



JANUARY—SEPTEMBER

Continued Growth with High and Stable Profitability

Nine months

- Order intake increased by 12% to 1,063.7 MSEK (945.6)
- Net sales up by 20% to 1,072.4 MSEK (896.1)
- Operating profit increased by 36% to 121.2 MSEK (89.3)
- Profit after tax up by 33% to 84.0 MSEK (63.3)
- Earnings per share increased by 33% to 4.28 SEK (3.22)
- Share split creating 12.7 million new shares, to a total of 18.9 million shares

Third quarter

- Order intake up 16% to 332.3 MSEK (287.5)
- Net sales increased by 14% to 342.5 MSEK (300.7)
- Operating profit increased by 14% to 39.5 MSEK (34.7)
- Profit after tax up by 13% to 26.5 MSEK (23.4)

Interim Report, Beijer Electronics AB

Comments from Fredrik Jönsson, CEO

“In the third quarter, Beijer Electronics continued its growth with stable and high profitability, which was at record levels. Sales increased by 14% in the period. Increased volumes meant higher earnings and an operating margin of 11.5%. Our acquisitions, Korenix and QSI, have continued to perform better than expected and have contributed significantly to increasing our sales and earnings. Global financial turmoil did not have any impact on our third-quarter results. There are tendencies toward slowdown on certain markets and sub-segments. We are monitoring progress closely and are prepared to fend off deteriorating demand.

The IDC business area remained convincing in the third quarter, with a 45% sales increase and 53% earnings gains. This meant a record margin of over 17%. IDC’s progress indicates substantial growth opportunities. Our initiative in the US has only just begun, and progress is really positive, with increased sales quarter on quarter. Korenix has been integrated successfully and we’ve maintained a high product development tempo with several new product launches for Korenix and Westermo.

The HMI Products business area achieved good growth and continued very positive profitability. The integration of QSI has gone as planned and the company has made a good contribution to sales and earnings. But the business area’s organic order intake was somewhat weaker in the third quarter. Demand for HMI products in China slowed in the period, affecting the business area’s sales there negatively.

We also started up a sales company in Brazil in the third quarter and created a separate business area, Asia/Pacific, to drive development and expansion in each region.

The Automation business area made stable progress with somewhat higher sales and unchanged earnings in the third quarter. Growth year to date was positive in Denmark, Sweden and Finland, and there was a recovery in Norway in the third quarter. The Baltics achieved strong growth and all markets that Automation addresses are now delivering positive earnings. The focus on large OEM customers resulted in some new business. However, we have noted some slowdown on the market and increased caution, especially for major investment decisions.”

Market and Surrounding World

The industrial automation market remained positive but started to appear somewhat more divided, in terms of geography and different segments. The market for infrastructure is intact, while there are slowdown tendencies in demand from parts of manufacturing. The American markets continued to progress positively. The tempo of European markets varies, while growth on the Chinese market has weakened.

The Group in the Third Quarter

The group made stable progress with continued high growth in the third quarter. Order intake increased 16% to 332.3 MSEK (287.5). Acquisitions made a positive contribution of 55.4 MSEK (0). But adjusted for currency effects and acquisitions, order intake decreased by 4%. The IDC business area achieved good organic growth. Automation saw a year-on-year improvement while organic growth in HMI Products decreased.

Business Area Sales and Operating Profit

	Sales Quarter 3		Operating Profit Quarter 3		Sales 9 months		Operating Profit 9 months	
	1109	1009	1109	1009	1109	1009	1109	1009
MKR								
Beijer Electronics Automation Group	115.2	112.4	5.6	5.7	372.0	351.7	24.3	18.6
Beijer Electronics Products Group	150.9	136.4	21.9	22.3	486.3	392.4	74.7	54.3
Westermo Teleindustri Group	100.1	68.8	17.2	11.3	284.7	208.7	35.4	27.1
Intra-group sales	-23.7	-16.8			-70.6	-56.6		
Group adjustments and depreciation			-5.2	-4.5			-13.2	-10.6
Beijer Electronics Group	342.5	300.7	39.5	34.7	1,072.4	896.1	121.2	89.3

Group sales increased by 14% to 342.5 MSEK (300.7). Acquisitions had a positive effect of 48.4 MSEK (0). Currency adjusted and excluding acquisitions, sales decreased by 2% due to lower organic sales in HMI Products.

Sales in Sweden, the group's single biggest market, continued to achieve positive growth, as did the Danish market. Sales in Norway recovered, but they reduced in Finland in the quarter. Sales in the US continued to progress very briskly, but reduced in China after the high growth of the first half-year. Germany also achieved lower sales after a good first half-year.

Group operating profit increased by 14% to 39.5 MSEK (34.7). This corresponded to an operating margin of 11.5% (11.5). The profit increase is explained by acquisitions that contributed 5.8 MSEK to earnings and good growth in IDC. Total development expenses were 24.0 MSEK (15.3). The increase is due to acquisitions and upscaled product development initiatives.

Profit before tax increased by 11% to 35.2 MSEK (31.8). Net financial items were -4.3 MSEK (-2.9). The negative figure is attributable to higher indebtedness relating to acquisitions. Profit after estimated tax grew by 13% to 26.5 MSEK (23.4). Earnings per share after estimated tax were 1.37 SEK (1.20).

The Group in the First Nine Months

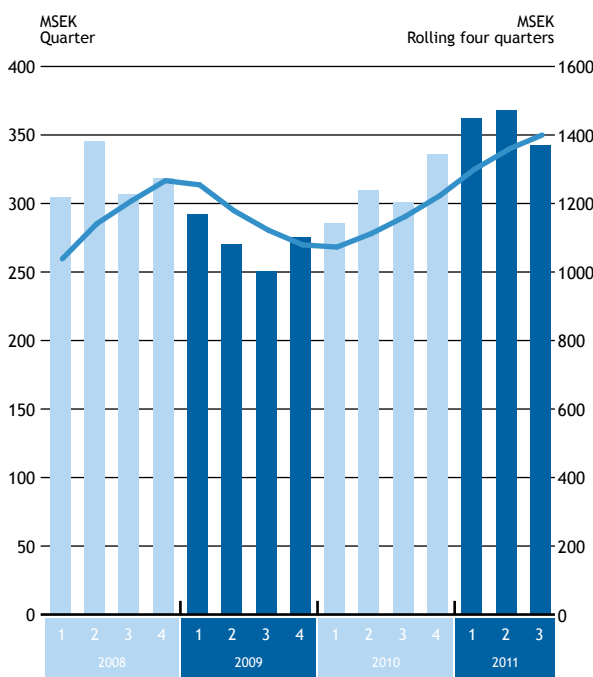
Order intake increased by 12% to 1,063.7 MSEK (945.6) in the nine-month period. Adjusted for currency effects, the increase was 17%. Acquisitions contributed 158.7 MSEK.

Group sales rose by 20% to 1,072.4 MSEK (896.1). Currency adjusted, growth was 24%. Acquisitions had a 144.9 MSEK positive effect on sales.

Operating profit increased by 36% to 121.2 MSEK (89.3). This resulted in an operating margin of 11.3% (10.0). Acquisitions made a 16.3 MSEK profit contribution. Excluding acquisitions, profit increased by 23%. The sharp profit increase is due to higher growth in proprietary technology segments, which have higher margins, acquisitions, increasing sales volumes and a higher gross margin. Total development expenses were 76.8 MSEK (52.7).

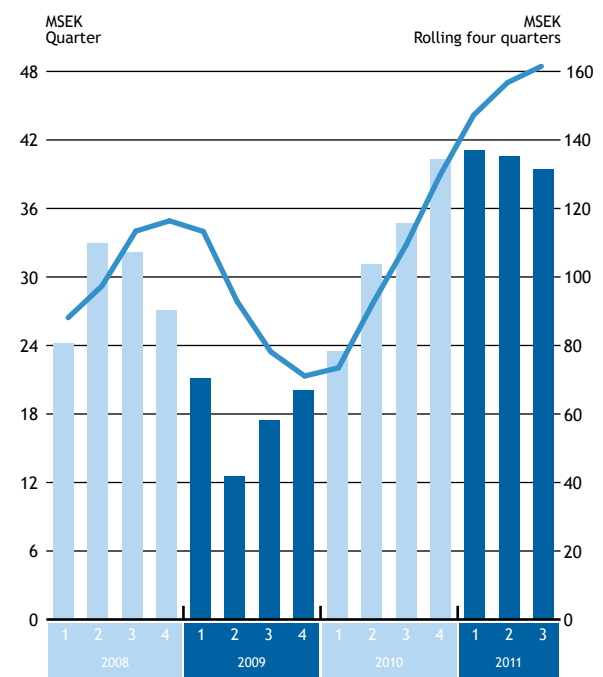
Profit before tax increased by 25% to 108.7 MSEK (87.2). Net financial items were -12.5 MSEK (-2.2). Profit after estimated tax rose by 33% to 84.0 MSEK (63.3). Earnings per share after estimated tax were 4.28 SEK (3.22).

Group Sales



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

Group Operating Profit



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

HMI Products Business Area

The HMI Products business area maintained good growth and high profitability in the third quarter. US company QSI, which was consolidated from November 1, 2010, continued to exceed expectations with good growth and improved profits. However, the business area's organic order intake and sales were lower in the quarter, primarily due to reduced demand on the Chinese market.

The Third Quarter

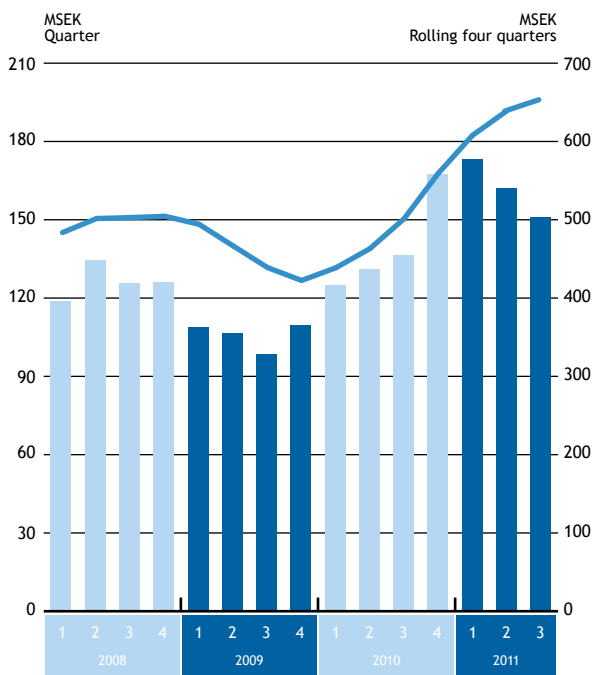
Order intake rose by 25% to 153.2 MSEK (122.3). Currency adjusted and excluding acquisitions, order intake decreased by 8%. Sales increased by 11% to 150.9 MSEK (136.4) of which QSI provided 31.7 MSEK. Operating

profit amounted to 21.9 MSEK (22.3). This equated to an operating margin of 14.5% (16.4). QSI made a 2.4 MSEK profit contribution.

Nine-month Period

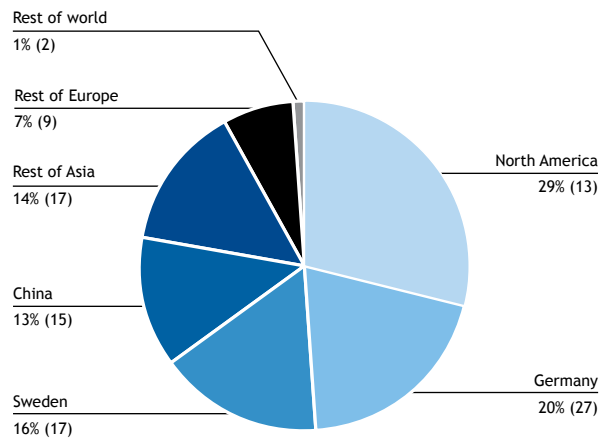
Order intake increased by 20% to 486.8 MSEK (407.4). Currency adjusted and excluding acquisitions, order intake decreased by 4%. Sales increased by 24% to 486.3 MSEK (392.4) and by 29% currency adjusted. QSI made a positive sales contribution of 96.5 MSEK. Operating profit increased by 38% to 74.7 MSEK (54.3), corresponding to a margin of 15.4% (13.8). QSI made a 8.7 MSEK profit contribution.

Sales, HMI Products



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

Sales by Geographical Market, HMI Products



▲ Sales by geographical market in the first 9 months of 2011.

Automation Business Area

The automation market in the Nordics made fairly stable progress in the third quarter. The recovery in Norway was positive, while demand slowed somewhat in Sweden and Finland. Positive progress continued in Denmark, while the Baltics achieved high growth.

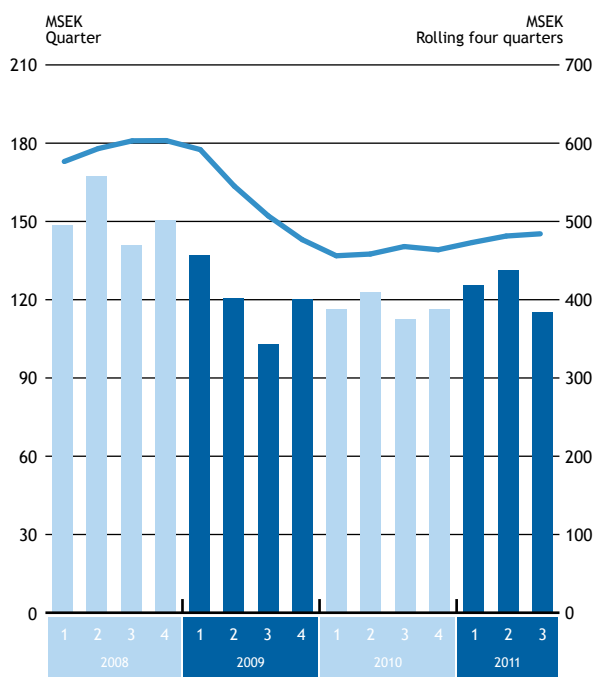
Third Quarter

The business area's order intake increased by 2% to 108.1 MSEK (105.9). Sales increased by 3% to 115.2 MSEK (112.4), and currency adjusted, the increase was 3%. Operating profit was 5.6 MSEK (5.7), corresponding to an operating margin of 4.9% (5.0).

Nine-month Period

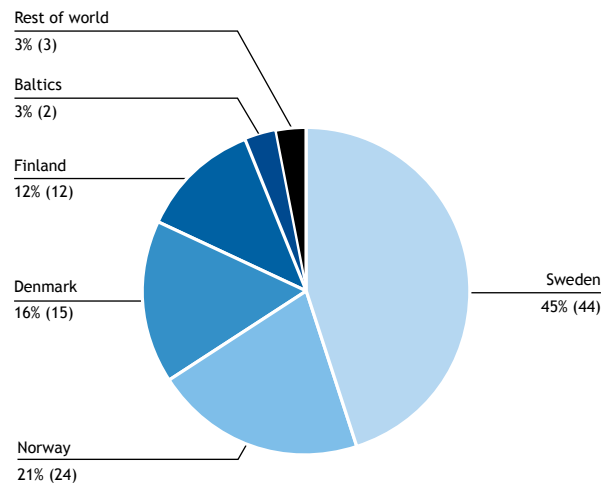
Order intake increased by 4% to 367.5 MSEK (354.1). Sales increased by 6% to 372.0 MSEK (351.7) and by 9% currency adjusted. Operating profit increased by 30% to 24.3 MSEK (18.6), corresponding to a margin of 6.5% (5.3).

Sales, Automation



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

Sales by Product Category, Automation



▲ Sales by geographical market in the first 9 months of 2011.

Industrial Data Communication

The IDC business area made strong progress in the third quarter, which resulted in high profitability. The acquisition of Korenix of Taiwan also progressed very positively, with higher sales and good profitability. The initiative on the US market is progressing very well and this market offers substantial potential. IDC secured notable successes in its key segments of Rail, Infrastructure and Mining, with breakthroughs with a number of major customers by launching new products for these segments. In the quarter, Westermo presented its new full-range “IP Train” communication offering for the Rail segment. IDC also secured a communication equipment order for the London Olympics.

Third Quarter

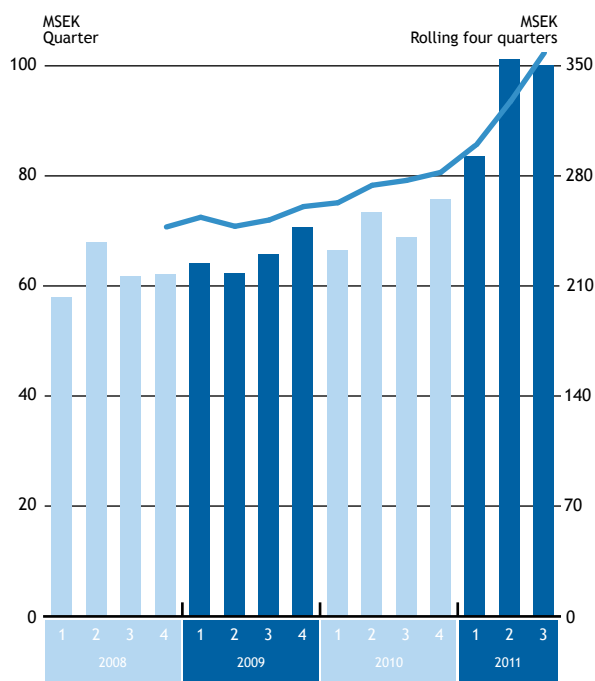
Business area order intake increased by 29% to 92.5 MSEK (71.9). Korenix’s contribution was MSEK 17.1. Sales increased by 45% to 100.1 MSEK (68.8). Korenix

represented 16.7 MSEK. Operating profit increased by 53% to 17.2 MSEK (11.3). Operating margin was 17.2% (16.4). Korenix had a 3.4 MSEK positive profit impact.

Nine-month Period

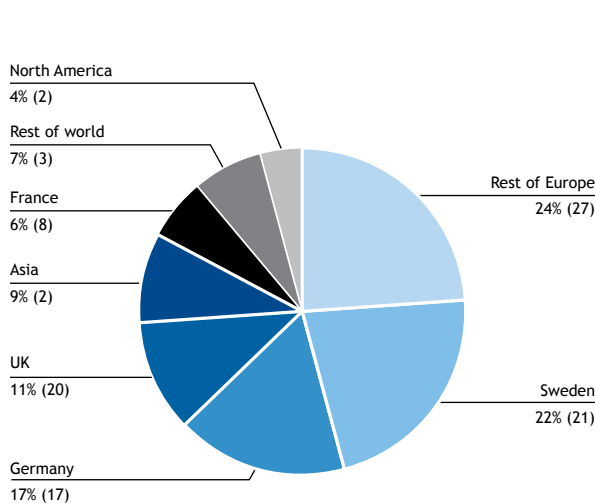
Order intake increased by 22% to 281.9 MSEK (231.3). Currency adjusted and excluding acquisitions, the increase was 5%. Sales increased by 36% to 284.7 MSEK (208.7). Currency adjusted and excluding acquisitions, sales increased by 17%. Operating profit increased by 31% to 35.4 MSEK (27.1), corresponding to a margin of 12.4% (13.0). Korenix made a positive profit impact of 7.6 MSEK.

Sales, IDC



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

Sales by Product Segment, IDC



▲ Sales by geographical market in the first 9 months of 2011.

Other Financial Information

Group investments including capitalized development expenses were 47.5 MSEK (64.5). Cash flow from operating activities was 40.3 MSEK (64.0). Equity was 406.0 MSEK (306.4) end of September 2011. The equity ratio was 28.4% (33.0). Cash and cash equivalents were 130.6 MSEK (91.5). Interest-bearing liabilities amounted to MSEK 563.0 (353.5). The average number of employees was 669 (522).

Prospects for 2011

The third quarter continued to progress well with good growth and higher profit. Global financial turmoil has created uncertainty regarding ongoing economic progress. Nevertheless, Beijer Electronics expects to be able to achieve significant growth and improved profit for the full year 2011 compared to 2010.

Significant Events

In March 2011, Beijer Electronics acquired the remaining 8% in Korenix of Taiwan and subsequently holds 100% of the company. The acquisition has been conducted stepwise with 37% acquired in July 2010 and 55% in December 2010. Korenix was consolidated into Beijer Electronics' accounts at year-end 2010. The total purchase price was 130 MSEK for all the shares of Korenix. An additional performance-related purchase price may be payable based on year-2012 profit.

In June 2011, Beijer Electronics first implemented a new issue of 90,000 shares, followed by a (3:1) share split. Shareholders received two new shares for each existing share, which meant that the number of shares increased from 6,221,488 to 18,934,464.

Auditor's report on limited review of summary interim financial statements (interim report) prepared in accordance with IAS 34 and chap. 9 of the Swedish Annual Accounts Act

Introduction. We have conducted a limited review of the Financial Statement for Beijer Electronics AB (publ) for the period January 1–September 30, 2011. The preparation and presentation of these interim financial statements pursuant to IAS 34 and the Swedish Annual Accounts Act are the responsibility of the Board of Directors and Chief Executive Officer. Our responsibility is to report our conclusions concerning these interim financial statements on the basis of our limited review.

Orientation and scope of limited review. We have conducted our limited review pursuant to the Standard for Limited Review (SÖG) 2410 "Limited review of interim financial information conducted by the company's appointed auditor". A limited review consists of making inquiries, primarily to individuals responsible for financial and accounting matters, as well as performing analytical procedures and taking other limited review measures. A limited review has a different focus and significantly less scope than an audit according to ISA and generally accepted auditing practice. The

Risk Management

Beijer Electronics is exposed to a number of risks and uncertainty factors, reviewed in the Annual Report for 2010. As of 30 September, no material risks are judged to have arisen over and above those stated under 'Prospects for 2011.'

Accounting Principles

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

Revised Lifespan Assumptions under IAS 19

The Swedish Pensions Registration Institute (PRI) non-profit association revised the lifespan assumptions used when calculating pension liabilities in 2011. The effect of this change is dealt with as an actuarial loss and will be allocated over time using what is known as the 'corridor', which means it will not affect net profit.

Malmö, Sweden, October 25, 2011

Fredrik Jönsson
President and CEO

For more information, please contact President and CEO, Fredrik Jönsson, at: +46 (0)40 35 86 10 or +46 (0)705 17 16 26 or CFO, Lennart Mauritzson, at: +46 (0)40 35 86 53, +46 (0)705 52 05 57.

review procedures undertaken in a limited review do not enable us to obtain a level of assurance where we would be aware of all important circumstances that would have been identified had an audit been conducted. Therefore, a conclusion reported on the basis of a limited review does not have the level of certainty of a conclusion reported on the basis of an audit.

Conclusion. Based on our limited review, no circumstances have come to our attention that would give us reason to believe that the interim financial statements have not been prepared pursuant to IAS 34 and the Swedish Annual Accounts Act for the group, and pursuant to the Swedish Annual Accounts Act for the parent company, in all material respects.

Malmö, Sweden, October 25, 2011

Sofia Götmar-Blomstedt
Authorized Public Accountant

Mikael Eriksson
Authorized Public Accountant

Interim Report in Summary

Income Statement – Group

SEK 000	Quarter 3, 2011	Quarter 3, 2010	9 Mth., 2011	9 Mth., 2010	Full Year, 2010
Net turnover	342,467	300,720	1,072,365	896,119	1,232,321
Other operating revenue	3,831	-878	5,163	-5,081 ^a	3,445 ^{a,b}
Operating expenses	-306,815	-265,121	-956,338	-801,691	-1,111,444
Operating profit	39,483	34,721	121,190	89,347	124,322^c
Net financial items	-4,329	-2,913	-12,486	-2,156 ^d	-4,301 ^d
Profit before tax	35,154	31,808	108,704	87,191	120,021
Estimated tax	-8,633	-8,410	-24,745	-23,917	-30,534
Net profit	26,521	23,398	83,959	63,274	89,487
Attributable to equity holders of the parent	25,853	22,719	81,107	60,877	87,358
Attributable to minority interest	668	679	2,852	2,397	2,129
Earnings per share, SEK ^e	1.37	1.20	4.28	3.22	4.61

^a Including minority interest of Autic

^b Including minority interest of Korenix

^c Including non-recurring items amounting to -1.7 MSEK

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

^e The number of shares in the company has increased as a result of a new share issue of 90,000 shares and by a 3:1 split, now totaling 18,934,464 (6,221,488). Earnings per share for earlier periods have been adjusted

Statement of Comprehensive Income

SEK 000	Quarter 3, 2011	Quarter 3, 2010	9 Mth., 2011	9 Mth., 2010	Full Year, 2010
Net profit	26,521	23,398	83,959	63,274	89,487
Translation differences	16,925	-20,823	7,944	-25,334	-20,553
Comprehensive income	43,446	2,575	91,903	37,940	68,934
Attributable to equity holders of the parent	42,831	2,265	89,824	36,550	67,859
Attributable to minority interest	615	310	2,079	1,390	1,075

Balance Sheet – Group

SEK 000	Sept 30, 2011	Sept 30, 2010	Dec 31, 2010
Assets			
Fixed assets	801,268	510,505	778,289
Current assets	556,200	373,850	458,981
Cash equivalents and short-term investments	130,608	91,488	105,064
Total assets	1,488,076	975,843	1,342,334
Liabilities and shareholders' equity			
Shareholders' equity	406,019	306,420	337,729
Minority share of shareholders' equity	18,340	16,007	27,640
Long-term liabilities	622,678	339,714	600,227
Current liabilities	441,039	313,702	376,738
Total liabilities and shareholders' equity	1,488,076	975,843	1,342,334
Of which interest-bearing liabilities	563,030	353,522	459,112

Statement of Changes to Shareholders' Equity – Group

SEK 000	Sept 30, 2011	Sept 30, 2010	Dec 31, 2010
Attributable to equity holders of the parent			
Opening balance, shareholders' equity, 1 January	337,729	294,756	294,756
Other paid-up capital	15,705		
New stock issue	90		
Dividend	-37,329	-24,886	-24,886
Comprehensive income	89,824	36,550	67,859
Closing balance, shareholders' equity	406,019	306,420	337,729
Minority interest			
Opening balance, 1 January	27,640	15,056	15,056
Acquisitions	-11,379		11,948
Dividend		-439	-439
Comprehensive income	2,079	1,390	1,075
Closing balance	18,340	16,007	27,640

Key Figures

	Sept 30, 2011	Sept 30, 2010	Dec 31, 2010
Operating margin, %	11.3	10.0	10.1
Operating margin excl. one time effect	11.3	10.0	10.2
Profit margin, %	7.8	7.1	7.3
Equity ratio, %	28.4	33.0	27.2
Shareholders' equity per share, SEK	21.44	16.18	17.84
Earnings per share, SEK	4.28	3.21	4.61
Rolling 12-months earnings per share	5.68	3.86	4.61
Return on equity after tax, %	22.5	20.5	26.5
Return on capital employed, %	19.0	16.7	17.2
Return on net operating assets, %	21.3	18.8	19.8
Average number of employees	669	522	538
<i>Number of shares 18,934,464</i>			

Cash Flow Statement – Group

SEK 000	Sept 30, 2011	Sept 30, 2010	Dec 31, 2010
Cash flow from operating activities before changes in working capital	122,098	97,453	135,559
Change in working capital	-81,833	-33,501	-21,485
Cash flow from operating activities	40,265	63,952	114,074
Cash flow from investing activities	-94,631	-64,455	-205,744
Cash flow from finance activities	116,803	-2,609	101,649
Dividends paid	-37,329	-25,325	-25,325
Change in cash equivalents	25,108	-28,437	-15,346
Cash equivalents and short-term investments, opening balance	105,064	127,439	127,439
Exchange rate change, cash equivalents	436	-7,514	-7,029
Cash equivalents and short-term investments, closing balance	130,608	91,488	105,064

Operating Segments

SEK 000	Quarter 3, 2011	Quarter 3, 2010	9 Mth., 2011	9 Mth., 2010	Full Year, 2010
Net turnover					
Automation	115,179	112,354	372,035	351,676	467,872
HMI Products	150,851	136,388	486,313	392,386	559,715
IDC	100,083	68,827	284,696	208,675	284,379
Elimination	-23,646	-16,849	-70,679	-56,618	-79,645
Group	342,467	300,720	1,072,365	896,119	1,232,321
Operating profit					
Automation	5,601	5,660	24,271	18,615	19,412*
HMI Products	21,858	22,347	74,747	54,286	85,331*
IDC	17,185	11,257	35,434	27,055	34,045**
Parent company	-73	-98	-1,744	-1,795	-5,078
Group adjustments and depreciation	-5,088	-4,445	-11,518	-8,814	-7,707
Non-recurring items					-1,681
Group	39,483	34,721	121,190	89,347	124,322

* Excluding non-recurring items

** Including minority interest Korenix

Income Statement – Parent Company

SEK 000	Quarter 3, 2011	Quarter 3, 2010	9 Mth., 2011	9 Mth., 2010	Full Year, 2010
Net turnover	13,913	13,148	41,498	39,191	52,268
Operating expenses	-13,986	-13,246	-43,242	-40,986	-57,346
Operating profit	-73	-98	-1,744	-1,795	-5,078
Net financial items	4,278	5,337	28,044	15,401	13,972
Profit before tax	4,205	5,239	26,300	13,606	8,894
Appropriations					7,222
Estimated tax	-136	328	2,397	2,861	1,966
Net profit	4,069	5,567	28,697	16,467	18,082
* Of which dividends from subsidiaries			35.5	24.5	24.5

Balance Sheet – Parent Company

SEK 000	Sept 30, 2011	Sept 30, 2010	Dec 31, 2010
Assets			
Fixed assets	604,198	418,805	546,298
Current assets	26,259	19,720	16,733
Cash equivalents and short-term investments	179	158	10,285
Total assets	630,636	438,683	573,316
Liabilities and shareholders' equity			
Shareholders' equity	62,007	53,229	54,844
Untaxed reserves	21,890	29,112	21,890
Long-term liabilities	383,957	254,979	367,810
Current liabilities	162,782	101,363	128,772
Total liabilities and shareholders' equity	630,636	438,683	573,316
<i>Of which interest-bearing liabilities</i>	<i>518,937</i>	<i>312,517</i>	<i>455,471</i>

Beijer Electronics AB

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

More Information

You can subscribe for financial information on Beijer Electronics via e-mail. Subscribe easily at our website, www.beijerelectronics.se. If you have any questions about the Beijer Electronics group, please call +46 (0)40 35 84 96, or send an email: info@beijerelectronics.se.

Financial Calendar

February 9, 2012..... Financial Statement
April 25, 2012..... Three-month Interim Report
April 25, 2012..... Annual General Meeting



JetNet—Industrial PoE Switches

Beijer Electronics has launched JetNet—a new product line in the key growth market of industrial data communications. JetNet offers competitive PoE (power over Ethernet) switches with high capacity and reliability for the volume segments in the transportation industry and elsewhere. These products include a proprietary, patented technology enabling connectivity including IP cameras in mobile applications, where as little as 12V DC is available.

► Read more about JetNet at www.korenix.com

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