



JANUARY-JUNE 2007

- Continued positive trend for the group.
- Net sales increased by 29 per cent to SEK 463.9 m (360.1).
- Operating profit rose by 28 per cent to SEK 46.6 m (36.4).
- Profit after tax grew to SEK 30.9 m (24.9); earnings per share were SEK 4.68 (4.00).
- Strategic acquisitions of German HMI company Lauer and Danish automation enterprise Brodersen Automation.

INTERIM REPORT

2007

INTERIM REPORT BEIJER ELECTRONICS AB

1 January-30 June 2007

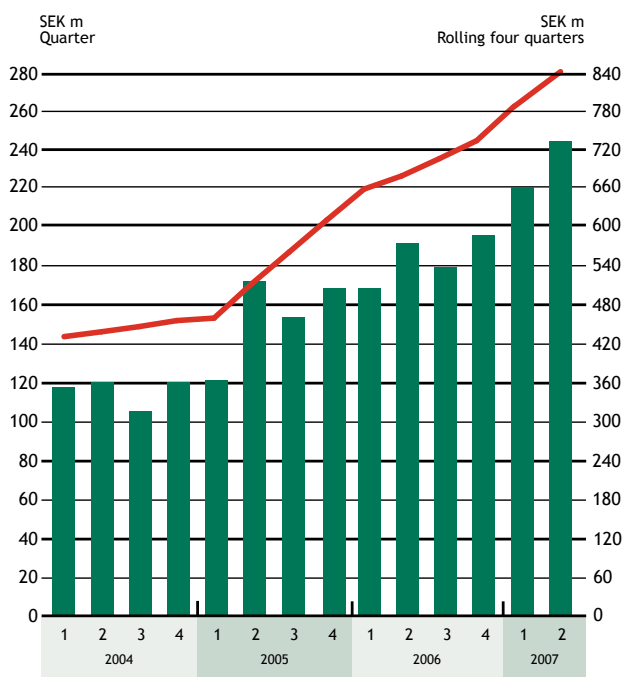
Comments from Göran Sigfridsson, our CEO

“We have been through an intensive half-year, making two strategic acquisitions – German HMI company Lauer and Danish automation enterprise Brodersen. Meanwhile, we managed to maintain healthy organic growth, so our overall sales gains were 29 per cent. We now expect to achieve SEK 1 bn sales for the full year 2007. Simultaneously, our major initiatives are also reducing profits to some extent in the year, so we expect the full effects to emerge progressively through 2008.

Our Automation business area got off to a flying start in its strategic start-up of operations in Denmark through the acquisition of Brodersen of Denmark. Otherwise, the business area is tracing robust growth and improved profits. However, restructuring the Danish operations will continue in 2007, which will temporarily reduce the business area’s operating margin.

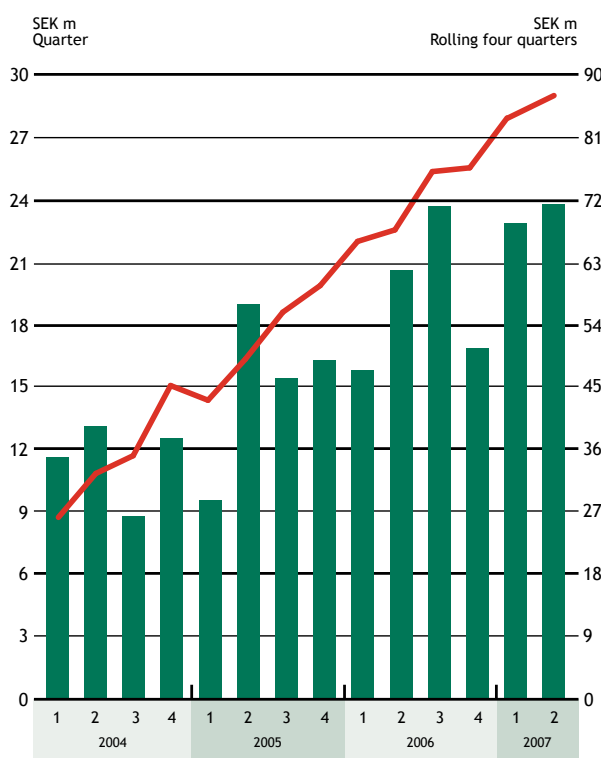
Our HMI Products business area passed another milestone through the acquisition of Lauer of Germany, which puts the business area in a highly strategic position and advances HMI Products’ presence on the key German market. Simultaneously, our new terminal series, EXTER, is continuing to achieve new successes on the market.”

Group Invoicing



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

Group Operating Profit



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

Consolidated Revenues

The industrial automation market sustained growth in the second quarter. Most of the geographical markets and sub-segments that Beijer Electronics services saw demand increase in the first half-year.

Beijer Electronics’ consolidated revenues grew by 27 per cent to SEK 243.7 m (191.7) in the second quarter. In the first half-year, revenues grew by 29 per cent to SEK 463.9 m (360.1), with acquisitions representing over half of this increase.

Sales in Sweden, the group’s biggest single market, performed positively, with a 10 per cent increase in the first half-year. Norway’s brisk organic growth is continuing, while sales in Finland increased sharply, mainly due to acquisitions. The Danish market initiative has gone according to plan, providing a healthy sales supplement.

Sales in non-Nordic Europe also progressed very positively with 44 per cent gains, some of which was from acquisitions. Asia overall traced somewhat slower growth. The North



American market was an exception, with declining sales. Sweden represented 33 per cent (39) of consolidated sales in the first half-year.

Consolidated Operating Profit

Consolidated operating profit sustained positive progress in the second quarter, gaining 15 per cent to SEK 23.7 (20.6), equivalent to an operating margin of 9.7 per cent (10.7). Profit increased by 28 per cent in the first half-year to SEK 46.6 m (36.4), equivalent to an operating margin of 10.0 per cent (10.1). The profit increase is mainly due to sales growth. Both the group's business areas, Automation and HMI Products, posted higher profits in the first half-year than in the corresponding period of 2006.

Development expenditure, relating exclusively to HMI Products, were SEK 20.5 m (21.1) in the half-year. Capital-

ized development expenditure was SEK 5.0 m (8.3). The profit impact from the change in development expenditure is negative compared to the previous year.

Consolidated Profit before and after Tax

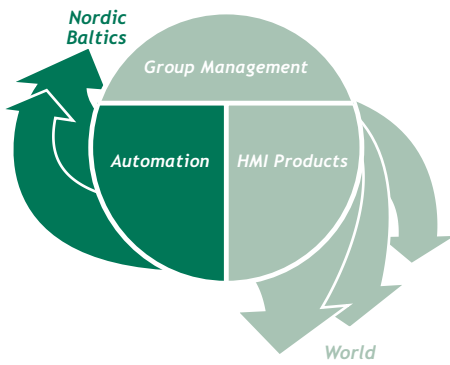
Consolidated profit before tax increased to SEK 22.8 m (20.1) in the second quarter, and grew to SEK 45.7 m (35.3) in the half-year. Profit after estimated tax for the corresponding periods was SEK 14.1 m (14.2) and SEK 30.9 m (24.9). Profit after tax for the second quarter was subject to SEK 2.9 m in tax on dividends in subsidiary Hitech Electronics in Taiwan. Earnings per share after estimated tax were SEK 4.68 (4.00) in the half-year.

Business Area Turnover and Operating Profit

SEK m	Turnover Quarter 2		Operating Profit Quarter 2		Turnover 6 Months		Operating Profit 6 Months	
	2007	2006	2007	2006	2007	2006	2007	2006
Automation	150.8	106.5	8.9	7.7	290.1	199.2	19.5	12.9
HMI Products	116.4	105.6	14.9	16.1	216.4	194.2	28.8	26.7
Intra-group sales	-23.5	-20.4			-42.6	-33.3		
Un-allocated expenses			-0.1	-3.2			-1.7*	-3.2
Group	243.7	191.7	23.7	20.6	463.9	360.1	46.6	36.4

Beijer Electronics implemented a new group structure on 1 June 2006, resulting in central expenses being posted directly to business segments. The actuals for the period from January to May 2006 inclusive have been re-calculated to attain comparability between periods, as illustrated in the above table. Complete information on our Website: www.beijergroup.com.

*Elimination of internal profit in stock.



THE AUTOMATION BUSINESS AREA

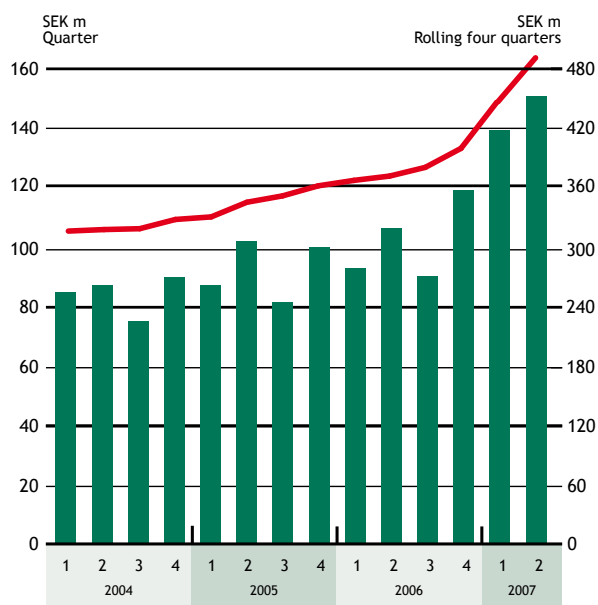
The Automation business area enjoyed robust growth due to acquisitions and healthy organic growth. The start-up in Denmark at year-end, and the acquisition of Brodersen of Denmark as of 2 April progressed positively. Acquisitions in Finland and the Baltic states in the 2006 progressed according to plan. Meanwhile, the Swedish and Norwegian markets sustained positive progress.

Sales increased in both quarters across all product categories; Drive Systems progressed particularly well with gains of 77 per cent in the half-year. Sales of Operator Systems and Control Systems grew by 30-35 per cent in the same period.

Business area sales rose 42 per cent to SEK 150.8 m (106.5) in the second quarter. In the first six months of the year, sales increased by 46 per cent to SEK 290.1 m (199.2), with acquisitions representing over half of this increase.

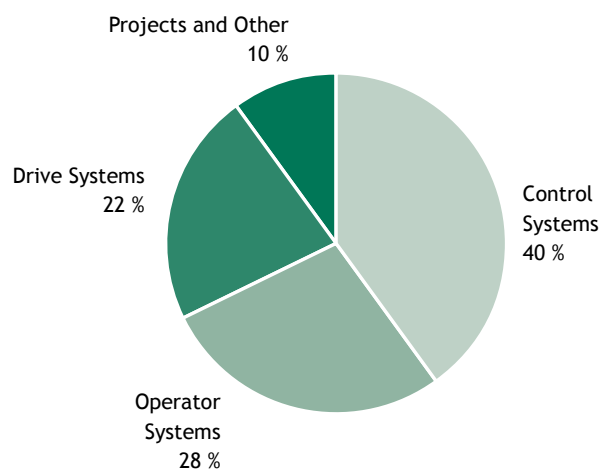
Operating profit was SEK 8.9 m (7.7) in the second quarter and SEK 19.5 m (12.9) in the first half-year. Operating margin was 5.9 per cent (7.2) for the quarter and 6.7 per cent (6.5) for the half-year. As previously reported, the margin downturn in the second quarter is attributable to the initiative on the Danish market. Restructuring the Danish operations will progressively help improve margins in 2008.

Invoicing, Automation

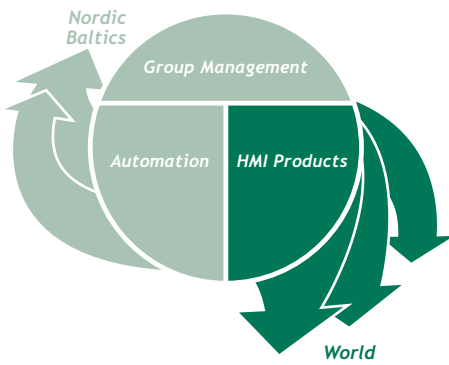


The bars and left-hand scale indicate quarterly invoicing. The curve and right-hand scale show rolling four quarter invoicing.

Invoicing by Product Category, Automation



Invoicing by the Automation business area's product categories in the first half-year 2007.



THE HMI PRODUCTS BUSINESS AREA

The outlook on the market for HMI products was divided in the period; Europe sustained robust progress. Asia had slower growth overall, while sales in China grew briskly. Demand on the North American market declined. To some extent, the sales effects on Asian and American markets are currency related.

The acquisition of Lauer of Germany on 1 June has conferred the business area with secure positioning in central Europe and added sales of some SEK 130 m in annualized terms. The integration of Lauer has begun. The new EXTER terminal series' sales successes continued, with sales growth of nearly 60 per cent in the second quarter.

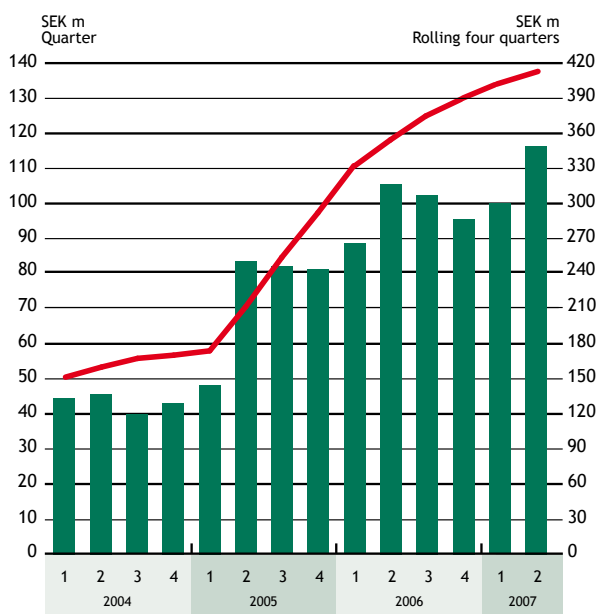
Business area sales grew by 10 per cent to SEK 116.4 m (105.6) in the second quarter, with the increase mainly explained by the acquisition of Lauer. Sales grew by 11 percent to SEK 216.4 m (194.2) in the first half-year. Sales through the

group's own channels continued their brisk gains to SEK 168.9 m (139.8) in the first half-year, comprising 78 per cent (72) of business area sales. Brand label sales declined in both quarters.

Operating profit reduced to SEK 14.9 m (16.1) in the second quarter, with this reduction due to insufficient organic growth and a higher share of expensed development. Meanwhile, the second quarter 2006 was very strong, implying challenging comparative figures. Profit in the first half-year rose to SEK 28.8 m (26.7). Operating margins were 12.8 per cent (15.5) for the second quarter and 13.3 per cent (13.7) for the half year, which remain above the group's objective for the business area.

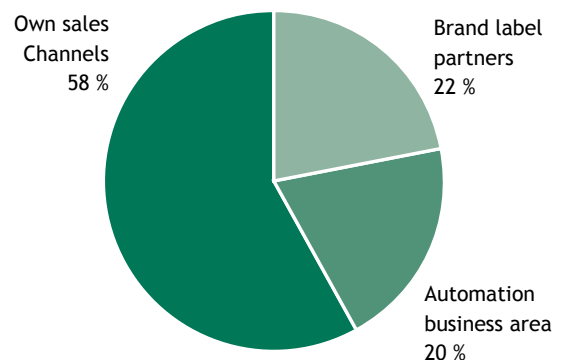
Development expenditure was SEK 20.5 m (21.1) in the first half-year, corresponding to 9.5 per cent (10.9) of business area sales.

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 in the first half-year 2007.

Other Financial Information

Consolidated investments including capitalized development expenses and acquisitions were SEK 84.6 m (15.0). Cash flow from operating activities was SEK 38.7 m (32.2). Shareholders' equity was SEK 200.1 m (151.1) at the mid-point of the year, of which minority share was SEK 9.2 m (0). The equity ratio was 32.1 per cent (35.6). Liquid assets were SEK 67.8 m (65.5). Interest-bearing liabilities were SEK 176.4 m (84.5). The average number of employees was 438 (299).

Significant Events

On 1 January 2007, Beijer Electronics' subsidiary Beijer Electronics Automation took over Mitsubishi Electric's agencies on the Danish market, and simultaneously, a new subsidiary, Beijer Electronics A/S, was incorporated, and an office opened outside Copenhagen.

The start-up was part of last year's deal with Mitsubishi Electric, when Beijer Electronics took over distribution rights for its products on the Danish market. The intention is to build an organization to sell Automation's complete product range on the Danish market. Operations were supplemented with local technical support and servicing.

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. Brodersen brings a broad and valuable customer base in Denmark and a complementary product range for the pan-Nordic and Baltic markets. Brodersen is also a distributor of Beijer Electronics' operator terminals on the Danish market. 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.

This acquisition means Beijer Electronics gaining annualized sales of some SEK 100 m on the Danish market, with good prospects of continued organic growth. Brodersen has been consolidated into Beijer Electronics' accounts from 2 April 2007 onwards. The acquisition is expected to make a positive contribution to consolidated sales and profits in 2007.

The purchase price for Brodersen was SEK 24.3 m. Acquired assets and liabilities were SEK 33.8 m and SEK 21.7 m respectively. Accordingly, acquired net assets were SEK 12.1 m, with intangible assets representing SEK 4.5 m. Goodwill of SEK 12.1 m arose from the acquisition.

Through its HMI Products business area, in June, Beijer Electronics acquired German HMI company Elektronik-Systeme Lauer from German listed group Augusta Technologie. 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.

Lauer, incorporated in 1979, is an established, well-recognized player with a very good brand in Germany and the rest of central Europe. The company has a broad range of proprietary HMI products that complement Beijer Electronics' product range, mainly in the higher-end segment. Lauer has a broad customer base in Germany, with its own sales resources and two resellers in Germany. The company's estimated market share in Germany is some 5 per cent. Lauer has some production capacity for assembly and final fitting of HMI products; the majority of production is outsourced.

Lauer enjoyed healthy sales and profit performance in the first quarter of 2007, and has estimated sales of some SEK 130 m (EUR 14 m) for the full year 2007, with about 80 per cent of sales on the German market. However, profitability has been low in the last two years, and accordingly, in association with the transaction, Beijer Electronics decided to implement a rationalization package, which eventually, will raise profitability to the same level as the rest of the business area. This package, implying non-recurring expenses of some SEK 10 m, will reduce Beijer Electronics' earnings in 2007. Apart from the rationalization package, Beijer Electronics has identified a series of coordination gains, mainly in development and production. Lauer has been consolidated into Beijer Electronics' accounts from 1 June 2007 onwards. The acquisition is expected to add some SEK 70 m to consolidated sales in the current year.



Consolidated Statement of Changes to Shareholders' Equity, H1 2007

	Share Capital	Translation Provision	Retained Earnings and Net Profit	Total	Minority Interest	Total Shareholders' Equity
OB, 1 Jan. 2007	6,222	-11,145	201,788	196,865	7,255	204,120
Dividends			-35,774	-35,774		-35,774
Translation difference		716		716	173	889
Net profit			29,121	29,121	1,738	30,859
CB, 30 Jun. 2007	6,222	-10,429	195,135	190,928	9,166	200,094

The purchase price for Lauer was SEK 58.1 m. Acquired assets and liabilities were SEK 47.0 m and SEK 15.7 m respectively. Accordingly, net assets were SEK 31.3 m, with intangible assets representing SEK 16.1 m. Goodwill of SEK 26.8 m arose from the acquisition.

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 176.4 m at the mid-point of the year. Net debt amounted to SEK 108.6 m.

Outlook for 2007

The first half-year saw continued positive progress. Automation has a larger market to service, and accordingly, has paved the way for healthy growth prospects in 2007. With its acquisition of Lauer, HMI Products has advanced its positioning in Europe, which combined with a consolidated and extended product range, as well as more established sales channels, offers opportunities for continued growth. Overall, Beijer Electronics expects to be able to increase sales and operating profit in 2007.

This Interim Report 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 reviewed by Beijer Electronics' auditors.

The Board of Directors and CEO hereby offers its assurance that this Interim Report offers a true and accurate view of the company's, and where applicable, the group's operations, position and profits, and states the significant risks and uncertainty factors facing the company and those companies that are part of the group.

Anders Ilstam
Chairman of the Board

Bert Åke Eriksson
Board member

Hans Linnarson
Board member

Joen Magnusson
Board member

Stig-Arne Blom
Board member

Ulrika Hagdahl
Board member

Göran Sigfridsson
Board member
CEO

Malmö, Sweden, 16 August 2007

INTERIM REPORT IN SUMMARY - GROUP

INCOME STATEMENT

SEK 000	Q2, 2007	Q2, 2006	6 MTH, 2007	6 MTH, 2006	12 MTH, 2006
Net turnover	243,661	191,727	463,931	360,131	735,011
Other operating revenue	5,209	3,618	8,353	8,334	11,440
Operating expenses	-219,661	-170,170	-415,491	-323,638	-650,846
Depreciation	-5,727	-4,698	-10,681	-8,638	-18,789
Share of profit in associated companies	253	83	482	163	347
Operating profit	23,735	20,560	46,594	36,352	77,163
Net financial position*	-950	-478	-859	-1,035	35,890
Profit before tax	22,785	20,082	45,735	35,317	113,053
Estimated tax	-8,668	-5,924	-14,876	-10,418	-22,067
Net profit	14,117	14,158	30,859	24,899	90,986
Relating to parent company's shareholders	13,250	14,158	29,121	24,899	90,269
Relating to minority interest	867	0	1,738	0	717
<i>* of which non-recurring profit</i>					37,423
<i>Earnings per share, SEK</i>	<i>2.13</i>	<i>2.28</i>	<i>4.68</i>	<i>4.00</i>	<i>14.51</i>
<i>EPS adj. for non-recurring profit, SEK</i>					<i>8.49</i>

BALANCE SHEET

SEK 000	30 Jun 2007	30 Jun 2006	31 Dec 2006
Assets			
Fixed assets	229,254	159,650	163,394
Current assets	298,526	199,640	208,126
Liquid assets and short-term investments	67,844	65,491	91,914
Total assets	595,624	424,781	463,434
Liabilities and shareholders' equity			
Shareholders' equity	190,928	151,095	196,865
Minority share of shareholders' equity	9,166	0	7,255
Long-term liabilities	156,485	93,085	89,726
Current liabilities	239,045	180,601	169,588
Total liabilities and shareholders' equity	595,624	424,781	463,434
<i>Of which interest-bearing liabilities</i>	<i>176,380</i>	<i>84,358</i>	<i>80,725</i>
Key Figures			
Operating margin, %	10.0	10.1	10.5
Profit margin, %	6.7	6.9	12.4
Equity ratio, %	32.1	35.6	44.0
Shareholders' equity per share, SEK	30.69	24.29	32.81
Earnings per share, SEK	4.68	4.00	14.51
Rolling 12-month EPS, SEK	15.19	7.44	14.51
Return on equity after tax, %	56.7	33.8	51.3
Return on capital employed, %	42.1	30.1	45.3
Return on net operating assets, %	36.5	39.5	42.6
Average number of employees	438	299	314
<i>Number of shares 6,221,488</i>			
Cash Flow Statement			
Cash flow from operating activities	38,721	32,246	69,540
Change in working capital	-27,426	-19,371	-22,313
Cash flow from investment activity	-84,626	-8,672	15,334
Revised funding	84,584	18,901	-5,904
Dividends paid	-35,774	-20,220	-20,220
Change in liquid assets	-24,521	2,884	36,437
Liquid assets and short-term investments, opening balance	91,914	63,743	63,743
Price/exch. rate change, liquid assets	452	-1,136	-8,266
Liquid assets and short-term investments, closing balance	67,845	65,491	91,914

INTERIM REPORT IN SUMMARY - PARENT COMPANY

INCOME STATEMENT

SEK 000	Q2, 2007	Q2, 2006	6 MTH, 2007	6 MTH, 2006	12 MTH, 2006
Net turnover	14,565	94,885	28,607	212,393	238,902
Operating expenses	-13,473	-87,043	-26,683	-197,227	-224,526
Depreciation	-569	-742	-1,124	-1,598	-2,659
Operating profit	523	7,100	800	13,568	11,717
Net financial position	2,429	-591	6,967	-1,273	45,805
Profit before tax	2,952	6,509	7,767	12,295	57,522
Appropriations					1,641
Estimated tax	-827	-1,823	-2,175	-3,443	-5,392
Nettoresultat	2,125	4,686	5,592	8,852	53,771

BALANSRÄKNING

SEK 000	30 Jun 2007	30 Jun 2006	31 Dec 2006
Assets			
Fixed assets	181,848	230,064	269,182
Current assets	18,995	16,430	7,507
Liquid assets and short-term investments	22,075	459	297
Total assets	222,918	246,953	276,986
Liabilities and shareholders' equity			
Shareholders' equity	53,925	39,189	84,108
Untaxed reserves	45,411	47,052	45,411
Long-term liabilities	83,044	37,242	34,274
Current liabilities	40,538	123,470	113,193
Total liabilities and shareholders' equity	222,918	246,953	276,986
<i>Of which interest-bearing liabilities</i>	<i>89,294</i>	<i>79,465</i>	<i>52,427</i>

Beijer Electronics AB (publ)

Beijer Electronics is a development and agency corporation active in industrial automation with products and services marketed domestically and globally.

The Beijer Electronics group comprises the parent company Beijer Electronics AB with the subsidiaries Beijer Electronics Automation AB and Beijer Electronics Products AB. The group also has subsidiaries in China, Denmark, Estonia, Finland, Latvia, Lithuania, Norway, Taiwan, Germany and the US.

The product range includes programmable control systems, frequency inverters, servo systems, robots, operator systems, I/O systems and vision systems. The offering also includes services such as technical support, plus a comprehensive range of training packages and project management.

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 Management Assistant Annika Johnsson on tel: +46 (0)40 35 86 55, or via e-mail: info@beijergroup.com.

Forthcoming Financial Information

24 October 2007.....	Nine-month Interim Report
7 February 2008.....	Financial Statement 2007
April 2008.....	Annual Report 2007
21 April 2008.....	Three-month Interim Report
21 April 2008.....	AGM

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