



Substantial Growth in Order Intake and Increased Operating Profit

First Quarter

- Order intake was up by 17% to 325.3 MSEK (278.2)
- Net sales were 285.7 MSEK (292.0)
- Operating profit rose to 23.5 MSEK (21.1)
- Profit after tax was up 23% to 16.0 MSEK (13.0)
- Earnings per share increased to 2.51 SEK (1.97)
- High sales growth of self-developed products
- Several significant orders of Ethernet switches for the transportation sector
- Strategic collaboration with QSI Corporation on the sale of Beijer Electronics' products and technology in the USA

Interim Report, Beijer Electronics AB

Comments from Fredrik Jönsson, CEO

“The market recovery continued in the first quarter and we saw a clear improvement in demand on several markets. In the first quarter, order intake grew by 17%. Adjusted for negative currency effects, growth was 24% in local currency. Due to lead-times between order intake and sales, our order book was at its highest-ever level.

Sales were 286 MSEK in the quarter, down 2% year on year. Adjusted for currency effects, this corresponds to a 3% increase. The Automation market remained weak, while IDC and HMI Products especially had good sales growth in the first quarter. We were negatively affected by currency effects, but with clearly lower overhead levels, this meant that we were able to improve profits on the corresponding period of the previous year.

The HMI Products business area was the big positive of the period, with order intake gains of 35%—the business area’s best quarterly order intake to date, and it saw a big improvement in sales and profit in the period.

The IDC business area also achieved high order intake growth, and secured several major orders in the period.

We’re now concentrating more on consolidating the sales organization in IDC and HMI Products to utilize increased demand and strengthen our market position.

The Automation business area encountered a still-restrained market, due to factors including weak demand within major industrial investments. But our initiative addressing OEMs paid off, and three new customer contracts were secured in the quarter. We are also starting to witness a rally in ongoing sales to smaller projects and repeat customers.

We see big potential for continued growth in our proprietary technology segments of HMI Products and IDC. At present, our self-developed technologies and products represent some 70% of sales. To meet the demand for our products, we are further reinforcing our technology and development organizations.

High order intake in the quarter is indicative of a positive market trend. Beijer Electronics also went into the new year with far lower cost levels, which means that we have good prospects of being able to increase sales and profits for the full year 2010.”

Business Area Sales and Operating Profit

MSEK	Sales Quarter 1		Operating Profit Quarter 1	
	1003	0903	1003	0903
The Automation Business Area	116.4	137.0	4.5	6.3
The HMI Products Business Area	124.9	108.7	15.7	9.0
The IDC Business Area	66.5	64.1	5.8	5.5
Intra-group sales	-22.1	-17.7		
Group adjustments and depreciation			-2.6	0.3
Beijer Electronics Group	285.7	292.0	23.5	21.1

Market and Surrounding World

The industrial automation market continued to recover in the first quarter 2010. For Beijer Electronics, the first quarter 2009 was a relatively strong comparative quarter, while the upturn in the year primarily affected the group's order intake positively compared to the first and fourth quarters of 2009.

The demand for electronics components is rising, and there is still a risk of component shortages on the global market.

The Group in the First Quarter

The group's order intake was up 17% to 325.3 MSEK (278.2). In local currencies, order intake was up 24%. Compared to the fourth quarter, order intake was up 11%. HMI Products' order intake grew by 35% (45% in local currency) mainly driven by sustained high growth in Asia and the USA. IDC posted order intake growth of 33% (45% in local currency) with the primary growth driver being increased order intake in the UK, France and Germany.

Group sales were 285.7 MSEK (292.0). The first quarter 2009 was relatively strong because the company was not

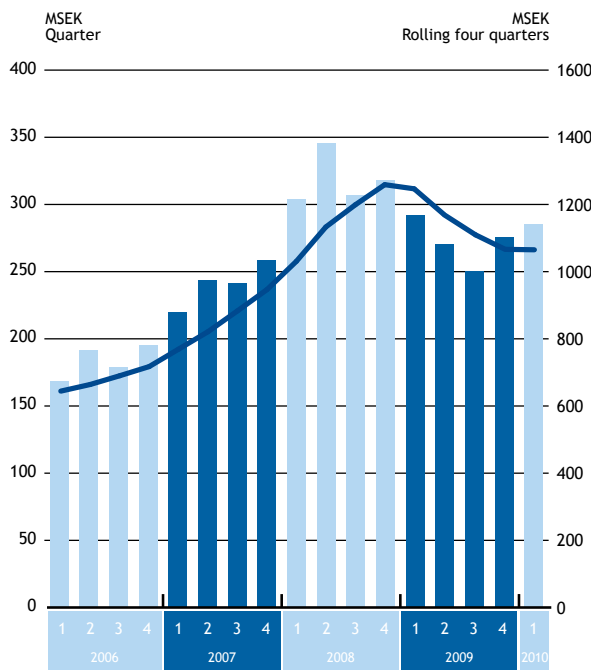
affected by the recession until the second quarter last year. Currency adjusted, sales were up by 3%. In IDC, growth was 4%, or 11% in local currency, with sales in Europe being the primary contributor to growth. HMI Products' sales grew by 15% in the quarter, equating to an increase of 22% in local currency, mainly due to high growth in Asia. Progress in several of the Nordic countries and Germany remains weak. The decline in Norway and Germany essentially relates to the marine sector.

Group operating profit rose by 11% to 23.5 MSEK (21.1) in the first quarter, equating to an operating margin of 8.2% (7.2). The improvement is explained by significantly lower overheads. Total development expenses, which relate to HMI Products and IDC, were 18.5 MSEK (17.8), corresponding to some 10% of their sales.

Group Profit before and after Tax

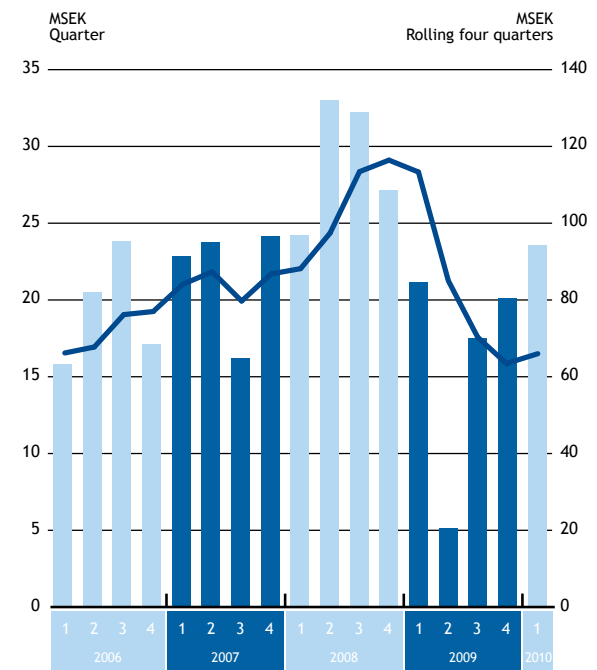
Group profit before tax rose by 21% to 22.2 MSEK (18.4). Net financial items were -1.3 MSEK (-2.8). Profit after tax was 16.0 MSEK (13.0). Earnings per share were 2.51 SEK (1.97).

Group Sales



▲ The bars and left-hand scale show quarterly sales. The blue curve and right-hand scale show rolling four quarter sales.

Group Operating Profit



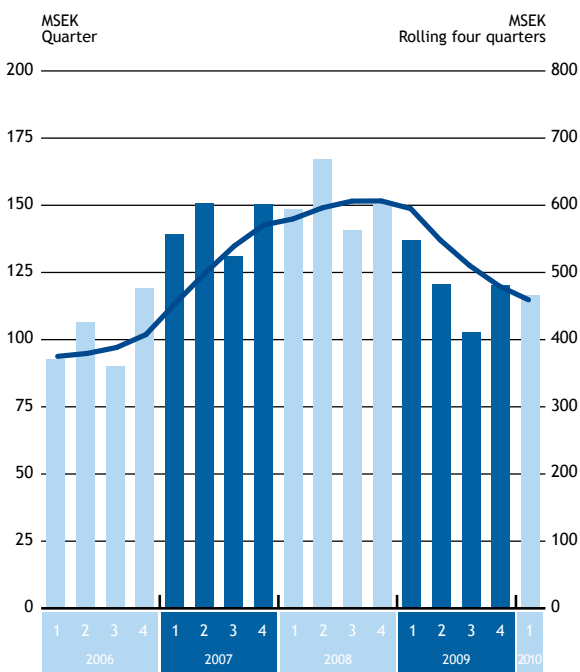
▲ The bars and left-hand scale show quarterly profit after depreciation. The curve and right-hand scale show rolling four quarter profit after depreciation.

The Automation Business Area

The wider automation market was still restrained in the Nordic region, although there were signs of a slow recovery in the first quarter. Declining demand on the Norwegian market relates to the downturn in the marine sector. Finland remained weak, while the Danish market performed positively, with increased order intake in the quarter.

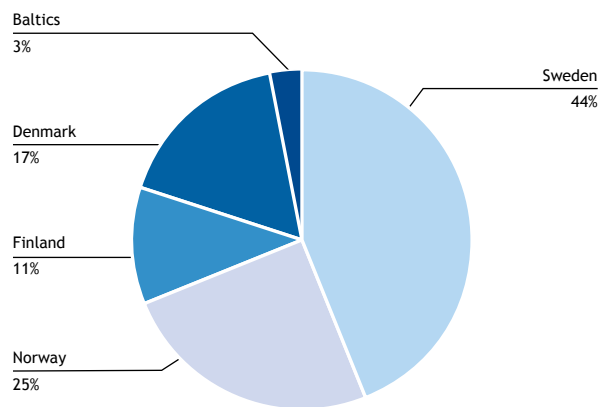
Business area order intake in the quarter was 121 MSEK (133), which is comparable with the fourth quarter 2009 and these operations are progressing as expected. Automation’s sales were down by 15% to 116.4 MSEK (137.0). Operating profit was 4.5 MSEK (6.3), equating to an operating margin of 3.9% (4.6).

Sales, Automation



▲ The bars and left-hand scale show quarterly sales. The curve and right-hand scale show rolling four quarter sales.

Sales by Geographical Market, Automation



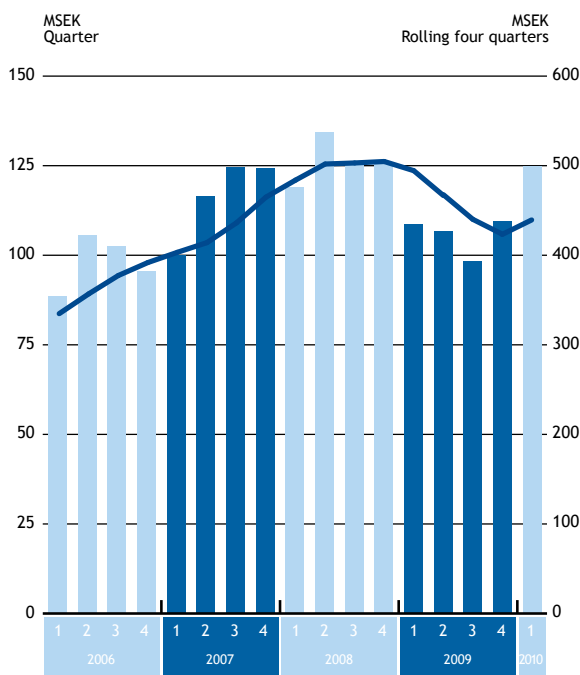
▲ Sales by geographical market for the first quarter 2010.

The HMI Products Business Area

The HMI products market was in high growth, especially in China and the rest of Asia. HMI Products also advanced its positioning on the OEM market, with successes including it winning two major new accounts. After the end of the period, the business area also secured a strategic collaboration agreement with QSI Corporation of the USA. QSI will be selling Beijer Electronics' products on the US market and using Beijer Electronics' new iX software platform in parts of its product range.

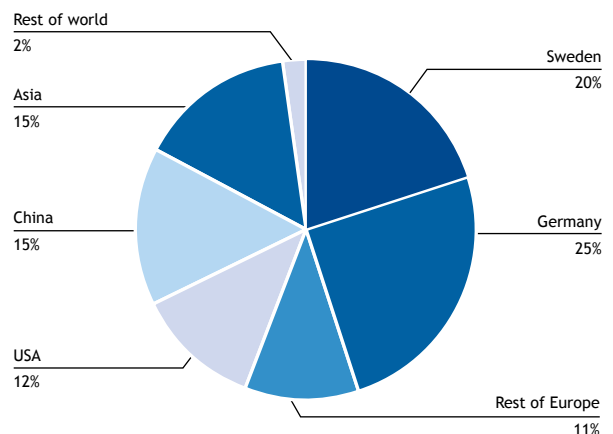
Business area order intake was up by 35% to 133.1 MSEK (98.7), which set a new record level in terms of order intake and order book. HMI Products' sales grew by 15% to 124.9 MSEK (108.7). Operating profit increased by 75% to 15.7 MSEK (9.0). Operating margin was 12.6% (8.3). The sharp improvements are explained by increased sales volumes, which are a consequence of an intensified sales strategy and lower overheads.

Sales, HMI Products



▲ The bars and left-hand scale show quarterly sales. The curve and right-hand scale show rolling four quarter sales.

Sales by Geographical Market, HMI Products



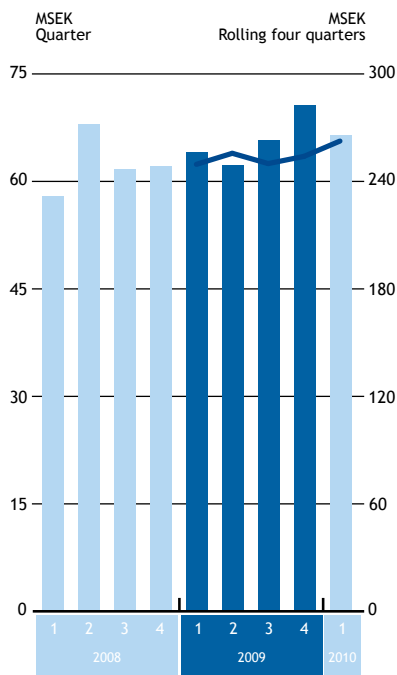
▲ Sales by geographical market for the first quarter 2010.

The Industrial Data Communication Business Area

The industrial data communication market sustained its positive progress. Progress was especially positive in the UK, France, Singapore and Spain. Markets were partly driven by investments in infrastructure projects, which are less cyclical. IDC secured a major order from Bombardier for Ethernet switches and a breakthrough order in Singapore from the transportation sector, plus orders from the Spanish solar energy sector.

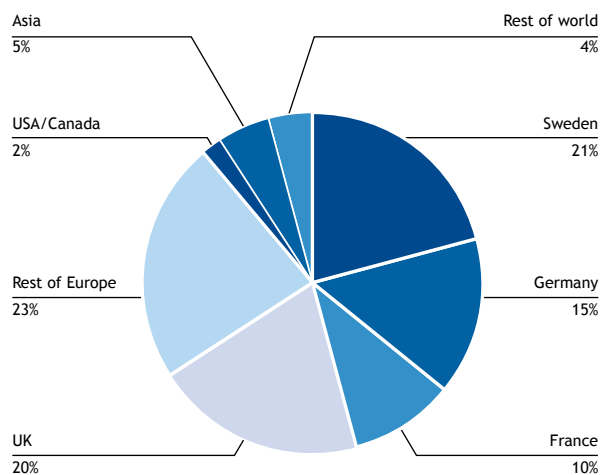
IDC achieved a high order intake, up 33% to 82.1 MSEK (61.9), the business area's best quarter to date. Business area sales were up 4% to 66.5 MSEK (64.1). Operating profit was 5.8 MSEK (5.5), equating to an operating margin of 8.7% (8.6). The improvement is due to somewhat higher volumes and lower overheads.

Sales, IDC



▲ The bars and left-hand scale show quarterly sales. The curve and right-hand scale show rolling four quarter sales.

Sales by Geographical Market, IDC



▲ Sales by geographical market for the first quarter 2010.

Other Financial Information

Group investments including capitalized development expenses were 8.1 MSEK (9.4). Cash flow from operating activities was 20.5 MSEK (20.6). Equity was 304.4 MSEK (321.0), excluding minority share as of March 31, 2010. Cash and cash equivalents were 119.8 MSEK (91.0) at the same date. Interest-bearing liabilities were 343.7 MSEK (403.9). The average number of employees was 517 (579).

Outlook for 2010

The recovery on the market and robust order intake in the first quarter, combined with lower overhead levels, means that Beijer Electronics expects to be able to increase sales and profits for the full year 2010.

Significant Events

In the period, Beijer Electronics secured its biggest single order yet for Ethernet switches from Bombardier, worth USD 1.5 m. This order is for a rail project for the Chicago Transit Authority, and involves deliveries for a total of 408 cars. Deliveries will be over the next two years.

After the end of the period, Beijer Electronics signed an agreement with QSI Corporation of the USA, for a strategic sales collaboration and on Beijer Electronics' new software platform, iX.

Risk Management

Beijer Electronics is exposed to a number of risks and uncertainty factors, which are reviewed in the Annual Report for 2009. No significant risks are judged to have arisen over and above those reviewed in the Annual Report.

Accounting Principles

This Interim Report has been prepared pursuant to IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The accounting principles applied are consistent with those used when preparing the latest Annual Report. This Report has not been subject to review by the company's Auditors.

Malmö, Sweden, April 26, 2010

Fredrik Jönsson
CEO and President

For more information, please contact:

*CEO and President Fredrik Jönsson at: +46 (0)40 35 86 10
or +46 (0)705 17 16 26 or CFO Lennart Mauritzson at:
+46 (0)40 35 86 53, +46 (0)705 52 05 57.*

Interim Report in Summary

Income Statement—Group

SEK 000	Quarter 1, 2010	Quarter 1, 2009	Full Year, 2009
Net turnover	285,718	292,048	1,088,451
Other operating revenue	-3,482	4,314	1,196
Operating expenses*	-258,708	-275,219	-1,025,836
Operating profit	23,528	21,143	63,811
Net financial items	-1,334	-2,777	-2,873
Profit before tax	22,194	18,366	60,938
Estimated tax	-6,210	-5,379	-20,758
Net profit	15,984	12,987	40,180
<i>Attributable to equity holders of the parent</i>	15,591	12,252	38,718
<i>Attributable to minority interest</i>	393	735	1,462
<i>Earnings per share, SEK</i>	2.51	1.97	6.22
<i>* Of which non-recurring items</i>			-7,500

Statement of Comprehensive Income

SEK 000	Quarter 1, 2010	Quarter 1, 2009	Full Year, 2009
Net profit	15,984	12,987	40,180
Translation differences	-6,417	13,522	-14,674
Comprehensive income	9,567	26,509	25,506
<i>Attributable to equity holders of the parent</i>	9,595	25,465	24,014
<i>Attributable to minority interest</i>	-28	1,044	1,492

Balance Sheet—Group

SEK 000	Mar 31, 2010	Mar 31, 2009	Dec 31, 2009
Assets			
Fixed assets	484,156	510,831	489,258
Current assets	328,953	388,652	313,781
Cash and cash equivalents and short-term investments	119,780	90,995	127,439
Total assets	932,889	990,478	930,478
Liabilities and equity			
Equity	304,351	320,975	294,756
Minority share of equity	15,028	16,310	15,056
Long-term liabilities	357,673	395,821	367,290
Current liabilities	255,837	257,372	253,376
Total liabilities and equity	932,889	990,478	930,478
<i>Of which interest-bearing liabilities</i>	343,672	403,929	352,377

Statement of Changes to Equity—Group

SEK 000	Mar 31, 2010	Mar 31, 2009	Dec 31, 2009
Attributable to equity holders of the parent			
Opening equity, 1 January	294,756	295,510	295,510
Other paid-in capital			118
Dividend			-24,886
Comprehensive income	9,595	25,465	24,014
Closing equity	304,351	320,975	294,756
Minority share of equity			
Opening equity, 1 January	15,056	15,266	15,266
Acquisitions			-540
Dividend			-1,162
Comprehensive income	-28	1,044	1,492
Closing equity	15,028	16,310	15,056

Key Figures

	Mar 31, 2010	Mar 31, 2009	Dec 31, 2009
Operating margin, %	8.2	7.2	5.9
Operating margin excl. non-recurring items			6.6
Profit margin, %	5.6	4.4	3.7
Equity ratio, %	34.2	34.1	33.3
Equity per share, SEK	48.92	51.59	47.38
Earnings per share, SEK	2.51	1.97	6.22
Earnings per share, rolling 12 months	6.76	11.55	6.22
Return on equity after tax, %	13.2	26.4	12.9
Return on capital employed, %	10.3	16.2	10.0
Return on net operating assets, %	11.1	19.0	10.8
<i>Average number of employees</i>	517	579	534
<i>Number of shares 6,221,488</i>			

Cash Flow Statement—Group

SEK 000	Mar 31, 2010	Mar 31, 2009	Dec 31, 2009
Cash flow from operating activities	20,454	20,621	83,659
Change in working capital	-7,757	10,021	89,798
Cash flow from investing activities	-7,985	-9,151	-27,754
Cash flow from financing activities	-9,984	-9,448	-65,722
Dividends paid			-26,048
Change in cash and cash equivalents	-5,272	12,043	53,933
Cash and cash equivalents and short-term investments, opening balance	127,439	74,076	74,076
Exchange rate change, cash and cash equivalents	-2,387	4,876	-570
Cash and cash equivalents and short-term investments, closing balance	119,780	90,995	127,439

Operating Segments

SEK 000	Quarter 1, 2010	Quarter 1, 2009	Full Year, 2009
Net turnover			
Automation	116,394	136,953	480,797
HMI Products	124,880	108,739	423,240
IDC	66,510	64,104	262,699
Elimination	-22,066	-17,748	-78,285
Group	285,718	292,048	1,088,451
Operating profit			
Automation	4,539	6,349	13,426
HMI Products	15,736	9,002	29,930
IDC	5,803	5,528	26,987
Other	-360	325	3,546
Elimination	-2,190	-61	-10,078
Group	23,528	21,143	63,811
<i>* Including non-recurring items amounting to</i>			-7,500
Net profit			
Automation	2,618	4,652	9,749
HMI Products	11,803	6,302	19,059
IDC	3,959	3,057	18,008
Other	-3,224	-1,086	48,749
Elimination	828	62	-55,385
Group	15,984	12,987	40,180
<i>Attributable to equity holders of the parent</i>	15,591	12,252	38,718
<i>Attributable to minority interest</i>	393	735	1,462

Income Statement—Parent Company

SEK 000	Quarter 1, 2010	Quarter 1, 2009	Full Year, 2009
Net turnover	13,004	12,202	49,893
Operating expenses	-13,364	-11,877	-46,347
Operating profit	-360	325	3,546
Net financial items	-4,014	-1,798	41,531*
Profit before tax	-4,374	-1,473	45,077
Appropriations			4,746
Estimated tax	1,150	387	-1,074
Net profit	-3,224	-1,086	48,749

* of which 46,584 is dividend from subsidiaries

Balance Sheet—Parent Company

SEK 000	Mar 31, 2010	Mar 31, 2009	Dec 31, 2009
Assets			
Fixed assets	422,078	429,742	424,004
Current assets	20,759	33,810	13,387
Cash equivalents and short-term investments	14,273	123	35,410
Total assets	457,110	463,675	472,801
Liabilities and equity			
Equity	58,424	36,581	61,648
Untaxed reserves	29,112	33,859	29,112
Long-term liabilities	292,647	299,001	301,682
Current liabilities	76,927	94,234	80,359
Total liabilities and equity	457,110	463,675	472,801
<i>Of which interest-bearing liabilities</i>	304,705	346,652	313,914

Beijer Electronics AB

Beijer Electronics is a fast-growing company with extensive experience of automation, developing and marketing competitive products and solutions with a focus on the user. Since start-up in 1981, Beijer Electronics has evolved into a multinational group with subsidiaries in 14 countries. The company is listed on NasdaqOMX Nordic Small Cap list under the ticker BELE.

More Information

You can subscribe for financial information on Beijer Electronics via e-mail. Subscribe easily at our website, www.beijerelectronics.se. If you have any questions about the Beijer Electronics group, please call +46 (0)40 35 84 96, or send an email: info@beijerelectronics.se.

Forthcoming Financial Information

August 17, 2010.....Six-month Interim Report
October 19, 2010.....Nine-month Interim Report

BEIJER ELECTRONICS AB (publ)

Box 426, SE-201 24 Malmö, Sweden Phone +46 (0)40 35 86 00, Fax +46 (0)40 93 23 01

E-mail info@beijerelectronics.se, VAT no. 556025-1851

www.beijerelectronics.se

Beijer
ELECTRONICS