



## JANUARY – JUNE, 2017

### Board of Directors proposing a 225 MSEK rights issue to accelerate development of the Group

#### Second quarter

- Order intake increased by 9% to 306.6 MSEK (280.2).
- Net sales increased by 7% to 304.0 MSEK (283.3).
- EBIT was 6.5 MSEK (4.2).
- Profit/loss after tax was 0.8 MSEK (-2.8).
- Earnings per share were 0.03 SEK (-0.14).
- AGM in April 2017 approved change of corporate name to Beijer Electronics Group AB.
- Board of Directors proposing a 225 MSEK rights issue with preferential rights for existing shareholders.

#### First half-year

- Order intake increased by 15% to 624.8 MSEK (545.1).
- Net sales rose by 5% to 594.2 MSEK (563.8).
- EBIT was 9.0 MSEK (-51.3). Year-2016 earnings were charged with non-recurring expenses of 50 MSEK.
- Profit/loss after tax was -3.0 MSEK (-44.7).
- Earnings per share were -0.19 SEK (-2.33).

# Interim Report, Beijer Electronics Group AB

## Comments from President and CEO Per Samuelsson

“Beijer Electronics Group consolidated its positive trend during the second quarter, with increased order intake, higher sales and improved earnings. We are following the plan we set for our continuing operations, and see good potential to achieve our targets of minimum growth of 7% and a minimum operating margin of 10%, achievable in late-2018.

But we’re raising our level of ambition further now. The Board and management now see several opportunities to accelerate our evolution, by making some small-scale acquisitions, thus upping the Group’s development tempo, and creating more scope to act. Accordingly, with the support of several major shareholders, the Board has decided to propose a rights issue of some 225 MSEK with preferential rights for existing shareholders. The proposed rights issue is fully underwritten. More information on the rights issue is in a separate press release.

A 225 MSEK rights issue would significantly enhance the Group’s financial position. The Group’s current net debt and debt/equity ratio are limiting its scope for aggressive initiatives over and above the significant investments it is already executing within its recent strategy. With the substantial realignment over the past two years now essentially complete, and with stronger management capacity, the company regards its current position as favorable for more aggressive initiatives, while simultaneously safeguarding ongoing product development and sales initiatives. Product development expenditure increased by 11% in the

second quarter, and in the first half-year, these expenses amounted to some 75 MSEK, or 13% of sales. Over the next 12 months, Beijer Electronics Group will be releasing a number of new software products and services. We have also assigned more resources to marketing and sales. In the shorter perspective, this will affect earnings, which remain unacceptably low. But what is positive is that earnings are progressively improving.

The Westermo business unit demonstrates that the major investment program of recent years is now starting to pay off. Order intake and sales are in brisk growth. Westermo’s order book was at a record level at the mid-point of the year. Earnings more than doubled in the first half-year, and operating margin is converging on 10%.

The Beijer Electronics business unit reported healthy growth in the second quarter. Simultaneously, though, earnings are being affected in the short term by upscaled product development and sales initiatives. We think that they will have a positive and more visible effect in 2018. We also note that the launch of our new X2 operator panels has been successful to date. Sales are progressing well, while quality and delivery reliability are high.

The Korenix business unit had somewhat higher sales and improved earnings, albeit from an unacceptable level. 2017 can be considered something of a turnaround year for Korenix. A new President is in place, and a new management is being appointed. The focus is on creating a new and more sales-focused organization, better suited to the

“ The proposed rights issue gives us the opportunity to increase our tempo in a rising market.

**PER SAMUELSSON**, PRESIDENT AND CEO.

new product range.

We are reiterating our previous outlook for the full year 2017. We expect the Group to be able to achieve higher sales and better underlying EBIT compared to 2016.”

### The Group in the second quarter

Essentially, the Group’s order intake, net sales and earnings for the second quarter were according to plan. Order intake continued to progress well in the second quarter, up by 9% to 306.6 MSEK (280.3). Currency effects made a positive contribution. Adjusted for currency effects, the Group’s order intake increased by 6%.

The Group’s net sales rose somewhat faster in the second quarter than in the first. Net sales rose by 7% to 304.0 MSEK (283.4). Adjusted for currency effects, net sales were up by 3%.

Group EBITDA amounted to 23.3 MSEK (19.2). Depreciation and amortization was 16.8 MSEK (15.0). EBIT increased to 6.5 MSEK (4.2). The higher earnings are due to increase net sales and a somewhat wider gross margin. Meanwhile, product development initiatives and upscaled net sales initiatives continued, resulting in higher costs. This is expected to pay off in the form of rising revenues and earnings, mainly from 2018 onwards.

Total development expenditure increased by 11% to 38.8

MSEK (34.8). This corresponded to 12.8% (12.3) of Group net sales.

Profit before tax was 0.8 MSEK (0.7). Net financial income/expense was -5.6 MSEK (-3.4). Profit/loss after estimated tax was 0.8 MSEK (-2.8). Earnings per share after estimated tax were 0.03 SEK (-0.14).

### The Group in the first half-year

The Group’s order intake increased by 15% to 624.8 MSEK (545.1) in the first six months of the year. Currency adjusted, the increase was 11%. Net sales increased by 5% to 594.2 MSEK (563.8), and increased by 2% currency adjusted.

EBITDA rose to 42.3 MSEK (-20.4). Earnings in 2016 were charged with non-recurring expenses of 50 MSEK. Depreciation and amortization was 33.3 MSEK (30.9). EBIT was 9.0 MSEK (-51.3 and 1.3 excluding non-recurring expenses).

Development expenditure increased by 9% to 75.2 MSEK (68.7). This corresponded to 12.7% (12.2) of net sales.

Profit/loss before tax was -3.5 MSEK (-55.9). Net financial income/expense was -12.5 MSEK (-4.6). Profit/loss after estimated tax was -3.0 MSEK (-44.7). Earnings per share after estimated tax were -0.19 SEK (-2.33).

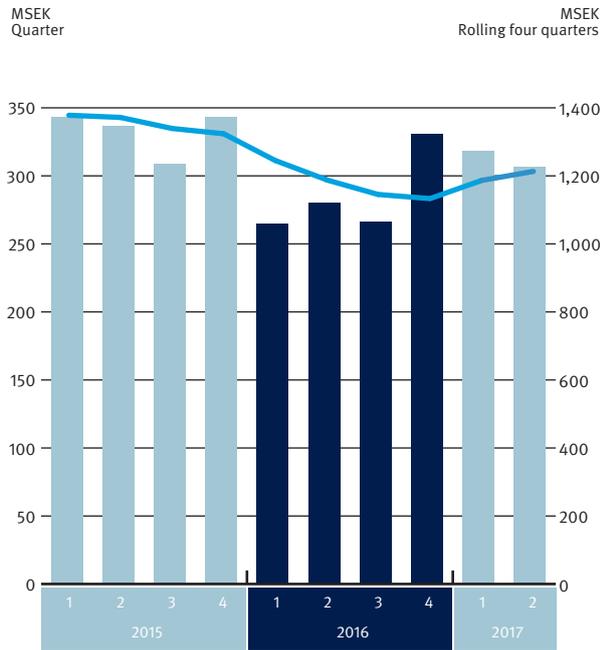
### Business area net sales and operating profit

MSEK	Net sales Quarter 2		Operating profit Quarter 2		Net sales 6 mth.		Operating profit 6 mth.	
	1706	1606	1706	1606	1706	1606	1706	1606
Business area Beijer Electronics	163.6	155.7	3.7	10.0	326.4	319.9	5.6	-39.9 <sup>a</sup>
Business area Westermo	117.7	103.9	10.0	5.8	224.0	200.8	20.8	9.2
Business area Korenix	28.5	27.9	0.9	0.7	54.3	51.1	-1.6	-0.2
Intra-group sales	-5.8	-4.2			-10.5	-8.0		
Group adjustments and depreciation			-8.1	-12.3			-15.8	-20.4 <sup>b</sup>
<b>Beijer Electronics Group</b>	<b>304.0</b>	<b>283.3</b>	<b>6.5</b>	<b>4.2</b>	<b>594.2</b>	<b>563.8</b>	<b>9.0</b>	<b>-51.3</b>

<sup>a</sup> Of which restructuring expense of -50.0 MSEK

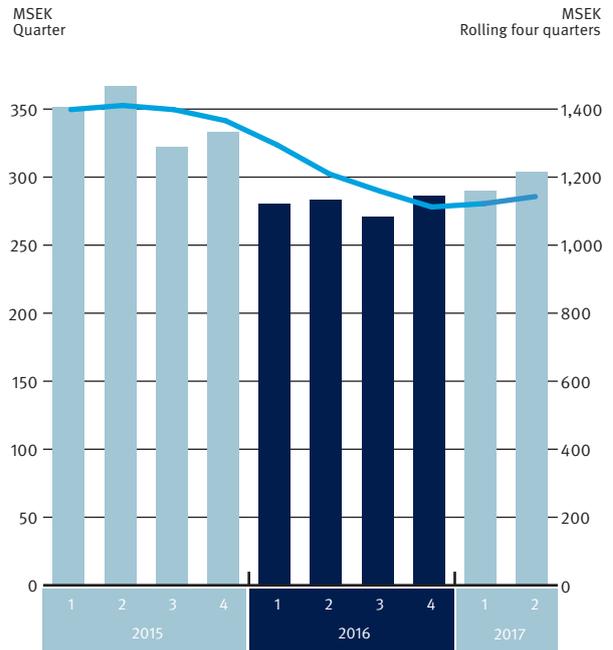
<sup>b</sup> Of which restructuring expense in the parent company, -0.7 MSEK

### Group order intake



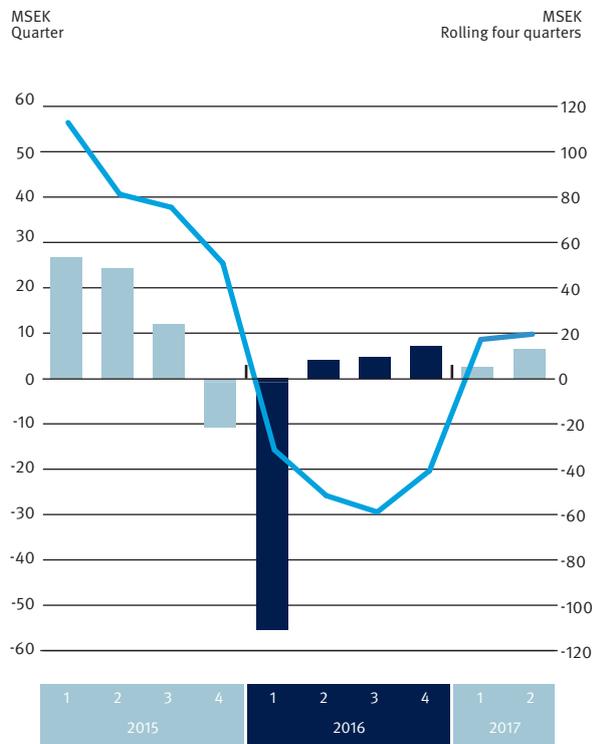
▲ The bars and left-hand scale indicate quarterly order intake. The curve and right-hand scale show rolling four quarter order intake.

### Group net 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 operating profit. The curve and right-hand scale show rolling four quarter operating profit.

Business unit

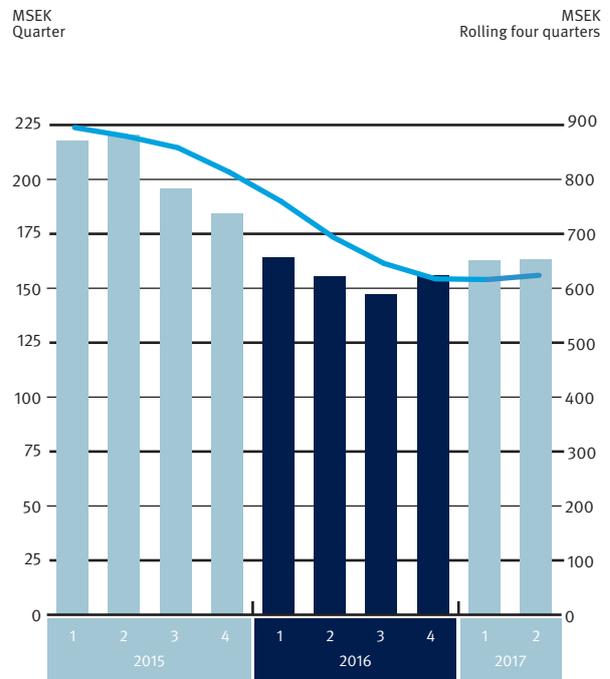
# Beijer Electronics

Largely, the Beijer Electronics business unit continued to perform as planned in the second quarter. The period marked something of a trend-break, when order intake and sales were in positive growth. Primarily, the US market generated the increase. Coincident with the heavy demand drop in the US oil and gas sector two years ago, Beijer Electronics focused on expanding its market and addressing other segments. This, gradually, resulted in increased sales. Some bright spots are starting to become discernible in oil and gas, with more stable demand.

As a whole, Europe was unchanged, although it is mainly slow in the Nordics, while the rest of Europe progressed positively. Poorer progress in the Nordics is mainly explained by the extensive realignment of Beijer Electronics' organization after the termination of its partnership with Mitsubishi Electric at year-end 2015. Sales in Asia were also unchanged, but the outlook is inconsistent—still weak in China, but other countries made stronger progress.

The new X2 series operator panel launched in fall 2016 achieved notable successes on the market. Sales evidenced its successful introduction. Quality, safety and delivery capacity have met expectations, at a high level, which bodes well for continued sales initiatives. The X2 series was also supplemented by the launch of X2 Extreme in the year.

Net sales, Beijer Electronics



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

Product development was also intensified, consistent with the new vision focusing on Smart Automation, which features control, connection and presentation of data for mission-critical applications. Several new software products and services will be launched over the coming twelve-month period. Selective additions to marketing and sales resources have also been prioritized to increase sales going forward.

#### **Second quarter**

Beijer Electronics' order intake increased by 11% to 159.3 MSEK (144.0) in the second quarter. Sales rose by 5% to 163.6 MSEK (155.7). EBITDA was 9.6 MSEK (14.4). Depreciation and amortization was 6.0 MSEK (4.4). EBIT was 3.7 MSEK (10.0). Gross profit rose by 8% due to higher sales and a somewhat improved gross margin.

Meanwhile, earnings were affected by upscaled initiatives in product development, marketing and sales initiatives, which will take effect further ahead. The business unit was also charged with some 3 MSEK of expenses that were previously charged to the parent company. Overall, these increased expenses explain the EBIT downturn.

#### **First half-year**

Order intake was up by 8% to 321.7 MSEK (298.1) in the first half-year. Sales rose by 2% to 326.4 MSEK (319.9). EBITDA amounted to 17.2 MSEK (-30.4). Earnings were charged with non-recurring expenses of 49.3 MSEK in 2016. Depreciation and amortization was 11.6 MSEK (9.5). EBIT was 5.6 MSEK (-39.9 and 9.4 excluding non-recurring expenses).

“ It’s positive that we’re now seeing growth in Beijer Electronics, while Westermo’s growth continues.

**PER SAMUELSSON**, PRESIDENT AND CEO.

## Business unit

# Westermo

The Westermo business unit continued its stable and positive progress, with healthy growth and significantly higher earnings in the second quarter. Westermo also reported its largest order book to date at the end of the quarter.

Sales in the US, China and southern Europe were positive stand-outs. The recently opened Australian office made advances in the form of a number of project deals and some major orders. Network solutions for trains and rail infrastructure, as well as the water and power sectors, contributed to the positive progress.

Intensive product development continued as planned. The product range was extended and expanded with more versions of current products. With the improved performance and enhanced functionality the new products sharpen Westermo's offer for mission critical applications.

### Second quarter

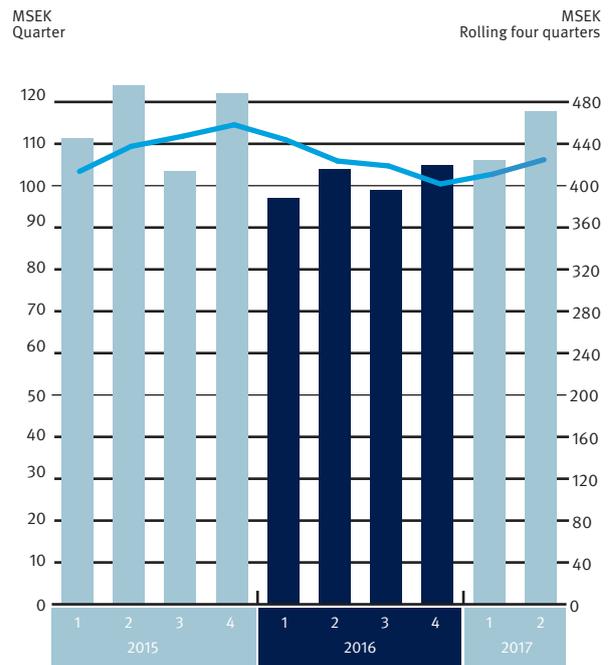
Westermo's order intake increased by 13% to 126.0 MSEK (112.1). Sales increased by 13% to 117.7 MSEK (103.9). EBITDA increased to 15.7 MSEK (11.4). Depreciation and amortization was 5.8 MSEK (5.7). EBIT increased by 72% to 10.0 MSEK (5.8). This corresponded to an operating margin of 8.5% (5.6). The earnings increase is due to higher sales.

### First half-year

Order intake rose by 27% to 257.0 MSEK (201.7). Sales rose by 12% to 224.0 MSEK (200.8). EBITDA was 32.3

MSEK (20.9). Depreciation and amortization was 11.5 MSEK (11.7). EBIT more than doubled to 20.8 MSEK (9.2), corresponding to an operating margin of 9.3% (4.6).

Net sales, Westermo



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

## Business unit

# Korenix

The Korenix business unit achieved modest sales growth and somewhat improved earnings, albeit from a low level, in the second quarter. Order intake was down somewhat in the period, but was up by 6% in the first half-year overall. Korenix is in the process of fine-tuning its new organization, and 2017 can be considered as a turnaround year. A new President is in place, and a new management is being appointed. The business unit has a strong product range in segments including wireless data communication, and the new management is putting a sharp focus on building up stable sales resources.

We are retaining our previous assessment regarding legal proceedings, initiated against some local key members of staff that had acted disloyally towards the company. 1.5 MSEK of expenses for legal proceedings were charged to earnings in the first quarter, and are estimated at a maximum of 2 MSEK in 2017. Otherwise, Korenix's operations are expected to be unaffected by these events.

### Second quarter

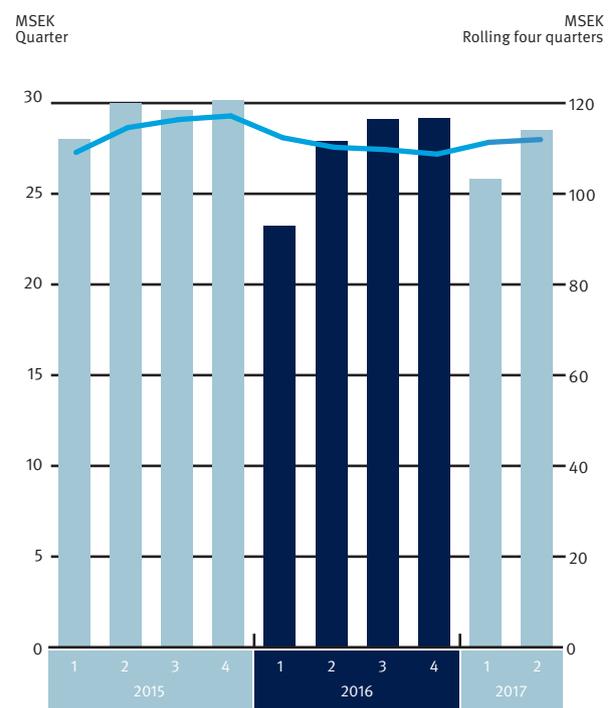
Korenix's order intake decreased somewhat to 27.0 MSEK (28.2) in the second quarter. Sales increased by 2% to 28.5 MSEK (27.9), with positive currency effects contributing to this increase. EBITDA was 3.7 MSEK (2.7). Depreciation and amortization was 2.8 MSEK (2.0). EBIT was 0.9 MSEK (0.7).

### First half-year

Order intake was up by 6% to 56.5 MSEK (53.4). Sales increased by 6% to 56.5 MSEK (53.4). EBITDA was

3.9 MSEK (3.9). Depreciation and amortization was 5.5 MSEK (4.1). EBIT was -1.6 MSEK (-0.2).

Net sales, Korenix



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

## Other financial information

Group investments, including capitalized development expenses and acquisitions, amounted to 42.8 MSEK (33.8) in the first half-year 2017. Cash flow from operating activities was -4.3 MSEK (-18.8). Equity was 397.5 MSEK (469.2) on 30 June 2017. The equity ratio was 27.9% (31.5). Cash and cash equivalents were 74.4 MSEK (111.1). Net debt was 634.2 MSEK (569.0). The average number of employees was 686 (723).

### Prospects for the full year 2017

The positive trend for Beijer Electronics Group continued in the second quarter. For the full year, we expect the Group to return increased net sales and improved underlying EBIT in 2017 compared to 2016.

### Financial targets for the Group

The Board of Directors set new financial targets for Beijer Electronics Group in the first quarter 2016. The targets are that within a 2-3 year timeframe, the Group will achieve minimum organic growth of 7% per year, and achieve minimum EBIT of 10%, measured as an average over a business cycle.

### Significant events

The AGM on 27 April 2017 resolved to amend the Articles of Association with the parent company changing corporate name from Beijer Electronics AB (publ) to Beijer Electronics Group AB (publ). This change was recorded

at the Swedish Companies Registration Office on 16 May 2017.

Stefan Lager was appointed CEO of the Beijer Electronics business unit on 1 June 2017. Stefan's previous position was as Senior VP of sales Europe & Americas for Beijer Electronics. He has previously held executive positions with Strålfors, Flextronics and Ericsson.

After the end of the reporting period, on 14 June 2017, the Board of Directors of Beijer Electronics Group decided to propose a rights issue of approximately 225 MSEK with preferential rights for existing shareholders. The proposed rights issue is fully underwritten through subscription undertakings and guarantee commitments.

The background to this proposal for a rights issue is that shareholders, the Board of Directors and management have been examining the potential to gear up the Group's development tempo for some time, through means including small-scale acquisitions, and creating more room to act.

Beijer Group has essentially completed the major overhaul of its operations over the past two years. The Group has returned to growth and earnings are progressively improving. Progress is as planned and there is good potential to achieve the targets of a minimum yearly organic growth rate of 7%, and a minimum operating margin of 10% by late-2018.

However, the Group's financial position, with net debt of 634 MSEK and an equity ratio of 28% on 30 June 2017, does limit its scope for aggressive actions over and

above the extensive initiatives executed within its new strategy. A 225 MSEK rights issue would reduce net debt to just over 400 MSEK. Beijer Electronics Group has also increased its management capacity, including appointing a new President of the Beijer Electronics business unit, and a new President of the Korenix business unit now in place.

Overall, the Group judges that this is a good opportunity to strengthen its financial position, and thus create scope for further aggressive initiatives.

#### The issue proposal in brief

- The complete share issue terms and conditions, including the subscription price, are scheduled for publication by 29 August 2017, and providing the rights issue is approved by the related Extraordinary General Meeting (EGM), the record date will be 5 September 2017 and the subscription period will be from 7 September to 22 September 2017, both dates inclusive.
- Beijer Electronics Group's largest shareholders, Stena Sessan Investment AB, SEB Fonder, Nordea Fonder, Svolder and the Fourth National Swedish Pension Fund (Fjärde AP-Fonden) are underwriting the rights issue and have provided subscription undertakings and letters of intent to subscribe for the shares that they are entitled to with preferential rights, corresponding to a total of some 69.7% of the rights issue. Stena Sessan Investment AB and Svolder have made issue guarantees for that portion of the rights issue that is not covered by

subscription undertakings, and accordingly, the issue is fully underwritten.

- The notice convening the EGM on 1 September 2017 will be published in a dedicated press release.

#### Accounting principles

For the group, this Interim Report has been prepared in accordance with IAS 34 Interim Financial Reporting and applicable regulations of the Swedish Annual Accounts Act. The Interim Report 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.

Malmö, Sweden, July 14, 2017

Per Samuelsson

President and CEO

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**Bo Elisson**

*Chairman of the Board*

**Ulrika Hagdahl**

*Board member*

**Johan Wester**

*Board member*

**Christer Öjdemark**

*Board member*

**Maria Khorsand**

*Board member*

# Interim Report in Summary

## Income Statement—Group

SEK 000	Quarter 2, 2017	Quarter 2, 2016	6 mth. 2017	6 mth. 2016	Full year, 2016
Net sales	303,999	283,314	594,223	563,823	1,121,509
Other operating revenue	-14	472	-1,901	468	1,715
Operating expenses excluding depreciation and amortisation	-280,723	-264,607	-549,979	-584,723 <sup>a</sup>	-1,100,205 <sup>a</sup>
<b>Operating profit before depreciation and amortization</b>	<b>23,262</b>	<b>19,179</b>	<b>42,343</b>	<b>-20,432</b>	<b>23,019</b>
Amortization, intangible assets	-12,534	-10,445	-24,672	-21,295	-43,526
Depreciation, property, plant and equipment	-4,238	-4,565	-8,654	-9,589	-18,848
<b>Operating profit</b>	<b>6,490</b>	<b>4,169</b>	<b>9,017</b>	<b>-51,316</b>	<b>-39,355</b>
Net financial items	-5,648	-3,424	-12,493	-4,598	-84,844 <sup>b</sup>
<b>Profit before tax</b>	<b>842</b>	<b>745</b>	<b>-3,476</b>	<b>-55,914</b>	<b>-124,199</b>
Estimated tax	-14	-3,512	467	11,256	-1,914
<b>Net profit</b>	<b>828</b>	<b>-2,767</b>	<b>-3,009</b>	<b>-44,658</b>	<b>-126,113</b>
<i>Attributable to equity holders of the parent</i>	<i>556</i>	<i>-2,676</i>	<i>-3,591</i>	<i>-44,377</i>	<i>-126,061</i>
<i>Attributable to minority interest</i>	<i>272</i>	<i>-91</i>	<i>582</i>	<i>-281</i>	<i>-52</i>
<i>Earnings per share, SEK</i>	<i>0.03</i>	<i>-0.14</i>	<i>-0.19</i>	<i>-2.33</i>	<i>-6.61</i>

<sup>a</sup> Of which restructuring expense -50.0 MSEK

<sup>b</sup> Of which impairment of participations in associated companies -71.594 MSEK

## Comprehensive Income

SEK 000	Quarter 2, 2017	Quarter 2, 2016	6 mth. 2017	6 mth. 2016	Full year, 2016
Net profit	828	-2,767	-3,009	-44,658	-126,113
Actuarial gains and losses	-2,002	-1,791	-2,002	-1,791	-6,745
Translation differences	-30,847	22,834	-18,648	12,505	50,914
<b>Comprehensive income</b>	<b>-32,021</b>	<b>18,276</b>	<b>-23,659</b>	<b>-33,944</b>	<b>-81,944</b>
<i>Attributable to equity holders of the parent</i>	<i>-31,979</i>	<i>18,180</i>	<i>-24,080</i>	<i>-33,796</i>	<i>-81,740</i>
<i>Attributable to minority interest</i>	<i>-42</i>	<i>96</i>	<i>421</i>	<i>-148</i>	<i>-204</i>

## Balance Sheet—Group

SEK 000	Jun 30, 2017	Jun 30, 2016	Dec 31, 2016
<b>Assets</b>			
Intangible assets	759,092	734,661	766,572
Tangible assets	84,691	77,749	82,718
Financial assets	62,235	130,898	50,406
Current assets	443,000	434,038	423,968
Cash equivalents and short-term investments	74,443	111,106	107,228
<b>Total assets</b>	<b>1,423,461</b>	<b>1,488,452</b>	<b>1,430,892</b>
<b>Liabilities and shareholders' equity</b>			
Shareholders' equity	391,309	463,333	415,389
Minority share of shareholders' equity	6,194	5,829	5,773
Long-term liabilities	499,838	534,875	514,939
Current liabilities	526,120	484,415	494,791
<b>Total liabilities and shareholders' equity</b>	<b>1,423,461</b>	<b>1,488,452</b>	<b>1,430,892</b>
<i>Of which interest-bearing liabilities</i>	<i>708,676</i>	<i>680,108</i>	<i>689,126</i>

## Statement of Changes to Shareholders' Equity

SEK 000	Jun 30, 2017	Jun 30, 2016	Dec 31, 2016
<b>Attributable to equity holders of the parent</b>			
Opening balance, shareholders' equity, 1 January	415,389	520,963	520,963
Dividend		-23,834	-23,834
Comprehensive Income	-24,080	-33,796	-81,740
<b>Closing balance, shareholders' equity</b>	<b>391,309</b>	<b>463,333</b>	<b>415,389</b>
<b>Minority interest</b>			
Opening balance, 1 January	5,773	5,977	5,977
Dividend	421	-148	-204
<b>Closing balance</b>	<b>6,194</b>	<b>5,829</b>	<b>5,773</b>

## Key Figures–Group

	Jun 30, 2017	Jun 30, 2016	Dec 31, 2016
Operating margin, %	1.5	-9.1	-3.5
Profit margin, %	-0.5	-7.9	-11.2
Equity ratio, %	27.9	31.5	29.4
Shareholders' equity per share, SEK	20.5	24.3	21.8
Earnings per share, SEK	-0.19	-2.33	-6.61
Return on equity after tax, %	-19.5	-9.7	-26.6
Return on capital employed, %	2.1	-3.9	-3.2
Return on net operating assets, %	3.1	-6.9	-5.8
Average number of employees	686	723	714

## Cash Flow Statement–Group

SEK 000	Jun 30, 2017	Jun 30, 2016	Dec 31, 2016
Cash flow from operating activities before changes in working capital	20,603	-223	12,673
Change in working capital	-24,904	-18,571	-3,308
<b>Cash flow from operating activities</b>	<b>-4,301</b>	<b>-18,794</b>	<b>9,365</b>
Cash flow from investing activities	-41,879	-33,768	-74,767
Cash flow from finance activities	16,396	68,597	72,143
Dividends paid		-23,834	-23,834
<b>Change in cash equivalents</b>	<b>-29,784</b>	<b>-7,799</b>	<b>-17,093</b>
Cash equivalents and short-term investments, opening balance	107,228	116,636	116,636
Exchange rate change, cash equivalents	-3,001	2,269	7,685
<b>Cash equivalents and short-term investments, closing balance</b>	<b>74,443</b>	<b>111,106</b>	<b>107,228</b>

## Operating Segments

SEK 000	Quarter 2, 2017	Quarter 2, 2016	6 mth. 2017	6 mth. 2016	Full year, 2016
<b>Net sales</b>					
Beijer Electronics	163,550	155,713	326,421	319,925	623,255
Westermo	117,743	103,872	223,957	200,849	404,620
Korenix	28,481	27,874	54,299	51,105	109,399
Group adjustments	-5,775	-4,145	-10,454	-8,056	-15,765
<b>Group</b>	<b>303,999</b>	<b>283,314</b>	<b>594,223</b>	<b>563,823</b>	<b>1,121,509</b>
<b>Operating profit before depreciation and amortization</b>					
Beijer Electronics	9,645	14,446	17,174	-30,377, <sup>a</sup>	-14,406 <sup>b</sup>
Westermo	15,737	11,446	32,294	20,931	53,639 <sup>b</sup>
Korenix	3,697	2,723	3,903	3,913	10,365
Parent company	-6,379	-9,996	-12,251	-16,444, <sup>a</sup>	-28,477 <sup>b</sup>
Group adjustments	562	560	1,223	1,545	1,898
<b>Group</b>	<b>23,262</b>	<b>19,179</b>	<b>42,343</b>	<b>-20,432</b>	<b>23,019</b>
<b>Operating profit</b>					
Beijer Electronics	3,679	10,011	5,550	-39,916	-34,109
Westermo	9,990	5,782	20,756	9,182	30,563
Korenix	947	681	-1,565	-168	1,700
Parent company	-8,370	-12,168	-16,232	-20,568	-36,624
Group adjustments	244	-137	508	154	-885
<b>Group</b>	<b>6,490</b>	<b>4,169</b>	<b>9,017</b>	<b>-51,316</b>	<b>-39,355</b>

*a Of which restructuring expense Beijer Electronics -49.28 MSEK and parent company -720,000 SEK*

*b Of which restructuring expense Beijer Electronics -47.395 MSEK, Westermo -1.886 MSEK parent company -720,000 SEK.*

## Income Statement—Parent Company

SEK 000	Quarter 2, 2017	Quarter 2, 2016	6 mth. 2017	6 mth. 2016	Full year, 2016
Net sales	7,942	9,471	15,884	18,942	37,883
Operating expenses	-16,312	-21,639	-32,116	-39,510	-74,507
<b>Operating profit</b>	<b>-8,370</b>	<b>-12,168</b>	<b>-16,232</b>	<b>-20,568</b>	<b>-36,624</b>
Net financial items*	-8,963	43,151	-14,359	39,964	-33,209 <sup>a</sup>
<b>Profit before tax</b>	<b>-17,333</b>	<b>30,983</b>	<b>-30,591</b>	<b>19,396</b>	<b>-69,833</b>
Appropriations		0			4,100
Estimated tax	3,702	1,801	6,507	4,276	5,483
<b>Net profit</b>	<b>-13,631</b>	<b>32,784</b>	<b>-24,084</b>	<b>23,672</b>	<b>-60,250</b>
* Of which dividends from subsidiaries	0	40,000	0	40,000	40,000

*a Of which impairment of participations in associated companies -75.394 MSEK*

## Balance Sheet—Parent Company

SEK 000	Jun 30, 2017	Jun 30, 2016	Dec 31, 2016
<b>Assets</b>			
Fixed assets	734,435	812,828	734,835
Current assets	12,463	15,410	18,304
Cash equivalents and short-term investments	1,166	1,166	1,166
<b>Total assets</b>	<b>748,064</b>	<b>829,404</b>	<b>754,305</b>
<b>Liabilities and shareholders' equity</b>			
Shareholders' equity	54,907	162,911	78,991
Long-term liabilities	394,944	428,728	397,808
Current liabilities	298,213	237,765	277,506
<b>Total liabilities and shareholders' equity</b>	<b>748,064</b>	<b>829,404</b>	<b>754,305</b>
<i>Of which interest-bearing liabilities</i>	<i>609,952</i>	<i>588,712</i>	<i>592,593</i>

## Financial definitions

### **Average**

Average values are computed as the median value of the current reporting period and the corresponding item in comparative periods 12 months previously.

### **Capital employed**

Equity plus interest-bearing liabilities.

### **Development expenditure**

Expenditure on product development work, such as personal expenses and external consulting expenses.

### **Earnings per share**

Net profit attributable to parent company shareholders divided by the number of shares at year-end.

### **Equity ratio**

Equity in relation to total assets.

### **Equity per share**

Equity attributable to parent company shareholders divided by the number of shares.

### **Net debt**

Interest-bearing liabilities less cash and cash equivalents and investments in securities, etc.

### **Operating assets**

Total assets less cash and cash equivalents, and interest-bearing liabilities.

### **Operating margin**

Operating profit in relation to net sales.

### **Profit margin**

Net profit in relation to net sales.

### **Return on capital employed**

Profit before tax plus financial expenses rolling 12 months in relation to average capital employed.

### **Return on equity after tax**

Net profit rolling 12 months in relation to average equity.

### **Return on net operating assets**

Operating profit (profit after depreciation and amortization) in relation to average net operating assets.

## Beijer Electronics Group AB

Beijer Electronics Group is a high technology company active in industrial automation and data communication. The company develops and markets competitive products and solutions that focus on the user. Since its start-up in 1981, Beijer Electronics Group has evolved into a multinational group with net sales over 1.1 billion SEK in 2016. The company is listed on NASDAQ OMX Nordic Stockholm Small Cap under the ticker BELE.

## More Information

You can subscribe for financial information on Beijer Electronics Group via e-mail. Subscribe easily at our website, [www.beijergroup.com](http://www.beijergroup.com). If you have any questions about the Beijer Electronics Group, please call +46 (0)40 35 86 00, or send an email: [info@beijergroup.com](mailto:info@beijergroup.com)

## Financial Calendar

October 25, 2017.....Nine-month Interim Report  
January 26, 2018.....Financial Statement 2017  
April 26, 2018.....Three-month Interim Report  
April 26, 2018.....Annual General Meeting  
July 13, 2018.....Six-month Interim Report  
October 24, 2018.....Nine-month Interim Report



## New X2 extreme panel family

Beijer Electronics is proud to present the new X2 extreme family of rugged HMIs. X2 extreme panels are certified by all major classification societies. Designed to perform in tough environments and hazardous areas. Extended environmental capabilities include operating temperatures from -30°C to +70°C, high vibrations and high-pressure wash-downs. X2 extreme panels are available in standard versions, high-performance versions and fully sealed high-performance versions.

► Read more at [www.beijerelectronics.com/X2extreme](http://www.beijerelectronics.com/X2extreme)



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