



JANUARY–DECEMBER 2012

Improved Demand in the Fourth Quarter

Full Year 2012

- Order intake down 2% to 1,373.4 MSEK (1,406.9)
- Net sales amounted to 1,367.2 MSEK (1,417.7)
- Operating profit was 99.5 MSEK (150.3)
- Profit after tax amounted to 53.3 MSEK (99.1)
- Earnings per share were 2.64 SEK (5.03)
- The Board of Directors is proposing a dividend of 1.25 SEK (2.25) per share.

Fourth Quarter

- Order intake increased to 349.3 MSEK (343.2)
- Net sales decreased to 340.6 MSEK (345.3)
- Operating profit amounted to 18.7 MSEK (29.1)
- Quarter charged with inventory write-downs of MSEK 8.6
- Profit after tax was 17.3 MSEK (15.2)
- Earnings per share increased to 0.86 SEK (0.75)

Financial Statement, Beijer Electronics AB

Comments from Fredrik Jönsson, CEO

“The fourth quarter progressed somewhat better than previous quarters of the year. The market and demand stabilized. Beijer Electronics was able to achieve increased order intake, while sales decreased somewhat as a result of weaker order intake in the third quarter. In profit terms, the quarter was a temporary setback due to non-recurring expenses relating to our logistics chain.

Deficiencies arose in HMI Products’ logistics chain in the year. This resulted in an unfavorable inventory build-up of components that were subject to impairment in the fourth quarter. Accordingly, profit in the report was charged with MSEK 8.6 of one-time expenses, which include inventory write-downs of MSEK 7.5 as aforementioned. Excluding these one-time expenses, consolidated operating profit stabilized, and like order intake and sales, was at basically the same level as the previous year.

The inventory write-down affected the HMI Products business area, which otherwise would have achieved a positive profit turnaround, the reasons including a good sales increase of nearly 10% in the fourth quarter. The IDC business area staged a recovery after a problematic third quarter, securing several new orders, not least in the Rail segment, which meant that order intake increased by 22% in the fourth quarter. However, the lower order intake in previous quarters affected sales and profit negatively in the fourth quarter. In the quarter, the Automation business area won a number of major orders, which positively affected order intake. But the Swedish, Danish and Finnish markets remained hesitant, while the Norwegian market improved. Overall, this exerted a negative impact on Automation’s sales and profits.

The market was weaker than expected overall. But Beijer Electronics still succeeded in maintaining sales at a fairly good level. Poorer progress in Europe and Asia was partly offset by an improvement in the US. Harsher economic conditions coincided with Beijer Electronics’ large-scale product development and marketing initiatives, which will sharpen the group’s competitiveness for the long-term. In the short term, this has affected profitability. Of the 50 MSEK decrease in operating profit, about half is due to lower sales volumes and half on increased overheads and inventory write-downs. Our gross margins are unchanged, and remain at a good level.

At year-end, Beijer Electronics’ order book was at a higher level than the previous year. Even if it is too early to express an opinion on the full year 2013, there are signs of further stabilization with the resulting recovery in demand.”

Market and Surrounding World

The global market for industrial automation stabilized somewhat in the fourth quarter. The Asian market showed signs of a renewed recovery, while the American market was somewhat restrained. Demand remained generally poor in Europe.

The Group in the Fourth Quarter

The group’s order intake increased by 2% to 349.3 MSEK (343.2). The increase followed generally poor demand on the market in 2012, especially in the second and third quarters. Order intake increased for the Automation and IDC business areas in the quarter, but decreased for HMI Products.

Business Area Sales and Operating Profit

	Sales		Operating Profit		Sales		Operating Profit	
	Quarter 4		Quarter 4		Full Year		Full Year	
MKR	1212	1112	1212	1112	1212	1112	1212	1112
Business Area Automation	123.3	125.2	8.2	10.2	479.0	497.2	30.4	34.5
Business Area HMI Products	154.2	140.9	7.7	12.6	620.3	627.2	58.7	87.3
Business Area IDC	89.9	100.5	5.2	10.8	370.3	385.2	27.3	46.2
Intra-group sales	-26.7	-21.2			-102.4	-91.9		
Group adjustments			-2.3	-4.5			-16.8	-17.8
Beijer Electronics Group	340.6	345.3	18.7	29.1	1,367.2	1,417.7	99.5	150.3

Group sales decreased by just over 1% to 340.6 MSEK (345.3), due to factors including lower order intake in previous quarters. Demand in Sweden, the group's biggest single market, remained hesitant. Sales in Norway made strong progress, but decreased in Denmark and Finland. The rate of slowdown in Germany decreased somewhat. In the US, which made very strong progress in the year, order intake slowed in the quarter. Asia staged a continued recovery after fairly sharp decreases in the first half-year.

The group's operating profit was 18.7 MSEK (29.1). The decrease is explained by lower sales volumes and write-downs on inventories. The expenses for impairment were 8.6 MSEK. Excluding write-downs, operating profit was MSEK 27.3. Total development expenses, which relate to the HMI Products and IDC business areas, were 28.2 MSEK (30.1).

Profit before tax was 11.8 MSEK (24.3). Net financial income/expense was -6.9 MSEK (-4.8). Profit after estimated tax was 17.3 MSEK (15.2), i.e. the tax net in the period was a revenue item, mainly because of the effects of the lower Swedish tax rate effective 1 January 2013 onwards. Earnings per share after estimated tax were SEK

0.86 (0.75).

The Group in the Full Year

Order intake was 1,373.4 MSEK (1,406.9). Sales decreased to 1,367.2 MSEK (1,417.7).

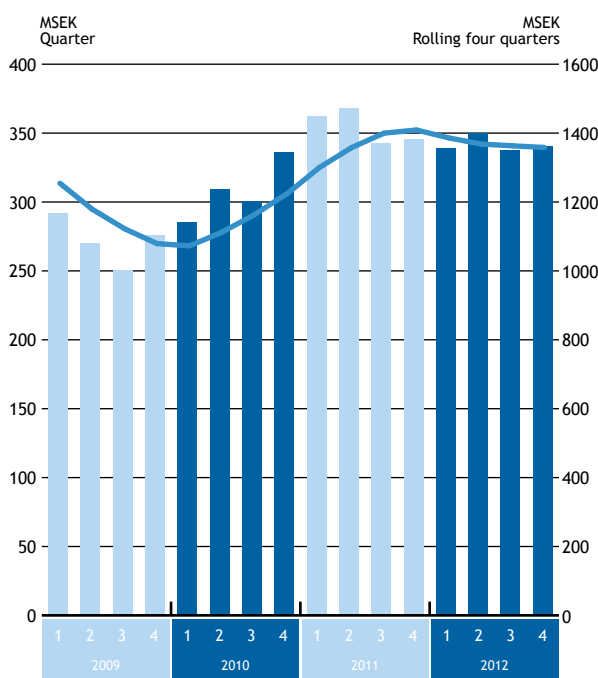
The group's operating profit was 99.5 MSEK (150.3), which corresponds to an operating margin of 7.3% (10.6). The profit decrease is due to decreased sales volumes, higher overheads resulting from upscaled initiatives in marketing and sales, write-downs on inventories and higher development expenses. Total development expenses, which relate to the HMI Products and IDC business areas, were 111.5 MSEK (106.8), corresponding to 11.3% (10.5) of the business areas' total sales.

Profit before tax was 73.1 MSEK (133.0). Net financial income/expense was -26.4 MSEK (-17.3). Profit after estimated tax was 53.3 MSEK (99.1). Earnings per share were 2.64 SEK (5.03).

Dividend

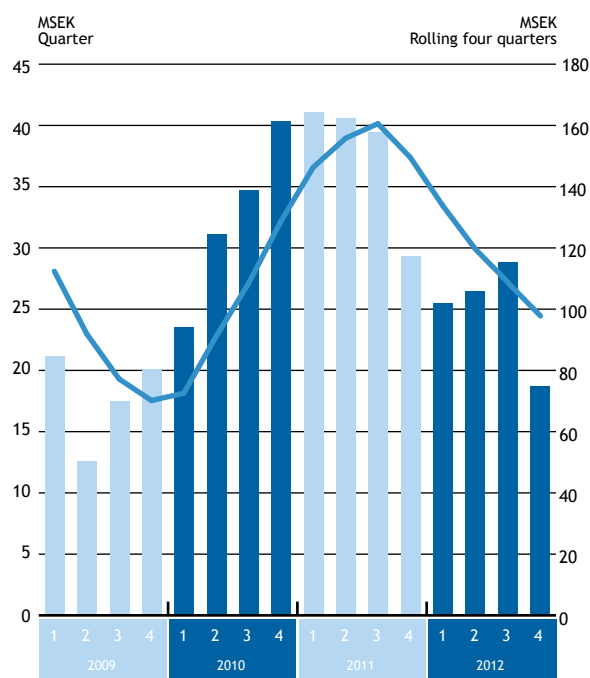
The Board of Directors is proposing a dividend of 1.25 SEK (2.25) per share.

Group Sales



▲ The bars and left-hand scale indicate quarterly sales. The 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's market remained weak overall in the fourth quarter. Demand in Asia recovered to some extent after poor progress in the year. Europe remained restrained, and the previously high growth rate in the US declined.

Much of the volume contraction is due to downscaled deliveries to the business area's brand label customers. Market sentiment has been very hesitant, with investment decisions being delayed. In the year, the business area launched a new global product range. Deficiencies in HMI Products' logistics chain arose in tandem with the launch, resulting in an erroneous inventory build-up of components. Inventories were subject to write-down in the fourth quarter.

Fourth Quarter

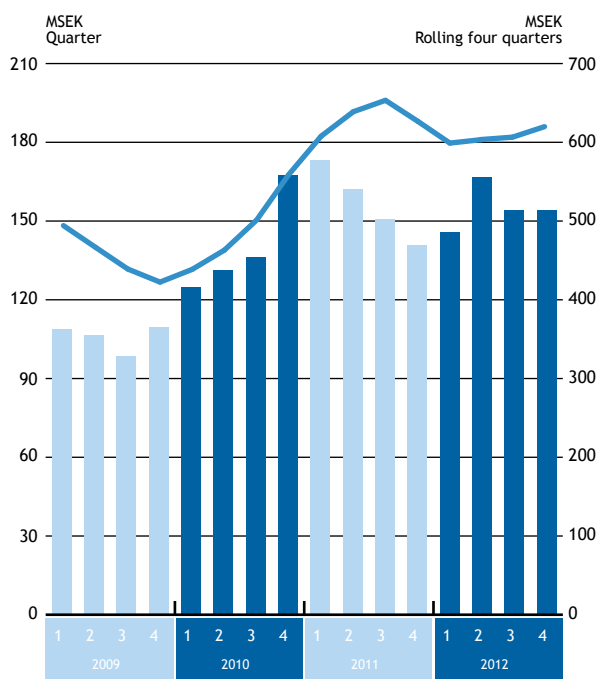
Business area order intake decreased to 135.2 MSEK (149.4). Sales increased by 9% to 154.2 MSEK (140.9).

Operating profit was 7.7 MSEK (12.6), or an operating margin of 5.0% (8.9). The lower profit is due to reduced sales volumes and higher overheads resulting from aggressive marketing and sales initiatives. Profit was also charged with 7.5 MSEK of inventory write-downs.

Full Year

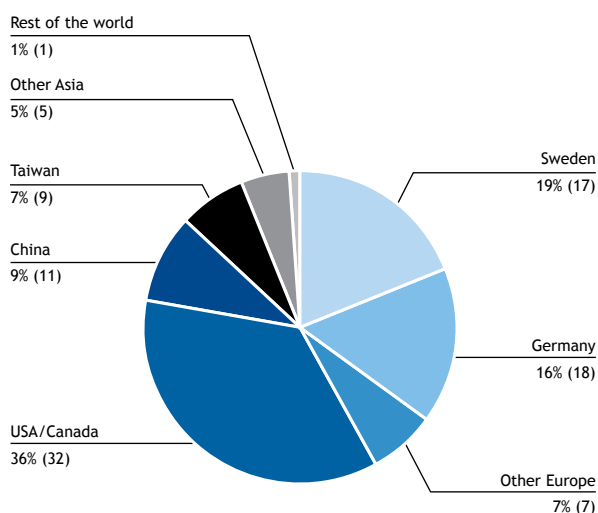
Order intake was 585.1 MSEK (636.3). Sales decreased by 1% to 620.3 MSEK (627.2). Operating profit was 58.7 MSEK (87.4). The operating margin amounted to 9.5% (13.9). The lower profit is explained by somewhat reduced sales volumes and higher overheads resulting from aggressive marketing, sales and product development initiatives, as well as inventory write-downs.

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 Geographical Market, HMI Products



▲ Sales by geographical market for the full year 2012 compared to 2011.

Automation Business Area

The Nordic automation market remained poor in the fourth quarter. The year featured caution and longer lead-times to decisions, mainly for manufacturing customers. However, the market for infrastructure, real estate automation and energy savings was fairly stable. Sales in Sweden, Denmark and Finland were lower, but increased in Norway.

The business area secured a number of major orders for automation products in the fourth quarter. Sales of the new, broader-based, Beijer Electronics-branded product range got underway.

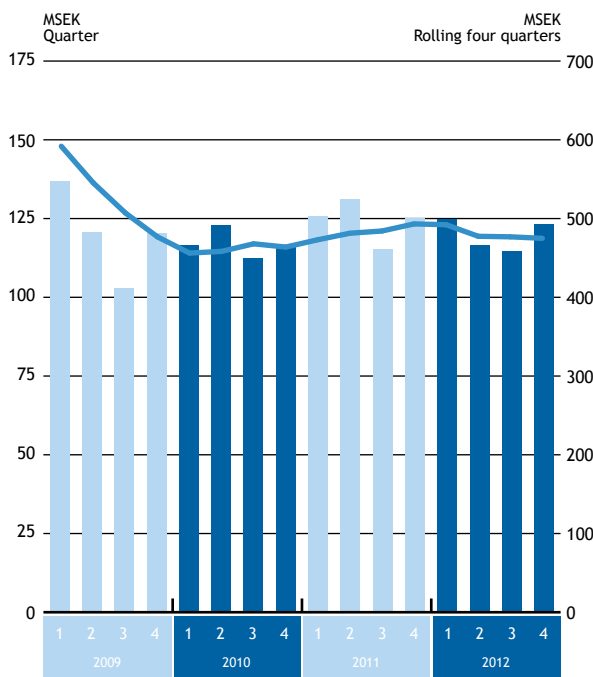
Fourth Quarter

Business area order intake increased by 3% to 130.5 MSEK (126.5), the result of a number of large orders. Sales decreased to 123.3 MSEK (125.2). Operating profit was 8.2 MSEK (10.2). This equates to an operating margin of 6.7% (8.2).

Full Year

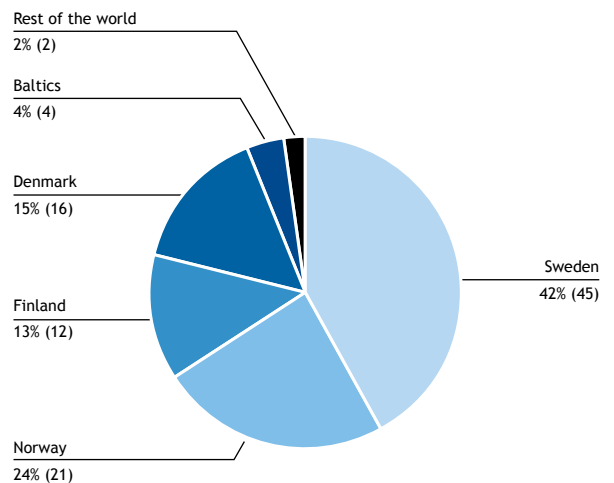
Order intake was 484.3 MSEK (494.0). Sales decreased to 479.0 MSEK (497.2). Operating profit was 30.4 MSEK (34.5), equating to an operating margin of 6.3% (6.9). Lower profits are due to decreased sales volumes.

Sales, Automation



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

Sales by Geographical Market, Automation



▲ Sales by geographical market for the full year 2012 compared to 2011.

Industrial Data Communication Business Area

The IDC business area achieved a robust increase in order intake in the fourth quarter. IDC has succeeded in securing new orders and new accounts on the Rail side, with Westermo IP-train, as well as infrastructure and highway tunnel projects, plus harbor facilities. IDC made a breakthrough in the oil and gas industry, securing a new order from one leading player in the sector. Order intake and sales in the year were affected by a sharp demand downturn from major OEM customers. The decrease slowed in the fourth quarter.

In the year, IDC conducted large-scale marketing and product development initiatives. A total of 15 new products were launched, with new, powerful functionality added in new releases of the WeOS operating system.

Fourth Quarter

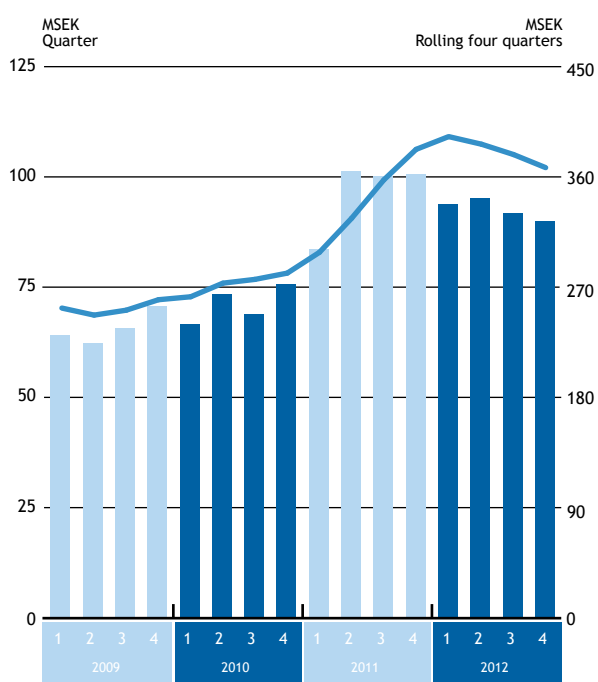
Business area order intake increased by 22% to 107.9 MSEK (88.6). Sales decreased by 11% to 89.9 MSEK

(100.5). Operating profit was 5.2 MSEK (10.8), or an operating margin of 5.8% (10.7). The lower profit is volume related.

Full Year

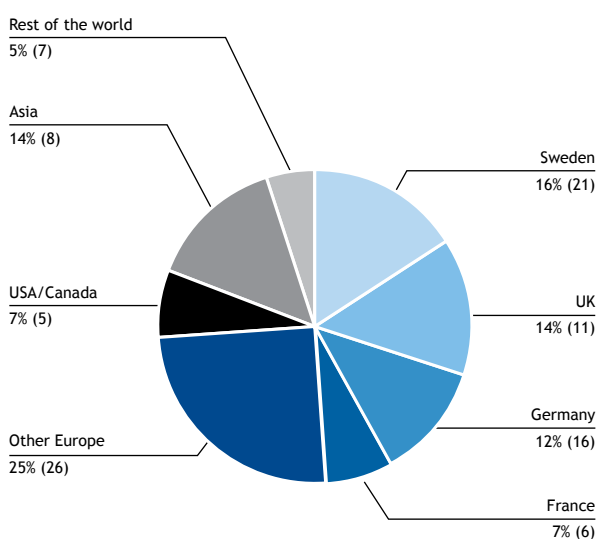
Order intake increased by 9% to 405.3 MSEK (370.2). Sales decreased by 4% to 370.3 MSEK (385.2). Operating profit was 27.3 MSEK (46.2). The operating margin was 7.4% (12.0). Significant marketing and product development initiatives were conducted in the year.

Sales, IDC



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

Sales by Geographical Market, IDC



▲ Sales by geographical market for the full year 2012 compared to 2011.

Other Financial Information

Group investments including capitalized development expenses and acquisitions were 53.8 MSEK (107.3). Cash flow from operating activities was 105.4 MSEK (160.5). Equity was 415.8 MSEK (420.3) at year-end. The equity ratio was 30.9% (29.7). Cash and cash equivalents were 128.5 MSEK (178.3). Interest-bearing liabilities amounted to 618.5 MSEK (607.8). The average number of employees was 689 (668).

Prospects for 2013

Beijer Electronics' sales and profits were lower in the full year 2012 compared to 2011. But demand stabilized in the fourth quarter 2012, while significant uncertainty regarding economic progress persists. Accordingly, it is too early to judge and specify the outlook for the full year 2013.

Significant Events

In May, Beijer Electronics launched two new operator panel product lines, the TxB and TxC, based on its new software, IX 2.0. These new panels are added to the TxA, which was launched in 2011. This new range of panels sharpens Beijer Electronics' competitiveness because they cut customers' development expenses significantly, while also offering innovative tools to tailor customer-specific applications.

Through its subsidiary Westermo, Beijer Electronics secured a major order of some 30 MSEK (4 MUSD) in June from the Washington Metropolitan Area Transit Authority (WMATA) as the end-customer. This order marked a breakthrough for Beijer Electronics and Westermo's new IP communication solutions for the rail segment (Westermo IP-train) and corroborate the group's global leadership in this segment. This order covers communication equipment

like switches and routers for 364 commuter train cars. Shipping will start in the fourth quarter 2013 and deliveries will run for 2½ years. There is potential for supplementary orders as part of the WMATA's upgrade of the Washington subway and commuter train network.

Accounting Principles

For the group, this Financial Statement has been prepared in accordance with IAS 34 Interim Financial Reporting and applicable regulations of the Swedish Annual Accounts Act. The Financial Statement for the parent company has been prepared in accordance with the Swedish Annual Accounts Act's chapter 9, Interim Reporting. The accounting principles applied for the group and parent company are consistent with those accounting principles used when preparing the latest annual accounts.

This Report has not been reviewed by the company's Auditors.

The Board of Directors
Beijer Electronics AB (publ)
Malmö, Sweden, February 7, 2013

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Year in Summary

Income Statement—Group

SEK 000	Quarter 4 2012	Quarter 4 2011	Full Year 2012	Full Year 2011
Net turnover	340,608	345,340	1,367,163	1,417,705
Other operating revenue	1,250	-4,814	-2,423	349
Operating expenses excluding depreciation and amortisation	-306,198	-297,230	-1,206,085	-1,214,762
Operating profit before depreciation and amortization	35,660	43,296	158,655	203,292
Amortization, intangible assets	-11,361	-9,244	-40,822	-37,168
Depreciation, property, plant and equipment	-5,594	-4,972	-18,293	-15,854
Operating profit	18,705	29,080	99,540	150,270
Net financial items	-6,887	-4,806	-26,419	-17,292
Profit before tax	11,818	24,274	73,121	132,978
Estimated tax	5,451	-9,109	-19,765	-33,854
Net profit	17,269	15,165	53,356	99,124
<i>Attributable to equity holders of the parent</i>	<i>16,277</i>	<i>14,181</i>	<i>49,939</i>	<i>95,288</i>
<i>Attributable to minority interest</i>	<i>992</i>	<i>984</i>	<i>3,417</i>	<i>3,836</i>
<i>Earnings per share, SEK</i>	<i>0.86</i>	<i>0.75</i>	<i>2.64</i>	<i>5.03</i>

Statement of Comprehensive Income

SEK 000	Quarter 4 2012	Quarter 4 2011	Full Year 2012	Full Year 2011
Net profit	17,269	15,165	53,356	99,124
Translation differences	7,719	266	-11,845	8,210
Comprehensive income	24,988	15,431	41,511	107,334
<i>Attributable to equity holders of the parent</i>	<i>23,775</i>	<i>14,246</i>	<i>38,181</i>	<i>104,070</i>
<i>Attributable to minority interest</i>	<i>1,213</i>	<i>1,185</i>	<i>3,330</i>	<i>3,264</i>

Balance Sheet—Group

SEK 000	Dec 31, 2012	Dec 31, 2011
Assets		
Fixed assets	769,742	798,092
Current assets	518,834	502,405
Cash equivalents and short-term investments	128,469	178,258
Total assets	1,417,045	1,478,755
Liabilities and shareholders' equity		
Shareholders' equity	415,843	420,265
Minority share of shareholders' equity	21,316	18,886
Long-term liabilities	507,220	585,910
Current liabilities	472,666	453,694
Total liabilities and shareholders' equity	1,417,045	1,478,755
<i>Of which interest-bearing liabilities</i>	<i>618,498</i>	<i>607,839</i>

Statement of Changes to Shareholders' Equity—Group

SEK 000	Dec 31, 2012	Dec 31, 2011
Attributable to equity holders of the parent		
Opening balance, shareholders' equity, 1 January	420,265	337,729
Other paid-up capital		15,705
New stock issue		90
Dividend	-42,603	-37,329
Comprehensive income	38,181	104,070
Closing balance, shareholders' equity	415,843	420,265
Minority interest		
Opening balance, 1 January	18,886	27,640
Acquisitions		-11,379
Dividend	-900	-639
Comprehensive income	3,330	3,264
Closing balance	21,316	18,886

Key Figures

	Dec 31, 2012	Dec 31, 2011
Operating margin, %	7.3	10.6
Profit margin, %	3.9	7.0
Equity ratio, %	30.9	29.7
Shareholders' equity per share, SEK	22.0	22.2
Earnings per share, SEK	2.64	5.03
Return on equity after tax, %	12.2	24.6
Return on capital employed, %	9.6	17.3
Return on net operating assets, %	14.6	20.4
Average number of employees	689	668

Cash Flow Statement—Group

SEK 000	Dec 31, 2012	Dec 31, 2011
Cash flow from operating activities before changes in working capital	105,390	160,514
Change in working capital	-1,581	-104,028
Cash flow from operating activities	103,809	56,486
Cash flow from investing activities	-53,808	-107,260
Cash flow from finance activities	-53,421	159,715
Dividends paid	-43,503	-37,968
Change in cash equivalents	-46,923	70,973
Cash equivalents and short-term investments, opening balance	178,258	105,064
Exchange rate change, cash equivalents	-2,866	2,221
Cash equivalents and short-term investments, closing balance	128,469	178,258

Operating Segments

SEK 000	Quarter 4 2012	Quarter 4 2011	Full Year 2012	Full Year 2011
Net turnover				
Automation	123,302	125,166	478,983	497,201
HMI Products	154,179	140,864	620,281	627,177
IDC	89,877	100,520	370,340	385,216
Group adjustments	-26,750	-21,210	-102,441	-91,889
Group	340,608	345,340	1,367,163	1,417,705
Operating profit before depreciation and amortization				
Automation	9,106	11,155	34,049	38,383
HMI Products	13,521	18,874	81,412	111,396
IDC	11,045	15,593	47,233	61,966
Parent company	742	-10,148	-5,056	-9,774
Group adjustments	1,246	7,822	1,017	1,321
Group	35,660	43,296	158,655	203,292
Operating profit				
Automation	8,217	10,209	30,353	34,480
HMI Products	7,674	12,607	58,661	87,358
IDC	5,155	10,809	27,302	46,243
Parent company	-1,725	-11,143	-10,841	-12,887
Group adjustments	-616	6,598	-5,935	-4,924
Group	18,705	29,080	99,540	150,270
Net profit				
Automation	6,609	6,565	22,778	25,576
HMI Products	-1,051	6,130	34,956	64,453
IDC	6,075	6,474	14,416	29,593
Parent company	6,760	3,239	3,910	31,936
Group adjustments	-1,124	-7,243	-22,704	-52,434
Group	17,269	15,165	53,356	99,124
<i>Attributable to equity holders of the parent</i>	16,277	14,181	49,939	95,288
<i>Attributable to minority interest</i>	992	984	3,417	3,836

Income Statement—Parent Company

SEK 000	Quarter 4 2012	Quarter 4 2011	Full Year 2012	Full Year 2011
Net turnover	16,652	23,561	64,359	65,059
Operating expenses	-18,376	-34,704	-75,200	-77,946
Operating profit	-1,724	-11,143	-10,841	-12,887
Net financial items *	-2,753	5,863	-1,641	33,907
Profit before tax	-4,477	-5,280	-12,482	21,020
Appropriations	19,826	7,606	19,826	7,606
Estimated tax	-3,581	913	1,574	3,310
Net profit	11,768	3,239	8,918	31,936
<i>* of which is dividends from subsidiaries</i>			18.8	42.2

Balance Sheet—Parent Company

SEK 000	2012-12-31	2011-12-31
Assets		
Fixed assets	672,756	604,313
Current assets	13,569	100,489
Cash equivalents and short-term investments	269	116
Total assets	686,594	704,918
Liabilities and shareholders' equity		
Shareholders' equity	47,406	81,091
Untaxed reserves	7,865	14,284
Long-term liabilities	398,341	378,064
Current liabilities	232,982	231,479
Total liabilities and shareholders' equity	686,594	704,918
<i>Of which interest-bearing liabilities</i>	570,194	560,744

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 21 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 86 00, or send an email: info@beijerelectronics.se.

Financial Calendar

April 23, 2013.....Annual General Meeting
April 23, 2013.....Three-month Interim Report
Juli 12, 2013.....Six-month Interim Report
October 25, 2013.....Nine-month Interim Report



MELSEC L—Compact and Fully Loaded with Functionality

Mitsubishi Electric's MELSEC L modular PLC system delivers high performance and flexibility in a compact format. Apart from standard functions, the CPU can have up to ten branch/extension expansion modules, making MELSEC L the obvious choice for state-of-the-art automation solutions.

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