



JANUARY–MARCH

Continued High Growth and Strong Profit Gains in a Positive Market with Acquisitions Delivering as Planned

First Quarter

- Net sales up by 27% to 362.0 MSEK (285.7)
- Operating profit increased by 75% to 41.1 MSEK (23.5) and operating margin was 11.4% (8.2)
- Profit after tax up by 78% to 28.4 MSEK (16.0)
- Earnings per share were 4.40 SEK (2.51)
- Acquisition of outstanding minority share in Korenix

Interim Report, Beijer Electronics AB

Comments from Fredrik Jönsson, CEO

“Beijer Electronics made sustained strong progress in the first quarter. The group returned its single best quarter to date in terms of sales and profit. Adjusted for exchange rate fluctuations, sales grew by 33% in the quarter. Our latest acquisitions, Korenix and QSI, exceeded expectations and returned very rapid growth and good profitability, while integration has proceeded according to plan.

We also have the proof that Beijer Electronics is stronger and attained higher earnings capacity than even the boom year 2008, in like-for-like terms. The deep financial recession in 2009 meant that we made extensive and largely permanent reductions in expenses at the same time as focusing on fast-growing areas with higher margins. On the basis of somewhat higher sales volumes, operating profit was up just over 50% in the first quarter this year compared to the same period of 2008.

The HMI Products business area continued its convincing performance with growth approaching 40% and profit gains almost double that. QSI made significant contributions, primarily in terms of sales, but also profit. HMI Products also set a new record in terms of profit margins, which were an excellent 16.1%.

The Automation business area turned operations in the right direction following last year’s slow progress. The action plan launched towards the end of last year has taken effect. Mainly, things have started to brighten up in Denmark and Finland, with sharply higher sales and improved profit. This implied that Automation overall more than doubled profit in the quarter and almost achieved its long-term margin target.

The IDC business area experienced a weaker European market in the quarter even if the situation improved towards the end of the period. IDC also suffered from more challenging comparative figures with two big orders in the first quarter 2010. The acquisition of Korenix made a positive sales and profit contribution, and overall, IDC experienced growth of just over 25%. Profit was up somewhat while also being charged with heavy market investment in the US and Asia.”

Market and Surrounding World

The industrial automation market continued to progress positively in the first quarter. Markets in Asia and the US made continued strong progress.

Business Area Sales and Operating Profit

	Sales		Operating Profit	
	Quarter 1		Quarter 1	
MSEK	1103	1003	1103	1003
Beijer Electronics Automation Group	125.7	116.4	9.5	4.5
Beijer Electronics Products Group	173.3	124.9	27.8	15.7
Westermo Teleindustri Group	83.4	66.5	6.3	5.8
Intra-group sales	-20.4	-22.1		
Group adjustments and depreciation			-2.5	-2.6
Beijer Electronics Group	362.0	285.7	41.1	23.5

The Group in the First Quarter

Group order intake increased by 8% to 350.4 MSEK (325.3). Acquisitions had a positive effect on order intake of 45.5 MSEK (0). Currency-adjusted organic growth was good in like-for-like terms in HMI Products and Automation. Order intake was up by 9% in HMI Products and by 11% in Automation. The IDC business area returned negative organic order intake in the quarter for Westermo because of the challenging comparables for 2010. Nevertheless, Westermo's order intake for the quarter was in line with the full-year rate for 2010. Group sales increased by 27% to 362.0 MSEK (285.7). Acquisitions contributed 45.9 MSEK (0). In like-for-like terms and currency adjusted, sales grew by 16%.

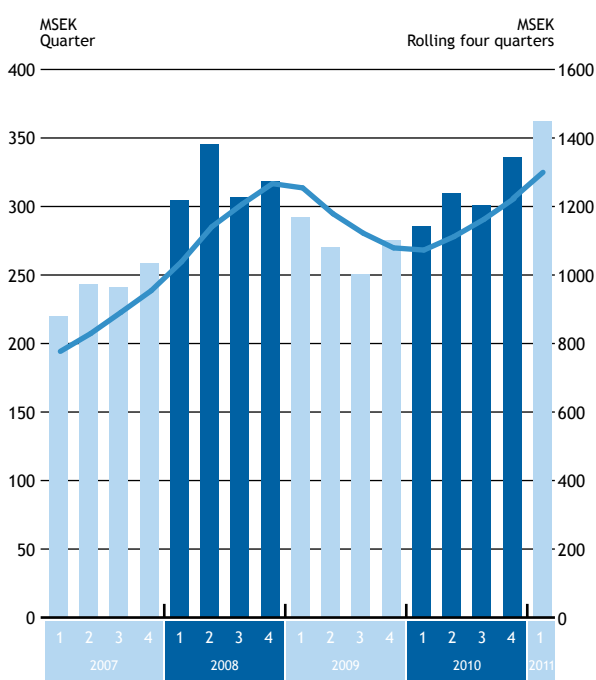
Sales in Sweden, the group's single biggest market, were robust and grew by close to 20%. Sales in Denmark and Finland were also solid but fell in Norway. In China and the rest of Asia sales grew very strongly, as in the US.

Germany continued to expand while the UK and France made weak progress.

Group operating profit increased by 75% to 41.1 MSEK (23.5), which is the group's strongest figure in a single quarter to date. This corresponded to an operating margin of 11.4% (8.2). Acquisitions made a 4.4 MSEK profit contribution. Excluding acquisitions profit grew by 64%. The sharp increase is attributable to rising sales volumes and good control over overheads, which rose marginally in like-for-like terms. Total development expenses were 24.3 MSEK (18.5).

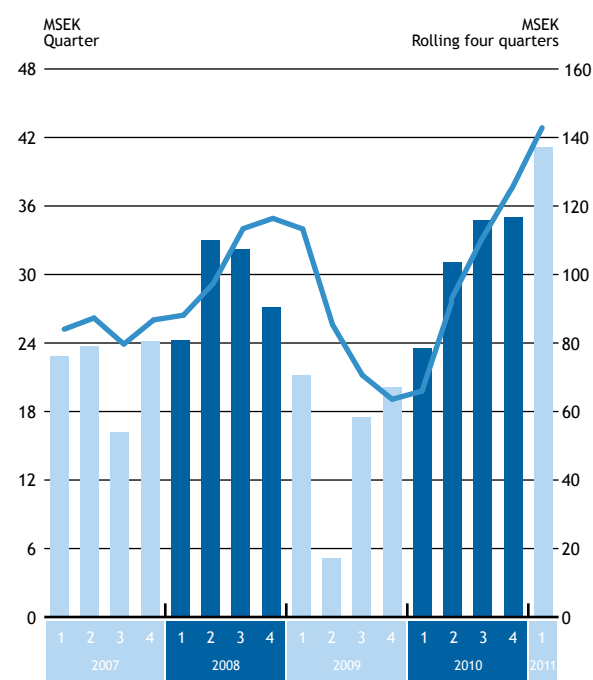
Profit before tax increased by 67% to 37.0 MSEK (22.1). Net financial items were -4.1 MSEK (-1.3). Profit after estimated tax grew by 78% to 28.4 MSEK (16.0). Earnings per share after estimated tax were 4.40 SEK (2.51).

Group Sales



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

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.

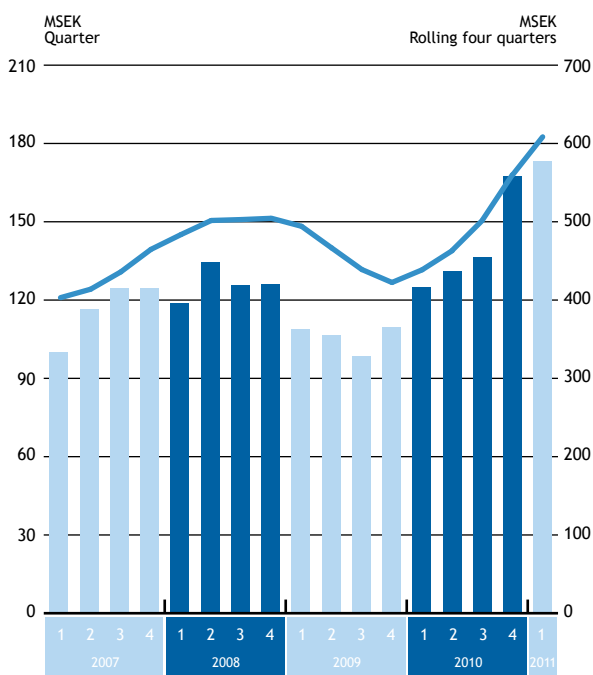
HMI Products Business Area

The HMI Products business area continued to return very high growth and sharply increased profit. The acquisition of US company QSI, which was consolidated from November 1, 2010, has progressed better than plan with sales growth of 70% and a good profit contribution in the first quarter. Business area growth is primarily driven by increasing demand in the US and Asia. HMI Products launched the first products in the new HMI platform in the quarter.

Business area order intake increased by 27% to 169.0 MSEK (133.1). QSI contributed 30.3 MSEK. Excluding

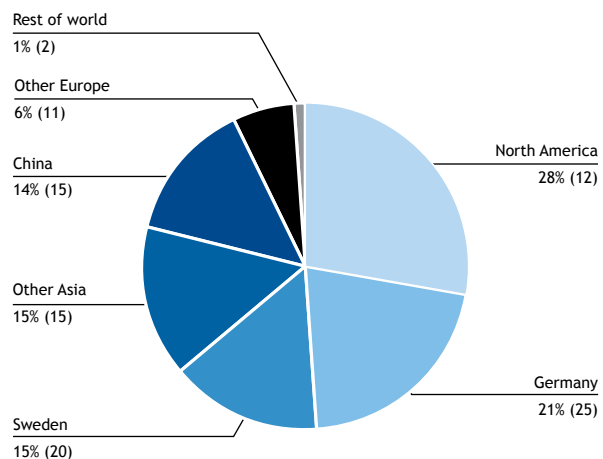
acquisitions and currency adjusted, order intake was up 9%. Sales grew by 39% to 173.3 MSEK (124.9) of which QSI provided 32.0 MSEK. Adjusted for acquisitions and exchange rate fluctuations, sales grew by 17%. Operating profit was up by 77% to 27.8 MSEK (15.7). Operating margin grew to 16.1% (12.6). Excluding QSI, profits increased by 61%. The sustained brisk improvement is attributable to higher sales volume and somewhat lower overheads in like-for-like terms.

Sales, HMI Products



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

Sales by Sales Channel, HMI Products



▲ Sales by geographical market for the first quarter 2011 compared to 2010.

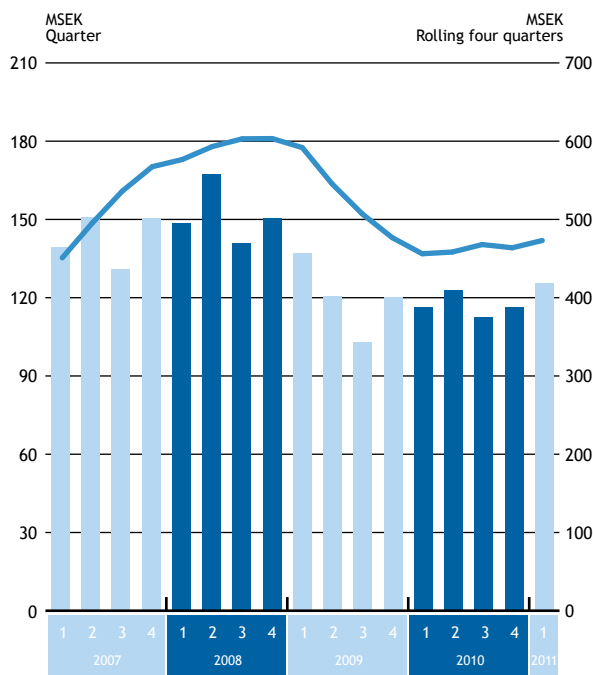
Automation Business Area

The automation market in the Nordic region showed clear signs of recovery. This was especially clear in Denmark and Finland. At the same time, demand in Sweden remained good, while the market in Norway was affected by weak demand in the marine sector. The action plan initiated in the fourth quarter 2010 has had a clear effect on sales and profit in the period, especially in Denmark and Finland.

Business area order intake rose by 5% to 127.4 MSEK (121.4). Adjusted for exchange rate fluctuations, order

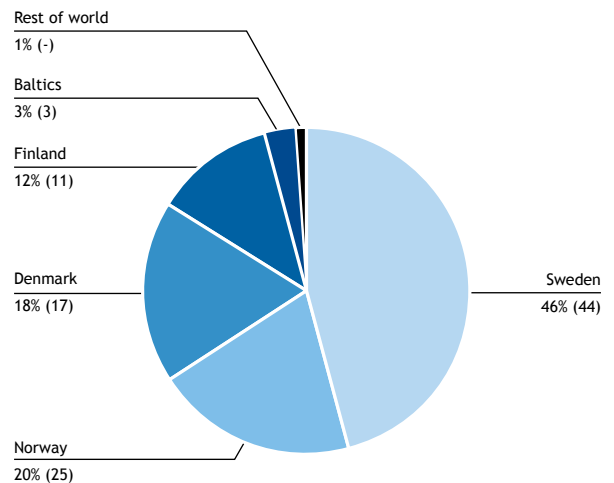
intake increased by 11%. Automation's sales rose by 8% to 125.7 MSEK (116.4) and currency adjusted, the increase was 14%. Operating profit more than doubled to 9.5 MSEK (4.5). This corresponded to an operating margin of 7.5% (3.9), almost in line with the business area long-term target of 8%. The significantly higher profit figure is attributable to increased sales volume and lower expenses.

Sales, Automation



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

Sales by Product Category, Automation



▲ Sales by geographical market for the first quarter 2011 compared to 2010.

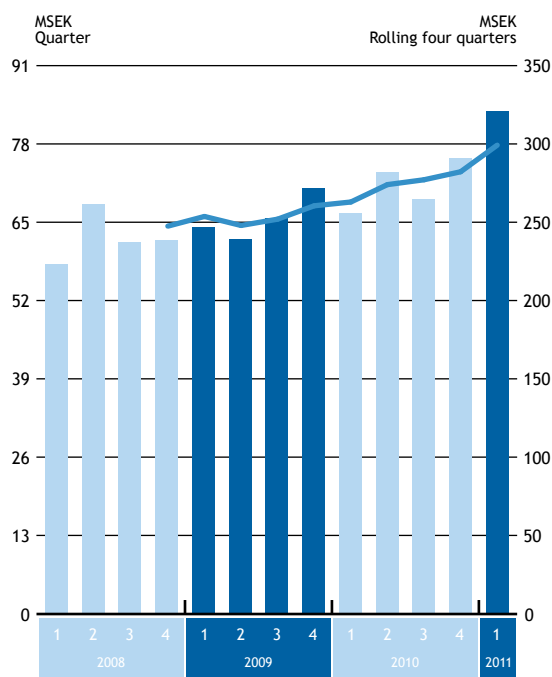
Industrial Data Communication

The market for industrial data communication in Europe made hesitant progress in the quarter, even if demand improved towards the end of the period. The acquisition of Korenix of Taiwan has progressed well, returning sales growth of 59% and sound profitability while the integration process has proceeded according to plan. The remaining 8% in Korenix was acquired during the period and the equity interest is now 100%. IDC secured a breakthrough order in transport systems in Singapore in the quarter.

Business area order intake increased by 2% to 83.6 MSEK (82.1) of which Korenix provided 15.2 MSEK. IDC secured two major orders in 2010. IDC is moving towards larger project orders, which means that order intake will

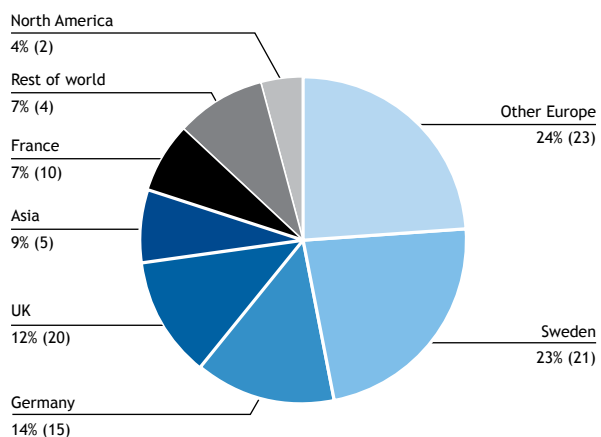
now be somewhat irregular. Excluding the acquisition and currency adjusted, order intake fell by 13% due to a somewhat subdued market at the beginning of the quarter and high comparative figures in 2010. After the end of the period Westermo secured a major order worth 6.5 MSEK. Sales grew by 26% to 83.5 MSEK (66.5) in the quarter. Excluding acquisitions and currency adjusted, sales grew by 9%. Korenix contributed 13.9 MSEK. Operating profit was 6.3 MSEK (5.8), corresponding to an operating margin of 7.5% (8.7), after being charged with expenses relating to market investments in China and new start-ups in the US. The operating margin excluding Korenix was 9.0% (8.7).

Sales, IDC



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

Sales by Product Segment, IDC



▲ Sales by geographical market for the first quarter 2011 compared to 2010.

Other Financial Information

Group investments including capitalized development expenses excluding acquisitions were 16.2 MSEK (9.4). Cash flow from operating activities was -21.7 MSEK (12.7). Equity was 345.1 MSEK (304.4) on March 31, 2011. The equity ratio was 26.9% (34.2). Cash and cash equivalents were 104.1 MSEK (119.8). Interest-bearing liabilities were 543.5 MSEK (343.7). The average number of employees was 680 (517).

Significant Events

In March 2011 Beijer Electronics acquired the remaining 8% in Korenix of Taiwan and subsequently holds 100% of the company. The acquisition has been effected progressively with 37% acquired in July 2010 and 55% in December 2010. Korenix was consolidated into Beijer Electronics' accounts at year-end 2010. The total purchase price is estimated at approximately 140 MSEK for all the shares of Korenix. An additional performance-related supplementary purchase price may be payable on the basis of 2012 profit figures.

Prospects for 2011

The first quarter progressed well with sharply increased sales and significantly higher profit. Most commentators foresee continued strong growth in the global economy during the year. If the macroeconomic forecasts are realized, Beijer Electronics expects to return substantial growth and improved profit for the full year 2011. However, there are certain risks and uncertainty relating to how the Japanese earthquake will affect component supply, which may impact on Beijer Electronics' sales in the medium term.

Risk Management

Beijer Electronics is exposed to a number of risks and uncertainty factors, reviewed in the Annual Report for 2010. In addition to the risk and uncertainty factor described in 'Prospects for 2011.', Beijer Electronics considers that no new significant risks have arisen as of March 31.

Accounting Principles

This Interim Report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The accounting principles applied are consistent with the accounting principles used when preparing the latest Annual Report.

This report has not been subject to review by the company's auditors.

Malmö, Sweden, April 27, 2011

Fredrik Jönsson
CEO and President

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Interim Report in Summary

Income Statement – Group

SEK 000	Quarter 1, 2011	Quarter 1, 2010	Full Year, 2010
Net turnover	362,015	285,718	1,232,321
Other operating revenue	728	-3,482 ^a	3,445 ^{a,b}
Operating expenses	-321,617	-258,708	-1,111,444
Operating profit	41,126	23,528	124,322 ^c
Net financial items	-4,141	-1,334 ^c	-4,301 ^d
Profit before tax	36,985	22,194	120,021
Estimated tax	-8,552	-6,210	-30,534
Net profit	28,433	15,984	89,487
<i>Attributable to equity holders of the parent</i>	<i>27,368</i>	<i>15,591</i>	<i>87,358</i>
<i>Attributable to minority interest</i>	<i>1,065</i>	<i>393</i>	<i>2,129</i>
<i>Earnings per share, SEK</i>	<i>4.40</i>	<i>2.51</i>	<i>14.04</i>

a Including minority interest of Autic

b Including minority interest of Korenix

c Including non-recurring items amounting to -1.7 MSEK

d Including capital gain from disposal of minority interest in Autic amounting to 2.6 MSEK

Statement of Comprehensive Income

SEK 000	Quarter 1, 2011	Quarter 1, 2010	Full Year, 2010
Net profit	28,433	15,984	89,487
Translation differences	-20,710	-6,417	-20,553
Comprehensive income	7,723	9,567	68,934
<i>Attributable to equity holders of the parent</i>	<i>7,337</i>	<i>9,595</i>	<i>67,859</i>
<i>Attributable to minority interest</i>	<i>386</i>	<i>-28</i>	<i>1,075</i>

Balance Sheet – Group

SEK 000	Mar 31, 2011	Mar 31, 2010	Dec 31, 2010
Assets			
Fixed assets	767,978	484,156	778,289
Current assets	474,325	328,953	458,981
Cash equivalents and short-term investments	104,116	119,780	105,064
Total assets	1,346,419	932,889	1,342,334
Liabilities and shareholders' equity			
Shareholders' equity	345,066	304,351	337,729
Minority share of shareholders' equity	16,647	15,028	27,640
Long-term liabilities	633,681	357,673	600,227
Current liabilities	351,025	255,837	376,738
Total liabilities and shareholders' equity	1,346,419	932,889	1,342,334
<i>Of which interest-bearing liabilities</i>	<i>543,506</i>	<i>343,672</i>	<i>459,112</i>

Statement of Changes to Shareholders' Equity – Group

SEK 000	Mar 31, 2011	Mar 31, 2010	Dec 31, 2010
Attributable to equity holders of the parent			
Opening balance, shareholders' equity, 1 January	337,729	294,756	294,756
Dividend			-24,886
Comprehensive income	7,337	9,595	67,859
Closing balance, shareholders' equity	345,066	304,351	337,729
Minority interest			
Opening balance, 1 January	27,640	15,056	15,056
Acquisitions	-11,379		11,948
Dividend			-439
Comprehensive income	386	-28	1,075
Closing balance	16,647	15,028	27,640

Key Figures

SEK 000	Mar 31, 2011	Mar 31, 2010	Dec 31, 2010
Operating margin, %	11.4	8.2	10.1
Operating margin excl. one time effect			10.2
Profit margin, %	7.9	5.6	7.3
Equity ratio, %	26.9	34.2	27.2
Shareholders' equity per share, SEK	55.46	48.92	54.28
Earnings per share, SEK	4.40	2.51	14.04
Rolling 12-months earnings per share	15.93	6.76	14.04
Return on equity after tax, %	29.9	13.2	26.5
Return on capital employed, %	18.6	10.3	17.2
Return on net operating assets, %	21.1	11.1	19.8
Average number of employees	680	517	538
<i>Number of shares 6,221,488</i>			

Cash Flow Statement – Group

SEK 000	Quarter 1, 2011	Quarter 1, 2010	Full Year, 2010
Cash flow from operating activities before changes in working capital	36,934	20,454	135,559
Change in working capital	-58,672	-7,757	-21,485
Cash flow from operating activities	-21,738	12,697	114,074
Cash flow from investing activities	-62,336	-7,985	-205,744
Cash flow from finance activities	85,213	-9,984	101,649
Dividends paid			-25,325
Change in cash equivalents	1,139	-5,272	-15,346
Cash equivalents and short-term investments, opening balance	105,064	127,439	127,439
Exchange rate change, cash equivalents	-2,087	-2,387	-7,029
Cash equivalents and short-term investments, closing balance	104,116	119,780	105,064

Operating Segments

SEK 000	Quarter 1, 2011	Quarter 1, 2010	Full Year, 2010
Net turnover			
Automation	125,672	116,394	467,872
HMI Products	173,258	124,880	559,715
IDC	83,470	66,510	284,379
Elimination	-20,385	-22,066	-79,645
Group	362,015	285,718	1,232,321
Operating profit			
Automation	9,488	4,539	19,412*
HMI Products	27,831	15,736	85,331*
IDC	6,300	5,803	34,045**
Parent company	-725	-360	-5,078
Group adjustments and depreciation	-1,768	-2,190	-7,707
Non-recurring items			-1,681
Group	41,126	23,528	124,322

* Excluding non-recurring items

** Including minority interest Korenix

Income Statement – Parent Company

SEK 000	Quarter 1, 2011	Quarter 1, 2010	Full Year, 2010
Net turnover	13,698	13,004	52,268
Operating expenses	-14,423	-13,364	-57,346
Operating profit	-725	-360	-5,078
Net financial items	-9,607	-4,014	13,972*
Profit before tax	-10,332	-4,374	8,894
Appropriations			7,222
Estimated tax	2,717	1,150	1,966
Net profit	-7,615	-3,224	18,082

* Of which 46,584 relates to dividends from subsidiaries

Balance Sheet – Parent Company

SEK 000	Mar 31, 2011	Mar 31, 2010	Dec 31, 2010
Assets			
Fixed assets	585,322	422,078	546,298
Current assets	29,437	20,759	16,733
Cash equivalents and short-term investments	780	14,273	10,285
Total assets	615,539	457,110	573,316
Liabilities and shareholders' equity			
Shareholders' equity	47,229	58,424	54,844
Untaxed reserves	21,890	29,112	21,890
Long-term liabilities	403,755	292,647	367,810
Current liabilities	142,665	76,927	128,772
Total liabilities and shareholders' equity	615,539	457,110	573,316
<i>Of which interest-bearing liabilities</i>	<i>511,481</i>	<i>304,705</i>	<i>455,471</i>

Business Combination, Korenix

The remaining participations of Korenix were acquired in the first quarter, which is now 100% owned. The fair value of acquired identifiable intangible assets has been specified and is stated in the following table.

SEK 000	Quarter 1, 2011
Purchase price	
Cash and cash equivalents	125,205
Fair value, previously held participation	10,197
Minority share	3,110
Present value of purchase price	31,612
Total purchase price	170,124
Acquisition-related expenses	1,292
Carrying amount of identifiable acquired assets and liabilities taken over	
Cash and cash equivalents	11,364
Property, plant and equipment	1,312
Trademarks and brands	9,022
Customer relations	27,988
Technology	5,700
Financial assets	11,287
Current assets	29,382
Current liabilities	-13,672
Deferred tax liabilities	-7,261
Total identifiable net assets	75,123
Non-controlling interest	
Goodwill	95,000
Total	170,124

Amounts are recognised at exchange rates ruling on the reporting date

Beijer Electronics AB

Beijer Electronics is a fast-growing technology company active in industrial automation and data communications. The company develops and markets products and solutions that focus on the user. Since its start-up in 1981, Beijer Electronics has evolved into a multinational group present in 16 countries. The company is listed on NASDAQ OMX Nordic Exchange 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.

Financial Calendar

July 15, 2011.....Six-month Interim Report
October 25, 2011.....Nine-month Interim Report



A new series of iX panels

Beijer Electronics extends its HMI product range with a new series of iX panels. The new series iX Panel TxA is designed for HMI-solutions that require sophisticated graphics in a compact format. The series is available in three different display sizes with 4.3", 7" and 10.4" TFT displays. The TFT displays, 4.3" and 7" are wide-screen and provides a 30% larger viewing area. Advanced graphics with an intuitive user-interface simplifies both in the design phase and for the operator. The robust and lightweight aluminum housing ensures a long lifetime, even in rough industrial environments.

- **Read more about iX Panel TxA on www.beijerelectronics.com**

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