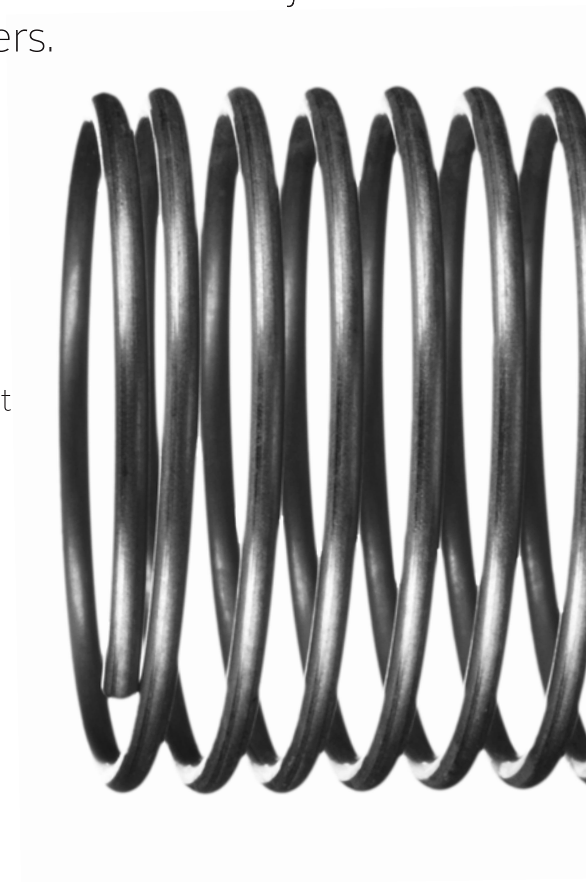
ANNUAL REPORT 2013

Beijer Alma is an international industrial Group specializing in component manufacturing and industrial trading. Operations are conducted in the subsidiaries Lesjöfors, Habia Cable and Beijer Tech, all of which focus on industrial customers.



LESJÖFORS **FULL-SERVICE SUPPLIER**

Lesjöfors is a full-service supplier of springs, wire and flat strip components. The company's products are used in most industrial sectors – in everything from household products to high-tech applications. Lesjöfors also has the market's broadest range of proprietary chassis springs for passenger cars and light trucks. The company's chassis springs are sold in more than 50 markets.

HABIA CABLE **LEADING CABLE MANUFACTURER**

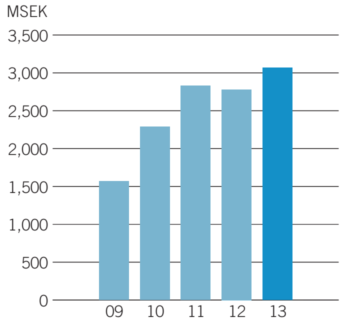
Habia Cable is a leading manufacturer of custom-designed cables. Many of the company's cables are used in high-tech applications in harsh environments – such as nuclear power plants, military applications and advanced industrial components. Habia is a global market leader in mobile telecom cables. Its products are used for signal transfers in base-station antennas and are sold in 25 markets.

BEIJER TECH **INDUSTRIAL TRADING SPECIALIST**

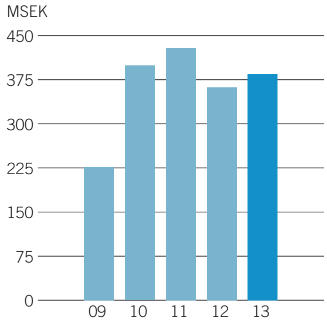
Beijer Tech specializes in industrial trading. Its products and services are adapted to improve customer operations, for example, by increasing product quality, improving the results of processes or enabling cost savings. Beijer Tech's largest company is the subsidiary Lundgrens, which specializes in fluid technology and industrial rubber. Lundgrens is the market leader in industrial hoses in Sweden.

2013

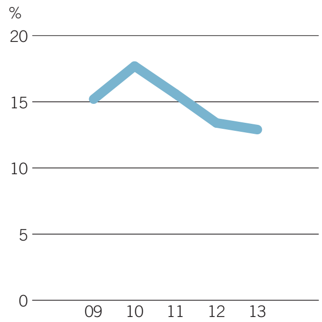
INVOICING



PROFIT AFTER NET FINANCIAL ITEMS



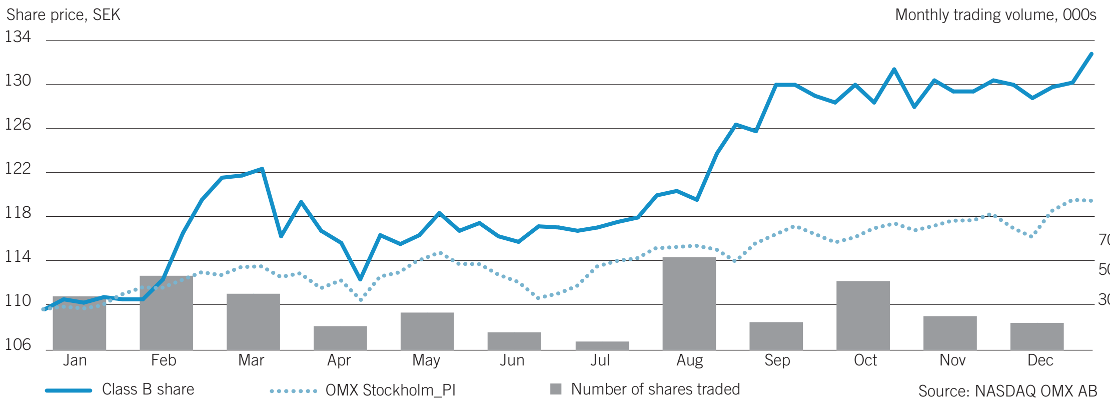
OPERATING MARGIN



NET REVENUES AND PROFIT BY OPERATING SEGMENT 2013

Net revenues MSEK	Q4	Q3	Q2	Q1	**Total**
Lesjöfors	398.8	423.5	472.1	381.9	**1,676.3**
Habia Cable	177.3	150.8	160.8	135.4	**624.3**
Beijer Tech	197.0	178.2	203.7	186.7	**765.6**
Parent Company and intra-Group	–	0.1	–	0.2	**0.3**
Total	773.1	752.6	836.6	704.2	**3,066.5**
Operating profit MSEK					
Lesjöfors	80.7	82.7	97.8	70.5	**331.7**
Habia Cable	20.2	14.9	12.8	5.3	**53.2**
Beijer Tech	3.0	9.9	13.9	6.8	**33.6**
Parent Company and intra-Group	–5.4	–4.4	–7.0	–5.4	**–22.2**
Total operating profit	98.5	103.1	117.5	77.2	**396.3**
Net financial items	–2.1	–2.8	–3.5	–3.2	**–11.6**
Profit after net financial items	96.4	100.3	114.0	74.0	**384.7**

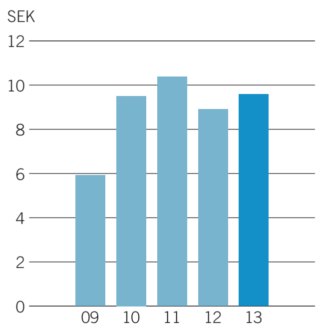
SHARE PERFORMANCE



8.00

The Board of Beijer Alma proposed an increased dividend of SEK 8.00 for 2013.

EARNINGS PER SHARE

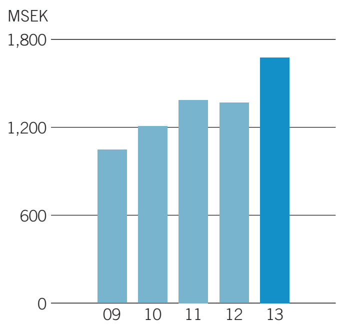


LESJÖFORS

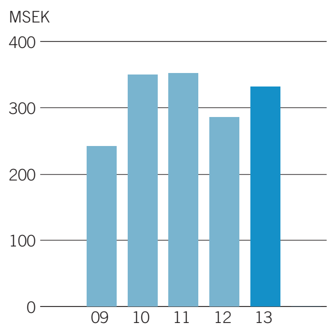
Lesjöfors is an international full-range supplier of industrial springs, wire and flat strip components. The company offers both standard and customized components. Lesjöfors holds leading positions in Europe and conducts operations in two business areas:

INDUSTRY. Standard springs, customized products, flat strip components and leaf springs.
CHASSIS SPRINGS. Aftermarket for passenger cars and light trucks.

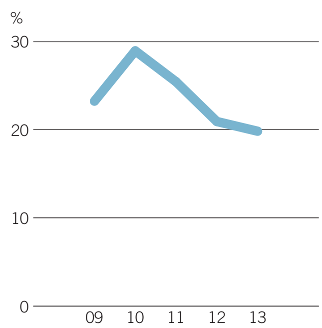
INVOICING



OPERATING PROFIT



OPERATING MARGIN

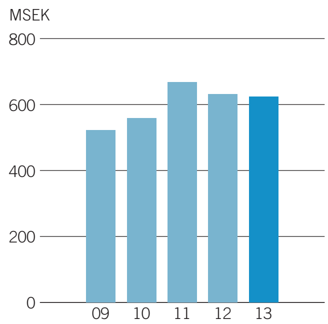


HABIA CABLE

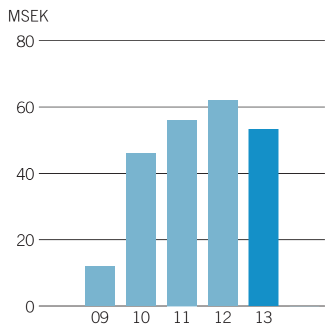
Habia Cable develops, manufactures and sells cables and cable systems for demanding applications. The company is one of the largest players in custom-designed cables in Europe and conducts operations in two business areas:

TELECOM. Cables for mobile telecom applications.
OTHER INDUSTRY. Cables and cable harnesses for defense, nuclear power and other industry.

INVOICING



OPERATING PROFIT



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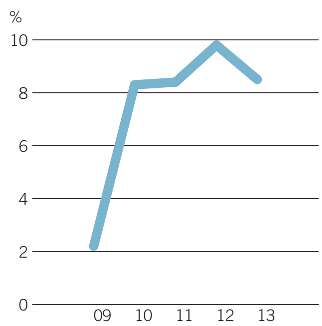
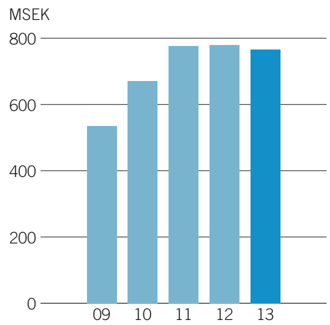


BEIJER TECH

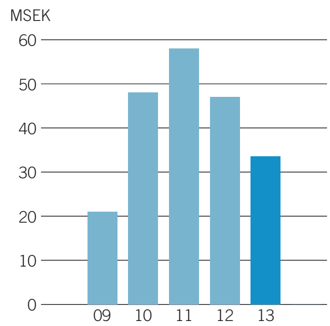
Beijer Tech specializes in industrial trading and represents several of the world's leading manufacturers. The company offers products and solutions that combine expertise and products to create customer value. Beijer Tech has two business areas:

FLUID TECHNOLOGY/INDUSTRIAL RUBBER. Hoses, fittings, hydraulics, rubber sheeting, wear protection and rubber profiles.
INDUSTRIAL PRODUCTS. Surface treatment, foundries, steelworks and smelters.

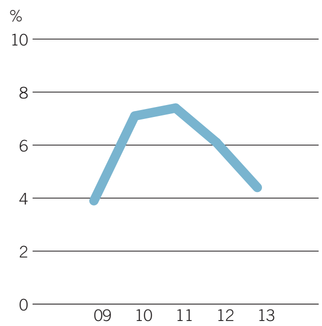
INVOICING



OPERATING PROFIT



OPERATING MARGIN



Beijer Alma

Beijer Alma AB (publ) is an international industrial Group specializing in component manufacturing and industrial trading.

The business concept is to acquire, own and develop small and medium-sized enterprises with strong growth potential. Beijer Alma's proactive and long-term ownership approach – combined with investments and acquisitions – creates competitiveness in selected market segments.

Operations are conducted in the subsidiaries Lesjöfors, Habia Cable and Beijer Tech. In all segments, the companies focus on developing strong, profitable customer relations. The key criteria for this work are:

- Products and concepts with a high customer value.
- International market coverage.
- High market share in relevant segments.
- Diversified customer and supplier base.

Beijer Alma is listed on the NASDAQ OMX Stockholm Mid Cap list (ticker: BEIAb).

THE YEAR IN BRIEF

MSEK 3,112

ORDER BOOKINGS INCREASED 14 PERCENT TO MSEK 3,112 (2,735).

MSEK 3,066

INVOICING INCREASED 10 PERCENT TO MSEK 3,066 (2,780).

MSEK 385

PROFIT AFTER NET FINANCIAL ITEMS AMOUNTED TO MSEK 385 (362).

SEK 9.59

EARNINGS PER SHARE TOTALED SEK 9.59 (8.91).

SEK 8.00

THE BOARD PROPOSED AN INCREASED DIVIDEND OF SEK 8.00 (7.00).

Content

Annual General Meeting

The Annual General Meeting will take place on Thursday, March 27, 2014, 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, refer to page 80 or visit www.beijeralma.se.

Ten-year summary

MSEK	**2013**	2012	2011	2010	2009	2008	2007	2006	2005	2004
Net revenues	**3,066.5**	2,779.7	2,830.2	2,290.1	1,571.2	1,836.3	1,654.4	1,487.8	1,323.1	1,201.6
Operating profit	**396.3**	372.3	441.4	406.3	238.2	302.4	289.6	268.4	206.7	166.4
Net financial items	**–11.6**	–10.5	–12.7	–7.5	–11.7	–7.4	–6.9	–6.2	–6.9	–11.4
Profit after net financial items	**384.7**	361.8	428.7	398.8	226.5	295.0	282.7	262.2	199.8	155.0
Tax	**–95.7**	–93.3	–115.8	–112.3	–64.1	–78.3	–77.2	–72.4	–57.8	–39.7
Net profit	**289.0**	286.5	312.9	286.5	162.4	216.7	205.5	189.8	142.0	115.3
Non-current assets	**1,192.5**	1,111.6	927.4	820.3	616.6	657.2	607.8	526.8	558.4	561.3
Current assets	**1,355.5**	1,283.1	1,273.4	1,155.5	773.6	803.6	741.6	691.6	621.7	557.5
Shareholders' equity	**1,610.9**	1,519.5	1,482.9	1,394.5	985.9	959.6	846.7	747.8	708.9	566.4
Non-current liabilities and provisions	**299.2**	323.5	171.0	140.2	100.0	107.7	68.0	100.9	126.2	169.2
Current liabilities	**634.3**	549.1	544.2	438.4	301.2	390.2	434.6	369.7	345.0	383.2
Total assets	**2,548.0**	2,394.7	2,200.8	1,975.8	1,390.2	1,460.8	1,349.4	1,218.4	1,180.1	1,118.8
Cash flow after capital expenditures	**208.2**	130.1	152.0	168.3	215.8	150.1	120.0	121.0	142.6	197.2
Depreciation and amortization	**86.7**	78.7	76.3	70.7	71.4	68.2	65.3	68.8	65.2	76.9
Net capital expenditures, excluding corporate acquisitions	**126.3**	70.5	89.2	55.2	60.5	89.1	79.2	71.0	48.0	48.0
Capital employed	**1,957.0**	1,815.8	1,729.4	1,541.7	1,122.2	1,139.4	1,044.9	932.1	876.3	850.2
Net liabilities	**92.3**	56.8	–22.5	–91.2	–59.5	18.4	32.8	–6.8	43.0	178.3
Key figures, %										
Gross margin	**32.4**	33.7	34.8	37.7	36.4	35.3	37.4	37.9	36.8	35.9
Operating margin	**12.9**	13.4	15.6	17.7	15.2	16.5	17.5	18.0	15.6	13.8
Profit margin	**12.5**	13.0	15.1	17.4	14.4	16.1	17.1	17.6	15.1	12.9
Equity ratio	**63**	64	67	71	71	66	63	61	60	51
Proportion of risk-bearing capital	**65**	66	70	73	73	68	65	64	62	53
Net debt/equity ratio	**5.7**	3.7	–1.5	–6	–6	2	4	–1	6	31
Return on shareholders' equity	**19.2**	17.8	21.8	24.7	17.2	23.5	25.5	25.9	22.6	22.0
Return on capital employed	**21.1**	21.2	26.4	30.6	21.2	28.3	29.9	30.0	24.3	19.3
Interest-coverage ratio, multiple	**28.9**	27.5	27.5	43.3	18.7	21.4	23.6	29.6	24.2	13.2
Average number of employees	**2,110**	1,831	1,687	1,397	1,146	1,220	1,163	980	907	805
Earnings per share after tax, SEK	**9.59**	8.91	10.38	9.51	5.92	7.90	7.49	6.92	5.17	4.21
Dividend per share, SEK	**8.00**	7.00	7.00	7.00	5.00	5.00	5.00	4.00	3.67	1.67

Chairman's statement

To summarize our progress in 2013, Beijer Alma once again delivered attractive value growth for its shareholders, thanks in large part to our international sales and long-term approach, which provide us with the scope to build strong business structures.

In last year's Chairman's statement, I discussed the significance of Beijer Alma's internationalization – an issue that remained equally significant in 2013, particularly in light of the acquisitions we carried out to strengthen our operations. I am referring mainly to Germany, which displayed a strong trend and is currently our largest market outside Sweden.

Streamlining and refining

Internationalization is one of the strongest drivers in the Group. It enables us to expand and improve our profitability. In addition to Germany, we have established strong positions in a number of markets in Europe. Through a combination of acquisitions and organic growth, Lesjöfors and Habia have broadened their manufacturing and sales operations. We have also expanded our establishment in low-cost countries, which has improved our global coverage and competitiveness in telecom and nuclear power. Beijer Tech operates in the Nordic region and has conducted several acquisitions outside Sweden that have strengthened our position.

I am convinced that we will succeed in these ongoing efforts. The Group possesses diverse expertise in a variety of technology areas and the crucial management capacity to boost its operations. Beijer Alma also holds a strong financial position, which will enable significant investments in new and existing companies.

Attractive long-term approach

The acquisition of new businesses is another critical factor in our growth. Our goal is to conduct supplementary acquisitions in all of our companies, as well as adding new sub-groups to Beijer Alma. We are looking actively and have noticed that our long-term approach is highly regarded by potential sellers. Being part of a group with long-term ambitions is seen as positive, and we must make sure to use this to our advantage.

As always, I would like to conclude by thanking all of our employees for their outstanding contributions during the year. Despite a cautious industrial economic climate in several markets, Beijer Alma is delivering tangible earnings improvements, which bodes well for the coming years.

Anders Wall, Chairman of the Board

CEO's statement

The demand situation in 2013 remained weak. Economic recovery is progressing slowly, particularly in Europe, which is still suffering from the effects of the recent financial crisis. Nevertheless, Beijer Alma delivered stronger earnings than in the preceding year.

The year began on a weak note. Invoicing and earnings were adversely impacted by low order stocks following a sluggish end to 2012. The order situation then gradually improved, resulting in increased invoicing and earnings throughout the rest of the year.

Stronger positions

Total invoicing increased by 10 percent. After adjustment for acquisitions, the growth rate was 2 percent. Earnings rose from MSEK 362 to MSEK 385. The strongest performance was reported by Lesjöfors, which benefited from favorable demand for replacement springs for passenger cars. Sales of this type are highly dependent on the weather, and the harsh winter in 2012/2013 resulted in a large need for replacement parts. Sales of replacement springs rose 30 percent, making 2013 our strongest year to date. Habia also reported strong sales of cables for base-station antennas, with demand boosted by the expansion of the 4G network in China. Lesjöfors and Habia hold strong positions in each of these niches – positions that we saw grow even stronger during the year.

Demand was weaker in business areas that are dependent on the general industrial economy. This affected all of the Group's companies, particularly Beijer Tech, which sells input goods to industrial customers in the Nordic region. Both invoicing and earnings declined year-on-year.

International expansion

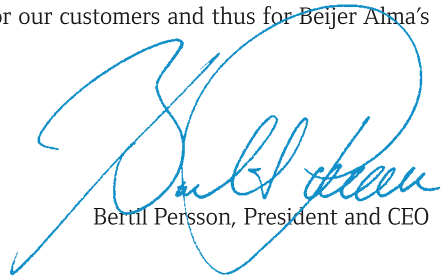
International expansion is critical for our companies. It enables future growth and increased earnings. Several acquisitions have been conducted in recent years to strengthen our positions. In 2013, Lesjöfors acquired the German company S&P Federnwerk and the Slovakian company Centrum B. Combined with its earlier corporate acquisitions, this made Lesjöfors one of the largest players in Germany. The company was already a market leader in the Nordic region and one of the largest players in the UK industrial springs market. Lesjöfors also leads the European market for replacement springs for passenger cars. Our goal is to ensure that the Group continues to grow, both organically and through acquisitions. As in the past, our focus is on international expansion, broadening our sales to include more markets and increasing our production in low-cost countries. Beijer Alma has the resources to make this happen. After many years of strong cash flows, we have a solid balance sheet, despite a high percentage of the Group's net earnings being distributed to its shareholders.

The ongoing expansion in various parts of the world is resulting in stricter demands for standardized rules regarding ethics, the environment and social responsibility. In recent years, we have thus coordinated and clarified the Group's CSR initiatives.

Continued value growth

Heading into 2014, signals indicate a continued weak international recovery, particularly in Europe. This will naturally impact demand for many of the products manufactured by our companies. At the same time, we expect to benefit from the diversified nature of our sales. Habia sells cables for a large number of applications, such as cables for base-station antennas and control cables for nuclear power plants. Lesjöfors sells springs for industrial equipment and replacement springs for passenger cars. Beijer Tech is a market leader in industrial hoses in Sweden and also sells input goods for industrial processes.

In the future, we plan to take a systematic approach to further developing these operations in a manner that creates value for our customers and thus for Beijer Alma's shareholders.



Bertil Persson, President and CEO

“The demand situation in 2013 remained weak. Nevertheless, Beijer Alma delivered stronger earnings than in the preceding year.

Beijer Alma's strategy

Beijer Alma's strategy pyramid is based on efficient operational control, corporate social responsibility and long-term ownership, in addition to such growth criteria as high customer value, international market coverage, strong market positions, and a diversified customer and supplier base. By applying these criteria to its organic development and corporate acquisitions, the Group is able to achieve its main business objective – profitable growth.

Long-term ownership
Long-term ownership means that the companies in the Group are not developed with the aim of a future exit. Instead, the goal is to create groups of companies with industrially sound structures in which value is created over time through growth and profitability.

Corporate social responsibility
To achieve our objective of profitable growth, we must demonstrate corporate social responsibility by striving to limit our impact on the environment and offering a secure and stimulating work environment for all employees. It is equally important that our customers, suppliers and business partners associate Beijer Alma with a sense of credibility and sound values.

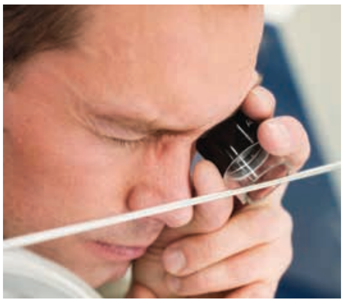
Operational control
We work closely with our Group companies to assist them in setting and following up on goals and exercising long-term control. This work does not generally involve operational activities, but instead focuses on strategic development, acquisitions and investments, thereby providing our companies with access to management resources that are often lacking in small enterprises.

High customer value
A large portion of the Group companies' products and services are adapted to meet specific customer needs. This creates higher value, for which customers are prepared to pay. As opposed to standardized volume products, unique product concepts also provide greater leverage in sales and marketing.

International market coverage
Our production companies primarily focus on niche products, which are manufactured in relatively small series and generate higher customer value. To expand and grow with these types of products, the companies must engage in broad international sales.

Strong market positions
High quality, a broad product range, a high level of customization and outstanding service enable strong market positions. This allows the Group companies to compete by offering other forms of added value in addition to low prices, thereby creating the scope for a stronger profitability trend.

Diversified customer and supplier base
Our companies aim to have a broad customer and supplier base, thereby reducing their risk exposure and dependency on individual markets, industries or customers.



Organic growth

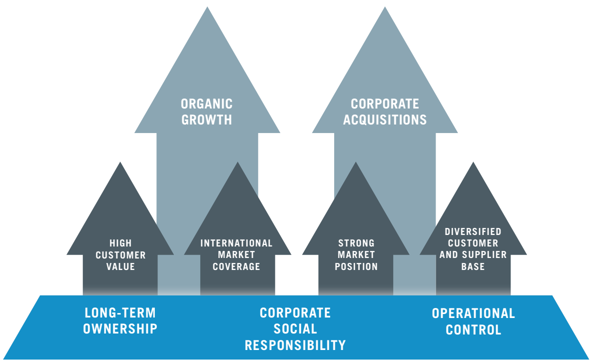
Organic growth refers to the continuous investments our companies make in product and market development. We prioritize this type of growth since it often results in high profitability and low risk. Moreover, this work can be carried out in our existing organizations and allows us to focus on markets and products with which we are already familiar.

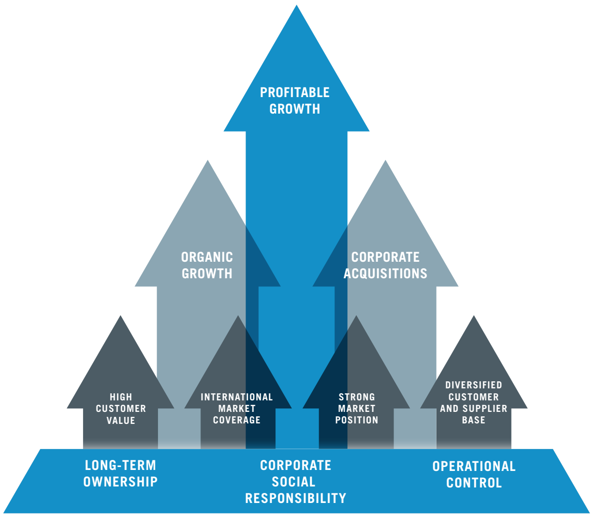
Corporate acquisitions

Corporate acquisitions include the acquisition of new operations, as well as supplementary acquisitions in the Group companies. Supplementary acquisitions can strengthen our position in selected markets or in specific technology or product areas. These types of acquisitions also carry a lower risk since they are conducted in familiar markets or areas.

Profitable growth

It is crucial that we focus on growth, but to meet the requirements we have set for ourselves, this growth must be linked to sustainable profitability. We accomplish this by ensuring that our companies systematically apply our four criteria as they focus on their own growth and development – high customer value, international market coverage, strong market positions, and a diversified customer and supplier base. Add to this the remaining elements of our strategy pyramid – long-term ownership, responsibility and operational control – and this is what drives the profitable growth of our Group companies.





International market coverage

By conducting broad geographic sales, we ensure that Beijer Alma maintains a high level of growth over time. Customer demand is one of the main driving forces behind this internationalization. As customers establish operations in new countries, they also expect us to offer our products in these markets as well.

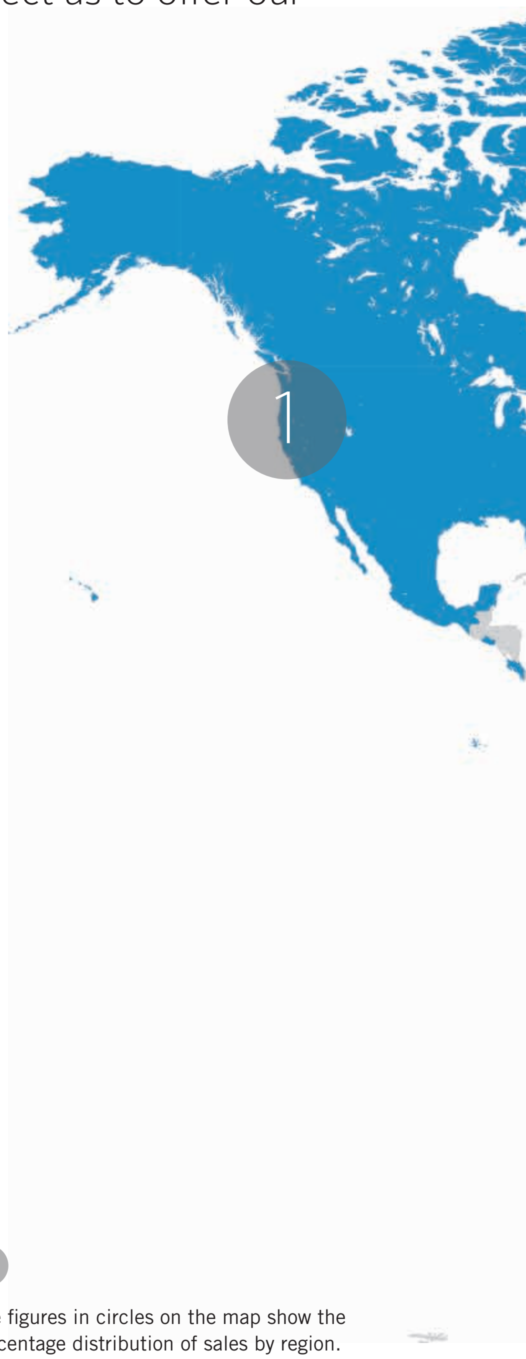
The goal is to ensure that all of our operations have a broad international presence. The main reason for this is that our companies operate in relatively narrow niche markets, which means that international expansion is crucial if the Group is to grow and achieve long-term sustainable profitability.

Following customers worldwide
Our internationalization is also linked to our customer structure. We have a long history of working with global companies in various industrial segments. To ensure our competitiveness, we must be active in the markets in which our customers choose to establish operations. In many cases, customers also expect us to be able to produce and deliver components in their local markets.

Cost-driven development
Another driving force behind Beijer Alma's internationalization is the increasing price pressure causing us to relocate our production operations to low-cost countries, particularly with respect to components manufactured in large volumes. At the same time, countries with lower manufacturing costs are not only regarded as potential production locations, but are also increasingly becoming attractive commercial markets, where numerous companies are establishing operations and thereby creating a future for our products.

Strong positions
Beijer Alma's most international operations are those of its manufacturing companies. Lesjöfors and Habia conduct sales in 60 markets. Telecom and nuclear power are Habia's most international operations and 93 percent of Habia's sales occur outside Sweden. Lesjöfors currently conducts 82 percent of its sales outside Sweden, with Chassis Springs boasting the broadest international market coverage. One reason for this development is the companies' focused investment in organic growth through international marketing. Equally important are the companies' efforts to broaden their market coverage through acquisitions. Good examples of this include the UK and Germany, where Lesjöfors has built up a strong position in industrial springs.

Lesjöfors and Habia have also established new operations in China. Sales in China totaled about MSEK 248 at year-end 2013 and have increased 98 percent over the past four years. Beijer Tech also plans to expand its sales outside Sweden. In recent years, Beijer Tech has carried out supplementary acquisitions in Denmark and Norway.



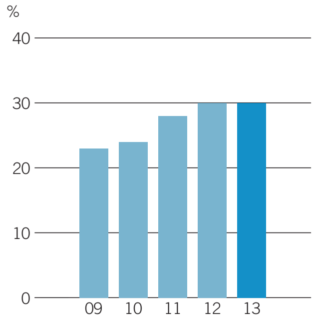
1

The figures in circles on the map show the percentage distribution of sales by region.

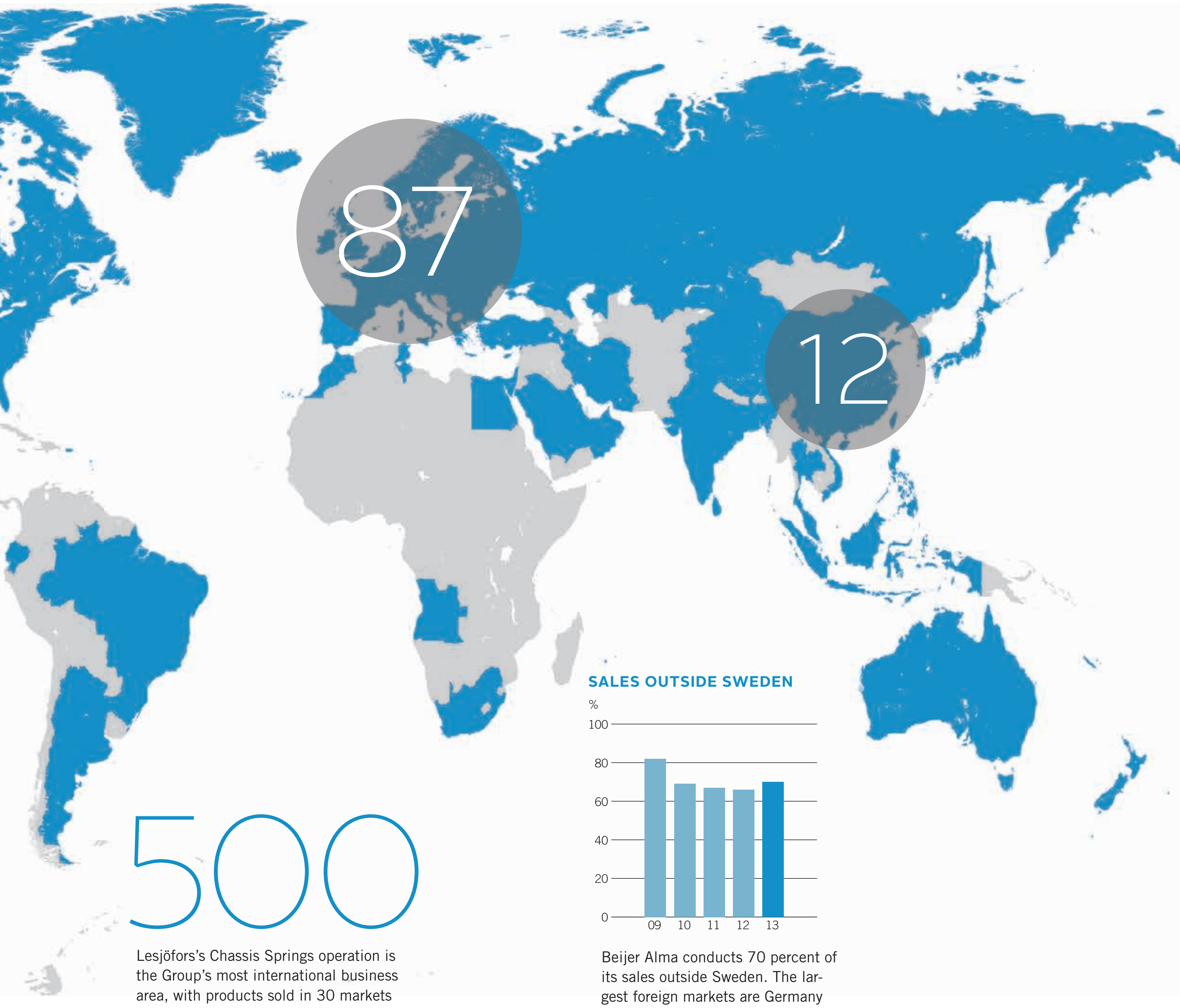
60

The Group's production companies have the most international operations. Lesjöfors and Habia conduct sales in 60 markets.

EMPLOYEES IN LOW-COST COUNTRIES



At year-end 2013, 30 percent of all Group employees worked in low-cost countries. Ten years earlier, the corresponding figure was approximately 5 percent.



500

Lesjöfors's Chassis Springs operation is the Group's most international business area, with products sold in 30 markets and sales of MSEK 500 in 2013.

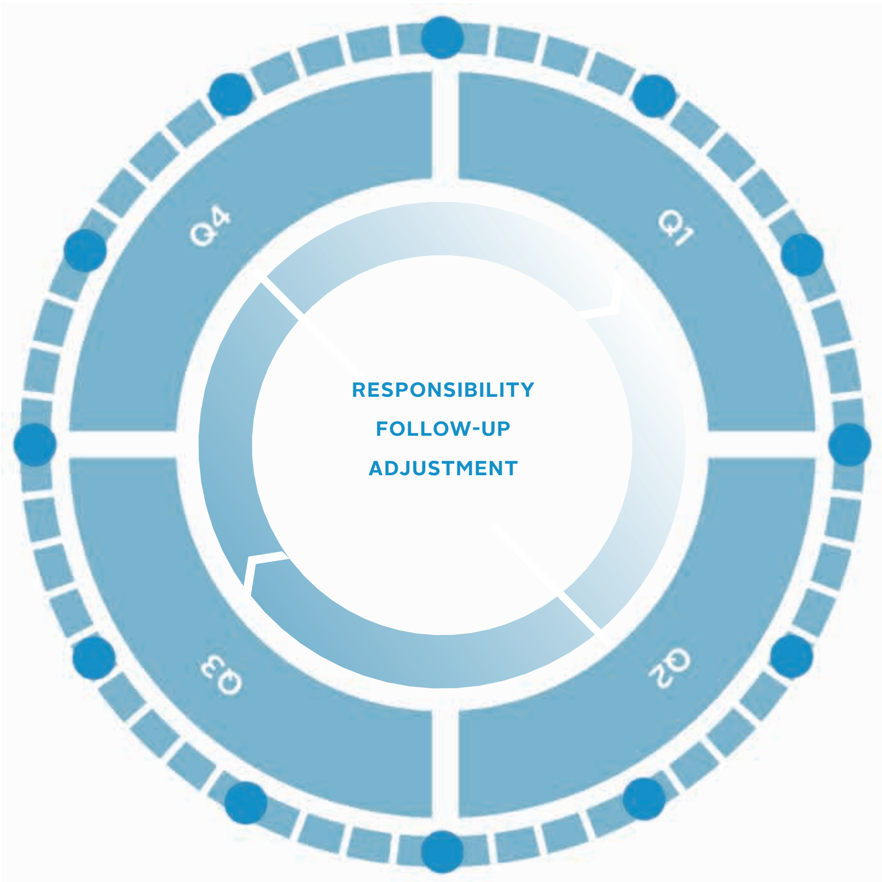
SALES OUTSIDE SWEDEN

Beijer Alma conducts 70 percent of its sales outside Sweden. The largest foreign markets are Germany and China.

Operational control

The management of Beijer Alma's subsidiaries is based on a high degree of independence, an operational focus and systematic follow-ups. By keeping a firm hold on all strategic and financial matters, we ensure that the Group remains on the right course.

Each subsidiary is responsible for the operational management of its business. Beijer Alma maintains regular contact with the companies, which are always measured and assessed based on the same key factors. This creates long time series, which provide an accurate picture of how the operations are performing, enabling deviations to be quickly identified and any necessary adjustments to be made.



WEEKLY REPORTING

Ongoing weekly reporting by the management teams at the various subsidiaries to Beijer Alma's Group management. The focus is on sales and order bookings.

MONTHLY MEETINGS

Beijer Alma's Group management meets with the subsidiary management teams every month to review their income statements, balance sheets and cash-flow statements. Market performance and acquisition processes are also monitored.

Q2: STRATEGY REVIEW BEGINS

A three to five-year strategy is established. Starting in the second quarter each year, an assessment/review of the current strategy is carried out – a process that involves Beijer Alma's Group management and the management teams at the various subsidiaries.

Q4: STRATEGIC REVIEW COMPLETED

The results of the strategic review are presented to the Board during a meeting held in the fourth quarter. Based on the Group's overall objectives and guidelines, subtargets and tangible action plans are established for each subsidiary. These are followed up on a monthly basis.

Decentralized responsibility

Beijer Alma generally does not become involved in the ongoing daily management of its subsidiaries. Instead, each company is responsible for the operational management of its business, including products, marketing, sales and product development.

Subsidiaries with complete management functions

Beijer Alma's subsidiaries build up their organizations themselves and ensure they have access to the right expertise, which allows each company to become competitive on an international level. The Group does not usually look for synergies between its subsidiaries, and there are no joint functions shared between the subsidiaries or between the subsidiaries and the Parent Company. However, Beijer Alma is ultimately responsible for ensuring that its subsidiaries secure the management expertise needed to address operational matters.

Management and follow-up

The subsidiaries are evaluated on a monthly basis through the follow-up of several key financial figures, as well as assessments of market performance, competitors, acquisition projects and so forth. By repeatedly measuring the same parameters, the Group is able to establish a long time series, which provides an accurate picture of the long-term trend. Should these monthly reviews indicate any major negative deviations, action plans are established and implemented within the subsidiaries. These are then followed up during subsequent evaluations, making it easier to detect and address any deviations at an early stage. Beijer Alma monitors order bookings and invoicing in all units on a weekly basis in order to quickly identify any changes in demand, which can influence its decisions regarding costs and staffing.

Strategic planning

Beijer Alma leads the strategy development process, establishes the agenda, and contributes analyses and expertise. Objectives and guidelines are established for each subsidiary. The aim of this process, which is carried out on an annual basis, is to look at how the business areas are creating customer value and assess the market potential, competitive situation and long-term development opportunities in each area. As part of the strategy process, three to five-year action plans are established for all of our operations, in addition to mapping out their internal competence and resource requirements. Beijer Alma has done away with traditional budgets and replaced them with rolling forecasts. The subsidiaries are evaluated in relation to their historical performance and strategic plans, not in relation to a budget.

Central responsibility for the capital structure

The Parent Company is responsible for the Group's financing and decides on the capital structure in the subsidiaries. All companies are measured on the basis of their operating profit before net financial items. This provides a management model with an operational focus, while at the same time removing the companies' return on financial items from the agenda.

Read more about Beijer Alma's operational control at **beijeralma.se**

Shareholder value

Our companies aim to deliver high customer value, meaning products and services that provide customers with clear benefits for which they are willing to pay – such as quality improvements, efficiency enhancements, savings or a higher output in their production processes. High customer value is created through products designed to meet specific needs, as well as through standardized products and services packaged in various types of concepts.

Offering high customer value is crucial for the Group's profitability and its capacity to create long-term shareholder value. By generating customer value, our Group companies are able to improve the margins on their products and services. This, in turn, boosts the Group's profibility, creating increased value for Beijer Alma's shareholders.

For many years, Beijer Alma's share-price trend has significantly surpassed that of the average listed company. Those who invested SEK 100 in Beijer Alma shares five years ago saw their investment grow to SEK 349 by year-end 2013. A corresponding investment in NASDAQ OMX Stockholm's general index during the same period would have resulted in SEK 247.

Corporate social responsibility

With approximately 45 operations in eight countries, issues pertaining to the environment, work environment and social responsibility are critical to Beijer Alma. Our sustainability initiatives are influenced by the legislation in the countries where we operate, as well as the requirements and wishes of our customers and other stakeholders.

Code of Conduct

Beijer Alma's Code of Conduct is based on international conventions, agreements and standards, including the ISO 26000 standard for social responsibility, which is a critical component of the Code. As part of its efforts in the area of sustainable development, the company implemented a number of measures in 2013 to establish its Code of Conduct.

Operational control

Sustainability issues are managed through delegated responsibility, openness, respect for legislation, ethical business principles and respect for stakeholder requirements. Environmental and quality management systems are used to identify key issues, and we take a systematic approach to making improvements and monitoring results. Certified quality management systems are in place at essentially all production facilities, as well as at the largest units in our industrial trading operations. Two-thirds of the Group's companies hold ISO 14001 environmental certification.

Follow-up and sustainability reporting

All managers are responsible for following up on sustainability issues. Much of this work takes place locally through the Group's certified environmental management systems or other tools. At the Group level, performance is assessed through sustainability reporting, with the results presented in the annual report, external reports and assessments, as well as on the Group's website.

Sustainable development strategy

Beijer Alma's operations are highly decentralized. The companies in the Group are responsible for implementing their own preventive measures with respect to environmental and work environment issues. To encourage an increased focus on sustainable development – and to ensure greater clarity in our external communications – a number of general measures were introduced in 2012. This work continued in 2013, resulting in a long-term strategy for sustainable development encompassing our Group-wide objectives and the ongoing implementation of ISO 14001. Sustainability issues will also be incorporated into the Group's strategic planning.

KEY SUSTAINABILITY ISSUES

- Energy consumption, the emission of climate-changing gases into the atmosphere and waste generation.
- The safety, well-being and development opportunities of our employees.
- The Group's role in society.
- The environmental properties of our products.

CODE OF CONDUCT

Our Code of Conduct serves as a guide for our employees and requires us to:

- Show respect for human rights.
- Take a preventive approach to environmental and work environment issues.
- Practice sound business ethics.
- Be straightforward and honest in our communications.

2012

- Analysis of work pertaining to sustainable development.
- Beijer Alma's Code of Conduct established.
- Sustainability reporting system developed.
- More in-depth information about corporate social responsibility included in the annual report.

Contact with stakeholders

We receive and respond to the requirements and opinions of various stakeholders. While our interactions with our employees, business partners and investors are crucial, we are also impacted by other external groups.

CUSTOMERS. Customer requirements may include compliance with the customer's code of conduct, a ban on the use of hazardous chemical substances, declarations that our products comply with certain environmental legislation and the introduction of an environmental management system. About 85 percent of our companies report their customers' requirements with respect to sustainable development. Customers follow up on their requirements using questionnaires and audits. In 2013, approximately half of our units underwent follow-up procedures.

AUTHORITIES. Beijer Alma's facilities were subject to some 20 visits and inspections by various environmental and work environment authorities during the year, in which a handful of minor deviations were noted. All relevant problems have been rectified and improvement measures have been put into place. During 2013, no violations of environmental or work environment legislation were reported by the Group's companies.

EMPLOYEES. A major information campaign regarding the Code of Conduct was carried out in 2013. More than 90 percent of the Group's employees received this information. Approximately half of the companies performed employee surveys, and the overall level of job satisfaction was good.

SHAREHOLDERS AND INVESTORS. In 2013, Beijer Alma's sustainability work was evaluated by the Folksam insurance company and Swedbank Robur. Both assessments showed that the Group has made significant progress in the area of sustainable development. However, certain areas require additional work, including the Group's supplier requirements and evaluation.

SUPPLIERS. Beijer Alma increased its contact with suppliers regarding sustainability issues. The Group provided information about its Code of Conduct, imposed requirements and monitored compliance with these requirements. Approximately 80 supplier evaluations were performed in 2013 – three times more than in 2012.

SOCIETY. In 2013, our production facilities met with various schools and universities to discuss everything from study visits, education and work experience opportunities to more advanced development projects. We also demonstrated our social commitment by providing financial support for sports activities, healthcare and non-profit organizations.

GROUP-WIDE OBJECTIVES

In 2014, Beijer Alma's Group-wide objectives will be used as the foundation for establishing more detailed targets in the Group's various units. Each unit is responsible for:

- establishing its own targets for energy-efficiency enhancement and the reduction of climate-changing gas emissions, as well as implementing at least one tangible measure.
- establishing its own waste target, as well as implementing at least one tangible measure to reduce the amount of waste generated and/or improve waste management.
- establishing at least one target pertaining to health and safety. Each unit is to introduce a system for registering incidents occurring in the work environment.

Read more about Beijer Alma's CSR initiatives at **beijeralma.se**

2013

- Beijer Alma's Code of Conduct introduced throughout the Group.
- Long-term sustainable development strategy and Group-wide targets established.
- Climate impact reporting in accordance with the Carbon Disclosure Project (CDP).

2014

- Detailed energy, climate, waste and work environment targets and plans established at Beijer Alma's units.
- Expanded sustainability reporting on the Group's website.
- Continued implementation of ISO 14001 at manufacturing facilities.
- Sustainability issues incorporated into strategic planning.

2015

- Continued implementation of ISO 14001.
- Assessment of the sustainability strategy and targets.
- Plan to join the UN Global Compact.
- Expanded sustainability reporting in accordance with international guidelines.

Ethics

HIGH LEVEL OF BUSINESS ETHICS. We demand that our employees behave in an honest and honorable manner – and we expect the same from our business partners. All bribes are prohibited. Gifts and other benefits may be included as a part of customary hospitality, but may not exceed the amounts prescribed by local practices or legislation. It is also important to comply with competition legislation. No violations were noted in 2013. We also reviewed the measures taken by our companies to combat corruption.

People

INTERNATIONAL GROUP. The Group employs slightly more than 2,000 people who come from a variety of cultures with different values. Combining low-cost production with manufacturing in high-cost countries provides us with a competitive advantage. All employees are encompassed by our Code of Conduct, and the same approach is applied worldwide when dealing with environmental, work environment, human rights and ethical issues.

SETTING OF SALARY RATES AND COLLECTIVE AGREEMENTS. The same rules and values apply for all units. Salary rates adhere to legislative requirements, exceed minimum wages and are entirely in line with market rates. As a result of cultural and legislative differences, the degree to which employees are covered by collective agreements varies by country. At about half of the Group's units, most employees are covered by collective agreements.

HUMAN RIGHTS. We encourage diversity and are opposed to all forms of discrimination. Reports from our companies have not revealed any violations of this sort.

SICKNESS ABSENCE. The rate of short and long-term sickness absence remained low during the financial year.

HEALTH AND SAFETY. We take a proactive approach by maintaining high technical standards and providing protective equipment, as well as conducting risk analyses, assessments, training and safety inspections. During the year, 49 (26) workplace accidents resulting in more than one day of absence occurred. Total absence due to accidents amounted to 306 (211) days. A system for registering workplace incidents is now being introduced in order to establish a greater focus on preventive measures.

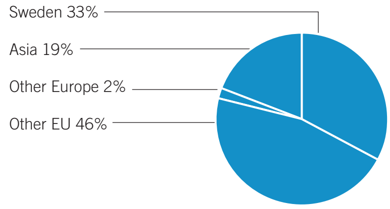
TRAINING. Approximately 14,700 hours of training were completed in 2013, corresponding to seven hours per employee. These training courses addressed environmental and work environment issues, and lasted an average of about

ANTI-CORRUPTION MEASURES

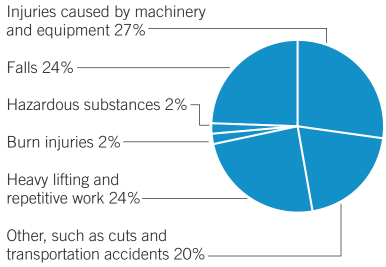
Using questions provided by the UN Global Compact, a survey was conducted in 2013 to determine what steps our units are taking to prevent corruption.

- The level of awareness regarding corruption and preventive activities has increased.
- Beijer Alma's Code of Conduct is being used to provide guidance.
- Several companies have established guidelines concerning gift size and business entertainment.
- The Group's companies have a zero-tolerance policy against bribes and have introduced sanction systems for violations.
- Management systems, information, training and financial monitoring are being used to prevent corruption.

EMPLOYEES, GEOGRAPHIC DISTRIBUTION



CAUSES OF WORKPLACE ACCIDENTS



EMPLOYEES, KEY FIGURES	2013	2012	2011	2010	2009
Average number of employees	**2,110**	1,831	1,687	1,397	1,146
Percentage salaried employees (%)	**31**	32	33	35	32
Percentage production staff (%)	**69**	68	67	65	68
Percentage women (%)	**35**	34	32	29	29
Percentage employed in low-cost countries (%)	**30**	30	28	24	23
Short-term sickness absence (%)	**1.9**	2.1	2.1	2.5	2.3
Long-term sickness absence (%)	**0.9**	0.9	1.2	1.2	1.2
Percentage employed in Sweden (%)	**33**	36	40	47	43

two hours. Training ensures that employees have the knowledge needed to perform their jobs and gives them an opportunity to develop their skills and gain an understanding of the Group's fundamental values.

Environment

Key environmental concerns include resource consumption (materials, energy and water), chemical use, air and water emissions, waste generation and other concerns associated with products and transport. MSEK 3.7 (5.0) was invested in environmental and work environment measures during the year. Environmental-related costs totaled MSEK 5.5 (4.2).

MATERIALS AND CHEMICALS. During 2013, approximately 21,000 tons (20,000) of metal, 830 tons (800) of plastic and 180 tons (150) of chemicals were used. Some ten hazardous chemical substances were replaced by less dangerous alternatives.

ENERGY. In absolute figures, the Group's energy consumption was slightly higher than in the preceding year. Energy costs for 2013 amounted to MSEK 36.0 (34.6). Approximately 70 percent of the Group's energy consumption comprised indirect energy, primarily electricity. Biofuel and green electricity accounted for just over 10 percent of total consumption.

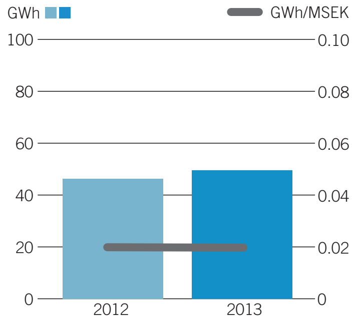
WATER. The Group's water consumption totaled 32,000 cubic meters (27,000), corresponding to 10.4 cubic meters (9.7) per MSEK in net revenues. Emissions of pollutants into wastewater were very limited. Water costs totaled MSEK 0.7 (0.6).

EMISSIONS TO THE ATMOSPHERE. The Group's carbon emissions from energy consumption were essentially in line with the figure reported in 2012. VOC emissions amounted to 93 tons, compared with 86 tons in 2012. About 30 percent of carbon emissions resulted from the use of natural gas and fuel oil at the Group's facilities. Other emissions came from purchased electricity and district heating.

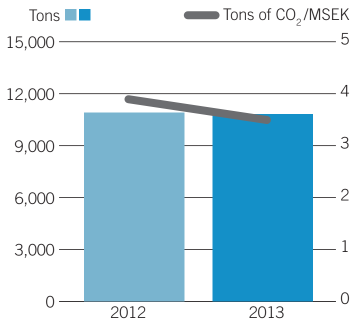
WASTE. In absolute figures, the volume of waste was unchanged compared with earlier years. Waste management costs amounted to MSEK 2.4 (1.0). Most of the Group's waste comprised metal, plastic, paper and other recyclable materials. About 5 percent comprised hazardous waste, which was handled by approved waste management companies.

TRANSPORT. Examples of measures implemented in 2013 include purchases of more fuel-efficient vehicles, transport coordination, greater use of video conferences and increased train transport.

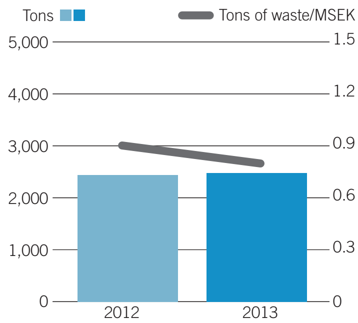
ENERGY CONSUMPTION



CARBON EMISSIONS



WASTE



ENVIRONMENT, KEY FIGURES	Lesjöfors	Habia Cable	Beijer Tech
Energy consumption, GWh (% of total Group consumption)	35.5 (72)	11.4 (23)	2.7 (5)
Water consumption, m^3 (% of total Group consumption)	13,800 (49)	15,500 (44)	2,100 (7)
Carbon emissions, tons (% of total Group emissions)	7,090 (65)	3,550 (3)	176 (2)
VOC emissions, tons (% of total Group emissions)	3.5 (4)	89 (96)	0.3 (0)
Waste, tons (% of total amount of waste for the Group)	1,846 (75)	504 (20)	129 (5)
ISO 14001, number of certified units	13	1	2
Workplace accidents, number of cases resulting in absence (cases per employee)	41 (0.03)	7 (0.01)	1 (0.004)
Workplace accidents, number of lost working days (days per employee)	241 (0.2)	45 (0.1)	20 (0.1)

The share

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 (125.5). 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. A total of 3,501,077 shares were traded during the year, corresponding to 13.1 percent of the outstanding Class B shares. An average of 14,004 shares were traded each trading day. Beijer Alma currently has 4,921 shareholders. This means that the number of shareholders has more than doubled over the past ten years. In 2003, the Group had 2,091 shareholders. At year-end 2013, Beijer Alma had a market capitalization of MSEK 5,333. In 2003, the Group's market capitalization was MSEK 605.

Share performance

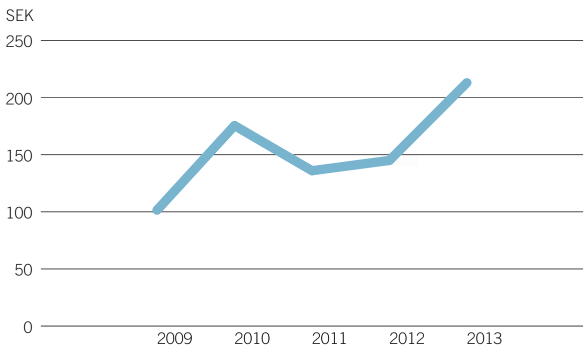
In 2013, the market price of the Beijer Alma share rose 53 percent. The Stockholm All Share Index increased 23 percent. The closing price at year-end was SEK 177.00 (116.00), corresponding to a market capitalization of MSEK 5,333. The highest price was SEK 184.50, which was quoted on October 23. The lowest price was SEK 116.00, which was quoted on January 2.

PER-SHARE DATA	**2013**	2012	2011	2010	2009
Earnings per share after 22.0% or 26.3% standard tax rate, SEK	**9.96**	8.85	10.49	9.75	6.08
After tax, SEK	**9.59**	8.91	10.38	9.51	5.92
Shareholders' equity per share, SEK	**53.46**	50.43	49.22	46.28	35.94
Dividend per share, SEK	**8.00**[1)]	7.00	7.00	7.00	5.00
Dividend ratio, %	**83**	79	67	74	84
Dividend yield, %	**4.5**	6.0	6.1	4.4	5.5
Market price at year-end, SEK	**177.00**	116.00	114.00	160.50	91.50
Highest market price, SEK	**184.50**	138.25	173.50	160.50	92.50
Lowest market price, SEK	**116.00**	105.75	93.50	91.50	56.00
P/E ratio at year-end	**18.5**	13.0	11.0	16.9	15.5
Cash flow per share after capital expenditures, SEK	**6.91**	4.32	5.04	5.58	7.87
Closing number of shares outstanding	**30,131,100**	30,131,100	30,131,100	30,131,100	27,431,100
Average number of shares outstanding	**30,131,100**	30,131,100	30,131,100	29,456,100	27,431,100

1) Dividend proposed by Board of Directors

SHARE PERFORMANCE

OVERALL PERFORMANCE



LARGEST SHAREHOLDERS	Total	Number of Class A shares	Number of Class B shares	Number of votes	% of share capital
Anders Walls Foundation	4,057,470	774,200	3,283,270	11,025,270	13.5
Anders Wall with family and companies	3,513,120	1,921,600	1,591,520	20,807,520	11.7
Lannebo Fonder	1,982,926	0	1,982,926	1,982,926	6.6
Odin Sverige Aksjefondet	1,620,687	0	1,620,687	1,620,687	5.4
Didner & Gerge Fonder Aktiebolag	1,566,670	0	1,566,670	1,566,670	5.2
SEB Investment Management	1,498,320	0	1,498,320	1,498,320	5.0
Swedbank Robur Fonder	1,422,850	0	1,422,850	1,422,850	4.7
Fourth Swedish Pension Insurance Fund	798,536	0	798,536	798,536	2.7
Nordea Investment Funds	721,415	0	721,415	721,415	2.4
SEB Asset Management SA	650,000	0	650,000	650,000	2.2
AMF – Insurance and Funds	640,748	0	640,748	640,748	2.1
Svolder Aktiebolag	640,262	0	640,262	640,262	2.1
Skandia Fonder	524,016	0	524,016	524,016	1.7
Göran W Huldtgren with family and companies	519,510	304,800	214,710	3,262,710	1.7
Other shareholders	9,974,570	329,400	9,645,170	12,939,170	33.1
Total	**30,131,100**	**3,330,000**	**26,801,100**	**60,101,100**	**100.0**

Source: Shareholders' register, December 31, 2013 incl. known changes

Ownership

The number of shareholders at year-end was 4,921. Of these shareholders, institutional owners accounted for 65.9 percent of capital and 44.6 percent of votes. The holdings of foreign shareholders amounted to 11.8 percent of capital and 5.9 percent of votes.

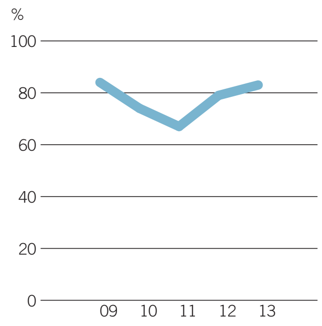
Dividend

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

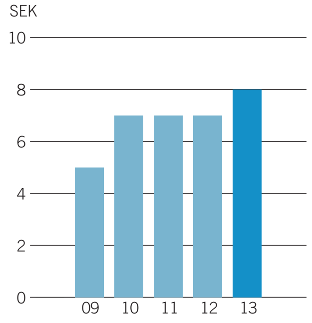
Analysts

- Danske Bank, Max Frydén
- Remium, Claes Vikbladh
- Carnergie Investment Bank, Christian Hellman
- Erik Penser Bankaktiebolag, Johan Widmark

DIVIDEND RATIO



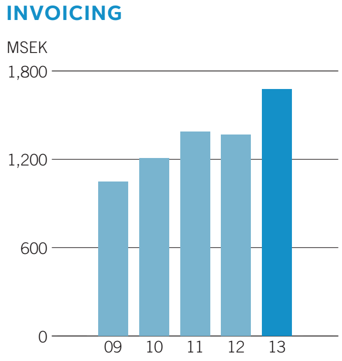
DIVIDEND

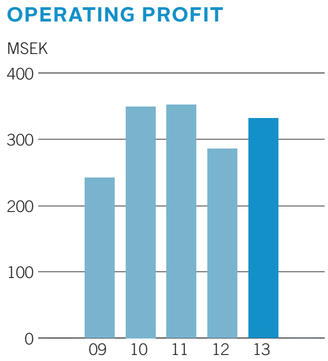


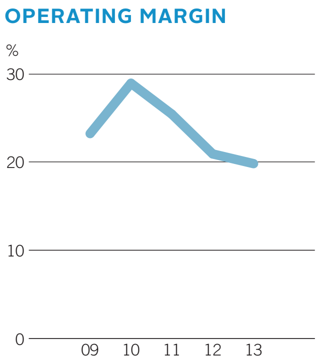
Read more about Beijer Alma's share performance at **beijeralma.se**

Lesjöfors

Lesjöfors is an international full-range supplier of industrial springs, wire and flat strip components that offers standard products and custom-manufactured components. The company holds a leading position in the Nordic region and is one of the largest spring companies in Europe.







BUSINESS AREAS

- **Industry.** Standard springs, customized products, 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.

2013 IN BRIEF

- Invoicing amounted to MSEK 1,676 (1,367) and operating profit to MSEK 332 (285).
- Acquisition of the German spring company S&P Federnwerk and the Slovakian company Centrum B.
- Sharp increase in volumes in Chassis Springs, with the largest growth reported in Germany.
- Continued investments in China, where the company expanded its capacity in the area of industrial springs.
- New investments in Centrum B, as well as the Finnish company Åminnefors, which manufactures hot coiled springs.

KEY FIGURES

MSEK	**2013**	2012	2011	2010	2009
Net revenues	**1,676.3**	1,366.7	1,386.0	1,206.7	1,046.5
Cost of goods sold	**–1,093.9**	–857.2	–821.1	–662.4	–624.0
Gross profit	**582.4**	509.5	564.9	544.3	422.5
Selling expenses	**–130.4**	–122.1	–121.0	–113.6	–106.5
Administrative expenses	**–120.3**	–102.0	–91.8	–81.3	–73.1
Operating profit	**331.7**	285.4	352.1	349.4	242.9
Operating margin, %	**19.8**	20.9	25.4	28.9	23.2
Net financial items	**–4.4**	–2.3	–3.9	–4.6	–7.3
Profit after net financial items	**327.3**	283.1	348.2	344.8	235.6
of which, depreciation and amortization	**59.0**	49.8	49.4	43.2	48.2
Capital expenditures, excluding corporate acquisitions	**106.2**	58.7	59.5	42.9	34.9
Return on capital employed, %	**39**	36	43	43	33
Average number of employees	**1,386**	1,157	1,014	770	686

Performance in 2013

- Invoicing in 2013 totaled MSEK 1,676 (1,367), up 23 percent. Operating profit was MSEK 332 (285) and the operating margin was 20 percent (21).
- Demand in Chassis Springs grew significantly in essentially all markets. The cold winter weather contributed to increased demand in the maintenance market in many countries. The greatest growth occured in the German market.
- The Industry business area (formerly Industrial Springs and Flat Strip Components) grew as a result of acquisitions. Demand was weak during the first half of the year, but stabilized somewhat later in the year. On a pro forma basis, invoicing remained essentially unchanged compared with 2012, mainly due to a weak industrial economic trend.
- Invoicing amounted to MSEK 1,176 in Industry and MSEK 500 in Chassis Springs.

Operation and organization

Lesjöfors has 19 production units in eight countries. The company's operations are organized into two business areas – Industry and Chassis Springs – and are characterized by far-reaching decentralization. While marketing, central technological resources, and customer and market communications, for example, are managed in a coordinated manner, other matters pertaining to expertise and resources are linked to the individual market. This helps strengthen the business in two fundamental areas – sales and manufacturing – and allows the company's sales and production personnel to exert an important influence, which in turn impacts the efficiency and quality of their everyday work. Over time, this emphasis on local business influence has contributed significantly to improved profitability and growth in Lesjöfors.

In 2013, Lesjöfors acquired the German spring company S&P Federnwerk, thereby strengthening its position in Germany, Europe's largest spring market. Lesjöfors also acquired the Slovakian low-cost manufacturer Centrum B. At year-end, approximately 20 percent of the company's manufacturing was carried out through low-cost production in China, Latvia or Slovakia. This form of production represents an increasingly important competitive advantage since it enables Lesjöfors to supply its European customers with operations in China with locally manufactured components.

Market and sales

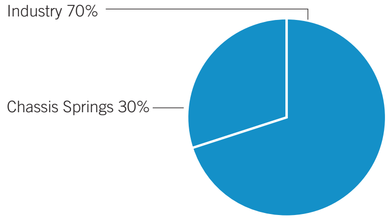
Lesjöfors is a full-range supplier of springs, wire and flat strip components. Its products are used in most industrial sectors – in everything from household products to high-tech applications. The company has a broad customer portfolio, comprising about 13,000 customers. Its sales are also diversified and cover approximately 60 markets. This product and market mix is beneficial to the company since it reduces Lesjöfors's dependency on a limited number of products, markets or industries.

Other competitive advantages include:

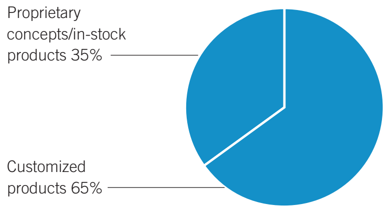
- High level of expertise in spring technology and design.
- Cost-effective manufacturing.
- Efficient distribution and customer service.
- Excellent product quality.

Most of Lesjöfors's sales are conducted by the company itself, with Chassis Springs operating its own sales organization. Its products are highly standardized, and Lesjöfors is able to compete on the basis of its product-range breadth, high level of customer service and efficient logistics. Sales in Industry have a more technological focus and often begin with some sort of

DISTRIBUTION BY BUSINESS AREA



DISTRIBUTION OF SALES



FACTS ABOUT LESJÖFORS'S SALES

- Cover 60 markets, the largest of which are Germany, Sweden, the UK and China.
- 82 percent of sales are conducted outside Sweden.
- Slightly more than 65 percent of sales pertain to customized products.
- The company's share of the Nordic market for industrial springs amounts to just over 40 percent.
- Its share of the European market for chassis springs is approximately 45 percent.

customer problem, followed by collaboration between the company's sales personnel and designers to develop customized components.

The product range is divided into proprietary product concepts and customized components. The company's proprietary concepts comprise fully developed, in-stock products that are packaged for customers in a clear and easily accessible manner. Examples of such concepts include Chassis Springs' broad product range and Lesjöfors's catalog range of standard springs. Proprietary concepts currently account for about 40 percent of sales.

When it comes to customized components, Lesjöfors offers unique planning, design and production solutions. These types of products account for the remaining 60 percent of the company's sales.

Product development

Product development includes both proprietary product concepts and custom-manufactured components. The company's proprietary concepts are developed by expanding the product range and developing additional in-stock products. Chassis Springs adds about 400 products to its range every year. Comprehensive problem-solving skills are crucial in the development of custom-manufactured components. To ensure that the components meet the customer's various requirements, it is vital that the right decisions are made during the planning, design, material selection and manufacturing stages. This work is managed by specialists at each individual plant.

Quality

All of Lesjöfors's plants have been awarded ISO 9001 quality certification. Several facilities are also certified according to industry-specific quality standards, including the automotive industry's ISO-TS 16949 standard. The company's quality procedures are integrated into its daily operational processes. Each plant has its own key figures in the area of product quality, which are assessed and used as a basis for improvement initiatives. In addition to product quality, the company's procedures are also guided by its delivery service rate and customer focus, which are followed up through ongoing customer dialogs. Customer satisfaction surveys are also carried out routinely.

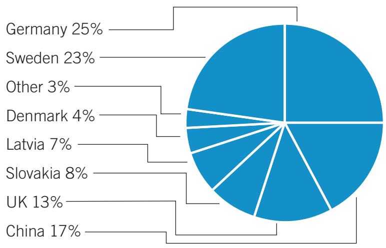
Employees

The number of employees increased by 229 to 1,386 (1,157). A total of 434 employees (357) work in the low-cost countries of Latvia, Slovakia and China, and 324 employees (308) work in Sweden. Lesjöfors has 180 employees (162) in the UK, 344 (226) in Germany and 59 (62) in Denmark.

60

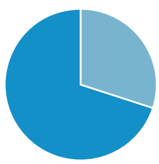
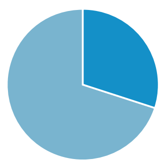
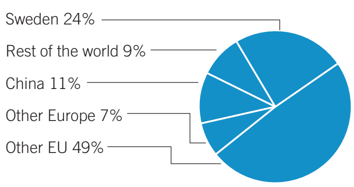
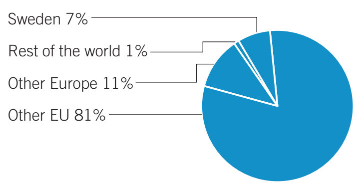
Lesjöfors offers customized components with unique design, planning and production solutions. These products currently account for 60 percent of sales.

EMPLOYEES PER COUNTRY



EMPLOYEES, KEY FIGURES	2013	2012	2011	2010	2009
Average number of employees	**1,386**	1,157	1,014	770	686
of whom, salaried employees	**307**	265	247	200	188
of whom, collective-agreement employees	**1,079**	892	767	570	498
of whom, men	**909**	767	683	541	500
of whom, women	**477**	390	331	229	186
of whom, in high-cost countries	**952**	800	729	601	588
of whom, in low-cost countries	**434**	357	285	169	98
Number of employees at year-end	**1,411**	1,264	1,013	778	646
Sickness absence, %	**2.9**	2.9	2.6	2.9	3.1
of which, short-term absence	**1.8**	2.0	1.6	1.9	2.0
of which, long-term absence	**1.1**	0.9	1.0	1.0	1.1

Market review

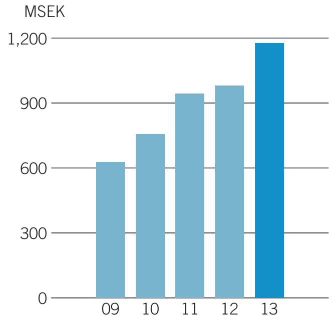
	INDUSTRY	CHASSIS SPRINGS
CUSTOMER VALUE/ COMPETITIVE ADVANTAGES	• Wide product range. • High quality and service level. • Capacity for innovation and problem-solving, as well as proprietary tool development. • Access to production in low-cost countries.	• Lesjöfors is the only company with control of the entire value chain – from design and manufacturing to inventory management, logistics and service. • Wide product range that is unique in the industry and continuously developed. • Short lead times and a high service level.
MARKET TRENDS/ DRIVING FORCES	• Mature market, where demand tracks the industrial economic trend. • Customers are relocating their manufacturing operations to low-cost countries. • Increasing demand for companies with a local presence. Suppliers are expected to have manufacturing operations near their customers. • A fragmented market with many small, local companies.	• The market for chassis springs has maintained a high growth rate for many years. • Deregulation of the spare parts market has created opportunities for non-genuine parts, which are often sold at a lower price than genuine spare parts. • Intensifying competition, mainly due to the establishment of new players, resulting in price pressure. • Demand is impacted by weather. Cold winters increase the need for vehicle maintenance and demand for chassis spings. This trend reverses during mild winters.
CUSTOMERS	• Companies in most industrial sectors, including the telecom, electrical goods, engineering, transportation, power, electronics, automotive and medical technology sectors. The largest customers include ABB, Continental and Bosch.	• European distributors of automotive spare parts, including Mekonomen, Stahlgruber and Ferraris.
COMPETITORS	• Primarily small and medium-sized enterprises with local sales. The largest competitors in the Nordic region are Spinova, Ewes, Meconet and Hagens Fjedre. There are approximately 200 local players in the German market and about 100 small companies in the UK market.	• Specialized spring distributors and shock absorber manufacturers, such as Suplex, K+F and Kayaba.
MARKET POSITION	• Lesjöfors's largest markets are the Nordic region, Germany, the UK and China, which account for about 38 percent of sales. The company is one of few international players that regularly conducts acquisitions and contributes to the consolidation of the market. • The company has a market share of about 40 percent in the Nordic region, 5 percent in Germany and 5 percent in the UK.	• Lesjöfors's largest markets are the UK, Germany, Scandinavia and Russia, which account for about 80 percent of the company's sales. • Lesjöfors's total market share in the European market is valued at more than 45 percent.
BUSINESS AREA'S SHARE OF THE COMPANY'S INVOICING	70% 	30% 
INVOICING BY GEOGRAPHIC MARKET		

MARKET AND SALES

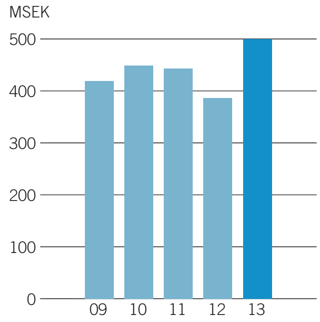
INDUSTRY. Demand in the industrial market was generally weak during 2013, particularly during the first half of the year. In total, the business area reported zero growth compared with the preceding year. However, the company's market positions were not affected. Lesjöfors strengthened its position in Germany through the acquisition of S&P Federnwerk, whose sales are largely targeted toward the agricultural sector. In China, Lesjöfors continued to invest in the manufacturing of industrial springs, an area that accounts for approximately 30 percent of the volumes in this market. Components for mobile telephony and electronics account for the remaining 70 percent. Sales in 2013 totaled MSEK 1,176 (982).

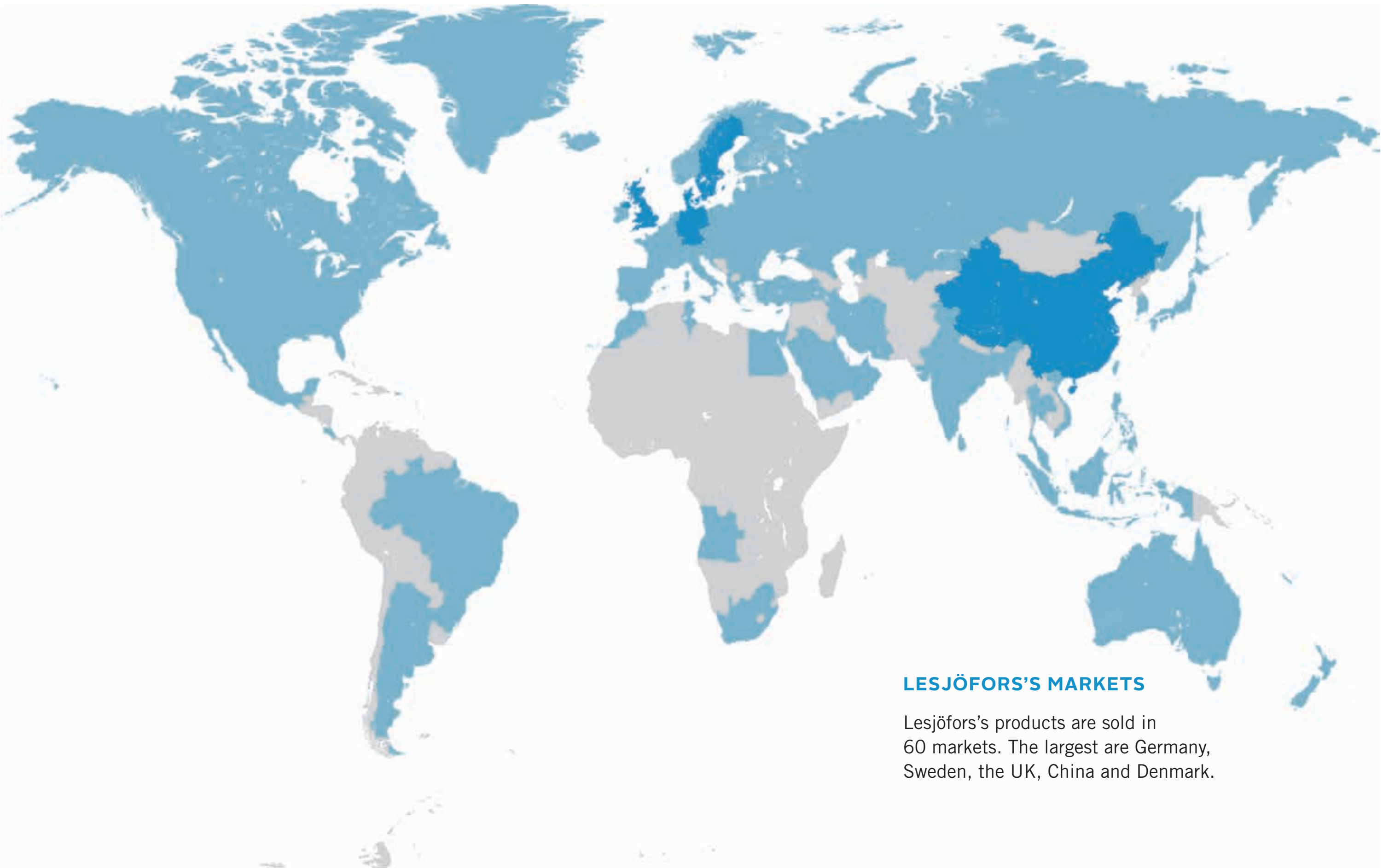
CHASSIS SPRINGS. Sales of chassis springs increased significantly, which imposed greater demands on the company's delivery capacity during 2013. One explanation for this development in volume is the way in which weather conditions impact demand for replacement springs – cold winter weather results in a greater need for automotive maintenance. Lesjöfors also benefited from the growth of the free aftermarket, at the expense of original components. Germany and Russia were among the top-performing markets. Lesjöfors responded to increasing competition in the UK by implementing price adjustments. The company's strategy was successful and enabled Lesjöfors to defend its market positions and grow in pace with the market. Sales in 2013 totaled MSEK 500 (386).

INVOICING INDUSTRY



INVOICING CHASSIS SPRINGS





LESJÖFORS'S MARKETS

Lesjöfors's products are sold in 60 markets. The largest are Germany, Sweden, the UK, China and Denmark.

News at a glance from Lesjöfors

ORJAN HENRIKSSON OF ORJAN HENRIKSSON ART IN MULLSJÖ.

Right design in record time

Speed and flexibility. These were the watchwords when Lesjöfors Stockholms Fjäder was developing leaf springs for the Fagerhult lighting company. The company needed help designing custom-manufactured springs for the lighting of in-store shelving systems. Several variations were developed, and on many occasions, the springs were delivered to the customer less than 48 hours after Lesjöfors and Fagerhult had agreed on a design.

DAVID HELEANDER, FOTOMIX

Acquisition of Slovakian spring company

In June, Lesjöfors acquired the Slovakian spring manufacturer Centrum B, which specializes in wire springs and wire strip components. The company's key markets are Germany, the Czech Republic and Slovakia. Centrum B will primarily serve as a complement to Lesjöfors's German operations, which in turn have gained a highly skilled spring manufacturer with an attractive cost scenario as a partner. Since the acquisition, Lesjöfors has invested in the company's machinery, thus securing its manufacturing capacity in the area of vehicle components.

Ten years in Latvia

In 2013, Lesjöfors celebrated its 10th anniversary in Latvia. The company started a small-scale production operation in 2003 to supply its Scandinavian companies with pressings at a competitive price. Success came quickly for the company and new investments have been made on a continuous basis. A large number of items are now manufactured at the plant and hundreds of Baltic companies have been added to the customer base.

European Springs launches a new website

The new website offers detailed information about its products and services, technical PDF and CAD files, and videos showing the company's products being made. European Springs & Pressings has the UK's broadest offering of compression, tension and torsion springs. The company has been part of Lesjöfors since 2007 and, in that time, has reported increased profit margins.

Premium Supplier to Continental

Continental – a world-leading supplier of components for the automotive industry – awarded Lesjöfors's German operation Stumpp + Schüle the title of "2013 Premium Supplier." To receive this distinction, a subsupplier must meet Continental's stringent requirements for quality, delivery service and competitiveness, and demonstrate a willingness to implement continuous improvements and innovations.

Stronger position in Germany

Lesjöfors strengthened its position in the German market through the acquisition of the spring manufacturer S&P Federnwerk, which primarily serves the agricultural industry. Germany is the company's largest market and accounts for approximately 60 percent of its sales. S&P Federnwerk's focus on the agricultural sector makes it a strong complement to Lesjöfors's other operations.

Social, environmental and ethical responsibility

In spring 2013, Beijer Alma's Code of Conduct for environmental and social responsibility was introduced in the Lesjöfors Group. The Code is based on international guidelines and conventions, including UN regulations and the ISO 26000 standard for social responsibility. The same Code of Conduct applies for all Beijer Alma companies and employees worldwide.

> "We are experiencing a boom within Chassis Springs, which produces products for the automotive aftermarket. The demand for springs has never been higher and our challenge is to ensure our manufacturing operations keep up with the volumes being ordered.
>
> KJELL-ARNE LINDBÄCK
> PRESIDENT OF LESJÖFORS

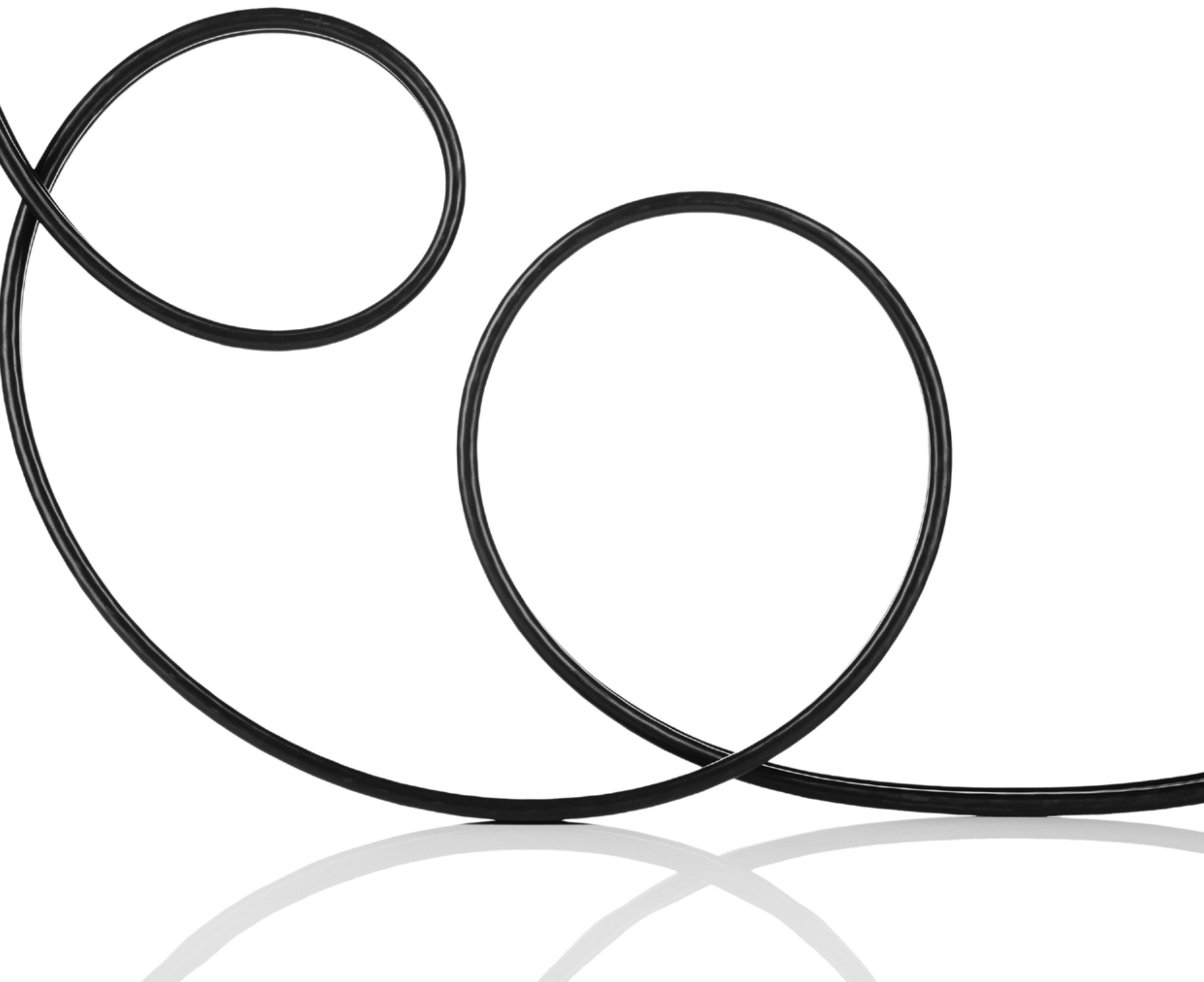
Quality management certification generates business

In 2013, Lesjöfors's Flat Strip Components business area was certified in accordance with ISO/TS 16949, the automotive industry's standard for quality management. This brought the total number of Group companies with ISO/TS 16949 certification to seven. The certification process began in 2012 and has played an important role in enhancing the efficiency of the company's processes and organization. The company has already noticed an increase in new business from the European automotive industry.

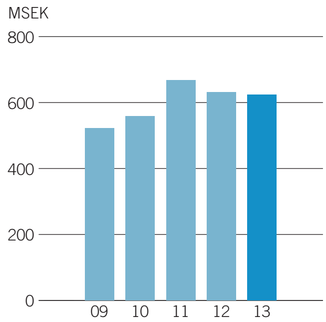
GETTY IMAGES

Habia Cable

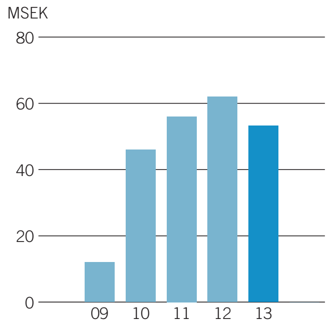
Habia Cable manufactures custom-designed cables and cable systems for demanding applications. Its products are sold in approximately 50 markets.



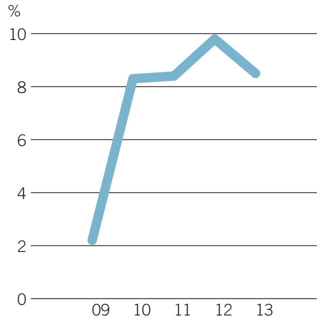
INVOICING



OPERATING PROFIT



OPERATING MARGIN



BUSINESS AREAS

- **Telecom**. Cables for mobile telecom applications.
- **Other Industry**. Cables and cable harnesses for defense, nuclear power and other industry.

SENIOR EXECUTIVES

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

2013 IN BRIEF

- Invoicing amounted to MSEK 624 (632) and operating profit to MSEK 53.2 (61.9).
- Strong growth in the Telecom, where Habia captured market shares during the year.
- Continued investments in nuclear power, with Habia's modern products attracting increasing interest.
- Growth in customized cable harnesses, primarily with respect to offshore and underwater technology.

KEY FIGURES

MSEK	**2013**	2012	2011	2010	2009
Net revenues	**624.3**	632.4	668.2	558.1	522.6
Cost of goods sold	**–422.1**	–421.3	–469.0	–391.3	–374.9
Gross profit	**202.2**	211.1	199.2	166.8	147.4
Selling expenses	**–84.7**	–89.7	–78.5	–64.2	–84.2
Research and development	**–9.2**	–7.6	–16.2	–14.1	–13.9
Administrative expenses	**–55.1**	–51.9	–48.6	–42.3	–37.8
Operating profit	**53.2**	61.9	55.9	46.2	11.5
Operating margin, %	**8,5**	9.8	8.4	8.3	2.2
Net financial items	**–4.3**	–4.3	–6.3	–3.3	–3.9
Profit after net financial items	**48.9**	57.6	49.6	42,8	7.6
of which, depreciation and amortization	**17.9**	19.9	20.3	22.2	24.5
Capital expenditures, excluding corporate acquisitions	**16.6**	8.6	22.4	10.1	25.6
Return on capital employed, %	**14**	18	15	14	3
Average number of employees	**483**	462	466	433	455

Performance in 2013

- Invoicing amounted to MSEK 624 (632). Operating profit totaled MSEK 53.2 (61.9) and the company's operating margin was 9 percent (10).
- Demand in the defense and industrial segments weakened during the year. The defense budgets in many countries are being cut back, mainly due to declining government finances. At the same time, the industrial economy remained weak, particularly in the Nordic region and the UK.
- The trend in telecom was strong. One important reason for this was the expansion of the 4G network, which is boosting demand for telecom cables in Europe, Asia and the US. The total market increased, and Habia was able to capture market shares.
- The company's focus on the nuclear power market continues. Habia's modern concepts for safety-rated cables are attracting growing interest. While several ongoing deals were delayed in 2013, Habia also received new orders toward the end of the year.
- With respect to cable harnesses, Habia has enhanced its expertise and capacity in underwater technology, which contributed to increased order bookings and invoicing.
- Invoicing amounted to MSEK 231 in Telecom and MSEK 393 in Other Industry.

Operation and organization

Habia Cable develops, designs and manufactures customized cables and cable harnesses. Its operations are divided into two business areas: Telecom and Other Industry, which includes nuclear power, defense and other manufacturing industries. While many products in the industrial and defense segments are customized, telecom cables – which is Habia's single largest product area – are relatively standardized.

Many of the company's products are made from durable, high-performance materials. Most of its cables and cable harnesses are used in high-tech applications in harsh environments with rigorous performance requirements. In nuclear power plants, military applications or advanced industrial components, Habia's products must, for example, be able to withstand high or low temperatures, radioactivity, pressure, vibrations or extensive bending. Habia has a high level of technological and application know-how in all areas from design to production.

Other competitive advantages include:

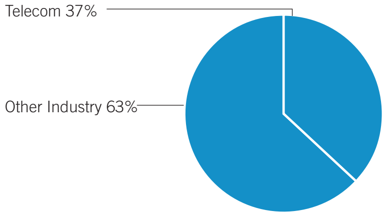
- High service level.
- Short delivery times.
- Flexible production.
- Local presence in Europe and Asia.

Habia has production facilities in Sweden, China, Germany and Poland. Since custom-designed cables are often manufactured in smaller volumes, the company's production operations must be highly flexible. The largest facility is located in Söderfors, Sweden, and accounts for 42 percent of the company's manufacturing volumes. Using low-cost production in China, Habia is able to supply this market with locally manufactured products. Access to low-cost production has ensured the company's competitiveness in the telecom sector, where Habia is currently one of the few Western cable manufacturers.

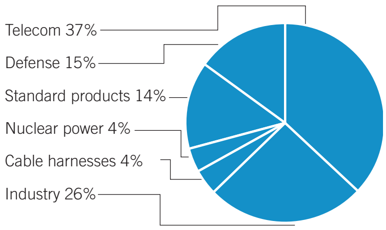
Market and sales

Sales of custom-designed cables are primarily managed through an internal organization, in which sales representatives and designers collaborate to match customer needs with the right technical solution.

DISTRIBUTION BY BUSINESS AREA



DISTRIBUTION OF SALES



FACTS ABOUT HABIA'S SALES

- Encompass about 50 countries.
- More than 90 percent of sales are conducted outside Sweden.
- A large portion of the company's products are customized.
- The largest individual customer segment in 2013 was telecom, which accounted for 37 percent of sales.

Habia also has a wide range of standardized equipment wire and cables. These products are used, for example, in measuring instruments, lighting and white goods. The company's largest market is Germany, where its products are also manufactured. Sales are managed through an internal sales organization and distributors.

Other key markets include the Nordic region and other countries in Western Europe, as well as China and South Korea. The 200 largest customers account for approximately 80 percent of sales. The market for custom-designed cables in Europe is valued at about EUR 1 billion. Habia's share of the defense, nuclear power and industrial segments is estimated at between 5 and 10 percent. The company commands a significantly higher market share in the market for telecom and cables for base-station antennas.

Product development

Product development is customer-driven and focuses on finding the right combination of materials, designs and manufacturing processes to meet market requirements. Work involving materials primarily includes testing and adapting existing plastic materials. The company's development work also aims to make improvements to technical solutions and manufacturing processes, with the goal of increasing capacity, lowering costs or reducing scrapping. Another important component is the development of various norms and standards, and the qualification of products in accordance with these standards – for example, within defense and nuclear power, which are subject to rigorous technical requirements that vary between geographic markets.

Quality

Product quality and delivery precision are key words in the company's quality work, which encompasses the entire manufacturing chain – from design, development and manufacturing to delivery and follow-up service. Product quality is assessed regularly, and the company's product-quality order fulfillment rate for 2013 was 99.4 percent without complaint. This is a competitive figure, particularly for an operation that manufactures many specialized products in smaller volumes. All production facilities are quality certified in accordance with ISO 9001. Many products also meet the quality requirements of various industry standards, such as Underwriters Laboratories and Det Norske Veritas (DNV).

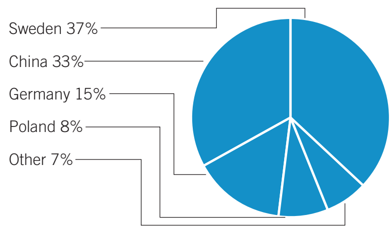
Employees

The number of employees increased by 21 to 483 (462). The number of employees in the low-cost countries of China and Poland rose by 12 to 200 (188), while the number of employees in high-cost countries increased by nine.

99.4

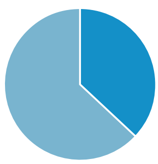
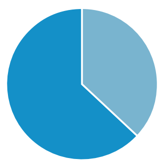
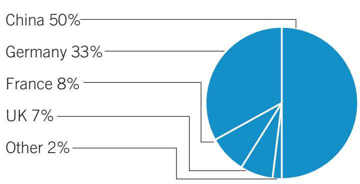
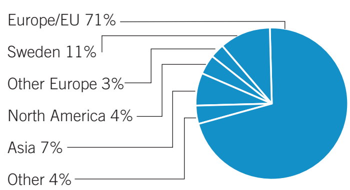
Habia has a quality order fulfillment rate of 99.4 percent without complaint – a competitive figure for an operation that manufactures specialized products in smaller volumes.

DISTRIBUTION OF PRODUCTION UNITS



EMPLOYEES, KEY FIGURES	2013	2012	2011	2010	2009
Average number of employees	**483**	462	466	433	455
of whom, salaried employees	**175**	164	164	159	176
of whom, collective-agreement employees	**308**	298	302	274	279
of whom, men	**265**	275	289	285	309
of whom, women	**218**	187	177	148	146
of whom, in high-cost countries	**283**	274	282	266	297
of whom, in low-cost countries	**200**	188	184	167	158
Number of employees at year-end	**485**	489	461	444	456
Sickness absence, %	**4.4**	2.8	3.4	4.1	3.2
of which, short-term absence	**2.5**	2.4	2.2	2.9	2.7
of which, long-term absence	**1.9**	0.4	1.2	1.2	0.5

Market review

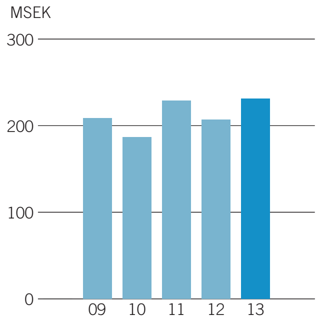
	TELECOM	OTHER INDUSTRY
CUSTOMER VALUE/ COMPETITIVE ADVANTAGES	• Production and sales organizations in Europe and Asia, primarily China. • Innovative products, high level of quality and technical expertise. • Cost-effective production and high delivery performance.	• High level of expertise in product development and sales. • Strong capacity for innovation in the development of customized products. • Deliveries of standard products from stock. • Short lead times.
MARKET TRENDS/ DRIVING FORCES	• A large portion of antenna production now takes place in Asia, primarily in China. • Establishment of domestic antenna manufacturers, primarily in China. These companies are also increasingly expanding outside their home markets. • Antennas for 4G networks and active antennas have stricter requirements in terms of cable quality and performance. • Intensifying competition among antenna manufacturers and cable suppliers.	• Growing demand in nuclear power. Stricter standards are resulting in increasingly stringent technical requirements for cables in nuclear power plants. • Demand in the defense market is impacted by public economic trends. Demand is decreasing in Europe and increasing in Asia. • The weak industrial economy in Europe has resulted in intensified price competition. The ongoing relocation of production from Europe to Asia is boosting demand for companies with a global delivery capacity.
CUSTOMERS	• Global antenna manufacturers in mobile telecom, including Kathrein, RFS and Comba.	• Companies in the defense, nuclear power and industrial sectors. Most cables and cable harnesses are used in harsh environments and must be able to withstand, for example, high or low temperatures, radiation, fire, chemicals and repeated bending. • Examples of industrial applications are sensors in industrial and marine environments, electric hand tools, gas turbines, marine diesel engines and steelworks.
COMPETITORS	• International cable companies (such as the Swiss company Huber+Suhner) and, to a growing extent, Asian cable manufacturers (such as the Chinese company KingSignal).	• International cable companies, such as Tyco Electronics (defense) and Nexans, Prysmian and Rockbestos (nuclear power). Habia's main competitors in the industrial segment and the area of customized cable harnesses are small, local or regional manufacturers.
MARKET POSITION	• Habia is the leading supplier of cables for base-station antennas in terms of quality, product range and delivered volume. • Sales in about 20 countries, with a focus on Asia and Europe. The company's products are also exported to North America.	• Habia's largest markets are Germany and Sweden, which account for about 24 percent of sales. • Habia's market share in each segment – nuclear power, defense and industrial cables – is less than 10 percent. In certain niches, the market share is higher.
BUSINESS AREA'S SHARE OF THE COMPANY'S INVOICING	37% 	63% 
INVOICING BY GEOGRAPHIC MARKET		

MARKET AND SALES

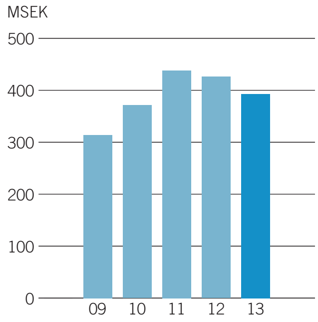
TELECOM. Demand in telecom increased significantly, particularly toward the end of the year. While the Asian market displayed the strongest growth, sales also increased in Europe and the US. One important reason for this development was the expansion of the mobile network on several continents, in particular to meet the 4G/LTE standard. In conjunction with the growth that occurred during 2013, Habia was able to capture market shares in the area of cables for base-station antennas, a segment in which the company was already a global market leader. Sales in the Telecom business area amounted to MSEK 231 for 2013.

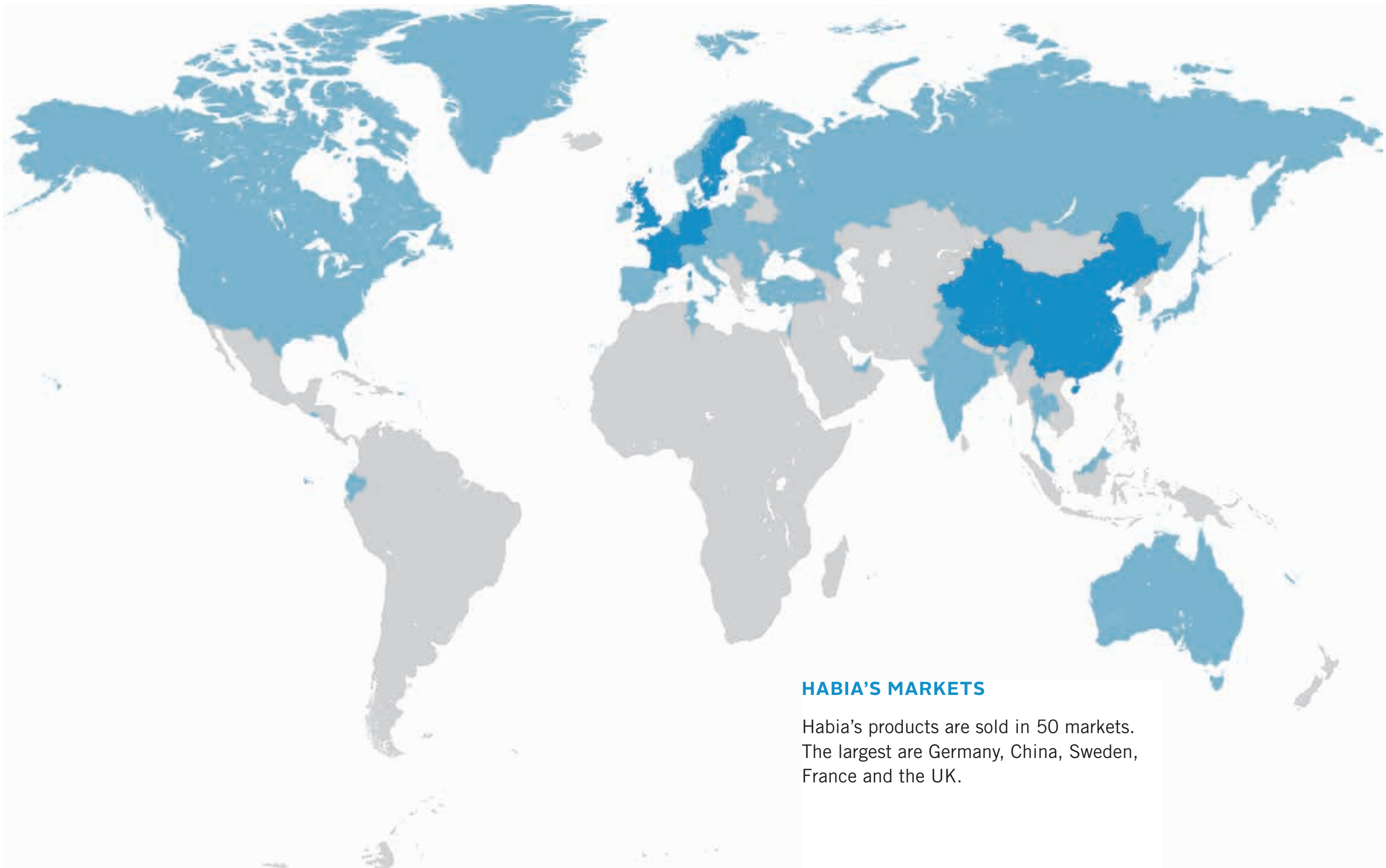
OTHER INDUSTRY. Sales to other major customer segments declined somewhat. While the trend among industrial customers was weak in the Nordic countries and the UK, Germany experienced stronger demand, partly as a result of the Habia Xpress concept, which includes sales of standard cables. Although several orders within the nuclear power segment were delayed during 2013, the level of activity remains high and is expected to generate improved invoicing in 2014. Demand in the defense market was impacted by weak government finances in many countries, which resulted in fewer and smaller cable orders for military systems. Sales in the Other Industry business area totaled MSEK 393 for 2013.

INVOICING TELECOM



INVOICING OTHER INDUSTRY





HABIA'S MARKETS

Habia's products are sold in 50 markets. The largest are Germany, China, Sweden, France and the UK.

News at a glance from Habia Cable

ØYVIND HAGEN

Custom-designed cables for the offshore market

In 2013, Habia expanded its focus on technical solutions for the offshore sector. The company's cables are used in various applications in this market, including peripheral equipment for oil rigs, drilling, and measurement and sensing equipment. Its products are of a very high quality and are able to withstand extreme environments, including exposure to heat, cold and dangerous substances.

New cables for transmitters and sensors

During the year, Habia launched two new product ranges for temperature measurement and sensing applications: Habiasense and Habiatherm. The new cables were developed to meet the industrial sector's increasing demands for improved performance and quality. Habiasense cables are designed for use in measurement and sensing applications ranging from vibration and pressure to radiation, flow and gas in highly sensitive environments. The new Habiatherm cables, which are an advancement of an existing product range, are designed for use in various temperature measurement and sensing applications, including air-flow systems, slurry liquids and molten steel.

ISTOCK PHOTOS

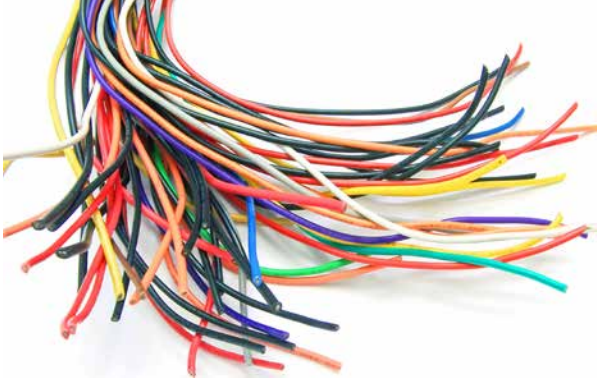
Focus on energy savings

During the year, the energy-saving initiatives under way at Habia's facility in Söderfors began to gain momentum. These ongoing initiatives encompass the industrial facility itself, as well as the company's cable manufacturing process. By simply directing the fans in the property in a more efficient manner, the company was able to reduce its energy consumption by 10 to 20 percent – and by implementing better controls and optimizing the technology and machinery used in its cable manufacturing operations, Habia should be able to generate an energy saving of between 20 and 40 percent.

Flexiform – a success story

Flexiform's success story starts in the mid-1990s, when Habia began developing a flexible coaxial cable. The telecom industry was in need of a reliable, easy-to-use cable for mobile base-station antennas. The development process was thorough and ultimately resulted in the high-performance, hand-formable Flexiform cable. Today, Habia is a global leader in cables for base-station antennas.

ISTOCK PHOTOS



Flexible production and short lead times

At its plant in Norderstedt, Germany, Habia Cable manufactures equipment wire, multicore cables and coaxial cables using flouropolymers. Wire and cables from the plant are delivered throughout Europe and Asia. The plant's inventories include more than 300 items, which can be shipped within 24 hours of being ordered. Production can be quickly adapted to meet customer needs. The aim is to produce the best customized cables available and deliver the quantities demanded in the shortest possible time.

> "Using our materials and knowledge about cables and cable harnesses, we find solutions that can withstand, for example, extreme temperatures, fire, chemicals and radiation – and that otherwise meets the customer requirements.
>
> CARL MODIGH, PRESIDENT OF HABIA CABLE

Increasing market share in China

The domestic Chinese market offers enormous potential for Habia, which has had a presence in the country since 2000. Today, the company holds a strong position in China, with manufacturing operations and a sales organization in the area. The Chinese market is currently shifting away from its earlier focus on low costs toward a greater emphasis on performance and quality. This trend has been favorable for Habia, which is steadily increasing its market share.

Certified under German military standard

Several of Habia's cables for military applications have now been certified in accordance with German defense standards. The certification process, which had been under way for some time, was concluded in autumn 2013, and Habia now has an assembled range of cables to meet stringent German specifications. The "VG-approved" products are used in combat vehicles and land-based systems, including weaponry, radar systems and communications equipment.

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ISTOCK PHOTOS

Habiatron Q – certified nuclear power cables

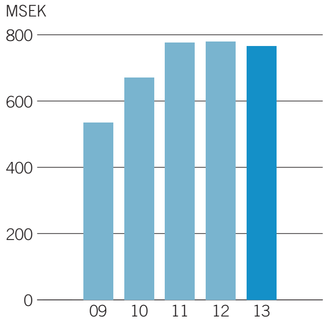
The Habiatron Q cable concept has been certified in accordance with the 2003 edition of the IEEE 383 standard – the quality standard for cables in the nuclear power industry. This means that Habiatron Q is now certified for a service life of 60 years in an environment exposed to consistently high temperatures and nuclear radiation.

"This certification proves that we have a state-of-the-art cable solution that is capable of supporting the nuclear industry as it faces increasing technical challenges and demands, now and in the future," says Micael Lindberg, Vice President of Habia Cable's Nuclear business area.

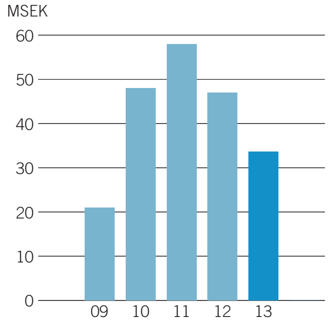
Beijer Tech

Beijer Tech specializes in industrial trading and represents several of the world's leading manufacturers. Its operations are conducted in the business areas of Fluid Technology/Industrial Rubber and Industrial Products, with offerings that combine products and expertise to create value for professional customers.

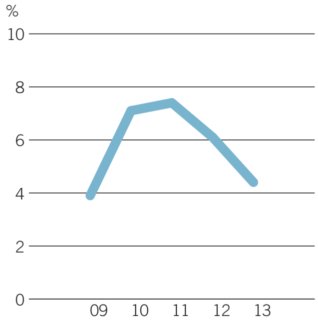
INVOICING



OPERATING PROFIT



OPERATING MARGIN



BUSINESS AREAS

- **Fluid Technology/Industrial Rubber**. Hoses, fittings, hydraulics, rubber sheeting, wear protection, rubber profiles, power transmission and gasket materials.
- **Industrial Products.** Input goods, consumables and machinery for surface treatment, foundries, steelworks and smelters.

SENIOR EXECUTIVES

- **Peter Kollert**, President, born 1961, Graduate in Business Administration, Beijer Tech employee since 2004.
- **Bertil Persson**, Chairman of the Board.

2013 IN BRIEF

- Invoicing amounted to MSEK 766 (780) and operating profit to MSEK 34 (47).
- Investments in Lundgrens' logistics management boosted internal efficiency.
- Acquisition of PMU Reparation & Smide and Lubriteknik.
- Norspray established operations in an additional location in Norway.
- Clearer, broader offering for surface treatment in Tebeco and for foundries in Karlebo.

KEY FIGURES

MSEK	**2013**	2012	2011	2010	2009
Net revenues	**765.6**	780.3	777.1	671.3	534.8
Cost of goods sold	**–555.5**	–563.9	–556.9	–488.4	–386.6
Gross profit	**210.1**	216.4	220.2	182.9	148.2
Selling expenses	**–110.0**	–104.5	–100.1	–78.1	–68.4
Administrative expenses	**–66.5**	–64.7	–62.3	–56.9	–59.2
Operating profit	**33.6**	47.2	57.8	47.9	20.6
Operating margin, %	**4.4**	6.1	7.4	7.1	3.9
Net financial items	**–2.0**	–0.8	–0.9	–0.3	–1.2
Profit after net financial items	**31.6**	46.4	56.9	47.6	19.4
of which, depreciation and amortization	**9.4**	8.7	6.2	6.5	5.6
Capital expenditures, excluding corporate acquisitions	**3.1**	3.1	6.7	2.1	1.0
Return on capital employed, %	**13**	19	23	19	10
Average number of employees	**236**	207	202	189	174

Performance in 2013

- Invoicing in 2013 totaled MSEK 766 (780), down 2 percent compared with the preceding year.
- Operating profit amounted to MSEK 34 (47) and the company's operating margin was 4 percent (6.1).
- Demand was weak, particulary during the first half of the year, and both business areas experienced a similar decline in invoicing for the full-year. Beijer Tech was impacted by the weak industrial economy in the foundry and steelworks segments, as well as the manufacturing industry in the Nordic region. A certain degree of stabilization occurred late in the year.
- Beijer Tech defended its margins, due to a combination of product mix, exchange rates and pricing. Income from installation and service also increased during the year.
- Invoicing amounted to MSEK 486 (470) in Industrial Products and MSEK 280 (310) in Fluid Technology/Industrial Rubber.

Operation and organization

Beijer Tech specializes in industrial trading. Its operations are conducted in eight independent companies organized into two business areas: Fluid Technology/Industrial Rubber and Industrial Products. Each company has its own specialization and sales organization, and represents leading manufacturers in its respective area. Trading products are refined and adapted in order to improve customer operations, for example, by increasing product quality, improving the results of certain flows and processes, or enabling time and cost savings during manufacturing.

The Group's offering can be described as customer-centric, creative and comprehensive – key terms that reflect the advantages with which Beijer Tech aims to be associated. This offering is based on an understanding of customer processes, specialist supplier and product expertise, high delivery reliability and the ability to customize.

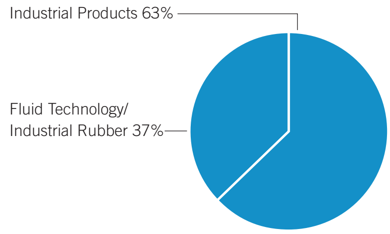
Beijer Tech has a Nordic management team that coordinates such areas as the product range, sales strategies, marketing and communications. In 2013, a shared business data system was introduced to facilitate the analysis and planning work performed by the sales organizations of the various companies.

Market and sales

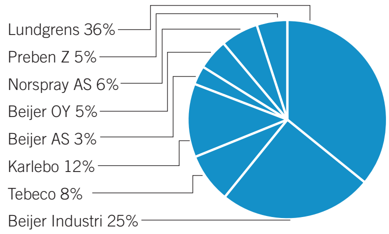
Beijer Tech sells consumables and machinery, as well as complete industrial facilities. Its sales are geared toward end customers in the industrial sector, including foundries, steelworks, smelters, the manufacturing industry and companies in the offshore sector. The Nordic industrial trading market is valued at SEK 12 billion. Beijer Tech has approximately 11,000 customers in this market. The company's single largest market is Sweden, which accounted for 73 percent of sales in 2013. A smaller portion of the company's sales are conducted by retailers. Beijer Tech also participates in the planning of industrial facilities, which generates commission income.

Beijer Tech is growing organically by enhancing products and services, thereby creating stronger offerings in such companies as Lundgrens, which is investing in more processed and customized products. Beijer Tech is also strengthening its customer offering by increasing its proportion of refinement, service and comprehensive solutions. Beijer Tech's sales are being further boosted through acquisitions. In 2013, the company acquired PMU Reparation & Smide and Lubriteknik, thereby strengthening its position in the foundry market through PMU and the heat treatment market through Lubriteknik.

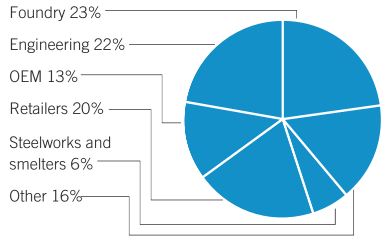
DISTRIBUTION BY BUSINESS AREA



SUBSIDIARIES' SHARE OF REVENUES



DISTRIBUTION BY CUSTOMER SEGMENT



FACTS ABOUT BEIJER TECH'S SALES

- The Nordic region is the principal market, with Sweden representing the single largest market.
- 80 percent of sales pertain to end customers in the industrial sector.
- The product range encompasses about 35,000 products.
- Market leader in industrial hoses in Sweden, with a market share of about 30 percent.
- Market leader in blasting in the Nordic region, with a market share of approximately 30 percent.

Quality

Beijer Tech's companies are ISO 9001 quality certified, or hold other industry-specific third-party certifications. In simple terms, the quality procedures of a trading company focus on having "the right product and the right quantity at the right time." For the eight companies in the Beijer Tech Group, quality work is typified by delivery precision, customer service, and industry and product expertise, and these key terms are linked to internal targets, follow-up and improvement initiatives. Customer perceptions with respect to quality are assessed through Group-wide surveys. Beijer Tech also prepares a customer satisfaction index (CSI) for each operation.

Beijer Tech's companies have close, long-term relationships with their suppliers. Based on this cooperation, the companies use their cutting-edge expertise to refine and customize products from leading manufacturers and brands. Beijer Tech's products and solutions thus provide customer value, for example, in the form of a lower total cost, increased efficiency, streamlining and various improvements.

80

80 percent of Beijer Tech's sales pertain to end customers in the industrial sector, including foundries, steelworks, smelters, the manufacturing industry and companies in the offshore sector.

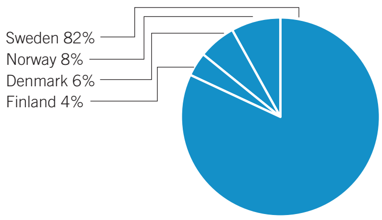
Product range development

Beijer Tech's broad product range, which includes about 35,000 products, is one of the company's most important competitive advantages. The Industrial Products business area encompasses products and services from several Beijer Tech companies, which together create a broad trading platform. The companies work together in internal product range groups with responsibility for developing the product range, which further strengthens this trading platform. The goal is to continuously improve the product palette and find products that offer better performance, longer service life or a smaller environmental impact. In Fluid Technology/Industrial Rubber, product range development is managed by Lundgrens' purchasing and sales functions. One initiative that is currently under way is the development of a new electronic product catalog for the large catalog range offered by the company.

Employees

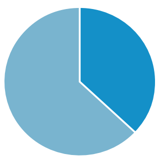
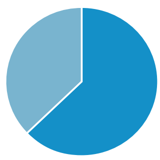
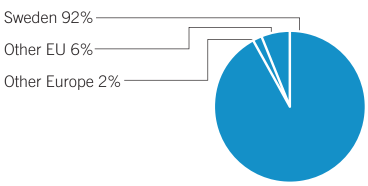
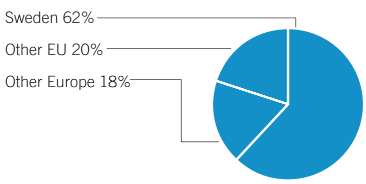
The number of employees increased by 29 from 207 to 236. The number of employees in Sweden totaled 193 (176), up 17 employees. The Beijer Tech Group has 20 employees (9) in Norway, 15 (14) in Denmark and 8 (8) in Finland.

EMPLOYEES PER COUNTRY



EMPLOYEES, KEY FIGURES	2013	2012	2011	2010	2009
Average number of employees	**236**	207	202	189	174
of whom, salaried employees	**161**	153	141	126	114
of whom, collective-agreement employees	**75**	54	61	63	60
of whom, men	**198**	171	173	161	148
of whom, women	**38**	36	29	28	26
of whom, in high-cost countries	**236**	207	202	189	174
of whom, in low-cost countries	**0**	0	0	0	0
Number of employees at year-end	**231**	214	207	202	185
Sickness absence, %	**0.9**	3.2	2.3	2.3	2.4
of which, short-term absence	**0.4**	1.5	1.5	1.7	1.7
of which, long-term absence	**0.5**	1.7	0.8	0.6	0.7

Market review

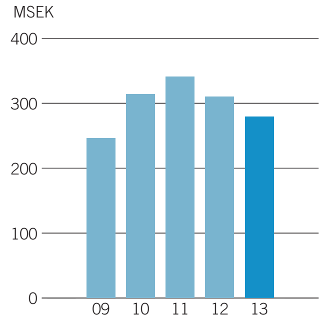
	FLUID TECHNOLOGY/ INDUSTRIAL RUBBER	INDUSTRIAL PRODUCTS
CUSTOMER VALUE/ COMPETITIVE ADVANTAGES	• Broad range of tried-and-tested products from leading manufacturers. • Large share of specialized products for various industries. • Cutting-edge expertise and extensive industry know-how, enabling customers to improve their overall finances. • High delivery performance through efficient logistics solutions.	• Close proximity to customers. • Broad product range. • High level of creativity combined with tried-and-tested solutions, creating a strong trading platform. • Outsourcing of repairs and surface treatment. • Turnkey solutions – such as machinery sales supplemented by repairs and installation.
MARKET TRENDS/ DRIVING FORCES	• Retailers are moving toward a comprehensive MRO offering, comprising products and services for maintenance, repairs and operations. • Trend toward increased consolidation among retailers. • Focus on a quick, efficient supply of goods to reduce the risk of a customer standstill. • Increased demand for processed products, such as pre-assembled hose units and customized rubber products.	• The relocation of industrial production from Sweden is impacting industrial trading and creating opportunities to grow with our customers as they enter new markets. • At the global level, production is being concentrated closer to the consumer, driven by demands on quality, competence, cultural considerations, transport costs and environmental standards. This is creating both opportunities and challenges. • Global competition is boosting demand for solutions in the area of automation.
CUSTOMERS	• Companies in the retail, industrial, shipping and offshore sectors, as well as contractors, agricultural operations and environmental remediation companies. Customers include Rosemont, Nederman and Scania, as well as hardware stores and professional suppliers.	• Companies in the metalworking industry, including foundries, steelworks, smelters and companies in the engineering industry. Customers include Volvo Powertrain, Seco Tools and Outokumpu.
COMPETITORS	• Competitors in Fluid Technology include Trelleborg, Hydroscand, Hiflex and Specma and competitors in Industrial Rubber include such companies as National Gummi, Trelleborg and Rubber Company.	• The largest competitors in the foundry sector are Calderys Nordic, Foseco, Lux and Meca Trade. Beijer Tech competes with Vesuvius and Indesko in the steelworks and smelters sector, and with companies such as Tyrolit, KMC and Metabrasive in the surface treatment sector.
MARKET POSITION	• The main market is Sweden, which accounts for 92 percent of sales. • A fragmented market in which Beijer Tech has a strong position in several niches, including industrial hoses, where the company's share is about 30 percent. Beijer Tech holds a share of slightly less than 15 percent in Industrial Rubber.	• The main market is the Nordic region and the single largest market is Sweden, which accounts for 62 percent of sales. • A fragmented market in which Beijer Tech has a strong position in several niches, including blasting, with a market share just over 10 percent, and precision grinding, with a market share of 10 percent.
BUSINESS AREA'S SHARE OF THE COMPANY'S INVOICING	37% 	63% 
INVOICING BY GEOGRAPHIC MARKET		

MARKET AND SALES

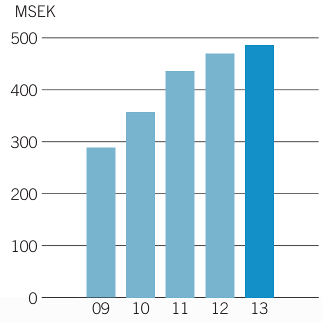
FLUID TECHNOLOGY/INDUSTRIAL RUBBER. Fluid Technology/Industrial Rubber accounts for 37 percent of revenues in Beijer Tech. The largest market is Sweden, where Lundgrens is a leader in industrial hoses, with a market share of about 30 percent. In 2013, sales declined in several segments. The hydraulics segment – an area in which Lundgrens has made major investments in recent years – displayed the most significant decline due to weaker demand, as well as major installations in the preceding year. However, new product groups were also launched in the hydraulics segment and new customers were secured in the area. Despite a decline in volumes, Lundgrens' assessment is that it maintained its market positions in all segments. Sales in 2013 totaled MSEK 280 (310).

INDUSTRIAL PRODUCTS. In Industrial Products, Beijer Tech's companies holds strong positions in several segments in the Nordic region. The company has a market share of slightly more than 30 percent in blasting and 10 percent in precision grinding in Sweden. Demand was weak in several markets during the year, particularly during the first six months. The Finnish market was slightly more stable than the Swedish market, while the Norwegian offshore maintenance market declined compared with the preceding year. Despite lower volumes, Beijer Tech was able to protect its margins, partly by changing its product mix to create a stronger focus on sales of highly processed products. Income from installation and service also increased. Sales in 2013 amounted to MSEK 486 (470).

INVOICING FLUID TECHNOLOGY /INDUSTRIAL RUBBER



INVOICING INDUSTRIAL PRODUCTS



BEIJER TECH'S MARKETS

Beijer Tech conducts sales in four markets in the Nordic region. The single largest market is Sweden.

News at a glance from Beijer Tech

New moulding facility boosts capacity

Together with its German partner Heinrich Wagner Sinto Maschinenfabrik, Beijer Industri is developing a new, customized moulding facility for a foundry for Xylem, a global leader in the areas of water supply, circulation, waste and drainage, as well as a number of industrial applications. With this new facility, Xylem is investing in a technology that can handle larger castings and will thus increase its flexibility and production capacity.

MONTY RAKUSEN

Expansion of Karlebo

In March, Karlebo Gjuteriteknik acquired PMU Reparation & Smide AB – a forging and engineering company specializing in industrial service and maintenance, manufacturing, and installation for heavy industry. PMU generates revenues of approximately MSEK 20. This acquisition will enable the companies to combine their offerings to provide customers with new added value. In 2013, Karlebo also took over the operations of Lubriteknik, a company that focuses on customers in the area of heat treatment.

Karlebo and PMU join forces in a new foundry project

New foundries are rarely built in Sweden, but when they are, Karlebo Gjuteriteknik and PMU are often involved. In 2013, work on the Keycast Group's new, ultramodern facility in Ljungby, Sweden, began to gain momentum. Karlebo and PMU were involved in the planning of the foundry, which is expected to be fully operational in early 2014.

ISTOCK PHOTOS

Energy savings and renewable electricity

Lundgrens has invested in new high-speed doors at its Sisjön plant in Gothenburg, Sweden. The new doors save energy, while at the same time improving the work environment since they reduce the amount of dirt that enters the premises. Moreover, the plant now uses exclusively renewable electricity. Compared with the production of regular electricity, the use of green electricity reduces carbon emissions by 98 percent.

Additional processed hose products

Lundgrens is increasingly focusing on processed hose products, including metal hoses for liquids, oil and chemicals. At the company's plant in Helsingborg, these products are customized by cutting and welding the hoses and fitting them with the specific couplings required by the customer. Composite hoses are also processed in a similar manner at the plant. Specially adapted couplings are fitted on the hoses, which are then pressure tested prior to delivery. These types of metal and composite hoses are used, for example, by gas companies, at paper mills and in the petrochemical industry.

ISTOCK PHOTOS

Norspray opens new premises

The Norwegian company Norspray established a new office, warehouse and workshop in the Møre region in the central area of Western Norway. Although the company already has a customer base in the area, this new establishment will enable it to expand further in the coming years. Norspray specializes in surface treatment, selling and renting equipment for grinding, paint and rust removal, painting, and the application of fire-protection materials. Its primary customer segment is offshore.

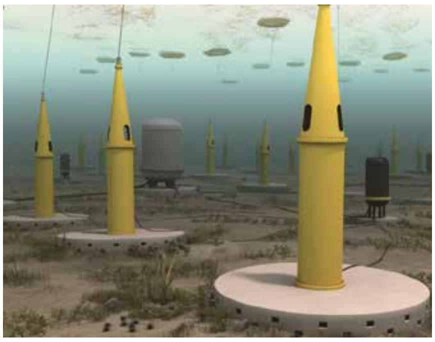
New lubricant improves work enviroment

When Preben Z switched the lubricant and coolant used at KM Rustfri, the work environment at the company improved. KM Rustfri specializes in the processing of stainless steel. Many machine operators had experienced problems with skin irritation that disappeared when they were away from work during extended holidays and could therefore be linked to their work environment. After a new lubricant and coolant were introduced, the employees' skin problems disappeared. The operators also noticed that the processing operations became quieter and cleaner.

> We want our customers to perceive us as customer-centric, creative and comprehensive. To achieve this goal, we offer them highly skilled personnel, turnkey solutions and efficient logistics.
>
> PETER KOLLERT
> PRESIDENT OF BEIJER TECH

Lundgrens provides sealing for green electricity

During the autumn, Lundgrens supplied industrial rubber for a ground-breaking energy project on the west coast of Sweden, where a company called Seabased is delivering a demo facility for electricity production using wave energy. The wave energy generator units are deployed on the sea bed and capture the kinetic energy of the waves, which is then converted into electrical energy. Lundgrens supplied rubber sheeting used for sealing purposes in the wave energy converters located on the ocean floor.



© SEABASED

© JARL ASKLUND

Large-scale blasting machine

In the summer, Tebeco supplied a blasting machine for Termodyn, which specializes in surface treatment of metal goods. Blasting is part of the pre-treatment process before the products are lacquered. Termodyn is a subsupplier to various agricultural production companies. This imposes strict demands in terms of quality and capacity. The blasting machine – the largest ever supplied by Tebeco – is about 11 meters long and can blast goods measuring up to six meters long and two meters tall.

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 2013 financial year, the company's 31st year of operation.

Corporate Governance Report

GROUP CONTROL

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, NASDAQ OMX Stockholm's rules for issuers, the Swedish Corporate Governance Code (the "Code"), the company's Articles of Association and other relevant rules and guidelines.

Beijer Alma makes every possible effort to apply standards and processes that ensure the operations create long-term value for the Group's shareholders and other stakeholders. In tangible terms, this entails that Beijer Alma's operations are organized in an efficient manner with clearly defined areas of responsibility and authority, that systems are in place for risk management and internal control, that financial reporting is characterized by transparency and openness and that the company acts in a responsible manner in all situations.

DEVIATIONS FROM THE CODE

Beijer Alma deviates from provision 2.4 of the Swedish Corporate Governance Code, which stipulates that the company's directors may not serve as the Chairman of the Nomination Committee. The Chairman of the company's Board of Directors is the principal shareholder, and the nomination procedure for the Nomination Committee approved by the Annual General Meeting states that the Chairman of the Nomination Committee shall represent the principal shareholder. Provision 2.4 also stipulates that not more than one of the directors on the Nomination Committee may be dependent in relation to the major shareholders. However, the Annual General Meeting, which appoints members of the Nomination Committee, resolved that the Nomination Committee must include two directors, both of whom are dependent in relation to the principal shareholder.

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. The Annual General Meeting elected the company's President as Deputy Director based on the Nomination Committee's motion.

SHAREHOLDERS

According to Euroclear Sweden AB's shareholder register, the number of shareholders at year-end 2013 amounted to 4,921. The total 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, along with his family and companies, has a shareholding corresponding to 34.6 percent of the company's total number of votes and the Anders Wall Foundation holds 13.5 percent. There are no other shareholders whose votes exceed 10 percent of the total number of votes.

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 NASDAQ 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.

ANNUAL GENERAL MEETING

The Annual General Meeting is the highest decision-making body in which the shareholders exercise their influence. 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 the shareholder register and provide timely notification of their intention to attend the Meeting are entitled to participate in the Annual General Meeting and vote in accordance with their total shareholdings. The notice of the Meeting is published in the *Swedish Official Gazette (Post- och Inrikes Tidningar), Dagens Industri, Uppsala Nya Tidning* and on the company's website. Shareholders who are unable to attend the Meeting may be represented by an authorized proxy. Each shareholder or proxy may be accompanied at the Meeting by up to two advisors.

A total of 414 shareholders participated in the Annual General Meeting on March 19, 2013, representing 66.8 percent of the total number of shares and 82.0 percent of the total number of 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 7.00 per share.
- To re-elect Directors Carina Andersson, Marianne Brismar, Anders G. Carlberg, Peter Nilsson, Anders Ullberg, Anders Wall and Johan Wall, as well as Deputy Director Bertil Persson.
- To re-elect Anders Wall as Chairman of the Board and Johan Wall as Deputy Chairman.
- To pay each director a fee of SEK 275,000. To pay the Chairman of the Board a fee of SEK 650,000, plus an assignment fee of SEK 250,000 for duties other than those involving normal Board work.
- Principles for remuneration and employment terms for senior executives.
- To re-elect the auditing firm Öhrlings PricewaterhouseCoopers AB for a period of one year. The auditing firm announced that it intended to appoint Authorized Public Accountant Leonard Daun as Beijer Alma's new Chief Auditor.
- Election 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 convertible debentures corresponding to the same number of Class B shares.

NOMINATION COMMITTEE

The Nomination Committee is a preparatory body responsible for presenting motions regarding, for example, the Board, auditors and fees for resolution by the Annual General Meeting. A Nomination Committee was appointed by the 2013 Annual General Meeting. The task of the Nomination Committee is to submit motions concerning the Board of Directors, the Chairman of the Board of Directors, directors' fees, the Chairman of the Annual General Meeting, the auditors and auditors' fees ahead of the 2014 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 Mats Gustafsson (Lannebo Fonder), Henrik Didner (Didner & Gerge Fonder) and Hans Ek (SEB Fonder).

The Chairman of the Board held individual discussions with each director to assess the work and competence requirements of the Board. The Chairman of the Board provided the nomination Committee with information about this assessment, as well as the company's operations and other relevant circumstances. The Nomination Committee's motions will be presented in the notice of the 2014 Annual General Meeting. The Nomination Committee held two meetings during the year.

BOARD OF DIRECTORS

The Board of Directors is responsible for the organization and administration of the company, as well as the ongoing assessment of the financial situation of the company and the Group. The Board is also responsible for ensuring that the company is organized in a manner that enables its financial accounts, management of funds and other financial conditions to be adequately controlled.

According to the Articles of Association, the Board 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 currently comprises seven regular members and one deputy member. Salaried employees in the Group may also participate in Board meetings to present particular cases. The minutes of the Board meetings are taken by an independent legal counsel.

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

In 2013, the Board held eight meetings during which minutes were taken. The attendance of the members of the Board at these meetings is presented in the table below. The following areas were addressed during the Board meetings: monitoring of the business operations and profitability trend, objectives and strategies for the operations, acquisitions and other key investments. One of the meetings was held at Habia's offices, where local management presented the company's operations. One of the Board meetings focused on strategy issues. The Board discussed various matters in 2013, including the terms and conditions considered acceptable in major tenders, as well as the Group's preparedness in the event of fraud attempts and the procedures and internal regulations in place – for example, with regard to payments – in order to manage this type of risk. Beijer Alma's auditor reported his findings from the audit of the Group's accounts and internal control procedures at two Board meetings. The auditor also provided information concerning accounting changes and their impact on Beijer Alma. The Board is presented in Note 2 on page 58 of the Annual Report.

The Board of Directors has adopted a written work plan that governs the following:

- A minimum of seven (7) Board meetings in addition to the statutory meeting and when they are to be held;
- The date and content of notices of Board meetings;
- The items that are normally to 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 the President's responsibilities and authorities, are governed by a directive.

The Board also has formal requirements pertaining to information about the performance of the Group and the individual companies. This has resulted in a monthly report that contains key events and trends concerning order bookings, invoicing, margins, earnings, cash flow, financial position and the number of employees.

REMUNERATION COMMITTEE

Directors Anders Wall, Anders G. Carlberg and Anders Ullberg were appointed from among the ranks of the Board to prepare motions regarding the President's salary, bonus, pension benefits and other remuneration. The Committee also prepares principles for remuneration to Group management and approves motions by the President regarding remuneration to Group management 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 2014. The Remuneration Committee held one meeting in 2013, which was attended by all members.

AUDIT COMMITTEE

The Audit Committee comprises the entire Board of Directors.

CODE OF CONDUCT

The Group's focus on corporate social responsibility (CSR) continued during 2013, and its values were compiled into a Code of Conduct. The Code of Conduct focuses on people, the environment and ethics. For each of these areas, the Code describes the approach and values that apply at Beijer Alma. Additional information about the Group's CSR efforts is available on the website and on pages 12–15 of the Annual Report.

DIRECTORS OF THE BOARD

Director	Elected in	Independent of major shareholders	Independent of the company	Remuneration Committee	Audit Committee	Participation in Board meetings	Holding of Class A shares	Holding of Class B shares
Anders Wall, Chariman	1992		X	X	X	8 (8)	1,921,600	1,591,520
Johan Wall, Deputy Chairman	1997		X		X	8 (8)		3,000
Carina Andersson, Director	2011	X	X		X	8 (8)		2,000
Marianne Brismar, Director	2010	X	X		X	8 (8)		10,000
Anders G. Carlberg, Director	1997	X	X	X	X	6 (8)		3,000
Peter Nilsson, Director	2008	X	X		X	7 (8)		3,000
Anders Ullberg, Director	2007	X	X	X	X	8 (8)		15,000

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. In addition to the President, Group management comprises the presidents of the subsidiaries Lesjöfors, Habia Cable and Beijer Tech, the Group's Chief Financial Officer and Controller. Group management is responsible for conducting Beijer Alma's operating activities in accordance with the Board's instructions and guidelines, and ensures that the Board's decisions are executed.

Beijer Alma's business operations are conducted through its subsidiaries Lesjöfors, Habia Cable and Beijer Tech. Lesjöfors's operations are organized into two business areas, Habia's operations into four 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 efficient 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 similar 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, including the Code of Conduct, which is a key policy.

Beijer Alma is a holding company that manages three separate businesses, in which daily operational decisions are made as necessary. Financial reporting in the Group is therefore very important from a corporate governance perspective. A major part of the communication and discussion in the Group is based on the internal financial reporting.

The subsidiaries report their order bookings, invoicing and order stocks for each profit center on a weekly basis, and 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. In addition to income statements and balance sheets, the monthly financial statements include key figures and other relevant information. In connection with the monthly financial statements, a meeting is held with the subsidiary management groups. The Group's quarterly financial statements are released every three months to the market.

The essence of the Group's reporting and monitoring systems is that the systems should be characterized by decentralization and transparency. In each subsidiary, considerable significance is given to improving and streamlining the company's processes. Extensive effort has been devoted to implementing and developing business systems to enhance the measurement of the profitability of individual businesses, customers, industries and geographic markets. The Group measures the costs for the various components of its production, administration and sales operations, and compares these with estimates as well as earlier results and targets. The information gathered in this manner is used for internal benchmarking.

INTERNAL CONTROL

The Board of Directors' internal control responsibilities are governed by the Swedish Companies Act and the Swedish Corporate Governance Code. 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 the 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 policies 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 together with the subsidiary management groups to develop and strengthen the Group's internal control.

The basis of the internal control of financial reporting is the overall control environment. Having an organizational structure in which areas of responsibility and authority are clearly defined, conveyed and documented is a key component of the control environment.

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

Control activities are implemented in all areas that impact financial reporting and follow the structures of the reporting process and accounting organization. The employees at every profit center are responsible for accurate reporting and financial statements.

These financial statements are analyzed at the profit center, business area, subsidiary and Group levels. Extensive analysis of deviations is performed as part of these analyses. Deviations from estimates and expected results are analyzed, as are deviations from historical data and forecasts. The operational follow-up that takes place at the Parent Company level is a key component of Beijer Alma's internal control.

Reviews take place at all levels to ensure that internal controls are performed. 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.

Revenues and earnings

GROUP

Beijer Alma began the year with low order stocks, causing the Group to work below capacity during the first quarter. Demand gradually improved for the entire Group. However, the overall trend in the Group's industries and geographic markets was uneven. The Nordic market was weak, while other European markets were stronger. Demand was favorable in Chassis Springs and Telecom, while demand from the engineering industry was relatively weak.

Order bookings increased by 14 percent to MSEK 3,111 (2,735). Invoicing rose by 10 percent to MSEK 3,066 (2,778). In comparable units, order bookings increased by 5 percent and invoicing by 2 percent.

The share of foreign sales was 70 percent (66). Lesjöfors and Habia had a combined share of foreign sales of 85 percent (84), while Beijer Tech conducted 73 percent of its sales in Sweden.

Operating profit totaled MSEK 396.3 (372.3) and the operating margin was 12.9 percent (13.4). Exchange rates had an adverse impact of MSEK 5 on earnings compared with 2012. Profit after net financial items amounted to MSEK 384.7 (361.8) and net profit totaled MSEK 289.0 (268.5).

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

MSEK	**2013**	2012	2011	2010	2009
Net revenues	**3,066**	2,780	2,830	2,290	1,571
Profit after net financial items	**385**	362	429	399	226
Net profit	**289**	269	313	287	162
Shareholders' equity	**1,611**	1,520	1,483	1,395	986
Total assets	**2,548**	2,395	2,201	1,976	1,390

SUBSIDIARIES

Lesjöfors is a full-range supplier of standard and specially produced industrial springs, wire and flat strip components. Order bookings increased by 26 percent to MSEK 1,708 (1,358). Invoicing amounted to MSEK 1,676 (1,367), up 23 percent. In comparable units, order bookings increased by 13 percent and invoicing by 10 percent. Operating profit totaled MSEK 331.7 (285.4) and the operating margin was 19.8 percent (20.9).

Lesjöfors pursues operations in two business areas: Industry and Chassis Springs. While Chassis Springs reported a strong sales trend, the increase in the Industry business area was significantly lower.

During the year, the company acquired S&P Federnwerk in Germany and Centrum B in Slovakia.

Habia Cable manufactures custom-designed cables. Order bookings increased by 7 percent to MSEK 637 (597). Invoicing amounted to MSEK 624 (632), down 1 percent. Operating profit was MSEK 53.2 (61.9) and the operating margin was 8.5 percent (9.8).

Habia reported strong sales to the telecom sector during the year and the company captured market shares. However, demand from the engineering industry was weak.

Beijer Tech conducts industrial trading in two business areas: Industrial Products and Fluid Technology/Industrial Rubber. Order bookings and invoicing declined 2 percent to MSEK 766 (780). In comparable units, order bookings and invoicing declined 11 percent. Operating profit totaled MSEK 33.6 (47.2) and the operating margin was 4.4 percent (6.1).

Demand was weak in both Industrial Products and Fluid Technology/Industrial Rubber. In 2013, the company acquired PMU Reparation & Smide and conducted two minor asset-transfer acquisitions.

PARENT COMPANY

Beijer Alma AB is a holding company that does not conduct external invoicing, but instead owns and manages shares and participations in subsidiaries and is responsible for certain Group-wide functions. Net profit totaled MSEK 221.3 (192.2) and included dividends and Group contributions from subsidiaries amounting to MSEK 266.0 (242.7).

CAPITAL EXPENDITURES

Investments in fixed assets, excluding corporate acquisitions, amounted to MSEK 126.4 (70.5), compared with depreciation totaling MSEK 86.7 (78.7). Of these investments, MSEK 106 was invested in Lesjöfors, MSEK 17 in Habia and MSEK 3 in Beijer Tech.

PRODUCT DEVELOPMENT

Development costs primarily pertain to specific orders and are therefore charged to the respective orders and recognized as cost of goods sold.

CASH FLOW, LIQUIDITY AND FINANCIAL POSITION

Cash flow after capital expenditures amounted to MSEK 208 (130) and included corporate acquisitions totaling MSEK 69 (134). Excluding corporate acquisitions, cash flow amounted to MSEK 277 (264).

The Group had a net debt of MSEK 92.3 (56.8) at year-end. Available liquidity, which is defined as cash and cash equivalents plus approved but unutilized committed credit facilities, totaled MSEK 715 (626).

The equity ratio on the balance-sheet date was 63.2 percent (63.5). The net debt/equity ratio, which is defined as net debt in relation to shareholders' equity, was 5.7 percent (3.7).

RETURN ON CAPITAL EMPLOYED

The return on average capital employed was 21.1 percent (21.2), while the return on average shareholders' equity was 19.2 percent (17.8).

CORPORATE ACQUISITIONS

Lesjöfors acquired the spring manufacturers S&P Federnwerk in Germany and Centrum B in Slovakia. The companies generate combined annual revenues of slightly more than MSEK 150. Their customers include companies in the engineering industry and, in the case of S&P Federnwerk, manufacturers of agricultural machinery.

Beijer Tech acquired PMU Reparation & Smide AB, which generates annual revenues of MSEK 18 and targets heavy industrial customers in Sweden.

Three additional minor acquisitions were also carried out.

EMPLOYEES

The number of employees was 2,110 (1,831), corresponding to an increase of 279. A total of 115 employees were added through corporate acquisitions. Lesjöfors and Habia conduct some manufacturing in China, Latvia, Slovakia and Poland, which offer lower salary costs. The number of employees in these countries increased by 89 to 634. The number of employees in Sweden was 699 (658).

Note 1 presents the number of employees in the various countries, as well as salaries and remuneration, and the principles adopted by the Annual General Meeting regarding salaries and remuneration for members of senior management.

OWNERSHIP CONDITIONS

Beijer Alma has approximately 4,900 shareholders (4,700). The largest shareholder is Anders Wall, along with his family and companies, who owns 11.7 percent of the capital and 34.6 percent of the votes. Other major shareholders in terms of capital are the Anders Wall Foundation with 13.5 percent, Lannebo Fonder with 6.6 percent and Didner & Gerge Fonder AB with 5.2 percent.

ENVIRONMENT

The Group's main environmental considerations are its consumption of energy, raw materials (metal and plastic) and chemicals, emissions to the air and waste. The Group systematically works to reduce its environmental impact, minimize environmental risks and increase its resource efficiency. About two-thirds of its production and trading units have been awarded ISO 14001 certification, and external environmental audits were performed at all certified units during the year.

The Group currently conducts seven operations in Sweden that are subject to permit and registration requirements pursuant to the Swedish Environmental Code. None of these units plan to renew their permits or registrations in Sweden in 2014. Seven of the Group's units outside Sweden are subject to permit requirements or similar requirements in accordance with the environmental legislation in effect in their country of operation. Routine permit renewals are planned for three of these facilities in 2014. Most units report regularly to their country's environmental authority and inspections are performed by the respective supervisory authority. Nine facilities were inspected in 2013 and only minor deviations were noted.

No violations of environmental legislation, complaints from neighbors or environmental-related accidents were registered in 2013. At one facility in Sweden, the land is contaminated by metal and oil. Beijer Alma is not financially responsible for any investigations or environmental remediation performed at this facility, and the matter is being administered and financed by the County Administrative Board. Another Swedish unit is included on the government's list of contaminated land, known as the MIFO List, in the lowest risk category. No risks attributable to climate change or other environmental factors were reported within the Group.

A more detailed description of Beijer Alma's work in the area of sustainable development is presented on pages 12–15.

RISKS AND UNCERTAINTIES

Beijer Alma's risks include business and financial risks. Business risks may include significant customer dependence on specific companies, industries or geographic markets. Financial risks primarily pertain to foreign currency risks. For Beijer Alma, these risks arise because Lesjöfors and Habia conduct 85 percent of their sales outside Sweden, while just over half of their manufacturing takes place in Sweden. This means that income and expenses are reported, to a certain extent, in different currencies.

Management of the Group's financial risks is described in Note 31. To manage the business risks, strategic work is carried out to broaden the customer base in terms of industry, customer and geography. Beijer Alma is deemed to have a favorable risk spread across customers, industries and geographic markets. According to the Group's assessment, no significant risks arose during the year.

EVENTS AFTER THE END OF THE FINANCIAL YEAR

No significant events occurred after the end of the financial year.

OUTLOOK FOR 2014

The Beijer Alma Group had low order stocks at the beginning of 2013, which resulted in a weak first quarter. The Group's order stocks had increased by the end of the year, which should provide the necessary conditions for a stronger first quarter in 2014.

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

SEK 000s	
Retained earnings	39,121
Net profit for the year	221,277
Total	260,398
to be appropriated as follows:	
Ordinary dividend to shareholders of SEK 8 per share	241,049
To be carried forward	19,349

BOARD OF DIRECTORS' STATEMENT CONCERNING THE PROPOSED DIVIDEND

After the proposed dividend, the Parent Company's equity ratio will amount to 69 percent and the Group's equity ratio to 54 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 obligations or making necessary 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").

Statement of comprehensive income and income statement

Amount in SEK 000s	Note	Group 2013	Group 2012	Parent Company 2013	Parent Company 2012
Net revenues	3,4	**3,066,492**	2,779,730	**–**	–
Cost of goods sold	1,8,9	**–2,071,514**	–1,842,562	**–**	–
Gross profit		**994,978**	937,168	**0**	0
Selling expenses	1,8,9	**–324,946**	–316,273	**–**	–
Administrative expenses	1,5,8,9	**–276,781**	–249,506	**–40,374**	–39,160
Other income	6	**2,028**	–	**18,200**	17,000
Profit from participations in associated companies	7	**1,053**	877	**–**	–
Operating profit	8,9	**396,332**	372,266	**–22,174**	–22,160
Income from participations in Group companies	10	**–**	–	**209,000**	161,000
Interest income		**2,113**	3,157	**1,782**	2,535
Impairment of securities		**–1,664**	–3,600	**–1,664**	–18,643
Interest expenses		**–12,100**	–10,052	**–1,057**	–1,985
Profit after net financial items		**384,681**	361,771	**185,887**	120,747
Group contributions received		**–**	–	**57,025**	81,706
Group contributions paid		**–**	–	**–17,016**	–
Tax on net profit for the year	11	**–95,658**	–93,271	**–4,619**	–10,265
Net profit attributable to Parent Company shareholders		**289,023**	268,500	**221,277**	192,188
Other comprehensive income					
Income/expenses recognized directly against shareholders' equity					
Cash-flow hedges after tax		**–6,429**	565	**–**	–
Translation differences		**19,678**	–21,577	**–**	–
Total other comprehensive income		**13,249**	–21,012	**0**	0
Total comprehensive income pertaining entirely to items that may be reclassified to profit or loss					
Total profit attributable to Parent Company shareholders		**302,272**	247,488	**221,277**	192,188
Net earnings per share before and after dilution, SEK	12	**9.59**	8.91	**–**	–
Proposed/adopted dividend per share, SEK		**–**	–	**8.00**	7.00

Balance sheet

Amount in SEK 000s	Note	Group 2013	Group 2012	Parent Company 2013	Parent Company 2012
ASSETS					
Fixed assets					
Intangible assets					
Goodwill	13	**489,791**	513,762	**–**	–
Other intangible assets	14	**14,990**	19,519	**–**	–
Tangible assets					
Land and land improvements	15	**28,778**	22,187	**–**	–
Buildings	16	**185,668**	167,995	**–**	–
Plant and machinery	17	**384,442**	309,901	**–**	–
Equipment, tools, fixtures and fittings	18	**41,183**	37,154	**1,020**	1,000
Deferred tax assets	29	**23,854**	15,706	**–**	–
Financial assets					
Other long-term receivables		**6,410**	6,563	**–**	–
Other securities	19	**–**	1,766	**–**	1,766
Participations in associated companies	20	**17,354**	17,106	**–**	–
Participations in Group companies	21	**–**	–	**532,197**	532,198
Total fixed assets		**1,192,470**	1,111,659	**533,217**	534,964
Current assets					
Inventories	22	**541,170**	516,071	**–**	–
Receivables					
Tax assets		**–**	7,592	**3,725**	8,105
Accounts receivable	23	**494,612**	458,289	**–**	–
Receivables from Group companies		**–**	–	**272,381**	301,186
Other receivables	24	**40,793**	32,843	**17**	53
Prepaid expenses and accrued income	25	**25,217**	28,755	**1,120**	1,119
Cash and cash equivalents	26	**253,786**	239,515	**41,124**	40,019
Total current assets		**1,355,578**	1,283,065	**318,367**	350,482
Total assets		**2,548,048**	2,394,724	**851,584**	885,446

Balance sheet

Amount in SEK 000s	Note	Group 2013	Group 2012	Parent Company 2013	Parent Company 2012
SHAREHOLDERS' EQUITY AND LIABILITIES					
Shareholders' equity	27				
Share capital		**125,546**	125,546		
Other contributed capital		**444,351**	444,351		
Reserves		**–22,783**	–36,032		
Retained earnings, including net profit for the year		**1,063,746**	985,641		
Shareholders' equity attributable to Parent Company shareholders		**1,610,860**	1,519,506		
Non-controlling interests		**3,596**	2,604		
Total shareholders' equity		**1,614,456**	1,522,110		
Share capital				**125,546**	125,546
Statutory reserve				**444,351**	444,351
Total restricted equity				**569,897**	569,897
Retained earnings				**39,121**	57,851
Net profit for the year				**221,277**	192,188
Total non-restricted equity				**260,398**	250,039
Total shareholders' equity				**830,295**	819,936
Non-current liabilities					
Provisions	28	**65,412**	116,423		
Deferred tax	29	**50,632**	53,747		
Pension obligations	30	**1,881**	1,859		
Liabilities to credit institutions	31	**181,267**	151,459		
Total non-current liabilities		**299,192**	323,488		
Current liabilities					
Committed credit facilities	31	**110,123**	106,078	**–**	47,227
Liabilities to Group companies		**–**	–	**7,739**	6,479
Accounts payable		**185,967**	178,706	**1,141**	990
Tax liabilities		**10,537**	–	**–**	–
Accrued expenses and deferred income	32	**198,029**	179,756	**11,762**	10,276
Liabilities to credit institutions	31	**54,713**	38,768	**–**	–
Other current liabilities	33	**75,031**	45,818	**647**	538
Total current liabilities		**634,400**	549,126	**21,289**	65,510
Total shareholders' equity and liabilities		**2,548,048**	2,394,724	**851,584**	885,446
Pledged assets	34	**283,997**	282,003	**13,381**	13,381
Contingent liabilities	35	**3,791**	2,948	**–**	–

Changes in shareholders' equity

Group	Share capital	Other contributed capital	Reserves	Retained earnings, incl. profit	Total	Non-controlling interests	Total shareholders' equity
December 31, 2011	**125,546**	**444,351**	**–15,020**	**928,059**	**1,482,936**	**2,682**	**1,485,618**
Net profit for the year				268,500	268,500		268,500
Other comprehensive income			–21,012		–21,012		–21,012
Dividend paid				–210,918	–210,918		–210,918
Non-controlling interests (translation difference)					0	–78	–78
December 31, 2012	**125,546**	**444,351**	**–36,032**	**985,641**	**1,519,506**	**2,604**	**1,522,110**
Net profit for the year				289,023	289,023		289,023
Other comprehensive income			13,249		13,249		13,249
Dividend paid				–210,918	–210,918		–210,918
Non-controlling interests (translation difference)					–	992	992
December 31, 2013	**125,546**	**444,351**	**–22,783**	**1,063,746**	**1,610,860**	**3,596**	**1,614,456**

Parent Company	Share capital	Statutory reserve	Retained earnings	Net profit for the year	Total shareholders' equity
December 31, 2011	**125,546**	**444,351**	**62,069**	**206,700**	**838,666**
Reclassification of net profit for the preceding year			206,700	–206,700	0
Dividend paid			–210,918		–210,918
Net profit for the year				192,188	192,188
December 31, 2012	**125,546**	**444,351**	**57,851**	**192,188**	**819,936**
Reclassification of net profit for the preceding year			192,188	–192,188	0
Dividend paid			–210,918		–210,918
Net profit for the year				221,277	221,277
December 31, 2013	**125,546**	**444,351**	**39,121**	**221,277**	**830,295**

Proposed dividend of SEK 8.00 per share, total of 241,049.

Cash-flow statement

Amount in SEK 000s	Note	Group 2013	Group 2012	Parent Company 2013	Parent Company 2012
Operating activities					
Operating profit		**396,332**	372,266	**–22,174**	–22,160
Net interest paid and other financial items	36	**–9,858**	–6,840	**278,331**	255,549
Income tax paid		**–79,143**	–125,052	**–239**	–18,395
Items not affecting cash flow	37	**87,384**	77,871	**26**	29
Cash flow from operating activities before changes in working capital and capital expenditures		**394,715**	318,245	**255,944**	215,023
Change in inventories		**–15,338**	26,911	**–**	–
Change in receivables		**–4,429**	23,329	**4,726**	–17,733
Change in current liabilities		**27,306**	–32,309	**–1,374**	5,805
Cash flow from operating activities		**402,254**	336,176	**259,296**	203,095
Investing activities					
Investments in tangible assets		**–117,338**	–70,214	**–46**	–
Investments in intangible assets		**–**	–2,345	**–**	–
Investments in other shares		**–**	–	**–**	–
Change in other financial assets		**–7,995**	540	**–**	–
Acquisitions of companies less cash and cash equivalents	38	**–68,759**	–134,106	**–**	–
Cash flow from investing activities		**–194,092**	–206,125	**–46**	0
Cash flow after capital expenditures		**208,162**	130,051	**259,250**	203,095
Financing activities					
Change in non-current liabilities and committed credit facilities		**17,027**	51,368	**–47,227**	5,692
Dividend paid		**–210,918**	–210,918	**–210,918**	–210,918
Cash flow from financing activities		**–193,891**	–159,550	**–258,145**	–205,226
Change in cash and cash equivalents		**14,271**	–29,499	**1,105**	–2,131
Cash and cash equivalents at beginning of year		**239,515**	269,014	**40,019**	42,150
Cash and cash equivalents at end of year	26	**253,786**	239,515	**41,124**	40,019
Unutilized committed credit facilities		**460,991**	386,025	**175,000**	127,773
Available liquidity		**714,777**	625,540	**216,124**	167,792

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 financial statements 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 financial statements 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 EU. The consolidated financial statements 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 or loss.

New and amended standards applied by the Group
The following standards were applied by the Group for the first time in the financial year commencing January 1, 2013 and had a material impact on the consolidated financial statements:

An amendment to IAS 1 Presentation of Financial Statements introduced changes concerning other comprehensive income. The most significant change in the amended IAS 1 is the requirement that items recognized in other comprehensive income be divided into two groups based on whether or not the items may be reclassified to profit or loss (reclassification adjustments).

IAS 19 Employee Benefits was amended in June 2011. This amendment resulted in only a limited number of new disclosures since the Group has no significant defined-benefit pension plans.

The purpose of IFRS 13 Fair Value Measurement is to make fair value measurement more consistent and less complex by providing an exact definition and a common IFRS source for fair value measurements and associated disclosures. This standard provides guidance regarding the fair value measurement of all types of assets and liabilities, both financial and non-financial. The requirements do not extend the area of application for fair value, but provide guidance on how it should be applied when other IFRS already require or permit measurement at fair value.

An amendment to IAS 36 Impairment of Assets regarding recoverable amount disclosures states that the basis for the calculation of the recoverable amount of an impaired asset must be disclosed if the recoverable amount is based on fair value less selling expenses. The Group chose to apply this standard as of January 1, 2013 and it has had no impact on the consolidated financial statements.

New standards, amendments and interpretations of existing standards not applied in advance by the Group
A number of standards and interpretations will take effect in financial years starting after January 1, 2013 and were not applied during the preparation of this financial report. None of these standards or interpretations are expected to have a material impact on the consolidated financial statements, with the exception of the following:

IFRS 10 Consolidated Financial Statements is based on existing principles that define control as a deciding factor in determining whether or not a company should be included in the consolidated financial statements. The standard provides additional guidance on how to determine whether or not an entity is controlled when such an assessment is difficult. The Group intends to apply IFRS 10 for the financial year commencing on January 1, 2014 and has not yet assessed its full impact on the financial statements.

IFRS 12 Disclosures of Interests in Other Entities stipulates the disclosure requirements for subsidiaries, associated companies and unconsolidated structured entities. The Group intends to apply IFRS 12 for the financial year commencing on January 1, 2014 and has not yet assessed its full impact on the financial statements.

IFRS 9 Financial Instruments addresses the classification, measuring and recognition of financial assets and liabilities. IFRS 9 was introduced for financial assets in November 2010 and for financial liabilities in 2011, and replaced the sections of IAS 39 pertaining to the classification and measurement of financial instruments. IFRS 9 states that financial assets and liabilities are to be divided into two classifications: those measured at fair value and those measured at amortized cost. Classification is to be carried out when the financial asset or liability is initially recognized based on the company's business model and the characteristics of the contractual cash flows. IFRS 9 introduced no major changes with respect to financial assets compared with IAS 39. The most significant change pertained to liabilities identified at fair value and stipulated that the portion of the change in fair value attributable to the liability's credit risk is to be recognized in other comprehensive income rather than profit or loss, provided that this does not result in an accounting mismatch. The Group has not yet assessed the impact of this change. The Group will assess the impact of the remaining phases of IFRS 9 once they are completed by the IASB.

IFRIC 21 Levies provides an interpretation of IAS 37 Provisions, Contingent Liabilities and Contingent Assets. IAS 37 clarifies the criteria for recognizing a liability. One such criterion is that the company has a present obligation resulting from a past event (also referred to as an obligating event). IFRIC 21 identifies the obligating event for the recognition of a liability to pay a levy as the activity that triggers the payment of the levy in accordance with the relevant legislation. The Group intends to apply IFRIC 21 for the financial year commencing in January 1, 2014 and has not yet assessed its full impact on the financial statements.

No other IFRS or IFRIC Interpretations that have not yet taken effect are expected to have a material impact on the Group.

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 the primary 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 13. Forecasts concerning future cash flows are based on the best possible estimates of future income and operating expenses. The impairment tests performed indicated an impairment requirement of MSEK 43.5 for goodwill. The impairment tests were performed using a margin that, according to management's assessment, will not cause the value in use to be less than the carrying amount as a result of any reasonable changes in individual variables after the aforementioned impairment. Management has also concluded that no impairment requirement will arise after a certain variation in the most critical variables. Goodwill amounted to MSEK 489.8.

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. Accounts receivable amounted to MSEK 494.6.

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 or 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 of material significance.

Provisions for agreed conditional additional purchase considerations
In conjunction with the completion of corporate acquisitions, provisions were made for the estimated fair value of future additional purchase considerations. These are contingent on the future earnings performance of the acquired units. Forecasts were based on the best possible assessments of future income and operating expenses expenses. Provisions for agreed conditional additional purchase considerations amounted to MSEK 65.4.

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 FINANCIAL STATEMENTS

The consolidated financial statements include subsidiaries in which the Parent Company directly or indirectly holds more than 50 percent of the votes, as well as 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 for an acquired subsidiary 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 assets and liabilities arising as a result of an agreement concerning a conditional purchase consideration. Each conditional purchase consideration to be transferred by the Group is recognized at fair value on the acquisition date. In accordance with IAS 39, subsequent changes in the fair value of a conditional purchase consideration classified as an asset or liability are recognized either in profit or loss or in other comprehensive income. Conditional purchase considerations classified as shareholders' equity are not remeasured and subsequent settlements are recognized in shareholders' equity. Acquisition-related costs are expensed as they arise. Identifiable acquired assets and assumed liabilities arising from a business combination are initially measured at fair value on the acquisition date 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 business combination is completed in several steps, the previous shareholders' equity interests in the acquired company are remeasured at fair value on the acquisition date. Any gain or loss arising as a result of the remeasurement is recognized in profit or loss.

If the consolidated cost of the shares exceeds the value of the company's identifiable acquired 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 financial statements 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 financial statements from the date on which the controlling influence ceases.

Intra-Group transactions, balance-sheet items and intra-Group gains or losses are eliminated in their entirety.

All transactions with owners without a controlling influence are recognized in shareholders' equity, provided that they do not result in any change to the controlling influence. These transactions do not give rise to goodwill, gains or losses. For each acquisition – that is, on an acquisition-by-acquisition basis – the Group determines whether non-controlling interest in the acquired company is to be recognized at fair value or at the shareholding's proportional share of the carrying amount of the acquired company's identifiable net assets.

In the event that the Group holds a call option and the seller holds a corresponding call option for the remaining shares, thus entailing that all risks and opportunities are thereby transferred to the Group, the subsidiary is consolidated regardless of the earnings or share of equity attributable to the owner without a controlling influence. Instead, an estimated liability is recognized in an amount corresponding to the estimated purchase consideration for these shares.

Where applicable, the accounting policies for subsidiaries have been amended to ensure that the Group's policies are applied in a consistent manner.

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 closing day 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 in the operation in question and are translated at the closing day rate.

Significant foreign exchange rates	Year-end rate		Average rate	
	December 31, 2013	December 31, 2012	**2013**	2012
USD	**6.57**	6.52	**6.53**	6.72
EUR	**8.99**	8.62	**8.68**	8.68
GBP	**10.76**	10.67	**10.21**	10.70

Receivables and liabilities in foreign currencies are valued at the closing day 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 impact earnings as they are exercised. Exchange gains and losses pertaining to transactions that comprise hedges and that meet the conditions for hedge accounting of cash flows are recognized in other comprehensive income.

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 holding. When the Group's share in the losses of an associated company amounts to, or exceeds, the Group's holding 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.

At the end of each reporting period, the Group assesses whether or not there is objective evidence that indicates an impairment requirement for its investments in associated companies. If such evidence exists, the Group calculates the impairment amount as the difference between the recoverable amount and carrying amount of the associated company, and recognizes this amount in profit or loss under "Profit from participations in associated companies."

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 comprise the Group's operating sectors: Lesjöfors (industrial springs), Habia Cable (custom-designed cables) and Beijer Tech (industrial trading).

Revenue recognition
The Group's net revenues comprise the fair value of the amount that has been 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 income 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. Overall experience is used to assess and make provisions for rebates and returns. 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. However, deferred tax liabilities are not recognized if they arise as a result of the initial recognition of goodwill.

Loss carryforwards that can be utilized against probable future gains are capitalized as deferred tax assets. This applies to accumulated tax loss carryforwards on the acquisition date and to losses that arise thereafter.

Valuation is performed using the tax rates in effect on the balance-sheet date in the countries in which the Group conducts operations and generates taxable income. Deferred tax is recognized in the balance sheet as a financial asset or non-current liability. Tax expenses for the year comprise current tax and deferred tax. Tax is recognized in profit or loss, except when the tax pertains to items recognized in other comprehensive income or directly in shareholders' equity. In such cases, the tax is also recognized in other comprehensive income or shareholders' equity.

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

Deferred tax is calculated 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 temporary 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 and the fair value of any non-controlling interests exceed the fair value of the company's net assets as indicated in the acquisition analysis on the acquisition date. 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 on the acquisition date to cash-flow generating units that are expected to profit from the business combination that generated the goodwill item. For a description of the methods and assumptions used for impairment testing, refer to Note 13.

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

Research and product development

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

According to a strict definition, essentially 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, are recognized at cost after deductions for accumulated depreciation. Land is recognized at cost without depreciation.

The cost includes expenses directly related to the acquisition of the asset. Additional expenditures are added to the carrying amount of the asset or are recognized as a separate asset, depending on which approach is deemed most appropriate, provided that it is probable that the future financial benefits associated with the asset will fall to the company and the cost of the asset can be measured in a reliable manner. The carrying amount of the reimbursed portion is derecognized from the balance sheet. Expenses for repair and maintenance are recognized as expenses. 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:

Office 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
Other intangible assets	5–10 years

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 during the shorter of the useful life of the asset (according to the same principles as other assets of the same class) and the leasing period. 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 goodwill and 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 reversed.

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. Proprietary 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 production volumes. 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 gains arising when deliveries are made between the Group's companies. A requisite deduction for obsolescence has been made.

Financial instruments

The Group classifies its financial assets according to the following categories: loans and receivables 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.

Purchases and sales of financial assets are recognized on the trade date, meaning the date on which the Group undertakes to purchase or sell the asset. Financial assets are derecognized 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.

Loans and receivables

Loans and receivables 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. Loans and receivables are classified as accounts receivable and other current or long-term receivables in the balance sheet and are initially recognized at fair value plus transaction costs. Loans and receivables are thereafter recognized at amortized cost using the effective interest method.

A provision for depreciation is recognized when there is objective evidence that indicates that the recognized amount will not be received.

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 acquisition date. Cash and cash equivalents are initially recognized at fair value and thereafter at amortized cost.

Available-for-sale financial assets

Available-for-sale financial assets are assets that are not derivatives and are either identified as available 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.

Derivative instruments and hedge accounting

Derivative instruments are recognized in the balance sheet on the contract date and are measured at fair value, both initially and in the event of subsequent remeasurement. The recognition method to be used for gains or losses arising as a result of remeasurement depends on whether or not the derivative was identified as a hedging instrument, and if so, the character of the hedged item.

When the transaction is entered into, the Group documents the relationship between the hedging instrument and the hedged item, as well as the Group's objectives with regard to risk management and the risk strategy for the hedge. The Group also documents its assessments, both initially and on an ongoing basis, of whether the derivative instruments used in hedging transactions are effective in mitigating changes in fair value or cash flows attributable to the hedged items.

Accumulated amounts of shareholders' equity are reversed to profit or loss in the period in which the hedged item impacts earnings (for example, when the hedged forecast sale occurs). The gains or losses attributable to the ineffective portion are recognized in profit or loss. Beijer Alma utilizes derivative instruments to cover risks associated with exchange-rate fluctuations. 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 other comprehensive income. Refer also to Note 31.

Share capital

Ordinary shares are classified as shareholders' equity. Transaction costs that are directly attributable to issues of new shares or options are recognized in shareholders' equity, in a net amount after tax, as a deduction from the proceeds of the 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 costs. 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 non-current liabilities when the Group has a legal or informal obligation as a result of a past event 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. Provisions are valued at the present value of the amount expected to be required to settle the obligation. The Group uses a pre-tax discount rate that reflects a current market estimate of the time-dependent value of the funds and the risks associated with the provision. Any increase in the provision attributable to the passage of time is recognized as an interest expense.

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. These plans are recognized as defined-contribution plans since Alecta is unable to provide the necessary information. Refer also to Note 1.

A defined-contribution plan is a pension plan according to which the Group pays fixed fees to a separate legal entity. The Group has no legal or information obligations to pay additional contributions in the event that this legal entity lacks the necessary assets to pay all employee benefits associated with the employee's work during the current period or earlier periods. A defined-benefit plan is a pension plan that is not a defined-contribution plan. Defined-benefit plans are unique in that they state an amount for the pension benefit to be received by an employee after retirement, normally based on one or several factors, such as age, period of service and salary. In the event that a pension obligation is covered through holdings of endowment insurance, this asset is considered a plan asset, which means that the asset and liability offset each other.

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

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 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 and Parent Company accounting policies are described below.

Participations in Group companies and associated companies

Shares and participations in subsidiaries and associated companies are recognized at cost after deducting any impairment losses. Cost includes acquisition-related costs and any additional purchase considerations. Dividends received are recognized as financial income. Dividends that exceed the subsidiary's comprehensive income for the period or that cause the carrying amount of the holding's net assets in the consolidated financial statements to fall below the carrying amount of the participations are an indication of the need for impairment.

In the event of an indication that shares and participations in subsidiaries or associated companies have declined in value, a calculation is made of the recoverable amount. If this amount is lower than the carrying amount, impairment is performed. Impairment losses are recognized in the items "Profit from participations in Group companies" or "Profit from participations in associated companies."

Dividends

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

Financial instruments

Fixed financial assets are measured at cost less any impairment losses, and current financial assets at the lower of cost or market value.

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

Since the Swedish Financial Reporting Board's statement UFR 2 has been withdrawn, the Parent Company's Group contribution is recognized as an appropriation.

Note 1 Employees

Job location	Average number of employees 2013	2012
SWEDEN		
Parent Company		
Uppsala	**2**	2
Stockholm	**3**	3
Subsidiaries		
Broby	**4**	4
Filipstad	**117**	105
Gothenburg	**55**	54
Hallstahammar	**8**	8
Halmstad	**14**	12
Helsingborg	**13**	13
Herrljunga	**49**	47
Karlstad	**16**	14
Lidköping	**3**	3
Ljungby	**14**	0
Ludvika	**1**	1
Luleå	**2**	2
Malmö	**39**	39
Mönsterås	**34**	37
Skellefteå	**4**	3
Stockholm	**93**	93
Strömstad	**1**	0
Tierp	**150**	141
Oxelösund	**2**	0
Värnamo	**47**	46
Växjö	**26**	26
Örebro	**2**	5
Total Sweden	**699**	658

	Men	Women	Total 2013	Men	Women	Total 2012
Total Sweden	**530**	**169**	**699**	496	162	658
OUTSIDE SWEDEN						
Denmark	**57**	**18**	**75**	56	21	77
Finland	**30**	**6**	**36**	29	6	35
France	**4**	**2**	**6**	3	4	7
Hong Kong	**3**	**5**	**8**	3	5	8
China	**161**	**228**	**389**	165	221	386
Latvia	**52**	**47**	**99**	47	40	87
Netherlands	**3**	**4**	**7**	3	3	6
Norway	**22**	**6**	**28**	13	3	16
Poland	**19**	**22**	**41**	17	19	36
Slovakia	**62**	**43**	**105**	25	11	36
Russia	**8**	**3**	**11**	7	2	9
UK	**142**	**48**	**190**	125	47	172
Germany	**281**	**135**	**416**	227	71	298
Total outside Sweden	**844**	**567**	**1,411**	720	453	1,173
Total	**1,374**	**736**	**2,110**	1,216	615	1,831

Of the total of 2,110 employees (1,831), 1,374 (1,216) are men and 736 (615) are women.

Salaries, remuneration and social security contributions

Group

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

	2013	2012
Salaries/fees, President and Board of Directors	**33,084**	31,048
of which, variable salary, President and Board of Directors	**6,330**	5,593
Social security contributions, President and Board of Directors	**17,546**	17,941
of which, pension costs	**6,919**	7,713
Salaries, other	**305,011**	253,729
Social security contributions, other	**112,239**	106,862
of which, pension costs	**20,538**	21,854

Salaries and remuneration outside Sweden were expensed as follows:

2013 Group	Salary	of which, variable salary	Social security contributions	President/ Board of Directors of which, pension costs	Salary	Other Social security contributions
Denmark	4,474	135	340	298	30,293	2,406
Finland	2,836	159	643	377	13,303	2,784
France	–	–	–	–	4,132	2,048
Hong Kong	–	–	–	–	3,140	451
China	706	–	170	–	27,512	7,352
Latvia	1,045	63	252	–	18,049	2,198
Netherlands	–	–	–	–	4,097	469
Norway	2,601	111	790	461	14,517	1,919
Poland	–	–	–	–	7,692	750
Russia	561	71	82	26	1,157	327
Slovakia	321	–	2	–	2,519	77
UK	4,705	356	1,195	656	44,636	3,783
Germany	5,728	130	488	143	134,639	26,039
Total salaries and remuneration	**22,977**	**1,025**	**3,962**	**1,961**	**305,686**	**50,603**
Total salaries and remuneration in Sweden according to the above	**33,084**	**6,330**	**17,546**	**6,919**	**305,011**	**112,239**
Total Group	**56,061**	**7,355**	**21,508**	**8,880**	**610,697**	**162,842**

2012 Group	Salary	of which, variable salary	Social security contributions	President/ Board of Directors of which, pension costs	Salary	Other Social security contributions
Denmark	4,311	88	332	324	31,189	2,493
Finland	2,659	182	639	345	11,840	2,760
France	–	–	–	–	6,283	2,991
Hong Kong	–	–	–	–	3,445	247
China	1,266	–	63	–	22,970	5,962
Latvia	523	–	126	–	7,138	1,720
Netherlands	–	–	–	–	4,120	500
Norway	2,650	269	339	242	10,050	1,084
Poland	–	–	–	–	5,785	1,166
Russia	479	26	75	75	1,022	10
Slovakia	–	–	–	–	3,160	312
UK	4,415	461	1,127	601	42,535	4,130
Germany	6,145	217	857	102	93,453	20,017
Total salaries and remuneration	**22,448**	**1,243**	**3,558**	**1,689**	**242,990**	**43,392**
Total salaries and remuneration in Sweden according to the above	**31,048**	**5,593**	**17,941**	**7,713**	**253,729**	**106,862**
Total Group	**53,496**	**6,836**	**21,499**	**9,402**	**496,719**	**150,254**

Parent Company	**2013**	2012
Salaries/fees, President and Board of Directors	**10,920**	10,493
of which, variable salary, President and Board of Directors	**3,027**	2,821
Social security contributions, President and Board of Directors	**5,095**	5,033
of which, pension costs	**2,194**	2,131
Salaries, other	**5,756**	5,601
Social security contributions, other	**2,967**	2,874
of which, pension costs	**1,096**	1,050

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 2013 financial year, the company did not have access to sufficient information to enable it to recognize 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, 2013, Alecta's surplus, measured as the collective consolidation level, amounted to 153 percent (December 31, 2012: 129 percent). 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.

Terms of employment and remuneration to senior executives

Principles

The following principles, which are unchanged compared with the preceding year, were adopted by the 2014 Annual General Meeting. No deviations from the principles have occurred.

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. These fees are paid retroactively on an annual basis. The Annual General Meeting also passes resolutions regarding the principles of remuneration and terms of employment for members of senior management. No special fees are paid for committee work. No fees are paid to Group employees for work as directors of subsidiaries.

Remuneration to the President and members of senior management comprises basic salary, including company car benefits, variable salaries 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 variable salary shall be proportional to the individual's responsibilities and authority. For the President, the ceiling for variable salary is maximized at 100 percent of basic salary, excluding company car benefits. For other members of senior management, the ceiling for variable salary is maximized at between 50 and 100 percent of basic salary, excluding company car benefits. Variable salary 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 2013

	Directors' fee/basic salary, incl. company car benefits	Variable salary	Pension costs	Total
Directors (fees paid in accordance with the resolution passed by 2013 Annual General Meeting)				
Anders Wall	900	–	–	900
Carina Andersson	275	–	–	275
Marianne Brismar	275	–	–	275
Anders G. Carlberg	275	–	–	275
Peter Nilsson	275	–	–	275
Anders Ullberg	275	–	–	275
Johan Wall	275	–	–	275
Senior management (six people)	15,844	7,284	5,357	28,485
of which, President	5,389	3,027	2,194	10,610
Total	**18,394**	**7,284**	**5,357**	**31,035**

Comments on the table

Members of the Group's senior management have only defined-contribution pension plans. Pension costs refer to the costs charged against net profit for the year. The amounts listed above and in the table for 2012 on the following page include a special payroll tax totaling 24.26 percent of the premium paid.

Remuneration and benefits in 2012

	Directors' fee/basic salary, incl. company car benefits	Variable salary	Pension costs	Total
Directors (fees paid in accordance with the resolution passed by 2012 Annual General Meeting)				
Anders Wall	900	–	–	900
Carina Andersson	250	–	–	250
Marianne Brismar	250	–	–	250
Anders G. Carlberg	250	–	–	250
Peter Nilsson	250	–	–	250
Anders Ullberg	250	–	–	250
Johan Wall	250	–	–	250
Senior management (six people)	15,286	6,487	5,708	27,481
of which, President	5,272	2,821	2,131	10,224
Total	**17,686**	**6,487**	**5,708**	**29,881**

Marianne Brismar and Anders G. Carlberg invoice their fees through their companies, including social security contributions.

TERMS OF EMPLOYMENT

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 35 percent of basic salary, excluding company car benefits.

Other members of senior management

If employment is terminated by the company, the period of notice varies between 12 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 for three of the four individuals in question. The retirement age is 65 in all cases. Pension premiums, which are paid by the company, are equivalent to 25 to 30 percent of 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 Foundation, the Consul Th. C. Bergh Foundation, 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 and Chairman of the Board from 1981 to 1983 (after merger with AB Volvo). President and CEO of Investment AB Beijer from 1983 to 1992. Earlier directorships: Handelsbanken, Skandia, Industrivärden, Uddeholm, Billerud, Groupe Bruxelles Lambert, Pargesa and others.

Carina Andersson. Education: Master in Materials Science from the Royal Institute of Technology in Stockholm. Director since: 2011. Earlier positions: Sandvik Materials Technology AB, President of Ramnäs Bruk AB and President of Scana Ramnäs AB. Has resided in China since 2011.

Marianne Brismar. Education: Pharmacist, Master of Business Administration from the University of Gothenburg School of Business, Economics and Law. Director since: 2010. Chairman of: Wollenius Invest AB. Director of: Concentric AB, Engelhardt AB, Newbody AB, Semcon AB and Creades AB. Earlier positions: CEO of Atlet AB (1995 to 2007).

Anders G. Carlberg. Education: Master of Business Administration. Director since: 1997. Director of: Axel Johnson Inc., Sapa AB, SSAB, Mekonomen, Sweco AB, Investment AB Latour and others. Earlier positions: President and CEO of Nobel Industrier, J.S. Saba and Axel Johnson International and Executive Vice President of SSAB.

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. Director of: Boliden, BE Group, Diamorph, Eneqvist Consulting, Natur & Kultur and Studsvik. Director of: Atlas Copco, Norex International, Valedo Partners and Åkers. Chairman of the Swedish Financial Reporting Board. Earlier positions: President and CEO of SSAB, 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. President of Beijerinvest AB. Deputy Director: 1997 to 2000. Director since: 2000 Director of: The Crafoord Foundation, the Kjell and Märta Beijer Foundation, the Anders Wall Foundation, Uppsala University and others. Earlier positions: President of Bisnode AB, 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

	2013	2012
Sweden	**909,387**	955,899
Other EU	**1,497,669**	1,209,862
Other Europe	**256,685**	215,397
Asia	**332,765**	340,389
Rest of the world	**69,986**	58,183
Total	**3,066,492**	2,779,730

In addition to Sweden, the countries in which Beijer Alma generates its greatest net revenues are:

MSEK	**2013**	2012
Germany	**469**	451
UK	**313**	295
China	**248**	238
Norway	**162**	126
Denmark	**135**	127

Note 4 Segment reporting

The operating segments are determined 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 cables) and Beijer Tech (industrial trading). Lesjöfors and Habia conduct proprietary manufacturing and product development. Each segment is responsible for its own administration and marketing. Each sub-group is headed by a president, who is a member of Group management.

"Other" refers to the Parent Company, which is a holding company that does not conduct external invoicing, as well as a number of small subsidiaries that do not conduct any operations. Operating profit is the income measure monitored by Group management.

Any inter-segment sales take place on commercial terms. No individual customer accounts for more than 5 percent of the Group's income.

2013	Lesjöfors	Habia	Beijer Tech	Other (Parent Company, etc.)	Eliminations	Total
Segment income	1,676.3	624.3	765.6	0.3	–0.1	3,066.5
Inter-segment sales	–	–	–	–	–	–
Income from external customers	**1,676.3**	**624.3**	**765.6**	**0.3**	**–0.1**	**3,066.5**
Operating profit/loss	331.7	53.2	33.6	–22.2	–	396.3
Interest income	1.1	0.4	0.5	210.8	–210.7	2.1
Interest expenses	–5.5	–4.7	–2.5	–2.7	1.7	–13.7
Profit after net financial items	**327.3**	**48.9**	**31.6**	**185.9**	**–209.0**	**384.7**
Appropriations	–	–	–	40.0	–40.0	–
Tax	–80.3	–12.9	–6.6	–4.6	8.8	–95.7
Net profit	**247.0**	**36.0**	**25.0**	**221.3**	**–240.2**	**289.0**
Operating profit/loss includes:						
Depreciation and amortization	59.0	17.9	9.4	0.3	0.1	86.7
Share of profit/loss in associated companies	1,0	–	–	–	–	1.0
Assets	1,404.5	491.7	475.8	849.2	–673.2	2,548.0
Liabilities	557.3	190.7	254.2	18.9	–87.5	933.6
of which, interest-bearing	210.5	75.1	62.9	–	–2.4	346.1
Cash funds (included in assets)	146.7	46.3	22.1	41.1	–2.4	253.8
Net debt	63.8	28.8	40.8	–41.1	–	92.3
Investments in tangible assets	106.2	16.6	3.1	0.4	–	126.3
Sales outside Sweden, %	81.7	93.4	26.7	–	–	70.4

2012	Lesjöfors	Habia	Beijer Tech	Other (Parent Company, etc.)	Eliminations	Total
Segment income	1,366.7	632.4	780.3	0.3	–	2,779.7
Inter-segment sales	–	–	–	–	–	–
Income from external customers	**1,366.7**	**632.4**	**780.3**	**0.3**	**0.0**	**2,779.7**
Operating profit/loss	285.4	61.9	47.2	–22.2	–	372.3
Interest income	2.2	0.3	0.6	163.5	–163.4	3.2
Interest expenses	–4.5	–4.6	–1.4	–20.6	17.4	–13.7
Profit after net financial items	**283.1**	**57.6**	**46.4**	**120.7**	**–146.0**	**361.8**
Appropriations	–	–	–	81.7	–81.7	–
Tax	–74.7	–16.4	–11.3	–10.3	19.4	–93.3
Net profit	**208.4**	**41.2**	**35.1**	**192.2**	**–208.4**	**268.5**
Operating profit/loss includes:						
Depreciation and amortization	49.8	19.9	8.7	0.3	–	78.7
Share of profit/loss in associated companies	0,8	0.1	–	–	–	0.9
Assets	1,164.7	511.4	536.8	877.3	–695.5	2,394.7
Liabilities	427.3	232.5	333.8	65.5	–183.9	875.2
of which, interest-bearing	107.2	89.5	54.8	47.2	–2.4	296.3
Cash funds (included in assets)	126.9	60.9	13.3	40.0	–1.6	239.5
Net debt	–19.7	28.6	41.5	7.2	–0.8	56.8
Investments in tangible assets	58.7	8.6	3.1	–	0.1	70.5
Sales outside Sweden, %	79.0	92.0	21.0	–	–	66.0

Assets distributed by geographic region (MSEK)

Group	2013	2012
Sweden	**1,421.2**	1,337.0
Other EU	**855.2**	722.1
Other Europe	**53.4**	69.8
Asia	**218.2**	265.8
Total	**2,548.0**	2,394.7

Note 5 Administrative expenses

Administrative expenses include the following auditors' fees:

	Group		Parent Company	
	2013	2012	**2013**	2012
PWC				
Audit assignment	**3,588**	2,898	**490**	440
Auditing activities in addition to audit assignment	**594**	701	**168**	168
Tax consultancy	**–**	–	**–**	–
Other services	**838**	200	**232**	30
Other auditors				
Audit assignment	**1,634**	1,262	**–**	–
Other assignments	**374**	428	**–**	–
Total	**7,028**	5,489	**890**	638

Costs for product development totaling 9,191 (7,582) are included in the Group's administrative expenses. These amounts pertain to product development costs that could not be attributed to specific customer orders.

Note 6 Other income

Group	**2013**	2012
Impairment of goodwill	**–43,514**	–
Reversal of provisions pertaining to conditional additional purchase considerations	**50,849**	–
Additional purchase consideration paid	**–4,000**	–
Other impairment losses	**–1,307**	–
Total	**2,028**	0

Note 7 Profit from participations in associated companies

Group	**2013**	2012
Share of profit from:		
Hanil Precision Co Ltd	**1,053**	747
Irradose AB	**–**	130
Total	**1,053**	877

Note 8 Operating profit

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

Group	**2013**	2012
Plant and machinery	**57,338**	51,118
Equipment, tools, fixtures and fittings	**13,232**	12,698
Buildings	**11,020**	10,188
Land improvements	**232**	115
Other intangible assets	**4,849**	4,629
Total	**86,671**	78,748

In the Parent Company, equipment, tools, fixtures and fittings were depreciated by 26 (29).

Group	**2013**	2012
Costs distributed by type of cost		
Material costs	**1,310,899**	1,201,777
Costs for employee benefits (Note 1)	**851,108**	721,968
Development costs not charged to respective orders	**9,191**	7,582
Depreciation, amortization and impairment (Note 8, 13)	**86,671**	78,748
Costs for operational leasing (Note 9)	**47,611**	46,026
Other costs	**367,761**	352,240
Total	**2,673,241**	2,408,341

Note 9 Operational leasing

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

	Group		Parent Company	
	2013	2012	**2013**	2012
Leasing costs for the year	**47,611**	46,026	**1,891**	2,000
Future minimum leasing payments fall due as follows:				
Within one year	**42,635**	40,811	**2,121**	2,007
After more than one year, but within five years	**94,634**	90,325	**4,282**	2,129
After more than five years	**34,500**	8,236	**–**	–
Total	**171,769**	139,372	**6,403**	4,136

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

Note 10 Income from participations in Group companies

Parent Company	**2013**	2012
Anticipated dividend from:		
Beijer Tech AB	**30,000**	–
Habia Cable AB	**63,000**	35,900
Lesjöfors AB	**116,000**	110,000
Aihuk AB	**–**	15,100
Total	**209,000**	161,000

Note 11 Tax on net profit for the year

	Group		Parent Company	
	2013	2012	**2013**	2012
Current tax for the period	**–97,210**	–95,341	**–4,664**	–10,265
Temporary differences pertaining to:				
– untaxed reserves	**3 587**	–1,074	**–**	–
– provisions	**–2,556**	–2,037	**–**	–
Current tax attributable to earlier years	**534**	5,181	**45**	–
Total	**–95,645**	–93,271	**–4,619**	–10,265

Difference between tax expense and 22.0 or 26.3 percent tax	Group		Parent Company	
	2013	2012	**2013**	2012
Profit before tax	**384,681**	361,771	**225,896**	202,453
22 percent or 26.3 percent	**–84,630**	–95,146	**–49,697**	–53,245
Tax for the period	**–95,658**	–93,271	**–4,619**	–10,265
Difference	**–11,028**	1,875	**45,078**	42,980

Specification of difference	Group		Parent Company	
	2013	2012	**2013**	2012
Effect of:				
– tax attributable to earlier years	**534**	3,776	**45**	–
– foreign tax rates	**–3,493**	1,680	**–**	–
– non-deductible items	**–7,371**	–10,980	**–965**	–1,573
– forthcoming tax cut in Sweden	**–**	7,398	**–**	–
– non-taxable income	**1,968**	1,356	**45,983**	44,553
Foreign withholding tax	**–2,700**	–	**–**	–
Other	**34**	–1,355	**15**	–
Total	**–11,028**	1,875	**45,078**	42,980

The Group's weighted average tax rate was 24.9 percent (25.8).

Cash-flow hedges after tax are recognized in other comprehensive income. Tax revenues of 1,811 pertaining to cash-flow hedges were recognized in 2013 and tax revenues of 61 pertaining to cash-flow hedges were recognized in 2012. There are no other tax effects in other comprehensive income.

Note 12 Earnings per share

Group	**2013**	2012
Profit used for calculating earnings per share		
Net profit for the year attributable to Parent Company shareholders	**289,023**	268,500
Number of shares	**30,131,100**	30,131,100

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

Note 13 Goodwill

Group	2013	2012
Opening cost	**528,173**	384,047
Acquisitions[1)]	**23,313**	143,562
Reclassification	**–5,689**	–
Translation differences	**1,919**	564
Closing accumulated cost	**547,716**	528,173
Opening impairment	**14,411**	14,411
Impairment for the year	**43,514**	–
Closing accumulated impairment	**57,925**	14,411
Carrying amount	**489,791**	513,762

1) Group	2013	2012
Acquisition of Stumpp + Schüle	**–**	21,983
Acquisition of Norspray AS	**–**	108,579
Acquisition of assets and liabilities in Svetspunkten AB	**–**	12,000
Acquisition of assets and liabilities in VAI AB	**–**	1,000
Acquisition of Irradose AB	**229**	–
Acquisition of S&P Federnwerk	**16,953**	–
Acquisition of Centrum B	**4,492**	–
Acquisition of PMU Reparation & Smide AB	**1,478**	–
Acquisition of assets and liabilities in Laumb Jensen	**161**	–
Total	**23,313**	143,562

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

Group	2013	2012
Lesjöfors	**119,854**	98,242
Habia Cable	**51,517**	49,536
Beijer Tech	**318,420**	365,984
Total	**489,791**	513,762

Lesjöfors	2013	2012
European Springs Ltd	**44,910**	44,910
Velleuer GmbH & Co. KG	**22,440**	22,440
Lesjöfors Automotive AB	**4,732**	4,732
Stumpp + Schüle GmbH	**21,983**	21,983
Lesjöfors A/S	**4,357**	4,177
S&P Federnwerk	**16,940**	–
Centrum B	**4,492**	–
Total	**119,854**	98,242

Habia Cable		
Habia Kabel Produktions GmbH & Co. KG	**48,600**	46,848
Irradose AB	**229**	–
Habia Cable CS Technology AB	**2,688**	2,688
Total	**51,517**	49,536

Beijer Tech		
Beijer Tech AB	**146,341**	146,341
Lundgrens Sverige AB	**55,254**	58,051
Beijer Industri AB	**4,789**	15,233
Preben Z Jensen A/S	**21,698**	23,689
Norspray AS	**77,887**	112,312
Karlebo Gjuteriteknik AB	**10,836**	10,358
PMU AB	**1,478**	–
Beijer A/S	**137**	–
Total	**318,420**	365,984

The Group tests goodwill annually for impairment. These tests are based on a calculation of the value in use. The values are based on cash-flow forecasts, with the forecast for the first year based on the plans in each individual operating sector. For the subsequent four 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 rate of long-term inflation. Assumptions and forecasts were determined by management. The growth rate for the time after the forecast period is deemed to be 2 percent.

The budgeted operating margin was determined based on earlier results and expectations regarding future market trends.The following discount rates before tax have been applied:

%	2013	2012
Equity financing	**15**	15
Debt financing before tax	**5**	5
Weighted financing cost	**10**	10

According to the company's assessment, 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. Impairment losses totaling 43,514 were identified during the impairment testing conducted during the current year. These impairment losses pertain to three goodwill items in Beijer Tech, namely:

Preben Z Jensen	3,000
Svetspunkten	11,500
Norspray	29,014
Total	**43,514**

In all three cases, the market performance was weaker than previously anticipated, which meant that the assessment of the future growth rate was revised downward.

Note 14 Other intangible assets

Group	2013	2012
Opening cost	**31,413**	15,880
Purchases	**853**	14,376
Acquisitions of subsidiaries	**500**	1,157
Reclassification	**10**	–
Translation differences	**–15**	–
Closing accumulated cost	**32,761**	31,413
Opening amortization	**11,894**	7,265
Reclassification	**–8**	–
Amortization for the year	**4,887**	4,629
Translation differences	**–20**	–
Closing accumulated amortization	**16,753**	11,894
Opening impairment	**0**	0
Impairment for the year	**1,018**	–
Closing accumulated impairment	**1,018**	–
Carrying amount	**14,990**	19,519

Note 15 Land and land improvements

Group	2013	2012
Opening cost	**24,229**	19,063
Purchases	**1,147**	5,431
Acquisitions of subsidiaries	**4,836**	–
Translation differences	**953**	–265
Closing accumulated cost	**31,165**	24,229
Opening depreciation	**1,982**	1,863
Acquisitions of subsidiaries	**112**	–
Depreciation for the year	**233**	115
Translation differences	**–**	4
Closing accumulated depreciation	**2,327**	1,982
Opening impairment	**60**	60
Impairment for the year	**–**	–
Closing accumulated impairment	**60**	60
Carrying amount	**28,778**	22,187

Note 16 Buildings

Group	2013	2012
Opening cost	**307,095**	287,568
Purchases	**9,446**	1,387
Through acquisitions of subsidiaries	**19,051**	21,268
Translation differences	**3,689**	–3,128
Closing accumulated cost	**339,281**	307,095
Opening depreciation	**138,139**	129,574
Acquisitions of subsidiaries	**1,187**	–
Depreciation for the year	**11,019**	10,188
Translation differences	**2,307**	–1,623
Closing accumulated depreciation	**152,652**	138,139
Opening impairment	**961**	961
Carrying amount	**185,668**	167,995

Note 17 Plant and machinery

Group	2013	2012
Opening cost	**887,563**	837,022
Purchases	**106,125**	67,357
Sales and disposals	**–8,863**	–11,891
Through acquisitions of subsidiaries	**44,382**	12,136
Reclassification	**–7,179**	–494
Translation differences	**9,697**	–16,567
Closing accumulated cost	**1,031,725**	887,563
Opening depreciation	**572,277**	539,483
Sales and disposals	**–8,162**	–8,844
Acquisitions of subsidiaries	**23,235**	–
Reclassification	**–5,505**	–2,206
Depreciation for the year	**56,254**	51,102
Translation differences	**3,799**	–7,258
Closing accumulated depreciation	**641,898**	572,277
Opening impairment	**5,385**	5,385
Impairment for the year	**–**	–
Closing accumulated impairment	**5,385**	5,385
Carrying amount	**384,442**	309,901

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

Group	2013	2012
Cost	**14,700**	14,700
Remaining residual value	**5,536**	7,828

Future minimum leasing payments fall due as follows:

Group	2013	2012
Within one year	**2,466**	3,103
After more than one year, but within five years	**4,101**	6,108
After more than five years	**–**	–
Total	**6,567**	9,211

Note 18 Equipment, tools, fixtures and fittings

	Group		Parent Company	
	2013	2012	2013	2012
Opening cost	**122,707**	126,522	**2,627**	2,811
Purchases	**9,105**	5,370	**46**	–
Acquisitions of subsidiaries	**11,228**	6,099	**–**	–
Sales and disposals	**–4,912**	–14,404	**–213**	–184
Reclassification	**6,819**	–	**–**	–
Translation differences	**3,513**	–880	**–**	–
Closing accumulated cost	**148,460**	122,707	**2,460**	2,627
Opening depreciation	**84,252**	86,878	**1,627**	1,782
Acquisitions of subsidiaries	**4,443**	–	**–**	–
Sales and disposals	**–3,892**	–13,926	**–213**	–184
Reclassification	**5,827**	17	**–**	–
Depreciation for the year	**13,213**	12,698	**26**	29
Translation differences	**1,915**	–1,415	**–**	–
Closing accumulated depreciation	**105,758**	84,252	**1,440**	1,627
Opening impairment	**1,301**	1,304	**–**	–
Reclassification	**–**	–3	**–**	–
Translation differences	218	–	–	5
Closing accumulated impairment	**1,519**	1,301	**0**	0
Carrying amount	**41,183**	37,154	**1,020**	1,000

Note 19 Other securities

Parent Company	Corp. Reg. No.	Share of equity, %	Registered office	Carrying amount
Innoventus AB	556602-2728	11	Uppsala, Sweden	0
Innoventus Life Science 1 KB	969677-8530	8	Uppsala, Sweden	0

		Group		Parent Company
	2013	2012	**2013**	2012
Opening cost	**30,138**	30,265	**25,139**	25,176
Sales	**–102**	–127	**–102**	–37
Purchases	**–**	–	**–**	–
Closing accumulated cost	**30,036**	30,138	**25,037**	25,139
Opening impairment	**28,372**	24,772	**23,373**	19,773
Impairment for the year	**1,664**	3,600	**1,664**	3,600
Closing accumulated impairment	**30,036**	28,372	**25,037**	23,373
Carrying amount	**0**	1,766	**0**	1,766

Note 20 Participations in associated companies

Group	Corp. Reg. No.	Share of equity, %	Registered office	**Carrying amount 2013**	Carrying amount 2012
Hanil Precision Co Ltd		20	Pusan, South Korea	**17,354**	16,295
Irradose AB	556721-1858	–	Tierp, Sweden	**–**	811
Total				**17,354**	17,106

Irradose AB became a wholly owned subsidiary of Habia in 2013. Hanil Precision Co Ltd is a South Korean gas-spring manufacturer with revenues of approximately MSEK 105 and an operating margin of 6 percent. In 2013, Lesjöfors purchased gas springs from Hanil for MSEK 11 (16). These purchases were conducted on commercial terms.

Group	**2013**	2012
Opening value	**17,106**	16,144
Share in profit after tax	**1,053**	877
Reclassification	**–811**	–
Translation differences	**6**	–
Reversal of impairment loss	**–**	85
Carrying amount	**17,354**	17,106

Group's share as of December 31, 2013 (MSEK)	Assets	Liabilities	Income	Carrying amount
Hanil Precision Co Ltd	12.6	4.4	–	1.1

Note 21 Participations in Group companies

Parent Company	Corp. Reg. No.	Number	Registered companies	Carrying amount	Adjusted shareholder's equity
Lesjöfors AB	556001-3251	603,500	Karlstad	100,000	847,242 1)
Habia Cable AB	556050-3426	500,000	Täby	95,576	301,004 2)
Beijer Tech AB	556650-8320	50,000	Malmö	333,324	221,637 3)
AIHUK AB	556218-4126	9,000	Uppsala	289	1,196
AB Stafsjö Bruk	556551-9005	1,000	Uppsala	185	179
Shipping & Aviation Sweden AB	556500-0535	10,000	Uppsala	977	1,394
Beijer Alma Utvecklings AB	556230-9608	145,000	Uppsala	1,847	2,082
Total				**532 198**	

1) Before anticipated dividend to the Parent Company in the amount of 116,000.
2) Before anticipated dividend to the Parent Company in the amount of 63,000.
3) Before anticipated dividend to the Parent Company in the amount of 30,000.
All companies are wholly owned.

Parent Company	2013	2012
Opening cost	**526,366**	526,366
Closing cost	**526,366**	526,366
Opening write-ups	**8,218**	–
Write-ups for the year	**–**	8,218
Closing write-ups	**8,218**	8,218
Opening impairment	**2,387**	2,364
Impairment for the year	**–**	23
Closing impairment	**2,387**	2,387
Carrying amount	**532,197**	532,197

Subsidiary shareholdings in Group companies	Corp. Reg. No.	Percentage stake	Registered office	Carrying amount
Lesjöfors Fjädrar AB	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	6,000
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	44,693
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	Moscow, Russia	6,460
European Springs & Pressings Ltd		100	Beckenham, UK	56,353
Harris Springs Ltd		100	Reading, UK	2,455
Velleuer GmbH & Co. KG		100	Velbert, Germany	44,247
Stumpp + Schüle GmbH		100	Beuren, Germany	60,631
Lesjöfors Deutschland GmbH		100	Velbert, Germany	33,584
Centrum B		100	Myjava, Slovakia	10,755
Habia Cable CS Technology AB	556633-2473	100	Lidingö, Sweden	9,218
Irradose AB	556721-1417	100	Tierp, Sweden	1,417
Habia Benelux BV		100	Breda, Netherlands	1,020
Habia Cable Asia Ltd		100	Hong Kong, 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
BCB Baltic AB	556649-7540	100	Stockholm, Sweden	422
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
Preben Z Jensen A/S		100	Hedehusene, Denmark	35,683
Karlebo Gjuteriteknik AB	556342-0651	100	Sollentuna, Sweden	14,492
Norspray AS		100	Stavanger, Norway	95,076

Note 22 Inventories

Group	2013	2012
Raw materials	**168,919**	158,636
Products in progress	**54,119**	42,264
Finished goods	**318,132**	315,171
Total	**541,170**	516,071

Value of the portion of inventories measured at net selling price:

Group	2013	2012
Raw materials	**6,402**	4,456
Products in progress	**2,855**	615
Finished goods	**31,819**	18,692
Total	**41,076**	23,763

Difference between cost and net selling price:

Group	2013	2012
Raw materials	**7,681**	4,671
Products in progress	**2,659**	629
Finished goods	**12,528**	10,216
Total	**22,868**	15,516

The expenditure for inventories was expensed as a part of the cost of goods sold and amounted to 1,310,899 (1,201,777).

Note 23 Accounts receivable

Group	2013	2012
Total outstanding accounts receivable	**511,169**	471,842
Provisions for doubtful receivables	**–16,557**	–13,553
Carrying amount	**494,612**	458,289

Group	2013	2012
Past due amounts	**105,366**	103,008
of which, past due by more than 30 days	**21,854**	33,876
of which, past due by more than 90 days	**8,692**	9,216
Provisions for doubtful receivables	**16,557**	13,553

On December 31, 2013, a total of 5,297 in accounts receivable, or which there existed no provision for doubtful receivables, was more than 30 days past due.

Provisions for doubtful receivables

Group	2013	2012
Opening balance	**13,553**	10,206
Provisions for the year	**5,066**	4,945
Reversal of earlier provisions	**–1,593**	–841
Write-offs of receivables	**–469**	–757
Closing balance	**16,557**	13,553

Historically, the Group has had a low level of bad debt losses. The risk spread across companies, industries and geographic markets is favorable. No individual customer has a significant impairment requirement. According to the Group's assessment, the provision for doubtful receivables will adequately cover any future impairment requirements.

The maximum exposure to credit risk for accounts receivable amounted to 494,612 (458,289). The fair value corresponds with the carrying amount.

Note 24 Other receivables

	Group		Parent Company	
	2013	2012	**2013**	2012
Value-added tax	**8,092**	4,498	**–**	–
Advance payments to suppliers	**10,816**	4,854	**–**	–
Other	**21,885**	23,491	**17**	53
Total	**40,793**	32,843	**17**	53

Note 25 Prepaid expenses and accrued income

	Group		Parent Company	
	2013	2012	**2013**	2012
Leasing and rental fees	**6,733**	5,985	**563**	493
Accrued interest income	**806**	–	**–**	–
Prepaid expenses	**7,487**	7,527	**557**	626
Derivative instruments	**–**	4,519	**–**	–
Accrued commission	**2,922**	5,096	**–**	–
Other	**7,269**	5,628	**–**	–
Total	**25,217**	28,755	**1,120**	1,119

Note 26 Cash and cash equivalents

	Group		Parent Company	
	2013	2012	**2013**	2012
Cash and bank balances	**253,786**	239,515	**41,124**	40,019
Total	**253,786**	239,515	**41,124**	40,019

Note 27 Shareholders' equity

Group	Translation reserve	Hedging reserves	Total
December 31, 2011	–17,980	2,960	–15,020
Change in value of hedging reserve	–	504	504
Tax thereon	–	61	61
Translation difference	–21,577	–	–21,577
December 31, 2012	–39,557	3,525	–36,032
Change in value of hedging reserve	–	–8,240	–8,240
Tax thereon	–	1,811	1,811
Translation difference	19,678	–	19,678
December 31, 2013	**–19,879**	**–2,904**	**–22,783**

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

	Shares		Votes
Class A shares	3,330,000	at 10 votes	33,300,000
Class B shares	26,801,100	at 1 vote	26,801,100
Total	**30,131,100**		**60,101,100**

The quotient value is SEK 4.17 per share. All shares are paid in full.

Share capital trend

Year		Increase in share capital, SEK 000s	Total share capital, SEK 000s	Increase in 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

The 2013 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.

Note 28 Provisions

In conjunction with the completion of corporate acquisitions, provisions were made for expected future additional purchase considerations. These are contingent on the future earnings performance of the acquired companies. In all cases, the purchases were made in the Beijer Tech Group.

Acquired company/assets and liabilities	2013	2012
Acquisition of assets and liabilities in VA Industriugnar AB	500	1,000
Acquisition of assets and liabilities in Svetspunkten AB	328	12,000
Norspray AS	64,584	93,131
Karlebo Gjuteriteknik AB	–	10,292
Total	**65,412**	116,423

For a specification of the changes during the year, refer to Notes 6 and 13.

Note 29 Deferred tax

Deferred tax liabilities	2013	2012	
Temporary differences pertaining to:			
– loss carryforwards	20,784	14,064	Recognized in profit or loss
– forward agreements	817	–	Recognized in other comprehensive income
– provisions for intra-Group profit	–	1,111	Recognized in profit or loss
Other	2,253	531	Recognized in profit or loss
Total	**23,854**	15,706	

Opening value	15,706	17,289
Acquisitions of subsidiaries	6,189	–
Decreased provision	–	–2,037
Increased provision	1,959	454
Total	**23,854**	15,706

Uppskjuten skatteskuld	2013	2012	
Temporary liabilities pertaining to:			
– untaxed reserves	45,373	47,121	Recognized in profit or loss
– excess depreciation	5,259	5,632	Recognized in profit or loss
– hedge accounting	–	994	Recognized in other comprehensive income
Total	**50,632**	53,747	

Opening value	53,747	48,058
Increased provision	–	6,213
Reversal	–3,115	–524
Closing value	**50,632**	53,747

Note 30 Pension obligations

Group	2013	2012
Opening value	1,859	664
Decreased provision	–24	–
Increased provision	46	1,195
Closing value	**1,881**	1,859

Note 31 Financial instruments

FINANCIAL RISK MANAGEMENT

The Beijer Alma Group is exposed to various financial risks in its operations. The Board of Directors establishes Group-wide instructions, guidelines and policies that form the basis for the management of these risks at various levels in the Group. The goal 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. 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

Lesjöfors and Habia Cable conduct 85 percent of their sales outside Sweden, while slightly more than 50 percent of their manufacturing takes place in Sweden. This means that a large portion of the Group's income is in foreign currencies, while the majority of its expenses, particularly personnel costs, are in SEK. To a certain extent, part of this currency risk is managed by purchasing input materials and machinery in currencies other than SEK. However, the manufacturing companies' income in certain foreign currencies still exceeds its expenses, and due to this lack of balance, the Group is exposed to currency risks.

For Beijer Tech, the situation is the opposite. Sweden accounts for 73 percent of sales and the remaining 27 percent is sold in the other Nordic countries. Its suppliers are often foreign. As a trading company, Beijer Tech has a smaller proportion of personnel costs than the Group's manufacturing companies. Combined, this means that Beijer Tech's expenses exceed its income in foreign currencies, primarily EUR. The company has currency clauses in many of its major customer agreements, which eliminate a substantial portion of Beijer Tech's currency exposure.

Despite various areas of the Group having reverse currency exposures, the Group as a whole is exposed to currency risks. Changes in exchange rates impact the Group's earnings, balance sheet, cash flow and, ultimately, its competitiveness.

Net exposure in currencies translated to MSEK (net exposure refers to income less expenses)

2013	USD	EUR	DKK	NOK	GBP	RMB	JPY	HKD	KRW	PLN	Total
Lesjöfors	5.8	111.6	12.3	27.4	109.1	–	–	–	–	–	266.2
Habia Cable	27.8	94.2	–	4.5	25.3	–14.1	2.9	–2.9	9.5	13.2	160.4
Beijer Tech	–3.0	–105.0	18.0	27.0	–23.0	–	–	–	–	–	–86.0
Total	**30.6**	**100.8**	**30.3**	**58.9**	**111.4**	**–14.1**	**2.9**	**–2.9**	**9.5**	**13.2**	**340.6**

2012	USD	EUR	DKK	NOK	GBP	RMB	JPY	HKD	KRW	PLN	Total
Lesjöfors	4.0	69.3	6.8	30.6	101.8	–	–	–	–	–	212.5
Habia Cable	38.0	74.8	–	5.3	35.6	–28.2	5.7	–4.6	21.2	–3.9	143.9
Beijer Tech	–6.1	–93.0	17.1	28.9	–22.1	–	–	–	–	–	–75.2
Total	**35.9**	**51.1**	**23.9**	**64.8**	**115.3**	**–28.2**	**5.7**	**–4.6**	**21.2**	**–3.9**	**281.2**

The objective of currency risk management is to minimize the short-term negative effects on the Group's earnings and financial position that arise due to exchange-rate fluctuations. Between 50 and 100 percent of the forecast net flow for the next six months, meaning the difference between income and expenses 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 hedging instrument used is forward agreements. Forward agreements are signed centrally in Lesjöfors and Habia Cable, each of which is responsible for their own net exposure. Forecast flows are not hedged in Beijer Tech. However, individual transactions may be hedged in certain cases.

The following table shows the Group's forward agreements on the balance-sheet date, translated to MSEK. All of the agreements fall due in 2014.

Group	December 31, 2013	December 31, 2012
USD	**12.0**	–
EUR	**213.8**	90.4
GBP	**124.6**	80.2
NOK	**21.4**	18.7
Total	**371.8**	189.3

IAS 39 has been applied since January 1, 2005. According to Beijer Alma's assessment, all derivative instruments meet the requirements for hedge accounting.

No hedges have been ineffective. No hedges were ineffective. Accordingly, changes in the fair value of the derivative instruments are recognized in other comprehensive income. At year-end 2013, there was a deficit in the value of the derivative instruments of MSEK 3.7, which decreased shareholders' equity, after deductions for deferred tax. On December 31, 2012, there was a surplus in the value of the agreements amounting to MSEK 4.5. Consolidated comprehensive income was adversely impacted in an amount of 6,429 (pos: 565) due to foreign exchange contracts.

Financial derivative instruments, such as currency forwards, are used when necessary. The Group has no other financial assets and liabilities measured at fair value. Fair value is based on observable market information from Nordea on the balance-sheet date and these instruments are thus included in level two 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 or GBP in relation to SEK has an impact of approximately MSEK 1 on earnings. Entering into forward agreements delays the earnings effect since a predominant proportion of the forecast flows for the following twelve-month period are covered by signed agreements. 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 the financial statements are consolidated and foreign currencies are translated to SEK. This exposure primarily affects the Group's shareholders' equity and is designated as a translation exposure. This type of exposure is not hedged.

Sensitivity analysis
Balance sheets maintained in EUR have the absolute largest translation exposure. A 1-percent change in EUR in relation to SEK has an impact of MSEK 3 on shareholders' equity in the Group.

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's 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 1,310 and comprised a large number of various input goods 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 income 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's assessment is 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 2013	Group 2012	Parent Company 2013	Parent Company 2012
Non-current liabilities				
Liabilities to credit institutions	**181,267**	151,459	**–**	–
Current liabilities				
Liabilities to credit institutions	**54,713**	38,768	**–**	–
Committed credit facilities	**110,123**	106,078	**–**	47,227
Total interest-bearing liabilities	**346,103**	296,305	**0**	47,227

Liabilities to credit institutions comprise some ten credits in various currencies and with different terms and conditions. The majority of interest-bearing liabilities are in SEK. The Group's interest-bearing liabilities in EUR correspond to MSEK 115. Other than this, the Group has no interest-bearing liabilities in any single currency corresponding to more than MSEK 10. The interest levels vary between 1.5 percent and 5.5 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 2013, net debt amounted to MSEK 92 (57). The level of cash and cash equivalents and indebtedness varied over the full year. The level of indebtedness is at its highest after the dividend is paid and then normally declines until the dividend is paid in the following year. 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 and a credit limit is set. This is intended to ensure that the credit limits reflect 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 bad debt losses has been low.

LIQUIDITY RISK

Cash and cash equivalents only include cash and bank balances. Of the total amount of MSEK 253.8 (239.5), 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 difficulties 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, meaning approximately MSEK 500. The Group's liquidity position at recent year-ends is shown in the table below. Another method of managing this risk is to maintain a strong financial position and favorable profitability, thereby making the company an attractive customer for loans.

Available liquidity	Group 2013	Group 2012	Parent Company 2013	Parent Company 2012
Cash funds	**253,786**	239,515	**41,124**	40,019
Approved credit facilities	**571,114**	492,103	**–**	175,000
Unutilized portion of credit facilities	**–110,123**	–106,078	**–**	–47,227
Available liquidity	**714,777**	**625,540**	**41,124**	**167,792**

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

Group	Less than 1 year	1 to 5 years	More than 5 years
December 31, 2013			
Borrowing	168,133	183,612	24,683
Liabilities for financial leasing	2,515	4,613	–
Accounts payable and other liabilities	185,967	4,613	–
Total	**356,615**	**188,225**	**24,683**

Group	Less than 1 year	1 to 5 years	More than 5 years
December 31, 2012			
Borrowing	147,443	135,647	28,446
Liabilities for financial leasing	3,165	6,719	–
Accounts payable and other liabilities	178,706	–	–
Total	**329,314**	**142,366**	**28,446**

At year-end 2013, foreign exchange contracts totaling MSEK 358.8 (189.3) had a maturity period of less than one year.

Capital risk

The Group's goal in terms of its capital structure is to guarantee its ability to continue 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 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	2013	2012
Interest-bearing liabilities	**346,103**	296,305
Cash and cash equivalents	**–253,786**	–239,515
Net debt	**92,317**	56,790
Shareholders' equity	**1,610,860**	1,519,506
Net debt/equity ratio, %	**5.7**	3.7

Financial instruments by category in the Group

The accounting policies for financial instruments were applied as follows:

December 31, 2013	Loans and receivables	Derivatives used for hedging purposes	Available for sale	Total
Assets in the balance sheet				
Other long-term receivables	6,410			6,410
Other securities				0
Derivative instruments (included in prepaid expenses)				0
Accounts receivable and other eceivables	494,612			494,612
Cash and cash equivalents	253,786			253,786
Total	**754,808**	**0**	**0**	**754,808**

December 31, 2013	Derivatives used for hedging purposes	Other financial liabilities	Total
Liabilities in the balance sheet			
Liabilities to credit institutions		235,980	235,980
Committed credit facilities		110,123	110,123
Derivative instruments (included in deferred income)	3,721		3,721
Accounts payable		185,967	185,967
Total	**3,721**	**532,070**	**535,791**

December 31, 2012	Loans and receivables	Derivatives used for hedging purposes	Available for sale	Total
Assets in the balance sheet				
Other long-term receivables	6,563			6,563
Other securities			1,766	1,766
Derivative instruments (included in prepaid expenses)		4,519		4,519
Accounts receivable and other receivables	458,289			458,289
Cash and cash equivalents	239,515			239,515
Total	**704,367**	**4,519**	**1,766**	**710,652**

December 31, 2012	Derivatives used for hedging purposes	Other financial liabilities	Total
Liabilities in the balance sheet			
Liabilities to credit institutions		190,227	190,227
Committed credit facilities		106,078	106,078
Accounts payable		178,706	178,706
Total	**0**	**475,011**	**475,011**

The Parent Company includes cash and cash equivalents amounting to 41,124 (40,019) in the category "Loans and receivables", other securities totaling 0 (1,766) in the category "Available for sale", and committed credit facilities amounting to 0 (47,227) and accounts payable totaling 1,141 (990) in the category "Other financial liabilities".

Note 32 Accrued expenses and deferred income

	Group		Parent Company	
	2013	2012	**2013**	2012
Accrued personnel costs	**114,849**	113,514	**10,924**	10,100
Accrued interest	**365**	95	**–**	–
Deferred income	**3,861**	9,241	**10**	–
Derivative instruments	**3,721**			
Other	**75,233**	56,906	**828**	176
Total	**198,029**	**179,756**	**11,762**	10,276

Note 33 Other current liabilities

	Group		Parent Company	
	2013	2012	**2013**	2012
Personnel tax	**16,308**	15,362	**416**	404
Value-added tax	**20,748**	16,245	**231**	113
Advance payments from customers	**2,408**	1,532	**–**	–
Other	**35,567**	12,679	**–**	21
Total	**75,031**	45,818	**647**	538

Note 34 Pledged assets

	Group		Parent Company	
	2013	2012	**2013**	2012
Floating charges	**176,408**	176,249	**–**	–
Real estate mortgages	**59,913**	58,879	**–**	–
Shares	**42,140**	39,047	**13,381**	13,381
Machinery used in accordance with financial leasing agreements	**5,536**	7,828	**–**	–
Total	**283,997**	282,003	**13,381**	13,381

Note 35 Contingent liabilities and commitments

The Group has contingent liabilities pertaining to guarantees and undertakings that arise during the normal course of business. No significant liabilities are expected to arise due to these contingent liabilities. During the normal course of business, the Group and the Parent Company entered into the following commitments/contingent liabilities:

	Group		Parent Company	
	2013	2012	**2013**	2012
Guarantees	3,791	2,948	–	–
Total	**3,791**	2,948	**0**	0

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

Note 36 Net interest paid and other financial items

	Group		Parent Company	
	2013	2012	**2013**	2012
Dividend received	**–**	–	**277,606**	255,000
Interest received	**2,113**	3,157	**1,782**	2,535
Interest paid	**–11,971**	–9,997	**–1,057**	–1,986
Total	**–9,858**	–6,840	**278,331**	255,549

Note 37 Items not affecting cash flow

	Group		Parent Company	
	2013	2012	**2013**	2012
Depreciation and amortization	**86,671**	78,748	**26**	29
Impairment of shares	**1,766**	–	**–**	–
Profit/loss from associated companies	**–1,053**	–877	**–**	–
Total	**87,384**	77,871	**26**	29

Note 38 Corporate aquisitions

2013

PMU Reparation & Smide AB

Beijer Tech acquired 100 percent of the shares in PMU Reparation & Smide AB. The company, which specializes in installation and service for heavy industry, has 14 employees and revenues of MSEK 18. This acquisition enabled Beijer Tech to strengthen its customer offering in heavy industry. The company was consolidated as of January 1, 2013.

Acquisition calculation

Purchase consideration measured at fair value (of which, MSEK 2 paid in cash)	MSEK 3.0
Acquired net assets measured at fair value	MSEK 1.9
Cash and cash equivalents	MSEK 0.1
Goodwill	MSEK 1.1

Goodwill was attributable to synergy effects within Beijer Tech and to inseparable customer relationships. All of the acquired receivables totaling MSEK 4.3 are expected to be received as a result of balance guarantees in the purchase agreement. No acquisition costs have been recognized.

Since the acquisition, PMU has contributed MSEK 19.8 to Group invoicing and MSEK 0.2 to operating profit.

S&P Federnwerk GmbH & Co KG

Lesjöfors acquired 100 percent of the German spring manufacturer S&P Federnwerk GmbH & Co KG. The company generates revenues of about MSEK 140, of which the German market accounts for 60 percent and exports for 40 percent. The company's largest customer group is manufacturers of agricultural machinery. S&P has 70 employees.

Acquisition calculation

Purchase consideration measured at fair value paid in cash	MSEK 64.6
Acquired net assets measured at fair value	MSEK 51.0
Cash and cash equivalents	MSEK 8.0
Goodwill	MSEK 13.6

The acquisition calculation identified surpluses of MSEK 4.2 in buildings and MSEK 10.8 in machinery. Deferred tax of MSEK 3.3 was recognized for these surpluses.

Goodwill was attributable to synergy effects within Lesjöfors and to inseparable customer relationships. All of the acquired receivables totaling MSEK 21.2 are expected to be received as a result of balance guarantees in the purchase agreement. No acquisition costs have been recognized.

The company was consolidated as of April 2013. Since the acquisition, S&P has contributed MSEK 95 to Group invoicing and MSEK 0.8 to operating profit. The operations relocated to new premises during the autumn, which resulted in additional expenses. For full-year 2013, the company reported invoicing of MSEK 138.2 and operating profit of MSEK 3.4.

Centrum B

Lesjöfors acquired 100 percent of the Slovakian spring manufacturer Centrum B, with a transfer date on June 1, 2013. The company, which generates revenues of about MSEK 13 and has 25 employees, manufactures wire springs and wire strip components for customers in Germany, the Czech Republic and Slovakia.

Acquisition calculation

Purchase consideration measured at fair value paid in cash	MSEK 8.6
Acquired net assets measured at fair value	MSEK 4.6
Goodwill	MSEK 4.0

The acquisition calculation identified surpluses of MSEK 0.4 in buildings and MSEK 1.7 in machinery. Deferred tax of MSEK 0.4 was recognized for these surpluses.

Goodwill was attributable to synergy effects within the Lesjöfors Group and to inseparable customer relationships. Receivables totaling MSEK 1.6 are expected to be received as a result of balance guarantees in the purchase agreement. No acquisition costs have been recognized.

Since the acquisition, the company has contributed MSEK 7.2 to invoicing and MSEK 1.1 to operating profit. For full-year 2013, Centrum B reported invoicing of MSEK 10.6 and operating profit of MSEK 1.8.

Beijer Tech conducted two minor acquisitions of assets and liabilities during the year. These acquisitions pertained to assets in Lubritek and Laumb Jenssen. The combined purchase consideration was MSEK 0.7 and goodwill amounted to MSEK 0.7. The acquisitions had a negligible impact on invoicing and profit.

Habia Cable acquired the remaining 51 percent of the shares in Irradose AB during the year. The purchase consideration was MSEK 0.9 and goodwill totaled MSEK 0.2. The acquisition had a negligible impact on invoicing and profit.

2012

Stumpp + Schüle

Lesjöfors acquired the German spring manufacturer Stumpp + Schüle GmbH. The company was consolidated as of June 1, 2012. Stumpp + Schüle has annual revenues of approximately MSEK 200 and 230 employees. The company is active in Beuren, outside Stuttgart, as well as in Nové Zámky in Slovakia through a wholly owned subsidiary. The company's customers operate in the engineering and automotive industry. Approximately 60 percent of its sales are conducted in Germany.

The acquisition strengthened Lesjöfors' market position in Germany, which is Europe's largest market for springs. The acquisition also provided Lesjöfors with access to low-cost production in Slovakia

Acquisition calculation

Purchase consideration (paid in cash)	MSEK 51.7
Acquired net assets measured at fair value	MSEK 29.7
Goodwill	MSEK 22.0

In conjunction with the acquisition, the company acquired a property and redeemed a loan to the previous owners. These items totaled MSEK 45.3. Goodwill, which was attributable to synergy effects within Lesjöfors and to inseparable customer relationships, was not deemed to be deductible. All of the acquired receivables of MSEK 24 are expected to be received as a result of balance guarantees in the purchase agreement. No acquisition costs have been recognized.

Following the acquisition, Stumpp + Schüle contributed MSEK 88.1 to Group invoicing and MSEK 4.0 to operating profit in 2012.

Norspray AS

Beijer Tech acquired the Norwegian company Norspray AS. The company has several establishments in Western Norway, and sells and leases equipment used for surface treatment. The company's customers are active in the gas and oil industry, as well as the shipbuilding and engineering industries. Norspray has annual revenues of approximately MSEK 57, favorable profitability and 15 employees. The transfer took place on September 1, 2012.

In accordance with the purchase agreement, 60 percent of the company's shares were initially acquired and the remaining 40 percent will be acquired following the close of 2015. The purchase consideration for the latter acquisition will be determined based on the company's earnings performance for the years 2013 to 2015. The total purchase consideration will amount to not less than MSEK 57 and not more than MSEK 123.8. A payment of MSEK 40 was made upon transfer.

Acquisition calculation (refer also to Note 13 and 28)

Purchase consideration (of which, MSEK 40 paid in cash and the remainder entered as a liability)	MSEK 123.8
Acquired net assets measured at fair value	MSEK 15.2
Goodwill	MSEK 108.6

Of the purchase consideration, MSEK 93.1 is conditional and dependent on the company's future earnings performance. In the acquisition calculation, MSEK 9.6 was attributable to customer relations that will be amortized over five years.

It should be noted that the final purchase consideration will be determined following the close of 2015.

Goodwill was attributable to synergy effects within Beijer Tech and to the company's high growth rate. The acquired goodwill was not deemed to be deductible. All of the acquired receivables, measured at a fair value of MSEK 26.6, are expected to be received as a result of balance guarantees in the purchase agreement. Acquisition costs of MSEK 1.1 were charged to net profit for the year.

In 2012, Norspray contributed MSEK 13.6 to Group invoicing and MSEK 1.9 to operating profit, excluding acquisition costs.

Assets and liabilities in Svetspunkten AB

Beijer Tech acquired the assets and liabilities of Svetspunkten AB on December 1, 2012. The company, which sells equipment and flux material for welding and cutting machines, generates annual revenues of MSEK 10.

Acquisition calculation

Purchase consideration (of which MSEK 4.2 paid in cash and the remainder entered as a liability)	MSEK 16.2
Acquired net assets measured at fair value	MSEK 4.2
Goodwill	MSEK 12.0

Of the purchase consideration, MSEK 12 is conditional on the company's future profit trend. In the acquisition analysis, MSEK 1.5 is attributable to supplier relations that will be amortized over three years. Goodwill was attributable to future synergy effects within sales, administration and logistics. The acquired goodwill was deemed to be deductible. MSEK 0.3 pertained to invoicing for the year and MSEK 0 to profit from the acquisition.

Assets and liabilities in VA Industriugnar AB

Beijer Tech acquired assets and liabilities in VA Industriugnar AB. The purchase consideration was MSEK 2.0, of which MSEK 1.0 was paid in cash and MSEK 1 entered as a liability. The acquired goodwill of MSEK 1.0 was deemed to be deductible. The acquisition had a negligible impact on revenues and profit for the year.

Note 39 Transactions with related parties

Besides the transactions specified in Note 1, no transactions were carried out with related parties in 2012 or 2013.

Note 40 Definitions

Capital employed
Total assets less non-interest-bearing liabilities.

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

Earnings per share
Earnings per share after tax.

Earnings per share after standard tax
Profit after net financial items less 22.0 percent tax, in relation to the number of shares outstanding.

Earnings per share after tax
Net profit less tax, in relation to the number of shares outstanding.

Earnings per share after tax, after dilution
Net profit less tax, in relation to the number of shares outstanding adjusted for potential shares giving rise to a dilution effect.

Earnings, profit
The terms earnings and profit refer to profit after net financial items unless otherwise stated.

Equity ratio
Shareholders' equity in relation to total assets.

Interest-coverage ratio
Profit after net financial items plus financial expenses, divided by financial expenses.

Net debt
Interest-bearing liabilities less interest-bearing assets.

Proportion of risk-bearing capital
The sum of shareholders' equity, deferred tax and minority interests, divided by total assets.

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

Return on shareholders' equity
Profit after net financial items less 22.0 percent tax, in relation to average shareholders' equity.

Shareholders' equity
Shareholders' equity attributable to Parent Company shareholders.

Note 41 Company information

General information

Beijer Alma AB (publ) (556229-7480) and its subsidiaries constitute an internationally active industrial group specializing in component manufacturing and industrial trading. The company is a public limited liability company with its registered office in Uppsala, Sweden. The address of the 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 14, 2014.

The balance sheet and income statement will be presented to the Annual General Meeting on March 27, 2014.

It is our opinion that the consolidated financial statements 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 report was prepared in accordance with generally accepted accounting principles in Sweden and give a true and fair 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 14, 2014

Beijer Alma AB (publ)

Anders Wall *Chairman of the Board*	Johan Wall *Deputy Chairman*	Carina Andersson *Director*	Marianne Brismar *Director*
Anders G. Carlberg *Director*	Peter Nilsson *Director*	Anders Ullberg *Director*	Bertil Persson *President and CEO*

Our Audit Report was submitted on February 14, 2014

Öhrlings PricewaterhouseCoopers AB

Leonard Daun
Authorized Public Accountant

Auditors' Report

To the annual meeting of the shareholders of Beijer Alma AB (publ), corporate registration number 556229-7480

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

We have audited the annual accounts and consolidated accounts of Beijer Alma AB (publ) for the year 2013. The annual accounts and consolidated accounts of the company are included in the printed version of this document on pages 42–76.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE PRESIDENT FOR THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

The Board of Directors and the President are responsible for the preparation and fair presentation of these annual accounts and consolidated accounts in accordance with International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act, and for such internal control as the Board of Directors and the President determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these annual accounts and consolidated accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts and consolidated accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the annual accounts and consolidated accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and the President, as well as evaluating the overall presentation of the annual accounts and consolidated accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINIONS

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the Parent Company as of December 31, 2013 and of its financial performance and its cash flows for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the Group as of December 31, 2013 and of their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act. The statutory Administration Report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the annual meeting of shareholders adopt the income statement and balance sheet for the Parent Company and the Group.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the proposed appropriations of the company's profit or loss and the administration of the Board of Directors and the President of Beijer Alma AB (publ) for the year 2013.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE PRESIDENT

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss, and the Board of Directors and the President are responsible for administration under the Companies Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion with reasonable assurance on the proposed appropriations of the company's profit or loss and on the administration based on our audit. We conducted the audit in accordance with generally accepted auditing standards in Sweden.

As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss, we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

As a basis for our opinion concerning discharge from liability, in addition to our audit of the annual accounts and consolidated accounts, we examined significant decisions, actions taken and circumstances of the company in order to determine whether any member of the Board of Directors or the President is liable to the company. We also examined whether any member of the Board of Directors 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 the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

OPINIONS

We recommend to the annual meeting of shareholders that the profit be appropriated 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

Uppsala, February 14, 2014
Öhrlings PricewaterhouseCoopers AB

Leonard Daun
Authorized Public Accountant

Board and management

BOARD

Anders Wall, *born 1931*
Chairman

Director since: 1992
Holding through companies and family: 3,513,120, of which 1,921,600 Class A shares. Additional holdings in affiliated 774,200 Class A shares and 3,283,270 Class B shares.
Education: Studies at the Stockholm School of Economics. Med Dr h.c., Econ Dr h.c., Consul General.
Chairman of: Beijerinvest AB, the Kjell and Märta Beijer Foundation, the Anders Wall Foundation, the Consul Th. C. Bergh Foundation, Svenskt Tenn AB, 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 1992.
Earlier directorships: Handelsbanken, Skandia, Industrivärden, Uddeholm, Billerud, Group Bruxelles Lambert, Pargesa and others.

Johan Wall, *born 1964*
Deputy Chairman

Deputy Director: 1997 to 2000
Director since: 2000
Holding: 3,000
Education: Master of Engineering from the Royal Institute of Technology in Stockholm, Visiting Scholar at Stanford University in the US. President of Beijerinvest AB.
Director of: The Crafoord Foundation, the Kjell and Märta Beijer Foundation, the Anders Wall Foundation, Uppsala University and others.
Earlier positions: President of Bisnode AB, President of Enea AB, President of Framfab AB and President of Netsolutions AB.

Carina Andersson, *born 1964*

Director since: 2011
Holding through companies and family: 2,000
Education: Master in Materials Sciencie from the Royal Institute of Technology in Stockholm.
Earlier positions: Sandvik Materials Technology AB, President of Ramnäs Bruk AB and Scana Ramnäs AB.
Has resided in China since 2011.

Marianne Brismar, *born 1961*

Director since: 2010
Holding: 10,000
Education: Pharmacist, Master of Business Administration from the University of Gothenburg School of Business, Economics and Law.
Chairman of: Wollenius Invest AB.
Director of: Concentric AB, Engelhardt AB, Newbody AB, Semcon AB and Creades AB.
Earlier positions: CEO of Atlet AB from 1995 to 2007.

Anders G. Carlberg, *born 1943*

Director since: 1997
Holding: 3,000
Education: Master of Business Administration.
Director of: Axel Johnson Inc., Sapa AB, SSAB, Mekonomen, Sweco AB, Investment AB Latour and others.
Earlier positions: President and CEO of Nobel Industrier, J.S. Saba and Axel Johnson International AB and Executive Vice President of SSAB.

Peter Nilsson, *born 1966*

Director since: 2008
Holding through companies and family: 3,000
Education: Master of Engineering from the Institute of Technology at Linköping University.
President and CEO of Trelleborg AB.
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, *born 1946*

Director since: 2007
Holding through companies and family: 15,000
Education: Master of Business Administration from the Stockholm School of Economics.
Chairman of: Boliden, BE Group, Diamorph, Eneqvist Consulting, Natur & Kultur and Studsvik.
Director of: Atlas Copco, Norex International, Valedo Partners and Åkers.
Chairman of the Swedish Financial Reporting Board.
Earlier positions: President and CEO of SSAB, Vice President and CFO of SSAB, CFO of Svenska Varv.

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
Education: Master of Business Administration from the Stockholm School of Economics.
Earlier positions: Head of Treasury at Investor AB, Director of Finance at Scania AB and Executive Vice President of LGP Telecom AB.

SENIOR MANAGEMENT

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

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
Leonard Daun, *born 1964*
Authorized Public Accountant
Auditor for Beijer Alma AB since 2013

Annual General Meeting

Beijer Alma invites all shareholders to participate in the Annual General Meeting, which will take place on Thursday, March 27, 2014, 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 Meeting must:

- be listed in Euroclear Sweden AB's shareholder register by Friday, March 21, 2014.
- notify the company of their intent to participate in the Meeting not later than Friday, March 21, 2014, preferably before 4:00 p.m.

Notification may be given 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 registration form attached to the year-end report, which also includes a power of attorney form.

Registration must include the shareholder's name, national identity number/corporate registration number, shareholding 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. Such registration must be completed not later than Friday, March 21, 2014, and should be requested well ahead of this date. Shareholders who wish to be accompanied by one or two advisors must provide notice of their intention to do so in the manner and time frame applicable for shareholders.

Entry cards

Entry cards entitling the holder to participate in the Annual General Meeting will be issued and are expected to be received by the shareholders not later than Wednesday, March 26, 2014. Shareholders who have not received their entry cards prior to 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 Tuesday, April 1, 2014. If the Annual General Meeting votes in accordance with this proposal, dividends are expected to be paid through Euroclear Sweden commencing Friday, April 4, 2014. The Board proposes that the Annual General Meeting approve an ordinary dividend of SEK 8.00 per share (7.00).

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 www.beijeralma.se. The Annual Report and interim reports are sent automatically to shareholders (unless investors specify that they do not wish to receive this information).

2014	
March 27	Annual General Meeting
April 29	Interim report January 1–March 31
August 14	Interim report April 1–June 30
October 23	Interim report July 1–September 30
2015	
February	Year-end report
March 19	Annual General Meeting

Online information

Current and up-to-date information is always available on 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

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President and CEO
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Jan Blomén

CFO
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e-mail jan.blomen@beijeralma.se

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" International expansion is critical for our companies. It enables future growth and increased earnings.

Bertil Persson
President and CEO

BEIJER • ALMA

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