

2007



JANUARY-DECEMBER

- Net sales up 31 per cent to SEK 963.8 m (735.0).
- Operating profit increased to SEK 86.9 m (77.2) including non-recurring expenses of SEK 5.3 m.
- Profit after tax: SEK 60.6 m (91.0 of which capital gain from a share sale was 37.4).
- Earnings per share were SEK 9.21 (14.51 of which capital gain from a share sale was 6.02).
- The Board is proposing dividends of SEK 4.00 (3.75). An extra dividend of SEK 2.00 was also paid in 2006.
- Fredrik Jönsson appointed as CEO and takes up position at the AGM 2008.
- Major strategic acquisition of Westermo on 1 January 2008, which forms a new business area within industrial data communications.



Financial Statement, Beijer Electronics AB

January 1 - December 31 2007

Comments from Göran Sigfridsson, our CEO

“The year 2007 was highly eventful with three strategic acquisitions. Obviously, this set huge challenges for the group, which is why I’m so delighted that we could make such a strong close to the year. It meant that Beijer Electronics was able to set new records in terms of sales and profits. Meanwhile, we’ve taken the group to a new level, laying a solid platform for continued profitable growth.

The acquisition of Westermo Teleindustri AB at the end of the year, which is active in industrial data communications, was the biggest highlight. Westermo is a very exciting niche player that fits well into Beijer Electronics’ future progress. This view has been reinforced during the company’s first month within Beijer Electronics. Westermo forms a new business area from year-end and I’m convinced that it will be a dynamic part of the group, with a creative exchange of business knowledge between our business areas.

The Automation business area’s entry to the Danish market and the acquisition of Brodersen of Denmark has been convincing. In just a year, we’ve achieved sales of over SEK 80 m in Denmark. This also contributed to the business area’s robust growth of 40 per cent. At the same time, we incurred costs for Brodersen’s start-up and integration. But despite this, Automation was able to lift profits. There’s work to be done but the business area’s long-term margin goal is well within reach.

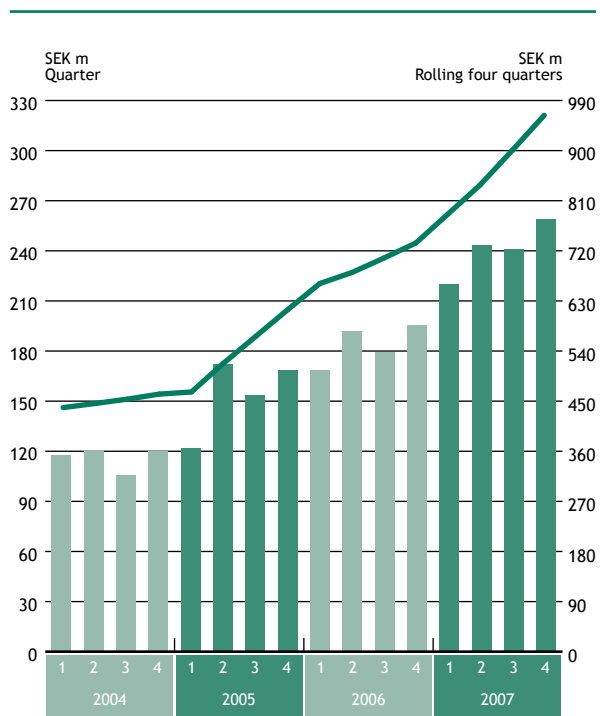
The HMI Products business area also passed a milestone when we acquired Elektronik-Systeme Lauer of Germany, and thus secured an excellent foothold on the biggest market in Europe – Germany. Lauer has a strong brand with first-class products in the higher-end segment. Integration is going as planned. Lauer also generated most of the business area’s growth in the year. While in the short term, the acquisition has reduced margins, HMI Products’ strong

close to the year meant the business area was still able to beat its margin target.”

Consolidated Revenues

The industrial automation market sustained its positive growth in the fourth quarter. However, demand on the American market slowed, and economic activity in Europe was somewhat lower, while growth in Asia was brisk. Beijer Electronics posted very strong growth in every quarter of 2007, increased sales on most of the geographical markets and segments where the group operates.

Group Invoicing



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

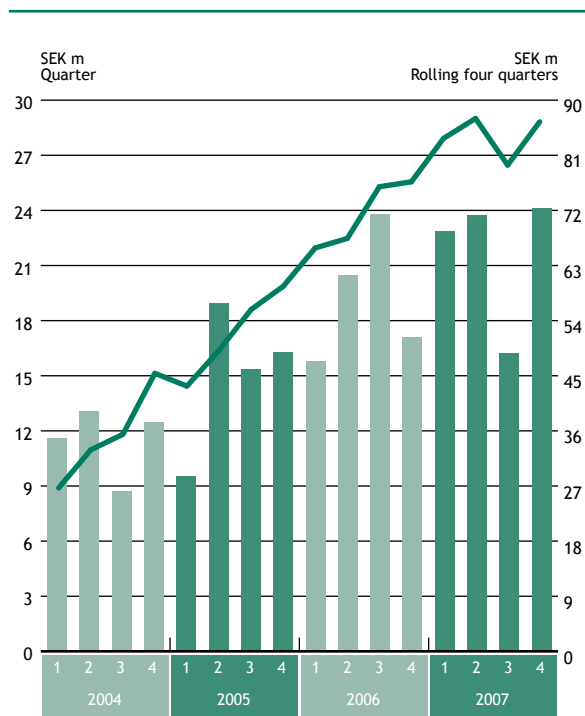


Beijer Electronics' consolidated revenues grew by 32 per cent to SEK 258.7 m (195.5) in the fourth quarter. In the full year, revenues grew by 31 per cent to SEK 963.8 m (735.0), with acquisitions representing much of this increase.

Sales in Sweden, the group's biggest single market, increased by 8 per cent in the full year. Positive progress in Norway continued, with sales increasing by 19 per cent in 2007. In Finland, sales grew sharply, mainly due to earlier acquisitions. The Danish market initiative has gone well, with sales on target. Sales in Europe outside the Nordic and Baltic regions grew by 66 per

cent, with acquisitions providing the majority. Asia overall traced slower growth in Swedish krona terms, due to a depreciated Taiwanese dollar, but the increase for the full year was 9 per cent nevertheless. North American sales in Swedish krona terms were affected by a weaker US dollar, which implied significantly lower sales. Sweden represented 29 per cent (36) of consolidated sales for the full year.

Group Operating Profit



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

Consolidated Operating Profit

Consolidated operating profit improved sharply in the final quarter, increasing by 41 per cent to SEK 24.1 m (17.2). Full-year profit grew by 13 per cent to SEK 86.9 m (77.2), corresponding to an operating margin of 9.0 per cent (10.5). Profit was reduced by SEK 5.3 m of non-recurring expenses relating to the acquisition of Lauer of Germany and SEK 2.6 m for the integration of Danish acquisition Brodersen. Currency effects exerted a SEK 1.6 m negative effect on operating profit.

Development expenditure, relating exclusively to the HMI Products business area, was SEK 42.8 m (40.8) for the full year. Capitalized development expenditure was SEK 10.9 m (10.9) and depreciation and amortization was SEK 6.6 m (5.5).

The Automation and HMI Products business areas both increased operating profit for the full year.

Consolidated Profit before and after Tax

Consolidated profit before tax was SEK 24.4 m (54.8) in the fourth quarter. Year-2006 profit included a SEK 37.4 m capital gain from the sale of 15 per cent of Beijer Electronics Automation AB. Full-year profit was SEK 84.6 m (113.1). Excluding the capital gain, profit was SEK 75.7 m in 2006. Profit after tax was SEK 18.7 m (49.9) in the fourth quarter and SEK 60.6 m (91.0) for the full year.

Business Area Turnover and Operating Profit

SEK m	Turnover Quarter 4		Operating Profit Quarter 4		Turnover 12 Months		Operating Profit 12 Months	
	2007	2006	2007	2006	2007	2006	2007	2006
Automation	150.3	119.1	6.8	7.8	571.3	408.6	34.1	27.3
HMI Products	124.4	95.7	16.3	9.1	465.4	392.5	58.3 ¹	53.0
Intra-group sales	-16.0	-19.3			-72.9	-66.1		
Non-recurring expenses			0.4				-5.3 ²	
Group adjustments			0.6	0.3			-0.2	-3.1
Group	258.7	195.5	24.1	17.2	963.8	735.0	86.9	77.2

1) Operating profit before non-recurring expenses, SEK 5,266,000.

2) Non-recurring expenses and provisions for restructuring the German operations of SEK 5,266,000.

Earnings per Share

Earnings per share were SEK 9.21 (14.51). Before the capital gain, earnings per share were SEK 8.49 in 2006.

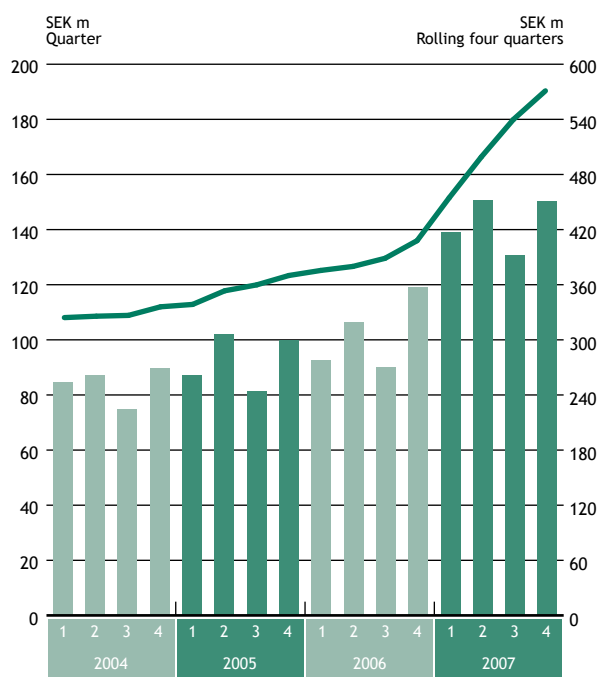
Dividends

The Board of Directors is proposing ordinary dividends of SEK 4.00 per share (3.75) for the financial year 2007. Dividends for 2006 also included an extra dividend of SEK 2.00 per share.

The Automation Business Area

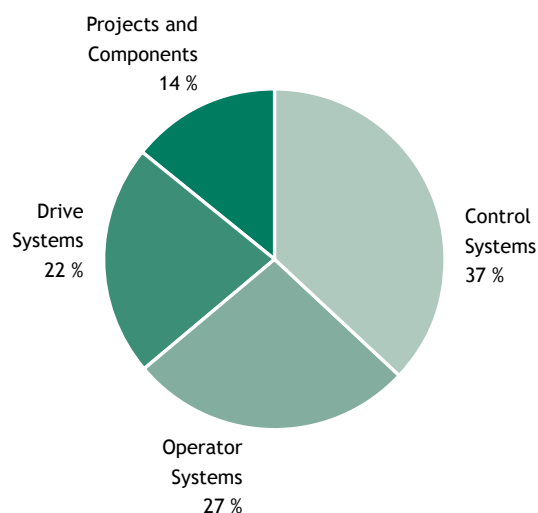
The Automation business area posted continued robust growth in the fourth quarter. The acquisition and start-up in Denmark, plus good organic growth, explain the high growth for the full year. Sales in Denmark were according to plan. Sales in Finland grew by over 60 per cent, mainly due to earlier acquisitions. Sales in Norway grew by 19 percent; sales in Sweden were up by 8 per cent.

Invoicing, Automation



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

Invoicing by Product Category, Automation



▲ Invoicing by the Automation business area's product categories for the full year 2007.

Sales increased across all product categories in the year; Drive Systems posted the highest gains at 60 per cent. Sales of Operator Systems and Control Systems grew by 26 per cent and 19 per cent respectively.

Business area revenues grew by 26 per cent to SEK 150.3 m (119.1) in the fourth quarter. Revenues grew by 40 per cent to SEK 571.3 m (408.6) in the full year, with acquisitions representing some 30 per cent of this gain.

Operating profit was SEK 6.8 m (7.8) in the fourth quarter, equating to an operating margin of 4.5 per cent (6.5). Profit was subject to SEK 2.6 m of integration costs related to Brodersen. Full-year operating profit increased to SEK 34.1 m (27.3). Margins were 6.0 per cent (6.7), the downturn due to initiatives on the Danish market and acquisitions having lower profitability than the rest of the business area. The goal is to increase margins gradually in these operations during 2008.

The HMI Products Business Area

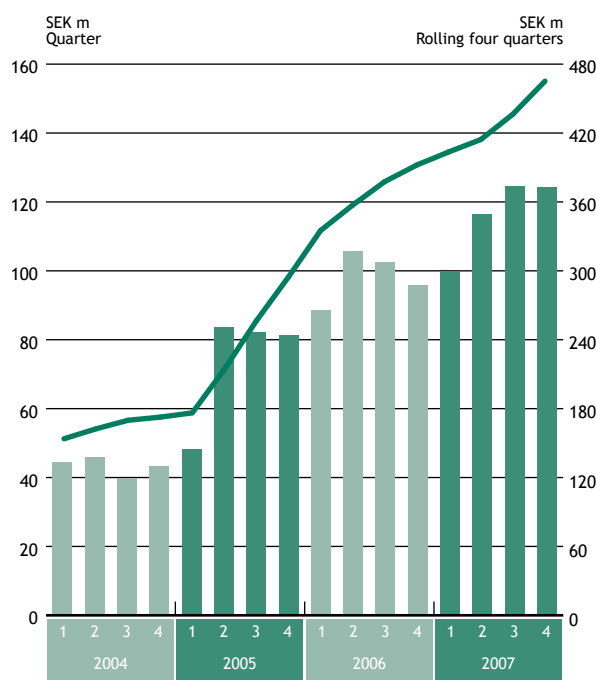
The market for HMI products traced the same pattern in the fourth quarter as the full year. Europe and Asia overall made somewhat more restrained progress. However, China continued its robust growth. Demand on the North American market faded.

Sales grew fastest in Europe outside the Nordic and Baltic regions for reasons including acquisitions. Sales on the Nordic and Baltic markets also made positive progress with gains of over 20 per cent. Sales in Asia grew by some 10 per cent, but reduced by nearly 20 per cent in North America. Revenues on the Asian and American markets were negatively affected by a weaker dollar.

Business area sales grew by 30 per cent to SEK 124.4 m (95.7) in the fourth quarter. Revenues for the full year grew by 19 per cent to SEK 465.4 m (392.5). Sales through the group's own channels grew briskly to SEK 360.8 m (282.1) in the full year, comprising 78 per cent (72) of business area revenues. Brand label sales grew sharply in the fourth quarter, but reduced somewhat for the year as a whole.

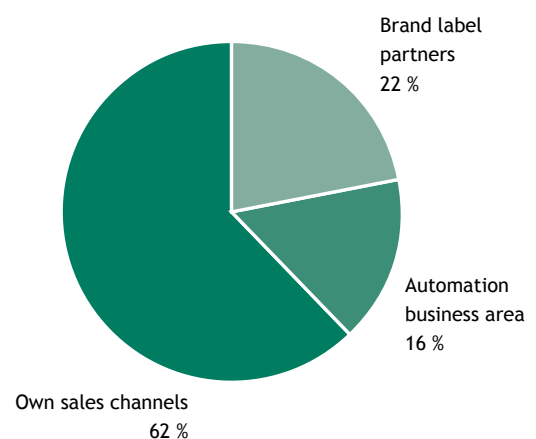
Operating profit grew robustly in the fourth quarter, rising by 79 per cent to SEK 16.3 m (9.1), with the sharp increase due to increased sales volumes. Operating profit for the full year increased by 10 per cent to SEK 58.3 m (53.0). Operating margins were 12.5 per cent (13.5) for the full year. The lower margins are due to Lauer, which was acquired in the year, having lower margins than the rest of the business area. The rationalization package for Lauer implemented through the year will make a progressive contribution to improving margins.

Invoicing, HMI Products



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

Invoicing by Sales Channel, HMI Products



▲ Invoicing by the HMI Products business area's sales channels for the full year 2007.

Development expenditure was SEK 42.8 m (40.8) for the full year. Capitalized development expenditure was SEK 10.9 m (10.9); depreciation and amortization was SEK 6.6 m (5.5). Profit was reduced by SEK 3.2 m by a change in development expenses.

Other Financial Information

Consolidated investments including capitalized development expenses and acquisitions were SEK 103.9 m (35.8). Cash flow from operating activities was SEK 80.0 m (69.5). Shareholders' equity was SEK 213.3 m (196.9) as of December 31. The equity ratio was 38.2 per cent (44.0). Liquid assets were SEK 71.9 m (91.9) and interest-bearing liabilities were SEK 157.4 m (80.7). The average number of employees was 463 (314).

Significant Events 2007

Beijer Electronics' Automation business area took over Mitsubishi Electric's agencies for the Danish market as of January 1, 2007. A new subsidiary, Beijer Electronics A/S, was simultaneously incorporated, with an office opened outside Copenhagen.

Through its Automation business area, Beijer Electronics acquired Danish automation enterprise Brodersen Automation in March 2007. Brodersen has annualized sales of some SEK 65 m and total staff of 27. This acquisition is part of the Danish market initiative. Some SEK 50 m of Brodersen's sales are on the Danish market, with the remaining SEK 15 m being sales through Swedish and

Norwegian subsidiaries. Brodersen was consolidated into Beijer Electronics' accounts from April 2, 2007 onwards. The purchase price for Brodersen was SEK 24.4 m. The acquired assets and liabilities were SEK 33.8 m and SEK 21.7 m respectively. Thus acquired net assets amounted to SEK 12.3 m, with intangible assets representing SEK 4.5 m. Goodwill of SEK 12.2 m arose from the acquisition.

Through its HMI Products business area, in June, Beijer Electronics acquired German HMI company Elektronik-Systeme Lauer. Lauer's sales were some SEK 110 m in 2006 and the company has 60 staff. Lauer provides Beijer Electronics with highly strategic positioning and enhances HMI Products' presence on the key German market, which represents over 40 per cent of the European HMI products market. About 80 per cent of sales are in Germany. Lauer was consolidated into Beijer Electronics' accounts from June 1, 2007. The purchase price for Lauer was SEK 58.1 m. Acquired assets and liabilities were SEK 47.0 m and SEK 14.6 m respectively. Accordingly, net assets were SEK 32.4 m, with intangible assets representing SEK 16.1 m. Goodwill of SEK 25.7 m arose from the acquisition.

In August, Beijer Electronics' CEO and President Göran Sigfridsson informed the Board of his intention to step down, and draw on his company pension, at the AGM 2008.

In October, Beijer Electronics' Board appointed Fredrik Jönsson as CEO and President. He will succeed Göran Sigfridsson at the AGM 2008. Mr. Jönsson



▲ Westermo has a broad industrial data communications product range. The company develops and markets robust networking products like switches, routers and various types of modem.

joins Beijer Electronics from Crawford Group AB in Malmö, where as CEO, he led operations in 20 countries. Mr. Jönsson is 45 and an engineering graduate. He was CEO of FlexLink AB in Gothenburg for several years, and previously worked for SKF, where for several years, he was active in Asia as CEO of SKF's Vietnamese subsidiary.

In October, the Automation business area secured a strategic order for control systems solutions for the Swedish National Rail Administration's Citytunnel project in Malmö. The infrastructure solutions market is one of Beijer Electronics' prioritized growth segments.

In December, Beijer Electronics acquired Swedish company Westermo Teleindustri AB, active in industrial data communications. Westermo is a multinational corporation, which had sales of SEK 223 m in 2007 and has 148 staff. The acquisition of Westermo is a strategic milestone in the Beijer Electronics group's continued development. Westermo's broad product range and high organic growth complements and enhances Beijer Electronics' automation offering. Westermo will be an independent business area of Beijer Electronics. CEO Lars Ola Lundkvist, whose experience includes many years with ABB Robotics, will retain his position and become a member of Beijer Electronics' group management at year-end. The company was consolidated into Beijer Electronics' accounts from January 1, 2008. The purchase price for Westermo was SEK 215 m. The company's real estate holding was also acquired.

Risks

Beijer Electronics' business is influenced by a number of exogenous factors, whose effects on consolidated profits and financial position can be controlled to varying degrees. The group has a close collaboration with Mitsubishi Electric, which is significant to operations, and accordingly, constitutes a risk factor. Mitsubishi Electric is a supplier to the group and buyer of Beijer Electronics products, creating

a balance and mutual dependency that alleviates these risks. The collaboration with Mitsubishi Electric has lasted over 25 years, and was strengthened by Mitsubishi Electric acquiring 15 per cent of Beijer Electronics Automation in 2006.

Other business risks such as market risks, collaboration agreements, product liability, technological progress and dependency on staff are subject to continual analysis, and where necessary, measures are taken to reduce the group's risk exposure. Beijer Electronics has sales and purchasing in foreign currencies and is thus exposed to currency risks. Normally, the group does not hedge its various currency flows. Beijer Electronics has some financial risks. Interest-bearing liabilities were SEK 157.4 m as of December 31. Net debt amounted to SEK 85.5 m.

Outlook for 2008

Beijer Electronics has continued to experience firm demand in early 2008. Beijer Electronics considers that it will be able to increase sales and profits in 2008 against the background of its acquisitions and advanced positioning in each business area.

Göran Sigfridsson
Chief Executive Officer and President
Malmö, Sweden, February 7, 2008

*For more information, please contact CEO and President
Göran Sigfridsson at: +46 (0)40 35 86 00 or
+46 (0)70 635 8610.*

This Financial Statement has been prepared pursuant to IAS 34 and RR 31. The accounting principles applied are consistent with those utilized in the preparation of the latest Annual Report. This report has not been subject to review by the company's auditors.

The Year in Summary

Income Statement - Group

SEK 000	Q4, 2007	Q4, 2006	12 MTH 2007	12 MTH 2006
Net turnover	258,677	195,536	963,782	735,011
Other operating revenue	4,753	1,312	16,084	11,440
Operating expenses *	-232,603	-174,795	-868,688	-650,846
Depreciation	-6,754	-5,059	-24,886	-18,789
Share of profit in associated companies	66	166	647	347
Operating profit	24,139	17,160	86,939	77,163
Net financial position *	269	37,623	-2,359	35,890
Profit before tax	24,408	54,783	84,580	113,053
Estimated tax	-5,747	-4,877	-23,991	-22,067
Net profit	18,661	49,906	60,589	90,986
<i>Relating to parent company's shareholders</i>	<i>17,795</i>	<i>49,189</i>	<i>57,287</i>	<i>90,269</i>
<i>Relating to minority interest</i>	<i>866</i>	<i>717</i>	<i>3,302</i>	<i>717</i>
<i>* of which non-recurring items</i>	<i>410</i>	<i>37,423</i>	<i>-5,266</i>	<i>37,423</i>
<i>Earnings per share, SEK</i>	<i>2.86</i>	<i>7.91</i>	<i>9.21</i>	<i>14.51</i>
<i>EPS adj. for non-recurring items, SEK</i>	<i>2.79</i>	<i>1.89</i>	<i>10.05</i>	<i>8.49</i>

Balance Sheet - Group

SEK 000	Dec. 2007	Dec. 2006
Assets		
Fixed assets	227,053	163,394
Current assets	288,855	208,126
Liquid assets and short-term investments	71,939	91,914
Total assets	587,847	463,434
Liabilities and shareholders' equity		
Shareholders' equity	213,268	196,865
Minority share of shareholders' equity	11,014	7,255
Long-term liabilities	148,515	89,726
Current liabilities	215,050	169,588
Total liabilities and shareholders' equity	587,847	463,434
<i>Of which interest-bearing liabilities</i>	<i>157,395</i>	<i>80,725</i>

Key Figures

	Dec. 2007	Dec. 2006
Operating margin, %	9.0	10.5
Operating margin before non-recurring items, %	9.6	10.5
Profit margin, %	6.3	12.4
Equity ratio, %	38.2	44.0
Shareholders' equity per share, SEK	34.28	31.64
Earnings per share, SEK	9.21	14.51
Earnings per share before non-recurring items, SEK	10.05	8.49
Rolling 12-month EPS, SEK	28.3	51.3
Return on capital employed, %	26.6	45.3
Return on net operating assets, %	34.6	42.6
Average number of employees	463	314
<i>Number of shares 6,221,488</i>		

Cash Flow Statement - Group

SEK 000	Dec. 2007	Dec. 2006
Cash flow from operating activities	79,988	69,540
Change in working capital	-35,388	-22,313
Cash flow from investment activity	-103,772	15,334
Revised funding	74,138	-5,904
Dividends paid	-35,774	-20,220
Change in liquid assets	-20,808	36,437
Liquid assets and short-term investments, opening balance	91,914	63,743
Exchange rate change, liquid assets	833	-8,266
Liquid assets and short-term investments, closing balance	71,939	91,914

Changes to Shareholders' Equity - Group

SEK 000	Share Capital	Translation Provision	Retained Earnings and Net Profit	Total	Minority Interest	Total Shareholders' Equity
OB, Jan. 1, 2007	6,222	-11,145	201,788	196,865	7,255	204,120
Dividends			-35,774	-35,774		-35,774
Translation difference		-5,110		-5,110	457	-4,653
Net profit			57,287	57,287	3,302	60,589
CB, Dec. 31, 2007	6,222	-16,255	223,301	213,268	11,014	224,282

Income Statement - Parent company

SEK 000	Q4, 2007	Q4, 2006	12 MTH 2007	12 MTH 2006
Net turnover	13,641	14,834	55,305	238,902
Operating expenses	-13,929	-14,341	-53,190	-224,526
Depreciation	-675	-537	-2,375	-2,659
Operating profit	-963	-44	-260	11,717
Net financial position	-2,557	45,334	4,224	45,805
Profit before tax	-3,520	45,290	3,964	57,522
Appropriations			4,007	1,641
Estimated tax	-1,256	-1,967	-3,352	-5,392
Net profit	-4,776	43,323	4,619	53,771

Balance Sheet - Parent company

SEK 000	Dec. 2007	Dec. 2006
Assets		
Fixed assets	191,857	269,182
Current assets	23,829	7,507
Liquid assets and short-term investments	79	297
Total assets	215,765	276,986
Liabilities and shareholders' equity		
Shareholders' equity	52,952	84,108
Untaxed reserves	41,403	45,411
Long-term liabilities	81,325	34,274
Current liabilities	40,085	113,193
Total liabilities and shareholders' equity	215,765	276,986
<i>Of which interest-bearing liabilities</i>	<i>94,357</i>	<i>52,427</i>

Beijer Electronics AB

Beijer Electronics is an expansive, successful automation corporation with operations in the Nordic and Baltic regions, Germany, the UK, France, the US and Asia. The Beijer Electronics group consists of three business areas. HMI Products develops and sells operator terminals, which are major successes on the global market. Automation sells agency products from world-leading producers, including HMI Products, to customers in the Nordic and Baltic regions. In late 2007, Beijer Electronics acquired family business Westermo, active in industrial data communications, which formed a new business area from 1 January 2008. The new business area—Industrial Data Communications—develops and sells network equipment tailored for demanding environments to customers worldwide. Beijer Electronics is quoted on OMX Nordic Exchange Small Cap list.

More Information

Subscription for financial information such as press releases, financial reports and Website updates is possible through Beijer Electronics' e-mail list. Subscription to the list is straightforward from Beijer Electronics' Website, www.beijergroup.com.

Questions relating to the Beijer Electronics group should be addressed to IR Manager Katarina Erichs Emilson at: +46 (0)40 35 84 96, or via e-mail: info@beijergroup.com.

Forthcoming Financial Information

April 21, 2008..... Annual Report 2007
 April 21, 2008..... Three-month Interim Report
 April 21, 2008..... Annual General Meeting, Malmö Börshus
 July 21, 2008 Six-month Interim Report
 October 22, 2008..... Nine-month Interim Report



BEIJER ELECTRONICS AB (PUBL)

P.O. Box 426, 201 24 Malmö, Sweden

Tel +46 (0)40-35 86 00, Fax +46 (0)40-93 23 01

e-mail info@beijergroup.com, Corp. ID no. 556025-1851

www.beijergroup.com