued with full intensity in 2010 and the Beijer Alma Group was well-positioned to capitalize on this progression. We endured the recession well and were also able to mobilize our strong financial position to act aggressively. During the first quarter of 2010, we acquired the industrial trading Group Beijer Tech, thus leaving the recession behind and heading into 2010 stronger than ever.

The operating margin in 2010 was a record-high 17.7 percent, after declining to 15.2 percent at the trough of the recession in 2009. Naturally, we will remain dependent on the industrial economy ahead, although in line with our strategy, we will continue to expand the Group with a focus on high and consistent profitability in the years to come. The key to this development is the disciplinary control of Beijer Alma – in terms of operating activities and in the selection of new, promising growth areas.

Record earnings

In 2010, the Group's invoicing grew 46 percent to MSEK 2,290. Excluding the acquisition of Beijer Tech, growth was 12 percent. Earnings before taxes amounted to MSEK 399, which were the highest earnings that Beijer Alma has achieved to date. All of our subsidiaries contributed positive earnings.

Lesjöfors also performed exceptionally well in 2010, with high growth and an operating margin of 29 percent. Industrial Springs and Flat Strip Components – which are primarily geared toward traditional industry – rose the most. Growth in Chassis Springs was somewhat lower following several years of strong expansion. However, all areas of Lesjöfors reported high and rising profitability.

Habia was also among the operations that are dependent on the general industrial economy to generate gains, and although sales to telecoms experienced a weaker trend, Habia still achieved acceptable profitability in 2010. However, general industrial customers must ultimately account for a greater percentage of sales for Habia to achieve sustainably high operating margins.

The industrial trading Group Beijer Tech was acquired in the first quarter of 2010 and has since contributed high growth and strong profitability. The company is active in two principal areas: industrial products and fluid technology. Both of these areas were positively impacted by the economic improvement.

The Beijer Alma Group has again been able to capitalize on the leverage achieved when the economy gains momentum and volumes begin rising. During the recession, we reduced our costs substantially. As demand rose, we were able to manage the higher volumes with only a moderate increase in costs. Higher sales thus translated into significantly higher earnings. In comparable units – meaning Lesjöfors and Habia – this combination of higher volumes and cost control corresponded to operating profit increasing by a full 75 percent of the rise in sales.

Naturally, this type of leverage is easiest to create early on in an economic upturn, despite which we can confirm that strong cost controls have contributed to rising efficiency in recent business cycles. The objective is to ultimately operate the Group with a high degree of cost-consciousness and a focus on efficiency and productivity.

Strong finances

Our high profitability led to positive cash flow and a strong balance sheet. At year-end 2010, Beijer Alma's net cash amounted to MSEK 91, which combined with shareholders' equity, totaling MSEK 1,395, provides the Group with considerable strength in our continued expansion.

Our primary goal is to create growth in existing subsidiaries, organically and through additional acquisitions.

> *"Our companies shall be international and have strong market positions."*

The company continuously reviews suitable acquisition candidates, primarily in Lesjöfors and Beijer Tech. We are also open to acquiring further sub-groups, in addition to the three that we already own.

Continuous advancement

Bejier Alma's growth is based on a number of criteria that improve our opportunities to expand while maintaining high and consistent profitability. We have systemized the criteria in a strategic model. Important prerequisites include Beijer Alma working exclusively with businesses geared toward industrial customers. These subsidiaries shall also focus on areas with a high degree of customer value, meaning that we avoid the volume production of standard products since this practice is often associated with low profitability. At the same time, the companies shall be international and have strong market positions. Most importantly, our business must have a diversified customer base, thus avoiding dependence on a limited number of customers or sectors.

Beijer Alma's strong performance during the year is largely attributable to operations being conducted in line with the aforementioned strategic model. This model also involves passing over potentially attractive growth alternatives, which may limit growth in the short term, but probably ultimately results in a stronger and more profitable trend.

> *"The objective of the advancement work is to create shareholder value."*

The objective of the advancement work is to create shareholder value. For many years, Beijer Alma's share-value trend has vastly outperformed the average for listed companies. Investors who purchased SEK 100 worth of Beijer Alma shares five years ago saw their investments grow to SEK 220 (excluding dividends) by year-end 2010. An equivalent investment in the NASDAQ OMX Stockholm General Index during the same period would have amounted to SEK 122. By applying a disciplined approach to our growth criteria, I am convinced that we can continue to create shareholder value ahead.

Well-prepared

The demand scenario appears to remain favorable entering 2011. Meanwhile, there is reason to remain cautious of the trend ahead. There are significant imbalances in the business environment. Many countries are experiencing financial problems, which may lead to financial crises and weaker demand ahead. Sweden's relative strength has resulted in a strengthening of the SEK, which has an adverse effect on export companies. The price of many raw materials has also risen to record levels. At the same time, the price of end products is being put under pressure by competition from companies in low-cost countries.

> *"We are well-prepared to meet the developments in a rapidly changing business environment."*

The Beijer Alma Group is addressing the changes in the business environment by continuously advancing and improving its operations, through such measures as relocating production to regions and markets with a beneficial cost scenario. Overall, I can state that we are well-prepared to meet the developments in a rapidly changing business environment. We are financially strong, and our subsidiaries are profitable and well-positioned in their markets. This allows me to look ahead with confidence to 2011 and to Beijer Alma's continued ability to deliver competitive earnings and shareholder value.

Bertil Persson, *President and CEO*

Strategy

Efficient operational control and long-term ownership pave the way for value creation in Beijer Alma. This strategy combines effective business models and business control with strong products, high quality, investments in manufacturing capacity and international sales.

PROFITABLE GROWTH
The main goal of Beijer Alma's operations is growth, which ensures long-term expansion and development. For this goal to be considered fulfilled, growth must be combined with sustainable profitability. This is achieved in various ways – for example, through work on products with high customer value or investments in international sales. Beijer Alma contributes business models, business control and investment assistance to promote the profitable growth of its subsidiaries.

ORGANIC GROWTH
Organic growth involves making continuous investments in product and market development. Beijer Alma prioritizes this type of growth since it often generates high quality and low risk. Organic development also enables existing organizations to be utilized while focusing work on markets and products that are familiar to the Group.

CORPORATE ACQUISITIONS
Corporate acquisitions can refer to new operations as well as acquisitions that supplement existing subsidiaries. Supplementary acquisitions strengthen the Group in selected markets or specific technological areas. The risk involved in supplementary acquisitions is also lower since these acquisitions are performed in familiar markets or product areas.

HIGH CUSTOMER VALUE
Most of the Group companies' products are adapted to meet specific customer needs, which creates higher value for our customers. Unlike standardized volume products, unique product concepts provide greater freedom in terms of sales and marketing.

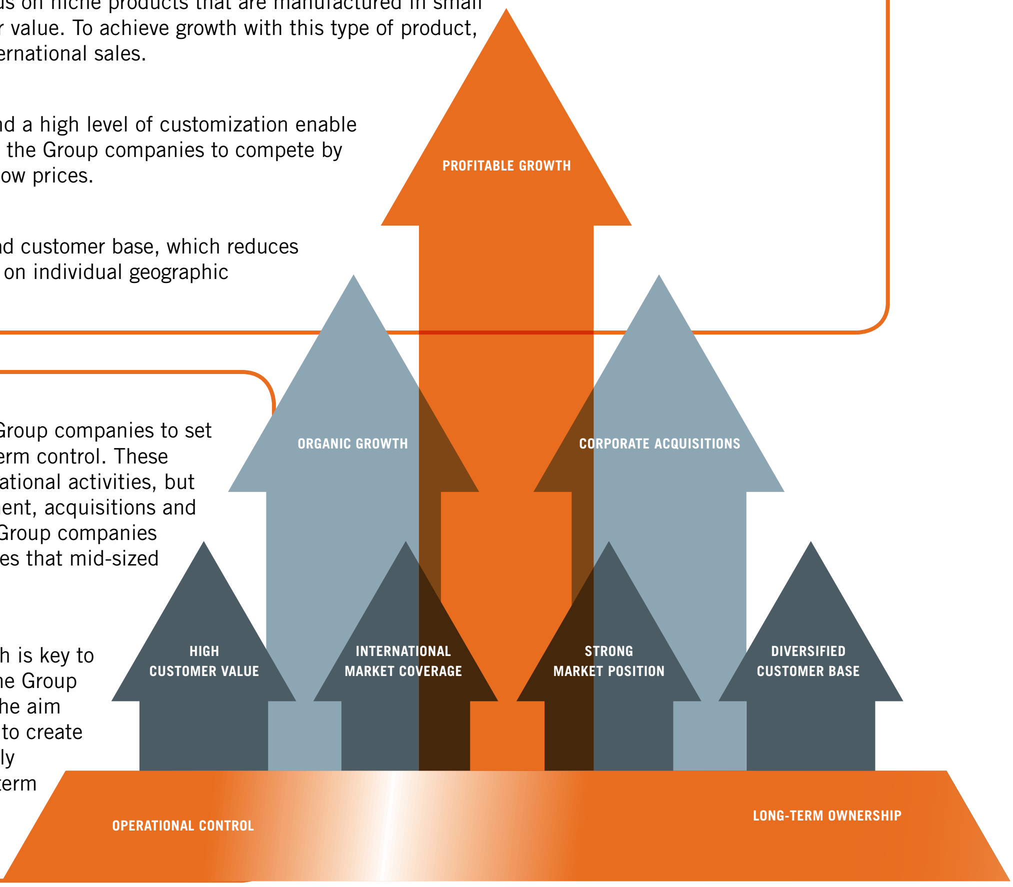
INTERNATIONAL MARKET COVERAGE
The Group companies primarily focus on niche products that are manufactured in small series and generate higher customer value. To achieve growth with this type of product, the companies must have broad international sales.

STRONG MARKET POSITION
Quality, breadth of product range and a high level of customization enable strong market positions. This allows the Group companies to compete by offering added value in addition to low prices.

DIVERSIFIED CUSTOMER BASE
Beijer Alma strives to achieve a broad customer base, which reduces the Group's risk and its dependency on individual geographic markets, industries and companies.

OPERATIONAL CONTROL
Beijer Alma works closely with the Group companies to set goals, follow up and exercise long-term control. These efforts generally do not involve operational activities, but instead focus on strategic development, acquisitions and investments, thereby providing the Group companies with access to management resources that mid-sized companies often lack.

LONG-TERM OWNERSHIP
The concept of a long-term approach is key to Beijer Alma's ownership strategy. The Group companies are not developed with the aim of a future exit. Instead, the goal is to create groups of companies with industrially sound structures that achieve long-term success and in which the rate of growth and profitability is high.



Focus on shareholder value

BEIJER ALMA'S PRIMARY GOAL IS the long-term creation of shareholder value. In practice, this is achieved through the Group owning and developing companies that deliver clear added value to their customers – added value that improves, strengthens and enhances the efficiency of or in some other way develops customer businesses. When Beijer Alma's companies deliver such added value, the Group can improve margins on its products and services. This, in turn, increases profitability, which over time raises the value of the companies and the Group, thus creating increasing value for Beijer Alma shareholders.

Industrial customers in focus

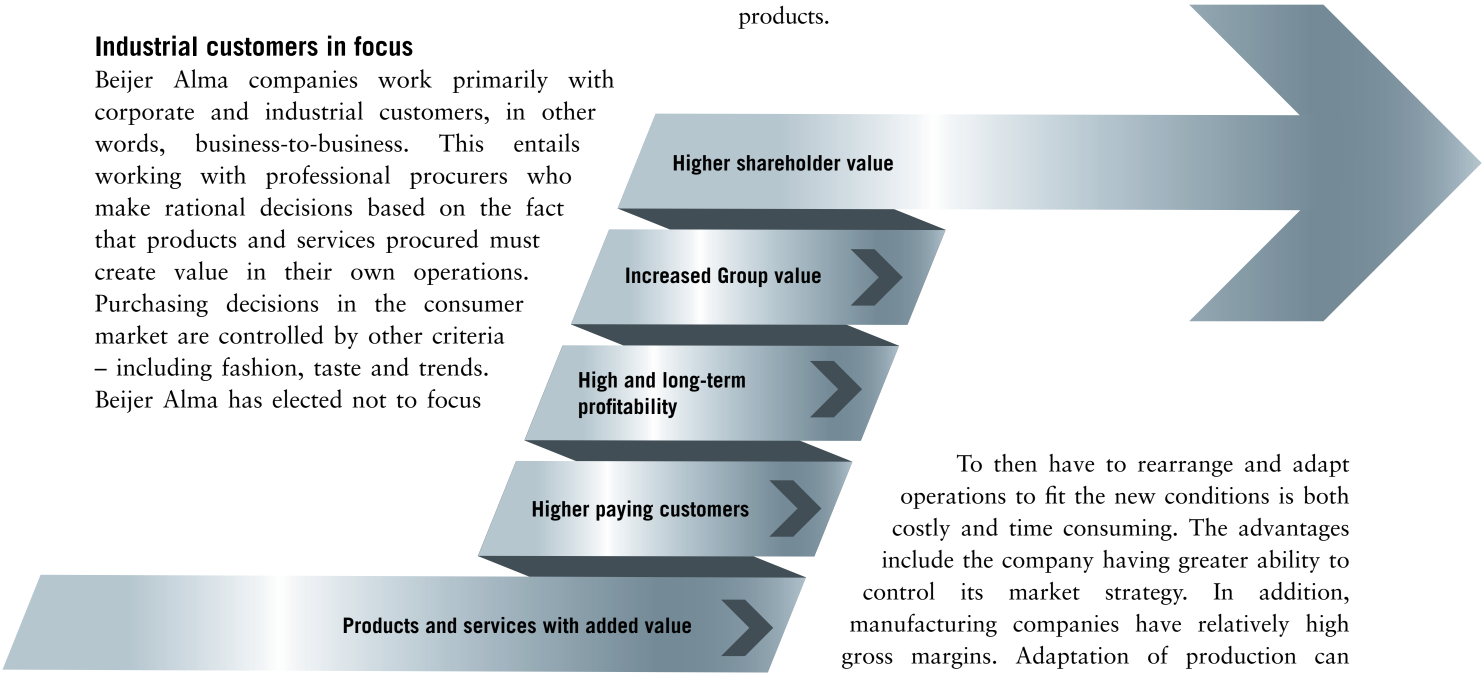
Beijer Alma companies work primarily with corporate and industrial customers, in other words, business-to-business. This entails working with professional procurers who make rational decisions based on the fact that products and services procured must create value in their own operations. Purchasing decisions in the consumer market are controlled by other criteria – including fashion, taste and trends. Beijer Alma has elected not to focus on this market, in which buying behavior changes rapidly and is more difficult to predict. The corporate and industrial market is more stable, thus enabling Beijer Alma to build long-term customer relationships.

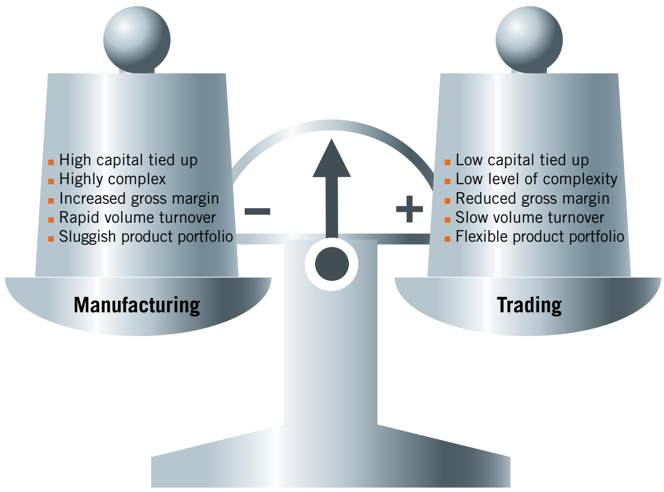
Manufacturing and trading in balance

The Group has two areas of focus; manufacturing and trading – two areas that in Beijer Alma's case have several common denominators. The products are similar as are the customers and markets they are aimed at. However, clear differences exist between manufacturing and trading and through combining these two areas, Beijer Alma has created a healthy balance. This balance means that the risks and earnings potential in each area are managed to benefit growth and development in the Group.

Trading companies are less complex than manufacturing companies. The companies have no research or development, nor do they have any production capacity, which reduces tied-up capital and the need for large investments. A trading company can more easily alter its product portfolio by measures including taking in new products or agencies if market demand changes. At the same time, gross margins are often lower for trading companies than for manufacturers. This also results in a slower volume-gearing effect as a trading company cannot create the same leverage that a manufacturing company can when volumes vary.

Manufacturing companies have a more complex structure. Production processes are complex and comprise many steps – product development, procurement of raw materials and input goods, manufacture, quality assurance and so on. Additional risks include changes in technology rapidly reducing demand for the company's products. To then have to rearrange and adapt operations to fit the new conditions is both costly and time consuming. The advantages include the company having greater ability to control its market strategy. In addition, manufacturing companies have relatively high gross margins. Adaptation of production can enable such companies to increase profit gearing when demand increases.





Lesjöfors

LESJÖFORS IN BRIEF

Lesjöfors is an international full-range supplier of industrial springs, wire and flat strip components. The company offers standard and specially manufactured products, holds a leading position in the Nordic region and is one of the largest players in the European market.

BUSINESS AREAS

- **Industrial Springs** – standard springs and customized products
- **Strip Components** – flat strip components and leaf springs
- **Chassis Springs** – aftermarket for passenger cars and light trucks

SENIOR EXECUTIVES

Kjell-Arne Lindbäck, President, born 1952, Degree in Business Administration, Lesjöfors employee since 1997.
Bertil Persson, Chairman of the Board

Kjell-Arne Lindbäck, President

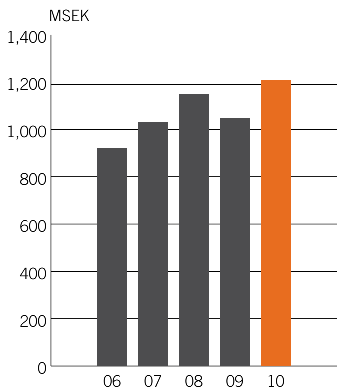
2010 IN BRIEF

- **Invoicing amounted** to MSEK 1,207 (1,047) and operating profit to MSEK 349 (243)
- **Rapidly rising demand** – particularly in Industrial Springs and Flat Strip Components business areas
- **Clear productivity gains** in conjunction with economic upturn, which had a positive impact on the earnings trend
- **Chassis Springs established** a sales and distribution operation in Russia
- **Continued advancement** of sales efforts in Germany and the Benelux countries

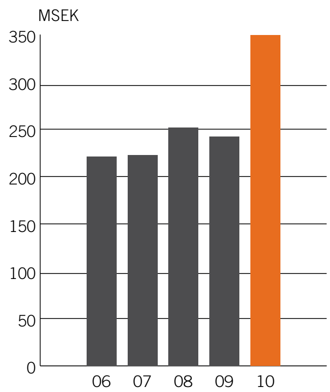
KEY FIGURES

MSEK	**2010**	**2009**	**2008**	**2007**	**2006**
Net revenues	1,206.7	1,046.5	1,151.2	1,032.3	923.4
Cost of goods sold	–662.4	–624.0	–720.4	–636.9	–552.3
Gross profit	544.3	422.5	430.8	395.4	371.1
Selling expenses	–113.6	–106.5	–104.9	–93.7	–87.0
Administrative expenses	–81.3	–73.1	–74.3	–79.0	–62.0
Operating profit	349.4	242.9	251.6	222.7	222.1
Operating margin, %	28.9	23.2	21.9	21.6	24.0
Net financial items	–4.6	–7.3	–8.0	0.5	–0.4
Profit after financial items	344.8	235.6	243.6	223.2	221.7
of which depreciation and amortization	43.2	48.2	44.3	41.4	43.0
Capital expenditures, excluding corporate acquisitions	42.9	34.9	57.5	55.4	52.3
Return on capital employed, %	43	33	37	44	51
Average number of employees	770	686	764	743	578

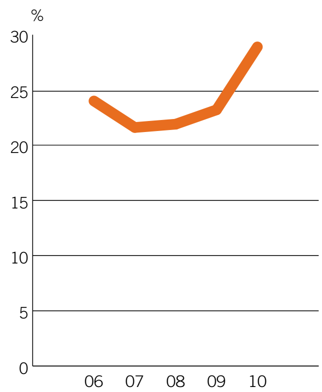
Invoicing



Operating profit



Operating margin



KEY FACTS ABOUT LESJÖFORS' SALES

- cover approximately 60 markets, the largest of which are the UK, Sweden and Germany
- 80 percent of sales are conducted outside Sweden
- 70 percent of sales pertain to customized products
- the market share for Industrial Springs in the Nordic region is about 40 percent
- the market share for Chassis Springs in Europe exceeds 45 percent

Trends in 2010

Lesjöfors' invoicing in 2010 totaled MSEK 1,207 (1,047), up 15 percent. Operating profit amounted to MSEK 349 (243) and the Group's operating margin was 29 percent (23). In Industrial Springs and Flat Strip Components, demand rose rapidly during the first six months and subsequently stabilized at a relatively high level. Sweden, Finland, the UK, Germany, the Benelux countries and China were among the countries that performed strongly. Chassis Springs also reported strong demand, which is in line with the favorable trend that began last year. In this area, Lesjöfors has strengthened its positions in Germany, among other countries. Invoicing in Industrial Springs amounted to MSEK 514, in Flat Strip Components to MSEK 243 and in Chassis Springs to MSEK 450.

Market and sales

Lesjöfors is a leading company in the areas of springs, wire and flat strip components. In these areas, the Group is a comprehensive supplier, where the product range boasts a unique breadth, offering both customized and standardized products. Lesjöfors' products have highly diverse areas of use, ranging from various household products to high-tech applications. Through the standard product range – which encompasses more than 10,000 articles – the customer has access to a broad range of finished products with short lead times. In addition to the breadth of its product range, Lesjöfors' key competitive advantages include:

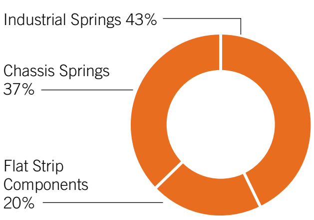
- High level of expertise in spring technology and design
- Cost-effective manufacturing operations
- Efficient distribution and customer service
- Excellent product quality

Another success factor is the diverse market mix. The Group currently has approximately ten of its own sales offices, which handle sales in the Nordic region and Western Europe. In other markets, sales are managed through a network of distributors. The markets in Eastern Europe and Russia are gradually increasing in importance and during autumn 2010, Chassis Springs established a proprietary sales and distribution operation in Russia. In all markets, the Internet is currently a key sales tool. Marketing is increasingly conducted through this channel, where electronic brochures and newsletters comprise the basis of market communications. Local web solutions are available in the ten largest markets, which provide products and services with a customer-centric profile.

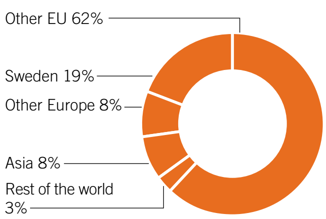
Operations and organization

Lesjöfors has 14 production units in seven countries. In all operations, the corporate culture is characterized by a short chain of command, local acceptance and a business-minded approach. The short chain of command and the local manufacturing of products facilitate Lesjöfors' ability to expand and establish strong positions close to the market. Similarly, a business-minded approach and decentralization, guided by the requirements of the company's sales personnel and machine operators, enables the company to better respond to the demands of its customers. A short chain of command also makes Lesjöfors better prepared to address changes in the market and

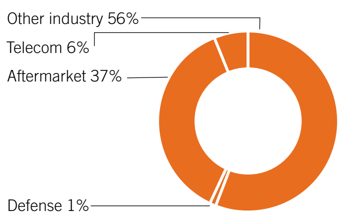
Distribution by business area



Geographic distribution of invoicing



Distribution of customers by segment



opens for decisions and actions to be taken faster. This preparedness was useful for Lesjöfors – during the drastic economic downturn in 2008/2009 and during the rapid recovery of 2010.

A topical example of how the local base and business-minded approach are beneficial is the operation in China, which performed strongly in 2010. Partnerships with local customers have vastly expanded, primarily in stampings for mobile telephones. The customer base has grown, the main reasons for which are Lesjöfors' technical expertise, innovation ability, customer service and expanded partnerships with local subcontractors.

Quality

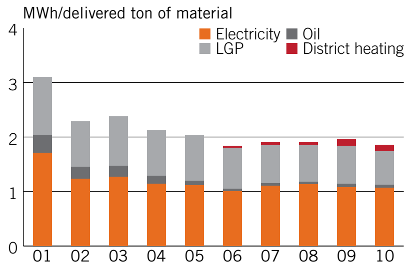
All of Lesjöfors' facilities are ISO 9001 quality-certified. Several facilities are also certified under TS, which is a standard of quality for the automotive industry. The Group's quality philosophy is characterized by Lesjöfors' position as a turnkey supplier that controls all aspects of its production flow, from design to customer support and follow-up service. The Group spends considerable resources on ensuring this comprehensive level of quality, by making investments in new technologies and by advancing its technical expertise.

When demand rises rapidly, there is a risk that the level of quality and delivery precision will decline. Despite the strong increase in Industrial Springs and Flat Strip Components in 2010, Lesjöfors was able to preserve a high level of quality and delivery precision, which reflects well on our quality efforts.

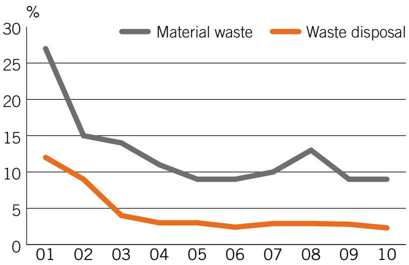
Environment

A total of 11 production units are environmentally certified under ISO 14001. The Group's environmental objectives are based on the largest and most critical environmental aspects identified for each unit. In 2010, work on reducing energy consumption was prioritized.

Total energy consumption



Material waste and waste disposal



All of the units are Class C plants, which means that they have a relatively low environmental impact. All waste from the plants is sorted to achieve the lowest possible environmental impact. The largest combined fractions are wet grinding waste, waste disposal and recycled raw material. Resource utilization is another prioritized area. All units in Lesjöfors work actively to reduce the amount of material waste generated during production and 100 percent of the disposed raw materials are recycled.

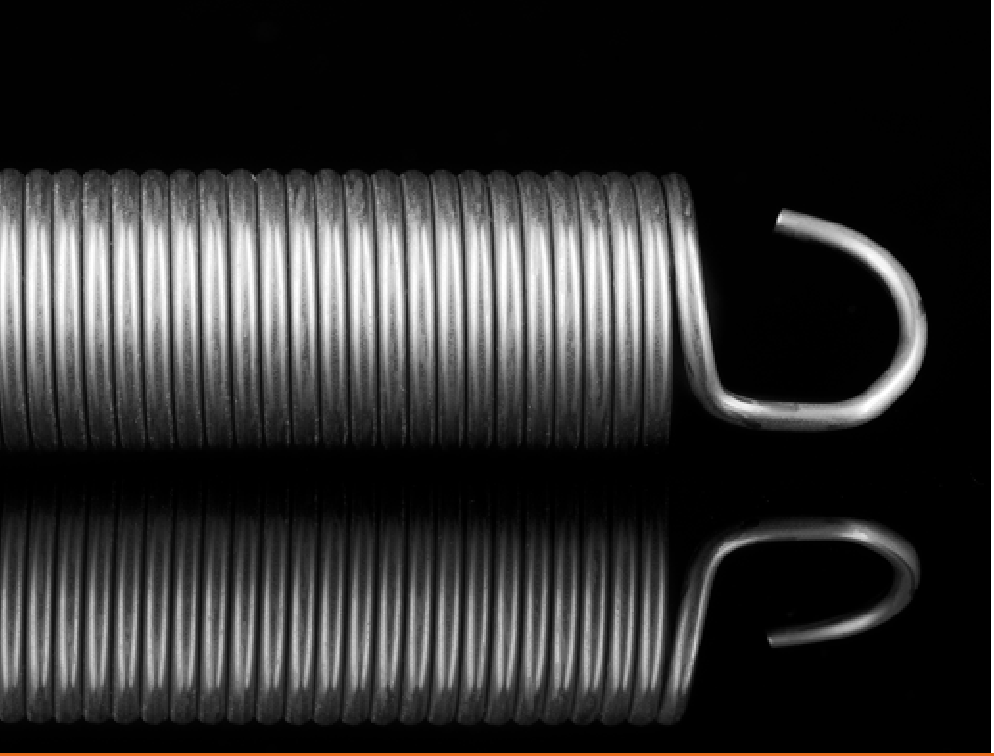
Social responsibility

Lesjöfors' work in the area of social responsibility is based on the UN's and OECD's "The Ten Principles," which address such issues as human rights, child labor, forced labor, the environment and corruption. Social responsibility and ethics are a distinct part of the Group's short-chain-of-command corporate culture. This culture is based on informal interaction, where healthy standards are established through daily work rather than formal rules and regulations. Throughout Lesjöfors' operations, there is a distinctly shared view of the fundamental values that govern the company's relationships with its own employees, as well as its customers, business partners and other external stakeholders. The CEO and local management are responsible for establishing and, when necessary, further developing this approach.

Employees

The number of employees rose by 84 to 770 (686). A total of 169 people (98) work in the low-cost countries of Latvia and China. The number of employees in Sweden is 298 (301). Lesjöfors has a total of 181 employees (163) in the UK, and 66 (83) in Denmark.

Employees, key figures	2010	2009	2008	2007	2006
Average number of employees	770	686	764	743	578
of whom, salaried employees	200	188	209	202	171
of whom, collective-agreement employees	570	498	555	541	407
of whom, men	541	500	543	547	431
of whom, women	229	186	221	196	147
of whom, in high-cost countries	601	588	633	638	490
of whom, in low-cost countries	169	98	131	105	88
Number of employees at year-end	778	646	783	728	585
Sickness absence, %	2.9	3.1	3.1	3.4	3.1
of which, short-term absence	1.9	2.0	1.8	2.0	1.9
of which, long-term absence	1.0	1.1	1.3	1.4	1.2



INDUSTRIAL SPRINGS

These operations include the manufacturing, storage and distribution of industrial springs. The product range is broad and encompasses standard springs and customized products. These types of springs are used in most major industrial sectors, including the power, paper and pulp industries and the areas of offshore, automotive, automation and infrastructure.

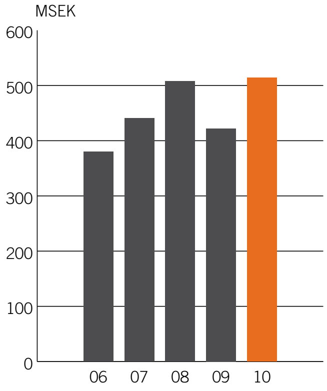
FLAT STRIP COMPONENTS

Flat Strip Components specializes in the design, development and production of components in strip steel. Lesjöfors' is always able to offer the technical solution best suited to the specific assignment regardless of whether the assignment focuses on small production series or highly automated volume products. The aim is to become involved in each customer project at an early stage to ensure its ability to influence quality, optimize functionality and manufacturing and increase cost-efficiency.

CHASSIS SPRINGS

Chassis Springs specializes in the aftermarket for passenger cars and light vehicles. Lesjöfors offers the market's widest range of proprietary, quality-assured vehicle springs for European and Asian automobiles. The company handles everything from design and manufacturing to inventory management and logistics. This ensures control of the entire value chain, which is unique in this industry.

Invoicing



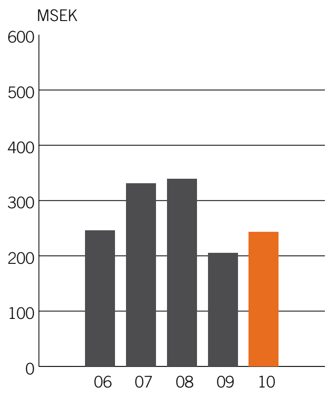
CUSTOMERS AND COMPETITORS

The customer mix is broad, which provides a favorable risk spread. Lesjöfors' key competitive advantages in this business area are its breadth of product range, high quality and degree of service. The Group customizes many spring products based on the specific requirements of its customers, which makes the company's capacity for innovation and problem-solving strong success factors. The company's main competitors in the Nordic region include such companies as Spinova, Ewes, Meconet and Hagens fjädrar.

MARKET AND SALES

The principal markets are the Nordic countries, the UK and, increasingly, Germany and the Benelux countries. During the year, sales rose in many markets, primarily as a result of the rapid recovery in the industrial sector and automotive industry. Lesjöfors conducted focused sales initiatives in such markets as Germany, which generated favorable earnings. In 2010, sales in Industrial Springs amounted to MSEK 514 (422).

Invoicing



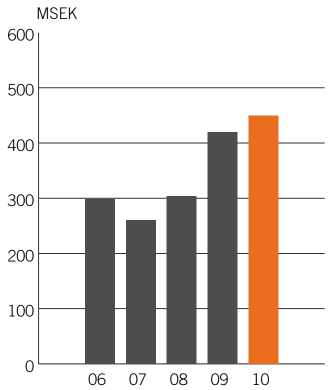
CUSTOMERS AND COMPETITORS

The most important customers in this business area operate in the telecom, electronics, automotive and medical industries. Lesjöfors' key competitive advantages are its high level of technological competence, advanced tool development, short lead times, low-cost production and excellent customer service. The most clear-cut competitors include such companies as Meconet, Ewes, Goss Components and a number of smaller players in Scandinavia and other markets.

MARKET AND SALES

Lesjöfors' principal markets are the Nordic region, the UK and China. Demand increased precipitously in most principal markets during the year, particularly during the first two quarters. The recovery in industrial companies and the automotive industry are also key explanations for this demand. China is an example of a market that performed particularly well, mainly in terms of panels and small parts for mobile phones. The company's positions in medical technology also strengthened during the year. In 2010, Flat Strip Components' sales amounted to MSEK 243 (205).

Invoicing



CUSTOMERS AND COMPETITORS

Chassis Springs' products are sold in more than 50 markets. The customers in this business area comprise nationwide distributors of automotive spare parts. Lesjöfors' key competitive advantages are its proprietary manufacturing, breadth of product range, delivery reliability and efficient customer support. The primary competitors in this area are Suplex, K+F and Kayaba.

MARKET AND SALES

Lesjöfors is the leader in Europe, with a market share valued at more than 45 percent. Its largest markets are the UK, Germany, Scandinavia and Eastern Europe. Sales in most markets increased substantially during the year, although not at the same rapid pace as in 2009. The best performing countries include Germany, where Lesjöfors captured market shares. During the autumn, Chassis Springs established a sales and distribution unit in Russia. Chassis Springs' sales in 2010 amounted to MSEK 450 (420).

Lesjöfors – turnkey supplier

Lesjöfors is a global player in the springs and flat strip components segment, and offers the market's widest range of products and services. In addition to featuring a broad range, turnkey supplier Lesjöfors has also built its market position on a high degree of technical expertise, efficient manufacturing and on an extensive service and support offering for customers.

TECHNICAL EXPERTISE

Lesjöfors holds an extensive amount of technical expertise, which means that springs and flat strip components are currently developed and tested at 13 facilities in Europe and China. The company has some 30 employed engineers who work with technical service and customer projects at the Group. The company also has a central unit that is geared toward more extensive and complex development matters, but that also supports the plants and sales offices in technical matters.

"Lesjöfors works closely with its customers to achieve the specified product performance at a competitive cost. We offer technical service at a high level," says Mattias Hartvigsson, who works with technical service and development at the Lesjöfors Group.

"We endeavor to capitalize on all of the technical expertise in our companies and thus create a strong, joint skills network at the Group," he continues. "We continuously train our engineers, internally and externally. We also work – through our intranet, among other channels – to collect and disseminate information from which our employees can benefit."

All of this knowledge is used to ensure that our products fulfill customer requirements. This process includes making calculations, producing prototypes, taking measurements and performing tests, which enables Lesjöfors to deliver optimal springs and flat strip components. The expertise concerning materials, mechanics and strength theory is what distinguishes Lesjöfors and creates competitiveness.

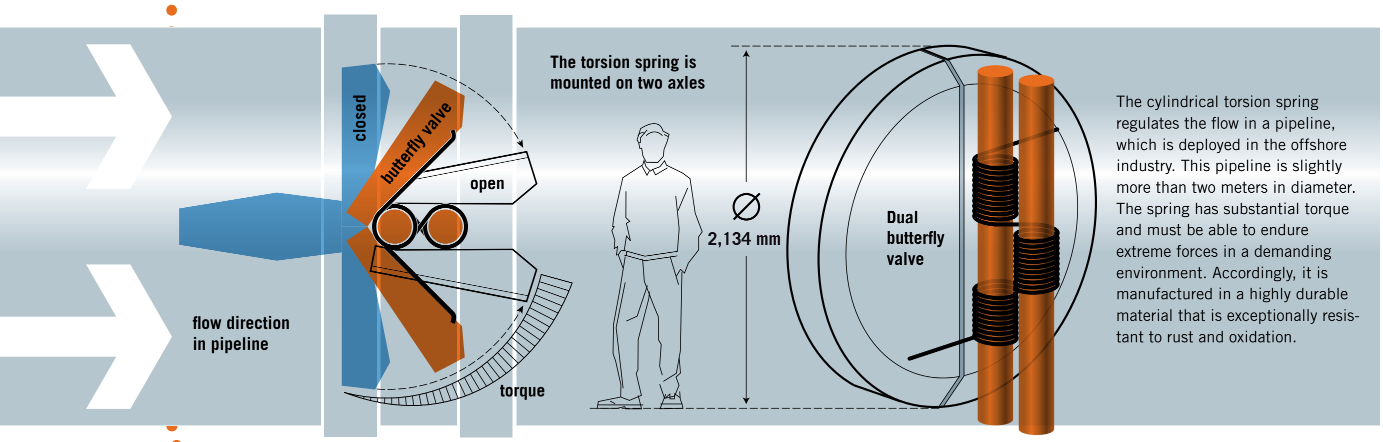
"In other words, our technical expertise is aimed at two principal areas – design and production," explains Mattias Hartvigsson. "Design involves identifying the right design for the purpose. The qualities of the material have a significant impact on the product's function. Here, we collaborate with the leading manufacturers of materials for springs."

"During both design and production, our experienced machine operators play a key role," he continues. "They have manufactured vast quantities of springs and know what is required for production to be implemented in a rational and cost-efficient manner."

Quality of the offering

Quality control is also considered part of Lesjöfors' offering. In addition to the ISO 9001 certification, the company has also secured quality certifications under various industry standards – in the automotive industry, for example. Lesjöfors also partners with suppliers, spring-engineering institutes, universities and technological institutes, which further strengthens the Group's technical expertise.

"Technical services are and will continue to be exceptionally important to us," concludes Mattias Hartvigsson. "This is often the condition on which we secure customer assignments, and many times 'opens doors' in the sales effort." ■



The cylindrical torsion spring regulates the flow in a pipeline, which is deployed in the offshore industry. This pipeline is slightly more than two meters in diameter. The spring has substantial torque and must be able to endure extreme forces in a demanding environment. Accordingly, it is manufactured in a highly durable material that is exceptionally resistant to rust and oxidation.

FOCUS ON THE AFTERMARKET

Lesjöfors Chassis Springs focuses on aftermarket products and specializes in the manufacturing and storage of vehicle springs. The customer offering includes coil springs, lowering springs, leaf springs and gas springs for passenger cars and light trucks. All products are stored at distribution warehouses in Sweden, the UK, Germany and Russia. The inventory encompasses about one million products, and customers are located in more than 50 countries. Availability is a key area, in which Lesjöfors is at the forefront. Chassis Springs' delivery reliability exceeds 98 percent.

"None of our competitors even comes close to offering the same level of service as Lesjöfors," says Kjell-Arne Lindbäck, President and CEO of Lesjöfors. "The key to our success is a highly advanced partnership between the Group's production and distribution operations."

Our strengths also include Lesjöfors offering one of the broadest product ranges in the market. These products are also available with short lead times and at competitive prices.

"This is another one of our success factors, and we currently cover essentially all cars in the European market," says Kjell-Arne Lindbäck. "We keep all products in inventory and can rapidly increase volumes if necessary."

Proprietary manufacturing

Another competitive advantage is our proprietary product development and manufacturing. In addition, our aftermarket products maintain at least the same level of quality as the vehicle springs used by automobile manufacturers. Accordingly, Lesjöfors' springs can also be used as replacements for original parts at proprietary or independent workshops, without compromising the warranty obligations. ■

UNIQUE PRODUCT BREADTH

The spring is an ingenious product. It is manufactured from a single coiled steel wire, and yet it is incredibly functional, important and precisely repetitive in its function. Lesjöfors has created a product breadth around the spring that is one of the Group's strongest competitive advantages.

"When interacting with customers, having such a vast and diverse product range that covers essentially all sectors is a strength. We can offer everything from microscopic springs to industrial heavy-weight springs," says Erik Kolsrud Aas, Market Manager for the Industrial division at Lesjöfors AB.

Fewer suppliers

"An increasing number of customers also want to reduce the number of suppliers to reduce costs and to simplify their own management process. This favors Lesjöfors since we can take responsibility for all of the products they need," Erik continues. "Among major customers, it is not unusual for Lesjöfors to replace four or five spring and flat strip component suppliers."

In addition to specialized products, the company holds about 11,000 standard articles in inventory. Beyond standard products, Lesjöfors also offers a plethora of customized springs that are constructed and manufactured in accordance with customers' shifting needs.

"The ability to produce innovative proposals that create value for the customers is another one of Lesjöfors' competitive advantages. Here, we capitalize on the specialist expertise available in our facilities to identify the right solutions," notes Erik Kolsrud Aas.

The scope of our range of spring materials is also a significant competitive advantage. In its manufacturing and choice of materials, Lesjöfors always makes adaptations to the technical application in which the spring is to be used. Various types of stainless steel, titanium, aluminum and what are known as superalloys are used as spring materials, which give the products unique qualities.

"Logistics are another key issue, which must function when working with such a vast and wide product range as Lesjöfors," says Erik Kolsrud Aas. "Warehousing and distribution are adapted to the customers' needs and are intended to facilitate matters for them, through, for example, just-in-time deliveries, which are rational and secure the flow of their manufacturing."

Scope among flat strip

In flat strip components, the scope largely involves offering customers a production method that is best suited to the individual assignment. Lesjöfors offers highly automated processes for major volumes and the manual production of articles if this is better suited to the customer.

"The most important decisions are taken early in a development project since the construction of components, the choice of materials and surface treatment are highly significant to production costs and product quality," says Erik Kolsrud Aas. "Accordingly, it is important that Lesjöfors is involved from the beginning of new projects in a bid to influence quality, optimize function and maintain low costs." ■

Habia Cable

HABIA CABLE IN BRIEF

Habia Cable is one of Europe's largest manufacturers of custom-designed cables and cable systems for demanding applications. The company's products are sold in approximately 50 markets.

BUSINESS AREAS

- **Radio Frequency & Communication** – mobile telecom
- **High Specification Products** – defense, nuclear power, infrastructure/public transports
- **Engineered Cable Solutions** – hand tools, sensors, power generation, standardized products

SENIOR EXECUTIVES

Carl Modigh, acting President since February 2011, born 1972, Degree in Engineering and Executive Master of Business Administration, Habia employee since 2006.
Bertil Persson, Chairman of the Board.

Carl Modigh, acting President

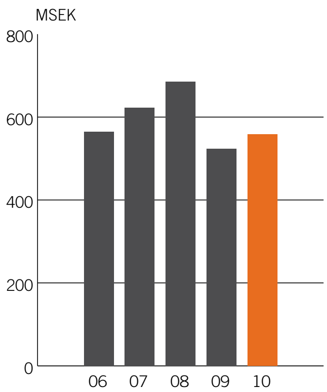
2010 IN BRIEF

- **Invoicing amounted to** MSEK 558 (523) and operating profit to MSEK 46.2 (11.5)
- **Increased demand** from customers in the industrial segments
- **Continued cost reductions** through personnel cutbacks and schedule adjustments
- **Resolution to relocate** most telecom production to China
- **Major order** in cross-linking cables, which benefits the joint-venture operation with Irradose AB

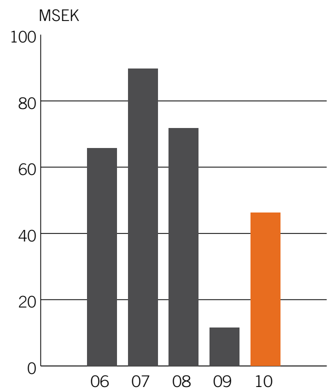
KEY FIGURES

MSEK	**2010**	**2009**	**2008**	**2007**	**2006**
Net revenues	558.1	522.6	684.9	622.0	564.0
Cost of goods sold	–391.3	–374.9	–467.2	–398.9	–372.1
Gross profit	166.8	147.4	217.7	223.1	191.9
Selling expenses	–64.2	–84.2	–89.2	–84.4	–77.9
R&D	–14.1	–13.9	–15.4	–12.5	–11.9
Administrative expenses	–42.3	–37.8	–41.3	–36.5	–36.3
Operating profit	46.2	11.5	71.8	89.7	65.8
Operating margin, %	8.3	2.2	10.5	14.4	11.7
Net financial items	–3.3	–3.9	–7.5	–3.4	–2.8
Profit after financial items	42.8	7.6	64.3	86.3	63.0
of which depreciation and amortization	22.2	24.5	23.4	23.6	25.2
Capital expenditures, excluding corporate acquisitions	10.1	25.6	30.6	23.5	18.7
Return on capital employed, %	14	3	20	34	27
Average number of employees	433	455	452	415	396

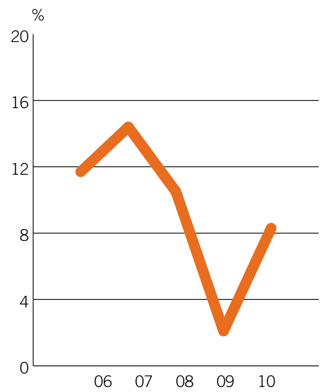
Invoicing



Operating profit



Operating margin



KEY FACT'S ABOUT HABIA'S SALES

- comprise about 50 markets, with 13 countries accounting for 90 percent of sales
- more than 90 percent of sales are conducted outside Sweden
- about 90 percent pertain to customized products
- the largest segment was industry, which accounted for 42 percent of sales in 2010

Trends in 2010

Habia Cable's invoicing totaled MSEK 558 (523). Operating profit amounted to MSEK 46.2 (11.5) and profit after financial items to MSEK 42.8 (7.6). Around late June, sales began to regain momentum, particularly in the telecom and industrial segments. The remainder of the year was subsequently characterized by a slight increase in volume. However, in the defense and nuclear segments, the demand trend was weak throughout 2010. The best-performing geographic markets include the Nordic region, France, the Netherlands, the UK and India. At the same time, the price of raw materials had an adverse effect on Habia's earnings. The price of plastics and metals increased by up to 20 percent in some cases.

In adapting to the relatively weak trend, Habia has maintained a focus on costs, the aim of which has been to reduce annual costs by about 10 percent. At the Söderfors facility, the workforce declined by about 25 percent, which was also a result of the decision to relocate most of the telecom manufacturing to China. The facility in Germany periodically applied part-time weeks to meet lower volumes.

Market and sales

Habia works with specialized cables that are used for demanding technical applications – including the telecom, defense, nuclear and other industrial segments in which the demands are extreme. These demands require the cables to withstand high or low temperatures, radioactivity, vibrations, chemical effects and extensive bending. Habia's key competitive advantages are:

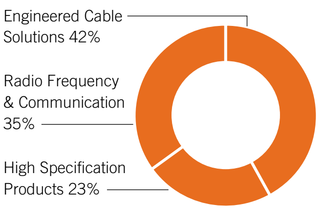
- High level of technological know-how
- Ability to develop customized cable concepts
- Flexible production operations
- Global service

The market organization focuses on service, marketing and sales to the 200 largest global customers. In other markets, sales are managed through distributors. The company's key markets are Germany, the Nordic region, other Western European countries and Asia. Habia's specialized-cables market niche is valued at about EUR 1 billion. Habia's share of this niche is estimated at between 6 and 7 percent. However, in the cables for base-station antennas segment, Habia holds a globally leading position with a market share of about 40 percent.

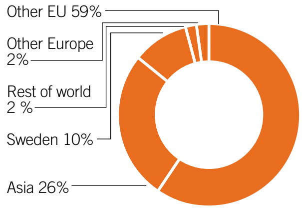
Operations and organization

Habia has production facilities in Sweden, China, Germany and Poland. The company is also co-owner of Irradose AB, which focuses on the manufacturing of what are known as cross-linking cables (refer to page 22). Habia's largest plant is located in the Swedish town of Söderfors and accounted for nearly 50 percent of the company's manufacturing volumes in 2010. At the same time, China has become an increasingly important market, with Habia building ultramodern facilities in the area and establishing a sales hub for several Asian markets. In 2010, a decision was made to expand operations by also relocating most of the company's telecom production to China, thus making manufacturing more cost-efficient. This is being done at a juncture when pricing pressure

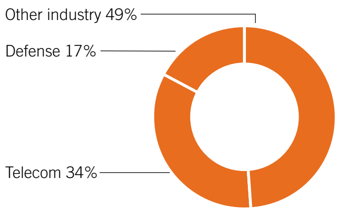
Distribution by business area



Geographic distribution of invoicing



Distribution of customers by segment



and the number of competing telecom cable concepts is continuously rising.

In late 2010, a decision was made to strengthen Habia's global market organization by recruiting more sales representatives. Another area of focus is what is known as multi-core cables for the industrial segment, in which Chinese manufacturing is paving the way for increased sales in China, India and Japan. New sales offices were opened in Bangalore in India, Shenzhen in southern China and Tianjin outside Beijing.

Quality

During the year, the quality certification for Habia's plant in China was extended to also encompass market and industry standards, which are certified by Underwriters Laboratories (UL) and Det Norske Veritas (DNV). Similarly, the manufacturing of nuclear products was certified by Rolls Royce, Areva, Forsmark and KHNP. All four production facilities are also quality certified under ISO 9001.

Prioritized areas in the quality effort include product quality, delivery times and delivery precision – areas that require extraordinary care at a company that works with many customized products and deploys flexible production in relatively small series.

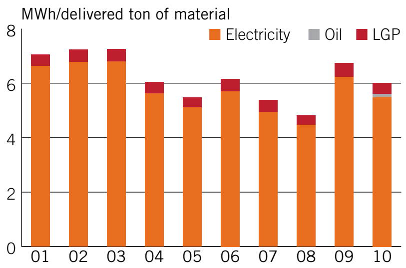
The fundamental principle is to achieve continuous improvements, with problems and shortcomings reported and translated into improvement measures.

Environment

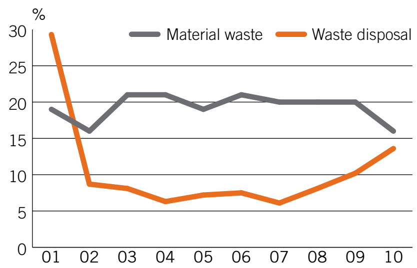
Habia's Swedish operations have been ISO 14001 certified since 2000. This influences the company's environmental work and forms the foundation for the environmental issues that have been identified, as well as shaping the environmental objectives that the company strives to fulfill. In 2010, environmental efforts were focused on reducing scrap and material waste from production. Other prioritized areas include reducing electricity consumption, increasing recycling of construction plastics and optimizing transports in partnership with forwarding agents.

The production at Söderfors is a Class B operation with a production permit issued by the County Administrative Board. This permit controls the consumption of industrial gasoline, which is used in one of the processes and the cleaning of volatile organic compounds – known as VOC emissions – which are formed in these processes.

Total energy consumption



Material wasted and waste disposal



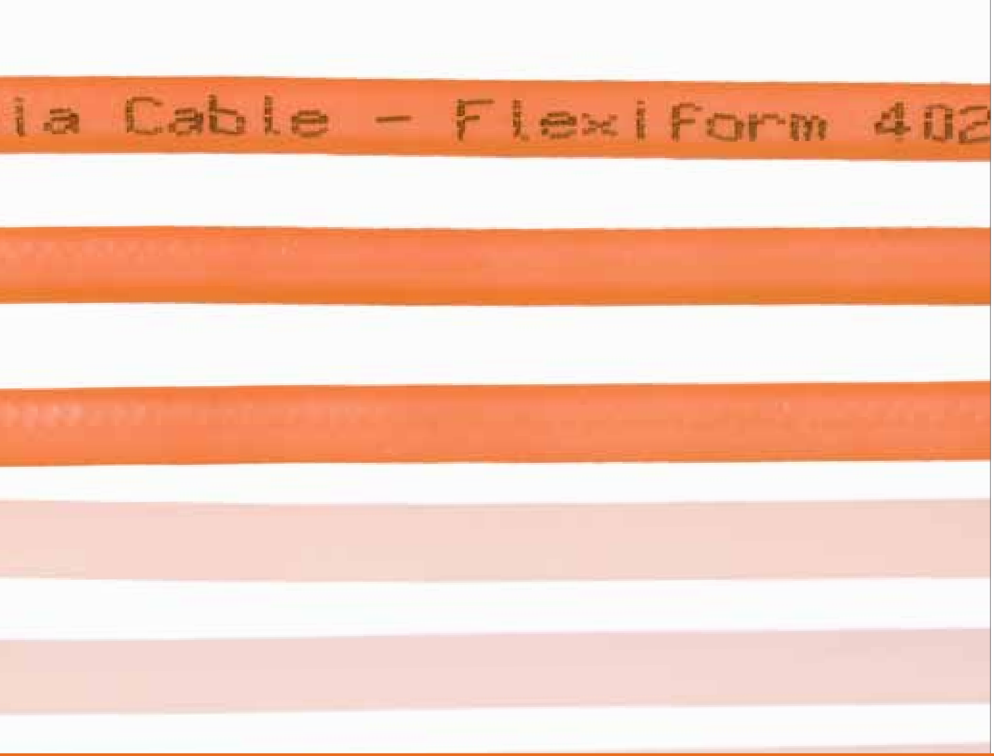
Social responsibility

Habia's work in the area of social responsibility is based on the UN's and OECD's "The Ten Principles," which address such issues as human rights, child labor, forced labor, the environment and corruption. The company's work in this area is also governed by three internal values: Transparency, Reliability and Integrity. These are the values on which employees are to base their internal and external contacts. These values are discussed regularly – for example, during management and employee meetings, conferences and training programs.

Employees

The number of employees decreased by 22 to 433 (455). In the low-cost countries of China and Poland, and in 2009, Latvia, the number of employees rose by 9 persons to 167 (158). In high-cost countries, the number of employees rose by 31 persons.

Employees, key figures	2010	2009	2008	2007	2006
Average number of employees	433	455	448	415	396
of whom, salaried employees	159	176	180	162	153
of whom, collective-agreement employees	274	279	268	253	243
of whom, men	285	309	292	280	264
of whom, women	148	146	156	135	132
of whom, in high-cost countries	266	297	328	309	313
of whom, in low-cost countries	167	158	120	106	83
Number of employees at year-end	444	456	455	444	395
Sickness absence, %	4.1	3.2	4.1	3.2	4.2
of which, short-term absence	2.9	2.7	2.6	2.6	3.2
of which, long-term absence	1.2	0.5	1.5	0.6	1.0

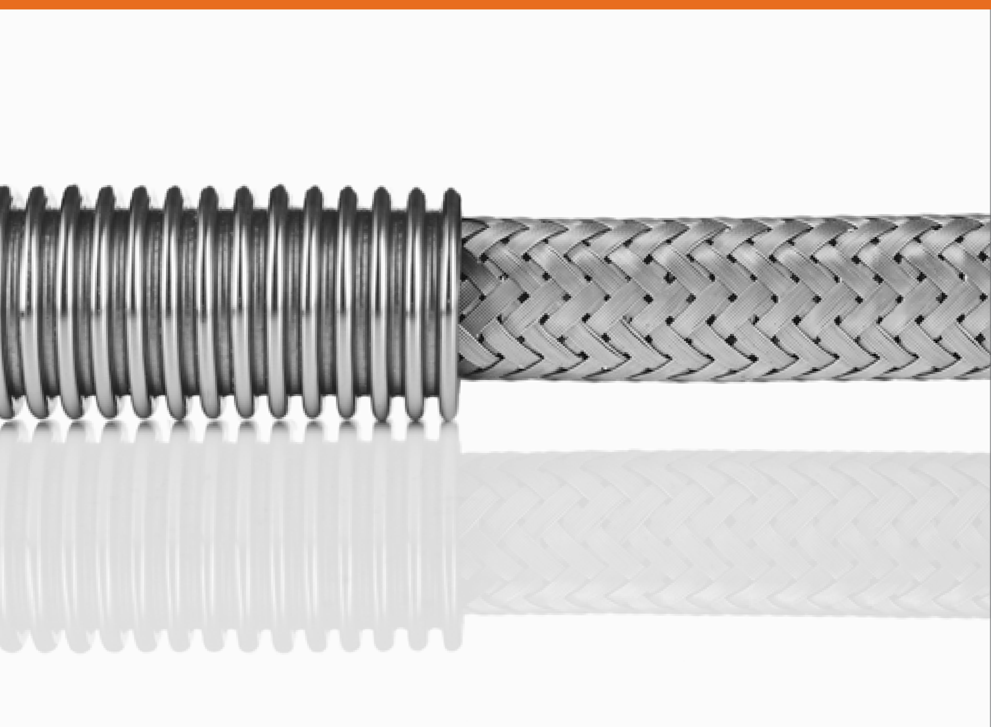


RADIO FREQUENCY & COMMUNICATION (RF)

This business area specializes in mobile telecom. Habia currently holds a world-leading position in cables used in base station antennas, with a market share of approximately 40 percent. The company offers a full range of cables in the area of Radio Frequency (RF). Habia's largest product is Flexiform, which is used for transmitting mobile telephony signals. Antennas in the area of RF are becoming increasingly complex and must, for example, handle several different frequencies simultaneously. This increases cable use and creates new business opportunities.

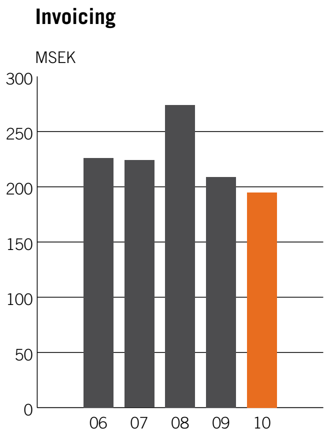
HIGH SPECIFICATION PRODUCTS (HSP)

This business area focuses on defense, nuclear power, infrastructure and public transports. These products are produced in line with shared international standards and sold in large volumes. The demands on problem-solving and customization are high in all customer segments. Habia's key competitive advantages are its high level of expertise in product development and sales and its efficient technical support.



ENGINEERED CABLE SOLUTIONS (ECS)

This business area focuses mainly on traditional engineering sectors, offering high-tech products adapted to the unique requirements of each company. Volumes are small and production is technology-intensive. Habia's key segments include hydraulic and pneumatic tools, sensors, gas turbines, marine/offshore equipment and raw-material processing. ECS also handles sales of standardized products, including cables for such applications as measuring, railways, lighting equipment, heating and white goods.

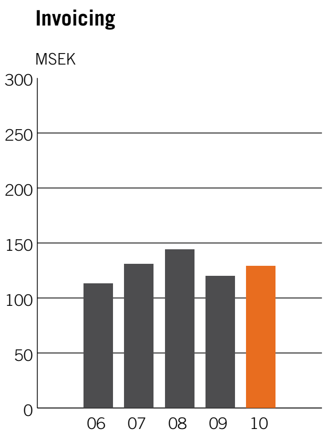


CUSTOMERS AND COMPETITORS

Sales are conducted in 25 markets. Habia works with all major antenna manufacturers in mobile telecom. Customer requirements focus on high electronic and mechanical performance, competitive prices and flexible delivery capacity. The primary competitive advantages are a high level of technical expertise, cost-efficiency, flexible production and global service. Habia's principal competitors in this business area are the Swiss company Huber+Suhner, the Chinese company Kingsignal and the Japanese company Nissei.

MARKET AND SALES

Around mid-year, telecom sales began to increase again. However, on an annual basis, sales declined by about 10 percent compared with 2009. At the same time, competition from the Chinese market remains intense with increasing price pressure and a large share of new products and concepts. Habia is addressing these developments through continued cost adaptations – for example, by specifically relocating most production to China. Investments are also being made in new types of cable products and materials, and there is a focus on increasing productivity in proprietary facilities. During the year, RF & Communication accounted for 35 percent of Habia's sales.

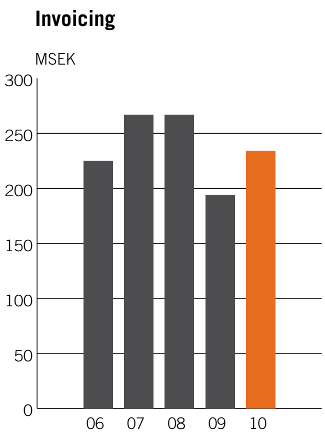


CUSTOMERS AND COMPETITORS

Defense and nuclear power are the largest customer segments. In the defense market, Habia supplies products for marine, army and aviation applications. The principal markets are Europe and Asia, predominantly the Nordic region, the UK, France, South Korea, China and India. The company's main competitor in the area of defense is the US company Tyco Electronics. Its principal competitors in the nuclear power segment are the French company Nexans, the Italian company Prysmian and the US company Rockbestos.

MARKET AND SALES

Habia's niche in the defense market is valued at SEK 1.5 billion and its market share is about 7 percent. Habia's niche in the nuclear power sector is valued at about MSEK 300, bringing the company's market share to between 10 and 15 percent. Sales were weak throughout 2010, due in part to weakened government finances in several countries, which led to a reduction in defense spending. During the year, Habia became an approved supplier to Patria, a company that delivers terrain vehicles to the Swedish Defense Forces. Operations in the nuclear power sector were dominated by deliveries to customers in Asian countries, primarily Korea. HSP accounted for 23 percent of Habia's revenues in 2010.



CUSTOMERS AND COMPETITORS

Customers in this business area require high-quality technical advice and support, as well as fast, customized deliveries. Habia meets these demands by offering quality products, short response times, flexible production and customer-oriented service. The main competitors are the Italian company Intercond, which is owned by the French company Nexans, and the German companies HEW and Ernst & Engbring.

MARKET AND SALES

ECS' sales increased throughout 2010 and were primarily attributable to the increasingly strong industrial economy. Demand was also bolstered by the relatively fast recovery in the automotive industry. Europe is the main market for ECS. The single largest market is Sweden, followed by the other Nordic countries, as well as Germany, the UK and the Netherlands. Heavy industrial deliveries generally rose, although growth was also favorable in such areas as sensors and marine/fishery. ECS accounted for 42 percent of the company's revenues in 2010.

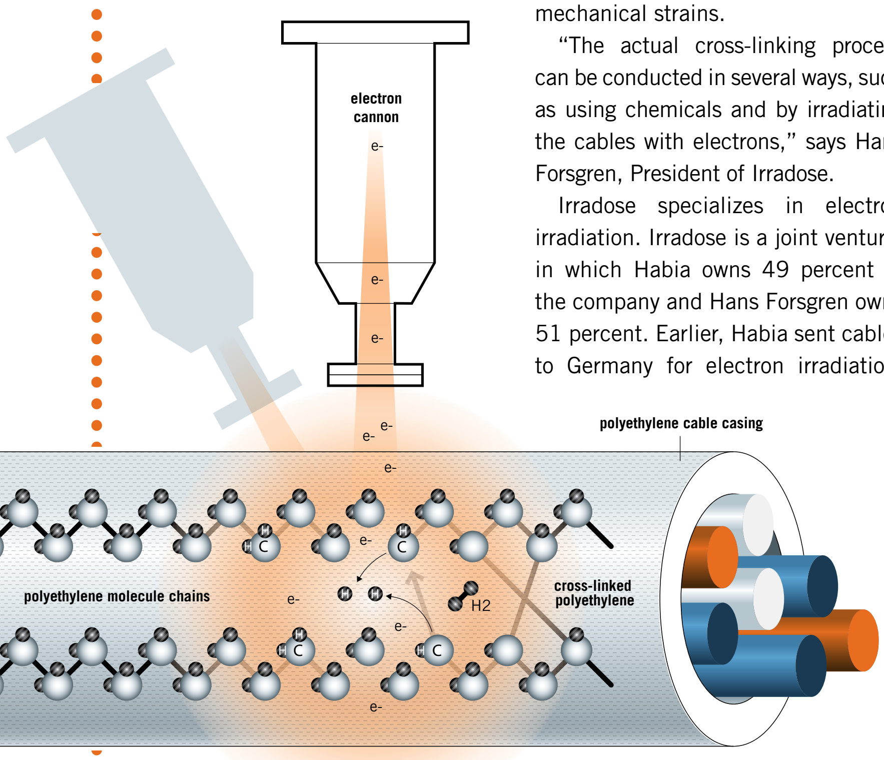
Intelligent technology that promotes competitiveness – and the environment!

Stronger and more durable cables – this is the aim of the technology used by Habia at the Irradose plant. The molecules in the plastic are altered through innovative irradiation techniques, resulting in superior properties. This technology is unique in the Nordic region and makes Habia more competitive, while reducing its environmental impact.

A TECHNOLOGY THAT CREATES STRONGER CABLES

Habia's operations endeavor to create cables that are not only stronger and more durable, but also slimmer and more flexible. Imbuing the cables with these properties requires the use of a technology known as cross-linking. The casing of the plastic cables is processed to better withstand various types of strain – such as high temperatures and radioactive radiation.

The materials are known as high-performance plastics and enable Habia's cables to function in demanding environments.



Using the Irradose method, the cable casing is irradiated all around with dual electron cannons. The electrons (e-) break the polyethylene chains apart. The process releases hydrogen (H). When the molecules reform, cross links are created between the molecule chains. The cable casing is now cross-linked and has become stronger, for example.

Joint effort

In other words, this special type of plastic is stronger than tradition plastic material. The technology behind cross-linking requires the natural molecule chains of the plastic to be "broken." However, the plastic strives to recreate these chains, but during this process, new structures are created in the material that makes it stronger. The cross-linked material is thus able to better endure high temperatures, becomes more resistant to chemicals and also withstands more intense mechanical strains.

"The actual cross-linking process can be conducted in several ways, such as using chemicals and by irradiating the cables with electrons," says Hans Forsgren, President of Irradose.

Irradose specializes in electron irradiation. Irradose is a joint venture, in which Habia owns 49 percent of the company and Hans Forsgren owns 51 percent. Earlier, Habia sent cables to Germany for electron irradiation, but this was expensive and time consuming. The delivery time was nearly two weeks longer and the transport costs were high.

High capacity

Irradose was formed in 2009. Since then, it has become far easier for Habia to use the electron irradiation technology. Irradose and Habia's plant in Söderfors are about 20 kilometers apart and transports currently pass between the two plants on an almost daily basis. The Irradose plant is built like a bunker, with concrete walls and roof that are 1.3 meters thick.

"The irradiation technology is reminiscent of that used in radiological equipment. The cables pass by two accelerators that generate electron irradiation and new connections are created between the molecular chains of the plastic. And the cables are popular – we irradiate several hundred meters of cable every minute," says Hans Forsgren.

Irradose's use of several accelerators also makes the irradiation process more efficient, and gives the cables a higher and more consistent level of quality. The capacity is impressive. During the irradiation process, each accelerator generates about one million volts.

"The facility is unique in the Nordic region, and we ultimately expect to further expand the operations," says Hans Forsgren. "For example, cross-linking can be used to improve the properties of hose and pipe products."■

EXCITING MARKET POTENTIAL

Nuclear power stations and military applications are typical areas in which customers require cross-linked cables. These areas have particularly exacting standards and the stronger, more durable plastics play a decisive role in performance and safety. And remember, safety matters!

Previously, fluoropolymers were used for many cable casings, but since they emit poisonous gases in fires, there is considerable interest in other solutions. Cross-linked cables deploy another type of flame retardant, which encourages customers from an increasing number of areas to demand such products."

Creating competitiveness

Cross-linked cables account for 10–15 percent of total cables sales at Habia, with volumes continuously increasing and not just because the cables are more durable and more flexible.

Less plastic is also used in cross-linked products, making cables slimmer. This can make a crucial difference in such areas as maintenance work at nuclear power stations.

The cross-linked products are lighter to work with since they are thinner and weigh 30-percent less than the old cables they replace. Electron-irradiation enables Habia to utilize cheaper materials in specific areas of production – materials that achieve a higher level of quality and performance when cross-linked.

Extensive range of applications

The range of applications available for this product is broad and not just limited to the nuclear power and defense markets. Cross-linked products are used throughout the transport sector and offshore where the requirements are particularly stringent. Another interesting area is solar energy, where our cables are utilized in extremely sunny locations with high temperatures. This requires the cables to be durable and withstand not less than 25 years of use.

Another matter of significance to customers and the market is the competitive advantage provided by Habia's investment in Irradose and electron-irradiation.

"This proves that Habia has a high level of competence and advanced technical solutions, which sends an important message to customers," says Hans Forsgren, President of Irradose. ■

LESS ENVIRONMENTAL IMPACT

The focus on independent electron radiation reduces Habia's environmental impact. Before, the cables were sent to Germany to undergo this type of irradiation, but these truck transports have now been eliminated. And this process involved a relatively large number of transports. Trucks were previously driven the 1,680 kilometers to Cologne, Germany, and back, nearly every week. The carbon emissions from this traffic were estimated at 13.7 tons per month. The current transports between the Irradose plant in Tierp, Sweden, and the Habia plant in Söderfors, Sweden, correspond to emissions of 0.4 tons.

"The environmental gains are clear and have resulted in a 97-percent reduction in carbon emissions," says Hans Forsgren, President of Irradose. "Our own plant in Tierp is also energy efficient. Despite the accelerators having a capacity of one million volts, they only consume 100 kilowatts an hour, which amounts to an electricity expense of about SEK 100."

No chemicals

The method of cross-linking through electron irradiation is also – compared with alternative methods – relatively climate-smart. Competing methods require the use of various chemicals and are fairly energy-intensive. These are based on the cables being treated in a process that adds a great deal of energy to create the necessary heat and humidity. The plant in Tierp does not use any chemicals, which results in less environmental impact from the electron irradiation. ■

Beijer Tech

BEIJER TECH IN BRIEF

Beijer Tech specializes in industrial trading and represents several of the world's leading manufacturers. The Group has two principal business areas: Fluid Technology/Industrial Rubber and Industrial Products. Beijer Tech offers products and solutions in which expertise and products are combined to create value for its customers. Beijer Tech has been included in the Beijer Alma Group since April, 2010.

BUSINESS AREAS

- **Fluid Technology/Industrial Rubber** – hoses, fittings, rubber sheeting, wear protection, power transmission, sealing solutions.
- **Industrial Products** – surface treatment (blasting, tumbling, grinding and polishing), foundry (consumables, input goods and machinery equipment), and steelworks and smelters (machinery equipment, necessities and steel products).

SENIOR EXECUTIVES

Peter Kollert, President, Born 1961, Graduate in Business Administration, Employee since 2004
Bertil Persson, Chairman of the Board

Peter Kollert, President

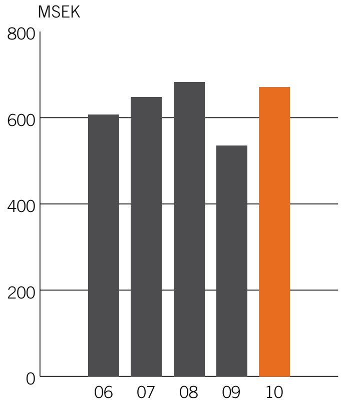
2010 IN BRIEF

- **Invoicing amounted** to MSEK 671 (535) and operating profit to MSEK 47.9 (20.6)
- **Integration** of Lundgrens' subsidiary Slang-Pac AB, which was acquired in 2009
- **Increased focus** on hydraulic hoses growth area in Lundgrens
- **Acquisition of Danish industrial trading company** Preben Z Jensen A/S
- **Strategy process** which underlined Beijer Tech's market potential
- **Acquisition** of operations in Eger & Sørensen AS strengthens positions in foundry products in Norway

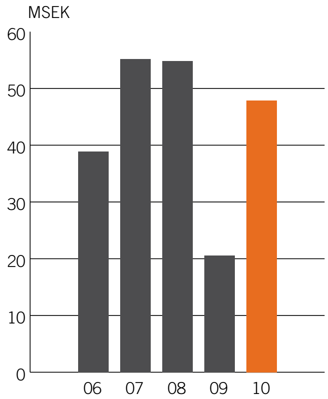
KEY FIGURES (FULL-YEAR)

MSEK	2010	2009	2008	2007	2006
Net revenues	671.3	534.8	682.3	647.7	606.8
Cost of goods sold	–488.4	–386.6	–484.0	–462.6	–437.4
Gross profit	182.9	148.2	198.3	185.1	169.4
Selling expenses	–78.1	–68.4	–79.2	–70.2	–68.1
Administrative expenses	–56.9	–59.2	–64.3	–59.7	–62.4
Operating profit	47.9	20.6	54.8	55.2	38.9
Operating margin, %	7.1	3.9	8.0	8.5	6.4
Net financial items	–0.3	–1.2	–3.4	–3.0	–2.5
Profit after financial items	47.6	19.4	51.4	52.2	36.4
of which depreciation and amortization	6.5	5.6	6.4	6.4	6.3
Capital expenditures, excluding corporate acquisitions	2.1	1.0	4.0	3.8	4.6
Return on capital employed, %	19.0	10.0	28.0	33.0	22.0
Average number of employees	189	174	184	186	193

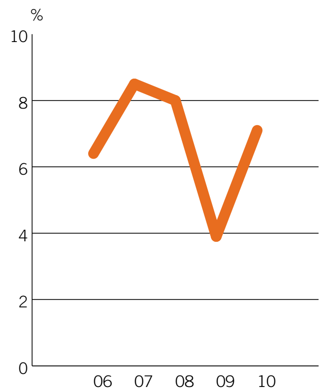
Invoicing



Operating profit



Operating margin



KEY FACTS ABOUT BEIJER TECH'S SALES

- the principal market is the Nordic region, where Sweden is the largest market
- about 75 percent of sales pertain to end customers in industry
- the product range encompasses about 15,000 products
- market leader in Sweden in industrial hoses with a share of about 30 percent
- market leader in the Nordic region in blasting with a share of about 25 percent

Trends in 2010

In 2010, invoicing amounted to MSEK 671 (536), up 25 percent. Operating profit was MSEK 47.6 (20.6) and the Group's operating margin was 7.3 percent (4.1). There was a tangible improvement in demand from most customer groups, including the automotive and energy sectors. The change was particularly evident from the second quarter onward. The positive earnings trend was a result of increasing sales volumes, but also of cost savings implemented by Beijer Tech earlier. The sales rise was strongest in Sweden and Finland. However, the trend in Norway was weak. The Industrial Products business area benefitted the most from growing demand, while the Fluid Technology/Industrial Rubber area – which is less susceptible to the economy – rose at a slower pace. Invoicing in Fluid Technology/Industrial Rubber amounted to MSEK 323 and to MSEK 348 in Industrial Products.

Market and sales

Beijer Tech specializes in industrial trading and represents several of the world's leading manufacturers. The company has about 8,000 customers found in essentially all industrial sectors in the Nordic market. Beijer Tech markets and sells products and expertise that advance and improve the customer's processes and products. The company's key competitive advantages are:

- High level of technical expertise
- Diverse product range
- Significant purchasing power
- Extensive experience in various market segments

The largest market is Sweden, which accounts for about 83 percent of sales. Most sales are geared toward end customers in industrial companies and a smaller share to retailers. Traditional industrial trading accounts for more than 95 percent of the Group's revenues. Beijer Tech is also involved in the planning of entire industrial facilities, the project sales of which generate commission revenue.

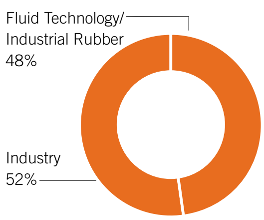
Beijer Tech's overall market in the Nordic region is valued at about SEK 6 billion. This market is characterized by continuous consolidation, where the companies become fewer and larger, both in terms of suppliers and customers. In adapting to this trend, the Group must expand its operations to distinguish itself as a strong and attractive partner also in the future. This expansion is occurring organically and through acquisitions. The aim is to grow in existing customer segments, but also to increase volumes in related product areas. The pace of acquisitions will remain high. During the past three years, six businesses have been acquired, and in the years ahead corporate acquisitions will also be a standard element of the growth strategy.

Operation and organization

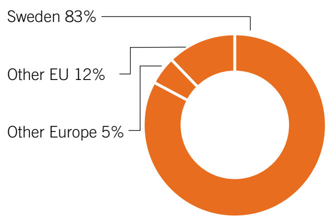
The overriding objective is to contribute to the competitiveness of Nordic industry by offering industrial trading that features a wide range of products and services that provide customers with clear added value

The Group's single largest business area is Fluid Technology and Industrial Rubber. These sales are geared toward the same customer and market segment

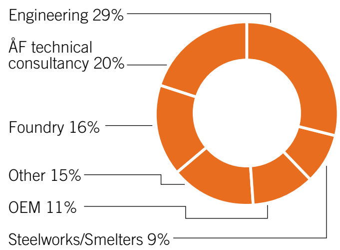
Distribution by business area



Geographic distribution on invoicing



Sales by customer segment



and account for about half of Beijer Tech's combined operations. The other major business areas is Industrial Products, which is geared toward several customer segments. Significant sub-segments include surface treatment, foundry, and steelworks and smelters. Beijer Tech comprises six independent companies with a Nordic management team, which works on joint development matters, such as coordination to achieve economies of scale between the companies. Business responsibility is delegated to come as close to the customers as possible, which generates faster decision-making paths and a higher level of service.

The Group is active in 14 locations in the Nordic region. The largest company is Lundgrens, which specializes in fluid technology and industrial rubber. Each company is responsible for the marketing and sales of its own product areas.

Quality

Beijer Tech strives to be a long-term and reliable partner to its customers and thus spends a great deal of energy on ensuring the quality of its work. This applies to such areas as expertise, delivery precision and traceability concerning the products that are delivered. Quality certifications are a natural element of this objective. The Group's major companies are ISO 9001 certified, while the smaller operations can select other types of third-party certifications. In 2010, Beijer Oy in Finland implemented this type of certification with highly favorable results.

Beijer Tech's quality efforts in general are aimed at improving the internal approach to work, procedures and processes. These initiatives shall increase productivity at the Group and help identify where and how new improvements should be implemented to fully capitalize on their potential.

Environment

Since Beijer Tech does conduct any proprietary production operations or have proprietary products, its environmental efforts are focused on the handling and transport of goods that are traded by the Group. Meanwhile, larger companies, including Lundgrens and Beijer Industri, are environmentally certified under ISO 14001. All companies must work to reduce the environmental impact of their operations. This is specifically achieved by the companies preparing environmental reviews and taking decisions on possible certifications. Based on such reviews, local environmental objectives are also established, which may encompass:

- Chemical-technical products in the product range
- Requirements concerning suppliers' environmental work/strategies
- Requirements concerning transporters' environmental work/strategies
- Company car policy

Social responsibility

Beijer Tech's work in the area of social responsibility is based on the UN's and OECD's "The Ten Principles," which address such issues as human rights, child labor, forced labor, the environment and corruption. There are no other formal guidelines regarding social responsibility and ethics. However, the three Group-wide core values – Customer-centric, Creative and Comprehensive – convey a shared perspective in which consideration, responsibility and sound values are characteristic and influence the daily decision-making process. Imbuing the operations with the core values ensures that all employees are on equal footing and have the same view as to what constitutes strong business morals.

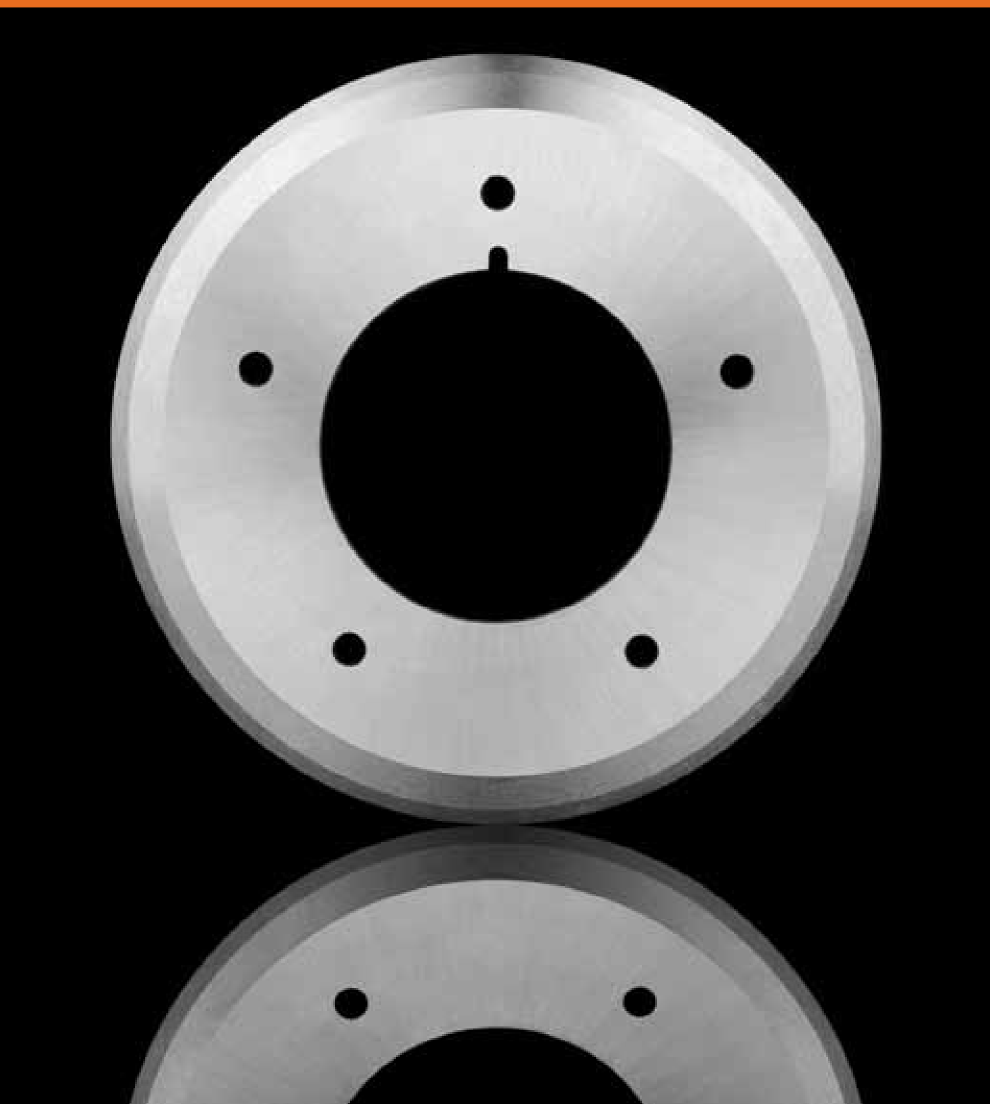
Employees

The number of employees increased by 17 from 185 to 202. The number of employees in Sweden was 181. The Group has 5 employees in Norway, 12 in Denmark, and in Finland, Beijer Tech has 7 employees.

Employees, key figures	**2010**	**2009**	**2008**	**2007**	**2006**
Average number of employees	189	174	184	186	193
of whom, salaried employees	126	114	123	116	121
of whom, collective-agreement employees	63	60	61	70	72
of whom, men	161	148	157	160	166
of whom, women	28	26	27	26	27
of whom, in high-cost countries	189	174	184	186	193
of whom, in low-cost countries	0	0	0	0	0
Number of employees at year-end	202	185	174	180	185
Sickness absence, %	2.3	2.4	2.3	2.5	2.6
of which, short-term absence	1.7	1.7	1.6	1.7	1.9
of which, long-term absence	0.6	0.7	0.7	0.8	0.7

FLUID TECHNOLOGY/ INDUSTRIAL RUBBER

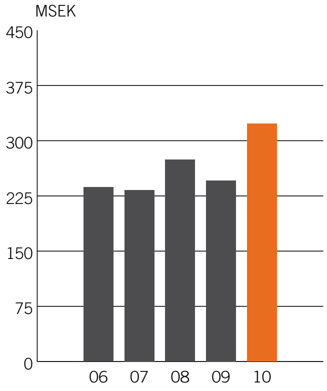
Fluid Technology/Industrial Rubber encompasses such fluid technology products as hoses, hose accessories, hydraulics and ventilation, as well as industrial rubber for seals, gaskets and wear protection. Beijer Tech's key competitive advantages are an expansive product range, industry expertise, extensive experience and cutting-edge knowledge of our proprietary products. Operations are conducted through the subsidiary Lundgrens Sverige AB.



INDUSTRIAL PRODUCTS

Industrial Products encompasses several large subareas - surface treatment (blasting, tumbling, grinding and polishing), consumables and equipment for foundries, steelworks and smelters. Proprietary sales are supplemented by commission transactions involving heavy machinery and equipment for steelworks and smelters, as well as steel products that are primarily sold to steel wholesalers. Similar to the overall technology trade, the primary competitive advantages are an expansive product range, substantial purchasing power, proximity to customers, cutting-edge expertise and rapid decision-making paths. Operations are conducted through the subsidiaries Beijer Industri AB, Beijer AS, Beijer Oy, AB Tebeco and Preben Z Jensen A/S.

Invoicing



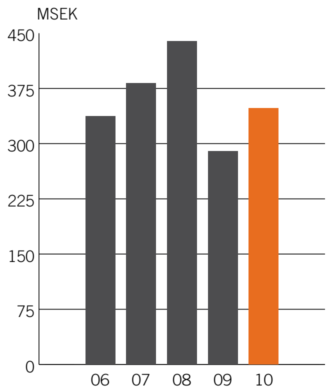
CUSTOMERS AND COMPETITORS

The products can be used in a wide range of applications and customers are found in such sectors as commerce, industry, maritime and offshore. The Group offers specialized products for contracting, agriculture and environmental remediation. Customers include Rosemount, Nederman, Scania, SSAB, hardware stores and professional suppliers. The primary competitors in Fluid Technology are Trelleborg, Parker, Specma and Hydroscand. In Industrial Rubber, National Gummi, Rubber Co and Momentum are key competitors.

MARKET AND SALES

Fluid Technology/Industrial Rubber account for about half of the Beijer Tech Group's sales. The single largest market is Sweden. The company's position is strong, and in industrial hoses, the Group is the leader with about 30 percent of the Swedish market. In 2010, sales were bolstered through proactive market cultivation and as a result of the broad recovery in the industrial economy. In 2010, Fluid Technology/Industrial Rubber's sales totaled MSEK 323 (246).

Invoicing



CUSTOMERS AND COMPETITORS

The principal customer segments are the foundry sector, steelworks and smelters, and the engineering industry. Customers include such companies as Volvo Powertrain, Seco Tools and Outokumpu. Competitors include Calderys Nordic, Foseco, Karlebo, Lux and Meca Trade in the foundry sector, Vesuvius and Indesko in steelworks and smelters, as well as Tyrolit, KMC and Metabrasive in surface treatment.

MARKET AND SALES

Beijer Tech has an expansive presence in the Nordic region. In blasting, Beijer Tech has a market share of about 25 percent. In foundry products, its share is 8 percent, while in such specific segments as refractory materials, the market share is higher at about 15 percent. Beijer Tech also has a very strong position in steelwork plants, with an estimated market share of slightly more than 40 percent. In 2010, sales experienced a positive trend and volumes rose relatively quickly following the broad decline in 2009. The best performing markets were Sweden and Finland. The customer segments that are increasing the most include foundry and engineering. In 2010, Industry's sales amounted to MSEK 348 (289).

Major focus on hydraulics

Lundgrens has made hydraulic hoses an area of expansion. Enhanced skills are one of the elements of this focus, which also includes offering customers throughout Sweden a complete product range for the hydraulic aftermarket.

Lundgrens works with fluid technology and industrial rubber and is currently Beijer Tech's largest operation. The company has 113 employees and is available in nine locations in Sweden. Customer segments include maritime, heavy construction industry, agriculture and environmental remediation. Lundgren's key products are industrial hoses, hose accessories, power transmissions, rubber and hydraulics.

More cutting-edge expertise

Hydraulics is a specific area of expansion in which the company's positions are being advanced. This began a few years ago when Lundgrens acquired the companies Hymab and Slangbolaget.

"Lundgrens has always focused on scope and been a turnkey supplier of consumables to industrial companies. We will continue to do so, but also want to offer cutting-edge expertise in hydraulics and three additional areas," explains Morgan Lundgren, President of Lundgrens.

"The acquisitions of Hymab and Slangbolaget have expedited Lundgrens' ability to begin this process since we have been able to expand on established operations, which already have a history and developed customer relationships," he adds.

This specifically involves a wide selection of hydraulic hoses and couplings and Lundgrens currently has thousands of articles in its product range. These products are now available through all sales locations, from Malmö in southern Sweden to Luleå in northern Sweden.

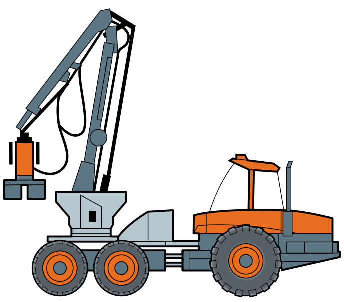
The platform is in place

In addition to Hydraulics, Lundgrens has strengthened its offering in the areas of Ventilation, Technical Sealings and Specialized products/ OEM (Original Equipment Manufacturer). Following the acquisition of Hymab and Slangbolaget, the focus on hydraulics is aimed at coordinating the product range and at developing new future strategies.

"The basic platform is now in place and in 2010, we spent more time on the sales effort through the recruitment of a number of employees for our market organization," says Morgan Lundgren. "These recruits are highly knowledgeable about the products and are also familiar with the hydraulics market in Sweden, which is important to us."

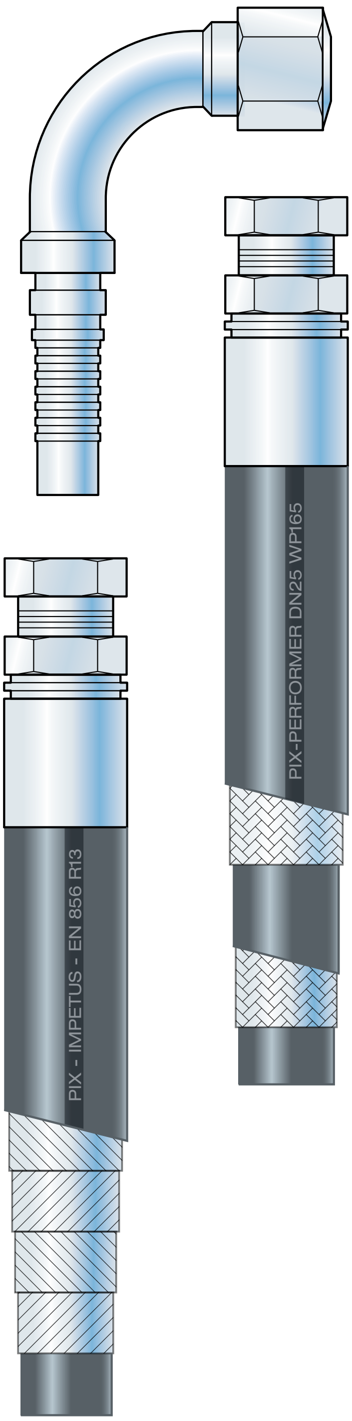
The automotive industry and construction and forestry machinery sectors are particularly attractive segments in our work ahead.

"We want to identify a level that suits us, meaning the right type of company with lucrative volumes and in which partnerships can develop in the long term," says Morgan Lundgren. ■



Forest machinery is an interesting segment of Lundgrens' focus on hydraulic hoses. The extensive product range is combined with high product expertise. Accordingly, the right product is matched to the customer's needs. This is an example of value-creating technical trading that strengthens the industry's competitiveness.

From left, the image shows a PIX multi-spiral hose and a PIX braided hose. They feature durable surface rubber, which is ozone, weather and wear resistant. In 2011, Lundgrens aims to advance the PIX series together with the manufacturer. The product is called PIX Nordic and comprises a new hose generation with a surface rubber that is developed to suit the Nordic climate, and an inner tube that withstands all types of oils.



A focus on the industrial trade

Beijer Tech helps strengthen industrial competitiveness through an approach to industrial trading that improves customers' processes and products thus creating distinct surplus values. Regardless of the product area, Beijer Tech offers a broad range of products and services. In the proprietary business model, knowledge, innovation and decentralized responsibility are also standard key terms.

The company was forged from the operations established by Gottfrid and Lorens Beijer already in 1866 and that focused on the import of pit coal, pig iron and laminated steel. The operations now stretch far beyond raw materials and base products. Today's Beijer Tech specializes in industrial trading in selected product areas and also works with input and expendable materials, equipment and machines, as well as the planning of entire industrial facilities.

"Our strategy is based on assisting Nordic industrial companies by strengthening their competitiveness. This is achieved by contributing to the improvement of products and processes, meaning to the continuous advancement of the quality and technology of customer's operations," says Peter Kollert, President of Beijer Tech.

The single largest area is Fluid Technology and Industrial Rubber. The Group entered into this area through the acquisition of Lundgrens in 1997. A number of corporate acquisitions have been added to Lundgrens, the most recent of which – Slang-Pac, acquired in 2009 – is currently being integrated.

Expansive trading operations

"Industrial trading primarily involves adding value through our knowledge of customers' operations and of our own products," says Peter Kollert. "The breadth of our product range is also crucial to our creation of value and to our ability to fulfill requirements and demands."

Beijer Tech's range is currently based on about 15,000 products, divided among a total of six product areas which, in addition to fluid technology and industrial rubber, comprise surface finishing, foundry products, steelwork and smeltery products, and services. In foundry products and steelwork and smeltery products, Beijer Tech acts as distributor and agent.

"Our trading operations are expansive and encompass daily repeat business, advisory services concerning the requirements for specific customer needs, and turnkey solutions combining products and services. We are also involved in major investments in which we are responsible for coordinating and negotiating projects, which may have a protracted timeline," explains Peter Kollert.

"Regardless of the business, knowledge of and familiarity with the customer's operations are central to Beijer," he says. "The success factors also include a high level of product quality, and flowing and reliable logistics solutions."

Joint business model

Work in all product areas is based on the joint business model, where decentralized business responsibility is one of the cornerstones and in which responsibility and decision-making authority are conducted in as close cooperation with the customer as possible in everyday business. This generates rapid decisions and connects directly to another cornerstone, namely the high level of service.

"This makes us available, reliable and able to quickly deliver products and services," explains Peter Kollert. "We strive to continuously advance and modernize inventory levels, and are currently conducting this type of efficiency-enhancement project at Lundgrens in Gothenburg."

The aim is also to increase coordination at the Group to thus capitalize on as many economies of scale as possible between the companies. One such area may pertain to procurement, where coordination paves the way for greater volumes and thus better prices for principals and suppliers.

"Becoming a larger business partner to principals is essentially positive and contributes to more stable and long-term relationships," explains Peter Kollert. "Working closely with principals is important in general – for example in terms of skills development and product expertise. We are often able to capitalize on their expertise in our customer projects and they also often add assistance in further training for our employees." ■

The Beijer Alma share

The Beijer Alma share was listed on the stock exchange in 1987. At year-end 2010, the Group had 4,176 shareholders and a market capitalization of MSEK 4,836. Beijer Alma's dividend policy is that not less than one third of the Group's net profit, excluding items affecting comparability, shall be distributed to the shareholders.

- The Beijer Alma share is listed on the NASDAQ OMX Stockholm Mid Cap list.
- At year-end, Beijer Alma's share capital amounted to MSEK 125.5 (114.3).
- All shares have a quotient value of SEK 4.17 and entitle the shareholder to equal rights to participation in the company's assets and earnings.
- There are no convertible subordinated debentures or options outstanding.
- In conjunction with the acquisition of Beijer Tech AB, 2,700,000 Class B shares were issued.
- A total of 2,731,274 shares were traded during the year. This corresponds to 10.2 percent of the outstanding Class B shares, up 4.8 percentage points from 2009.
- An average of approximately 10,796 shares were traded each trading day.

OWNERSHIP

- The number of shareholders at year-end was 4,176.
- Of these shareholders, institutional owners accounted for 56.6 percent of capital and 38.7 percent of votes.
- The holdings of foreign shareholders amounted to 6.3 percent of capital and 3.2 percent of votes.

Shareholders	Number of shareholders	% of votes	% of capital
Swedish shareholders	3,975	96.8	93.7
Foreign shareholders	201	3.2	6.3
Total	**4,176**	**100.0**	**100.0**

Largest shareholders

Name	Total	No. Class A shares	No. Class B shares	No. of votes	Share capital (%)
Anders Wall, with family and companies	3,513,120	1,974,000	1,539,120	21,279,120	11.7
G & L Beijer AB	2,700,000	0	2,700,000	2,700,000	9.0
Lannebo funds	1,874,334	0	1,874,334	1,874,334	6.2
Svolder Aktiebolag	1,760,000	0	1,760,000	1,760,000	5.8
Kjell and Märta Beijer Foundation	1,682,050	0	1,682,050	1,682,050	5.6
Anders Wall's Foundations	1,562,160	693,000	869,160	7,799,160	5.2
Livförsäkring AB Skandia	1,400,356	0	1,400,356	1,400,356	4.7
Didner & Gerge Fonder Aktiebolag	1,215,299	0	1,215,299	1,215,299	4.0
Swedbank Robur funds	1,053,575	0	1,053,575	1,053,575	3.5
Verdipapir Odin Sverige	928,887	0	928,887	928,887	3.1
Kjell Beijers 80-year Foundation	754,200	0	754,200	754,200	2.5
Fjärde AP Fund	700,000	0	700,000	700,000	2.3
SEB Asset Management S A	650,000	0	650,000	650,000	2.2
Göran W Huldtgren, with family and companies	539,510	304,800	234,710	3,282,710	1.8
Other	9,797,609	358,200	9,439,409	13,021,409	32.5
Total	**30,131,100**	**3,330,000**	**26,801,100**	**60,101,100**	**100.0**

Source: Shareholders' register, December 31, 2010 incl. known changes.

Ownership structure

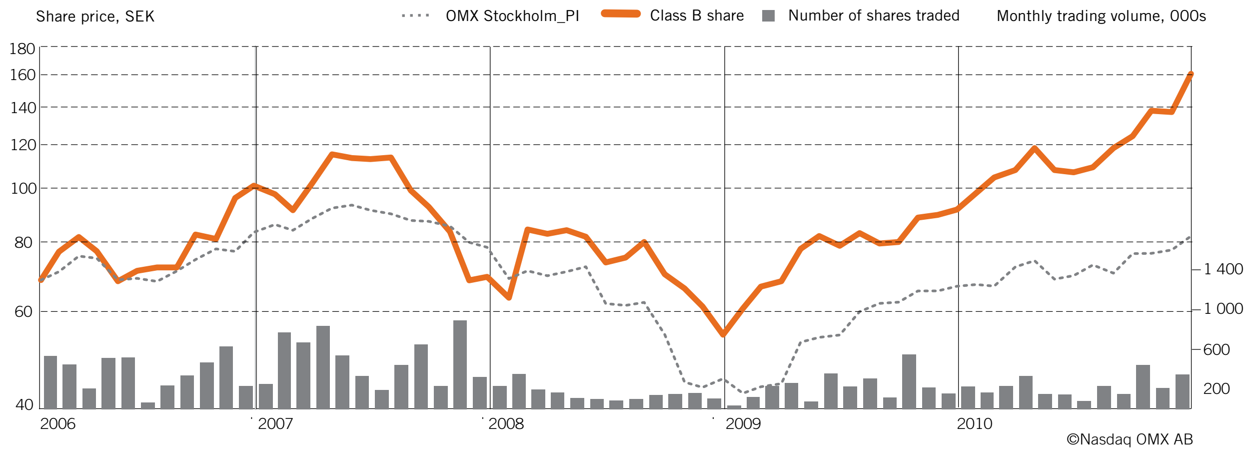
Number of shares	Number of shareholders	% of shareholders	Number of shares	of which Class A	of which Class B	% of shares
1–1,000	3,105	74.4	971,358	1,800	969,558	3.2
1,001–10,000	925	22.1	2,606,573	0	2,606,573	8.7
10,001–20,000	49	1.2	691,110	43,200	647,910	2.3
20,001–50,000	39	0.9	1,198,649	153,500	1,045,149	4.0
50,001–100,000	23	0.6	1,564,820	318,100	1,246,720	5.2
100,001–	35	0.8	23,098,590	2,813,400	20,285,190	76.6
Total	**4,176**	**100.0**	**30,131,100**	**3,330,000**	**26,801,100**	**100.0**

Source: Shareholders' register, December 31, 2010.

SHARE PERFORMANCE

- In 2010, the market price of the Beijer Alma share rose 75 percent. The Stockholm All Share Index rose 23 percent.
- The closing price at year-end was SEK 160.50 (91.50), corresponding to a market capitalization of MSEK 4,836.
- The highest price was SEK 160.50, which was quoted on December 30, 2010. The lowest price was SEK 91.50, which was quoted on January 4, 2009.

Share performance 2006–2010



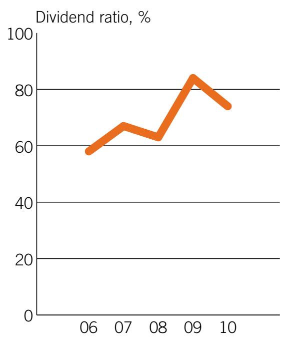
PER-SHARE DATA

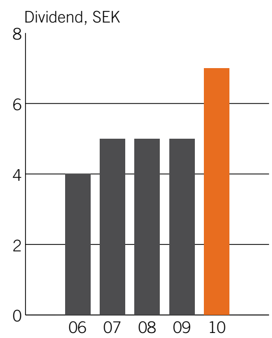
	2010	2009	2008	2007	2006
Earnings per share based on average number of shares outstanding after 26.3% and 28% standard tax, respectively, SEK	9.75	6.08	7.74	7.42	6.88
After tax, SEK	9.51	5.92	7.90	7.49	6.92
Shareholders' equity per share, SEK	46.28	35.94	34.98	30.87	27.26
Dividend per share, SEK	7.00 [1]	5.00	5.00	5.00	4.00
Dividend ratio, %	74	84	63	67	58
Dividend yield, %	4.4	5.5	9.2	7.2	4.0
Market price at year-end, SEK	160.50	91.50	54.50	69.25	101.00
Highest market price, SEK	160.50	92.50	87.50	117.00	102.00
Lowest market price, SEK	91.50	56.00	50.00	63.00	59.75
P/E ratio at year-end	16.9	15.5	6.9	9.2	14.7
Cash flow per share, SEK	5.58	7.87	5.47	2.59	4.41
Closing number of shares outstanding	30,131,100	27,431,100	27,431,100	27,431,100	27,431,100
Average number of shares outstanding	29,456,100	27,431,100	27,431,100	27,431,100	27,431,100

1. Dividend proposed by Board of Directors.

DIVIDEND POLICY

- Beijer Alma's dividend policy stipulates that the dividend shall amount to not less than one third of the Group's net profit, excluding items affecting comparability, although consideration shall always be given to the Group's long-term financing needs.





ANALYSTS

Company	Analyst	Telephone number
Danske Bank	Jan Bjerkeheim	+46 8 568 805 69
Remium	Claes Vikbladh	+46 8 454 32 94
Ålandsbanken	Mikael Laseen	+46 8 791 48 27

Beijer Alma's story

Beijer Alma is an international industrial group that operates in more than 60 markets. Operations focus on component production and industrial supplies. The company's key products are custom-designed cables, industrial springs, chassis springs, flat-strip components and industrial trading. Lesjöfors is an international full-range supplier of industrial springs, wire and flat strip components. Habia Cable develops, manufactures and sells cables and cable-systems for demanding applications. Beijer Tech specializes in industrial trading and represents several of the world's leading manufacturers.

1983
Alma Invest was founded in Uppsala on the initiative of Upsala Sparbank and various entrepreneurs in the Uppland region. The business concept was to acquire blocks of shares in smaller companies in the region.

1985
The business concept is changed and the company's operations are no longer limited geographically. Instead, the aim is to create a group of wholly owned subsidiaries in the areas of industry and trade. The Group's first acquisition is Stickler Drivteknik. The cable manufacturer Habia Cable is acquired later.

1987
The Alma share is introduced on the OTC list of the Stockholm Stock Exchange. Alma Invest changes its name to Alma Industri & Handel.

1988
The company's spring operations are established through the acquisition of Stockholms Fjäderfabrik and Automatfjäder.

1989
The Group supplements its spring operations through the acquisition of Lesjöfors. The company has four plants and will become the foundation of spring operations in the future.

1992
Sparbanken sells its stake. Anders Wall becomes the principal shareholder in the Group.

1993
Anders Wall is appointed Chairman of the Board. The G & L Beijer Import & Export trading company is acquired. Lesjöfors begins working on a range of standard chassis springs.

1994
Valve manufacturer Stafsjö Bruk is acquired.

1995
The Group changes its name to Beijer Alma Industri & Handel.

1996
The spring plant in Lesjöfors is completely destroyed in a fire. Lesjöfors acquires spring manufacturers Kilen Industri and Nyme and toolmaker Scandic Tools.

1997
The Group has now been listed on the stock market for ten years. After the fire in Lesjöfors, a new plant is opened, which is Europe's most modern spring plant.

1998
Lesjöfors acquires GS Industri and spring manufacturer DK Fjedre. The Group changes its name to Beijer Alma AB.

1999
Disposal of G & L Beijer Import & Export trading operation. The sale reflects the Group's new focus on industrial production companies with high growth potential. This strategy frees capital for investments in Habia and Lesjöfors.

2000
Bertil Persson is appointed President and CEO. Lesjöfors acquires spring manufacturer Buck Jeppesen. Habia begins manufacturing in China and acquires the German cable company Isotec Kabel.

2001
Elimag Industri is acquired.

2002
Lesjöfors establishes manufacturing operations in China.

2003
Lesjöfors begins manufacturing in Latvia.

2005
AB Stafsjö Bruk is divested. Lesjöfors acquires Danfoss' spring operations and becomes part owner of Hanil Precision, one of Korea's leading manufacturers of gas springs.

2006
Elimag is sold. Lesjöfors acquires the UK company Harris Springs.

2007
Lesjöfors acquires the UK company European Springs & Pressings, bringing its total number of plants to 13. Beijer Alma celebrates its 20th anniversary as a listed company and has 3,002 shareholders at year-end.

2008
Habia acquires the cabling company CS Technology AB and Lesjöfors concludes the acquisition of Stece AB's spring operations.

2009
Habia opens a manufacturing plant for multicore cable in China. Lesjöfors begins manufacturing gas springs in Latvia.

2010
Beijer Tech, which specializes in industrial trading, is acquired thus establishing a new sub-group for Beijer Alma.

contents

Corporate Governance Report

Beijer Alma AB is a Swedish public limited liability company listed on NASDAQ OMX Stockholm AB (Stockholm Stock Exchange). Beijer Alma's corporate governance is based on Swedish legislation, rules and regulations, including the Swedish Companies Act, the listing agreement, the company's Articles of Association and the Swedish Code of Corporate Governance.

Deviations from code regulations

Beijer Alma deviates from provision 2.4 of the Swedish Code of Corporate Governance, which stipulates that the company's directors may not serve as the Chairman of the Nomination Committee. In deviation from this provision, the Nomination Committee has appointed the Chairman of the Board, Anders Wall, as Chairman of the Nomination Committee since he is the company's principal owner and the Nomination Committee believes that Anders Wall's expertise, Board experience and extensive network of contacts will best serve the company in the role of Chairman of the Nomination Committee. In addition, this could be regarded as a natural choice considering Beijer Alma's ownership structure.

Beijer Alma also deviates from provision 4.2 of the Code, which stipulates that deputy directors may not be elected as directors by the Annual General Meeting. President Bertil Persson has been elected Deputy Director. The Nomination Committee, which addresses matters pertaining to the composition of the Board proposed to the Annual General Meeting that the Board of Directors comprise seven ordinary members and one deputy. The Annual General Meeting unanimously passed the motion.

Shareholders

According to Euroclear Sweden AB's shareholder register, Beijer Alma had 4,176 shareholders at year-end 2010. The number of shares was 30,131,100, of which 3,330,000 were Class A shares and 26,801,100 were Class B shares. Anders Wall, with family and companies, has a shareholding corresponding to 35.4 percent of the company's total number of votes and the Anders Wall Foundation has 13.0 percent. There are no other shareholders whose votes exceed 10 percent of the total number of votes.

During the acquisition of Beijer Tech AB in 2010, a private placement of 2,700,000 Class B shares was implemented under the authorization granted to the Board of Directors during the 2009 Annual General Meeting. Each Class A share entitles the holder to ten votes and each Class B share entitles the holder to one vote. The Class A share carries an obligation to offer shares to existing shareholders. The Class B share is listed on the Mid Cap list of the OMX Nordic Exchange Stockholm. All shares carry the same right to the company's assets and profit and entitle the holder to the same dividend.

General Shareholders Meeting

The company does not apply any specific provisions concerning the function of the General Shareholders Meeting, either based on stipulations in the Articles of Association or on any shareholder agreements of which the company is aware. The Articles of Association have no particular stipulations regarding the appointment and dismissal of Board members or changes to the Articles of Association. Nor do the Articles of Association limit the number of votes that each shareholder can make at a General Shareholders Meeting.

The Annual General Meeting shall be held not more than six months after the end of the financial year. All shareholders who are registered in Euroclear Sweden's shareholder register and provide timely notification of their intention to attend the Meeting are entitled to participate in the Annual General Meeting and partake in voting in accordance with their total shareholdings.

A total of 268 shareholders participated in the Annual General Meeting held on March 23, 2010, representing 58.8 percent of the total number of shares and 76.2 percent of the votes. The minutes from the Annual General Meeting are available on Beijer Alma's website.

The resolutions passed by the Annual General Meeting included the following:

- To issue a dividend of SEK 5.00 per share.
- To re-elect Directors Anders G. Carlberg, Göran W. Huldtgren, Peter Nilsson, Anders Ullberg, Anders Wall and Johan Wall, as well as Deputy Director Bertil Persson. To elect Marianne Brismar as a new member.
- To re-elect Anders Wall as Chairman of the Board and Johan Wall as Deputy Chairman.
- To pay each director a fee of SEK 225,000. To pay the Chairman of the Board a fee of SEK 500,000, plus an assignment fee of SEK 350,000 for duties other than those involving normal Board work.
- Principles for remuneration and employment terms for senior executives.
- Procedures for the work and appointment of the Nomination Committee.
- To authorize the Board to make decisions concerning share issues totaling not more than 3,000,000 Class B shares or of convertible debentures corresponding to the same number of Class B shares.

Nomination Committee

The 2010 Annual General Meeting appointed a Nomination Committee to submit proposals concerning the Board of Directors, the Chairman of the Board of Directors, directors' fees and the Chairman of the 2011 Annual General Meeting. The individuals appointed were Anders Wall, in his capacity as principal owner and Chairman of the Board, Director Johan Wall and three representatives of the next largest shareholders. These representatives were Caroline af Ugglas (Livförsäkrings AB Skandia), Ulf Hedlundh (Svolder AB) and Mats Gustafsson (Lannebo Fonder).

The Chairman of the Board, Anders Wall, held individual discussions with each director to assess the work and competence requirements of the Board. This assessment was presented to the Nomination Committee. The Nomination Committee's proposals will be presented in the notice of the 2011 Annual General Meeting.

Board of Directors

Under its Articles of Association, Beijer Alma's Board of Directors shall comprise not fewer than seven and not more than ten regular members and not more than two deputy members elected by the Annual General Meeting. The Board of Directors currently comprises seven regular members and one deputy member. The company's President and Chief Executive Officer is the deputy member. Other salaried employees in the Group may also participate in the meetings of the Board of Directors as reporters. The minutes of the Board meetings are taken by independent legal counsel.

The composition of the Board of Directors is presented in the table below. Directors Anders Wall and Johan Wall represent shareholders controlling more than 10 percent of votes and capital.

In 2010, the Board of Directors held ten meetings during which minutes were taken. The attendance of the members of the Board at these meetings is presented in the table below. One of the meetings was held at Beijer Tech in Malmö and one in China, which included visits to Lesjöfors' and Habia's units there. During these meetings, the local management teams presented their operations. One of the Board meetings dealt exclusively with strategy issues. Beijer Alma's auditors reported their findings from the audit and their assessment of the Group's internal control procedures at two Board meetings. The auditors also provided information concerning accounting changes and how these changes affect Beijer Alma.

During the year, the focus of the Board's work shifted from matters concerning cost-saving measures to growth issues. Corporate acquisitions have been a fixture on the agenda for each Board meeting and two corporate acquisitions were completed in 2010.

The Board of Directors has adopted a written work plan that regulates such considerations as:

- The minimum number of Board meetings (seven) in addition to statutory meetings and when they are to be held
- The date and content of notices of Board meetings
- The items that shall normally be included in the agenda for each Board meeting
- Minute-taking at Board meetings
- Delegation of decisions to the President
- The President's authority to sign interim reports

This work plan is reviewed and updated annually.

In addition, the division of duties between the Board and the President, as well as their responsibilities and authorities, are regulated by a directive.

The Board also has formal requirements pertaining to information about the performance of the Group and the individual companies. This information is used to generate a monthly report that contains key events and trends concerning order bookings, invoicing, earnings, cash flow, financial position and the number of employees. The report also includes trend diagrams for order bookings, invoicing and contribution margins. These trend diagrams rapidly indicate any changes, thereby providing early warning signals.

In addition to leading the work of the Board of Directors, the Chairman of the Board shall maintain continuous contact with the CEO to discuss the company's operating activities and to ensure that the decisions of the Board are being executed. Together with the CEO, the Chairman of the Board handles strategic issues and participates in the recruitment of key personnel in accordance with the "grandfather principle." When necessary, the Chairman of the Board participates in important external business contacts and business negotiations, including negotiations concerning purchases or sales of subsidiaries. The Chairman of the Board represents the company in matters pertaining to ownership.

Remuneration Committee

Directors Anders Wall, Anders G. Carlberg and Anders Ullberg were appointed to prepare proposals regarding the President's salary, bonus, pension benefits and other remuneration. The Committee also prepares proposals concerning remuneration to Group management and subsidiary managers and approves proposals by the President regarding remuneration to Group management and subsidiary managers within the framework of the guidelines adopted by the Annual General Meeting.

The company's remuneration principles and guidelines are described in Note 1, and the Board of Directors' recommendation to the Annual General Meeting is that these remain unchanged for 2011. The Remuneration Committee held one meeting in 2010, which was attended by all members.

Directors on the Board

Director	Elected in	Independent of majority owners	Independent of the company	Remuneration Committee	Audit Committee	Participation in Board Meetings	Holding of Class A shares	Holding of Class B shares
Anders Wall, Chairman	1992		X	X	X	10 (10)	1,974,000	1,536,120
Johan Wall, Deputy Director	1997		X		X	8 (10)		3,000
Marianne Brismar, Director	2010	X	X		X	6 (6)		10,000
Anders G Carlberg, Director	1997	X	X	X	X	10 (10)		3,000
Göran W Huldtgren, Director	1983	X	X		X	10 (10)	304,800	234,710
Peter Nilsson, Director	2008	X	X		X	7 (10)		0
Marianne Nivert, Director	2002	X	X		X	4 (4)		6,000
Anders Ullberg, Director	2007	X	X	X	X	10 (10)		15,000

Audit Committee

The Audit Committee comprises the entire Board of Directors.

Operational control

The President of Beijer Alma, Bertil Persson, is also the company's CEO and is responsible for the operational control of the Group. The other members of Group management, namely the presidents of the subsidiaries Lesjöfors, Habia Cable and Beijer Tech, and the Group's Chief Financial Officer and Controller, assist him in this task. Beijer Alma's business operations are conducted through its subsidiaries Lesjöfors, Habia Cable and Beijer Tech. Lesjöfors' operations are organized into three business areas, Habia's operations into three business areas and Beijer Tech's into two business areas. The total number of profit centers in Beijer Alma is approximately 50. The Group's business organization is based on decentralized responsibility and authority, combined with fast and effective reporting and control systems.

The Boards of Directors of Lesjöfors, Habia Cable and Beijer Tech comprise individuals from Group management. Habia's Board also includes external members. Work plans corresponding to the Parent Company's work plan have been prepared for the subsidiaries' Boards of Directors and written instructions are in place for the presidents of the subsidiaries. The subsidiaries are also governed by a number of policies and instructions that regulate the companies' operations in such areas as IT, the environment, quality, equality and attesting procedures. Instructions to the presidents of the subsidiaries stipulate that the UN's and the OECD's "The Ten Principles" shall be followed. "The Ten Principles" address such issues as human rights, child labor, forced labor, the environment and corruption.

The subsidiaries report their order bookings, invoicing and stock of orders for each profit center on a weekly basis. Monthly financial statements are prepared for each profit center. These financial statements are analyzed at different levels in the Group and consolidated at the subsidiary and Group levels. Reports are presented to Group management for each profit center, business area and subsidiary. This reporting is carried out within the system used for the consolidated financial statements that are presented to the market on a quarterly basis. In addition to income statements and balance sheets, the monthly financial statements include key figures and other relevant information. Analyses are conducted in such areas as inventory levels, inventory turnover, accounts receivable and customer credit periods. In connection with the monthly financial statements, an informal meeting is held between subsidiary and Group management.

The basic idea behind the Group's reporting and monitoring systems is that the systems should be characterized by transparency and decentralization. In each subsidiary, considerable significance is given to improving and streamlining the company's processes. A key to succeeding in such endeavors is having access to relevant and accurate information that can be measured and monitored. Extensive efforts have been devoted to implementing and developing business systems to enable measurement of the profitability of individual businesses, customers, industries and geographic markets. The Group monitors and measures the costs for the various components of its production, administration and sales operations, and compares these with earlier results and targets. The information gathered in this manner is used for internal benchmarking, which allows the company to be motivated by and learn from positive examples.

In 2010, operational work focused on increasing capacity as demand gradually improves. The Group and company managements jointly conducted regular analyses of the demand scenario and capacity needs, and accordingly, added resources to meet the growing demand. The aim has always been to retain as many of the cost-saving measures that were implemented during the financial crisis as possible.

Internal control

The Board of Directors' internal control responsibilities are governed by the Swedish Companies Act and the Swedish Code of Corporate Governance. The Code also contains requirements for external disclosure of information, which stipulate the manner in which the Group's internal control of financial reporting is to be organized.

The aim of Beijer Alma's internal control of financial reporting is to establish reasonable security and reliability in the Group's external financial reporting, which comprises annual and interim reports. Internal control is also intended to provide reasonable assurance that these financial reports are prepared in accordance with any prevailing legislation, applicable accounting standards and other rules for listed companies.

The Board of Directors has overall responsibility for the Group's internal control of financial reporting. The division of duties is regulated by the Board through a work plan. The Audit Committee, which comprises the entire Board of Directors, is responsible for ensuring compliance with the principles for financial reporting and internal control, and that the required contact is maintained with the company's auditor.

Responsibility for the daily operational work involved in internal control of financial reporting is delegated to the President. Along with the Group's Chief Financial Officer and Controller, the President works in cooperation with the subsidiary management groups to develop and strengthen the Group's internal control through such measures as establishing regulations and policies.

For the Group's internal control to function, it is important to identify the most significant risks to which the Group's companies, business areas and processes are exposed. This risk assessment results in control objectives that support the fact that the company's financial reporting fulfills the basic requirements.

The identified risks are managed through various controls implemented at the profit center, business area or Group level. The risks are quantified and then either accepted, reduced or minimized. The Group's operational work to ensure internal control of financial reporting includes extensive deviation analysis. Deviations from historical data, forecasts and plans are analyzed.

Reviews to ensure internal control are performed at all levels. The Board is responsible for these reviews. Taking into consideration the size, organization and financial reporting structure of the Group, the Board deems that no special internal audit function is warranted at present.

Administration Report

The Board of Directors and the President of Beijer Alma AB (publ) hereby submit the company's Administration Report and Annual Accounts for the 2010 financial year, the company's 28th year of operation.

Revenues and earnings

Group

In 2010, the economy turned upward after the global financial crisis. The Group's companies entered 2010 with low cost levels following cost adaptations implemented during the recession and rising volumes generated a significant effect on earnings

During the year, the technology trading company Beijer Tech was acquired, which constitutes an independent business area in the Group. The acquisition was consolidated as of the second quarter, and was mostly financed through a private placement of 2,700,000 Class B shares.

Order bookings rose 48 percent to MSEK 2,321 (1,566). Invoicing totaled MSEK 2,290 (1,571), up 46 percent. In comparable units, order bookings rose 16 percent and invoicing 14 percent. The Swedish krona (SEK) strengthened compared with the preceding year. Taking into account this currency effect, order bookings rose 21 percent and invoicing 19 percent in comparable units. The proportion of international sales was 69 percent (82). Excluding the acquired company Beijer Tech, which conducts 83 percent of its sales in Sweden, the proportion of international sales was 84 percent. Operating profit amounted to MSEK 406.3 (238.2) and the operating margin was 17.7 percent (15.2). Profit after financial items totaled MSEK 398.8 (226.5). Currency forward contracts had a positive impact of approximately MSEK 24 on earnings. Net profit was MSEK 286.5 (162.4).

In the past five years, the Group performed as follows:

MSEK	2010	2009	2008	2007	2006
Net revenues	2,290	1,571	1,836	1,654	1,488
Profit after financial items	399	226	295	283	262
Net profit	287	162	217	206	152
Shareholders' equity	1,395	986	960	847	748
Total assets	1,976	1,390	1,461	1,349	1,218

Subsidiaries

Lesjöfors, which is a full-range supplier of standard and specially produced industrial springs, wire and flat strip components, increased its order bookings by 18 percent to MSEK 1,222 (1,040). Invoicing totaled MSEK 1,207 (1,047), up 15 percent. Adjusted for exchange-rate fluctuations, order bookings rose 23 percent and invoicing 21 percent. Operating profit, on which currency forward contracts had a positive impact of MSEK 18, amounted to MSEK 349.4 (242.9), and the operating margin was 29.0 percent (23.2).

Lesjöfors' operations are conducted in three business areas: Industrial Springs, Flat Strip Components and Chassis Springs. All business areas increased invoicing and earnings, the greatest of which were in Industrial Springs and Flat Strip Components.

Habia Cable, which produces custom-designed cables, increased its order bookings by 9 percent to MSEK 570 (524). Invoicing amounted to MSEK 558 (523), up 7 percent. Adjusted for exchange-rate fluctuations, order bookings were up 17 percent and invoicing rose 15 percent. Operating profit totaled MSEK 46.2 (11.5), and the operating margin was 8.3 percent (2.2). Currency forward contracts had a positive impact of MSEK 6 on operating profit.

Habia's sales to engineering customers were strong. Demand from the telecom sector was weak until the autumn, after which it stabilized at the levels prevailing before the financial crisis. During the year, a decision was taken to relocate most Swedish production of telecom cables to the production unit in China.

Beijer Tech, which conducts technology trading in industrial consumables, and hose and rubber products, was consolidated as of April. In the period from April to December, order bookings and invoicing amounted to MSEK 525. Operating profit amounted to MSEK 41.6, and the operating margin was 7.9 percent.

Beijer Tech's sales have performed well since the date of acquisition. In September, the Danish technology trading company Preben Z Jensen A/S was acquired, which generates annual revenues of about MSEK 40.

Parent Company

The Parent Company is a holding company whose operations primarily comprise owning and managing its shares and participations in subsidiaries, and accounting for certain intra-Group functions. The company does not conduct its own operations or external invoicing. Profit after financial items was MSEK 89.9 (65.7). Profit included dividends from subsidiaries in the amount of MSEK 116.0 (85.0). Net profit was MSEK 94.6 (68.3).

Capital expenditures

Investments in fixed assets amounted to MSEK 55.2 (60.5), compared with depreciation totaling MSEK 70.7 (71.4). Of these investments, Lesjöfors invested MSEK 42.9, while Habia invested MSEK 10.1.

Research and development

Development costs normally pertain to order-related development and are charged to each order.

Cash flow, liquidity and financial position

Cash flow after capital expenditures amounted to MSEK 168.3 (215.8). Corporate acquisitions in the amount of MSEK 65.0 (0) were charged to cash flow. Net interest-bearing liabilities, meaning interest-bearing liabilities less cash and cash equivalents, declined by MSEK 31.7 during the year. The company had net cash of MSEK 91.2 (59.5) at year-end. Available liquidity, which is defined as cash and cash equivalents plus approved but unutilized overdraft facilities, totaled MSEK 666 (614) at the balance-sheet date.

The equity ratio at year-end was 70.6 percent (70.9). The net debt/equity ratio, which is defined as net debt in relation to shareholders' equity, was negative 6.5 percent (neg: 6.0).

Profitability

The return on average capital employed was 30.6 percent (21.2), while the return on average shareholders' equity was 24.7 percent (17.2).

Corporate acquisitions

At the end of March 2010, all of the shares in Beijer Tech AB were acquired. The purchase consideration was MSEK 328.9, which was paid for with MSEK 38.7 in cash and through a new share issue of 2,700,000 B shares, which were priced at SEK 107.50.

In September, Beijer Tech acquired all of the shares of Preben Z Jensen. The purchase consideration was MSEK 35.4, which was paid in cash.

Personnel

The number of employees was 1,397 (1,146), which was an increase of 251. Some 161 employees were added through corporate acquisitions, weighted for the period held by the Group.

Beijer Alma conducts low-cost production operations in China, Latvia and Poland. During 2010, the number of employees in these countries increased by 80 to 336. Of the company's employees, 648 individuals (497) work in Sweden and 749 (649) work abroad.

Ownership conditions

Beijer Alma has approximately 4,200 shareholders (3,700). The largest shareholder is Anders Wall, including his family and companies, with 11.7 percent of the capital and 35.4 percent of the votes. In terms of capital, other major owners include G & L Beijer AB with 9.0 percent, Lannebo Funds with 6.2 percent, Svolder AB with 5.8 percent, the Kjell and Märta Beijer Foundation with 5.2 percent, and the Anders Wall Foundations with 5.2 percent. In 2010, G & L Beijer became a new major owner.

Environment

A total of 11 of Lesjöfors' 13 production plants have been awarded ISO 14001 certification. One of these units was granted certification in 2009. All of the company's plants are Class C plants, which means that they have a relatively low environmental impact. All waste is sorted into various fractions and 100 percent of disposed raw materials are recycled. In 2010, the prioritized areas for Lesjöfors' environmental work included minimizing energy consumption.

Habia's Swedish unit is certified in accordance with ISO 14001 and is a Class B plant, which means that it is subject to permit requirements. These permit requirements pertain to emissions of volatile hydrocarbons. In 2010, the prioritized areas for the company's environmental work included reducing the amount of scrap and materials waste generated in production.

Beijer Tech's major subsidiaries Lundgrens and Beijer Industri are ISO 14001 certified. Since Beijer Tech does not conduct any proprietary production or have proprietary products, its environmental efforts are aimed at handling transports of the goods that are traded.

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 84 percent of the company's sales for Lesjöfors and Habia are conducted outside Sweden, while approximately 60 percent of production takes place within Sweden. Through the acquisition of Beijer Tech, currency exposures, primarily in EUR, declined at the Group level.

Management of the Group's financial risks is described in Note 29. With regard to business risks, strategic work is being carried out to broaden the Group's customer base in terms of geography and industry. The Group is deemed to have a favorable risk spread across industries and companies. Historically, the Group has had low customer losses. The assessment is also that no significant risk arose during the year.

Events after the end of the financial year

Johan Vinberg will step down as President of Habia Cable in 2011. Efforts to recruit a successor have been initiated.

Outlook for 2011

Beijer Alma is entering 2011 with strong order bookings and larger stocks of orders than last year. Beijer Tech has also been included in the Group as of the beginning of the year. Accordingly, there are favorable opportunities for a positive start to 2011, despite a strong SEK and higher commodity prices.

Proposed appropriation of profits

The Board of Directors and the President propose that the following profit be made available for distribution by the Annual General Meeting:

KSEK	
Retained earnings	178,412
Net profit for the year	94,575
Total	**272,987**

to be appropriated as follows:

Dividend to shareholders of SEK 7.00 per share	210,918
To be carried forward	62,069

Board of Directors' statement concerning the proposed dividend

After the proposed dividend, the Parent Company's equity ratio will amount to 76 percent and the Group's equity ratio to 60 percent. These equity ratios are adequate given that the company and the Group continue to conduct profitable operations. The liquidity of the Group and the company is expected to remain adequate.

In the opinion of the Board of Directors, the proposed dividend will not prevent the Parent Company or the other Group companies from fulfilling their short or long-term obligations. Nor will it prevent any company from fulfilling its required capital expenditures. Accordingly, the proposed dividend can be justified in accordance with the provisions in Chapter 17, Section 3, Paragraphs 2-3 of the Swedish Companies Act (the prudence rule).

Income statement

Amounts in SEK 000's	Note	Group		Parent Company	
		2010	**2009**	**2010**	**2009**
Net revenues	3,4	2,290,089	1,571,219	–	–
Cost of goods sold	1,5,7,8	–1,426,231	–998,992	–	–
Gross profit		**863,858**	**572,227**	**0**	**0**
Selling expenses	1,5,7,8	–238,326	–190,718	–	–
Administrative expenses	1,5,7,8	–220,152	–142,497	–41,247	–30,787
Other operating income		–	–	14,600	13,700
Profit from participations in associated companies	6	884	–856	–	–
Operating profit/loss	7,8	**406,264**	**238,156**	**–26,647**	**–17,087**
Income from participations in Group companies	9	–	–	116,000	85,000
Interest income		1,942	1,104	5,015	6,068
Impairment of securities		–3,604	–5,896	–3,604	–5,896
Interest expenses		–5,809	–6,910	–829	–2,345
Profit after financial items		**398,793**	**226,454**	**89,935**	**65,740**
Tax on net profit for year	10	–112,266	–64,077	4,640	2,604
Net profit for the year attributable to Parent Company shareholders		**286,527**	**162,377**	**94,575**	**68,344**
Other comprehensive income					
Income/expenses recognized directly against shareholders' equity					
Cash-flow hedges after tax		8,444	26,783	–	–
Translation differences		–39,509	–25,621	–	–
Total other comprehensive income		**–31,065**	**1,162**	**0**	**0**
Total comprehensive income attributable to Parent Company shareholders		**255,462**	**163,539**	**94,575**	**68,344**
Net earnings per share before and after dilution, SEK	11	9.51	5.92	–	–
Proposed/adopted dividend per share, SEK		–	–	7.00	5.00

Balance sheet

Amounts in SEK 000's	Note	Group		Parent Company	
		2010	2009	2010	2009
ASSETS					
Fixed assets					
Intangible assets					
Goodwill	12	341,559	121,147	–	–
Licenses	13	8,275	140	–	–
Tangible assets					
Land and land improvements	14	15,512	16,571	–	–
Buildings	15	148,632	162,206	–	–
Plant and machinery	16	242,190	256,267	–	–
Equipment, tools, fixtures and fittings	17	33,878	27,636	1,040	1,259
Financial assets					
Deferred tax assets	27	2,034	2,260	–	–
Other long-term receivables		3,145	3,117	–	–
Other securities	18	9,093	12,479	9,003	12,407
Participations in associated companies	19	16,011	14,755	–	–
Participations in Group companies	20	–	–	524,003	190,678
Total fixed assets		**820,329**	**616,578**	**534,046**	**204,344**
Current assets					
Inventories	21	427,557	288,703	–	–
Receivables					
Accounts receivable	22	415,524	243,681	–	–
Receivables from Group companies		–	–	312,308	329,270
Other receivables	23	22,796	13,227	202	8
Tax asset		–	–	–	9,932
Prepaid expenses and accrued income	24	51,482	32,496	947	878
Cash and cash equivalents	25	238,122	195,513	35,892	51
Total current assets		**1,155,481**	**773,620**	**349,349**	**340,139**
Total assets		**1,975,810**	**1,390,198**	**883,395**	**544,483**

Balance sheet

Amounts in SEK 000's	Note	Group		Parent Company	
		2010	**2009**	**2010**	**2009**
SHAREHOLDERS' EQUITY AND LIABILITIES					
Shareholders' equity	26				
Share capital		125,546	114,296		
Other contributed capital		444,351	165,351		
Reserves		–1,501	29,564		
Retained earnings, including net profit for the year		826,110	676,738		
Shareholders' equity attributable to Parent Company shareholders		**1,394,506**	**985,949**		
Holdings without controlling interest		2,703	3 081		
Total shareholders' equity		**1,397,209**	**989,030**		
Share capital				125,546	114,296
Statutory reserve				444,351	165,351
Total restricted equity				569,897	279,647
Retained earnings				178,412	164,322
Net profit for the year				94,575	68,344
Total unrestricted equity				272,987	232,666
Total shareholders' equity				**842,884**	**512,313**
Long-term liabilities					
Deferred tax	27	50,322	32,755		
Pension obligations	28	884	357		
Liabilities to credit institutions	29	88,994	66,854		
Total long-term liabilities		**140,200**	**99,966**		
Current liabilities					
Committed credit facilities	29	57,919	52,701	–	17,320
Liabilities to Group companies		–	–	6,204	6,622
Accounts payable		159,392	78,881	1,212	291
Tax liabilities		35,616	11,947	16,085	–
Accrued expenses and deferred income	30	140,083	113,434	16,271	7,299
Liabilities to credit institutions	29	23	16,141	–	–
Other current liabilities	31	45,368	28,098	739	638
Total current liabilities		**438,401**	**301,202**	**40,511**	**32,170**
Total shareholders' equity and liabilities		**1,975,810**	**1,390,198**	**883,395**	**544,483**
Pledged assets	32	278,881	304,948	12,260	12,260
Contingent liabilities	33	3,927	3,127	1,000	1,493

Changes in shareholders' equity

Group	Share capital	Other contributed capital	Reserves	Retained earnings, incl. profit	Total	Holdings without controlling	Total shareholders' equity
December 31, 2008	**114,296**	**165,351**	**28,402**	**651,516**	**959,565**	**3,285**	**962,850**
Total comprehensive income	–	–	1,162	162,377	163,539	–	163,539
Dividend paid	–	–	–	–137,155	–137,155	–	–137,155
Holdings without controlling influence (translation difference)	–	–	–	–	0	–204	–204
December 31, 2009	**114,296**	**165,351**	**29,564**	**676,738**	**985,949**	**3,081**	**989,030**
Total comprehensive income	–	–	–31,065	286,527	255,462	–	255,462
New share issue	11,250	279,000	–	–	290,250	–	290,250
Dividend paid	–	–	–	–137,155	–137,155	–	–137,155
Holdings without controlling influence (translation difference)	–	–	–	–	0	–378	–378
December 31, 2010	**125,546**	**444,351**	**–1,501**	**826,110**	**1,394,506**	**2,703**	**1,397,209**

Parent Company	Share capital	Statutory reserve	Retained earnings	Net profit for the year	Total share-holders equity
December 31, 2008	**114,296**	**165,351**	**209,014**	**60,938**	**549,599**
Reclassification of net profit for the preceding year	–	–	60,938	–60,938	0
Dividend paid	–	–	–137,155	–	–137,155
Group contribution less tax	–	–	31,525	–	31,525
Net profit for the year	–	–	–	68,344	68,344
December 31, 2009	**114,296**	**165,351**	**164,322**	**68,344**	**512,313**
Reclassification of net profit for the preceding year	–	–	68,344	–68,344	0
New share issue	11,250	279,000	–	–	290,250
Dividend paid	–	–	–137,155	–	–137,155
Group contribution less tax	–	–	83,901	–	83,901
Shareholders' contribution paid	–	–	–1,000	–	–1,000
Net profit for the year	–	–	–	94,575	94 575
December 31, 2010	**125,546**	**444,351**	**178,412**	**94,575**	**842,884**

Proposed dividend of SEK 7.00 per share, total of 210 918.

Cash-flow statement

Amounts in SEK 000's	Note	Group		Parent Company	
		2010	2009	2010	2009
Operating activities					
Operating profit/loss		406,264	238,156	–26,647	–17,087
Net financial items	34	–3,867	–6,602	248,986	120,804
Income tax paid		–88,597	–57,882	228	–9,391
Items not affecting cash flow	35	75,934	72,243	219	7,922
Cash flow from operating activities before change in working capital and capital expenditures		**389,734**	**245,915**	**222,786**	**102,248**
Change in inventories		–45,600	29,072	–	–
Change in receivables		–94,675	37,698	–97,957	326
Change in current liabilities		30,855	–35,325	25,661	–1,410
Cash flow from operating activities		**280,314**	**277,360**	**150,490**	**101,164**
Investing activities					
Investments in tangible assets		–47,933	–60,290	–	–
Investments in intangible assets		–	–317	–	–
Investments in other shares		–555	–857	–	–795
Change in other financial assets		1,371	–60	–	–
Acquisitions of companies	36	–64,950	–	–43,075	–
Cash flow from investing activities		**–112,067**	**–61,524**	**–43,075**	**–795**
Cash flow after capital expenditures		**168,247**	**215,836**	**107,415**	**100,369**
Financing activities					
Change in long-term liabilities and credit facilities		–1,404	–44,028	–17,320	5,259
Group contributions received/paid and shareholders' contributions, excluding tax		–	–	82,901	31,525
Dividend paid		–137,155	–137,155	–137,155	–137,155
Cash flow from financing activities		**–138,559**	**–181,183**	**–71,574**	**–100,371**
Change in cash and cash equivalents		**29,688**	**34,653**	**35,841**	**–2**
Cash and cash equivalents at beginning of year		**195,513**	**161,495**	**51**	**53**
Exchange-rate differences in cash and cash equivalents and acquired cash		**12,921**	**–635**	–	–
Cash and cash equivalents at year-end	25	**238,122**	**195,513**	**35,892**	**51**
Unutilized committed credit facilities		**428,326**	**418,474**	**175,000**	**157,680**
Available liquidity		**666,448**	**613,987**	**210,892**	**157,731**

Notes

All amounts in SEK 000s unless otherwise stated.

SUMMARY OF KEY ACCOUNTING POLICIES

The key accounting policies applied in the preparation of these consolidated accounts are stated below. Unless otherwise specified, these policies were applied for all of the years presented.

Basis for the preparation of the report
Beijer Alma's consolidated accounts were prepared in accordance with the Swedish Annual Accounts Act, RFR 1 Supplementary Accounting Rules for Groups and the International Financial Reporting Standards (IFRS) and IFRIC interpretations adopted by the European Union. The consolidated accounts were prepared according to the cost method, except in the case of certain financial assets and liabilities (including derivative instruments) measured at fair value in profit and loss.

New and amended standards applied by the Group from January 1, 2010
Revised IFRS 3 Business Combinations. This revised standard still stipulates that the purchase method be applied for business combinations, but with a few essential changes. Application of this amendment has involved changes to how acquisitions are recognized, including changes to reporting transaction costs, possible contingent purchase prices and successive acquisitions. This amendment is applied prospectively from the 2010 financial year and has not had any effect on earlier acquisitions. Acquisition-related costs of MSEK 4.7 were recognized in consolidated profit or loss. Under the previous standard, these costs would have been included in the purchase consideration of the business combinations. An additional purchase consideration was recognized at fair value at September 1, 2010.

Revised IAS 27 Consolidated and Separate Financial Statements. Among other changes, this amended standard requires that the effects of all transactions with owners without a controlling influence be recognized in shareholders' equity, provided that they do not result in any change to the controlling influence. These transactions no longer give rise to goodwill, gains or losses. The standard will be applied prospectively for transactions from January 1, 2010. Revised IAS 27 has had no impact on the current period since no transactions were conducted in which the company lost controlling influence but retained a participation, nor were there any transactions with owners without controlling influence.

New and revised standards that will first be applied for the fiscal year commencing January 1, 2010, but which are currently irrelevant for the Group and which could impact the recognition of future transactions and business events
Amendment to IAS 38 Intangible Assets. This amendment provides clarification on the fair value measurement of intangible assets acquired in a business combination and permits the recognition of assets as a single asset if the individual assets have similar useful lives.

Standards, amendments and interpretations of existing standards that have not yet taken effect and were not applied in advance by the Group
At the time of the preparation of these consolidated accounts on December 31, 2010, several standards and interpretations had been published that will be mandatory for the Group's accounts when they come into effect on January 1, 2011 or later. During 2010, Beijer Alma did not apply any standards or interpretations in advance. Standards that may affect the financial statements when implemented include:

IFRS 9 Financial Instruments. This standard is the first step in the process of replacing IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 introduces two new requirements for the recognition and measurement of financial assets and will probably impact the Group's recognition of financial assets. The standard will be applied for the fiscal year commencing January 1, 2013, although it is available for advance application. However, it has not yet been adopted by the EU.

Revised IAS 24 Related Party Disclosures. Revised IAS 24 will be applied for fiscal years commencing January 1, 2011 or later. Advance application of the standard is permitted in full or in part. The revised standard clarifies and simplifies the definition of a related party. The Group will apply the revised standard from January 1, 2011. When the revised standard is applied, the Group must disclose transactions between Group companies and the Group's associated companies.

Other standards and interpretations are preliminarily not deemed to have any accounting impact or result in further disclosure requirements.

Key estimates and assumptions for accounting purposes
Preparation of the accounts in accordance with IFRS requires the use of a number of key estimates for accounting purposes. Management is also required to make certain assumptions when applying the Group's accounting policies. The following are areas involving a high rate of assessment, complex areas or areas in which assumptions and estimates are of material importance:

Assumptions regarding impairment testing of goodwill
The Group tests goodwill for impairment annually in accordance with the accounting policies described in the section concerning intangible assets. Assumptions and estimates relating to expected cash flows and discount rates in the form of weighted average capital costs are described in Note 12. Forecasts concerning future cash flows are based on the best possible estimates of future revenues and operating expenses. The impairment tests performed, which did not indicate a need for impairment of goodwill, were based on a margin with a value in use that, according to management's assessment, will not exceed its carrying amount as a result of any reasonable changes in individual variables. It is the assessment of management that even a certain variation in key variables will not result in an impairment requirement.

Accounts receivable
Receivables are recognized in a net amount after provisions are made for doubtful accounts receivable, which are assessed on an individual basis. The net value reflects the anticipated collectable amounts based on the known circumstances on the balance-sheet date. Changes to these circumstances, such as an increase in the scope of non-payments or changes to a significant customer's financial position, may result in deviations in valuation. The general prevailing market trend has resulted in an increased focus on customer credit ratings and monitoring of accounts receivable.

Disputes
Beijer Alma becomes involved in disputes in the course of its normal business activities. Such disputes may concern product liability, alleged faults in deliveries of goods and other issues in connection with Beijer Alma's operations. Disputes can be costly and time-consuming and can disrupt the company's normal business activities. At present, no disputes are considered to be materially significant.

Cash flow
The cash-flow statement was prepared in accordance with the indirect method. Recognized cash flow only includes transactions involving payments and disbursements. Cash and cash equivalents include cash and bank balances and short-term financial investments with a term of less than three months.

CONSOLIDATED ACCOUNTS

The consolidated accounts include subsidiaries in which the Parent Company directly or indirectly holds more than 50 percent of the votes and companies over which the Parent Company has a controlling influence, meaning the right to formulate the financial and operative strategy of the company in question for the purpose of obtaining financial benefits.

The Group's annual accounts were prepared in accordance with the purchase method. The purchase consideration of an acquired company comprises the fair value of the transferred assets, liabilities and shares that were issued by the Group. The purchase consideration also includes the fair value of all the assets and liabilities, which is the result of an agreement concerning the conditional purchase consideration. Acquisition-related costs are expensed as incurred. Identifiable acquired assets and assumed liabilities in a business combination are initially valued at fair value on the date of acquisition based on a market valuation performed at the time of acquisition. The shareholders' equity of acquired subsidiaries is eliminated in its entirety, which means that consolidated shareholders' equity only includes the portion of the subsidiaries' shareholders' equity that is earned after the acquisition.

If the consolidated cost of the shares exceeds the value of the company's identifiable net assets as indicated in the acquisition analysis, the difference is recognized as consolidated goodwill.

Companies acquired during the year are included in the consolidated accounts from the date on which the Group secured a controlling influence over the company, including the amount for the period after the acquisition.

Subsidiaries disposed of by the Group are excluded from the consolidated accounts from the date on which the controlling influence ceases.

Intra-Group transactions, balance-sheet items and profit are eliminated in their entirety, without taking any minority shares into consideration.

Translation of foreign currencies
Items included in the financial statements for the various units in the Group are valued in the currency used in the economic environment in which each company conducts its primary operations (functional currency). In the consolidated financial statements, SEK is used, which is the Parent Company's functional currency and reporting currency. Balance sheets and income statements for the subsidiaries in the Group are translated at the balance-sheet date rate and the average rate for the year, respectively. Translation differences are recognized in other comprehensive income.

Goodwill and fair-value adjustments that arise during the acquisition of a foreign operation are treated as assets and liabilities by Beijer Alma and translated at the rate on the balance-sheet date.

Significant foreign exchange rates	Year-end rate		Average rate	
	December 31, 2010	December 31, 2009	2010	2009
USD	6.80	7.18	7.21	7.65
EUR	9.01	10.27	9.49	10.61
GBP	10.54	11.42	11.10	11.91

Receivables and liabilities in foreign currencies are valued at the balance-sheet date rate. Exchange gains and losses that arise in conjunction with the payment of such transactions and in the translation of monetary assets and liabilities in foreign currency are recognized in profit or loss under net revenues or cost of goods sold. Hedging transactions in the form of currency forward agreements pertaining to future flows in foreign currency influence earnings when they expire.

Reporting of associated companies
Associated companies are defined as companies that are not subsidiaries, but over which the Parent Company has a significant but not controlling influence, which generally involves shareholdings of 20 to 50 percent. Participations in associated companies are recognized in the consolidated financial statements in accordance with the equity method and are initially measured at cost.

The Group's share in the post-acquisition earnings of an associated company is recognized in profit or loss and its share of changes in other comprehensive income after the acquisition is recognized in other comprehensive income. Accumulated post-acquisition changes are recognized as changes in the carrying amount of the investment. When the Group's share in the losses of an associated company amounts to, or exceeds, the Group's investment in the associated company, the Group does not recognize further losses. Unrealized internal gains are eliminated against the share of gains accruing to the Group. Unrealized losses are also eliminated.

Profit shares in associated companies are recognized on separate lines in the consolidated income statement and the consolidated balance sheet. Profit shares in associated companies are recognized after tax.

Segment reporting
Operating segments are reported in a manner that corresponds with the internal reporting submitted to the chief operating decision maker. The chief operating decision maker is the function responsible for allocating resources and assessing the earnings of the operating segments. In the Group, the President and CEO is responsible for making strategic decisions. Beijer Alma's segments are the Group's Lesjöfors (Industrial Springs), Habia Cable (custom-designed cable) and Beijer Tech (industrial trading) operating segments.

Revenue recognition
The Group's net revenues comprise the fair value of what has been received or will be received from the sale of goods in the Group's operating activities. Beijer Alma recognizes revenues when the risk associated with the goods has been transferred to the customer, pursuant to the terms and conditions of sale, and when receipt of payment for the related accounts receivable is deemed probable, meaning when the revenue can be measured in a reliable manner and it is probable that the company will gain future financial benefits. The Group bases its assessments on past results, taking into consideration the type of customer, the type of transaction, and specific circumstances in each individual case.

Sales are recognized net after value-added tax, rebates, returns, translation differences resulting from sales in foreign currencies and the elimination of intra-Group sales.

Interest income
Interest income is recognized distributed over the maturity period using the effective interest method.

Borrowing costs
Borrowing costs are charged against the earnings for the period to which they are attributable, provided that they do not pertain to borrowing costs directly attributable to the purchase, design or production of an asset that takes a significant amount of time to prepare for use or sale. In such cases, any borrowing costs are capitalized as part of the cost of the asset.

Tax
Deferred tax is calculated according to the balance-sheet method for all temporary differences arising between the carrying amount and tax value of assets and liabilities.

Loss carryforwards that can be utilized against anticipated future profit are capitalized as a deferred tax asset. This applies to accumulated tax loss carryforwards at the time of acquisition and to losses that arise thereafter.

Valuation is performed using the tax rates in effect on the balance-sheet date. Deferred tax is recognized in the balance sheet as a financial asset or long-term liability. Tax expenses for the year comprise current tax and deferred tax.

If the actual outcome differs from the amount that was initially reported, such differences will affect the provisions for current tax and deferred tax, as well as net profit for the year.

Deferred tax is recognized on temporary differences arising from participations in subsidiaries and associated companies, except when the timing of the reversal of the temporary differences is controlled by the Group and it is probable that the difference will not be reversed in the foreseeable future.

Intangible assets
The Group's intangible assets primarily comprise goodwill. Goodwill is defined as the amount by which the consolidated cost of the shares in acquired subsidiaries exceeds the fair value of the company's net assets as indicated in the acquisition analysis at the time of acquisition. Goodwill from the acquisition of associated companies is included in the value of the holdings in the associated companies and is tested for impairment as a part of the value of the total holding. Goodwill that is recognized separately is tested annually for impairment. Impairment of goodwill is not reversed. Gains or losses arising from the sale of a unit include the remaining carrying amount of the goodwill relating to the sold unit.

Goodwill is allocated at the time of acquisition to cash-flow generating units that are expected to profit from the acquired operation that generated the goodwill item. For a description of the methods and assumptions used for impairment testing, refer to Note 12.

Contractual customer relations and licenses that have been acquired through business combinations are recognized at fair value on the date of acquisition. The contractual customer relations and licenses have a definable useful life and are recognized at cost less accumulated depreciation. Depreciation is applied straight-line to distribute the cost over the useful life of the aforementioned contracts and licenses.

Research and product development
When costs are incurred for product development, such costs are immediately expensed.

According to a strict definition, no research and development is conducted within the Group. Since development work in the Beijer Alma Group is conducted on a continuous basis and is an integrated part of the daily operations, such expenses are difficult to define. Moreover, these expenses do not amount to significant amounts.

Tangible assets
Tangible assets, including office and industrial buildings and land, are recognized at cost after deductions for accumulated depreciation. The cost includes costs directly related to the acquisition of the asset. Expenses for improvements to the performance of an asset beyond its original level increase the carrying amount of the asset. Expenses for repair and maintenance are reported as costs.

In profit or loss, operating profit is charged with straight-line depreciation based on the difference between the costs of the assets and any residual value they may have over their estimated useful lives. Beijer Alma applies the following estimated useful lives:

Official buildings used in operations	25–40 years
Industrial buildings used in operations	20–40 years
Plant and machinery	2–10 years
Equipment, tools, fixtures and fittings	2–10 years

Land is not depreciated. The residual values and estimated useful lives of assets are assessed annually and adjusted when necessary. In cases when the carrying amount of an asset exceeds its estimated recoverable amount, the asset is depreciated to its recoverable amount.

Capital gains and losses are determined by comparing the selling price and the carrying amount. Capital gains and losses are recognized in profit or loss.

Leasing agreements
Leasing agreements pertaining to fixed assets in which the Group essentially bears the same risks and enjoys the same benefits as in the case of direct ownership are classified as financial leasing. Financial leasing is recognized at the beginning of the leasing period at the lower of the fair value of the leasing object and the present value of the minimum leasing

fees. Financial leasing agreements are recognized in the balance sheet as fixed assets or financial liabilities. Future leasing payments are distributed between amortization of the liability and financial expenses so that each accounting period is charged with an interest amount that corresponds to a fixed interest rate for the liability recognized during each period. Leasing assets are depreciated according to the same principles as other assets of the same class. In profit or loss, costs associated with the leasing agreement are allocated to depreciation and interest.

Leasing of assets in which the lessor essentially remains the owner of the asset is classified as operational leasing. The leasing fee is expensed on a straight-line basis over the leasing period. Operational leasing agreements are recognized in profit or loss as an operating expense. Leasing of automobiles and personal computers is normally defined as operational leasing. The value of these leasing agreements is not deemed to be significant.

Impairment

Assets with an indefinite useful life, such as land, are not depreciated or amortized; instead, such assets are tested annually for impairment. For depreciated assets, an assessment of the carrying amount of the assets is conducted whenever there is an indication that the carrying amount exceeds the recoverable amount. An impairment loss is recognized in the amount by which the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less selling expenses and its value in use. Impairment is performed per cash-flow generating unit. For assets other than financial assets and goodwill for which an impairment loss was previously recognized, impairment testing is carried out on each balance-sheet date to determine whether they should be recovered.

Inventories

Inventories comprise finished goods, semi-manufactured goods and raw materials. Inventories are valued, using the first-in, first-out method, at the lower of cost and fair value (net selling price) on the balance-sheet date. Finished goods and semi-manufactured goods are valued at manufacturing cost, including raw materials, direct labor, other direct overheads and production-related overheads based on normal production. The net selling price is equal to the estimated selling price of the operating activities less applicable variable selling expenses. Collective valuation is applied for homogenous groups of goods. Interest expenses are not included in the valuation of inventories.

A deduction is made for intra-Group profit arising when deliveries are made between the Group's companies. A requisite deduction for obsolescence has been made.

Accounts receivable

Accounts receivable are initially reported at fair value and thereafter at amortized cost using the effective interest method, less any provisions for depreciation. A provision for depreciation is recognized when there is objective evidence that indicates that the recognized amount will not be received.

Financial instruments

The Group classifies its financial assets according to the following categories: loan receivables, accounts receivable and available-for-sale financial assets. Classification depends on the purpose for which the financial asset was acquired. Management determines the classification when the financial asset is first recognized and reviews this decision at every reporting occasion.

Loan receivables and accounts receivable

Loan receivables and accounts receivable are financial assets that are not derivatives, that have fixed or fixable payments and that are not listed in an active market. They are included in current assets with the exception of items with maturity dates more than 12 months after the balance-sheet date, which are classified as fixed assets. Loan receivables and accounts receivable are classified as accounts receivable and other current or long-term receivables in the balance sheet. Loan receivables and accounts receivable are recognized at amortized cost using the effective interest method.

Available-for-sale financial assets

Available-for-sale financial assets are assets that are not derivatives and are either identified as saleable or cannot be classified in any of the other categories. These assets are included in fixed assets if management does not intend to dispose of them within 12 months of the balance-sheet date. These assets are measured at fair value and any changes in value are recognized directly in shareholders' equity. An impairment loss is recognized when objective evidence indicates that impairment is required. Upon disposal of the asset, accumulated gains/losses, which were previously recognized in shareholders' equity, are recognized in profit or loss. Investments in equity instruments that do not have a listed market price in an active market and whose fair value cannot be reliably measured are measured at cost.

Purchases and sales of financial assets are recognized on the trade date, meaning the date on which the Group commits to purchasing or selling the asset. Financial assets are removed from the balance sheet when the right to receive cash flows from the instrument has expired or been transferred and the Group has assumed essentially all risks and benefits connected with the right of ownership.

Hedge accounting

Beijer Alma utilizes derivative instruments to cover risks associated with foreign exchange-rate changes. Beijer Alma applies hedging for commercial exposure in the form of highly probable forecast transactions (cash-flow exposure) within the framework of the financial policy adopted by the Board of Directors. Beijer Alma applies hedge accounting for contracts that fulfill the criteria for hedging in accordance with IAS 39 Financial Instruments: Recognition and Measurement. The Group documents its assessment, both at hedge inception and on an ongoing basis, of whether the hedging instruments that are used are effective.

Hedge accounting means that the unrealized gains and losses that arise when hedging instruments are valued at market value and that fulfill the conditions for hedge accounting are recognized in shareholders' equity. Refer also to Note 29.

Cash and cash equivalents

Cash and cash equivalents are defined as cash and bank balances and short-term investments with a maturity period not exceeding three months from the date of acquisition. Cash and cash equivalents are initially recognized at fair value and thereafter at amortized cost.

Share capital

Ordinary shares are classified as shareholders' equity. Transaction expenses that are directly attributable to new share issues or options are recognized in shareholders' equity, in a net amount after tax, as a deduction from the proceeds of the new share issue.

Accounts payable

Accounts payable are initially recognized at fair value and thereafter at amortized cost using the effective interest method.

Borrowing

Borrowing is initially recognized at fair value in a net amount after transaction expenses. Borrowing is thereafter recognized at amortized cost and any difference between the amount received and the amount repaid is recognized in profit or loss distributed over the borrowing period using the effective interest method.

Provisions

Provisions are recognized in the balance sheet under current and long-term liabilities when the Group has a legal or informal obligation as a result of an event that has occurred and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

Employee benefits

The Group utilizes defined-contribution and defined-benefit pension plans. The pension plans are financed through payments made by each Group company and the employees. The defined-benefit pension plans are ITP plans that are insured with Alecta. Such plans are recognized as defined-contribution plans in the event that Alecta is unable to provide the necessary information. Refer also to Note 1.

The Group's payments relating to pension plans are recognized as costs during the period in which the employees performed the services to which the payment refers.

Incentive programs

Employee benefits are recognized in accordance with IFRS 2 Share-based Payment. There are currently no outstanding incentive programs.

Dividend

Dividends are recognized as liabilities after they are approved by the Annual General Meeting.

PARENT COMPANY ACCOUNTING POLICIES

The Parent Company prepared its annual accounts in accordance with the Swedish Annual Accounts Act (ÅRL) and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. RFR 2 stipulates that the Parent Company, in the annual accounts for the legal entity, shall apply all EU-approved IFRS and statements, insofar as this is possible within the framework of the Swedish Annual Accounts Act and with consideration given to the relationship between accounting and taxation. The recommendation stipulates the permissible exceptions from and amendments to IFRS. The differences between the Group's and the Parent Company's accounting policies are described below.

Reporting of associated companies
In the Parent Company's annual accounts, participations in associated companies are recognized at cost with deductions for any impairment losses. Only dividends received as a result of profit earned after the acquisition date are reported as income from associated companies.

Dividends
Dividend income is recognized when the right to receive payment is deemed secure.

Financial instruments
Financial assets are measured at cost less any impairment losses, and financial current assets at the lowest-value principle.

Leased assets
In the Parent Company, all leasing agreements are recognized in accordance with the rules for operational leasing.

Group contributions and shareholders' contributions for legal entities
The Parent Company recognizes Group contributions and shareholders' contributions in accordance with statement URA7 issued by the Emerging Issues Task Force of the Swedish Financial Accounting Standards Council.

note 1 PERSONNEL

Job location	Average number of employees 2010	2009
SWEDEN		
Parent Company		
Uppsala	2	2
Stockholm	3	3
Subsidiaries		
Filipstad	106	102
Gothenburg	54	–
Hallstahammar	14	–
Halmstad	12	–
Helsingborg	12	–
Herrljunga	43	46
Karlstad	11	10
Lidköping	2	–
Ludvika	1	–
Luleå	2	–
Malmö	41	–
Mönsterås	30	33
Skellefteå	3	–
Stockholm	84	62
Tierp	145	168
Oxelösund	1	–
Värnamo	49	45
Växjö	27	26
Örebro	6	–
Total Sweden	**648**	**497**

	Men	Women	Total	Men	Women	Total
			2010			2009
Total Sweden	**499**	**149**	**648**	**363**	**134**	**497**
OUTSIDE SWEDEN						
Denmark	50	21	71	57	27	84
Finland	27	6	33	23	4	27
France	3	2	5	3	2	5
Hong Kong	2	5	7	3	5	8
China	127	84	211	130	49	179
Latvia	44	41	85	30	28	58
Netherlands	3	2	5	3	2	5
Norway	10	2	12	5	2	7
Poland	24	16	40	8	11	19
Russia	2	2	4	1	0	1
UK	138	53	191	128	47	175
Germany	60	25	85	58	23	81
Total outside Sweden	**490**	**259**	**749**	**449**	**200**	**649**
Total	**989**	**408**	**1,397**	**812**	**364**	**1,146**

Of the total number of employees, 989 (812) are men and 408 (334) are women. There are a total of 50 (38) directors in the Group's companies, of whom 49 (37) are men. All 32 (22) Group company presidents are men. Six (six) of the Parent Company's seven (seven) Board members are men and the President of the Parent Company is a man.

Salaries, remunerations and social security contributions

Group
In the Group's Swedish units, remuneration was expensed as follows:

	2010	2009
Salaries/fees, President and Board of Directors	28,890	22,980
Of which bonuses, President and Board of Directors	7,377	4,940
Social security contributions,		
President and Board of Directors	16,543	11,646
Of which pension costs	6,856	4,799
Salaries, other	238,600	169,127
Social security contributions, other	95,701	66,565
Of which pension costs	19,320	13,731

Salaries and remuneration outside Sweden were expensed as follows:

	President/Board of Directors				Other		President/Board of Directors				Other	
	Salaries	Of which bonuses	Social security contrib.	Of which pension costs	Salaries	Social security contrib.	Salaries	Of which bonuses	Social security contrib.	Of which pension costs	Salaries	Social security contrib.
						2010						2009
Denmark	2,808	109	227	222	30,928	2,858	2,314	–	201	195	40,373	3 195
Finland	2,832	237	704	381	10,921	2,862	1,957	255	547	255	8,957	2,159
Norway	2,108	105	383	150	6,022	1,205	1,128	101	352	49	3,760	1,004
Latvia	625	67	151	–	5,230	1,261	609	38	171	–	4,735	1,326
France	–	–	–	–	2,467	1,215	–	–	–	–	3,363	1,454
Netherlands	–	–	–	–	2,781	981	–	–	–	–	3,756	456
UK	4,440	311	1,000	561	48,813	3,550	4,475	357	968	502	50,007	5,478
Germany	3,020	123	342	17	28,662	5,128	3,735	276	339	11	29,782	5,804
Hong Kong	–	–	–	–	3,081	492	–	–	–	–	3,896	718
China	1,072	161	44	–	10,819	4009	488	45	41	36	7,801	3,555
Russia	297	–	26	20	266	70	–	–	–	–	723	–
Poland	–	–	–	–	3,330	638	–	–	–	–	1,686	305
Total salaries and remuneration	**17,202**	**1,113**	**2,877**	**1,351**	**153,320**	**24,269**	**14,706**	**1,072**	**2,619**	**1,048**	**158,839**	**25,454**
Total salaries and remuneration in Sweden according to the above	**28,890**	**7,377**	**16,543**	**6,856**	**238 600**	**95,701**	**22,980**	**4,940**	**11,646**	**4,799**	**169,127**	**66,565**
Total Group	**46,092**	**8,490**	**19,420**	**8,207**	**391 920**	**119,970**	**37,686**	**6,012**	**14,265**	**5,847**	**327,966**	**92,019**

Parent Company	2010	2009
Salaries/fees, President and Board of Directors	12,059	8,996
Of which bonuses, President and Board of Directors	4,750	1,522
Social security contributions,		
President and Board of Directors	5,138	4,120
Of which pension costs	1,771	1,708
Salaries, other	5,957	4,764
Social security contributions, other	2,778	2,319
Of which pension costs	907	774

Retirement-pension and family-pension obligations for salaried employees in Sweden are secured through an insurance policy with Alecta. According to statement UFR 6 Multi-employer Pension Plans issued by the Swedish Financial Reporting Board, this is a defined-benefit pension plan. For the 2010 financial year, the company did not have access to sufficient information to enable it to report this plan as a defined-benefit plan. Accordingly, the pension plan, which is secured through insurance with Alecta, was recognized as a defined-contribution pension plan in accordance with ITP. Alecta's surplus may be distributed to the policyholders and/or the insured. On September 30, 2010, Alecta's surplus, measured as the collective consolidation level, amounted to 134 percent (December 31, 2009: 141). The collective consolidation level is defined as the market value of Alecta's assets as a percentage of its insurance commitments, calculated according to Alecta's actuarial calculation assumptions, which do not correspond with IAS 19.

Employment conditions and remuneration to members of senior management

Principles

Fees are paid to the Chairman of the Board and the directors in accordance with the resolution adopted by the Annual General Meeting. These fees are paid retroactively on an annual basis. No special fees are paid for committee work. No fees are paid to Group employees for work as directors of subsidiaries.

Remuneration for the President and for members of senior management comprises basic salary, including company car benefits, bonuses and pension costs. Members of senior management include the President, the presidents of the three subsidiaries, the Group's Chief Financial Officer and the Group's Controller.

The distribution between basic salary and bonus shall be proportional to the individual's responsibilities and authority. For the President, the bonus ceiling is maximized at 100 percent of basic salary. For other members of senior management, the bonus ceiling is maximized at 100 percent of basic salary, excluding company car benefits. The bonus is based on actual performance in relation to individually established goals.

Pension benefits and company car benefits for the President and other members of senior management are paid as part of the total remuneration.

Remuneration and benefits in 2010

	Directors' fees/basic salaries incl. company car benefits	Bonus	Pension costs	Total
Directors (fees paid to seven directors in accordance with resolution adopted by 2010 Annual General Meeting)	2,200			2,200
Senior management (six people)	14,066	9,238	5,533	28,837
Of which President	5,089	4,750	1,771	11,610
Total	**16,266**	**9,238**	**5,533**	**31,037**

The Chairman of the Board received a fee of SEK 850,000 (850,000) and the other six (six) directors each received a fee of SEK 225,000 (225,000).

Remuneration and benefits in 2009

	Directors' fees/basic salaries incl. company car benefits	Bonus	Pension costs	Total
Directors (fees paid to seven directors in accordance with resolution adopted by 2009 Annual General Meeting)	2,200	–	–	2,200
Senior management (five people)	12,270	4,951	4,014	21,235
Of which President	5,047	1,522	1,708	8,277
Total	**14,470**	**4,951**	**4,014**	**23,435**

Comments on the table

Members of the Group's senior management only have defined-contribution pension plans. Pension costs refer to the costs charged against net profit for the year. The amounts listed above include a special payroll tax in the amount of 24.26 percent of the premium paid.

Employment conditions

President

The period of notice is 24 months if employment is terminated by the company and nine months if employment is terminated by the employee. Termination salary is not to be offset against other income. The retirement age is 65. Pension premiums are paid by the company in an amount corresponding to 30 percent of the basic salary, excluding company car benefits.

Other members of senior management

In cases when employment is terminated by the company, the period of notice varies between 18 and 24 months. In the event that employment is terminated by the employee, the period of notice is six months. Termination salary is offset against remuneration from other employers. The retirement age is 65 in all cases. Pension premiums, which are paid by the company, are equivalent to 25 to 30 percent of the basic salary, excluding company car benefits.

note 2 BOARD OF DIRECTORS

Anders Wall. Education: Studies at the Stockholm School of Economics. Med Dr h.c., Econ Dr h.c., Consul General. Director since: 1992. Chairman of: Beijerinvest AB, the Kjell and Märta Beijer Foundation, the Anders Wall Foundations, the Consul Th. C. Bergh Foundation, Ryda Bruk AB, Svenskt Tenn AB and Morgongåva Företagspark AB. Director of: Domarbo Skog AB, Hargs Bruk AB, the Anders Wall Professor of Entrepreneurship Foundation and others. Honorary Fellow at Uppsala University, Luxembourg's Consul General, Member of the Royal Academy of Engineering Sciences (IVA) and the Royal Swedish Academy of Agriculture And Forestry (KSLA). Earlier positions: President and CEO of AB Kol&Koks/Beijerinvest from 1964 to 1981, Chairman of the Board from 1981 to 1983 (after merger with AB Volvo), President and CEO of Investment AB Beijer from 1983 to present. Earlier directorships: Handelsbanken, Skandia, Industrivärden, Uddeholm, Billerud, Group Bruxelles Lambert, Pargesa and others.

Marianne Brismar. Education: Pharmacist 1987, Master of Business Administration from the University of Gothenburg School of Business, Economics and Law 1992. Director since: 2010. Director of: Semcon AB, Ernströmgruppen, Concentric AB and Imego AB. Earlier positions: CEO of Atlet AB (1995–2007).

Anders G. Carlberg. Education: Master of Business Administration. Director since: 1997. Director of: Axel Johnson Inc., Sapa AB, SSAB, Säkl, Mekonomen, Höganäs AB (Chairman), SwecoAB, Herenco AB (Chairman) and others. Earlier positions: President and CEO of Nobel Industrier, J.S. Saba and Axel Johnson International AB, Executive Vice President of SSAB.

Göran W Huldtgren. Education: Business degree from Uppsala University. President of Scandecor Marketing AB. Director since: 1983. Director of: LeanOn AB. Earlier positions: Self-employed since 1968.

Peter Nilsson. Education: Master of Engineering from the Institute of Technology at Linköping University. President and CEO of Trelleborg AB. Director since: 2008. Director of: Trelleborg AB, Trioplast Industrier AB, the Chamber of Commerce and Industry of Southern Sweden and others. Earlier positions: Business Area President and other assignments within the Trelleborg Group, Management Consultant at BSI.

Anders Ullberg. Education: Master of Business Administration from the Stockholm School of Economics. Director since: 2007. Chairman of: Boliden, Eneqvistbolagen and Studsvik. Director of: Atlas Copco, Norex International, Sapa, Valedo Partners and Åkers. Earlier positions: President and CEO of SSAB Svenskt Stål, Vice President and CFO of SSAB, CFO of Svenska Varv.

Johan Wall, Education: Master of Engineering from the Royal Institute of Technology in Stockholm, Visiting Scholar at Stanford University in Palo Alto in the US. President of Bisnode AB. Deputy Director: 1997 to 2000. Director since: 2000. Director of: The Kjell and Märta Beijer Foundation, the Anders Wall Foundations and others. Earlier positions: President of

Enea AB, President of Framfab AB and President of Netsolutions AB.

Bertil Persson. Education: Master of Business Administration from the Stockholm School of Economics. President and CEO of Beijer Alma AB. Deputy Director: 2000 to 2001 and since 2002. Director: 2001 to 2002. Earlier positions: Head of Treasury at Investor AB, Director of Finance at Scania AB and Executive Vice President of LGP Telecom AB.

note 3 NET REVENUES

	2010	2009
Sweden	712,510	289,675
Other EU	1,150,536	961,531
Other Europe	135,180	90,477
Asia	240,507	182,781
Rest of the world	51,356	46,755
Total	**2,290,089**	**1,571,219**

The countries, apart from Sweden, in which Beijer Alma generates the largest net revenues are:

MSEK	2010	2009
UK	348	317
Germany	252	230
China	153	131
Denmark	104	83

note 4 SEGMENT REPORTING

The President determined the operating segments based on the information processed by Group management and used to make strategic decisions.

The operating segments comprise Beijer Alma's sub-groups: Lesjöfors (industrial springs), Habia Cable (custom-designed cable) and Beijer Tech (technology trading). Lesjöfors and Habia have proprietary manufacturing and product development. Each segment has its own administration and marketing. Each subgroup is headed by a president, who is a member of Group management.

2010 MSEK	Lesjöfors	Habia	Beijer Tech	Other (Parent Company, etc.)	Eliminations	Total
Segment income	1,206.7	558.1	526.3	–	–	2,291.1
Inter-segment sales	–	–	–1,0	–	–	–1.0
Income from external customers	**1,206.7**	**558.1**	**525.3**	**0.0**	–	**2,290.1**
Operating profit/loss	349.4	46.2	41.6	–30.8	–0.1	406.3
Interest income	1.3	0.3	0.3	121.0	–121.0	1.9
Interest expenses	–5.9	–3.7	–0.5	–4.4	5.1	–9.4
Profit after financial items	**344.8**	**42.8**	**41.4**	**85.8**	**–116.0**	**398.8**
Tax	–93.6	–12.7	–10.6	4.6	–	–112.3
Net profit	**251.2**	**30.1**	**30.8**	**90.4**	**–116.0**	**286.5**
Operating profit/loss includes:						
Depreciation and amortization	–43.2	–22.2	–4.8	–0.5	–	–70.7
Impairment of goodwill	–6.1	–	–	–	–	–6.1
Share of profit/loss in associated companies	0.7	0.1	–	–	0.1	0.9
Assets	942.1	449.5	363.9	952.1	–731.8	1,975.8
Liabilities	376.7	212.2	151.4	92.1	–251.1	581.3
Of which interest-bearing	21.6	92.1	35.0	–	–1.8	146.9
Cash funds (included in assets)	163.7	13.2	26.7	35.9	–1.4	238.1
Net debt	–142.1	78.9	8.3	–35.9	–0.4	–91.2
Investments in tangible assets	42.9	10.1	1.5	0.7	–	55.2

2009 MSEK	Lesjöfors	Habia	Other (Parent Company, etc.)	Eliminations	Total
Segment income	1,046.5	522.6	2.1	–	1,571.2
Inter-segment sales	–	–	–	–	–
Income from external customers	**1,046.5**	**522.6**	**2.1**	**–**	**1,571.2**
Operating profit/loss	242.9	11.5	–16.2	–	238.2
Interest income	0.8	0.3	91.1	–91.1	1.1
Interest expenses	–8.1	–4.2	–6.6	6.1	–12.8
Profit after financial items	**235.6**	**7.6**	**68.3**	**–85.0**	**226.5**
Tax	–65.2	–1.2	2.3	–	–64.1
Net profit	**170.4**	**6.4**	**70.6**	**–85.0**	**162.4**
Operating profit/loss includes:					
Depreciation and amortization	–46.3	–24.5	–0.6	–	–71.4
Impairment of goodwill	–1.9	–	–	–	–1.9
Share of profit/loss in associated companies	–	–0.1	–0,8	–	–0,9
Assets	929.7	426.7	546.2	–512.4	1,390.2
Liabilities	445.7	182.2	33.8	–257.4	404.3
Of which interest-bearing	34.9	84.2	16.9	–	136.0
Cash funds (included in assets)	179.7	15.7	0.1	–	195.5
Net debt	–144.8	68.5	16.8	–	–59.5
Investments in tangible assets	34.9	25.6	–	–	60.5

note 5 ADMINISTRATIVE EXPENSES

Administrative expenses include the following auditors' fees:

	Group		Parent Company	
	2010	2009	2010	2009
PwC				
Audit assignments	3,240	2,680	500	500
Auditing activities in addition to audit assignments	370	178	196	65
Other auditors				
Audit assignments	958	985	–	–
Other services	8	50	–	–
Total	**4,576**	**3,893**	**696**	**565**

PwC has not performed any tax advisory or other services. Other auditors have not performed any tax-advisory services.

Costs for product development totaling 14,103 (13,873) are included in the Group's administrative expenses.

note 6 PROFIT/LOSS FROM PARTICIPATIONS IN ASSOCIATED COMPANIES

Group	**2010**	**2009**
Share of profit/loss from:		
Hanil Precision Co Ltd	745	0
BCB Baltic AB	–6	–781
Irradose AB	145	–75
Total	**884**	**–856**

note 7 OPERATING PROFIT

Operating profit has been charged with depreciation and amortization as follows:

Group	**2010**	**2009**
Plant and machinery	46,432	51,221
Equipment, tools, fixtures and fittings	11,625	9,376
Buildings	10,324	10,405
Land improvements	83	82
Other intangible assets	2,219	364
Total	**70,683**	**71,448**

In the Parent Company, equipment, tools, fixtures and fittings were depreciated by 219 (260).

note 8 OPERATIONAL LEASING

Operating profit was charged with costs for operational leasing as follows:

	Group		Parent Company	
	2010	2009	2010	2009
Leasing costs for the year	39,070	20,220	2,175	1,576
Future minimum leasing payments fall due as follows				
Within one year	35,339	13,444	1,986	1,950
After more than one year, but within five years	121,774	40,854	4,375	2,819
After more than five years	30,159	3,476	–	–
Total	**187,272**	**57,774**	**6,361**	**4,769**

The majority of costs pertain to lease agreements for operating premises.

note 9 INCOME FROM PARTICIPATIONS IN GROUP COMPANIES

Parent Company	**2010**	**2009**
Anticipated dividend from:		
Beijer Tech	25,000	–
Habia Cable AB	21,000	25,000
Lesjöfors AB	70,000	60,000
Total	**116,000**	**85,000**

note 10 TAX ON NET PROFIT FOR THE YEAR

	Group		Parent Company	
	2010	2009	2010	2009
Current tax for the period	–110,328	–62,188	–25,388	–8,697
Temporary differences pertaining to				
untaxed reserves	–2,023	–1,910	–	–
provisions for structural costs	–319	–37	–	–
Tax effect of Group contributions	–	–	29,940	11,250
Current tax attributable to earlier years	404	58	88	51
Total	**–112,266**	**–64,077**	**4,640**	**2,604**

Difference between tax expense and 26.3-percent tax

	Group		Parent Company	
	2010	2009	2010	2009
Profit before tax	398,793	226,454	89,935	65,740
26.3-percent tax	–104,883	–59,557	–23,653	–17,290
Tax for the period	–112,266	–64,077	4,640	2,604
Difference	**–7,383**	**–4,520**	**28,293**	**19,894**

Specification of difference

	Group		Parent Company	
	2010	2009	2010	2009
Effect of:				
tax attributable to earlier years	105	59	88	51
foreign tax rates	–96	94	–	–
non-deductible items	–6,082	–4,915	–2,303	–2,512
non-taxable income	3,155	2,571	30,508	22,355
Other	–4,465	–2,329	–	–
Total	**–7,383**	**–4,520**	**28,293**	**19,894**

The Group's weighted average tax rate was 28.2 percent (28.3).

note 11 EARNINGS PER SHARE

Group	**2010**	**2009**
Profit used for calculating earnings per share		
Net profit for the year attributable to Parent Company shareholders	286,527	162,377
Number of shares	30,131,100	27,431,100

Since there are no outstanding programs regarding convertibles or options, the number of shares before and after dilution is the same.

note 12 GOODWILL

Group	**2010**	**2009**
Opening cost	127,124	134,653
Acquisitions [1)]	172,956	–3,372
Through acquisition of subsidiaries	60,950	–
Translation differences	–7,359	–4,157
Closing accumulated cost	**353,671**	**127,124**
Opening impairment	5,977	4,061
Impairment for the year	6,135	1,916
Closing accumulated impairment	**12,112**	**5,977**
Carrying amount	**341,559**	**121,147**

1) Group	**2010**	**2009**
Acquisition of Beijer Tech	146,341	–
Acquisition of Preben Z Jensen	26,615	–
Derecognition of previously recognized purchase consideration for CST Technology	–	–2,500
Acquisition of Habia Cable Sp Zoo	–	93
Derecognition of previously recognized purchase consideration for Harris Springs Ltd	–	–965
Total	**172,956**	**–3,372**

The Group's total recognized goodwill is allocated to the operating segments as follows:

Group	**2010**	**2009**
Lesjöfors	56,298	63,901
Habia	51,355	57,246
Beijer Tech	233,906	–
Total	**341,559**	**121,147**

During the year, Lesjöfors recognized an impairment of 6,135. The amount pertains to the goodwill value in a cash-flow generating unit whose market conditions declined compared with the date of acquisition.

The Group tests goodwill annually for impairment. Impairment testing is based on a calculation of the value in use. This value is based on cash-flow forecasts, with the forecast for the first year based on the plans of each individual company. For subsequent years, the growth rate is assumed to be in line with forecast GDP levels of 2 to 3 percent, meaning a level considered to be approximately the same as the level of long-term inflation. Assumptions and forecasts were determined by corporate management. The budgeted operating margin was determined based on previous earnings and expectations regarding future market trends.

The following discount rates before tax were used at the close of 2010:

Equity financing	10%
Debt financing	5%
Weighted financing cost	7%

It is the company's assessment that reasonable potential changes in the annual growth rate, operating margin, discount rate and other assumed values would not have an impact so significant that they would individually reduce the recoverable amount to a value less than the carrying amount.

Except for the aforementioned impairment loss in Lesjöfors, no impairment losses were identified during the impairment testing conducted during the current year.

note 13 OTHER INTANGIBLE ASSETS

Group	2010	2009
Opening cost	240	240
Purchases	2,943	–
Acquisition of subsidiaries	16,365	–
Closing accumulated cost	**19,548**	**240**
Opening depreciation	100	53
Acquisition of subsidiaries	8,682	–
Depreciation for the year	2,491	47
Closing depreciation	**11,273**	**100**
Carrying amount	**8,275**	**140**

Of the carrying amount in 2010, MSEK 8,183 pertains to acquired customer relations and 92 licenses. The figure for 2009 pertains to licenses.

note 14 LAND AND LAND IMPROVEMENTS

Group	2010	2009
Opening cost	18,321	18,834
Purchases	–	16
Translation differences	–977	–529
Closing accumulated cost	**17,344**	**18,321**
Opening depreciation	1,690	1,608
Depreciation for the year	83	82
Translation differences	–1	–
Closing accumulated depreciation	**1,772**	**1,690**
Opening impairment	60	–
Impairment losses for the year	–	60
Closing accumulated impairment	**60**	**60**
Carrying amount	**15,512**	**16,571**
Carrying amount of land in Sweden	7,248	7,270
Tax assessment value of land in Sweden	9,279	9,279

note 15 BUILDINGS

Group	2010	2009
Opening cost	276,487	281,831
Purchases	4,019	1,664
Through acquisitions of subsidiaries	500	20
Translation differences	–12,532	–7,028
Closing accumulated cost	**268,474**	**276,487**
Opening depreciation	113,320	105,218
Through acquisitions of subsidiaries	193	–
Depreciation for the year	10,333	10,405
Translation differences	–4,965	–2,303
Closing accumulated depreciation	**118,881**	**113,320**
Opening impairment	961	961
Carrying amount	**148,632**	**162,206**
Carrying amount of buildings in Sweden	88,365	99,244
Tax assessment value of buildings in Sweden	71,860	70,656

note 16 PLANT AND MACHINERY

Group	2010	2009
Opening cost	755,259	723,396
Purchases	45,196	57,895
Sales and disposals	–32,117	–9,090
Through acquisitions of subsidiaries	–	348
Reclassification	–233	–601
Translation differences	–25,909	–16,689
Closing accumulated cost	**742,196**	**755,259**
Opening depreciation	493,606	459,612
Sales and disposals	–28,514	–7,824
Acquisitions of subsidiaries	–	–127
Reclassification	1,104	1,082
Depreciation for the year	45,141	51,221
Translation differences	–16,717	–10,358
Closing accumulated depreciation	**494,620**	**493,606**
Opening impairment	5,386	5,043
Impairment for the year	–	343
Closing accumulated impairment	**5,386**	**5,386**
Carrying amount	**242,190**	**256,267**

Financial leasing agreements

The Group's plant and machinery includes financial leasing agreements as follows:

Group	2010	2009
Cost	1,883	1,946
Remaining residual value	548	875

Future minimum leasing payments fall due as follows:

Group	2010	2009
Within one year	595	603
After more than one year, but within five years	59	350
Total	**654**	**953**

note 17 EQUIPMENT, TOOLS, FIXTURES AND FITTINGS

		Group	Parent Company	
	2010	2009	2010	2009
Opening cost	105,102	107,174	2,755	2,755
Purchases	9,841	4,924	–	–
Acquisitions of subsidiaries	33,864	49	–	–
Sales and disposals	–6,588	–4,752	–	–
Reclassification	–76	–562	–	–
Translation differences	–3,631	–1,731	–	–
Closing accumulated cost	**138,512**	**105,102**	**2,755**	**2,755**
Opening depreciation	76,152	73,931	1,496	1,236
Acquisitions of subsidiaries	24,037	49	–	–
Sales and disposals	–6,440	–4,418	–	–
Reclassification	12	–1,082	–	–
Depreciation for the year	12,618	9,376	219	260
Translation differences	–3,212	–1,704	–	–
Closing accumulated depreciation	**103,167**	**76,152**	**1,715**	**1,496**
Opening impairment	1,314	1,329	–	–
Reclassification	–	–15	–	–
Impairment for the year	153	–	–	–
Closing accumulated impairment	**1,467**	**1,314**	**0**	**0**
Carrying amount	**33,878**	**27,636**	**1,040**	**1,259**

note 18 OTHER SECURITIES

	Corp. Reg. No.	Share of equity, %	Registered office	Carrying amount
Parent Company				
Innoventus AB	556602–2728	11	Uppsala, Sweden	235
Innoventus Project AB	556616–8356	5	Uppsala, Sweden	1,000
Innoventus Life Science 1 KB*	969677–8530	8	Uppsala, Sweden	7,768
				9,003
Group				
Drug Safety Inc. (formerly PharmaSoft Inc.)		<1	Delaware, USA	0
Industrial Development & Investment AB	556518–9973	<1	Stockholm, Sweden	0
Other		–		90
Total				**9,093**

*) A commitment has been made to invest an additional MSEK 1.0. Direct holdings are not listed on any stock exchange or any other trading place.

	Group			Parent Company
	2010	**2009**	**2010**	**2009**
Opening cost	29,968	29,101	24,897	24,102
Sales	–800	–	–800	–
Purchases	1,018	867	1,000	795
Closing accumulated cost	**30,186**	**29,968**	**25,097**	**24,897**
Opening impairment	17,489	11,593	12,490	6,594
Impairment for the year	3,604	5,896	3,604	5,896
Closing accumulated impairment	**21,093**	**17,489**	**16,094**	**12,490**
Carrying amount	**9,093**	**12,479**	**9,003**	**12,407**

note 19 PARTICIPATIONS IN ASSOCIATED COMPANIES

Group	Corp. Reg. No.	Share of equity, %	Registered office	Carrying amount 2010	Carrying amount 2009
BCB Baltic AB	556649-7540	22	Uppsala, Sweden	850	856
Hanil Precision Co Ltd		20	Pusan, Sydkorea	14,591	13,846
Irradose AB	556721-1858	24	Tierp, Sweden	570	53
Total				**16,011**	**14,755**

Hanil Precision Co Ltd. is a South Korean gas-spring manufacturer with sales of approximately MSEK 100 and an operating margin of 8 percent. During the year, Lesjöfors purchased gas springs from Hanil for MSEK 14 (11). These purchases were conducted on commercial terms.

BCB Baltic AB invests in minority stakes in the Baltic countries.

Irradose AB performs electron treatment of cables. The first deliveries were made in September 2009. In 2010, the company generated revenues of MSEK 5 and profit before tax of MSEK 0.5.

Group	2010	2009
Opening value	14,755	15,399
Share in profit/loss after tax	884	–856
Acquisitions	372	212
Carrying amount	**16,011**	**14,755**

Group share as of December 31, 2010 (MSEK)	Assets	Liabilities	Income	Net profit
BCB Baltic AB	0.9	0	–	0
Hanil Precision Co Ltd	9.0	3.7	–	0.8
Irradose AB	5.2	4.9	–	0.1

note 20 PARTICIPATIONS IN GROUP COMPANIES

Parent Company	Corp. Reg. No.	Number	Registered office	Carrying amount	Adjusted shareholders' equity
Lesjöfors AB	556001-3251	603,500	Karlstad	100,000	565,445 1)
Habia Cable AB	556050-3426	500,000	Täby	87,576	237,316 2)
Beijer Tech AB	556650-8320	50,000	Malmö	333,324	212,504 3)
AIHUK AB	556218-4126	9,000	Uppsala	289	1,290
AB Stafsjö Bruk	556551-9005	1,000	Uppsala	100	103
Shipping & Aviation Sweden AB	556500-0535	10,000	Uppsala	1,000	1,314
Beijer Alma Utvecklings AB	556230-9608	145,000	Uppsala	1,714	1,940
Total				**524,003**	

1) Including anticipated dividend to the Parent Company in the amount of 70,000.
2) Including anticipated dividend to the Parent Company in the amount of 21,000.
3) Including anticipated dividend to the Parent Company in the amount of 25,000

All companies are 100-percent-owned.

Parent Company	2010	2009
Cost	193,042	193,042
Purchases	333,325	–
Closing accumulated cost	**526,367**	**193,042**
Opening impairment	2,364	598
Impairment for the year	–	1,766
Closing accumulated impairment	2,364	2,364
Carrying amount	**524,003**	**190,678**

Subsidiary shareholdings in Group companies	Corp. Reg. No.	Percentage stake	Registered office	Carrying amount
Lesjöfors FjädrarAB	556063–5244	100	Filipstad, Sweden	9,532
Lesjöfors Automotive AB	556335–0882	100	Växjö, Sweden	24,000
Lesjöfors Stockholms Fjäder AB	556062–9890	100	Stockholm, Sweden	24,619
Lesjöfors Industrifjädrar AB	556593–7967	100	Herrljunga, Sweden	10,500
Lesjöfors Banddetaljer AB	556204–0773	100	Värnamo, Sweden	28,103
Stece Fjädrar AB	556753–6114	100	Mönsterås, Sweden	1,000
Lesjöfors A/S		100	Copenhagen, Denmark	56,603
Lesjöfors A/S		100	Oslo, Norway	53
Oy Lesjöfors AB		100	Åminnefors, Finland	1,000
Lesjöfors Springs Oy		100	Turku, Finland	1,492
Lesjöfors Springs Ltd.		100	Elland, UK	316
Lesjöfors Automotive Ltd.		100	Elland, UK	774
Lesjöfors Springs GmbH		100	Hagen, Germany	446
Lesjöfors Springs LV		100	Liepaja, Latvia	992
Lesjöfors Gas Springs LV		70	Liepaja, Latvia	6,764
Lesjöfors China Ltd		100	Changzhou, China	3,070
Lesjöfors Springs Russia		100	Moskva, Russia	4,283
European Springs & Pressings Ltd		100	Beckenham, UK	56,353
Harris Springs Ltd		100	Reading, UK	2,455
Habia Cable CS Technology AB	556633-2473	100	Lidingö, Sweden	9,218
Habia Benelux BV		100	Breda, Netherlands	1,020
Habia Cable Asia Ltd		100	Hongkong, China	55
Habia Cable China Ltd		100	Changzhou, China	11,402
Habia Kabel GmbH		100	Düsseldorf, Germany	29,797
Habia Cable Inc.		100	New Jersey, USA	0
Habia Kabel Produktions GmbH & Co. KG		100	Norderstedt, Germany	81 295
Habia Cable Ltd.		100	Bristol, UK	3,614
Habia Cable SA		100	Orleans, France	679
Habia Cable Latvia SIA		100	Liepaja, Latvia	0
Habia Cable Sp Zoo		100	Dulole, Poland	7,450
Alma Uppsala AB	556480–0133	100	Uppsala, Sweden	6,354
Daxpen Holding AB	556536–1457	100	Stockholm, Sweden	6,061
Beijer Industri AB	556031–1549	100	Malmö, Sweden	22,246
Lundgrens Sverige AB	556063–3504	100	Gothenburg, Sweden	51,299
AB Tebeco	556021–1442	100	Halmstad, Sweden	6,538
Beijer AS		100	Drammen, Norway	4,324
Beijer OY		100	Helsinki, Finland	4,092
A/S Preben Z Jensen		100	Hedehusene, Denmark	35,683

note 21 INVENTORIES

Group	2010	2009
Raw materials	144,708	113,369
Products in progress	35,790	36,257
Finished goods	247,059	139,077
Total	**427,557**	**288,703**

Value of the portion of inventories measured at net selling price

Group	2010	2009
Raw materials	4,980	4,256
Products in progress	217	–
Finished goods	3,245	1,393
Total	**8,442**	**5,649**

Difference between cost and net selling price

Group	2010	2009
Raw materials	3,424	3,685
Products in progress	51	–
Finished goods	3,176	960
Total	**6,651**	**4,645**

note 22 ACCOUNTS RECEIVABLE

Group	2010	2009
Total outstanding accounts receivable	424,750	250,216
Provisions for doubtful receivables	–9,226	–6,535
Carrying amount	**415,524**	**243,681**

Overdue amount	76,890	46,338
Of which overdue by more than 30 days	20,570	13,596
Provisions for doubtful receivables	9,226	6,535

On December 31, 2010, a total of 11,344 in accounts receivable, for which there existed no provision for doubtful receivables, was more than 30 days overdue. This amount pertains to customers with no previous record of non-payment.

Provisions for doubtful receivables

Group	2010	2009
Opening balance	6,535	4,372
Through acquisition of companies	619	–
Provisions for the year	4,533	5,174
Reversal of earlier provisions	–1,618	–1,265
Write-offs of receivables	–843	–1,746
Closing Balance	**9,226**	**6,535**

note 23 OTHER RECEIVABLES

	Group		Parent Company	
	2010	2009	2010	2009
VAT	7,738	4,973	151	–
Advance payments to suppliers	1,554	466	–	–
Other	13,504	7,788	51	8
Total	**22,796**	**13,227**	**202**	**8**

note 24 PREPAID EXPENSES AND ACCRUED INCOME

	Group		Parent Company	
	2010	2009	2010	2009
Leasing and rental fees	4,841	2,867	568	347
Prepaid expenses	6,619	6,270	379	531
Derivative instruments	29,189	17,827	–	–
Other	10,833	5,532	–	–
Total	**51,482**	**32,496**	**947**	**878**

note 25 CASH AND CASH EQUIVALENTS

	Group		Parent Company	
	2010	2009	2010	2009
Cash and bank balances	238,122	195,513	35,892	51
Total	**238,122**	**195,513**	**35,892**	**51**

note 26 SHAREHOLDERS' EQUITY

Group	Translation reserve	Hedging reserve	Total
December 31, 2008	**42,117**	**–13,715**	**28,402**
Change in value of hedging reserve	–	36,877	36,877
Tax thereon	–	–10,094	–10,094
2009 translation difference	–25,621	–	–25,621
December 31, 2009	**16,496**	**13,068**	**29,564**
Change in value of hedging reserve	–	11,360	11,360
Tax thereon	–	–2,916	–2,916
2010 translation difference	–39,509	–	–39,509
December 31, 2010	**–23,013**	**21,512**	**–1,501**

The company's shares are Class A and Class B shares and are issued as follows:

	Shares		Votes
Class A shares	3,330,000	with ten votes	33,300,000
Class B shares	26,801,100	with one vote	26,801,100
Total	**30,131,100**		**60,101,100**

The quotient value is SEK 4.17 per share.

Year		Increase in share capital, KSEK	Total share capital, KSEK	Increase in the number of shares	Total number of shares
1993	Opening balance		53,660		2,146,400
1993	Non-cash issue in connection with acquisition of G & L Beijer Import & Export AB in Stockholm	6,923	60,583	276,900	2,423,300
1993	New issue	30,291	90,874	1,211,650	3,634,950
1994	Non-cash issue in connection with acquisition of AB Stafsjö Bruk	5,000	95,874	200,000	3,834,950
1996	Conversion of subordinated debenture loan	47	95,921	1,875	3,836,825
1997	Conversion of subordinated debenture loan	2,815	98,736	112,625	3,949,450
1998	Conversion of subordinated debenture loan	1,825	100,561	73,000	4,022,450
2000	Conversion of subordinated debenture loan	30	100,591	1,200	4,023,650
2001	Non-cash issue in connection with acquisition of Elimag AB	11,750	112,341	470,000	4,493,650
2001	Split 2:1	–	112,341	4,493,650	8,987,300
2001	Conversion of subordinated debenture loan	388	112,729	31,000	9,018,300
2002	Conversion of subordinated debenture loan	62	112,791	5,000	9,023,300
2004	Conversion of subordinated debenture loan	1,505	114,296	120,400	9,143,700
2006	Split 3:1	–	114,296	18,287,400	27,431,100
2010	Non-cash issue in connection with acquisition of Beijer Tech AB	11,250	125,546	2,700,000	30,131,100

Share capital trend

The 2010 Annual General Meeting authorized the Board of Directors to issue a maximum of 3,000,000 Class B shares in connection with corporate acquisitions. This authorization is valid until the next Annual General Meeting. The Meeting also authorized the Board to repurchase the company's own Class B shares.

note 27 DEFERRED TAX

Deferred tax asset	2010	2009	
Temporary differences pertaining to:			
provisions for intra-Group profit	1,687	2,260	Recognized in profit or loss
Other	347	–	Recognized in profit or loss
Total	**2,034**	**2,260**	

Opening value	2,260	7,020
Decreased provision	–573	–5,334
Increased provision	347	574
Total	**2,034**	**2,260**

There were no tax loss carryforwards.

Deferred tax liability	2010	2009	
Temporary liability pertaining to:			
untaxed reserves	35,600	21,987	Recognized in profit or loss
excess depreciation	7,045	6,008	Recognized in profit or loss
hedge accounting	7,677	4,760	Recognized in other comprehensive income
Total	**50,322**	**32,755**	

Opening value	32,755	26,941
Through acquisition of company	13,850	–
Increased provision	6,027	6,212
Reversal	–2,310	–398
Closing value	**50,322**	**32,755**

note 28 PENSION OBLIGATIONS

Group	2010	2009
Opening value	357	362
Increased provision	847	–
Decreased provision	–320	–5
Closing value	**884**	**357**

note 29 FINANCIAL INSTRUMENTS

Financial risk management

The Beijer Alma Group is exposed to various financial risks in its operations. Management of these risks at various levels in the Group is based on joint Group policies, adopted by the Board of Directors. The goal of these policies is to obtain an overall view of the risk situation, to minimize negative earnings effects and to clarify and define responsibilities and authority within the Group. To ensure compliance with the policies adopted, regular monitoring is carried out at the local and central level and findings are reported to the Board of Directors.

MARKET RISK

Currency risk

Transaction exposure

In 2010, Beijer Alma acquired the technology trading company Beijer Tech, which has a different focus than the manufacturing companies Lesjöfors and Habia.

Lesjöfors and Habia conduct 84 percent of their sales outside Sweden, while slightly less than 60 percent of their manufacturing is conducted in Sweden. This means that a large portion of the Group's income is in foreign currencies, while the majority of the production costs, particularly personnel costs, are in SEK. To a certain extent, part of this currency risk is handled through such measures as purchasing input materials and machinery in other currencies. However, the manufacturing companies' income in certain foreign currencies still exceeds its costs, and due to this lack of balance, the Group is exposed to currency risks.

For Beijer Tech, the situation is different. Sweden accounts for 83 percent of its sales and the remaining 17 percent is sold in the other Nordic countries. Suppliers are often foreign. As a trading company, Beijer Tech has a smaller proportion of personnel costs than manufacturing companies. Combined, this means that Beijer Tech's costs exceed its revenues in foreign currencies, primarily EUR. The company has currency clauses in many of its customer agreements, which eliminate most of Beijer Tech's currency exposure.

For the Group as a whole, currency exposure declined 2010 through the acquisition of Beijer Tech. However, the Group is still exposed to currency risks. Changes in exchange rates impact earnings, the balance sheet, cash flows and, ultimately also competitiveness.

Net exposure in currencies translated to MSEK
(net exposure is defined as income less costs)

2010	USD	EUR	DKK	NOK	GBP	RMB	LVL	JPY	HKD	KRW	PLN	Total
Lesjöfors	3.2	111.9	1.1	26.0	129.5	–	–	–	–	–	–	**271.7**
Habia Cable	30.4	81.9	–	5.7	37.2	–23.4	–	3.7	–3.6	12.6	–10.2	**134.3**
Beijer Tech	–6.1	–134.0	–2.8	0.7	–6.7	–	–	–0.2	–	–	–	**–149.1**
Total	**27.5**	**59.8**	**–1.7**	**32.4**	**160.0**	**–23.4**	**0.0**	**3.5**	**–3.6**	**12.6**	**–10.2**	**256.9**

2009	USD	EUR	DKK	NOK	GBP	RMB	LVL	JPY	HKD	KRW	PLN	Total
Lesjöfors	4.8	114.4	–2.2	26.4	115.4	–	–	–	–	–	–	**258.8**
Habia Cable	20.2	64.9	–	0.9	25.2	8.7	0.5	2.9	–2.9	18.2	–7.2	**131.4**
Total	**25.0**	**179.3**	**–2.2**	**27.3**	**140.6**	**8.7**	**0.5**	**2.9**	**–2.9**	**18.2**	**–7.2**	**390.2**

The objective of currency risk management is to minimize the negative effects on earnings and financial position that arise due to exchange-rate differences. Transaction risks are managed centrally for each subsidiary. Between 50 and 100 percent of the forecast net flow for the next six months, meaning the difference between income and costs in a single currency, is hedged. For months seven to 12, between 35 and 100 percent is hedged. In most cases, the level of hedging lies in the middle of the range. The most frequently used hedging instrument is forward contracts. Following a decision by Group management, currency options may be used in exceptional cases. Since 2009, the hedging horizon in EUR has been extended to a maximum of 24 months. The table below shows the company's foreign exchange contracts on the balance-sheet date, translated to MSEK. Of the contracts in EUR, MSEK 51 falls due in 2012. All other amounts fall due within 12 months.

Group	December 31, 2010	December 31, 2009
USD	10.9	29.8
EUR	172.6	237.5
GBP	126.0	94.7
NOK	21.0	18.6
Total	**330.5**	**380.6**

IAS 39 has been applied since January 1, 2005. In Beijer Alma's opinion, all derivative instruments meet the requirements for hedge accounting. Accordingly, changes in the fair value of the derivative instruments are recognized in other comprehensive income. At year-end 2010, there was a surplus in the value of derivative instruments in the amount of MSEK 29, which increased shareholders' equity, after deduction for deferred tax. On December 31, 2009, there was a deficit in the value of the contracts amounting to MSEK 18. Financial derivative instruments, such as currency forward contracts, are used when necessary. The Group has no other financial assets and liabilities measured at fair value. The fair value of financial instruments traded on an active market is based on the quoted market price on the balance-sheet date and these instruments are thus included in level one of the "fair value hierarchy" in accordance with IFRS 7.

Sensitivity analysis

The Group's net exposure is primarily in EUR and GBP. A 1-percent change in EUR in relation to SEK has an impact of MSEK 1.4 (1.8) on the Group's earnings. A 1-percent change in GBP in relation to SEK has an impact of MSEK 1.6 (1.4) on the Group's earnings. Entering into forward contracts delays the earnings effect since a predominant proportion of the forecast flows for the following twelve-month period are covered by signed contracts. During this time, measures may be taken to mitigate the effects.

Translation exposure

Beijer Alma's income statements and balance sheets are reported in SEK. Several of the Group's companies maintain their accounts in a different currency. This means that the Group's earnings and shareholders' equity are exposed when accounts are consolidated and foreign currencies are translated to SEK. This exposure primarily affects the Group's shareholders' equity and is designated as translation exposure. Such exposure is not hedged.

Price risk

Beijer Alma is exposed to price risks related to the purchase of raw materials and goods for resale. Habia uses copper and some plastics in its production, while Lesjöfors' input materials are steel and certain other metals. To date, derivative instruments have been used to a very limited degree to hedge purchases of raw materials. The price of Beijer Tech's goods for resale is influenced by the price of raw materials and other factors.

Purchases of direct material amounted to approximately MSEK 900 and comprised a large number of various input materials with price trends that varied over time. Although the companies are able in most cases to offset permanent changes in the price of materials, clauses pertaining to such compensation are exceptions.

Interest-rate risk

Since Beijer Alma does not hold any significant interest-bearing assets, the Group's revenues and cash flows from operating activities are essentially independent of changes in market rates.

Beijer Alma's net financial items and earnings are affected by fluctuations in interest rates pertaining to borrowing. The Group is also indirectly affected by the impact of interest-rate levels on the economy as a whole. In terms of risk, Beijer Alma believes that fixed interest on a short-term basis is consistent with the industrial operations conducted by the Group. Accordingly, the period of fixed interest on loans is usually up to 12 months. During the past ten years, the short-term interest rate has also been lower than the long-term rate, which had a positive effect on the Group's earnings.

Outstanding loans and committed credit facilities are listed below.

	Group		Parent Company	
	2010	2009	2010	2009
Long-term liabilities				
Liabilities to credit institutions	88,994	66,854		–
Current liabilities				
Liabilities to credit institutions	23	16,141		–
Committed credit facilities	57,919	52,701		17,320
Total interest-bearing liabilities	**146,936**	**135,696**	**0**	**17,320**

Liabilities to credit institutions comprise some ten credits in various currencies and with different terms and conditions. The interest levels vary between 1.5 percent and 4.6 percent. The average interest rate is approximately 3 percent. The average interest rate on the committed credit facilities is about 3 percent. A limit fee on the granted amount averaging 0.2 percent is also payable. No derivative instruments are used. All loans are subject to a variable interest rate with a fixed-interest term of up to one year.

Sensitivity analysis

At year-end 2010, net cash assets amounted to approximately MSEK 91 (net debt: 59). With regard to full-year 2010, the level of cash and indebtedness varied. The level of indebtedness was highest after the dividend was paid and then declined until year-end. A change in the interest rate of 1 percentage point would have had a marginal impact on earnings.

CREDIT RISK

Credit risk refers to cases in which companies do not receive payment for their receivables from customers. The size of each customer's credit is assessed on an individual basis. A credit rating is performed for all new customers to ensure that the credit limit reflects the customer's capacity to pay. In terms of sales, the Group's risk spread across industries and companies is favorable. Historically, the level of losses on accounts receivable has been low.

LIQUIDITY RISK

Cash and cash equivalents only include cash and bank balances. Of the total amount of MSEK 238.1 (195.5), the majority is invested with Nordea and Handelsbanken. Beijer Alma has loans that fall due at different points in time. A large portion of its liabilities are in the form of committed credit facilities that are formally approved for a period of one year. Refinancing risk refers to the risk of Beijer Alma being unable to fulfill its obligations due to cancelled loans and the risk that difficulties will arise in raising new loans. Beijer Alma manages this risk by maintaining a strong liquidity position. The Group's policy is that available liquidity, defined as cash funds plus approved but unutilized committed credit facilities, shall amount to not less than two months of invoicing. The Group's liquidity position at recent year-ends is shown in the table below.

Available liquidity

	Group		Parent Company	
	2010	**2009**	**2010**	**2009**
Cash funds	238,122	195,513	35,892	51
Approved credit facilities	486,245	471,175	175,000	175,000
Unutilized portion of credit facilities	–57,919	–52,701	–	–17,320
Total available liquidity	**666,448**	**613,987**	**210,892**	**157,731**

Maturity analysis of liabilities, including interest to be paid for each period according to loan agreement.

	Less than 1 year	1-5 years	More than 5 years
December 31, 2010			
Borrowing	59,680	96,755	3,100
Liabilities for financial leasing	595	59	–
Accounts payable and other liabilities	159,392	–	–
Total	**219,667**	**96,814**	**3,100**

	Less than 1 year	1-5 years	More than 5 years
December 31, 2009			
Borrowing	72,913	69,600	5,550
Liabilities for financial leasing	603	350	–
Accounts payable and other liabilities	78,881	–	–
Total	**152,397**	**69,950**	**5,550**

Of the Group's MSEK 330.2 in foreign exchange contracts at year-end 2010, MSEK 51 had a maturity period of between one and two years, while contracts totaling MSEK 279.2 had a maturity period of one year. Of the Group's foreign exchange contracts at year-end 2009, which totaled MSEK 380.6, MSEK 91 had a maturity period of between one and two years, while contracts totaling MSEK 289.6 had a maturity period of less than one year.

Capital risk management

The Group's goal in terms of its capital structure is to guarantee its ability to continue conducting and expanding its operations to ensure that a return is generated for the shareholders, while keeping the costs of capital at a reasonable level.

The capital structure can be changed by increasing or decreasing dividends, issuing new shares, repurchasing shares and selling assets.

Capital risk is measured as the net debt/equity ratio, including interest-bearing liabilities, less cash and cash equivalents in relation to shareholders' equity. The aim is to enable freedom of action by maintaining a low debt/equity ratio. The table below shows the Group's net debt/equity ratio at recent year-ends:

Group	**2010**	**2009**
Interest-bearing liabilities	146,936	136,053
Cash and cash equivalents	–238,122	–195,513
Net debt	**–91,186**	**–59,460**
Shareholders' equity	1,394,506	985,757
Net debt/equity ratio	–6.5%	–6.0%

Financial instruments by category in the Group

The accounting policies for financial instruments were applied as follows:

December 31, 2010	**Loan receivables and accounts receivable**	**Derivatives used for hedging purposes**	**Available for sale**	**Total**
Assets in balance sheet				
Other long-term receivables	3,145			3,145
Other securities			9,093	9,093
Derivative instruments (included in prepaid expenses)		29,189		29,189
Accounts receivable and other receivables	415,524			415,524
Cash and cash equivalents	238,122			238,122
Total	**656,791**	**29,189**	**9,093**	**695,073**

December 31, 2010	**Derivatives used for hedging purposes**	**Other financial liabilities**	**Total**
Liabilities in balance sheet			
Liabilities to credit institutions		89,017	89,017
Committed credit facilities		57,919	57,919
Accounts payable		159,392	159,392
Total	**0**	**306,328**	**306,328**

December 31, 2009	Loan receivables and accounts receivable	Derivatives used for hedging purposes	Available for sale	Total
Assets in balance sheet				
Other long-term receivables	3,117			3,117
Other securities			12,479	12,479
Derivative instruments (included in prepaid expenses)		17,827		17,827
Accounts receivable and other receivables	243,681			243,681
Cash and cash equivalents	195,513			195,513
Total	**442,311**	**17,827**	**12,479**	**472,617**

December 31, 2009	Derivatives used for hedging purposes	Available for sale	Total
Liabilities in balance sheet			
Liabilities to credit institutions		82,995	82,995
Committed credit facilities		52,701	52,701
Accounts payable		78,881	78,881
Total		**214,577**	**214,577**

The Parent Company includes cash and cash equivalents amounting to 35,892 (51) in the category Loan receivables and accounts receivable, other securities totaling 9,003 (12,407) in the category Available for sale, and credit facilities amounting to 0 (17,320) and accounts payable totaling 1,212 (291) in the category Other financial liabilities.

note 30 ACCRUED EXPENSES AND DEFERRED INCOME

	Group		Parent Company	
	2010	2009	2010	2009
Accrued personnel costs	90,236	63,638	12,734	6,758
Accrued interest	106	10	–	–
Deferred income	605	219	–	–
Other	49,136	49,567	3,537	541
Total	**140,083**	**113,434**	**16,271**	**7,299**

note 31 OTHER CURRENT LIABILITIES

	Group		Parent Company	
	2010	2009	2010	2009
Personnel tax	10,303	11,724	–	378
VAT	21,283	11,436	355	260
Advance payments from customers	3,530	1,014	–	–
Other	10,252	3,924	384	–
Total	**45,368**	**28,098**	**739**	**638**

note 32 PLEDGED ASSETS

	Group		Parent Company	
	2010	2009	2010	2009
Floating charges	181,310	180,854	–	–
Real-estate mortgages	63,799	83,993	–	–
Shares	33,224	34,235	12,260	12,260
Machinery used in accordance with financial leasing agreements	548	875	–	–
Assets with retention of title	–	4,991	–	–
Total	**278,881**	**304,948**	**12,260**	**12,260**

note 33 CONTINGENT LIABILITES AND COMMITMENTS

The Group has contingent liabilities in the form of guarantees and undertakings that arise in the normal course of doing business. No significant liabilities are expected to arise due to these contingent liabilities. In the normal course of business, the Group and the Parent Company have entered into the following commitments/contingent liabilities.

	Group		Parent Company	
	2010	2009	2010	2009
Investment commitments	1,000	1,493	1,000	1,493
Guarantees	2,927	1,644	–	–
Total	**3,927**	**3,137**	**1,000**	**1,493**

The Group has not identified any material commitments that are not reported in the financial statements.

note 34 NET FINANCIAL ITEMS

	Group		Parent Company	
	2010	2009	2010	2009
Dividends received	–	–	245,000	115,000
Interest received	1,942	1,104	5,015	7,179
Interest paid	–5,809	–7,706	–1,029	–1,375
Total	**–3,867**	**–6,602**	**248,986**	**120,804**

note 35 ITEMS NOT AFFECTING CASH FLOW

	Group		Parent Company	
	2010	2009	2010	2009
Depreciation, amortization and impairment	76,818	71,448	219	260
Profit/loss from associated companies	–884	795	–	–
Impairment of shares	–	–	–	7,662
Total	**75,934**	**72,243**	**219**	**7,922**

note 36 CORPORATE ACQUISITIONS

Beijer Tech

During the first quarter, Beijer Alma acquired all shares of Beijer Tech AB from the listed company G & L Beijer AB. Beijer Tech conducts technology trading operations in 14 locations in Sweden, Norway, Denmark and Finland. In 2009, the company generated sales of MSEK 505 and had 180 employees. Beijer Tech is an independent subgroup of Beijer Alma. The acquisition was completed in late March and revenues and costs were consolidated in the Beijer Alma Group as of the second quarter. The reason for the acquisition is that by purchasing Beijer Tech, Beijer Alma can increase its earnings per share and its overall value at a reasonable level of risk. In addition, there are favorable opportunities for supplementary acquisitions in Beijer Tech.

The purchase consideration was MSEK 328.9 and was paid for with MSEK 38.7 in cash and a private placement of 2,700,000 Class B shares to G & L Beijer AB, which were valued at a price of SEK 107.50.

Acquisition calculation

Purchase consideration	MSEK 328.9
Acquired net assets measured at fair value	MSEK 182.6
Goodwill	MSEK146.3

Acquired receivables have a fair value of MSEK 107. All receivables are expected to be received as a result of balance guarantees in the agreement. Cash and cash equivalents amounted to MSEK 8.4.

Acquisition-related costs of MSEK 4.4 were expensed as administrative costs in the Group. No part of the recognized goodwill is expected to be deductible in taxation of income. The revenue from Beijer Tech that is included in the consolidated income statement from April 1, 2010, amounted to MSEK 526.3 and income amounted to MSEK 26. During the period January 1-December 31, 2010, Beijer Tech's sales amounted to MSEK 671 and recognized income was MSEK 31 M.

Preben Z Jensen

In the third quarter, Beijer Tech acquired the Danish technology trading company Preben Z Jensen A/S. During the fiscal year from May 1, 2009 to April 30, 2010, Preben Z generated MSEK 40 in sales, primarily in the Danish market and has 13 employees. The company has been consolidated as of September 1.

The acquisition allows Beijer Tech to geographically expand in product areas that are familiar from its proprietary operations.

Acquisition calculation

Purchase consideration	MSEK 35.4
Acquired net assets measured at fair value	MSEK 8.8
Goodwill	MSEK 26.6

All of the acquired receivables, which have a fair value of MSEK 7.8, are expected to be received as a result of balance guarantees in the agreement. Cash and cash equivalents amounted to MSEK 4.5. Acquisition-related costs of MSEK 0.3 were expensed in Beijer Tech and the Group. None of the recognized goodwill is expected to be deductible in income taxation. The revenue from Preben Z Jensen that has been included in the consolidated income statement since September 1, 2010, amounted to MSEK 15.7 and income amounted to MSEK 0.8. In the period, January 1-December 31, 2010, Preben Z Jensen's sales amounted to MSEK 43 and recognized income was MSEK 1.2.

2009

In 2009, there were no corporate acquisitions except for Habia Cable acquiring the shares of the dormant company Habia Cable Sp Zoo to commence operations in Poland. The acquisition was made to accelerate the incorporation process.

Purchase consideration (cash payment)	KSEK 151
Acquired net assets measured at fair value	KSEK 58
Goodwill	KSEK 93

note 37 TRANSACTIONS WITH RELATED PARTIES

Besides the transactions specified in Note 1, no transactions were carried out with related parties in 2009 or 2010.

note 38 DEFINITIONS

Proportion of risk-bearing capital

The sum of shareholders' equity, deferred tax and minority interests, divided by total assets.

Shareholders' equity

Shareholders' equity attributable to Parent Company shareholders

Return on shareholders' equity

Profit after financial items less 26.3-percent tax, in relation to average shareholders' equity.

Return on capital employed

Profit after net financial items plus interest expenses, in relation to the average capital employed.

Net debt

Interest-bearing liabilities less interest-bearing assets.

Earnings per share

Earnings per share after tax.

Earnings, profit

The terms earnings and profit refer to profit after financial items unless otherwise expressly noted.

Interest-coverage ratio

Profit after financial items plus financial expenses, divided by financial expenses.

Debt/equity ratio

Total interest-bearing liabilities in relation to shareholders' equity.

Equity ratio

Shareholders' equity in relation to total assets.

Capital employed

Total assets less non-interest-bearing liabilities.

Earnings per share after standard tax

Profit after financial items less 26.3-percent tax, in relation to the number of shares outstanding.

Earnings per share after tax

Net profit less tax, in relation to the average number of shares outstanding.

Earnings per share after tax, after dilution

Net profit less tax, in relation to the average number of shares outstanding.

note 39 COMPANY INFORMATION

General information

Beijer Alma AB and its subsidiaries constitute an internationally active industrial group focused on the production of components and industrial trading. Its business concept is to manage, own and develop small and medium-size companies with favorable growth potential. The company is a public limited liability company with its registered office in Uppsala, Sweden. The address of company's head office is Box 1747, SE-751 47 Uppsala, Sweden. The company is listed on the NASDAQ OMX Nordic Exchange Stockholm.

These consolidated financial statements were approved by the company's Board of Directors on February 16, 2011. The balance sheets and income statements will be presented to the Annual General Meeting on March 30, 2011.

It is our opinion that the consolidated accounts were prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and give a true and fair view of the Group's financial position and earnings. The annual accounts were prepared in accordance with generally accepted accounting principles in Sweden and give a fair and true view of the Parent Company's financial position and earnings.

The Administration Report for the Group and the Parent Company gives a true and fair overview of the Group's and the Parent Company's operations, financial position and earnings and describes the material risks and uncertainties faced by the Parent Company and the companies included in the Group.

Uppsala, February 16, 2011

Beijer Alma AB (publ)

Anders Wall *Chairman of the Board*	Marianne Brismar *Director*	Anders G. Carlberg *Director*	Göran W Huldtgren *Director*
Peter Nilsson *Director*	Anders Ullberg *Director*	Johan Wall *Director*	Bertil Persson *Director*

Our Audit Report was submitted on February 18, 2011.

Öhrlings PricewaterhouseCoopers AB

Bodil Björk
Authorized Public Accountant

Audit Report

To the annual meeting of the shareholders of
Beijer Alma AB (publ)
Corporate identity number 556229-7480

We have audited the annual accounts, the consolidated accounts, the accounting records and the administration of the board of directors and the president of Beijer Alma AB for the year 2010. The annual accounts and the consolidated accounts of the company are included in the printed version of this document on pages 35–62. The board of directors and the president are responsible for these accounts and the administration of the company as well as for the application of the Annual Accounts Act when preparing the annual accounts and the application of international financial reporting standards IFRSs as adopted by the EU and the Annual Accounts Act when preparing the consolidated accounts. Our responsibility is to express an opinion on the annual accounts, the consolidated accounts and the administration based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in Sweden. Those standards require that we plan and perform the audit to obtain reasonable assurance that the annual accounts and the consolidated accounts are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the accounts. An audit also includes assessing the accounting principles used and their application by the board of directors and the president and significant estimates made by the board of directors and the president when preparing the annual accounts and consolidated accounts as well as evaluating the overall presentation of information in the annual accounts and the consolidated accounts. As a basis for our opinion concerning discharge from liability, we examined significant decisions, actions taken and circumstances of the company in order to be able to determine the liability, if any, to the company of any board member or the president. We also examined whether any board member or the president has, in any other way, acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association. We believe that our audit provides a reasonable basis for our opinion set out below.

The annual accounts have been prepared in accordance with the Annual Accounts Act and give a true and fair view of the company's financial position and results of operations in accordance with generally accepted accounting principles in Sweden. The consolidated accounts have been prepared in accordance with international financial reporting standards IFRSs as adopted by the EU and the Annual Accounts Act and give a true and fair view of the group's financial position and results of operations. A corporate governance statement has been prepared. The statutory administration report and the corporate governance statement are consistent with the other parts of the annual accounts and the consolidated accounts.

We recommend to the annual meeting of shareholders that the income statement and balance sheet of the parent company and the group be adopted, that the profit of the parent company be dealt with in accordance with the proposal in the statutory administration report and that the members of the board of directors and the president be discharged from liability for the financial year.

Stockholm February 18, 2011

Öhrlings PricewaterhouseCoopers AB

Bodil Björk
Authorized Public Accountant

Board of Directors and Management

Anders Wall **Marianne Brismar** **Anders G. Carlberg** **Göran W Huldtgren**

BOARD OF DIRECTORS

Anders Wall, Chairman, born 1931
Director since: 1992
Holding through companies and family: 3,513,120 of which 1,974,000 Class A shares.
Additional holdings in affiliated foundations: 693,000 Class A shares and 3,383,410 Class B shares.

Marianne Brismar, born 1961
Board member since: 2010
Holding: 10,000

Anders G. Carlberg, born 1943
Director since: 1997
Holding: 3,000

Göran W Huldtgren, born 1941
Director since: 1983
Holding through companies and family: 539,510 of which 304,800 Class A shares

Peter Nilsson, born 1966
Director since: 2008
Holding through companies and family: 0

Anders Ullberg, born 1946
Director since: 2007
Holding through companies and family: 15,000

Johan wall, born 1964
Deputy Director: 1997 to 2000
Director since: 2000
Holding: 3,000

Bertil Persson, born 1961
President and CEO of Beijer Alma AB
Deputy Director: 2000 to 2001 and since 2002
Director: 2001 to 2002
Holding: 23,000
Call options: 50,000

Peter Nilsson

Anders Ullberg

Johan Wall

Bertil Persson

SENIOR MANAGEMENT

Bertil Persson, born 1961
Master of Business Administration
President and CEO
Employee since: 2000
Holding: 23,000
Call options: 50,000

Jan Blomén, born 1955, Master of Business Administration
Chief Financial Officer
Employee since: 1986
Holding with family: 47,600

Jan Olsson, born 1956, Master of Business Administration
Group Controller
Employee since: 1993
Holding: 2,000

AUDITORS

Auditing firm Öhrlings PricewaterhouseCoopers AB

Chief Auditor
Bodil Björk, born 1959
Authorized Public Accountant
Auditor for Beijer Alma AB since 2006

Addresses

BEIJER ALMA AB

Beijer Alma AB
Dragarbrunnsgatan 45
Forumgallerian
Box 1747
SE-751 47 UPPSALA
Sweden
Telephone +46 18 15 71 60
Fax +46 18 15 89 87
E-mail info@beijeralma.se
firstname.lastname@beijeralma.se
www.beijeralma.se

Strandvägen 5A, 5 tr
Box 7823
SE-103 97 STOCKHOLM
Telephone +46 8 506 427 50
Fax +46 8 506 427 77

LESJÖFORS AB

HEADQUARTERS
Köpmannagatan 2
SE-652 26 KARLSTAD
Sweden
Telephone +46 54 13 77 50
Fax +46 54 21 08 10
E-mail info@lesjoforsab.com
www.lesjoforsab.com

Lesjöfors Industrifjädrar AB
HERRLJUNGA
Sweden
Telephone +46 513 220 00
E-mail info.hja@lesjoforsab.com

Lesjöfors Fjädrar AB
LESJÖFORS
Sweden
Telephone +46 590 60 81 00
E-mail info.lfs@lesjoforsab.com

Stece Fjädrar AB
MÖNSTERÅS
Sweden
Telephone +46 499 161 54
E-mail info.mon@lesjoforsab.com

Lesjöfors Industrifjädrar AB
NORDMARKSHYTTAN
Sweden
Telephone +46 590 530 25
E-mail info.nor@lesjoforsab.com

Lesjöfors Banddetaljer AB
VÄRNAMO
Sweden
Telephone +46 370 69 45 00
E-mail info.vmo@lesjoforsab.com

Lesjöfors Stockholms Fjäder AB
VÄLLINGBY
Sweden
Telephone +46 8 87 02 50
E-mail info.vby@lesjoforsab.com

Lesjöfors Automotive AB
VÄXJÖ
Sweden
Telephone +46 470 70 72 80
E-mail info.vax@lesjoforsab.com

Lesjöfors A/S
BRØNDBY
Denmark
Telephone +45 46 95 61 00
E-mail info.bby@lesjoforsab.com

Lesjöfors A/S
TINGLEV
Denmark
Telephone +45 73 34 61 00
E-mail info.ltv@lesjoforsab.com

Lesjöfors Springs Oy
KAARINA
Finland
Telephone +358 2 276 14 00
E-mail info.abo@lesjoforsab.com

OY Lesjöfors AB
ÅMINNEFORS
Finland
Telephone +358 19 27 66 200
E-mail info.ami@lesjoforsab.com

Lesjöfors China Ltd
CHANGZHOU
China
Telephone +86 519 511 86 10
E-mail info.czx@lesjoforsab.com

Lesjöfors Gas Springs LV
LIEPAJA
Latvia
Telephone +371 340 18 40
E-mail info.lep@lesjoforsab.com

Lesjöfors A/S
OSLO
Norway
Telephone +47 22 90 57 00
E-mail info.ske@lesjoforsab.com

European Springs & Pressings Ltd
KENT
UK
Telephone +44 2086 661 800
E-mail sales@europeansprings.com

European Springs & Pressings Ltd
CORNWALL
UK
Telephone +44 1726 861 444
E-mail cornwallsales@europeansprings.com

Lesjöfors Springs (UK) Ltd
WEST YORKSHIRE
UK
Telephone
Automotive +44 1422 370 770
Industrial springs +44 1422 377 335
E-mail info.ell@lesjoforsab.com

Lesjöfors Springs GmbH
HAGEN-HOHENLIMBURG
Germany
Telephone +49 2334 501 718
E-mail info.hag@lesjoforsab.com

HABIA CABLE AB

HEADQUARTERS
Kanalvägen 18, 6th floor
Box 5076
SE-194 05 UPPLANDS VÄSBY
Sweden
Telephone +46 8 630 74 40
Fax +46 8 630 74 81
E-mail info@habia.com
www.habia.com

Habia Cable CS Technology AB
LIDINGÖ
Sweden
Telephone +46 8 544 813 40
E-mail info@cstechnology.se

Habia Cable Production AB
SÖDERFORS
Sweden
Telephone +46 293 22 000
E-mail info.se@habia.com

Habia Cable AB
ØLSTYYKE
Denmark
Telephone +45 70 22 83 03
E-mail info.dk@habia.com

Habia Cable AB
TUUSULA
FINLAND
Telephone +358 20 155 25 30
Email info.fi@habia.com

Habia Cable SA
SAINT JEAN DE BRAYE
France
Telephone +33 238 22 15 70
E-mail info.fr@habia.com

Habia Cable Asia Ltd
Lai Chi Kok, KOWLOON
Hong Kong
Telephone +852 2591 13 75
E-mail info.hk@habia.com

Habia Cable India Ltd
Techno Fibres
ANDHRA PPRADESH STATE
India
Telephone +91 40 558 24 396

Habia Cable China Ltd
JIANGSU
China
Telephone +86 519 511 8010
E-mail info.cn@habia.com

Habia Cable Asia Ltd Korea Branch Office
GYUNGGI-DO
427-040
Korea
Telephone +82 2 504 66 74
E-mail info.kr@habia.com

Habia Cable BV
GM BREDA
Netherlands
Telephone +31 76 541 64 00
E-mail info.nl@habia.com

Habia Cable SP.Z.O.O
DOLUJE
Poland
Telephone +48 91 311 8887

Habia Cable Ltd
BRISTOL
UK
Telephone +44 1454 41 25 22
E-mail info.uk@habia.com

Habia Kabel GmbH
NEU-ULM
Germany
Telephone +49 731 704 79 50
E-mail info@habia-kabel.com

Habia Kabel Produktions GmbH & Co.KG
NORDERSTEDT
Germany
Telephone +49 405 35 35 00
E-mail info.de@habia.com

BEIJER TECH AB

HEADQUARTERS
Stortorget 8
SE-211 34 MALMÖ
Sweden
Telephone +46 40 35 83 80
Fax +46 40 29 38 25
E-mail info@beijertech.se
www.beijertech.se

Lundgrens Sverige AB
GOTHENBURG
Sweden
Telephone +46 31 84 03 90
E-mail lmg@lundgrenssverige.se

AB Tebeco
HALMSTAD
Sweden
Telephone +46 35 15 32 00
E-mail info@tebeco.se

Slang-Pac AB
HÄGERSTEN
Sweden
Telephone +46 8 556 346 00
E-mail info@slangpac.se

Beijer Industri AB
MALMÖ
Sweden
Telephone +46 40 35 83 00
E-mail binfo@beijerind.se

Preben Z. Jensen A/S
HEDENHUSENE
Denmark
Telephone +46 56 36 66
E-mail post@prebenz.dk

Beijer OY
VANTAA
Finland
Telephone +358 9 615 20 550
E-mail tom.weber@beijers.fi

Beijer AS
DRAMMEN
Norway
Telephone +47 32 20 24 00
E-mail firmapost@glbeijer.no
gg@glbeijer.no

Further information

annual general meeting

The Annual General Meeting will take place on Wednesday, March 30, 2011, at 6:00 p.m. in the Main Hall (Stora Salen) of the Uppsala Concert and Conference Hall (Uppsala Konsert & Kongress), Vaksala torg 1, Uppsala, Sweden.

PARTICIPATION
Shareholders who wish to participate in the Annual General Meeting must be listed in Euroclear Sweden AB's shareholder register by Thursday, March 24, 2011 and notify the company of their intent to participate not later than Thursday, March 24, 2011 at 4:00 p.m. Notification may be given as follows: by telephone at +46 18 15 71 60, by fax at +46 18 15 89 87, by e-mail at info@beijeralma.se, online at www.beijeralma.se or in writing, preferably using the enclosed registration form attached to the year-end report, which also includes the power of attorney form. Registration must include the shareholder's name, national identity number/corporate registration number, shareholdings and daytime telephone number. Shareholders whose holdings are registered in the name of a nominee must register the shares in their own name with Euroclear Sweden to be entitled to participate in the Annual General Meeting. Such registration must be completed not later than Thursday, March 24, 2011. Shareholders who wish to have one or two advisors participate in the Annual General Meeting must provide notice of their intention to do so in the manner and time frame applicable for shareholders.

ENTRY CARDS
Entry cards will be sent out which entitle the holder to participate in the Annual General Meeting. The entry cards are expected to be received by the shareholders not later than Tuesday, March 29, 2011. Any shareholder who has not received his/her entry card before the Annual General Meeting may obtain a new entry card from the information desk upon presentation of identification.

DIVIDEND
The proposed record date for the right to receive dividends is Monday, April 4, 2011. If the Annual General Meeting votes in accordance with this proposal, dividends are expected to be paid out through Euroclear Sweden commencing Thursday, April 7, 2011. The Board of Directors proposes to the Annual General Meeting a ordinary dividend of SEK 6.00 per share (5.00) and an extra dividend of SEK 1.00 (0.00).

INFORMATION
A complete notice, including an agenda and proposals, can be ordered from Beijer Alma: by telephone at +46 18 15 71 60, by fax at +46 18 15 89 87 or by e-mail at info@beijeralma.se. This information is also available at www.beijeralma.se.

financial calendar

Beijer Alma's year-end report and interim reports are published on the company's website at www.beijeralma.se. The Annual Report and interim reports are sent automatically to shareholders. (unless investors specify that they do not wish to receive information).

March 30	Annual General Meeting
May 5	Interim report Jan 1–Mar 31
Aug 18	Interim report Apr 1–Jun 30
Oct 28	Interim report Jul 1–Sep 30
February	Year-end report
March	Annual General Meeting

online information

You will always find current and up-to-date information at Beijer Alma's website: www.beijeralma.se

reports

Reports can be ordered from Beijer Alma AB, Box 1747, SE-751 47 Uppsala, Sweden, telephone +46 18-15 71 60 or via www.beijeralma.se

contact persons

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

graphic design and production Waldton Design **text** Fredrik Lilieblad **photo** Sune Fridell **illustrations** Martin Graden grafik **print** S-M Ewert 2011

"The objective is to create shareholder value. Beijer Alma's share-value trend has long vastly outperformed the average for listed companies. Investors who purchased SEK 100 worth of Beijer Alma shares five years ago saw their investments grow to SEK 220 (excluding dividends) by year-end 2010. An equivalent investment in the NASDAQ OMX Stockholm General Index during the same period would have amounted to SEK 122."

Bertil Persson
President and CEO

BEIJER • ALMA

Beijer Alma AB (publ)
Corp. Reg. No. 556229-7480
Forumgallerian, Dragarbrunnsgatan 45
Box 1747, SE-751 47 Uppsala, Sweden
Telephone +46 18 15 71 60
Fax +46 18 15 89 87
E-mail info@beijeralma.se
www.beijeralma.se