



Every day ...



CONTENTS

Operations

This is Beijer Electronics.....	5
2012 in short.....	6
CEO's statement.....	8

About our operations

What is automation.....	14
Our product offer.....	16
Facts & Figures – Our market and offer.....	18
Our vision.....	24
How we do business.....	26
Facts & Figures – Strategy.....	28
Where we are.....	34
Examples of customers and projects.....	36
Facts & Figures – Markets and presence.....	38

Financial information

Directors' Report.....	42
Consolidated Income Statement.....	46
Consolidated Balance Sheet.....	47
Consolidated Statement of Changes in Equity.....	48
Consolidated Cash Flow Statement.....	49
Parent Company Income Statement.....	50
Parent Company Balance Sheet.....	50
Parent Company Assets Pledged and Contingent Liabilities.....	51
Parent Company Statement of Changes in Equity.....	52
Parent Company Cash Flow Statement.....	53
Notes.....	54
Corporate Governance Report.....	84
Board of Directors' Assurance.....	88
Board of Directors.....	89
Audit Report.....	90
Senior Executives.....	91

Investor and Shareholder Information

Five-year Summary.....	92
The Beijer Electronics Share.....	94
Definitions.....	96
Invitation to the Annual General Meeting.....	98

Asia is still considered to be a key growth engine for the global economy in the years to come. With presence in China, India, Taiwan, Singapore, Malaysia and South Korea Beijer Electronics has a strong position on the Asian markets.



... over 20,000 vehicles pass over the Öresund bridge, crossing the border between Sweden and Denmark. In 2012, ten years after the opening, the Öresund consortium began an extensive modernization of this impressive landmark. And we are very proud to be contributing with our automation technology.



This is Beijer Electronics

A truly international company with our roots in Swedish engineering, we are a reliable partner in industrial automation and communication solutions. We innovate and develop cutting edge technology that bring our customers greater efficiency and lower costs wherever they are in the world. This is Beijer Electronics.

THE ESSENTIALS

Our vision

A leading provider of user-friendly automation solutions on a global basis.

Our competitive strengths

- Technical knowledge
- Support
- Flexibility
- Customer insight

Our business idea

Driven by a strong commitment to people and technology, we provide innovative and reliable automation and communication solutions that improve our customers' businesses.

Our strategic blocks

- Growth
- People and competences
- Market-driven product development
- Operational excellence

Our core values

- Commitment
- Drive
- Trust

Our customers

We offer automation solutions to customers in a wide range of segments, from utilities and infrastructure to transportation and manufacturing. We work with end-customers as well as machine builders (OEMs), integrators and brand label partners.

**Breakthrough order for Westermo IP Train**

Westermo secured their largest order ever for the Washington Metropolitan Area Transit Authority, in June 2012. Worth 30 MSEK this represents a major breakthrough for Westermo IP Train, confirming it as the world-leading on-board communication infrastructure solution for the next generation of trains.

**USA lights up the automation market**

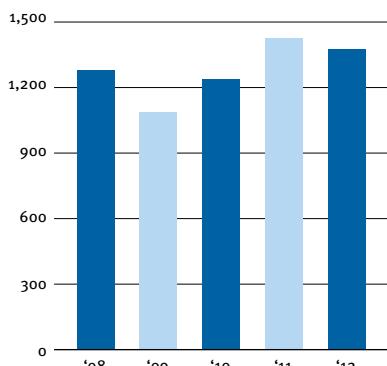
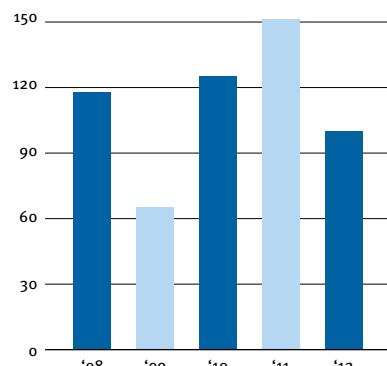
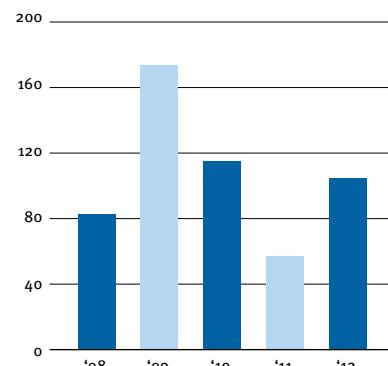
Even though the underlying world economic recovery was weak in 2012, we experienced strong growth of 14% in the US market. This outperformed the market in general, with significant breakthroughs in the oil and gas and rail segments.

**Geographical expansion continues**

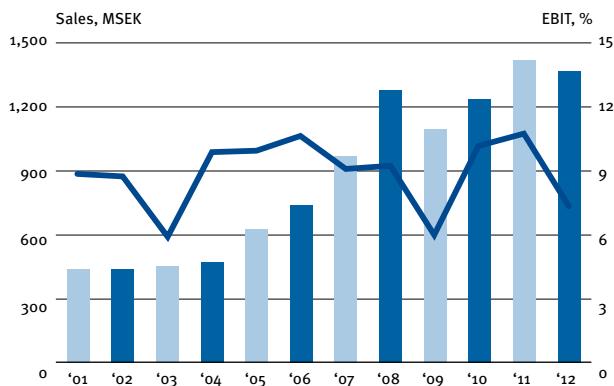
During 2012, Beijer Electronics opened offices for sales and customer service in two new countries: South Korea and Malaysia. We are now present in six countries in Asia, with a total population of over 2.5 billion, and regard this market as an important part of our future growth.

**Strategic product development pays off**

Never in the history of Beijer Electronics has the product development investment been as extensive as in 2012. And the results are impressive too – a brand new line of operator panels with soft control, new mobile data terminals, Power over Ethernet communication products, new versions of our software solutions WeOS and IX and new ranges of frequency inverters are some of this year's product launches.

Sales (MSEK)**Operating Profit (MSEK)****Operating Cash Flow (MSEK)**

Group Sales and Profitability, 2001–2012



Key Figures

	2012	2011	2010
Sales, MSEK	1,367.2	1,417.7	1,232.3
EBITDA, %	11.6	14	15
Operating profit, MSEK	99.5	150.3	124.3
Operating margin, %	7.3	10.6	10.1
Profit after tax, MSEK	53.4	99.1	89.5
Earnings per share, SEK	2.64	5.03	4.61
Dividend per share, SEK*	1.25	2.25	2.00
Equity ratio, %	30.9	29.7	27.2
Average number of employees	689	668	538

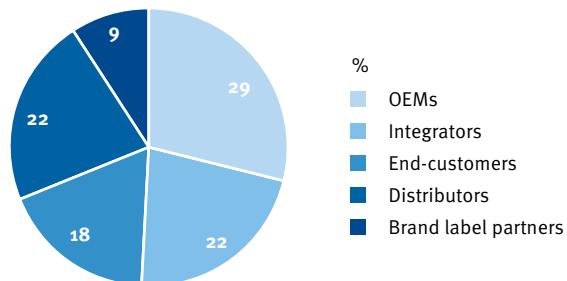
* The Board's proposed dividends.

OUTLOOK 2013

At Beijer Electronics we will continue our strategy of investing in product development, improving our internal processes and expanding our geographical presence.

Sales per customer type 2012

Whilst distributors and brand label customers account for almost a third of our sales today, future sales growth will come through focusing mainly on direct sales via OEMs and integrators.



Investing our way through challenging times

There is no doubt that 2012 has been a tough year for the automation industry — as in most other industrial sectors. Yet we look towards the future with confidence. In times of declining demand, it is particularly important to have a clear strategy and long-term thinking in all decisions. Beijer Electronics has a solid financial foundation and it gives us the freedom to act when focusing on the company's future development.

Strong product offer is the key

In recent years, we have worked hard to improve our product development processes and build a global development organization. We launched several products within the HMI, industrial communication and drive systems technology areas. The large investments in product development, together with a weak world demand, has naturally affected profitability. We remain committed to continuing our investments in technology development, since it is a necessity in order to secure our long-term competitiveness.

Global presence and sales focus

Focus during the year has been on our global sales efforts. We have opened two new sales offices in Asia, in Malaysia and Korea, and hired a total of 20 new salespeople worldwide. By being present in different parts of the world, we reduce our sensitivity to economic fluctuations and create conditions for

one of our key competitive advantages — closeness to our customers. Especially this year, our broad international presence has been important. In a situation of financial turmoil in Europe and the slowdown in Asia, our operations in the United States and Scandinavia have given good results and taken a larger share of our turnover. Particularly pleasing is the great success in the U.S. rail segment, where Westermo signed a contract for communications products for the Washington Metro, one of the largest orders in the history of Beijer Electronics.

We enter 2013 with a solid product offering with many new attractive products where marketing efforts have only begun. I look forward to the coming year with optimism and want to end by thanking our customers, partners and employees for their good work in 2012.



Fredrik Jönsson
CEO and President



“

This year we have put more money into product development than ever before, and opened two new sales offices in Asia. Backing down is not the right way to survive in times like these.

On the following pages we want to introduce you to our company and to what makes Beijer Electronics special – to our customers, partners and the people who work here.

Welcome to our world

PAGE 12–21

What ...

... does automation mean for today's society?

... is included in our product offer?

... is the direction of our product development?



How ...

... do we work toward our vision?

... do we differ from our competitors?

... do we approach the market and build our strategy?



Where ...

... do we meet and support our customers?

... do we find future market opportunities?

... are our offices and partners located?



What

is the essence of industrial automation? The process of replacing manual work with automated technical solutions, says the dictionary. A necessary means to efficiently support a growing world population, say the economists. To us at Beijer Electronics, it represents our ambition to give customers all over the world the benefits of higher productivity, improved working conditions, less energy consumption and reduced costs. And in the long run, a contribution to a better world for all of us to live in.



Automation is all around us

Even though you might not give it much thought, automation solutions play a role in most parts of society today. In the water we drink, the comfort of our home, the electricity in our sockets, the products we buy and the food we eat. Wherever there are processes to drive and control, or information to communicate and visualize, there is a need for automation.

Manufacturing – delivering more productive solutions

Global price pressure, shorter technology life cycles, and consumers with ever growing demands for attractive and affordable products put high pressure on manufacturers to increase productivity. Factory owners and machine builders are constantly looking for new technology to make production processes more efficient.

Transportation – making smarter connections

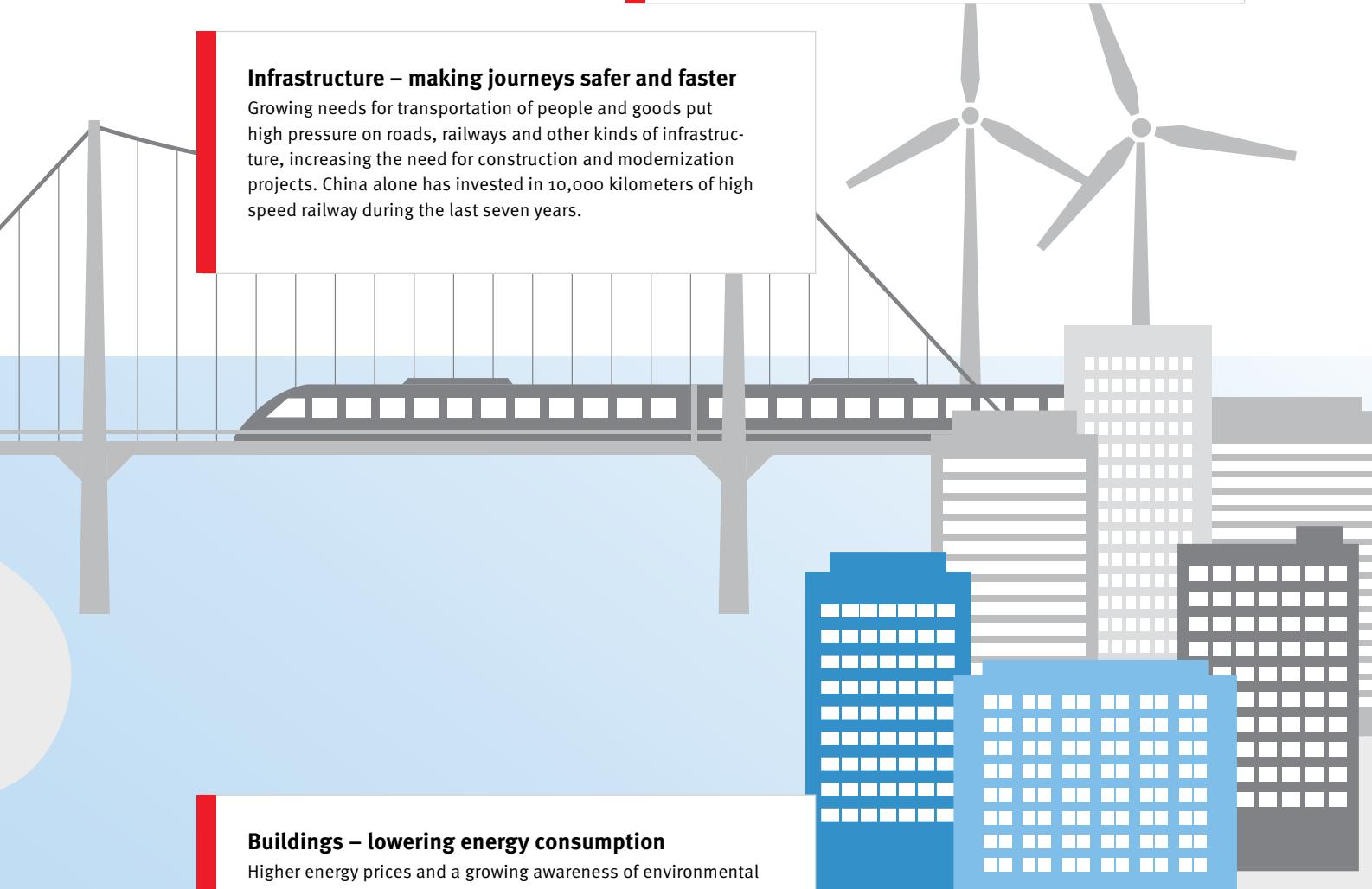
Whether by road, rail, sea or air, today's complex transportation systems require technology solutions for much more than just moving people and goods from point A to point B. GPS positioning services, communication between vehicles, travelers' information systems and safety solutions are all vital parts of modern trains, ships, cars and trucks.

Energy – efficient solutions and effective distribution

With limited resources and an ever-growing energy consumption, the global energy system is facing massive challenges in the years to come. Higher efficiency in extraction of fossil fuels, development of wind and sun energy production, and smarter energy distribution systems are some of the technological changes needed to meet those challenges.

Infrastructure – making journeys safer and faster

Growing needs for transportation of people and goods put high pressure on roads, railways and other kinds of infrastructure, increasing the need for construction and modernization projects. China alone has invested in 10,000 kilometers of high speed railway during the last seven years.

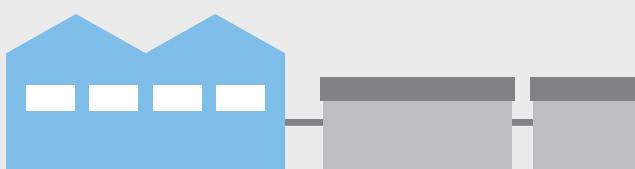


Buildings – lowering energy consumption

Higher energy prices and a growing awareness of environmental issues lead to increased focus on minimizing energy consumption in homes, office buildings and industrial real estate – without compromising comfort and effectiveness. One example is the possibility to integrate and optimize production processes with smart building automation.

Water – keeping water clean around the world

Water treatment plants have tough operating environments, which often place high demands on the equipment used. Automation plays a vital role in providing efficient and cost effective solutions for driving, controlling and monitoring the production of clean, accessible water.





COMMUNICATE



CONTROL

User-friendly and robust network solutions

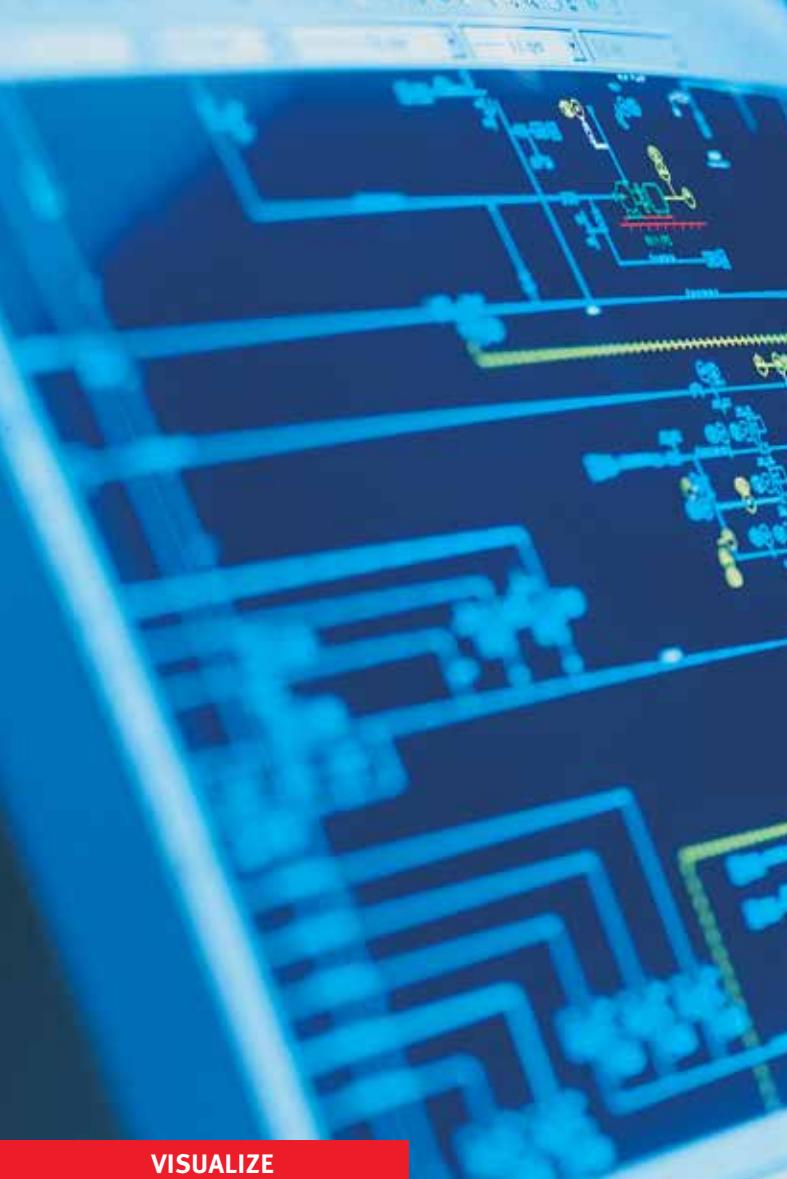
All automation systems need communication. With more and more information being shared by more units in complex industrial systems the importance of effective network communication is growing rapidly. With our Westermo and Korenix brands we offer world-leading IP-based communication products such as routers, switches, modems and converters – made to endure even the harshest of environments.



World-class monitoring and control

The control system is “the brain” of the automation system. With products such as PLCs and SCADA systems, industrial processes can be controlled and optimized to achieve the highest efficiency possible. We offer one of the world’s most extensive ranges of control systems – from compact systems for smaller machine control systems to large modularized systems for advanced automation facilities.





VISUALIZE



DRIVE

Intuitive HMI with the user in focus

The ability to visualize and present data to operators in an attractive and intuitive way is a vital part of any automation system. With over 30 years of experience in the field, we offer a complete range of HMI products, developed with functionality and ease-of-use always in mind. Our offer covers a large number of application areas, from traditional manufacturing to infrastructure and in-vehicle solutions, from compact panels to industrial PCs.



Driving profitability – from start to stop

Automated drive systems increase productivity within industrial processes, and prolong the effective lifespan of machines. Additionally, costs are reduced through more efficient energy consumption and reduced need for maintenance – all of which improves return on investment. Our drive systems product range covers soft starters, servo/motion and a complete offer within frequency inverter technology.



Our market

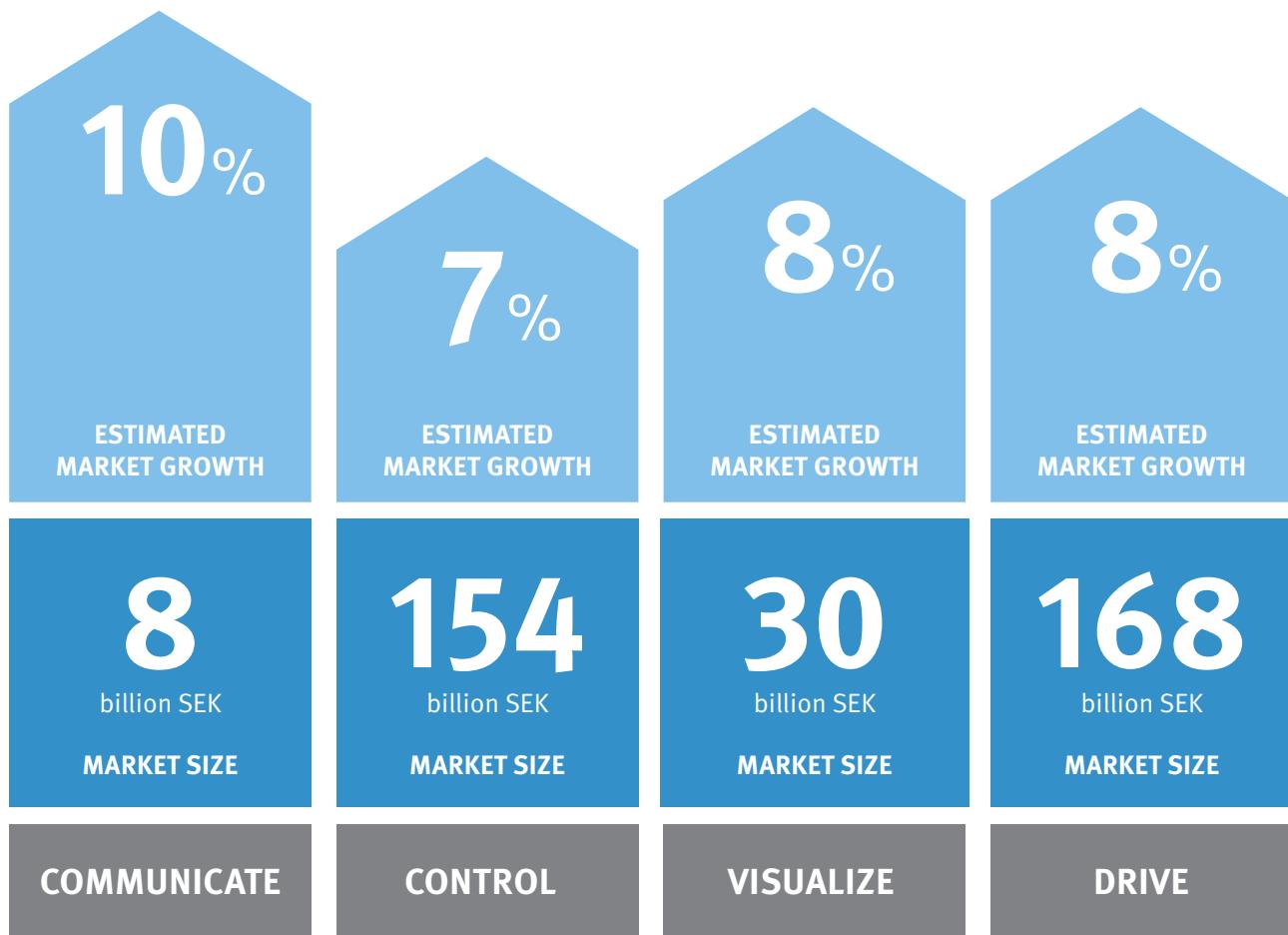
The global industrial automation market is worth approximately 730 billion SEK and encompasses a myriad of products and services – from single components to complete automation solutions. Beijer Electronics' offer is focused on four areas – control systems, drive systems, visualization and industrial communication, which combined represents a market we estimate to be worth approximately 360 billion SEK.



*Control systems, drive systems, visualization and industrial communication products

Expected market growth

The automation market growth is expected to outpace the overall economic growth in the future due to the increasing demand for automation. Infrastructure investments, need for higher efficiency in industrial production, greater communication and security needs, environmental awareness, consumer market growth and new technology are some of the market drivers. Within our targeted areas, we expect the market to grow by 7–10% in the next few years.



Product highlights 2012



Complete HMI offer with new panel series

iX TxB and iX TxC

In May 2012, we launched the iX TxB and iX TxC operator panel series, based on iX 2.0 software. The panels offer innovative tools to tailor customer-specific applications and cut development expenses. Adding to the iX TxA range launched in 2011, we now offer iX-based panels in all segments.



The new Viper series

— industrial Ethernet with true power

The next generation of Viper switches with Power over Ethernet was launched during the year. The new range offers customers compact, robust and extremely reliable Ethernet communication, especially developed for on-board train applications based on the Westermo IP Train technology.



New frequency inverters with a competitive edge

We continued expanding our range of drive systems, launching the E2, H2 and P2 frequency inverters. These new inverters expand our inverter offer to address future motor drive technology, and to meet any need, such as integrated PLCs and IP55/ IP66 enclosure classifications, which means these inverters are delivered ready to install.



iX TxA SoftControl

— revolutionary outside, evolutionary inside

The new iX TxA SoftControl series of operator panels offer customers full iX functionality combined with the well-established CODESYS soft control program. The result is an HMI solution with the intuitive graphic interface of iX on the outside and full PLC functionality on the inside.

Beijer Electronics – a leading technology brand

Beijer Electronics is a leading technology company active in industrial automation. The company operates worldwide under the Beijer Electronics brand, and the brand names of its subsidiaries Korenix and Westermo, both contributors to strong positioning in the industrial data communications field.



TREQ-VM and -VMx mobile data terminals

— built ready for the road

The new TREQ-VM and -VMx mobile data terminals are state-of-the art technology resulting from two decades of design and manufacturing experience. They offer the best in rugged design and powerful mobile data terminal performance and stand up to harsh in-vehicle environments over many years of use.



Keeping in touch with friends from Luleå to L.A.

Our need to communicate is eternal, only the tools we use change over time. Today Facebook is a leading social media, letting over one billion users keep in touch with friends and family on the Internet. Highly advanced technology and effective automation makes this all possible.



In 2013, Facebook data center in Luleå will be opened, the latest of several facilities where thousands of data servers keep Facebook users all over the world constantly connected. The data center in Luleå will be the first outside of the US and the largest server hall in Europe. The building is enormous, covering over 28,000 square meters with 10,000 servers, and the possibility to expand in the future. When fully developed, the energy required to run and cool the data servers in the building will equal that of a medium-size Swedish town!

Naturally, minimizing energy consumption is an important issue when building a data center of this magnitude, for economic as well as environmental reasons. In Luleå Data Center, advanced technology will allow the outside air to be used for cooling and an automated control system provided by Beijer Electronics will monitor and optimize energy consumption at all times.

How

do we at Beijer Electronics differ from our competitors?

The answer lies not only in what we offer, but maybe even more in how we conduct our business or rather how our customers experience doing business with us. We are a small player in the global automation market, but great experts in our field. Towards our customers we are a flexible and knowledgeable partner at all times.



A leading provider of user-friendly automation on a global scale

LEADING PROVIDER

Technology in the lead

Our vision is to be a supplier of leading automation technology, with an offer based on our deep industrial knowledge. Our ambition is to always offer innovative solutions, and to be a reliable partner who makes every customer feel important.

USER-FRIENDLY

With the user always in focus

Our vision is to increase the profitability of our customers by providing them with automation products that are easy to install, run, and change. We always focus on the end-user in our development and want to contribute to an improved working environment with reduced risk of human error.

g provider friendly n solutions al basis.

AUTOMATION SOLUTIONS

Experts in industry-specific solutions

Our vision is to be more than a provider of automation products. With our in-depth automation knowledge and insights into our customer's reality we can help companies increase efficiency and cut costs by defining the appropriate automation level and delivering the technological solution required.

GLOBAL BASIS

Global organization, local support

Our vision is to use the advantages of being an international company and still give our customers the security of local support. A global agenda for development and supply chain management keeps our strategy coherent while offices in 21 countries bring our customers close to us.

Always ready to make a difference



Innovation that keeps customers ahead

Automation is an area of continual and rapid change. To constantly be at the forefront of technological development is essential to our competitiveness. Again and again we have proven market and technology leadership in our HMI and industrial communications products and shown our ability to meet our customers' challenges in new and innovative ways.

Designed and developed with our customer in focus

No two customers are the same when it comes to their automation needs. That is why we offer our customers a high degree of flexibility and customization. Even our standard products are often initially developed in close cooperation with our customers. Our deep knowledge and organizational structure allows us to respond quickly to changing development needs and trends across the world.

Support wherever the customer is – whenever

Buying automation solutions is often a complex process and a major investment in time and money. That is why we support our customers all the way from design and project planning to implementation and maintenance. We combine global product knowledge with local support in all our markets, always close to our customers reality. To us, closing a deal is only the beginning of a long relationship.

Trust through reliability and competence

For over thirty years, we have been known for our close and trusting relationships with our customers. That is why today we have a strong, loyal and growing customer base. We believe that a high level of technical knowledge must always be combined with a deep understanding of the environments where the products are to be used. We have dedicated teams for everything from water treatment and building automation to the OEM segment and maritime applications.



Strategic focus areas**Growth**

We will drive growth through structured sales management, focus on segments – such as rail and maritime – and through geographical expansion.

People and competences

We will ensure excellence in processes and knowledge, continuously improve operational and commercial skills, and focus on talent management.

Market-driven product development

We will make the investments required for leadership in our selected technologies, and ensure segment specific development and certifications.

Operational excellence

We will ensure an efficient and flexible supply chain, further strengthen our quality position and make continuous improvements to reduce costs.

Our core values

Commitment Drive Trust

We always strive to maximize customer benefit and create strong relationships with customers and partners.

We always act proactively to find new technologies, smarter solutions and better ways to run our business.

We always take responsibility for our choices and act with honesty and trust in our relationships with others.

“

This year we have worked hard to make our sales work even better. We have organized road shows, participated in exhibitions, and our strong product offer really impresses the customers we meet.

ROGER KROON, VP SALES NORDICS



“

We are investing heavily in the rail segment right now, both in technology development and project execution capacity. Our breakthrough orders across North America and Europe show that our strategy is paying off.

LARS-OLA LUNDKVIST, BUSINESS AREA DIRECTOR, IDC



111.5

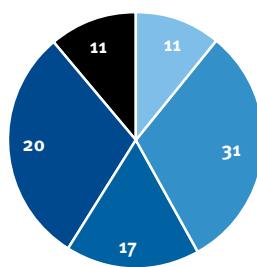
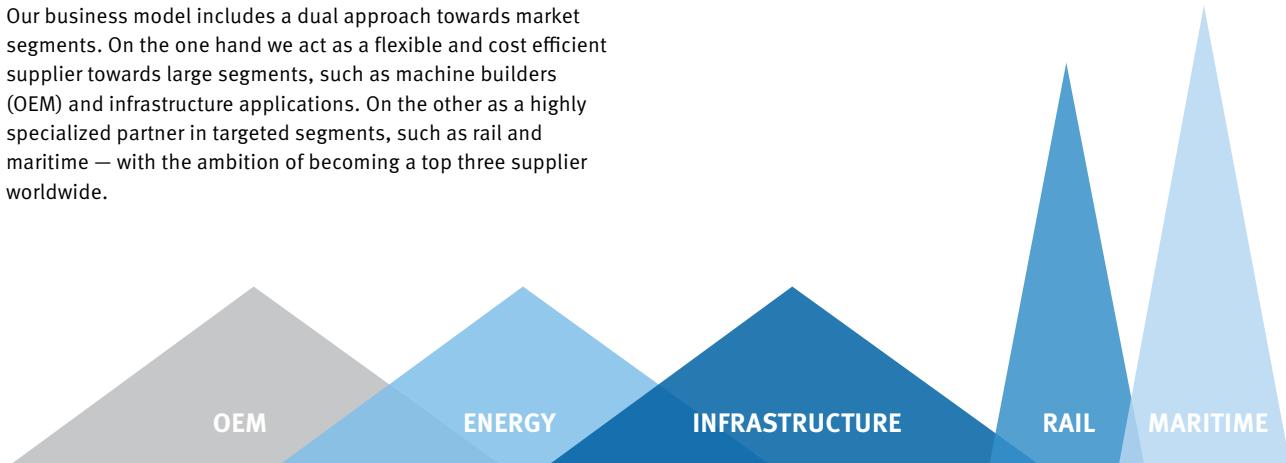
MSEK

Product development costs

In 2012, the total costs of product development were 111.5 MSEK, which is an increase of 4.2% compared to 2011, reflecting that we invest in our future growth through technology and product development.

Market segment strategy

Our business model includes a dual approach towards market segments. On the one hand we act as a flexible and cost efficient supplier towards large segments, such as machine builders (OEM) and infrastructure applications. On the other as a highly specialized partner in targeted segments, such as rail and maritime – with the ambition of becoming a top three supplier worldwide.



Job Category

- Management/Administration
- Production
- Development
- Sales/Marketing
- Support

Key figures, Employees

	2012	2011
Average number of employees	689	668
Sales per employee, MSEK	2.0	2.1
Profit per employee, SEK 000	144.5	225.0
Division men/women, %	69/31	68/32

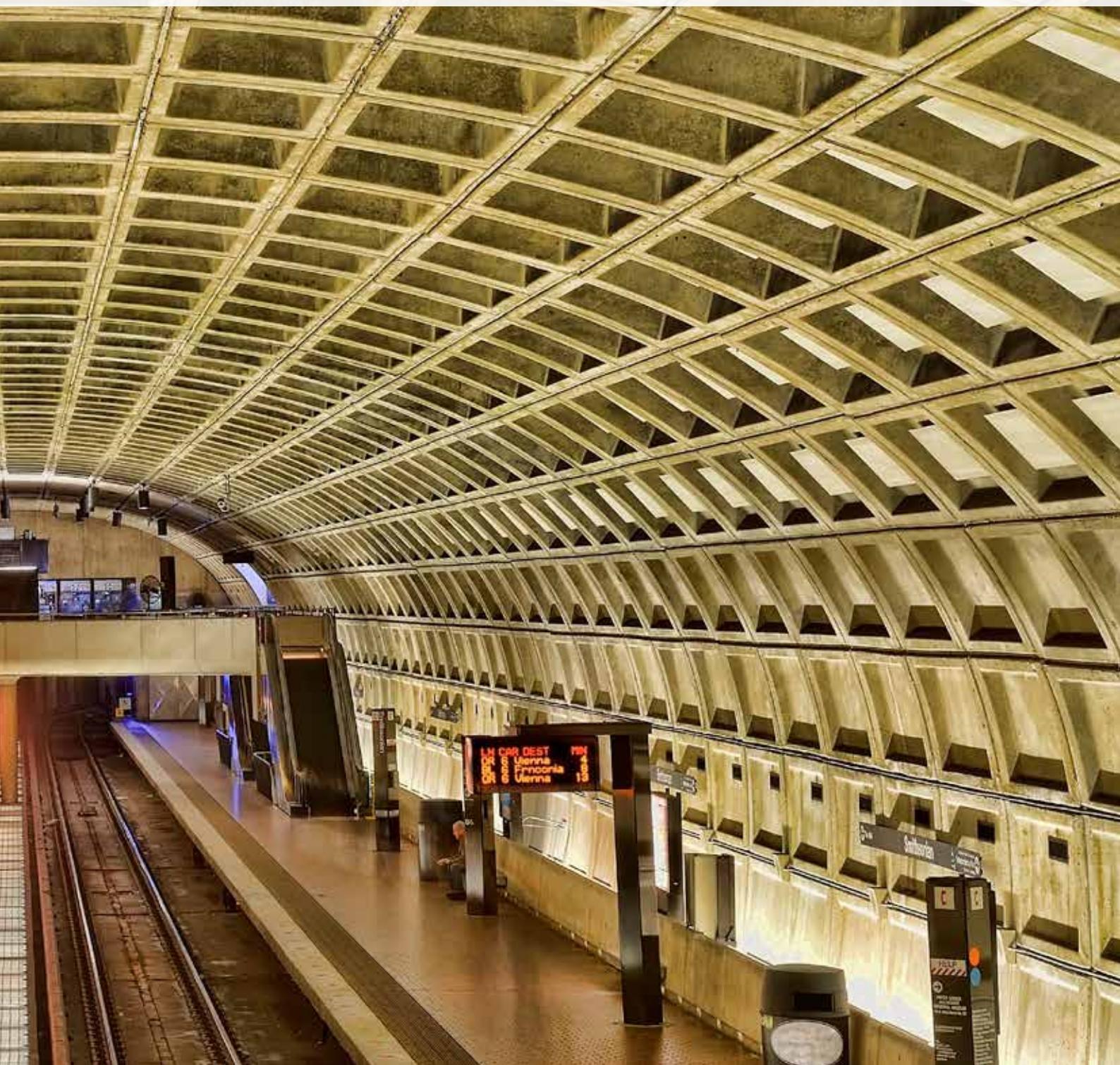
Getting people there

Everyday, the US capital Washington DC is teeming with activity when the inhabitants rush to and from work, schools and social activities. In the massive project of supplying the Washington Metro with new, modern and safer trains, the IP communication infrastructure is delivered by a company who really knows the art of getting there – Beijer Electronics, of course.



The Washington Metro system is the second busiest rapid transit system in the United States in number of passenger trips, after the New York City Subway. During the next few years the Washington Metropolitan Area Transit Authority is making its biggest investment ever by replacing part of the fleet with brand new, ultra-modern railway cars. The design of the new railcars is based on feedback from passengers and employees on everything from seating comfort and doors to passenger information.

The information system on-board the new trains will be run on an IP-based network solution with Ethernet routers and switches, building an infrastructure where long service life, ultra-reliable operation and compact design is of utmost importance. And, the one supplier who made it through the rigorous evaluation process was none other than Beijer Electronics' subsidiary Westermo with its Westermo IP Train communication infrastructure. Serial deliveries will commence in the fourth quarter of 2013.



Where

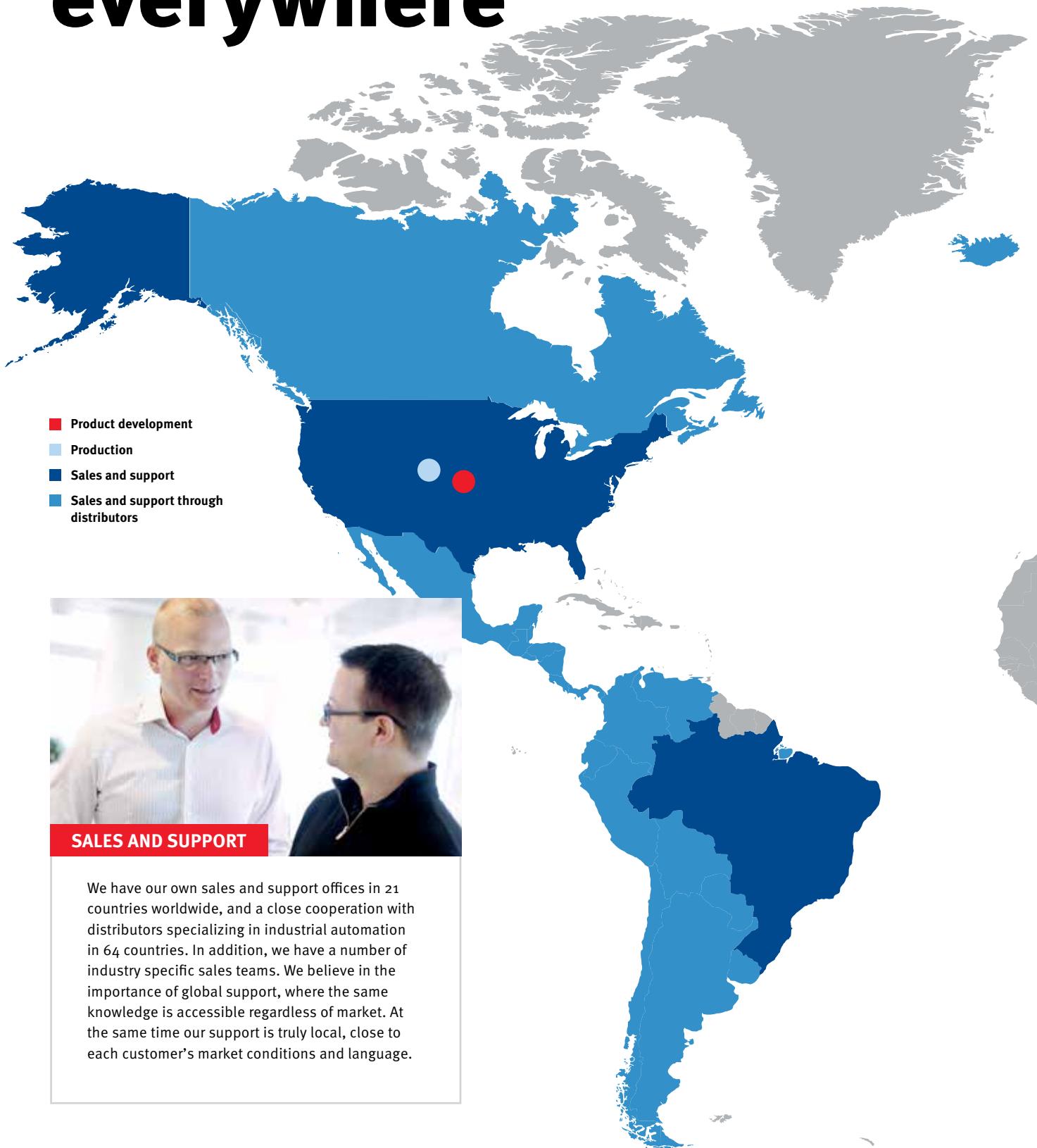
do we find our customers? Or rather, where do our customers find us? Actually we are always close at hand, and often nearer than you'd think. Beijer Electronics is a truly international company with development, manufacturing, sales and support spread all over the world. We have the global resources to support companies in international expansion, and at the same time the market knowledge necessary to help our customers adapt to local market needs.



RENT NOW
312-880-0900

RENT NOW LEASING 877.533.5777

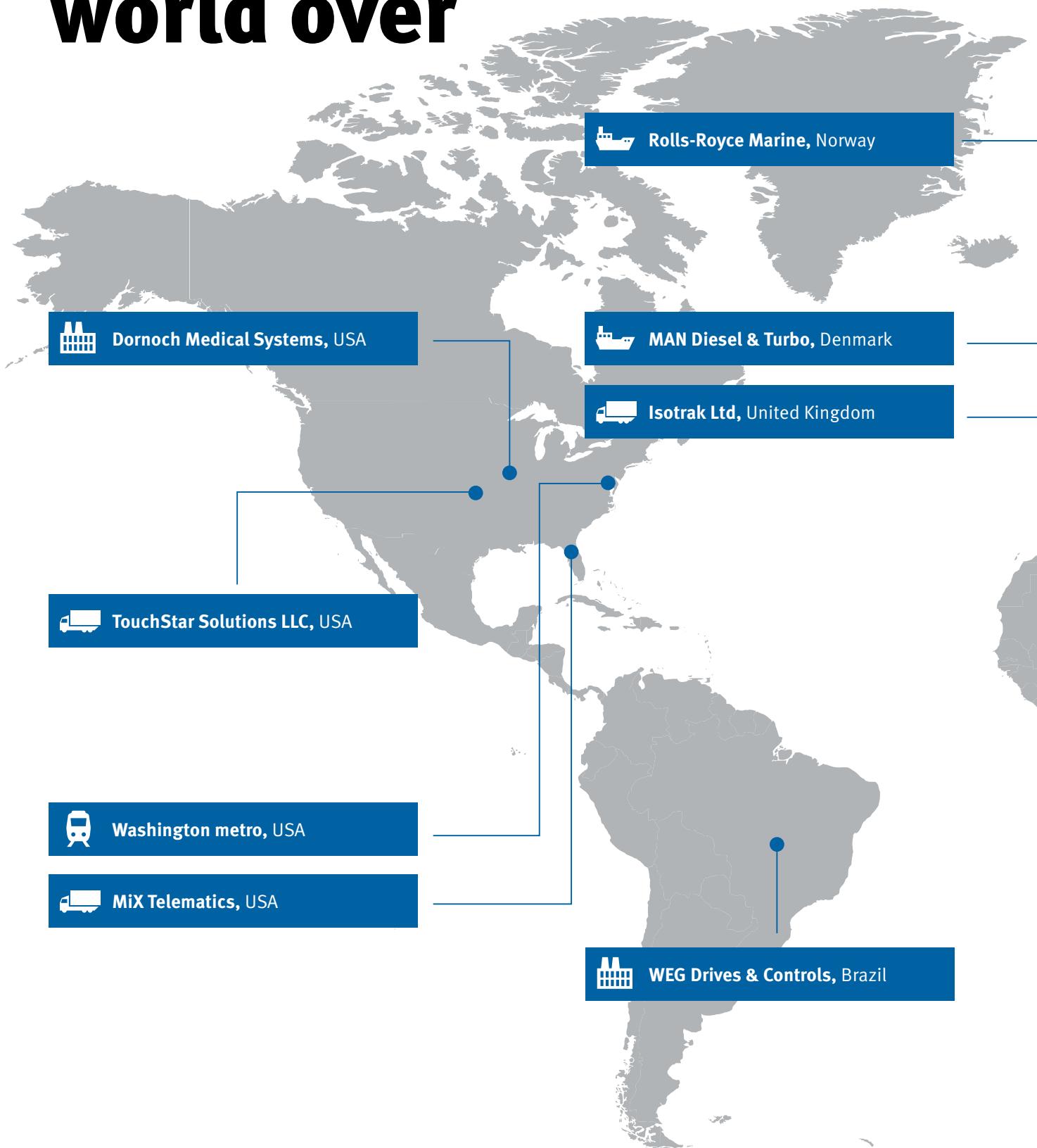
The power to support customers everywhere



Over the last 30 years, Beijer Electronics has grown from a local Swedish automation company to a global corporate group with operations on all continents. Our ambition is to be a resourceful partner to global corporations in their expansion into new markets – while giving all our customers the local support they need. No matter how big or small, we want all our customers to feel at home with us.



Delivering great solutions the world over



We have the power to deliver unique solutions to our customers wherever they are located. Here is a sample of customers and projects that reflect the wide use of automation in all aspects of modern living.



Offices in

21

COUNTRIES

Long-term presence with our own offices in markets with sufficient potential for our products and services is an important part of our growth strategy.

Partners in

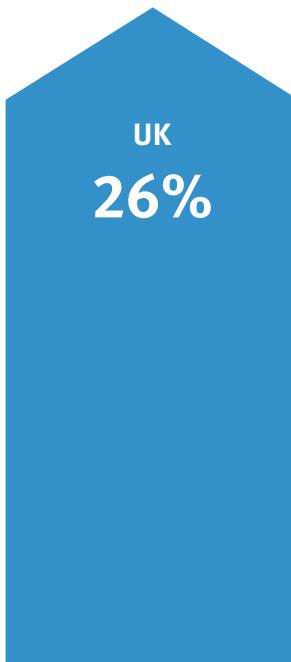
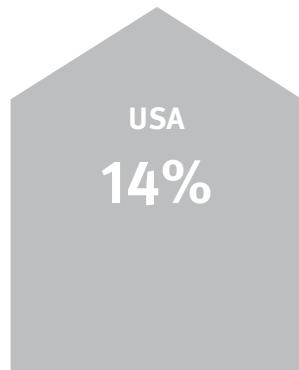
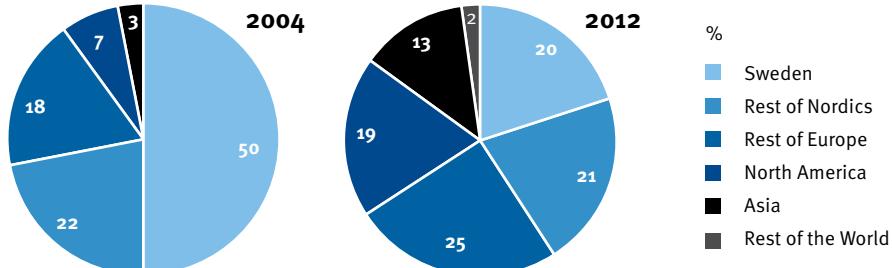
64

COUNTRIES

We work with a world-wide distributor network, carefully selected on the basis of their automation and industrial communication expertise and customer focus.

Sales per region

Beijer Electronics' sales profile has changed rapidly since 2004. The company has transformed into a truly global company, with growth in all markets, in particular in the North American and Asian markets.



Market highlights 2012

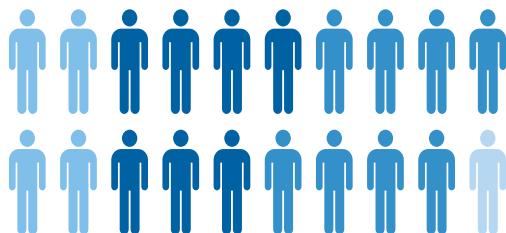
USA continues to perform well, both in industrial communications and HMI products, and confirms the strategic importance of our recent investment decisions. The strong sales in Norway are the result of our long standing close customer relationships, especially within the maritime segment. The excellent development in the UK is a reflection of our strong position within especially industrial data communication for water treatment and other utility applications.

MALMÖ SALT LAKE CITY **SHANGHAI** **UNTERENSINGEN**

“

The Asia Pacific automation market faced a severe slowdown in 2012, but we have maintained our sales volume by increasing focus on specific segments, such as wind power, food and beverage, rail, and security. We have also strengthened our local footprint enabling us to give outstanding support to our local customers.

BERNDT KÖHRING, VP SALES ASIA



Increased sales force

To further improve customer service and increase sales, we have strengthened our global sales organization with a total of 20 people in 2012. The largest investments have been made in Asia and the US.

Global market trends

The growing middle classes increases consumption in Asian countries.

Political initiatives increase demand for **more domestic contributions** in industrial and infrastructural projects. Increased price pressure requires **leaner production processes**.

The **global energy challenge** opens business opportunities in solutions for sustainable energy production and transportation. **The Euro crisis** results in postponed infrastructure projects and reduced industrial investments.

“

Market conditions in North America for HMI products remain strong. We are increasing our sales and support staff to meet demand from our customers and anticipate continued growth in this market. We see great potential for our products in Brazil and are dedicating considerable resources there.

BARRY HOBBS, VP SALES AMERICAS



SOUTHAMPTON CHAMPLAN XINDIAN CITY SÃO PAULO

Financial Information

Beijer Electronics AB



The Beijer Electronics group is divided into three business areas: Automation, HMI Products and Industrial Data Communications. The Automation business area is a sales company and markets the group's automation offer in the Nordics and Baltics. HMI Products develops, manufactures and sells operator panels, mobile terminals and industrial PCs on the global market. The business area for industrial data communications develops, manufactures and sells industrial data communication products on the global market.

Directors' Report

The Board of Directors and Chief Executive Officer of Beijer Electronics AB (publ), corporate identity number 556025-1851, hereby present the Annual Accounts and Consolidated Accounts for the financial year 2012. The information in brackets is for the previous year.

Group Operations

Beijer Electronics develops, manufactures and sells products and solutions in industrial automation and data communications. The company's products and solutions feature high technology content, quality and user friendliness.

Beijer Electronics offers the market a broad selection of products and solutions that run, optimize and control critical processes in many different types of operation. Proprietary technology and product development is an important precondition for Beijer Electronics' competitiveness on the market. The company has development centers in Sweden, Germany, Taiwan and the USA.

The group's vision is to be a leading global vendor of user-friendly automation solutions. Parent company Beijer Electronics AB is a holding company with central functions like strategic development, accounting and Finance, IT, human resources, quality and environment, as well as communications. Products and solutions from Beijer Electronics are sold through proprietary sales units in 21 countries, and via a network of independent distributors in another 46 countries. See also Note 14 for more information on Beijer Electronics' subsidiaries.

The group is divided into three business areas: Automation, HMI Products and Industrial Data Communications (IDC). The HMI Products and IDC business areas have proprietary product development and manufacture, and global sales responsibility, while the Automation business area is a pure sales company responsible for the Nordic and Baltic markets.

Operations in the Year

Growth on the global industrial automation market is driven by investments in new products, the ongoing rationalization of production controls and logistics, the rationalization of manufacturing processes and the need for more efficient energy consumption. Infrastructure like railways, highways, tunnels and energy distribution are growing market segments for automation applications and industrial data communications.

The industrial automation market made weaker-than-expected progress in 2012. Tendencies towards a slowdown in demand were apparent back in the second half-year 2011. There was some stabilization in the first quarter of 2012, but in the second and third quarters, demand decreased again, for reasons including greater uncertainty relating to the exacerbating euro crisis. The market stabilized to some extent in the fourth quarter.

The global market presented a divided picture. The US market achieved good growth in the year. Demand in Asia fluctuated between quarters, but the market was generally restrained. Most European markets exhibited low demand.

Order Intake, Sales and Profits

The group's order intake decreased by 2% to 1,373.4 MSEK (1,406.9) in 2012. Sales decreased by 4% to 1,367.2 MSEK (1,417.7).

Sales in Sweden, the group's single biggest market, decreased by 14% to 277 MSEK, or 20% of the group's total sales. Norway performed strongly, with a sales upturn of 12%. Sales in Denmark and Finland decreased. The Nordic countries excluding Sweden represented 22% of the group's sales. The UK and France achieved fairly substantial upturns, while sales in Germany decreased. Non-Nordic Europe represented 26% of total sales. In the US, sales increased by 14%, and sales on the American market where 18% of group total sales. Sales in Asia decreased by 11%, representing 13% of total sales. Proprietary products represented 80% of the group's total sales.

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). 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).

Significant Events

In May, Beijer Electronics launched two new operator panel product lines, the iXTxB and iXTxC, based on its new software, iX 2.0. These new panels are added to the iXTxA, 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 worth some 30 MSEK at the end-customer level. This order marked a breakthrough for Beijer Electronics and Westermo's new IP communication solutions for the rail segment (Westermo IP-train solutions) 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.

HMI Products Business Area

The market for the HMI Products business area, which develops, manufactures and sells operator communication products, progressed poorly in the year. The primary negative effect on the business area was from lower demand in Asia and most European markets. However, the American market achieved good growth. A generally restrained market was explained by factors including substantial uncertainty caused by the euro crisis. A significant portion of the volume contraction in Europe is also due to downscaled shipments to the business area's brand label customers. Despite the harsh market, HMI Products was able to maintain sales at a fairly favorable level.

Several product lines in the new global operator terminal range based on Beijer Electronics' new iX2.0 software were launched in the year. HMI Products signed agreements with three brand label customers for its new terminals.

Deficiencies in the 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. The manufacture of operator panels transferred from Thailand to Taiwan in the year.

Order Intake, Sales and Profits

Order intake decreased by 8% to 585.1 MSEK (636.3). Sales decreased by 1% to 620.3 MSEK (627.2). Operating profit was 58.7 MSEK (87.4), corresponding to a margin of 9.5% (13.9). The profit decrease is due to lower sales volumes, higher marketing, sales and development expenses, and an inventory write-down.

Automation Business Area

The Automation business area addresses the markets in Sweden, Norway, Denmark, Finland and the Baltic states. The Nordic automation market was generally weak in 2012. The year featured greater caution and longer decision lead-times, mainly by manufacturing customers, due to factors including greater uncertainty relating to the euro crisis. The second and third quarters were especially poor, while demand partially stabilized in the fourth quarter. Sales in Sweden, Denmark and Finland were lower, but performed strongly in Norway.

The business area secured a number of important orders in the year—including a large number of major orders in the fourth quarter—and a strategic order from SFV (the National Swedish Property Board) for a real estate automation solution. Automation also launched a Beijer Electronics-branded broader-based product range with complementary products, including an operator panel with built-in management and control functionality.

Order Intake, Sales and Profits

Business area order intake amounted to 484.3 MSEK (494.0). Sales decreased by 4% to 479.0 MSEK (497.2). Operating profit was 30.4 MSEK (34.5), corresponding to an operating margin of 6.3% (6.9). The profit decrease is explained by lower sales volumes.

IDC Business Area

The IDC business area develops, manufactures and sells industrial data communications products on the global market, where infrastructure projects like rail systems, energy distribution, road transport and mining operations are key components. The industrial data communications market, which is normally less cyclical, was somewhat irregular in the year. The third quarter was especially weak, mainly due to a heavy demand downturn from OEM customers. The outlook was divided, with fairly good demand in the US and Asia, while most European markets were weak.

In the year, IDC secured its single greatest success to date, with a major order worth some 30 MSEK from Toshiba in June, with

Washington Metro as the end-customer. This order corroborates IDC's competitiveness in the rail segment internationally, as it received several orders from new customers in the year. IDC has also secured projects in infrastructure, such as highway tunnel projects and harbor facilities. The business area also made a breakthrough in the oil and gas industry, through a new order from a leader in the sector.

IDC executed major marketing and product development initiatives in the year. It launched a total of 15 new products, adding new, powerful functionality in new versions of its WeOS operating system.

Order Intake, Sales and Profit

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). This corresponded to an operating margin of 7.4% (12.0). The lower profit is due to decreased sales volumes, as well as significant initiatives and increased expenses for marketing, sales and product development.

Investments, Cash Flow and Financial Position

The group's investments including capitalized development expenses and acquisitions were 49.8 MSEK (108.9) in 2012. Cash flow from operating activities was 99.8 MSEK (56.5). 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 were 618.5 MSEK (607.8).

Profitability

Return on equity was 12.2% (24.6). Return on capital employed and net operating assets were 9.6% (17.3) and 14.6% (20.4) respectively.

Human Resources

The average number of employees was 689 (668). Sales per employee were 2.0 MSEK (2.1).

Product Development

The group's product development is conducted in the HMI Products and IDC business areas. Development projects are continuously conducted to extend the range of new products and solutions, and to enhance the existing offering.

HMI Products develops operator panels and software used to give operators and maintenance staff fast and accurate data. Development includes the production of hardware, software and the associated documentation.

There are development centers for HMI solutions in Malmö in Sweden, Unterensingen in Germany, Salt Lake City in the USA and Taipei in Taiwan. The all-new global operator panel product range based on the iX software platform was launched in the year. Development expenses in HMI Products were 64.5 MSEK (66.5). This corresponded to 10.4% (10.6) of sales.

Product development is a central component of IDC's operations and is conducted in close collaboration with production. Development consists of hardware and software. There are development units in

Stora Sundby and Västerås, Sweden and Taipei, Taiwan. A total of 15 new products were launched, with new, powerful functionality added in new versions of the WeOS operating system.

Development expenses were 46.6 MSEK (40.3), corresponding to 12.6% (10.5) of sales. The group's total development expenses were 111.5 MSEK (106.8).

Currencies

Beijer Electronics' sales are conducted globally in different currencies. Euro-denominated sales were the equivalent of 418.3 MSEK, or 30.6% of total sales. Sales denominated in Swedish kronor were 275.0 MSEK, 351.9 MSEK denominated in US dollars, 116.2 MSEK in Norwegian kroner, 68.6 MSEK in Danish kroner, 48.3 MSEK in UK sterling and 88.8 MSEK in other currencies.

Environmental Impact

Primarily, the group's environmental activities focus on the environmental impact of its products. Close collaboration with suppliers is a key driver of environmental work. The company's standard products satisfy the RoHS directive, which prohibits the usage of lead in electrical and electronics products. The operations of the Swedish companies are ISO 14001 certified to ensure that applicable standards are complied with, and work on environmental issues is structured and contributes to continuous improvement.

IFRS

Beijer Electronics adopted International Financial Reporting Standards (IFRS) for its financial reporting on January 1, 2005.

Risks

Beijer Electronics' business is affected 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 important to operations, and accordingly, is a risk factor. Mitsubishi Electric is a supplier to the group and buyer of Beijer Electronics products, creating a balance and mutual dependency that reduces these risks. The collaboration with Mitsubishi Electric has lasted 30 years, and was strengthened by Mitsubishi Electric acquiring 15% of Beijer Electronics Automation in 2006.

Other business risks like 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 such as interest risk, liquidity risk and refinancing risk. The Board of Directors sets the rules for risk levels and managing financial risks at various levels in the group. The goal is to minimize these risks, and clarify responsibility and

authority. Following up on rules and their compliance is verified by the individuals responsible and reported to the Board of Directors. Interest-bearing liabilities were 618.5 MSEK at year-end. Net debt amounted to 490.0 MSEK.

Shares and Ownership Structure

The parent company's share capital was 6,311,488 SEK, divided between 18,934,464 shares with a quotient value of 0.33 SEK as of December 31, 2012. At year-end, the largest shareholders of Beijer Electronics was Stena Sessan Rederi AB, holding 29.6% of the capital and votes.

Guidelines for Remuneration to Senior Managers

The Remuneration Committee is appointed each year by the Board of Directors. The Remuneration Committee consults on the Board of Directors' decisions on remuneration for the Chief Executive Officer and takes decisions on remuneration to other members of management. The Remuneration Committee also consults on proposals regarding potential incentive plans. The principles governing the work of the Remuneration Committee are reviewed in more detail in the Corporate Governance Report on page 84.

Basic salary and customary employment benefits are paid to management, plus pension benefits and incentive plans that include warrants granted in 2008–2009, and a performance-related component. Guidelines for remuneration to, and other employment terms of, senior managers for the financial year 2012 were approved by the AGM in April 2012. In 2012, remuneration to the Board of Directors and management, and a review of the incentive plan, is stated in Note 7 on pages 65–66.

Outlook for 2013

Beijer Electronics' sales and profit were lower in the full year 2012 than in 2011. However, demand did stabilize in the fourth quarter of 2012. Early-2013 has remained stable. There are signs of further stabilization, simultaneous with significant uncertainty regarding economic progress persisting. A more detailed judgment of prospects for the full year 2013 will be presented in the First-quarter Interim Report for 2013.

Proposed Appropriation of Profit

The following funds are at the disposal of the Annual General Meeting:

SEK 000	
Retained profit	30,933
Net profit	28,918
Total	59,851

The Board of Directors and Chief Executive Officer propose that these funds are appropriated as follows:
Dividends of 1.25 SEK per share to shareholders.

SEK 000
Total dividend
Carried forward
Total

The proposed record date for entitlement to dividends is April 26, 2013.

If this proposal is approved by the AGM, dividends are scheduled to be payable on May 2, 2013.

The proposed dividend has been determined considering the group's equity ratio of 30.9% at year end and the parent company's equity ratio of 7.0%. Against the background of the group's operations remaining profitable, the equity ratio is satisfactory. The Board of Directors also judges that the liquidity in the group can be maintained at a satisfactory level.

The net profit of the parent company improved by 20 MSEK since the Financial Statement for 2012, as a result of an anticipated dividend.

The Board considers that the proposed dividend is justifiable in terms of the stipulations of Chap. 17 §3 of the Swedish Annual Accounts Act relating to the requirements made by the nature, scope and risks of the operations on the amount of equity and need to strengthen the Balance Sheet, liquidity and financial position of the parent company and group generally.

The Income Statement and Balance Sheet will be submitted to the AGM for adoption on April 23, 2013.

Post Balance Sheet Events

There were no significant events in the period between the end of the year and the signing of these Annual Accounts.

Consolidated Income Statement

SEK 000	2012	2011	Note
Revenues	1,367,163	1,417,705	2
Cost of goods sold	-753,892	-776,324	3
Gross profit	613,271	641,381	
Sales overheads	-199,155	-188,148	3
Administration overheads	-312,153	-303,312	3
Other operating revenue and operating expenses	-2,423	461	4
Revenue from participations in associated companies		-112	15
Operating profit	99,540	150,270	2,4,5,6,7,8
Financial income	1,243	1,526	
Financial expenses	-27,662	-18,818	
Net financial income/expense	-26,419	-17,292	9
Profit before tax	73,121	132,978	
Tax	-19,765	-33,854	11
Net profit	53,356	99,124	
<i>Attributable to parent company shareholders</i>	49,939	95,288	
<i>Attributable to Non-controlling interests</i>	3,417	3,836	
<i>Earnings per share, SEK</i>	2.64	5.03	20
Statement of Comprehensive Income			
Net profit	53,356	99,124	
Translation differences	-11,845	8,210	
Comprehensive income	41,511	107,334	
<i>Attributable to parent company shareholders</i>	38,181	104,070	
<i>Attributable to non-controlling interests</i>	3,330	3,264	

Consolidated Balance Sheet

SEK 000	Dec. 31, 2012	Dec. 31, 2011	Note
ASSETS			
Fixed assets			
Property, plant and equipment	74,026	77,332	13
Intangible assets	673,556	692,339	12
Participations in associated companies		451	15
Long-term receivables	1,395	5,541	17
Deferred tax assets	20,765	22,429	25
Total fixed assets	769,742	798,092	
Current assets			
Inventories	243,546	253,699	18
Accounts receivable	214,050	189,231	
Income taxes recoverable	18,912	17,459	
Other receivables	31,041	32,184	19
Prepaid expenses and accrued income	11,285	9,832	19
Cash and cash equivalents	128,469	178,258	
Total current assets	647,303	680,663	
Total assets	1,417,045	1,478,755	
EQUITY AND LIABILITIES			
Equity			
Share capital	6,311	6,311	
Other contributed capital	17,648	17,648	
Translation reserves	-21,049	-9,291	
Accumulated profit or loss	412,933	405,597	
Equity attributable to parent company shareholders	415,843	420,265	
Equity attributable to non-controlling interests	21,316	18,886	
Total equity	437,159	439,151	
Long-term liabilities			
Borrowings	396,747	377,454	22
Other long-term liabilities	4,131	91,227	32
Pension provisions	42,708	38,931	22,24
Deferred tax liabilities	61,057	76,583	25
Other provisions	2,577	1,715	26
Total long-term liabilities	507,220	585,910	
Current liabilities			
Borrowings	179,043	191,454	22
Customer advances	2,132	4,523	
Accounts payable	114,491	85,544	
Tax liabilities	19,914	25,486	
Other liabilities	78,978	55,585	32
Accrued expenses and deferred income	78,108	91,102	27
Total current liabilities	472,666	453,694	
Total liabilities	979,886	1,039,604	
Total equity and liabilities	1,417,045	1,478,755	

Information on the group's pledged assets and contingent liabilities is in Note 29.

Consolidated Statement of Changes in Equity

Attributable to Parent Company Shareholders							
SEK 000	Share Capital ^a	Other Contributed Capital	Translation Reserves	Accumulated Profit or Loss ^b	Total	Non-controlling Interests	Total Equity
Opening equity, Jan. 1, 2011	6,222	1,943	-18,073	347,637	337,729	27,640	365,369
Net profit				95,288	95,288	3,836	99,124
Translation differences			8,782		8,782	-572	8,210
Comprehensive income	6,222	1,943	-9,291	442,925	441,799	30,904	472,703
Dividends ^d				-37,329	-37,329	-639	-37,968
Acquisitions						-11,379	-11,379
Other contributed capital ^c	90	15,705			15,795		15,795
Closing equity, Dec. 31, 2011	6,311	17,648	-9,291	405,597	420,265	18,886	439,151

Attributable to Parent Company Shareholders							
SEK 000	Share Capital ^a	Other Contributed Capital	Translation Reserves	Accumulated Profit or Loss ^b	Total	Non-controlling Interests	Total Equity
Opening equity, Jan. 1, 2012	6,311	17,648	-9,291	405,597	420,265	18,886	439,151
Net profit				49,939	49,939	3,417	53,356
Translation differences			-11,758		-11,758	-87	-11,845
Comprehensive income	6,311	17,648	-21,049	455,536	458,446	22,216	480,662
Dividends ^d				-42,603	-42,603	-900	-43,503
Closing equity, Dec. 31, 2012	6,311	17,648	-21,049	412,933	415,843	21,316	437,159

*a 18,934,464 (6,221,488) shares with a quotient value of SEK 0.33 (0.33).
The number of shares was increased by a share issue of 90,000 new shares in 2011 and a 3:1 share split. All shares are of the same class.*

b Including net profit.

c New share issue relating to warrants programs.

d Dividend per share was 2.25 (2.00) SEK.

Consolidated Cash Flow Statement

SEK 000	2012	2011	Note
Operating activities			31
Profit before tax	73,121	132,978	
Adjustments for non-cash items, etc	56,670	60,239	
Tax paid	-36,460	-32,703	
Cash flow from operating activities before changes in working capital	93,331	160,514	
<i>Cash flow from changes in working capital</i>			
Increase(-)/decrease(+) in inventories	9,937	-19,427	
Increase(-)/decrease(+) in trade receivables	-27,746	-13,052	
Increase(+) /decrease(-) in trade liabilities	24,256	-71,549	
Cash flow from operating activities	99,778	56,486	
Investing activities			
Investments in intangible assets	-35,879	-41,911	
Investments in property, plant and equipment	-13,899	-20,409	
Purchases of subsidiaries, net liquidity effect		-46,586	
Cash flow from investing activities	-49,778	-108,906	
Financing activities			
Proceeds from share issue		15,795	
Change in overdraft facility	-11,429	139,305	
Change in other current financial liabilities	-300	-805	
Borrowings	60,000	46,000	
Loan amortization	-101,692	-40,580	
Dividend paid to non-controlling interests	-900	-639	
Dividend paid	-42,603	-37,329	
Cash flow from financing activities	-96,924	121,747	
Cash flow for the year	-46,924	69,327	
Cash and cash equivalents at beginning of year	178,258	105,064	
Exchange rate difference in cash and cash equivalents	-2,865	3,867	
Cash and cash equivalents at end of year	128,469	178,258	

Parent Company Income Statement

SEK 000	2012	2011	Note
Net sales	64,359	65,059	30
	64,359	65,059	
Operating expenses			
Sales and administration overheads	-75,200	-77,946	5,6,7,8,30
Operating profit	-10,841	-12,887	
Profit from financial items			
Profit from other securities and receivables classified as fixed assets	-7,209	647	9
Dividend from subsidiaries	18,771	42,233	
Dividend from subsidiaries, anticipated	20,000		
Other interest income, etc.	10,276	9,636	9
Interest expenses, etc.	-23,479	-18,609	9
Profit after financial items	7,518	21,020	
Appropriations	19,826	7,606	10
Profit before tax	27,344	28,626	
Tax on profit for the year	1,574	3,310	11
Net profit	28,918	31,936	

Parent Company Balance Sheet

SEK 000	Dec. 31, 2012	Dec. 31, 2011	Note
ASSETS			
Fixed assets			
Intangible assets	46,103	33,733	12
Property, plant and equipment	1,059	2,058	13
Financial assets			
Participations in group companies	297,232	297,232	14
Receivables from group companies	324,673	269,870	16
Deferred tax assets	3,689	1,420	
Total financial assets	625,594	568,522	
Total fixed assets	672,756	604,313	
Current assets			
Current receivables			
Receivables from group companies	27,667	93,565	
Income taxes recoverable	933	1,737	
Other receivables	210	1,373	
Prepaid expenses and accrued income	4,759	3,814	19
Total current receivables	33,569	100,489	
Cash and bank balances	269	116	
Total current assets	33,838	100,605	
Total assets	706,594	704,918	

SEK 000	Dec. 31, 2012	Dec. 31, 2011	Note
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	6,311	6,311	
Statutory reserve	1,244	1,244	
Total restricted equity	7,555	7,555	
Non-restricted equity			
Retained earnings	30,933	41,600	
Net profit	28,918	31,936	
Total non-restricted equity	59,851	73,536	
Total equity	67,406	81,091	
Untaxed reserves	7,865	14,284	21
Provisions			
Pension provisions	3,345	2,968	
Total provisions	3,345	2,968	
Long-term liabilities			
Liabilities to credit institutions	391,000	371,000	23
Other long-term liabilities	3,996	4,096	
Total long-term liabilities	398,341	378,064	
Current liabilities			
Liabilities to credit institutions	175,849	186,776	23
Accounts payable	9,168	4,512	
Liabilities to group companies	32,342	23,931	
Other liabilities	163	631	
Accrued expenses and deferred income	15,460	15,629	27
Total current liabilities	232,982	231,479	
Total equity and liabilities	706,594	704,918	

Parent Company Pledged Assets and Contingent Liabilities

SEK 000	Dec. 31, 2012	Dec. 31, 2011	Note
Pledged Assets	None	None	
Contingent liabilities	520	339	29

Parent Company Statement of Changes in Equity

SEK 000	Restricted Equity		Non-restricted Equity		Total Equity
	Share Capital ^a	Statutory Reserve	Accumulated Profit or Loss	Net Profit	
Opening equity, Jan. 1, 2011	6,221	1,244	47,378		54,843
Group contribution received			21,500		21,500
Tax effect of group contribution received			-5,654		-5,654
Net profit				31,936	31,936
Total changes to net worth, exc. transactions with company's shareholders	6,221	1,244	63,224	31,936	102,625
New share issue ^b	90		15,705		15,795
Dividend			-37,329		-37,329
Closing equity, Dec. 31, 2011	6,311	1,244	41,600	31,936	81,091

SEK 000	Restricted Equity		Non-restricted Equity		Total Equity
	Share Capital ^a	Statutory Reserve	Accumulated Profit or Loss	Net Profit	
Opening equity, Jan. 1, 2012	6,311	1,244	73,536		81,091
Net profit				28,918	28,918
Total changes to net worth, exc. transactions with company's shareholders	6,311	1,244	73,536	28,918	110,009
Dividend			-42,603		-42,603
Closing equity, Dec. 31, 2012	6,311	1,244	30,933	28,918	67,406

<i>a</i>	2012	2011
No. of shares	18,934,464	18,934,464
Quotient value (SEK)	0.33	0.33

b In 2011, the number of shares was increased by a share issue of 90,000 new shares and a 3:1 share split and amounts to 18,934,464.

Parent Company Cash Flow Statement

SEK 000	2012	2011	Note
Operating activities			
Profit after financial items	7,518	21,020	31
Adjustments for non-cash items, etc.	6,313	3,780	
Tax paid	109	-1,224	
Cash flow from operating activities before changes in working capital	13,940	23,576	
<i>Cash flow from changes in working capital</i>			
Increase (-)/decrease (+) in trade receivables	79,522	-61,177	
Increase (+/decrease (-) in trade liabilities	12,430	-32,319	
Cash flow from operating activities	105,892	-69,920	
Investing activities			
Investments in intangible assets	-17,236	-21,725	
Investments in property, plant and equipment	-70	-783	
Sales of property, plant and equipment			
Investments/amortization of financial assets	-54,803	-2,371	
Purchase of participations in group companies		-38,959	
Cash flow from investing activities	-72,109	-63,838	
Financing activities			
Proceeds from share issue		15,795	
Borrowings	60,000	46,001	
Increase/decrease of financial liabilities	-11,027	139,122	
Loan amortization	-40,000	-40,000	
Dividend paid	-42,603	-37,329	
Cash flow from financing activities	-33,630	123,589	
Cash flow for the year	153	-10,169	
Cash and cash equivalents at beginning of year	116	10,285	
Cash and cash equivalents at end of year	269	116	

Note 1

Accounting Principles

(a) General Information

Beijer Electronics AB and its subsidiaries form a multinational group that develops, markets and sells products and solutions in industrial automation and data communications. Beijer Electronics AB is registered in Sweden and has its registered office in Malmö, Sweden. The address of the head office is Box 426, Stora Varvsgatan 13 A, 201 24 Malmö, Sweden. The company is quoted on the NASDAQ OMX Nordic Stockholm Small Cap List. The most important accounting principles applied when preparing these Consolidated Accounts are stated below. These principles have been applied consistently for all years presented, unless otherwise stated.

Basis of Preparation of Financial Statements

The Consolidated Accounts have been prepared in accordance with the Swedish Annual Accounts Act, RFR 1 Supplementary Accounting Regulations for Groups and IFRS (International Financial Reporting Standards) and IFRIC interpretation statements as endorsed by the EU and to the extent they came into effect before January 1, 2013. Standards that came into effect from January 1, 2013 onwards, for which earlier adoption has been encouraged, did not affect Beijer Electronics' accounting for 2012.

The Consolidated Accounts have been prepared in accordance with the cost method apart from restatements of buildings and land, financial assets held for sale and financial assets and liabilities measured at fair value through profit or loss.

Introduction of New and Revised Accounting Principles

i) New and amended standards applied by the group

None of the IFRSs or IFRIC interpretation statements that are mandatory for the first time for the financial year that began on January 1, 2012 have had any material impact on the group.

ii) New standards, amendments and interpretation statements of existing standards that have not yet come into effect and have not been applied prospectively by the group

IAS 19 "Employee Benefits" was amended in June 2011. This amendment means that the group will cease applying the corridor method, and instead report all actuarial gains and losses in other comprehensive income when they occur. Expenses for services rendered in previous years will be recognized immediately. Interest expenses and expected returns on plan assets will be replaced by a net interest rate computed with the aid of a discount rate based on the net surplus or net deficit of the defined-benefit plan. The group intends to apply the amended standard for the financial year beginning January 1, 2013. The effect of the new standard is described in Note 24 Pension Provisions, etc.

None of the other IFRSs or IFRIC interpretation statements that have yet to come into effect are expected to have any significant impact on the group.

(b) Basis of Preparation of the Parent Company and Consolidated Accounts

The parent company's functional currency is Swedish krona (SEK),

which is also the presentation currency for the parent company and the group. This implies that the financial statements are presented in SEK. All amounts, unless otherwise indicated, have been rounded to the nearest SEK 000.

Preparing the financial statements in accordance with IFRS requires that the company management makes judgments and estimates as well as assumptions that influence the application of the accounting principles and the reported amounts of assets, liabilities, revenue and expenses. The estimates and assumptions are based on historical experiences and a number of other factors that appear reasonable in the prevailing circumstances. The result of these estimates and assumptions are then used to assess the carrying amounts of assets and liabilities that would otherwise not be clearly apparent from other sources. Actual outcomes may differ from these estimates and judgments.

Assumptions relating to impairment tests of goodwill and other intangible assets and provisions for pension obligations are the area where estimates and assumptions could imply a risk for restatements of reported values of assets and liabilities in future financial years. These estimates and assumptions are described in more detail in Note 12, Intangible assets and in Note 24, Pension Provisions, etc. The estimates and assumptions are reviewed regularly.

Changes to estimates are reported in the period the change was made if the change affects this period only, or in the period the change is made and future periods if the change affects both the relevant period and future periods.

The group's accounting principles outlined below have been applied consistently to all periods presented in the Consolidated Accounts, unless otherwise indicated below. The group's accounting principles have been applied consistently to reporting and the consolidation of the parent company, subsidiaries and associated companies. The Annual Accounts and Consolidated Accounts were approved for issuance by the Board of Directors on March 21, 2013. The Consolidated Income Statement and Balance Sheet and the parent company's Income Statement and Balance Sheet will be subject to adoption at the Annual General Meeting (AGM) on April 23, 2013.

(c) Segment Reporting

A segment is an identifiable part of the group in accounting terms, which either supplies products or services (business segments), or goods or services within a specified economic area (geographical region), which is exposed to risks and opportunities that differ from other segments.

Operating segments are reported in a manner that is consistent with internal reporting as submitted to the chief operating decision maker. The chief operating decision-maker is the function that is responsible for allocating resources and assessing the results of operating segments. In the group, this function has been identified as the management group.

(d) Classification etc.

Essentially, parent company and consolidated fixed assets and long-term liabilities are amounts expected to be recovered or paid after

more than 12 months from the reporting date only. Essentially, parent company and consolidated current assets and current liabilities are amounts expected to be recovered or paid within 12 months of the reporting date only.

(e) Consolidation Principles

(i) Subsidiaries

Subsidiaries are companies that Beijer Electronics AB exerts a controlling influence over, which means a direct or indirect right to formulate a company's financial and operational strategy with the purpose of receiving economic reward. Judgments of whether a controlling influence exists should consider potential shares conferring votes, which can be used or converted immediately.

The group also judges whether controlling influence applies despite it not having a shareholding of more than half of the voting rights, but is still able to control financial and operational strategies through de facto control. De facto control can arise in circumstances where the share of the group's voting rights in relation to the size and diversity of other shareholders' voting rights gives the group the possibility of controlling financial and operational strategies, etc.

Subsidiaries are reported in accordance with acquisition accounting, which means that the acquisition of a subsidiary is treated as a transaction whereby the group indirectly acquires a subsidiary's assets and takes over its liabilities and contingent liabilities. The consolidated cost is determined through an acquisition analysis related to the acquisition. This analysis partly determines the cost of the shares or operation, partly the fair value of the acquired identifiable assets at the acquisition date, and liabilities and contingent liabilities taken over. The cost of the subsidiary shares and operations is the fair value at the transfer date of assets, liabilities that have arisen or have been taken over, and issued equity instruments submitted as payment in exchange for the acquired net assets, and for acquisitions executed prior to January 1, 2010, transaction expenses directly related to the acquisition. For business combinations where the acquisition cost exceeds the net value of the acquired assets and liabilities taken over and contingent liabilities, the difference is reported as goodwill. When negative, the difference is reported directly in the Income Statement.

In step acquisitions, the previous equity participations in the acquired entity are restated at fair value on acquisition. Potential profit or loss resulting from the restatement is recognized in profit or loss.

Each conditional purchase price to be transferred by the group is recognized at fair value on acquisition. Subsequent changes to fair value of a conditional purchase price classified as an asset or liability are recognized in accordance with IAS 39, either in the Income Statement or other comprehensive income. Conditional purchase price classified as equity is not restated, and subsequent settlement is recognized in equity.

Subsidiary financial statements are included in the Consolidated Accounts from acquisition date to the date the controlling influence ceases. The accounting principles for subsidiaries have, where applicable, been amended to guarantee the consistent application of the group's principles.

(ii) Changes in Participating Interest in a Subsidiary

without Change of Control

Transactions with non-controlling interests that do not result in loss of control are recognized as equity transactions—i.e. as transactions with shareholders in their capacity as owners. In acquisitions from non-controlling interests, the difference between fair value of the purchase price paid and the actual acquired share of the carrying amount of subsidiary net assets is recognized in equity. Gains and losses on disposals to non-controlling interest are also recognized in equity.

(iii) Sale of Subsidiaries

When the group no longer has a controlling influence, each remaining holding is stated at fair value at the time when control is lost. The amendment in carrying amount is recognized in the Income Statement. The fair value is used as the first-time carrying amount and is the basis for continued recognition of the remaining holding as an associated company, joint venture or financial asset. All amounts relating to the disposed unit previously recognized in other comprehensive income are reported as if the group had directly disposed of the related assets or liabilities. This may result in amounts previously recognized in other comprehensive income being reclassified to profit or loss.

(iv) Associated Companies

Associated companies are all companies where the group exerts a significant, but not controlling, influence, which generally applies to share holdings of between 20 and 50% of the votes. Holdings in associated companies are reported according to the equity method. When applying the equity method, the investment is initially measured at cost and the carrying amount is increased or decreased subsequently to consider the company's share of the associated company's profit or loss after acquisition. The group's carrying amount of holdings in the associated company includes goodwill identified at acquisition.

If the participating interest in an associated company decreases but the investment remains an associated company, only a proportional amount of that gain or loss previously recognized in other comprehensive income is reclassified to profit or loss.

The group's share of profit or loss arising after the acquisition is recognized in the Income Statement and its share of changes in other comprehensive income after the acquisition is recognized in other comprehensive income with the corresponding change of the holding's carrying amounts. When the group's share of an associated company's losses amount to, or exceed, its holding in the associated company, including potential unsecured receivables, the group no longer reports additional losses, unless the group has undertaken legal or informal obligations, or made payments on the associated company's behalf.

At the end of each reporting period, the group judges whether there is objective evidence of impairment of its investment in the associated company. If so, the group measures the impairment loss as the difference between the associated company's recoverable value and the carrying amount and reports this amount in "profit share in associated companies" in its Income Statement.

Note 1 cont.
Accounting Principles

Gains and losses from “upstream” and “downstream” transactions between the group and its associated companies are recognized in the consolidated financial statements only to the extent they correspond to non-affiliated companies’ holdings in the associated company. Unrealized losses are eliminated unless the transaction constitutes evidence that the asset taken over is impaired.

The accounting principles applied in associated companies have been amended where applicable to guarantee consistent application of the group’s principles.

Dilution gains and losses on participations in associated companies are recognized in the Income Statement.

(v) Transactions Eliminated on Consolidation

Intra-group receivables and liabilities, revenues or expenses and unrealized profits or losses that arise from intra-group transactions between group companies are wholly eliminated when preparing the Consolidated Accounts.

Unrealized profits that arise from transactions with associated companies and jointly controlled companies are eliminated to the extent corresponding to the group’s participating interest in the company. Unrealized losses are eliminated in the same way as unrealized profits, but only to the extent that there is no indication of any value impairment.

(f) Foreign Currency

(i) Transactions and Balance Sheet Items

Foreign currency transactions are translated to functional currency at the rate of exchange ruling on the transaction date. The functional currency is the currency in the primary economic environments where the company conducts business. Foreign currency monetary assets and liabilities are translated to functional currency at the closing day rate. The exchange rate differences arising from translation of trade assets and liabilities, such as accounts receivable and accounts payable, are recognized in operating profit or loss. Other exchange rate differences are recognized as a financial income or financial expense in the Income Statement.

(ii) Financial Statements of Foreign Operations

Assets and liabilities of foreign operations, including goodwill and other consolidated surplus values and deficits, are translated from the functional currency of the foreign operations to the group’s presentation currency, Swedish kronor, at the closing day rate. Income and expenses of foreign operations are translated to Swedish kronor at an average rate of exchange, which is an approximation of the rates of exchange at each transaction date. Translation differences arising coincident with translation of foreign operations are reported directly against other comprehensive income as a translation reserve.

(g) Revenues

(i) Goods Sales and Service Assignments

Consolidated revenue consists of sales of goods and services. Revenues measured at the fair value of what has been received or will be received,

correspond to those amounts received for goods sold after deducting discounts, returns and value-added tax. Revenues are recognized in the Income Statement when the essential risks and rewards associated with ownership have been transferred to the buyer. Revenue from service assignments is recognized in the Income Statement according to the percentage of completion method. Revenue is not reported to accounts if it is considered probable that the economic rewards will not flow to the group. If there is significant uncertainty regarding payment, associated expenses or the risk of returns, and if the seller retains its commitment to ongoing management, usually associated with ownership, no revenue is recognized.

(h) Operating Expenses, Financial Income and Expenses

(i) Payments for Operating Leases

Payments for operating lease arrangements are reported on a straight-line basis in the Income Statement over the lease term. Benefits received coincident with signing the contracts are reported as a portion of the total lease expense in the Income Statement.

(ii) Payments Related to Finance Leases

Minimum lease charges are divided between interest expenses and amortization of the outstanding liability. Interest expenses are allocated over the lease term so each accounting period is charged with an amount corresponding to fixed interest rates for the liability reported for the relevant period. Variable expenses are expensed in the periods they arise.

(iii) Financial Income and Expenses

Financial income and expenses are interest income on bank balances, receivables and interest-bearing securities, interest expenses on loans, dividend income and realized and unrealized exchange rate differences finance or investments in foreign currency. Interest income is recognized as revenue allocated over the term by applying the effective interest method.

The interest component of finance lease payments is reported in the Income Statement by applying the effective interest method. Dividend income is reported when the right to receive the payment is determined.

(i) Financial Instruments

In the group, financial instruments are measured and reported in accordance with the stipulations of IAS 39.

Initially, financial instruments, apart from financial instruments in the categories of financial assets and liabilities measured at fair value through profit or loss, are reported at cost corresponding to the fair value of the instrument plus transaction expenses.

Financial instruments in the category of financial assets and liabilities measured at fair value through profit or loss are initially reported at fair value excluding transaction expenses. Later, reporting of financial instruments depends on how the instruments are classified, as follows.

A financial asset or liability is reported in the Balance Sheet when the company becomes party to the instrument’s contracted terms.

Accounts receivable are reported in the Balance Sheet when the invoice has been sent. Liabilities are recognized when the counterparty has delivered, and there is a contracted payment liability, even if no invoice has been received as yet. Accounts payable are recognized when invoices are received.

A financial assets is derecognized from the Balance Sheet when the contracted rights are realized, mature, or the company relinquishes control over them. The same applies to parts of a financial asset. A financial liability is derecognized from the Balance Sheet when the contracted commitments are fulfilled or extinguished in some other way. The same applies to parts of a financial liability.

Purchases and sales of financial assets are reported on the transaction date, which is the date the company undertakes to buy or sell the asset, apart from those cases where the company buys or sells listed securities, when settlement day accounting is applied.

The company evaluates whether there are objective indications that a financial asset or a group of financial assets are impaired at each reporting date.

In accordance with IAS 39, the group classifies financial instruments in the following categories: financial assets or liabilities measured at fair value through profit or loss, investments held to maturity, loan receivables and accounts receivable, financial assets held for sale and other financial liabilities. The classification depends on the intention of the purchase of the financial instrument. Management determines classification of financial instruments on initial recognition. Currently, financial instruments in the categories of loan receivables and accounts receivables, and other financial liabilities are held.

Loan Receivables and Accounts Receivable

'Loan receivables and accounts receivable' are financial assets that are not derivatives with fixed payments or payments that can be determined, and that are not listed on a recognized marketplace. These receivables arise when the company supplies funds, goods and services directly to the borrower, without intending to conduct trading in the receivable rights. This category also includes acquired receivables. Assets in this category are measured at amortized cost. The balance sheet item termed long-term receivables is included in this category.

Other Financial Liabilities

Financial liabilities not held for trading are measured at amortized cost. Amortized cost is determined on the basis of the effective interest calculated when the liability arose. This means that surplus values and deficits, and direct issue expenses, are allocated over the term of the liability.

Cash and Cash Equivalents

Cash and cash equivalents are cash and immediately available receivables with banks and similar institutions plus short-term liquid investments with a term from the time of acquisition not exceeding three months that are subject to only a negligible risk of value fluctuations. Cash and cash equivalents belong to the category loans receivable and accounts receivable.

Long-term Receivables and Other Current Receivables

Long-term receivables and other current receivables are receivables that arise when the company supplies funds without the intention of trading the right to receivables. If the anticipated period of holding is longer than one year, they are classified as long-term receivables, and if the period is shorter than one year, as other receivables. These receivables belong to the loan receivables and accounts receivable category.

Accounts Receivable

Accounts receivable are classified in the loan receivables and accounts receivable category. Accounts receivable are reported at the amount expected to be received after deductions for doubtful debt following individual assessment. The anticipated term of the accounts receivable is short, implying that the value is reported to accounts at the nominal amount without discounting. Provisions are made for depreciation of accounts receivable when there is objective evidence that the group will not obtain all amounts that are due to it according to the original terms and conditions of the receivables. Indicators of impairment of accounts receivable may include significant financial difficulties experienced by the debtor, probability that the debtor will enter bankruptcy or undergo financial reconstruction as well as absent or delayed payments (overdue by more than 120 days). Impairment of accounts receivable is reported under operating expenses.

Liabilities

Liabilities are classified in the category other financial liabilities, implying that they are initially reported to the accounts at the amount received after deductions for transaction expenses. After the time of acquisition, the loans are measured at amortized cost in accordance with the effective interest method. Long-term liabilities have an anticipated term of longer than one year while current liabilities have a term of less than one year.

(i) Property, Plant and Equipment

(i) Owned Assets

Property, plant and equipment are reported as assets in the Balance Sheet if it is likely that future economic rewards will flow to the company, and the cost of the asset can be reliably measured.

Property, plant and equipment are reported at cost in the group less accumulated depreciation and potential impairment. The purchase price and costs directly attributable to the asset to bring it to the place and condition to be utilized in accordance with the purpose of the acquisition are included in the cost. Examples of directly attributable expenses included in costs are expenses for delivery and processing, installation, registration, consulting and legal services. The accounting principles for impairment are stated below. Property, plant and equipment that consist of components with differing useful lives are treated as separate components of property, plant and equipment.

The carrying amount of property, plant and equipment is derecognized from the Balance Sheet on obsolescence or disposal, or when no future economic rewards are expected from usage or obsolescence/disposal of the asset. Gains or losses arising from the disposal or

obsolescence of an asset are the difference between the sales price and the asset's carrying amount less deductions for direct selling expenses. Gains and losses are reported as other operating revenue/expenses.

(ii) Leased Assets

IAS 17 is applied for leased assets. In the Consolidated Accounts, lease arrangements are classified as finance or operating leases. Finance leases occur when essentially, the economic risks and rewards associated with ownership are transferred to the lessee, and if not, they are classified as operating leases. Assets held through finance lease arrangements have been reported as an asset in the Consolidated Balance Sheet. The obligation to pay future lease charges has been reported as long-term and current liabilities. The leased assets are subject to planned depreciation while lease payments are reported as interest and amortization of the liabilities. In operating leases, lease charges are expensed during the term, proceeding from usage, which can differ from what is actually paid in lease charges de facto in the year.

(iii) Additional Expenditure

Additional expenditure is added to cost only if it is likely that the future economic rewards associated with the asset will flow to the company, and the cost can be reliably measured. All other additional expenditure is reported as an expense in the period it arises. When additional expenditure is added to cost, it is decisive whether this expenditure relates to the exchange of identifiable components, or parts of components, whereupon such expenditure is capitalized. In those cases when new components are created, expenditure is also added to cost. Potential un-depreciated carrying amounts of exchanged components, or parts of components, are subject to obsolescence and expensed at exchange. Repairs are expensed continuously.

(iv) Depreciation Principles

Depreciation is on a straight-line basis over the estimated useful life of an asset; land is not depreciated. The group utilizes component depreciation, which means that the assessed useful lives of components are the basis for depreciation. Estimated useful lives:

buildings: real estate used in business operations	5–60 years
machinery and other plant	3–12 years
equipment, tools fixtures and fittings	2–8 years

Real estate used in business operations has a number of components with differing useful lives. The main division is between buildings and land. No depreciation is affected on the land component, whose useful life is considered indefinite. However, buildings have several components whose useful lives vary. The useful lives of these components have been assessed to vary between 5 and 60 years.

The following main groups of components have been identified and form the basis for depreciation on buildings:

building decorations, China	5 years
other real estate components	25–60 years

The residual value and useful life of an asset is estimated yearly.

(k) Intangible Assets

(i) Goodwill

Goodwill is the difference between the cost of a business combination and the fair value of the acquired assets, liabilities taken over and contingent liabilities.

Goodwill is measured at cost less potential accumulated impairment. Goodwill is allocated to cash-generating units, and is subject to yearly impairment tests. Impairment tests compare carrying amounts with estimated recoverable amounts. If the carrying amount exceeds the recoverable amount, the item is impaired. Impairment of goodwill is not reversed.

Goodwill arising from acquisitions of associated companies is included in the carrying amount of participations in associated companies. At business combinations, where acquisition cost is less than the net value of the acquired assets and liabilities taken over, and contingent liabilities, the difference is reported directly to the Income Statement.

(ii) Development

Expenditure for development, where research results or other knowledge are used to achieve new products, is reported as an asset in the Balance Sheet, if the product is technically and commercially usable and the company has sufficient resources to complete development, and use or sell the intangible asset later. The carrying amount includes expenditure for materials, direct expenditure for salaries and indirect expenditure that can be attributed to the asset in a reasonable and consistent way. Other expenditure for development is reported in the Income Statement as an expense when it arises. Development expenditure is reported in the Balance Sheet at cost less accumulated depreciation and potential impairment.

(iii) Other Intangible Assets

Other intangible assets acquired by the group are reported at cost less accumulated depreciation and impairment (see below).

Disbursed expenses for internally generated goodwill and internally generated brands are reported in the Income Statement when the expense arises.

(iv) Additional Expenditure

Additional expenditure for capitalized intangible assets is reported as an asset in the Balance Sheet only when it increases the future economic rewards for the specific asset to which it is attributable. All other expenditure is expensed as it arises.

(v) Depreciation

Depreciation is reported in the Income Statement on a straight-line basis over the estimated useful lives of intangible assets, providing such useful lives are not indefinite. Goodwill and intangible assets with indefinite useful lives are subject to impairment tests yearly, or as soon as any indication that suggests that the asset's value is impaired arises. Intangible assets with determinable useful lives are amortized from the date they become available for use.

The estimated useful lives are:	
trademarks and brands	7–20 years
customer contracts (remaining contract term)	4–10 years
capitalized development expenditure	3–5 years
capitalized IT expenditure	3–10 years
technology platforms	5 years

(l) Inventories

Inventories are measured at the lower of cost and net realizable value. Cost is estimated using the FIFO method. The net realizable value is the estimated sales price in operating activities, less estimated expenses for completing and achieving a sale. The cost of produced goods and work in progress includes a reasonable proportion of indirect expenses based on normal capacity.

(m) Impairment

The carrying amounts of the group's assets are subject to impairment tests at each reporting date. An exemption is made for inventories and deferred tax assets. If there is an indication of value impairment, the assets' recoverable value is calculated. For assets subject to the above exemption, valuations are tested according to the relevant standard.

Recoverable values of goodwill and other intangible assets within definite useful lives and intangible assets not yet ready for use are calculated yearly.

If it is impossible to determine significant independent cash flows of an individual asset, when conducting impairment tests, assets should be grouped at the lowest level it is possible to identify significant independent cash flows (cash-generating unit). Impairment is reported when an asset's or cash-generating unit's carrying amount exceeds recoverable value. Impairment is reported to the Income Statement. Impairment of assets attributable to a cash-generating unit (group of units) is primarily assigned to goodwill. Later, proportional impairment of other assets included in the unit is effected (group of units). Goodwill and other intangible assets with indefinite lives are subject to impairment tests yearly.

(i) Calculating Recoverable Value

The recoverable value of assets in the loan receivables and accounts receivable categories should be reported at accrued cost, calculated as the present value of future cash flows, discounted by the effective interest prevailing when the asset was reported for the first time. Assets with short terms are not discounted.

The recoverable value of other assets is the greater of fair value less selling expenses and value in use. When calculating the value in use, future cash flows are discounted by a discount factor that considers risk-free interest, and the risk associated with the specific asset. For an asset that does not generate cash flows, which is significantly independent from other assets, the recoverable value of the cash-generating unit to which the asset belongs is calculated.

(ii) Reversal of Impairment

Impairment of loan receivables and accounts receivable reported at accrued cost are reversed if a subsequent increase in recoverable value can be objectively attributed to an event that has occurred after the impairment was effected.

Goodwill impairment is not reversed.

Impairment of other assets is reversed if a change in the assumptions that served as the basis for calculating the recoverable value has occurred.

Impairment is only reversed to the extent the asset's carrying amount after reversal does not exceed the carrying amount the asset would have had if no impairment had been effected, considering the depreciation that would then have been effected.

(n) Share Capital

(i) Re-purchase of Treasury Shares

Holdings of treasury shares and other equity instruments are reported as a reduction in equity. Acquisitions of such instruments are reported as a deduction from equity. Payment from divestments of equity instruments is reported as an increase in equity. Potential transaction expenses are reported directly against equity.

(ii) Dividends

Dividends are reported as a liability after AGM approval.

(o) Employee Benefits

(i) Defined-contribution Plans

A defined-contribution plan is a pension plan according to which the group pays fixed fees to a separate legal entity. The group is under no legal or informal obligation to pay any further fees if such legal entity does not hold sufficient assets to pay all employee benefits that are connected with the employee's service in the present or previous periods. Commitments relating to fees for defined-contribution plans are reported as an expense in the Income Statement when they arise.

(ii) Defined-benefit Plans

A defined-benefit plan is a pension plan that is not defined contribution. The distinguishing feature of defined-benefit plans is that an amount is indicated for the pension benefit an employee will receive after retirement, usually based on one or several factors like age, length of service and salary. The group has defined-benefit plans in the parent company, subsidiaries in Sweden and one of the subsidiaries in Taiwan.

The group's net commitments regarding defined-benefit plans are calculated separately for each plan by estimating the future benefits the employee would have accrued through his/her service in present and previous periods; these benefits are discounted to present value, and the fair value of potential plan assets is deducted. The discount rate is the yield at the reporting date of an investment grade corporate bond with a maturity corresponding to the group's pension obligations. When there is no recognized market for such corporate bonds, market yields on government bonds with a corresponding maturity are used instead.

The group has utilized Swedish mortgage bonds with a maturity of 10 years as the basis for determining the discount rate. This rate has then been extrapolated by the interest rate difference between Swedish government bonds with maturities corresponding to the average duration of the group's pension obligations and a Swedish government bond with a maturity of 10 years. The calculation is conducted by a qualified actuary using the 'projected unit credit method.'

When the benefits of a plan improve, the proportion of the increased benefit attributable to employee service in previous periods is reported as an expense on a straight-line basis in the Income Statement allocated over the average period until the benefits are fully vested. If the benefits are fully vested, an expense is reported in the Income Statement directly.

The corridor rule is applied for actuarial gains and losses arising when calculating the group's commitments in various plans. The corridor rule means that the portion of the accumulated actuarial gains and losses exceeding the higher of 10% of the present value and 10% of the commitments and the fair value of plan assets is reported over the expected average remaining length of service of those employees covered by the plan. Otherwise, actuarial gains and losses are not considered.

When the calculation results in an asset for the group, the carrying amount of the asset is limited to the net of the unrecognized actuarial losses and unrecognized expenses for service in previous periods, and the present value of future repayments from the plan or reduced future contributions to the plan.

When there is a difference between how pension expenses are determined in a legal entity and the group, a provision or receivable regarding the special employers' contribution based on this difference is reported. The present value of the provision or receivable is not calculated.

(iii) Dismissal Pay

A provision is reported coincident with notices of redundancy issued to staff, only if the group has a proven obligation to conclude employment before the normal time, or when remuneration is paid as an offering to encourage voluntary redundancy. In those cases the company issues redundancy notices, a detailed plan is prepared, which as a minimum, includes workplaces, positions and approximate number of affected staff, and remuneration for each staff category or position and the time of the plan's execution.

(iv) Bonus and Profit Share Plans

There are bonus and profit share plans in the group. Profit share plans are based on trading profit and are payable if a predetermined target is achieved. The expenses for bonus and profit share plans are charged in the year when there is a legal obligation.

(p) Provisions

A provision is reported in the Balance Sheet when the group has an existing legal or informal obligation ensuing from an event that has occurred, and it is likely that an outflow of economic resources

will be necessary to settle the commitment, and the amount can be reliably estimated. When the effect of the timing of the payment is significant, the provisions are calculated by discounting the expected future cash flow by an interest rate before tax that reflects the relevant market valuation of the time value of money and, if applicable, the risks associated with the liability.

(q) Tax

Income tax is made up of current tax and deferred tax. Income tax is reported in the Income Statement apart from when the underlying transaction is reported directly against other comprehensive income and equity respectively, whereupon the associated tax effect is reported in against other comprehensive income and equity respectively.

Current tax is tax paid or received for the present year, applying the tax rates that are enacted or substantively enacted as of the reporting date, which also include adjustments of current tax attributable to previous periods.

Deferred tax is calculated in accordance with the balance sheet method, proceeding from temporary differences between the book and taxable values of assets and liabilities. The following temporary differences are not considered: for temporary differences arising on first-time accounting of goodwill, first-time accounting of assets and liabilities that are not business combinations and neither influence reported nor taxable earnings at the time of the transaction. Nor are temporary differences attributable to shares in subsidiaries and associated companies that are not expected to be reversed in the foreseeable future considered. The valuation of deferred tax is based on how the carrying amounts of assets or liabilities are expected to be realized or settled. Deferred tax is calculated by applying those tax rates and tax regulations that are enacted or substantively enacted as of the reporting date.

Deferred tax assets regarding deductible temporary differences and loss carry-forwards are only reported to the extent that it is likely that they will be utilized. The value of deferred tax assets reduces when it is no longer considered likely that they can be utilized.

Deferred tax assets and liabilities are offset when there is a legal right to offset for current tax assets and tax liabilities and when the deferred tax assets and tax liabilities relate to tax debited by one and the same tax authority and either relate to the same taxpayer or different taxpayer, where there is an intent to settle the balances through net payments.

Potential additional income tax arising on dividends from foreign subsidiaries is reported as a liability.

(r) Contingent Liabilities

A contingent liability is reported when there is a possible commitment arising from events that have occurred, and whose incidence is confirmed only by one or more uncertain future events, or when there is a commitment that is not reported as a liability or a provision because it is unlikely that an outflow of resources will be necessary.

(s) Cash Flow Statement

The Cash Flow Statement has been prepared in accordance with the indirect method. Cash and cash equivalents are made up of cash funds and immediately available balances with banks and corresponding institutions, and short-term, liquid investments with a term of less than three months from the time of acquisition, exposed to only insignificant risk of value fluctuations.

Parent Company Accounting Principles

The parent company has prepared its Annual Accounts in accordance with the Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities. RFR 2 means that in its Annual Accounts for the legal entity, the parent company applies all the IFRS and statements endorsed by the EU, if this is possible within the framework of the Annual Accounts Act, and considering the relationship between accounting and taxation. The recommendation states the exemptions from, and supplements to, IFRS.

Differences between the Group's and Parent Company's Accounting Principles

Differences between the group's and parent company's accounting principles are stated below. The following accounting principles of the parent company have been applied consistently for all periods published in the parent company's financial statements.

Subsidiaries and Associated Companies

In the parent company, shares in subsidiaries and associated companies are reported in accordance with acquisition accounting. Dividends received are recognized as revenue only if they arise from earnings accrued after the acquisition. Dividends exceeding these accrued earnings are considered as re-payment of the investment and reduce the carrying amount of the shares.

Long-term Monetary Dealings

Long-term monetary dealings between the parent company and independent foreign operations that represent an extension or reduction of the parent company's investment in the foreign operation, are measured at historical rates of exchange in the parent company.

Financial Instruments

The parent company does not apply the valuation rules of IAS 39. In the parent company, financial assets are measured at cost less potential impairment, and financial current assets at the lower of cost or market.

Property, Plant and Equipment

Owned Assets

In the parent company, property, plant and equipment are reported at cost less deductions for accumulated depreciation and potential impairment in the same way as the group but with a supplement for potential write-ups.

Leased Assets

In the parent company, all lease arrangements are reported in accordance with the rules for operating leases.

Intangible Assets

Development

In the parent company, all development expenditure is reported as an expense in the Income Statement.

Employee Benefits

Defined-benefit Plans

The parent company uses a different basis for calculating defined-benefit plans than stipulated by IAS 19. The parent company follows the stipulations of the Swedish Pension Obligations Vesting Act and the Swedish Financial Supervisory Authority's instructions, because this is a pre-requisite for tax deductions. The most significant differences compared to IAS 19 are determining the discount rate, calculating the defined-benefit commitment on the basis of present salary levels and that all actuarial gains and losses are reported in the Income Statement when they arise.

Tax

In the parent company, untaxed provisions are reported including deferred tax liabilities. However, in the Consolidated Accounts, untaxed reserves are divided between deferred tax liabilities and equity.

Group Contributions and Shareholders' Contributions for Legal Entities

In accordance with the alternative rule of RFR 2, group contributions received and paid are recognized as appropriations. The tax effect of group contributions received and paid is recognized in the Income Statement in accordance with IAS 12. Shareholders' contributions are reported directly against the recipient's equity and increase the value of shares and participations of the issuer, to the extent no impairment is necessary.

Note 2

Segment Reporting

Management has decided that operating segments are used to reach strategic decisions. Management judges operations from a product perspective, where operating segments are divided into the three business areas of Automation, HMI Products and IDC.

Automation markets and sells products from leading international vendors and operator systems from the HMI Products business area and data communications solutions from IDC in the Nordics and Baltics. HMI Products develops, markets and sells operator terminals and IPC-based operator systems on a global basis. IDC develops, markets and sells industrial data communications products on a

global basis. Other consists mainly of the parent company's shared functions. Management judges operating segments based on a measure called EBIT (earnings before interest and taxes), which excludes non-recurring expenses from operating segments.

Management also judges sales from a geographical perspective divided between the Nordic region, Rest of Europe, North America, Asia and Rest of World. The information presented for operating segment revenue is for the geographical regions grouped according to the location of customers.

2012						
SEK 000	Automation	HMI Products	IDC	Other	Elimination	Total
Revenues						
External sales	478,088	522,127	366,948			1,367,163
Internal sales	895	98,154	3,392		-102,441	
Total sales	478,983	620,281	370,340		-102,441	1,367,163
Profit by operating segment	30,353	58,661	27,302	-10,841	-5,935	99,540
Participations in associated companies' profits						
Operating profit	30,353	58,661	27,302	-10,841	-5,935	99,540
Net financial income/expense	-152	-3,480	-1,533	15,136	-36,390	-26,419
Tax expense for the year	-7,422	-11,167	-6,002	2,986	1,840	-19,765
Net profit	22,779	44,014	19,767	7,281	-40,485	53,356
Attributable to parent company shareholders						49,939
Attributable to non-controlling interests						3,417
Assets	248,922	653,671	550,187	476,183	-511,918	1,417,045
Liabilities	106,816	501,397	175,213	422,642	-226,182	979,886
Investments	709	12,500	17,250	17,306	2,013	49,778
Depreciation and amortization	3,696	22,751	19,931	5,785	7,082	59,245
Expenses in addition to depreciation and amortization not matched by payments made						-7,114

2011

SEK 000	Automation	HMI Products	IDC	Other	Elimination	Total
Revenues						
External sales	496,381	539,524	381,800			1,417,705
Internal sales	820	87,653	3,416		-91,889	
Total sales	497,201	627,177	385,216		-91,889	1,417,705
Profit by operating segment	34,480	87,358	46,355	-13,369	-4,442	150,382
Participations in associated companies' profits			-112			-112
Operating profit	34,480	87,358	46,355	-13,369	-4,442	150,270
Net financial income/expense	707	-5,363	-2,799	-8,427	-1,410	-17,292
Tax expense for the year	-9,611	-21,747	-9,902	5,310	2,096	-33,854
Net profit	25,576	60,248	33,542	-16,486	-3,756	99,124
<i>Attributable to parent company shareholders</i>						
<i>Attributable to non-controlling interests</i>						
Assets	238,511	630,391	578,693	408,929	-378,218	1,478,306
Participations in associated companies			449			449
Total assets	238,511	630,391	579,142	408,929	-378,218	1,478,755
Liabilities	112,602	495,639	146,753	676,168	-391,558	1,039,604
Total liabilities	112,602	495,639	146,753	676,168	-391,558	1,039,604
Investments	1,354	18,258	16,952	13,067	4,489	54,120
Depreciation and amortization	3,903	23,754	15,722	3,113	6,530	53,022
Expenses in addition to depreciation and amortization not matched by payments made						7,195

Geographical Division of Sales

SEK 000	2012	2011
Sweden	277,250	320,727
Norway	131,239	116,965
Finland	66,491	67,418
Denmark	74,500	81,807
Nordics	549,480	586,917
Germany	144,076	181,690
Rest of Europe	213,505	206,346
Total Europe	907,061	974,953
North America	252,101	221,652
Asia	179,649	188,466
Rest of world	28,352	32,634
Total	1,367,163	1,417,705

Internal pricing between the group's segments is determined on the basis of the arm's length principle, i.e. between parties that are mutually independent, well-informed and with an interest in the transactions. The operating segments' profit or loss, assets and liabilities (including provisions) include directly related items, and items that can be allocated by segment in a reasonable and reliable way. The segments' investments in property, plant and equipment and intangible assets include all investments apart from investments in expendable equipment and inventories of lesser value.

The group is not dependent on large customers. The group has no single customer representing more than 10% of the group's total sales.

Note 3

Cost Types

The Consolidated Income Statement classifies expenses by function. Information on the significant cost types follows.

SEK 000	Dec. 31, 2012	Dec. 31, 2011
Cost of materials	619,187	644,342
Salaries, benefits and social security expenses	399,052	381,636
Amortization and depreciation of intangible assets and property, plant and equipment	59,112	53,022
Other expenses	187,849	188,783
	1,265,200	1,267,784

Note 4

Other Operating Revenue and Operating Expenses

SEK 000	2012	2011
Group		
Profit from sales of fixed assets		-520
Exchange rate gains/losses on trade receivables/ liabilities	-3,335	-1,276
Other	912	2,257
	-2,423	461

Note 5

Fees and Reimbursement to Auditors

SEK 000	2012	2011
Group		
<i>PricewaterhouseCoopers</i>		
Auditing	1,565	1,601
Tax consultancy	203	146
Other assignments	877	738
<i>Other auditors</i>		
Auditing	337	421
Tax consultancy	61	333
Other assignments		33
Parent company		
<i>PricewaterhouseCoopers</i>		
Auditing	662	650
Tax consultancy	126	46
Other assignments	809	688
<i>Other auditors</i>		
Tax consultancy		222
Other assignments		12

Note 6

Operating Lease Payments

SEK 000	2012	2011
Group		
Total lease expenses	24,876	24,418
Contracted future minimum lease payments related to irrevocable contracts due for payment:		
Within one year	24,965	24,690
Between one and five years	48,374	25,212
Total	73,339	49,902
Parent Company		
Total lease expenses	9,955	9,878
Contracted future minimum lease payments related to irrevocable contracts due for payment:		
Within one year	9,248	9,938
Between one and five years	30,274	1,128
Total lease expenses	39,522	11,066

Note 7

Employees and Personnel Expenses

Average number of employees

	Of which		Of which	
	2012	men, %	2011	men, %
Parent company				
Sweden	23	61	24	58
Total in parent company	23	61	24	58
Subsidiaries				
Brazil	1	100	0	0
Denmark	17	71	17	71
Estonia	4	75	4	75
UK	17	82	17	82
Finland	18	78	20	80
France	11	73	11	73
China	22	50	15	47
Latvia	3	67	3	67
Lithuania	2	100	3	67
Norway	25	84	25	88
Singapore	5	100	3	100
Sweden	223	84	219	84
Taiwan	170	42	170	45
Germany	61	75	61	70
USA	87	69	76	66
Total in subsidiaries	666	69	643	69
Group total	689	69	668	68

Division between sexes, group management

	Dec. 31, 2012	Dec. 31, 2011	Prop. Women	Prop. Women
Parent Company				
Board	33%	29%		
Other senior managers	11%	14%		
Group total				
Board	33%	29%		
Other senior managers	11%	14%		

Salary, other remuneration and social security expenses

SEK 000	2012		2011	
	Salary and remuneration	Social security expenses	Salary and remuneration	Social security expenses
Parent Company	19,213	11,083	23,341	12,235
(of which pension expenses)		(4,067) ^a		(3,420) ^a
Subsidiaries	288,349	80,406	273,353	72,707
(of which pension expenses)		(20,161)		(23,579)
Group total	307,562	91,489	296,694	84,942
(of which pension expenses)		(24,228) ^b		(26,999) ^b

a Of parent company pension expenses, 1,614 (1,550) relates to the Board and CEO.

b Of consolidated pension expenses, 1,614 (1,550) relates to the Board and CEO.

Salary and other remuneration by country, and between Board members, etc. and other employees

SEK 000	2012		2011	
	Board and CEO	Other employees	Board and CEO	Other employees
Parent company				
Sweden	6,831	12,382	6,286	17,055
(of which bonus, etc.)			(1,536)	(5,829)
Parent company total	6,831	12,382	6,286	17,055
(of which bonus, etc.)			(1,536)	(5,829)
Subsidiaries in Sweden				
	7,667	101,538	5,854	103,285
(of which bonus, etc.)	(857)	(1,605)	(775)	(5,356)
Foreign subsidiaries				
Denmark	891	9,670	629	9,993
(of which bonus, etc.)	(21)	(262)		(27)
Norway	1,407	20,145	1,334	20,760
(of which bonus, etc.)	(213)	(980)	(89)	(1,205)
Finland	1,123	6,764	795	7,696
(of which bonus, etc.)	(218)	(87)		(63)
Estonia	418	400		894
(of which bonus, etc.)	(61)			
Latvia		662		395
(of which bonus, etc.)				(31)
Lithuania		303		806
(of which bonus, etc.)		(10)		
Germany	6,451	27,822	3,161	29,828
(of which bonus, etc.)	(879)	(1,750)	(397)	(2,448)
France		5,423		5,356
(of which bonus, etc.)		(165)		(99)
UK		8,383		7,132
(of which bonus, etc.)	(934)			(135)
USA	8,598	40,727	1,624	35,200
(of which bonus, etc.)	(2,656)	(8,117)		(240)
Brazil		543		
(of which bonus, etc.)				
Taiwan	6,017	27,180	1,162	34,562
(of which bonus, etc.)	(386)	(5,104)		(9,168)
China	1,712	2,731	327	1,454
(of which bonus, etc.)				
Singapore		1,773		1,106
(of which bonus, etc.)		(266)		(129)
Subsidiaries total	34,284	254,065	14,886	258,467
(of which bonus, etc.)	(5,291)	(19,280)	(1,261)	(18,901)
Group total	41,115	266,447	21,172	275,522
(of which bonus, etc.)	(5,291)	(19,280)	(2,797)	(24,730)

Not *7* cont.

Employees and Personnel Expenses

Remuneration of Senior Managers—Board of Directors

Directors' fees were 1,250,000 (1,450,000) in 2012, allocated as follows:

SEK	2012
Anders Ilstam, Chairman of the Board	450,000
Bert Åke Eriksson	200,000
Ulrika Hagdahl	200,000
Maria Khorsand	200,000
Stig-Arne Blom	200,000

Board member Stig-Arne Blom received o (68,000) for consulting assignments.

Remuneration and Other Benefits in the Year

Remuneration and benefits to the CEO and senior managers amounted to the following:

SEK 000	2012		2011	
	CEO	Other Senior Managers	CEO	Other Senior Managers
Basic salary	3,499	11,781	3,245	8,230
Performance related pay		1,210	1,439	3,120
Other benefits	149	779	111	543
Pension expenses	1,614	1,808	1,550	1,355
Total salary and remuneration	5,262	15,578	6,345	13,248

Chief Executive Officer

Apart from contracted basic salary, the Chief Executive Officer is also entitled to performance-related pay. Performance-related pay is based on the group's operating profit and is a maximum of six months' salary. Pension and other customary benefits like company car are additional. Each year, 35% of gross salary including bonus is provisioned as pension assurance for the CEO. This pension is defined contribution and becomes payable at age 65. According to agreement, the CEO has a notice period from the company's side of 18 months, that cannot be claimed for termination initiated by the CEO. The notice period from the Chief Executive Officer's side is six months. No other remuneration upon termination has been agreed.

Other Senior Managers

Other senior managers have basic salary with a performance-related component. The performance-related component is based partly on the group's and partly on each business area's operating profit and sales growth. Yearly performance-related pay is a maximum of six months' salary. Other senior managers have defined contribution pension agreements on market terms. Other customary benefits like company cars are additional. Maximum notice periods of 12 months for termination from the company's side have been agreed for other senior managers. This is applicable to all apart from one,

who has a six-month notice period and nine months' severance pay for termination from the company's side.

Board of Directors' Proposed Guidelines 2013

The Board of Directors proposes that the AGM adopts the following guidelines for remunerating senior managers. Senior managers means group management including the CEO.

Total remuneration covers basic salary and performance-related pay, comprising a yearly and a long-term portion. Pension and other customary benefits such as company car are additional. The performance-related component is based on the satisfaction of predetermined targets. These targets relate to the company's profit performance and other important change targets. For the CEO and other senior managers, the annual performance-related component may amount to a maximum of six months' salary, and the long-term performance-related component to a maximum of 20–40% of basic salary.

If the CEO's employment is terminated by Beijer Electronics, the CEO has an 18-month notice period. No other dismissal pay has been agreed. If termination of other senior managers' employment is from the company's side, and the termination is not due to gross negligence, a maximum notice period of 12 months is agreed, apart from one, who has a six-month notice period and nine months' severance pay. Otherwise, there are no differences on the previous year.

Incentive Plans

The purpose of incentive plans is to promote senior management commitment to the group's progress and thus increase value for the group's shareholders. In 2008–2009, senior managers were offered the opportunity to acquire warrants. This plan has two series of options, of 90,000 in each series. The warrants are issued on market terms calculated according to the Black & Scholes formula, and have terms of three and five years respectively. The subscription prices are 175.50 SEK and 182.50 SEK respectively.

The first series expired in May 2011 and the second expires in May 2013. All warrants with expiry in May 2011 were exercised.

With the support of the guidelines for remunerating senior managers resolved by the AGM, an incentive program for 30 key employees of the group was conducted in 2011. This program involves 3% of the company's profit after tax being provisioned for payment after three years pro rata with the participants' salary at the time of provisioning. The condition for provisioning in 2012 is minimum earnings per share of 5.91 SEK (4.86). This condition has not been satisfied, and accordingly, no provision was made in the annual financial statements.

Decision-making Process

The Remuneration Committee consults on the Board of Directors' decisions on remuneration to the Chief Executive Officer and decides on remuneration to other senior managers. Directors' fees are resolved by the AGM.

Note 8

Depreciation, Amortization and Impairment of Property, Plant and Equipment and Intangible Assets

SEK 000	2012	2011
Group		
Capitalized development expenditure	-19,500	-15,414
Capitalized expenditure for software	-5,034	-2,189
Customer contracts, brands and similar rights	-17,172	-19,565
Buildings and land	-1,522	-1,533
Machinery and other plant	-2,235	-2,165
Equipment, tools, fixtures and fittings	-13,782	-12,156
	-59,245	-53,022
Parent Company		
Capitalized expenditure for software	-4,866	-1,998
Equipment, tools, fixtures and fittings	-919	-1,114
	-5,785	-3,112

Note 9

Net Financial Income/expense

SEK 000	2012	2011
Group		
Interest income	1,243	970
Net exchange rate difference		557
Financial income	1,243	1,527
Interest expenses	-23,567	-18,819
Revaluation of additional purchase price		-3,223
Net exchange rate difference		-872
Financial expenses	-27,662	-18,819
Net financial income/expense	-26,419	-17,292

SEK 000	2012	2011	2012	2011
Parent Company				
Interest income, group companies			10,144	9,597
Interest income, other			132	39
Dividend	18,771	42,233		
Dividend, anticipated	20,000			
Exchange rate difference		647		
	38,771	42,880	10,276	9,636

SEK 000	2012	2011	2012	2011
Parent company				
Interest expenses, group companies			-556	-823
Interest expenses, other			-21,475	-16,607
Exchange rate difference	-7,209		-1,448	-1,179
	-7,209		-23,479	-18,609

Note 10

Appropriations

SEK 000	2012	2011
Tax allocation reserve, reversal in the year	6,420	7,606
Group contributions, received	13,406	
	19,826	7,606

Note 11

Tax on Net Profit

SEK 000	2012	2011
Group		
<i>Current tax expense(-)[/tax revenue(+)]</i>		
Tax expense for the period	-26,917	-39,312
Withholding tax	-3,277	-26
Adjustment of tax attributable to previous year	-3,723	-658
	-33,917	-39,996
<i>Deferred tax expense(-)[/tax revenue(+)]</i>		
Deferred tax relating to temporary differences	11,655	2,503
Deferred tax in the deductible value of loss carry-forwards capitalized in the year	2,497	3,639
	14,152	6,142
Total reported tax expense, group	-19,765	-33,854
Parent company		
<i>Current tax expense(-)[/tax revenue(+)]</i>		
Tax expense for the period		-279
Withholding tax	-692	
Adjustment of tax attributable to previous year	-3	-13
	-695	-292
<i>Deferred tax expense (-)[/tax revenue (+)]</i>		
Deferred tax on temporary differences	-228	-37
Deferred tax in the deductible value of loss carry-forwards capitalized in the year	2,497	3,639
	2,269	3,602
Total reported tax expense, parent company	1,574	3,310

Reconciliation of actual tax

SEK 000	2012	2011
Group		
Profit before tax	73,122	132,978
Tax at applicable rate, parent company	-19,231	-34,973
Tax effect of:		
- Other tax rates for foreign subsidiaries	2,669	2,558
- Non-deductible expenses	-1,214	-951
- Non-taxable revenues	262	901
- Effects of loss carry-forwards, net	2,497	1,663
- Effect of changed tax rate	2,367	
- Tax attributable to previous year	-3,723	-590
- Other	-3,392	-2,462
Reported tax, Income Statement	-19,765	-33,854
Parent company		
Profit before tax	27,344	28,626
Tax at applicable rate, parent company	-7,191	-7,529
Tax effect of:		
- Non-deductible expenses	-304	-205
- Non-taxable revenues	9,591	11,134
- Tax attributable to previous year	3	13
- Standard-rate interest on tax allocation reserve	-37	-103
- Effect of changed tax rate on deferred tax	-488	
Reported tax, Income Statement	1,574	3,310

Note 12

Intangible Assets

SEK 000	Goodwill	Development Expenditure	IT Expenditure	Trademarks & Brands	Customer Contracts	Technology Platforms	Total
Group							
Opening balance Jan. 1, 2011	475,577	111,591	25,547	83,555	76,059	10,310	782,639
Internally developed assets		20,179					20,179
Other investments			21,732				21,732
Reclassification	-43,746		160	9,230	28,685	5,831	160
Exchange rate differences for the year	10,189	-18	6	532	1,648	335	12,692
Closing balance Dec. 31, 2011	442,020	131,752	47,445	93,317	106,392	16,476	837,402
Opening balance Jan. 1, 2012	442,020	131,752	47,445	93,317	106,392	16,476	837,402
Internally developed assets		18,558					18,558
Other investments			17,321				17,321
Reclassification							
Exchange rate differences for the year	-9,713	-101	-38	-2,108	-2,403	-372	-14,735
Closing balance Dec. 31, 2012	432,307	150,209	64,728	91,209	103,989	16,104	858,546
<i>Accumulated amortization and impairment</i>							
Opening balance Jan. 1, 2011		-44,249	-11,031	-20,583	-29,305	-1,891	-107,059
Reclassification			-156				-156
Amortization in the year		-15,414	-2,189	-6,346	-11,183	-2,036	-37,168
Exchange rate differences for the year		18	-3	-198	-434	-63	-680
Closing balance Dec. 31, 2011	-59,645	-13,379	-27,127	-40,922	-3,990	-145,063	
Opening balance Jan. 1, 2012		-59,645	-13,379	-27,127	-40,922	-3,990	-145,063
Reclassification							
Amortization in the year		-19,500	-5,034	-4,164	-10,730	-2,278	-41,706
Exchange rate differences for the year		101	49	395	1,018	216	1,779
Closing balance Dec. 31, 2012	-79,044	-18,364	-30,896	-50,634	-6,052	-184,990	
Carrying amounts							
As of Jan. 1, 2011	475,577	67,342	14,516	62,972	46,754	8,419	675,580
As of Dec. 31, 2011	442,020	72,107	34,066	66,190	65,470	12,486	692,339
As of Jan. 1, 2012	442,020	72,107	34,066	66,190	65,470	12,486	692,339
As of Dec. 31, 2012	432,307	71,165	46,364	60,314	53,355	10,052	673,556

The group reports the following intangible asset classes:

Intangible Asset Class	Useful Life	Amortization Method
Goodwill	Indefinite	Impairment tests
Development expenditure	3–5 years	Straight-line amortization over the asset's useful life based on cost
IT expenditure	3–10 years	Straight-line amortization over the asset's useful life based on cost
Trademarks & brands*	7–20 years	Straight-line amortization over the asset's useful life based on cost
Customer contracts	4–5 years respectively 7–10 years	Straight-line amortization over the asset's useful life based on cost
Technology platforms	5 years	Straight-line amortization over the asset's useful life based on cost

*Trademarks & brands relate to strategic acquisitions and have an estimated useful life of 7–20 years.

Not 12 cont.
Intangible Assets

The parent company reports the following intangible asset classes

Intangible Asset Class	Useful Life	Amortization Method
IT expenditure	3–5 years	Straight-line amortization over the asset's useful life based on cost

IT Expenditure

SEK 000	
Parent company	
<i>Accumulated cost</i>	
Opening balance Jan. 1, 2011	23,441
Other investments	21,568
Reclassification	157
Closing balance Dec. 31, 2011	45,166
Opening balance Jan. 1, 2012	45,166
Other investments	17,236
Reclassification	
Closing balance Dec. 31, 2012	62,402
<i>Accumulated amortization and impairment</i>	
Opening balance Jan. 1, 2011	-9,278
Amortization in the year	-1,998
Reclassification	-157
Closing balance Dec. 31, 2011	-11,433
Opening balance Jan. 1, 2012	-11,433
Amortization in the year	-4,866
Reclassification	
Closing balance Dec. 31, 2012	-16,299
Carrying amounts	
As of Jan. 1, 2011	14,163
As of Dec. 31, 2011	33,733
As of Jan. 1, 2012	33,733
As of Dec. 31, 2012	46,103

The ‘Automation’ Unit

The impairment test for the ‘Automation’ unit is based on the calculation of value in use. This value is based on forecast cash flows for a total of 5 years (5 years), of which the first is based on the unit’s budget. The cash flows beyond 2012 have been based on yearly growth

Impairment Tests for Cash-generating Units Including Goodwill

The following cash-generating units, which are parts of the segments for ‘Automation’, ‘HMI Products’ and ‘IDC’, have significant reported goodwill values in relation to the group’s total reported goodwill values:

SEK 000	2012	2011
Automation	15,676	16,137
HMI Products	161,784	169,439
IDC	254,847	256,444
Total goodwill value in group	432,307	442,020

Sensitivity Analysis for Cash-generating Units Containing Goodwill

When analyzing impairment of goodwill, the company conducted sensitivity analyses for the cash-generating units. The following restatements have been made compared to the information stated above:

Discount rate	+2 %
Sales growth	-2 %

The sensitivity analyses indicate that there is no impairment given these restatements of computation variables.

of revenues of 3–6% (3–4%) and expenses of 3–7% (3–4%). The present value of forecast cash flows has been calculated by applying a discount rate of 10.0% (10.0) before tax. The important assumptions of the forecasts are reviewed in the following table.

Key Variables	Estimation Method
Market share and market growth	Current market share assumed for future periods. Nominal yearly market growth of 2% (2%) assumed.
Costs of materials and gross profit	Cash flow forecasts are based on unchanged percentage gross profit. This assumption is consistent with previous experience and present agreements.
General costs	Forecasts based on average cost inflation of 3% (3).
Rate of exchange EUR/SEK	Rate of exchange forecasts based on present quoted rate of exchange.
Rate of exchange NOK/SEK	Rate of exchange forecasts based on present quoted rate of exchange.

The 'HMI' Unit

The impairment test for the 'HMI' unit is based on the calculation of value in use. This value is based on forecast cash flows for a total of 5 years (5 years), of which the first is based on the unit's budget. The cash flows beyond 2012 have been based on yearly growth of

revenues of 1–13% (3–10%) and expenses of 5–12% (3–6%). The present value of forecast cash flows has been calculated by applying a discount rate of 10% (10) before tax. The important assumptions of the forecasts are reviewed in the following table.

Key Variables	Estimation Method
Market share and market growth	Current market share assumed for future periods. Nominal yearly market growth of 2% assumed.
Costs of materials and gross profit	Cash flow forecasts are based on unchanged percentage gross profit. This assumption is consistent with previous experience and present agreements.
General costs	Forecasts based on average cost inflation of 3%.
Rate of exchange NTD/SEK	Rate of exchange forecasts based on present quoted rate of exchange.
Rate of exchange USD/NTD	Rate of exchange forecasts based on present quoted rate of exchange.

The 'IDC' Unit

The impairment test for the 'IDC' unit is based on the calculation of value in use. This value is based on forecast cash flows for a total of 5 years (5), of which the first is based on the unit's budget. The cash flows beyond 2012 have been based on yearly growth of revenues of

5–30% (5–15%) and expenses of 5–54% (5–13%). The present value of forecast cash flows has been calculated by applying a discount rate of 10% (10–12) before tax. The important assumptions of the forecasts are reviewed in the following table.

Key Variables	Estimation Method
Market share and market growth	Current market share assumed for future periods. Nominal yearly market growth of 2% assumed.
Costs of materials and gross profit	Cash flow forecasts are based on unchanged percentage gross profit. This assumption is consistent with previous experience and present agreements.
General costs	Forecasts based on average cost inflation of 3%.
Rate of exchange EUR/SEK	Rate of exchange forecasts based on present quoted rate of exchange.
Rate of exchange NTD/SEK	Rate of exchange forecasts based on present quoted rate of exchange.
Rate of exchange GBP/SEK	Rate of exchange forecasts based on present quoted rate of exchange.

Impairment tests for cash-generating units including capitalized development expenditure

The following cash generating unit, which is part of the segments for 'HMI' and 'IDC', has significant carrying amounts for capitalized development expenditure. The capitalized development expenditure has a finite useful life. This expenditure is amortized over a period of 3–5 years. The book value of capitalized development expenditure is:

SEK 000	2012	2011
HMI Products	40,447	42,846
IDC	30,718	29,261
Total value of capitalized development expenditure, group	71,165	72,107

Sensitivity Analysis for Cash-generating Units Containing Goodwill

When analyzing impairment of capitalized development expenses, the company conducted a sensitivity analysis. Relating to expected sales growth and gross margin of underlying products. The following restatements have been made compared to the base computation:

Sales growth	-10%
Gross margin	-10%

The sensitivity analyses indicate that there is no impairment given these restatements of computation variables.

Note 13

Property, Plant and Equipment

SEK 000	Group			Parent Company	
	Buildings and Land	Plant and Machinery	Equipment, Tools, Fixtures and Fittings	Total	Equipment, Tools, Fixtures and Fittings
<i>Cost</i>					
Opening balance Jan. 1, 2011	51,226	14,450	86,660	152,336	14,037
Purchase via business combination					
Other purchase	4,955	17,249	22,204		783
Reclassification	-1,395	2,964	1,569		
Sales	-650	-11,074	-11,724		-5,112
Exchange rate differences	266	77	362	705	
Closing balance Dec. 31, 2011	51,492	17,437	96,161	165,090	9,708
Opening balance Jan. 1, 2012	51,492	17,437	96,161	165,090	9,708
Other purchase	261	519	13,119	14,038	70
Reclassification	-710	1,535	825		-769
Sales	-1,847	-4,328	-6,175		
Exchange rate differences	-207	-103	-1,016	-1,465	
Closing balance Dec. 31, 2012	51,546	15,296	105,471	172,313	9,009
<i>Depreciation</i>					
Opening balance Jan. 1, 2011	-16,630	-7,496	-59,366	-83,492	-11,678
Depreciation in the year	-1,533	-2,165	-12,156	-15,854	-1,114
Reclassification		255	255		157
Sales	650	11,074	11,724		4,985
Exchange rate differences	-71	-42	-277	-390	
Closing balance Dec. 31, 2011	-18,234	-9,053	-60,470	-87,757	-7,650
Opening balance Jan. 1, 2012	-18,234	-9,053	-60,470	-87,757	-7,650
Depreciation in the year	-1,522	-2,235	-13,782	-17,539	-919
Reclassification		-14	-1,406	-1,420	-157
Sales	1,824	5,748	7,572		776
Exchange rate differences	23	54	780	857	
Closing balance Dec. 31, 2012	-19,733	-9,424	-69,130	-98,287	-7,950
<i>Carrying amount</i>					
As of Jan. 1, 2011	34,596	6,954	27,294	68,844	2,359
As of Dec. 31, 2011	33,258	8,384	35,691	77,333	2,058
As of Jan. 1, 2012	33,258	8,384	35,691	77,333	2,058
As of Dec. 31, 2012	31,813	5,872	36,341	74,026	1,059

Note 14

Participations in Group Companies

SEK 000	Dec. 31, 2012	Dec. 31, 2011
<i>Accumulated cost</i>		
At beginning of year	297,232	258,273
Acquired companies		38,757
Incorporated companies		202
Carrying amount at end of year	297,232	297,232

Specification of parent company and group holdings of participations in group companies

SEK 000	Dec. 31, 2012	Dec. 31, 2011		
Subsidiary/Corp. ID No. /Reg. Office	No. of Shares	Holding, % ^a	Carrying Amount	Carrying Amount
Beijer Electronics Automation AB, 556701-3965, Malmö	850	85.0	7,735	7,735
Beijer Electronics AS, 912965058, Drammen	1,117	100.0		
Beijer Electronics Oy, 245.223, Helsinki	50	100.0		
Beijer Electronics UAB, 111760799, Vilnius	285	100.0		
Beijer Electronics SIA, 40003540103, Riga	501	100.0		
Beijer Electronics Eesti OÜ, 10668940, Tallinn	1	100.0		
Beijer Electronics A/S, 56162712, Roskilde	1,000	100.0		
Brodersen Automation AS, 957004083, Drammen	300	100.0		
Brodersen Automation AB, 556288-8650, Malmö	3,000	100.0		
Beijer Electronics Products AB, 556701-4328, Malmö	1,000	100.0	100	100
Beijer Electronics Holding Inc., 36-4027234, Chicago	1,000	100.0		
Beijer Electronics Inc., 87-0396688, Salt Lake City	10	100.0		
Beijer Electronics Holding GmbH, 22383, Unterensingen	1	100.0		
Beijer Electronics Verwaltungs GmbH, HRB 22383 Unterensingen	1	100.0		
Beijer Electronics GmbH & Co. KG, HRA 222129, Unterensingen	1	100.0		
Beijer Electronics Trading (Shanghai) Co, Ltd, Shanghai	1	100.0		
Beijer Electronics Corp., 05027350, Taipei	116,534	100.0		
Westermo Teleindustri AB, 556361-2604, Stora sundby	100,000	100.0	212,792	212,792
Westermo Data Communications AB, 556687-8962, Västerås	1,000	100.0		
Westermo Research and Development AB, 556710-8856, Västerås	1,000	100.0		
Westermo Fastighets AB, 556288-4360, Eskilstuna	10,000	100.0		
Westermo OnTime AS, 981567560, Oslo	2,353,724	100.0		
Westermo Data Communications Ltd., 3059742, Southampton	50,000	100.0		
Westermo Data Communications GmbH, 30070-54742, Waghäusel	50,000	100.0		
Westermo Data Communications SARL, 4333142590001, Champlan	7,624	100.0		
Westermo Data Communications Pte Ltd., 200707554, Singapore	1	100.0		
Korenix Technology Co., Ltd, Taipei ^b	18,467,000	100.0	76,403	76,403
Smart Jumbo Investment Ltd, Samoa	300,000	100.0		
Korenix Technology Ltd, Shenzhen	2,000,000	100.0		
Korenix Technology Ltd, Samoa	1	100.0		
Huei Chun Electronics Co, Taipei	500,000	100.0		
Lanshan Co., Ltd, Taiwan	2,300,000	50.5		
Beijer Electronics do Brasil LTDA, 14.199.311/0001-36, São Paulo ^c	52,492	100.0	202	202
			297,232	297,232

The group initiated a company incorporation in India in 2012.

a Equity as a percentage of capital, corresponding to the share of the votes for the total number of shares.

b Of the group's total holdings, 52.5% is held by Beijer Electronics AB.

c Of the group's total holdings, 99.0% is held by Beijer Electronics AB.

Note 15

Participations in Associated Companies

SEK 000	Dec. 31, 2012	Dec. 31, 2011
Group		
Carrying amount at beginning of year	451	559
Participations in associated companies' profit or loss ^a	-112	
Purchase		
Disposal		
Reclassification to group companies	-451	
Translation difference	4	
Carrying amount at end of year	451	

a Participation in associated company profit or loss after tax and minority interest in the associated company.

Company, corp. ID no. and reg. office

SEK 000	Dec. 31, 2012	Dec. 31, 2011
Carrying amount		
Lanshan Co. Ltd., Taiwan		451

Note 16

Long-term Receivables from Group Companies

SEK 000	Dec. 31, 2012	Dec. 31, 2011
Parent company		
<i>Accumulated cost</i>		
At the beginning of year	269,870	268,031
Additional receivables	88,557	981
Amortization for the year	-26,278	-359
Translation differences for the year	-7,476	1,217
Carrying amount at end of period	324,673	269,870

The fair value of loans to related parties is measured at cost, and in those cases where denominated in foreign currency, at the closing day rate. The effective interest of long-term receivables to related parties is 0.6–5.0% (1.5–3.6).

Note 17

Other Long-term Receivables

SEK 000	Dec. 31, 2012	Dec. 31, 2011
Group		
<i>Accumulated cost</i>		
At beginning of year	5,541	6,521
Additional receivables	412	91
Amortization/reclassification for the year	-4,481	-1,146
Exchange rate differences for the year	-77	75
Carrying amount at end of period	1,395	5,541

Fair value corresponds to book value.

Note 18

Inventories

SEK 000	Dec. 31, 2012	Dec. 31, 2011
Group		
Raw materials and consumables	130,768	89,196
Finished goods and goods for resale	108,610	153,789
Work in progress	2,070	5,806
Advance payments to suppliers	15	405
Goods in transit	2,083	4,503
	243,546	253,699

Note 19

Accounts Receivable and Other Receivables

SEK 000	Dec. 31, 2012	Dec. 31, 2011
Group		
Accounts receivable	218,242	195,525
Provision for doubtful debt	-4,192	-6,294
Accounts receivable—net	214,050	189,231
Other receivables	31,041	32,184
Prepaid expenses and accrued income	11,285	9,832
	256,376	231,247

The fair value of accounts receivable and other receivables is consistent with book value. Accounts receivable are judged individually when each financial report is being prepared. Net profit has been charged with expenses for doubtful and bad debt of 613,000 SEK (1,995,000). The individually judged receivables subject to impairment mainly relate to customers that have got into unexpected financial difficulties. A judgment that a portion of the receivables is expected to be recoverable has been made. The cost of doubtful and bad debt is included in the other expenses income statement item. The maximum exposure to credit risk on the reporting date is the fair value of each category of receivable stated above. The group has no assets pledged as collateral.

Carrying amounts by currency for the group's accounts receivable and other receivables are as follows:

SEK 000	Dec. 31, 2012	Dec. 31, 2011
EUR	51,030	21,629
USD	65,099	26,385
NOK	14,216	13,410
DKK	12,323	13,366
NTD	18,845	38,522
GBP	9,519	7,281
SEK	67,889	103,256
Other currencies	17,456	7,398
	256,376	231,247

Note 22

Interest-bearing Liabilities

This Note contains information about the company's contractual terms relating to interest-bearing liabilities. For more information on the company's exposure to interest risk and the risk of exchange rate fluctuations, see Note 28.

SEK 000	Dec. 31, 2012	Dec. 31, 2011
Group		
Rents	4,368	2,632
Insurance	1,360	852
Lease payments	1,088	523
Other items	4,470	5,825
	11,285	9,832
Parent Company		
Rents	2,145	399
Insurance	754	321
Lease payments	86	107
Bank charges	459	1,837
Other items	1,315	1,150
	4,759	3,814

SEK 000	2012	2011
Group		
Long-term liabilities		
Pension provisions	42,708	38,931
Bank loans	391,000	371,000
Finance lease liabilities	5,747	6,454
	439,455	416,385
Current liabilities		
Overdraft facility	135,849	147,278
Short-term portion of bank loans	40,000	41,185
Short-term portion of finance lease liabilities	3,194	2,991
	179,043	191,454

Note 20

Earnings per Share

SEK 000	2012	2011
Net profit	49,939	95,288
Number of outstanding shares ^a	18,934	18,934
Earnings per share, SEK ^a	2.64	5.03
Dividends paid per share, SEK ^b	2.25	2.00

a Beijer Electronics AB has one outstanding option plan, which upon full exercise, would increase the number of shares by 270,000, to a total of 19,204,464 shares. This option plan expires in 2013. Profit for 2012 divided by the number of shares, given a fully exercised option plan in 2013, amounts to SEK 2.60.

b The proposed dividend for 2012 is 1.25 SEK per share.

Note 21

Untaxed Reserves

SEK 000	Dec. 31, 2012	Dec. 31, 2011
Parent company		
Accumulated depreciation over plan		
Equipment	2,625	2,624
Tax allocation reserves		
Provision for taxation 2007		6,420
Provision for taxation 2008	3,940	3,940
Provision for taxation 2009	250	250
Provision for taxation 2010	1,050	1,050
	7,865	14,284

Credit Terms

The company's bank borrowings are subject to covenants in the form of two financial key ratios.

Total leverage

Total leverage is defined as interest-bearing liabilities less cash and cash equivalents in relation to operating profit before depreciation and amortization. The total leverage may not exceed 3.25.

Interest coverage ratio

Interest coverage ratio is defined as operating profit before depreciation and amortization in relation to net interest income/expense (interest expenses less interest income). The interest coverage ratio may not be less than 3.50.

Each quarter, the company reports the quantitative outcome of both covenants to its lenders. The computations are based on financial information as stated in quarterly reports.

Financial Lease Liabilities

Financial lease liabilities are due for payment as follows:

SEK 000	Minimum Lease Payments	Interest	Principal
Group 2012			
Within one year	2,529	251	2,278
Between one and five years	6,314	255	6,059
	8,843	506	8,337
Group 2011			
Within one year	2,991	343	2,648
Between one and five years	6,454	292	6,162
	9,445	635	8,810

Note 23

Liabilities to Credit Institutions

SEK 000	2012	2011
Parent Company		
Long-term liabilities		
Bank loans	391,000	371,000
	391,000	371,000
Current liabilities		
Overdraft facility	135,849	146,776
Short-term portion of bank loans	40,000	40,000
	175,849	186,776

Note 24

Pension Provisions, etc.

Defined-benefit obligations

SEK 000	2012	2011	2010	2009	2008
Group					
Defined-benefit obligations					
Present value of funded obligations	18,116	16,462	16,448	15,487	18,690
Fair value of plan assets	-12,084	-11,151	-11,898	-10,916	-13,943
Deficit in funded plans	6,033	5,310	4,550	4,571	4,747
Present value of unfunded plans	68,269	59,710	49,589	44,511	37,289
Accumulated unrecognized actuarial gain/loss	-31,593	-26,090	-19,149	-18,160	-14,848
Net amount in Balance Sheet	42,708	38,931	34,990	30,922	27,188
<i>The net amount is divided between plans in the following countries:</i>					
Sweden	40,238	34,846	30,472	26,351	22,441
Taiwan	2,470	4,085	4,518	4,571	4,747
Net amount in Balance Sheet	42,708	38,931	34,990	30,922	27,188

Pension Expense

SEK 000	2012	2011	2010	2009	2008
Defined-benefit plans					
Expense for pensions accrued in the year	2,939	2,378	2,710	1,918	1,741
Interest expense	2,223	2,060	1,467	1,660	1,814
Net profit/loss item, actuarial gain/loss	991	638	622	467	166
Expense for defined-benefit plans	6,154	5,076	4,799	4,045	3,721
Expense for defined-contribution plans	18,009	21,923	19,674	17,623	16,974
Payroll tax and tax on profits	3,311	3,357	3,763	3,281	3,276
Total expense, defined-contribution plans	21,320	25,280	23,437	20,904	20,250
Total expense for remuneration after terminated employment	27,474	30,356	28,236	24,949	23,971

Reconciliation of Net Amounts for Pensions in the Balance Sheet

The following table illustrates how the net amount in the Balance Sheet changed in the period:

SEK 000	2012	2011	2010	2009	2008
Amount at beginning of year	38,931	34,990	30,922	27,188	26,190
Expense for defined-benefit plans	6,154	5,076	4,799	4,045	391
Contributions from employees	-1,007	-980	-210	-201	
Disbursement of benefits	-302	-271	208	-627	-160
Translation difference	-1,067	116	-729	517	767
Amount at the end of year	42,708	38,931	34,990	30,922	27,188

Actuarial Assumptions

The following significant actuarial assumptions were applied when calculating commitments (weighted averages):

SEK 000	2012	2011	2010	2009	2008
Discount rate, %	3.37	3.80	3.71	3.87	4.19
Future salary increases, %	3.50	3.50	3.47	3.46	3.54
Future pension increases, %	2.00	2.00	2.00	2.00	1.87
Staff turnover, %	6.35	6.48	6.00	6.67	6.00
Expected remaining term of employment, yr.	19.89	22.03	22.00	24.00	24.90

Group

Assets pledged for pension obligations	None	None	None	None	None
--	------	------	------	------	------

Parent Company

Assets pledged for pension obligations	None	None	None	None	None
--	------	------	------	------	------

For more information on the method of setting the discount rate, see Note 1, section (o) Employee Benefits, section (ii) Defined-benefit Plans. A sensitivity analysis of the effect of the discount rate on the scale of defined-benefit obligations is reported in the sensitivity analysis section below.

Sensitivity Analysis

The value of defined-benefit obligations consists of the present value of expected future pension disbursements. Accordingly, measurements of the defined-benefit obligations are materially dependent on the applied discount rate in the computation of present value. Adjustments of the discount rates are a result of changing actuarial assumptions, and accordingly, the effects of these restatements are reported in actuarial gain or loss.

The effect of restatements of the adjusted discount rate on the present value of commitments as of December 31, 2012 is stated below.

Adjusted discount rate (percentage point)	-0,50%	+0,50%
Present value of obligations (+ increase/- decrease) incl.	9,664	-8,210

Unrecognized actuarial gain or loss

Information on Unrecognized Actuarial Profit or Loss

IAS 19 "Employee Benefits" was amended in June 2011. This amendment means that starting from 2013, the group will recognize all actuarial profits and losses in other comprehensive income as they occur. As of December 31, 2012, the group's unrecognized actuarial loss is -31,593,000 SEK. The actuarial loss for the year is -4,533,000 SEK.

Estimate for the coming financial year

SEK 000	2013
Defined-benefit obligations	
Expense for pensions accrued in the year	
Interest expense	2,729
Total	6,034

Regarding the coming financial year's income statement item of actuarial profit/loss, the company does not wish to present any quantified estimate, because this amount is materially dependent on the value of the discount rate, which in turn, is dependent on macroeconomic factors. The company refers the reader to the section on the sensitivity analysis and progress of the discount rate in this section on actuarial assumptions in order for the reader to obtain a view of possible progress. Given currently available information, the company does not judge that any material changes to the discount rate will occur for the coming year.

Defined Contribution Plans

The company judges that the expense for defined contribution plans will be at a level that is comparable with recent years.

Note 25

Deferred Tax

SEK 000	Deferred Tax Asset	Deferred Tax Liability	Net	SEK 000	Deferred Tax Asset	Deferred Tax Liability	Net
Group Dec. 31, 2012							
Intangible assets		43,777	-43,777	Intangible assets		54,472	-54,472
Buildings and land	3,615	1,764	1,850	Buildings and land	4,860	1,807	3,053
Inventories	5,817	183	5,635	Inventories	5,843		5,843
Accounts receivable	14		14	Accounts receivable	43		43
Pension provisions	1,767	106	1,661	Pension provisions	2,811		2,811
Untaxed reserves		13,822	-13,822	Untaxed reserves		19,405	-19,405
Other provisions	101		101	Other provisions	101		101
Loss carry-forwards	4,807		4,807	Loss carry-forwards	6,317		6,317
Other	4,644	1,405	3,239	Other	2,454	899	1,555
Deferred tax liability, net	20,765	61,057	-40,292	Deferred tax liability, net	22,429	76,583	-54,154

SEK 000	Amount at Beginning of Year	Recognized in Income Statement	Exchange Rate Differences etc.	Amount at End of Year
Group				
Intangible assets	-54,472	9,995	700	-43,777
Buildings and land	3,053	-1,254	51	1,850
Inventories	5,843	-75	-133	5,634
Accounts receivable	43		-29	14
Pension provisions	2,811	-1,071	-79	1,661
Untaxed reserves	-19,405	5,579	5	-13,822
Other provisions	101			101
Loss carry-forwards	6,317	2,497	-4,008	4,806
Other	1,555	-1,519	3,203	3,239
-54,154	14,152	-290		-40,292

Note 26

Other Provisions

SEK 000	Dec. 31, 2012	Dec. 31, 2011
Opening balance	1 715	3627
Recognized in Income Statement:		
- additional provisions	288	290
- reversed unutilized amounts	-200	
Utilized in year	-137	-2158
Reclassification	919	-49
Exchange rate differences	-8	5
Closing balance	2 577	1 715

2,241 (1,650) of the closing balance for the year is provisions for guarantees.

Note 27

Accrued Expenses and Deferred Income

SEK 000	Dec. 31, 2012	Dec. 31, 2011
Group		
Accrued salaries and vacation pay	36,366	49,599
Accrued social security expenses	20,211	15,953
Guarantee risk reserve		1,355
Other items	21,531	24,195
78,108	91,102	
Parent company		
Accrued salaries and vacation pay	2,852	8,741
Accrued social security expenses	3,844	2,825
Other items	8,764	4,063
15,460	15,629	

In 2012, the guarantee risk reserve has been reclassified to the balance sheet item Other provisions.

Note 28

Financial Risks and Finance Policies

Net Debt

Net debt and equity as of December 31, 2012 and 2011 respectively were as follows:

SEK 000	Dec. 31, 2012	Dec. 31, 2011
Interest-bearing liabilities	618,498	607,839
Less: cash and cash equivalents	-128,469	-178,258
Net debt	490,029	429,581
Total equity	437,159	439,151

Loans, Interest and Maturity Structures

Interest-bearing financial liabilities. The following table indicates the maturity structure and interest re-fixing points of financial loan liabilities on the reporting date.

SEK 000	Interest Rate, %	Interest Period	Remaining Fixing Period	Interest Period	Nominal Amount in Original Currency
Bank loans:					
Bank loan	3.05%	90 days	87 days	SEK	160,000
Bank loan	3.20%	90 days	59 days	SEK	80,000
Bank loan	3.19%	90 days	59 days	SEK	40,000
Bank loan	3.09%	90 days	78 days	SEK	45,000
Bank loan	3.15%	90 days	72 days	SEK	46,000
Bank loan	3.17%	90 days	70 days	SEK	60,000
Overdraft facility ^a	0.82- 2.22%	90 days		SEK/EUR/USD/ - NOK/GBP	135,849

a The overdraft facility has contracted interest of 0.30% on credit granted.

b The maturity date of bank loans is October 26, 2015.

Transaction Exposure

The group's transaction exposure is divided between the following currencies:

SEK 000	Amount	%
Group		
NOK	109,213	19.5
DKK	63,775	11.4
EUR	199,921	35.7
GBP	41,802	7.5
USD	143,252	25.6
Other currencies	1,846	0.3
	559,809	100

Translation Exposure

Foreign net assets of the group are divided between the following currencies:

Group	Foreign Currency	Swedish Currency	%
NTD	754,562	169,173	65.67
EUR	4,269	36,781	14.28
NOK	13,951	16,284	6.32
DKK	9,703	11,209	4.35
USD	3,365	21,924	8.51
GBP	1,040	10,911	4.24
CNY	-3,320	-3,471	-1.35
Other currencies		-5,183	-2.01
	257,627	100.00	

Finance Policy

Through its operations, the group is exposed to various types of financial risk. Financial risks means fluctuations in the company's profits and cash flow ensuing from variations in rates of exchange, interest levels and credit risks. The Board of Directors decides on currency hedging and additional new long-term funding.

Interest Risks

Beijer Electronics' net financial income/expense and profit or loss are affected by fluctuations in interest rates. The group's average interest fixing period is some 90 days. Interest rates at year-end vary between 0.82 and 3.20% (1.34–3.75%). The average interest factor for the year is approximately 3.3%. An interest rate fluctuation of 1% would affect consolidated profit before tax by some 6 MSEK (6).

Credit Risks

The group is exposed to credit risks in accounts receivable. The group's customers are subject to credit checks involving the collection of information on the customers' financial position from various credit agencies. The group has prepared a Credit Policy for managing customer credit, which continuously monitors customers' progress and solvency.

Bank guarantees or other collateral are necessary for customers with low credit ratings or insufficient credit history. In the group, accounts receivable more than 120 days overdue are generally 100% provisioned. However, consideration should be taken to the incidence of credit insurance, etc. Additionally, individual assessments are made where necessary.

Provisioning for bad debt in 2012 was 0.6 MSEK (0.2), or 0.05% (0.01) of group sales.

Currency Risks

The group operates internationally and is exposed to various types of currency risk. The primary exposure relates to purchases and sales in foreign currencies, where the risk may be in fluctuations in the currency of the financial instrument, customer's or supplier's invoice, and the currency risk in expected or contracted payment flows, termed transaction exposure. Currency fluctuations also occur in the translation of foreign subsidiaries' assets and liabilities to the parent company's functional currency (translation exposure). In the financial year, the group did not apply currency hedging to its payment flows or exposure in foreign subsidiaries, in accordance with the group's policy.

The largest purchase currencies for Beijer Electronics are the EUR, USD and SEK. The largest invoicing currencies are EUR, SEK, USD and NOK. The group has a high degree of flow matching of its currency exposure, implying relatively low value at risk (theoretical risk value). The policy is for the group subsidiaries to manage their currency risk by controlling revenues and expenses against functional currency, and allow the parent company to conduct netting of various currencies.

The parent company evaluates its net exposure to each purchasing and sales currency on an ongoing basis with the aim of judging the effect on consolidated profit. A 10% depreciation/appreciation of the Swedish krona against a basket of the most important currencies would increase/decrease sales by some 78 MSEK and EBIT by some 10–12 MSEK, given year-2012 levels and mix of sales and earnings. 80% (79) of group sales are in foreign currency.

Liquidity Risks

Beijer Electronics has loans that become due for payment at different times. An overdraft facility represents a portion of these loans, which has a contracted one-year term, but can be renewed for 12 months at the end of its term without renewed evaluation. The group's acquisition finance has been aggregated in single acquisition funding facilities with variable interest and straight-line amortization. The group is within the limits of the terms of credit issued by lenders as guarantees for credit issuance.

Price Risks

Beijer Electronics' price risk is linked to traditional macroeconomic variables like inflation, deflation and global market pricing of electronic components, etc. There is good scope to adjust prices, due to the regular review of standard terms and pricing terms.

Capital Risk

Compared to similar companies/industries the group has a higher than average level of working capital. During 2012, the group experienced an increase in working capital, partly due to the launch of the new product platform, partly due to end of life problems, where the group was compelled to purchase large inventory items of certain key components to secure future deliveries. The company uses an equity ratio measure to maintain an efficient relationship between its equity and borrowings. The group's target for its capital structure is to ensure the group can continue its operations, so it can continue to generate returns for shareholders, benefit other stakeholders and maintain an optimal capital structure to limit the cost of capital. To maintain or adjust its capital structure, the group may change the dividend paid to shareholders, repay capital to shareholders, issue new shares or sell assets to reduce its liabilities. There are no financial capital risks because the company does not have a financial trading mandate, but works with operating capital exclusively.

Note 29

Pledged Assets and Contingent Liabilities and Contingent Assets

SEK 000	Group		Parent Company	
	Dec. 31, 2012	Dec. 31, 2011	Dec. 31, 2012	Dec. 31, 2011
Pledged Assets	None	83	None	None
Contingent liabilities				
Guarantee commitments, FPG/PRI	800	734	67	59
Guarantee commitments in favor of subsidiaries			453	280
Other				
Total contingent liabilities	800	734	520	339

Note 30

Related Parties

The parent company has related party transactions with its subsidiaries (see Note 14). For transactions with the CEO, Board members and senior managers, see Note 7.

Summary of transactions with related parties

Related Party Relationship	Year	Sales of Services to Related Party	Purchases of Services from Related Party	Receivable from Related Party as of December 31	Liability to Related Party as of December 31
Subsidiaries	2012	64,128	–	352,340	32,342
Subsidiaries	2011	54,137	–	363,435	23,931

Transactions with related parties are priced on an arm's length basis.

Note 31

Cash Flow

SEK 000	Dec. 31, 2012	Dec. 31, 2011
Cash and cash equivalents—group		
Cash and cash equivalents include the following components:		
Cash and bank balances (+balance on overdraft facility)	128,469	178,258
Total, Balance Sheet	128,469	178,258
Total, Cash Flow Statement	128,469	178,258
Cash and cash equivalents—parent company		
Cash and cash equivalents include the following components:		
Cash and bank balances (+balance on overdraft facility)	269	116
Total, Balance Sheet	269	116
Total, Cash Flow Statement	269	116

Interest paid and dividend received

SEK 000	Group		Parent Company	
	2012	2011	2012	2011
Dividend received			18,771	42,333
Interest received	1,243	970	7,481	9,636
Interest paid	-22,964	-18,239	-20,219	-18,609
	-21,721	-17,269	6,032	33,360

Adjustments for items not included in cash flow

SEK 000	Group		Parent Company	
	2012	2011	2012	2011
Depreciation, amortization and impairment	59,245	53,022	5,785	3,112
Profit share in associated companies				
Capital gain/loss on sale of intangible assets				
Capital gain/loss on sale of property, plant and equipment				127
Gain on restating existing holdings in subsidiaries				
Pension provisions	3,777	3,941	377	504
Other provisions	762	2,183		-347
Net translation differences	-2,865	1,374	151	384
Other	-4,250	-281		
	56,670	60,239	6,313	3,780

Unutilized credit facilities

SEK 000	Group		Parent Company	
	2012	2011	2012	2011
Unutilized credit facilities amount to	88,266	204,307	88,266	203,307

Note 32

Other Liabilities

SEK 000	2012	2011
Group		
Other long-term liabilities		
Present value, additional purchase price	90 572	
Other long-term liabilities	4 131	655
	4 131	91 227
Other current liabilities		
Present value, additional purchase price	55 865	32 119
Other current liabilities	23 113	23 466
	78 978	55 585

The recognized additional purchase price is related to the acquisitions of QSI Corporation (now Beijer Electronics, Inc) and Korenix Technology. In both these cases, there is a variable, performance-based purchase price. A part-payment of 62,068,000 SEK was made in 2012. The final payment of the remaining additional purchase price will be made in March 2013, and accordingly, the remaining liability has been classified as a current liability. A re-evaluation of the residual liability was conducted in 2012, based on group management's best judgment of final outcomes, resulting in a financial expense of 3,222,000 SEK in the Consolidated Income Statement. The outstanding liability for additional purchase price is recognized at the closing day rate.

Note 33

Subsequent Events

There have been no significant events in the period between year-end and the signing of these Annual Accounts.

Note 34

Parent Company

Beijer Electronics AB is a Swedish-registered limited company with its registered office in Malmö. The parent company's shares are quoted on the NASDAQ OMX Nordic Stockholm Small Cap List. The address of the head office is: Box 426, 201 24 Malmö, Sweden. The Consolidated Accounts for 2012 include the parent company and its subsidiaries, collectively termed the group. The group also includes participations in associated companies.

Corporate Governance Report 2012

Beijer Electronics AB is a Swedish public limited company quoted on NASDAQ OMX Nordic Exchange Stockholm's Small Cap List, with ticker BELE. Beijer Electronics applies the Swedish Code of Corporate Governance. The complete version of the Code is available at www.bolagsstyrning.se. The Corporate Governance Report for the financial year 2012 has been prepared in accordance with the Code's recommendations, and Beijer Electronics is not reporting any instances of non-compliance with the Code for 2012. The company's Auditors have performed a statutory review of the Corporate Governance Report.

Shareholders and Articles of Association

There were 3,491 (3,378) shareholders at the end of the year. The largest shareholder is Stena Sessan Rederi AB with 29.6% of the votes. Of total share capital at year-end, some 15% (15) was held by foreign investors. Share capital is 6,311,488 SEK divided between 18,934,464 shares. Share capital shall be a minimum of 2,000,000 SEK and a maximum of 8,000,000 SEK. Each share has a quotient value of approximately 0.33 SEK. All shares have one vote and equal entitlement to the company's assets and profits. For more information on the share and shareholders, see pages 96–97. Information on shareholders is updated semi-annually and is also available at the group's website, www.beijerelectronics.se.

Beijer Electronics' Articles of Association have no special stipulations regarding the appointment or dismissal of Board members or amendments to the Articles of Association. For such resolutions at shareholders' meetings, the majority requirements stated in the Swedish Annual Accounts Act apply.

AGM 2012

Beijer Electronics' AGM was held on April 25, 2012. 97 shareholders attended the Meeting personally or by proxy, representing some 56% of the votes. Chairman of the Board Anders Ilstam was elected Chairman of the Meeting. All ordinary Board members and the company's Auditors attended the Meeting.

Chairman of the Board Anders Ilstam reported on the work of the Board of the Directors in the financial year 2011. In his presentation, Beijer Electronics' CEO and President Fredrik Jönsson reviewed operations in 2011 and progress in the first quarter of 2012. The Auditors reported their observations of the company's accounting records and administration to the Meeting, and reviewed their work over the past year.

The minutes of the Meeting are available from Beijer Electronics and have been published on the company's website. Some of the resolutions of the meeting follow:

- That fees to the Chairman of the Board and other Board members are 1,250,000 SEK
- Processes for appointment and work of the Nomination Committee.
- To adopt the Board of Directors' proposed guidelines for remunerating senior managers.
- To authorize the Board of Directors to decide to increase the company's share capital by a maximum of 624,690 SEK through the new issue of a maximum of 1,893,000 shares on one or more occasions in the period until the next AGM.
- To appoint registered public accounting firm PricewaterhouseCoopers AB as Auditors for the period until the end of the AGM 2016.

The Nomination Committee for the AGM 2013

The Nomination Committee was presented on September 17, 2012 and has five members, with one representative of each of the four largest shareholders at the time of publication (holdings on Aug 31, 2012), and the Chairman of the Board. Mauritz Sahlin, representing Stena Sessan AB, led the work of the Nomination Committee. The Nomination Committee's duty is to prepare proposals for Board members, the Chairman of the Board, fees to Board members and Auditors, and Chairman of the next AGM. The Nomination Committee remains in place until a new Committee is appointed. The Nomination Committee held one (1) meeting where minutes were taken. A number of discussions were also held between the Nomination Committee and all Board members.

Name	Owner's Representative Of	Share of Votes Aug. 31, 2012
Mauritz Sahlin, convener	Stena Sessan	29.6%
Per Trygg	SEB Asset Management	5.3%
Ulf Hedlundh	Svolder	10.4%
Arne Lööw	Fjärde AP-fonden	4.5%
Anders Ilstam, Chairman of the Board		
Total		55.0%

In its work on appointing the Board for the forthcoming term of office, the Nomination Committee appraised the work of the Board through conversations with the Board members. The outcome of this appraisal had indications including members being highly committed, their attendance was high and that the work of the Board functioned well. The Nomination Committee also judges that the members of the Board represent broad competence, with thorough industrial and financial knowledge, as well as knowledge of international circumstances and markets.

When preparing its proposal for the Board of Directors, the Nomination Committee especially considered the requirements set by the company's strategic development, international operations and control and monitoring for the Board's competence and composition. The Board of Directors' requirements for versatility and breadth in terms of competence, experience and background, and the Board of Directors' ongoing need for regeneration was also considered.

The Nomination Committee's proposal for the Board of Directors to the AGM was presented on February 8, 2013. The proposal means that during its forthcoming term of office, the Board of Directors will increase to seven members. The Nomination Committee is proposing that Anders Ilstam, Bert Åke Eriksson, Maria Khorsand, Ulrika Hagdahl and Fredrik Jönsson are re-elected as Board members. Stig-Arne Blom has declined re-election. The Nomination Committee is also proposing that Anders Ilstam is re-elected as Chairman of the Board. In addition, the Nomination Committee is proposing the election of Bo Elisson and Christer Öjdemark as Board members.

The Nomination Committee judges that the proposed Board of Directors has an expedient composition in terms of the company's operations, development work and other circumstances to be able to address the needs the company's operations will set.

The rules stipulating independence of Board members in accordance with the Swedish Code of Corporate Governance have been observed. According to the Nomination Committee, all proposed Board members, apart from Bert Åke Eriksson and Christer Öjdemark, are not affiliated to Beijer Electronics' major shareholders. All Board members, apart from the Chief Executive Officer, are not affiliated to Beijer Electronics. Shareholders representing over 50% of the share capital and votes of the company have reported that they will support this proposal.

The Board of Directors

The Board of Directors has the ultimate responsibility for the company's organization and administration and reaches decisions on strategic matters. In the financial year 2012, Beijer Electronics AB's Board of Directors had six ordinary members appointed by the AGM. Beijer Electronics has not set any specific age limit for Board members, nor any time limit for how long a Board member can serve on the Board of Directors. For detailed information on Board members, see the group's website and page 89.

The Role of the Chairman of the Board

Apart from leading the Board of Directors' work, the Chairman of the Board of Beijer Electronics AB continuously monitors progress by maintaining ongoing contact with the Chief Executive Officer on strategic matters. The Chairman of the Board represents the group on ownership-related matters.

The Board of Directors' Working Methods

The Board of Directors' work conforms to a yearly plan. Decisions are taken by the Board after an open discussion led by the Chairman. The Chief Financial Officer of Beijer Electronics AB, also Compliance Officer for the Code of Corporate Governance, serves as Secretary of the Board of Directors. Apart from the Board meeting following election, which is held coincident with the AGM, the Board normally meets five times per year (scheduled meetings). Extra meetings are convened when necessary. The Board of Directors' and Chief Executive Officer's rules of procedure are adopted yearly at the Board meeting following election. Each meeting follows an agenda, with supporting documentation provided to Board members in good time before each Board meeting.

The Annual Accounts, proposed appropriation of profits and the financial statement are considered each financial year in the first scheduled Board meeting of the financial year. Coincident with this process, the company's Auditors submit a report to the Audit Committee regarding the Auditors' observations and judgments of the audit conducted. The Chief Executive Officer is assigned to submit Interim Reports approved by the Board of Directors at scheduled meetings later in the financial year. Each scheduled meeting also includes several other matters on its agenda, including a report on the current results of operations.

The Board of Directors appraises its own work and that of the Chief Executive Officer on an ongoing basis. Previously, a formal appraisal was conducted at the October Board meeting, led by the Chairman of the Board. This year, as in 2011, a decision was taken to delegate conducting in-depth interviews with all members to the Nomination Committee instead.

Work of the Board in 2012

In the financial year 2012, the Board of Directors held six (6) Board meetings in addition to the Board meeting following election. Extensive contact was maintained between the company, the Chairman of the Board and other members between Board meetings. The company's Auditors attended the first Board meeting of the year, reporting their observations on the group's internal controls and financial statement. The Auditors met the Board of Directors' Audit Committee on one other occasion.

Remuneration Committee

The Remuneration Committee is appointed yearly by the Board of Directors. The Remuneration Committee consults on the Board of Directors' decisions on remuneration of the Chief Executive Officer, decides on remuneration to other senior managers and consults on proposals for potential incentive plans. The Remuneration Committee collects decision support data and views from other Board members, the CEO and CFO. The Committee also collects comparative decision support data externally. In 2012, the members of the Remuneration Committee were Anders Ilstam and Bert Åke Eriksson.

In the financial year 2012, the Remuneration Committee held two meetings where minutes were taken. No special remuneration for Committee work was paid. Guidelines for remunerating senior managers for the financial year 2013 will be approved at the AGM in April.

Audit Committee

All Board members serve on the Audit Committee apart from the Chief Executive Officer. The Chairman of the Board is also Chairman of the Audit Committee. No special remuneration for committee work was paid. The duty of the Committee is to analyze and discuss the company's risk management, controlling and internal controls, and financial reporting. The Committee maintained contact with the company's Auditors to discuss matters including the orientation and scope of audit work.

The Audit Committee has adopted guidelines for other services apart from auditing the company can purchase from the company's auditors. The complete guidelines are available at the company's website.

Work of the Board of Directors in 2012

Ordinary Board member	Elected Yr.	Position	Audit Committee	Remuneration Committee	Attendance		Affiliated to	
					Board Meetings	Fees, SEK	Beijer Electronics	Major shareholders
Anders Ilstam	2002	Chairman	2/2	2/2	6/6	450,000	no	no
Stig-Arne Blom*	2006	Member	2/2	-	6/6	200,000	no	no
Bert Åke Eriksson	2002	Member	2/2	2/2	6/6	200,000	no	yes
Ulrika Hagdahl	2006	Member	2/2	-	5/6	200,000	no	no
Maria Khorsand	2010	Member	2/2	-	5/6	200,000	no	no
Kjell Åkesson	2011	Member	1/2	1/1	2/6	-	no	no
Fredrik Jönsson	2008	CEO	-	-	6/6	-	yes	no

* Board member Stig-Arne Blom received 68,000 (68,000) SEK for consulting assignments.

Remuneration to the Board and Management in 2012

In 2012 the Chief Executive Officer of the parent company, also President of the group, and other senior managers drew basic salary and other benefits that are reported in the table on page 87. In the table, other senior managers mean the eight people that made up group management in 2012 alongside the Chief Executive Officer.

Remuneration to the CEO

Apart from contracted basic salary, the Chief Executive Officer is also entitled to performance-related pay. Performance-related pay is based on the group's operating profit and is a maximum of six months' salary. Pension and other customary benefits like company car are additional. Each year, 35% of gross salary including bonus is provisioned as pension assurance for the CEO. This pension is defined contribution and becomes payable at age 65. According to agreement, the CEO has a notice period from the company's side of 18 months, which cannot be claimed for termination initiated by the CEO. The notice period from the Chief Executive Officer's side is six months. No other remuneration upon termination has been agreed.

Remuneration to Other Senior Managers

Other senior managers have basic salary with a performance-related component. The performance-related component is based partly on the group's and partly on each business area's operating profit and sales growth. Yearly performance-related pay is a maximum of six months' salary. Other senior managers have defined contribution pension agreements on market terms. Other customary benefits like company cars are additional. Maximum notice periods of 12 months for termination from the company's side have been agreed for other senior managers. This applies to all apart from one, who has a six month notice period and nine months' severance pay on termination from the company's side.

Incentive Plans

The purpose of incentive plans is to promote senior management's commitment to the group's progress and thus increase value for the group's shareholders. In 2008–2009, senior managers were offered the opportunity to acquire warrants. This plan has two series of options, of 90,000 in each series. The warrants are issued on market terms calculated according to the Black & Scholes formula, and have terms of three and five years respectively. The first series expired in May

2011, and the second expires in May 2013. The original subscription prices were 175.50 SEK and 182.50 SEK respectively.

Due to the split executed in 2011, the subscription price and number of shares each option confers entitlement to will be restated for the forthcoming subscription period in May 2013.

All warrants with expiry in late 2011 were exercised, which resulted in the number of shares increasing by 90,000 (270,000 after the split). In total, the company raised 15,795,000 SEK in equity.

With the support of the guidelines for remunerating senior managers resolved by the AGM, an incentive program for 30 key employees of the group was implemented in 2011. This program involves 3% of the company's profit after tax being provisioned for payment after three years pro rata with the participants' salary at the time of provisioning. The condition for provisioning in 2012 is minimum earnings per share of 5.91 SEK, which the group did not achieve.

Directors' Fees

The Directors' fees were 1,250,000 (1,450,000) SEK in 2012 and are allocated according to the table above.

Management and Corporate Structure

The Chief Executive Officer is responsible for Beijer Electronics' ongoing administration, which covers all matters that are not reserved for the Board and administered by management. Instructions approved by the Board of Directors formalize the Chief Executive Officer's authorization to make decisions regarding investments, company acquisitions and divestments and finance matters. Group management consists of the Chief Executive Officer, the three Business Area Directors, one Asia Director, the CFO, and HR and Business Development Directors. Group management meetings are held regularly to discuss the group's strategic and operational progress and to monitor results of operations. For more information on the members of group management, see the group's website and page 91.

Business Areas

Beijer Electronics' operations are organized into three business areas. The group has a decentralized corporate structure, where the management of operating activities is largely exercised by the management of each business area. The Managers of each Business Area are members of group management and a responsible for the results of operations and balance sheets of their business areas. External reporting of the

Remuneration to the Board of Directors and Management in 2012

SEK 000	2012		2011	
	CEO	Other Senior Managers	CEO	Other Senior Managers
Basic salary	3,499	11,781*	3,245	8,230*
Performance-related pay		1,210	1,439	3,120
Other benefits	149	779	111	543
Pension expenses	1,614	1,808	1,500	1,355
Total salary and benefits	5,262	15,578	6,345	13,248

* Including expense during notice period.

group's operations is divided into the following three business areas: Automation, HMI Products and IDC.

Internal Control over Financial Reporting

In tandem with adopting the Interim Report for the third quarter and annual Financial Statement, the company's Auditors report their observations from auditing and evaluating the company's internal controls. According to the Swedish Companies Act, the Board is responsible for internal controls. This responsibility includes issuing financial reports. The Board of Directors receives the reports and sets standards on their content and presentation to ensure quality each year. This implies that financial reporting should be expedient by applying applicable accounting standards and other requirements of listed companies.

Control Environment, Risk Assessment and Control Structures

Beijer Electronics structures and organizes its operating activities proceeding from decentralized responsibility for profitability. The base of internal controls in a decentralized operation consists of a well-secured process intended to define targets and strategies for each business. Defined decision-paths, authorizations and responsibilities are communicated through internal instructions, regulations and policies adopted by the Board of Directors. The group's primary financial controlling documents are the overarching 'Corporate Manual', a reporting manual and audit manual, including instructions for each financial statement. Beijer Electronics has an established control structure to manage the risks the Board and management consider significant to internal controls regarding the group's accounting organization.

Accounting managers at all levels play a key role in terms of integrity, skills and the ability to create the environment necessary to achieve transparent and accurate financial reporting. Another important overall control activity is the monthly update on results that is conducted via the internal reporting system, and analyzed and subject to comment in reports to the Board. Monitoring the results of operations includes reconciliation against previously determined targets, the most recent forecast and monitoring established key financial ratios.

In accordance with the Code's stipulations, the Board of Directors has taken a view on the need for a dedicated internal audit function, and concluded that at present, there is no need to create such resources within the Beijer Electronics group. Coincident with its evaluation of

this need, the Board of Directors considered the group's size, risk outlook and the control functions already established within the group.

Financial Reporting and Information

Beijer Electronics' communication processes are intended to supply the market with relevant, reliable, accurate and up-to-date information on the group's progress and financial position. Financial information is regularly submitted in the form of financial statements, interim reports, annual reports and press releases on important news and events that can materially affect the share price. Presentations and teleconferences for financial analysts, investors and the media are held on the day of publication of annual and quarterly reports. All reports, presentations and press releases are published on the group's website and intranet.

Insider Policy

Beijer Electronics' Board of Directors has adopted an insider policy supplementing Swedish market abuse legislation. This policy states the rules on registering insiders, their holdings and reporting, alerts and prohibition of trading in financial instruments. The complete insider policy is available from the company's website.

Code of Conduct

Beijer Electronics' operations should be conducted with high standards of integrity and ethics. The group has adopted a number of values that function as a framework for employees and promote good judgment and consistent decision-making. The company's Board of Directors approves the Code of Conduct each year for the group's operations, which also includes ethical guidelines. The document is available in full on the group's website.

Values

Beijer Electronics' values—Commitment, Drive and Trust—constitute a long-term commitment linked to its business concept, goals and strategy, guiding employees in daily activities. 'Commitment' reflects commitment to maximize customer benefit and closeness in relationships with customers, collaboration partners and employees. 'Drive' illustrates proactivity and a go-ahead approach in attitudes and technology development. 'Trust' represents honesty and conduct that inspires trust.

Board of Directors' Certification

The Board of Directors and Chief Executive Officer certify that the Consolidated Accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the EU, and give a true and fair view of the group's financial position and results of operations. The parent company's accounts have been prepared in accordance with generally accepted accounting principles in Sweden and give a true and fair view of the parent company's financial position and results of operations.

The Directors' Report for the group and parent company give a true and fair view of the progress of the group's and parent company's operations, financial position and results of operations, and states the significant risks and uncertainty factors affecting the parent company and companies within the group.

The Consolidated Income Statement and Consolidated Balance Sheet and the Parent Company Income Statement and Parent Company Balance Sheet will be subject to adoption at the AGM on April 23, 2013.

Malmö, Sweden, March 21, 2013

Anders Ilistam
Chairman

Stig-Arne Blom

Maria Khorsand

Bert Åke Eriksson

Ulrika Hagdahl

Fredrik Jönsson
Chief Executive Officer

Our Audit Report was presented on March 22, 2013
PricewaterhouseCoopers AB

Sofia Götmar-Bломstedt
Authorized Public Accountant
Auditor in Charge

Magnus Jönsson
Authorized Public Accountant

Board of Directors



Anders Ilstam. Born in 1941.
Chairman of the Board since 2005.
Board member since 2002.
Engineer.
Formerly Deputy CEO of Sandvik AB, CEO of Sandvik Mining & Construction and several positions within Sandvik, the SKF group and Beijerinvest AB. Chairman of Grimaldi Industri AB, Kellve AB and 3nine AB.
Holdings in Beijer Electronics AB: 5,000 shares.



Stig-Arne Blom. Born in 1948.
Board member since 2006.
M.Sc. (Eng.)
Formerly CEO and President of IRO AB.
Chairman of Plastal and Elos AB. Board member of Handelsbanken Västra Sverige and Berg Propulsion AB.
No holdings in Beijer Electronics AB.



Maria Khorsand. Born in 1957.
Board member since 2010.
M.Sc. Computer Science.
CEO and President of SP Technical Research Institute of Sweden. Previously held various directorships at Ericsson, OMX Technology and Dell Sweden AB.
Chairman of KK-stiftelsen (The Knowledge Foundation) and SOS Alarm Sverige AB.
No holdings in Beijer Electronics AB.



Fredrik Jönsson. Born in 1962.
Board member since 2008.
M.Sc. (Eng.)
CEO and President of Beijer Electronics AB. Formerly CEO of Crawford Group AB, Flexlink AB and SKF's subsidiary in Vietnam. Board member of Silex AB and Perten Instruments AB.
Holdings in Beijer Electronics AB: 16,000 shares and 23,062 warrants.



Ulrika Hagdahl. Born in 1962.
Board member since 2006.
M.Sc. (Eng.)
Founder of OCR Software AB. Board member of IFS AB, HiQ AB, Anoto AB, samt AB Idre Golf & Spa.
Holdings in Beijer Electronics AB: 30,000 shares via company.



Bert Åke Eriksson. Born in 1944.
Board member since 2002.
B.A.
CEO of Stena Sessan AB.
Former Departmental Secretary of the Swedish Ministry of Transport and Communications, CEO of Rederi AB Gotland, CEO of United Tankers AB.
Chairman of Meda AB.
Holdings in Beijer Electronics AB: 30,000 shares.

Auditors

Sofia Götmar-Blomstedt, Born in 1969.
Authorized Public Accountant, PricewaterhouseCoopers.
Auditor of Beijer Electronics AB since 2008.

Magnus Jönsson, Born in 1973.
Authorized Public Accountant, PricewaterhouseCoopers.
Auditor of Beijer Electronics AB since 2012.

Audit Report To the annual meeting of the shareholders of Beijer Electronics AB (publ), Corporate identity number 556025-1851

Report on the Annual Accounts and Consolidated Accounts

We have audited the Annual Accounts and Consolidated Accounts of Beijer Electronics AB (publ) for the year 2012 with the exception of the Corporate Governance Report on pages 84–87. The Annual Accounts and Consolidated Accounts of the Company are included in the printed version of this document on pages 42–88.

Responsibilities of the Board of Directors and the Chief Executive Officer for the Annual Accounts and Consolidated Accounts The Board of Directors and the Chief Executive Officer are responsible for the preparation and fair presentation of these Annual Accounts in accordance with the Annual Accounts Act, and Consolidated Accounts in accordance with International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act, and for such internal control as the Board of Directors and the Chief Executive Officer determine is necessary to enable the preparation of Annual Accounts and Consolidated Accounts that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility Our responsibility is to express an opinion on these Annual Accounts and Consolidated Accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Annual Accounts and Consolidated Accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Annual Accounts and Consolidated Accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Annual Accounts and Consolidated Accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Annual Accounts and Consolidated Accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and the Chief Executive Officer, as well as evaluating the overall presentation of the Annual Accounts and Consolidated Accounts. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinions In our opinion, the Annual Accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of December 31, 2012 and of its financial performance and its cash flows for the year then ended in accordance with the Annual Accounts Act, and the Consolidated Accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the Group as of December 31, 2012 and of their financial performance and cash flows for the year in accordance with International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act. Our statements do not encompass the Corporate Governance Report on pages 84–87. The statutory administration report is consistent with the other parts of the Annual Accounts and Consolidated Accounts.

We therefore recommend that the annual meeting of shareholders adopt the income statement and balance sheet for the parent company and the Group.

Report on Other Legal and Regulatory Requirements

In addition to our audit of the Annual Accounts and Consolidated Accounts, We have examined the proposed appropriations of the Company's profit or loss and the administration of the Board of Directors and the Chief Executive Officer of Beijer Electronics AB (publ) for the year 2012. We have also conducted a statutory review of the Corporate Governance Report.

Responsibilities of the Board of Directors and the Chief Executive

Officer The Board of Directors is responsible for the proposal for appropriations of the Company's profit or loss, and the Board of Directors and the Chief Executive Officer are responsible for administration under the Companies Act and for preparing the Corporate Governance Report on pages 84–87 in accordance with the Annual Accounts Act.

Auditors' Responsibility Our responsibility is to express an opinion with reasonable assurance on the proposed appropriations of the Company's profit or loss and on the administration based on our audit. We conducted the audit in accordance with generally accepted auditing standards in Sweden. As a basis for our opinion on the Board of Directors' proposed appropriations of the Company's profit or loss, we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

As a basis for our opinion concerning discharge from liability, in addition to our audit of the Annual Accounts and Consolidated Accounts, we examined significant decisions, actions taken and circumstances of the Company in order to be able to determine the liability, if any, to the Company of any board member or the Chief Executive Officer. We also examined whether any board member or the Chief Executive Officer has, in any other way, acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

We believe that the audit evidence we have obtained according to the above is sufficient and appropriate to provide a basis for our opinions.

In addition, we have read the Corporate Governance Report, and based on this and our knowledge of the company and group, we believe we have sufficient basis for our opinions. This means that our statutory review of the Corporate Governance Report has different orientation and significantly less scope than the orientation and scope of an audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

Opinions We recommend to the annual meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Chief Executive Officer be discharged from liability for the financial year.

A Corporate Governance Report has been prepared and its statutory information is consistent with the other parts of the Annual Accounts and Consolidated Accounts.

Malmö, Sweden, March 22, 2013 – PricewaterhouseCoopers AB

Sofia Götmar-Blomstedt
Authorized Public Accountant
Auditor in Charge

Magnus Jönsson
Authorized Public Accountant

Senior Executives



Berndt Köhring. Born in 1965.
VP Sales Asia.
Employee since 2011.
Holdings in Beijer Electronics AB:
1,430 shares.



Christian Benz.* Born in 1963.
VP Sales EMEA.
Employee since 2008.
Holdings in Beijer Electronics AB:
1,390 shares.



Tim Webster. Born in 1967.
VP HR.
Employee since 2011.
Holdings in Beijer Electronics AB:
1,100 shares.



Anna Belfrage. Born in 1962.
CFO.
Employee since 2011.
Holdings in Beijer Electronics AB:
1,300 shares.



Barry Hobbs. Born 1952.
VP Sales Americas.
Employee since 2008.
Holdings in Beijer Electronics AB:
1,400 shares.



Roger Kroon. Born in 1965.
VP Sales Nordics.
Employee since 1998.
Holdings in Beijer Electronics AB:
2,700 shares.



Fredrik Jönsson. Born in 1962.
CEO and President.
Employee since 2008.
Holdings in Beijer Electronics AB:
16,000 shares and 23,062 warrants.



Carl-Johan Zetterberg Boudrie.**
Born in 1978.
VP Business Development.
Employee since 2008.
Holdings in Beijer Electronics AB:
872 shares and 7,938 warrants.



Lars-Ola Lundkvist. Born in 1961.
Business Area Director, IDC.
Employee since 2007.
Holdings in Beijer Electronics AB:
2,000 shares and 10,062 warrants.

* Christian Benz will be leaving Beijer Electronics in 2013. New VP Sales EMEA will be Henrik Dalby.

** Carl-Johan Zetterberg Boudrie will leave Beijer Electronics in March 2013. The new VP Business Development will be Joakim Nideborn.

In February 2013, the appointment of Sven Knutsson as new VP Operations was announced.

Five-year Summary

SEK 000	2012	2011	2010	2009	2008
Income Statement					
Net sales	1,367,163	1,417,705	1,232,321	1,088,451	1,275,639
Other operating revenue and operating expenses	-2,423	349	3,445	1,196	7,161
Operating expenses*	-1,265,200	-1,267,784	-1,111,444	-1,025,836	-1,166,278
Operating profit	99,540	150,270	124,322	63,811	116,522
Net financial income/expense*	-26,419	-17,292	-4,301	-2,872	-20,153
Profit before tax	73,121	132,978	120,021	60,939	96,369
Tax on net profit	-19,765	-33,854	-30,534	-20,759	-19,191
Net profit	53,356	99,124	89,487	40,180	77,178
Attributable to parent company shareholders	49,939	95,288	87,358	38,718	72,917
Attributable to non-controlling interests	3,417	3,836	2,129	1,462	4,261
* of which non-recurring items			-1,681	-7,500	
Balance Sheet					
Assets					
Fixed assets	769,742	798,092	778,289	489,258	505,851
Current assets	518,834	502,405	458,981	313,781	417,074
Cash and cash equivalents and short-term investments	128,469	178,258	105,064	127,439	74,076
Total assets	1,417,045	1,478,755	1,342,334	930,478	997,001
Equity and liabilities					
Equity	437,159	439,151	365,369	309,812	310,776
Long-term liabilities	507,220	585,910	635,616	367,290	409,596
Current liabilities	472,666	453,694	341,349	253,376	276,629
Total equity and liabilities	1,417,045	1,478,755	1,342,334	930,478	997,001
Of which interest-bearing liabilities	618,498	607,839	459,112	352,377	409,708
Key Financial Ratios					
Operating margin, %	7.3	10.6	10.1	5.9	9.1
Operating margin before non-recurring items, %	7.3	10.6	10.2	6.6	9.1
Profit margin, %	3.9	7.0	7.3	3.7	6.1
Equity ratio, %	30.9	29.7	27.2	33.3	31.2
Equity per share, SEK ^{a,b}	22.0	22.2	17.8	16.4	16.4
Earnings per share, SEK ^a	2.64	5.03	4.61	2.04	3.85
Return on equity after tax, % ^b	12.2	24.6	26.5	12.9	28.8
Return on capital employed, %	9.6	17.3	17.2	10.0	21.4
Return on net operating assets, %	14.6	20.4	19.8	10.8	24.4
Average number of employees	689	668	538	534	595

^a In 2011, the number of shares increased through the issue of 90,000 new shares and a 3:1 split, and amounts to 18,934,464 (6,221,488 for previous year). Equity per share and earnings per share for previous periods have been restated.

^b Calculated on the basis of total equity less the minority share of equity.

	2012	2011	2010	2009	2008
Cash Flow Statement					
Cash flow from operating activities before change in working capital	93,331	160,514	135,559	83,659	98,579
Change in working capital	6,447	-104,028	-21,485	89,798	-16,118
Cash flow from investing activities	-49,778	-108,906	-205,744	-27,754	-268,754
Cash flow from financing activities	-53,421	159,715	101,649	-65,722	210,155
Dividend paid	-43,503	-37,968	-25,325	-26,048	-26,165
Change in cash and cash equivalents	-46,924	69,327	-15,346	53,933	-2,303
Cash and cash equivalents at beginning of year	178,258	105,064	127,439	74,076	71,939
Exchange rate difference in cash and cash equivalents	-2,865	3,867	-7,029	-570	4,440
Cash and cash equivalents at end of year	128,469	178,258	105,064	127,439	74,076

The Beijer Electronics Share

Beijer Electronics has been quoted on NASDAQ OMX Stockholm Small Cap List since June 2000. It has the ticker BELE. A trading lot is 300 shares.

Share Capital

Beijer Electronics' share capital is 6,311,488 SEK divided between 18,934,464 shares. The minimum share capital is 2,000,000 SEK, and the maximum is 8,000,000 SEK. Each share has a quotient value of 0.33 SEK. All shares have one vote and possess equal rights to participation in the company's assets and profits.

Share Price and Turnover

In terms of bid price, the share price was 62 SEK on December 31, 2012, against 60.80 SEK at year-end 2011, implying an increase of 2% in the year. In the same period, the Stockholm Stock Exchange's broad-based index OMXS increased by 12%. The Beijer Electronics share traded at a high of 77.80 SEK and a low of 45.50 SEK in the year. Share turnover was 4.4 million shares, or 23% of the total number of shares.

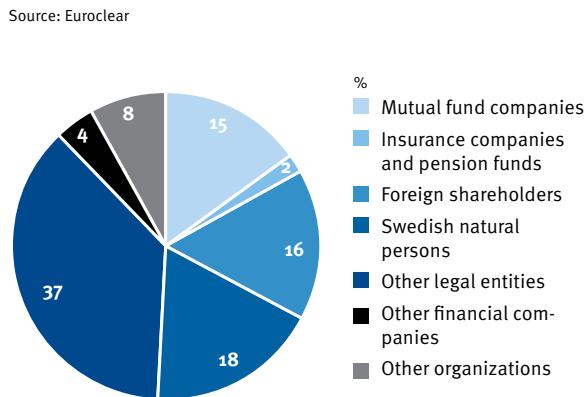
Earnings per Share

Earnings per share after tax were 2.64 SEK (5.03).

Dividend

The Board of Directors proposes a dividend of 1.25 SEK (2.25) for the financial year 2012. Dividends are 47% (45) of profit after tax. The dividend is 5.5% (10.1) of equity per share. The proposed dividends imply a dividend yield of 2.0% (3.7) as of the closing price at year-end 2012.

Shareholder Categories, Share of Equity



Share Data

	2012	2011	2010
Earnings per share, SEK ^b	2.64	5.03	4.61
Dividend, SEK ^b	1.25 ^a	2.25	2.00
Pay-out ratio, %	47	45	43
Dividend yield, %	2.0	3.7	2.8
Equity per share, SEK ^b	22.0	22.20	17.84
Return on equity, %	12.2	24.6	26.5
Closing price, SEK ^b	62	60.80	70.83
No. of shares, million	18.9	18.9	6.22
Market cap., MSEK	1,174	1,149	1,322

^a Proposed dividend.

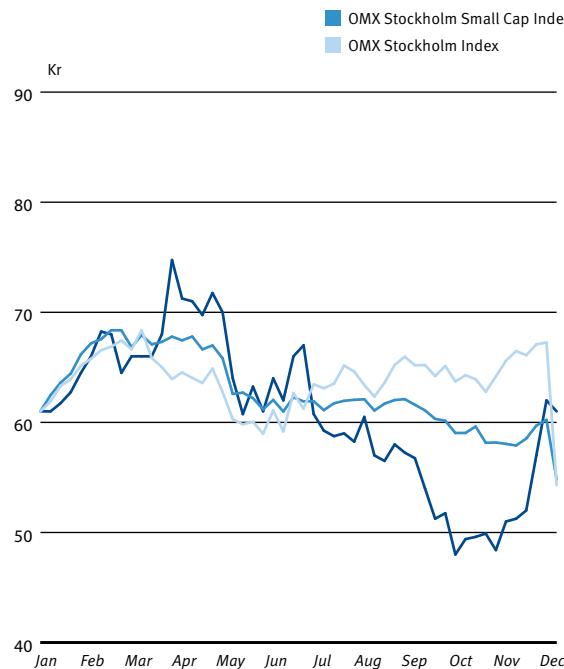
^b Values for 2010 have been restated after new share issue and share split completed in June 2011.

Ownership by Size of Shareholdings as of December 28, 2012

Holding	No. of Shareholders	No. of Shares	Holding, %	Votes, %	Market Value, SEK 000
1–500	2,214	314,594	1.66	1.66	19,505
501–1,000	516	379,174	2.00	2.00	23,509
1,001–5,000	570	1,268,001	6.70	6.70	78,616
5,001–10,000	93	653,921	3.45	3.45	40,543
10,001–15,000	28	356,639	1.88	1.88	22,112
15,001–20,000	13	225,334	1.19	1.19	13,971
20,001–	57	15,736,801	83.11	83.11	975,682
Total	3,491	18,934,464	100.00	100.00	1,173,937

Stock Index

Source: NASDAQ OMX



Shareholders as of December 28, 2012

	No. of Shares	Proportion, and Votes	%
Stena Sessan Rederi AB	5,612,115	29.6	
SEB Asset Management S A	1,817,784	9.6	
Lannebo fonder	1,363,000	7.2	
SEB Investment Management	927,000	4.9	
Fjärde AP-fonden	860,247	4.5	
AMF – Försäkring och Fonder	504,000	2.7	
Karpalunds Ångbryggeri AB	500,000	2.6	
Skandia Fonder	430,760	2.3	
T. Bjurman incl. family and companies	412,850	2.2	
Handelsbanken Fonder	395,409	2.1	
Total, 10 largest shareholders	12,823,165	67.7 %	
Other shareholders, 3,481	6,111,299	32.3 %	
Total, 3,491	18,934,464	100.0 %	

Definitions

Technical Definitions

Automation

Automation means extensively automated products and solutions, which replace manual work and are intended to run, optimize and control various types of industrial process.

Ethernet switch

Interconnects different segments of an Ethernet-based network.

Frequency inverter

An electronic motor control that transforms fixed network frequency and voltage to continuous variables, to achieve benefits including energy savings and reduced motor maintenance costs.

HMI

Human machine interface. See also operator panel or IPC. Collective term for products or systems developed to simplify the work of operators in monitoring and controlling machines or processes.

Industrial data communication

Industrial data communication is utilized where there are high standards for secure data transmission, on infrastructure projects, for example.

Integrator

A company with specialist know-how in one or more sectors that offers services for the automation and electrification of manufacturing facilities.

IP-based data communication

Communication of data packets via wired or wireless Internet connections.

IPC

Industrial PC, see also HMI. Collective term for PC systems built to cope with especially harsh environments or for applications where high reliability is necessary.

Mobile data terminal

Operator panel with a touchscreen, and sometimes buttons, specifically developed for use in vehicles, whose environments set demanding standards on equipment. Installed in the vehicle or used as a handheld device.

OEM

Batch-producing machinery manufacturers, also known as machine builders.

Operator panel

Panel, see also HMI. A touchscreen or keyboard panel allowing operators to monitor and control the status of machinery or processes. Such panels are often co-located with equipment where operatives work.

PLC systems

Programmable logic controllers are systems for controlling and monitoring various types of machinery and process. The size of these systems varies, with the larger systems being modular, with the facility for simple modification for various needs.

Power over Ethernet

Power over Ethernet is a technology to safely transmit electrical power simultaneous with data communication through Ethernet cables.

SCADA system

Supervisory control and data acquisition, software to control, monitor and capture data from processes, with graphical presentation on displays.

Soft controller

Software installed on a computer or operator panel, for example, enabling it to function as a PLC system.

Financial Definitions

Earnings per share

Net profit divided by the number of shares at year-end.

Equity ratio

Equity in relation to total assets.

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 in relation to average capital employed.

Return on equity after tax

Net profit in relation to average equity.

Return on net operating assets

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

Equity per share

Equity divided by the number of shares.

CLIMATE
COMPENSATED
PAPER
www.mapsverige.se



Production: Beijer Electronics Corporate Communications
Script & layout: The Concept Factory, JLC Finanskonsult AB
Translation: Turner & Turner
Images: Magnus Malmberg et al.
Printing: Tryckfolket, ISO Certified

Invitation to the Annual General Meeting

The Annual General Meeting (AGM) will be held at 4 p.m. on Tuesday, April 23, 2013 at Malmö Börshus, Skeppsbron 2, Malmö, Sweden.

Entitlement to Participate in the AGM

For entitlement to participate in the AGM, shareholders should:

- First, be included in the share register maintained by Euroclear Sweden AB by no later than Wednesday, April 17, 2013;
- Second, notify the company of their intention to participate, and assistants they may wish to bring, by no later than Wednesday, April 17, 2013.

Notification

Notifications, which should state the shareholders' name, personal or corporate identity number, shareholding, address, telephone number and potential proxies/assistants can be made via the company's website, www.beijerelectronics.se, by telephone on +46 (0)40 35 86 44, by fax on +46 (0)40 93 23 01, by e-mail to arsstamma@beijerelectronics.se or by mail to Annika Johnsson, Beijer Electronics AB (publ), Box 426, 201 24 Malmö, Sweden. (Please mark the envelope 'AGM').

If participation is through power of attorney, a dated original should be sent to the company by no later than April 17, 2013. Power of attorney forms are available to order from the company by telephone, e-mail or mail as above. Representatives of legal entities should present certificates of incorporation or equivalent documentation stating authorized signatories. In order to participate at the Meeting, shareholders with nominee-registered holdings must temporarily register their shares in their own name. Shareholders should request such temporary re-registration with their nominees in good time before April 17, 2013.

Dividend

The Board of Directors is proposing an ordinary dividend of 1.25 SEK per share for the financial year 2012. The proposed record date for the dividend is April 26, 2013. Dividends are scheduled for payment via Euroclear Sweden AB on May 2, 2013.

Financial Information 2013

April 23, 2013.....AGM, 4 p.m. at Malmö Börshus
April 23, 2013.....Three-month Interim Report
July 12, 2013.....Six-month Interim Report
October 25, 2013.....Nine-month Interim Report

All financial information is uploaded to Beijer Electronics' website www.beijerelectronics.se, where an e-mail subscription list for press releases and financial reports is also available.

Questions relating to the Beijer Electronics group should be addressed to Executive Assistant Annika Johnsson on tel +46 (0) 40 35 86 55, or via e-mail: info@beijerelectronics.se.

Invitation to the Annual General Meeting

BEIJEER ELECTRONICS PRESENCE

AUSTRIA Himberg	FRANCE Champlan	SOUTH KOREA Seoul
BELGIUM Chièvres	GERMANY Unterensingen Waghäusel	SWEDEN Göteborg Jönköping Luleå Malmö Stockholm Stora Sundby Västerås
BRAZIL São Paulo	INDIA Pune	SWITZERLAND Zürich
CHINA Beijing Shanghai Shenzhen Wuhan Zhengzhou	LATVIA Riga	TAIWAN Taipei
	LITHUANIA Kaunas	UNITED KINGDOM Southampton
DENMARK Roskilde	MALAYSIA Kuala Lumpur	USA Brainerd, MN Chicago, IL Houston, TX Knoxville, TN Los Angeles, CA Porter, IN Salt Lake City, UT San Diego, CA
ESTONIA Tallin	NORWAY Drammen Stavanger	
FINLAND Jyväskylä Kempele Tammerfors Ulvila Vanda	SINGAPORE Trondheim Ålesund Singapore	



Head office

Beijer Electronics AB (publ)
Box 426, Stora Varvsgatan 13a
201 24 Malmö, Sverige

Corp. ID no. 556025-1851

www.beijerelectronics.se | +46 40 35 86 00