G & L Beijer AB

Annual Report 2009

This document is a translation of the Swedish language version.

In the event of any discrepancies between this translation and the original Swedish document, the latter shall be deemed correct.

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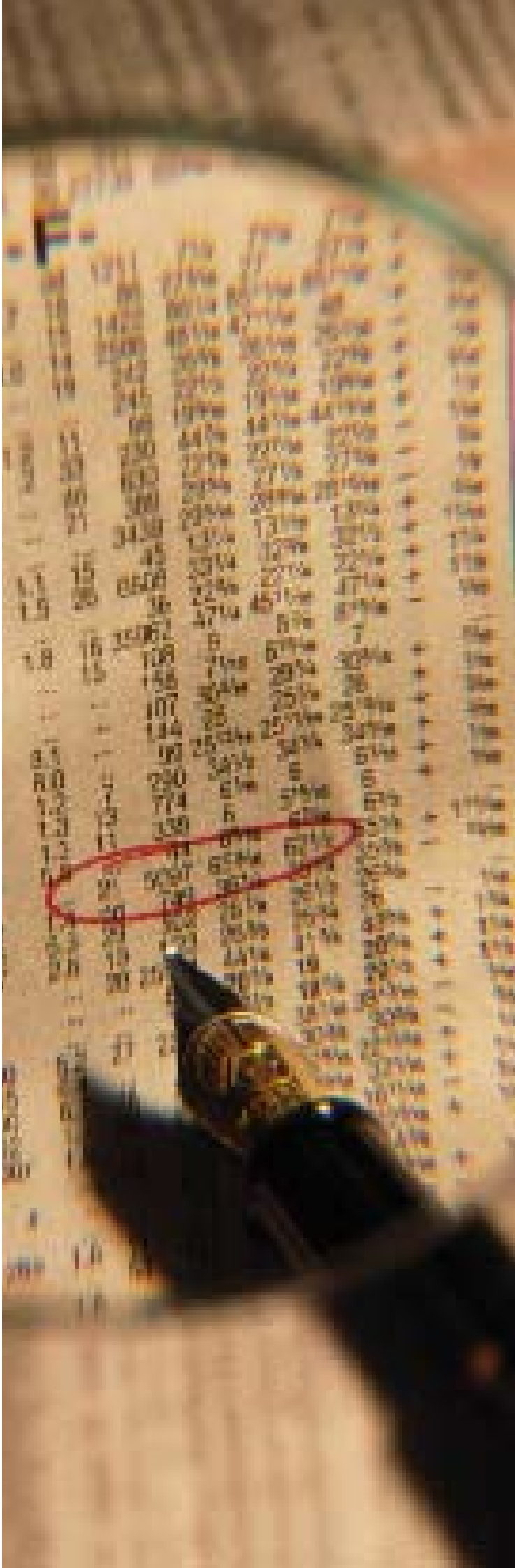
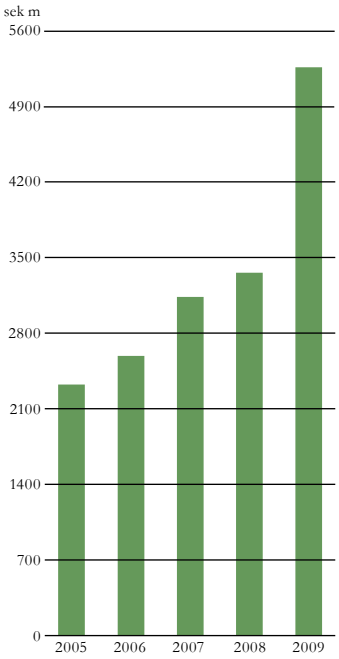
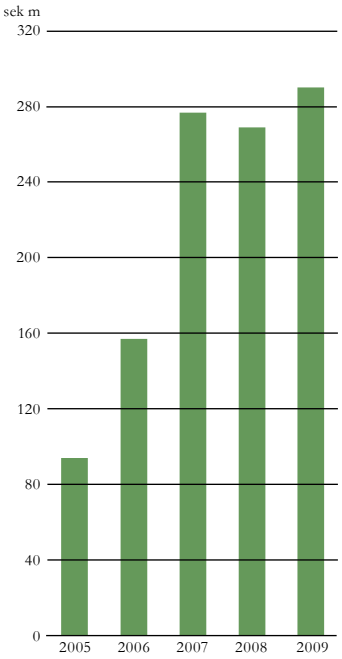


2009 Highlights

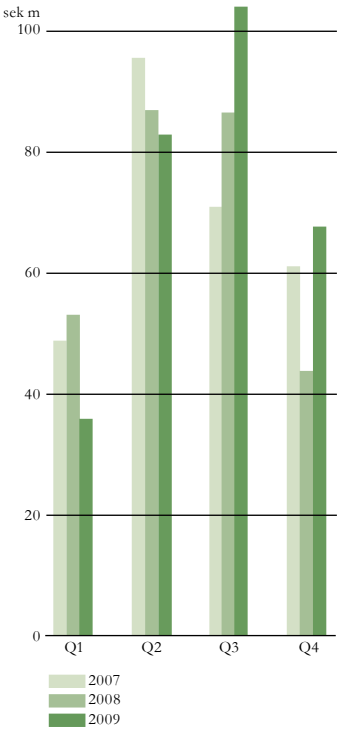
Net sales



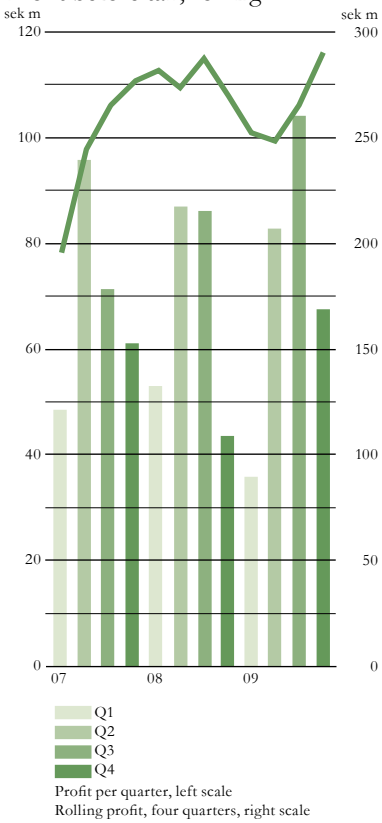
Profit before tax



Profit before tax, quarterly



Profit before tax, rolling



All the diagrams are adjusted for items affecting comparability and one-off items which occurred during 2005, 2007 and 2008.

Financial Highlights

- Net sales increased by 57 per cent to SEK 5,263.2M
- Operating profit amounted to SEK 300.7M
- Profit after tax amounted to SEK 206.0M
- Profit per share amounted to SEK 10.07
- The Board of Directors proposes a dividend of SEK 6.50 per share (6.00)

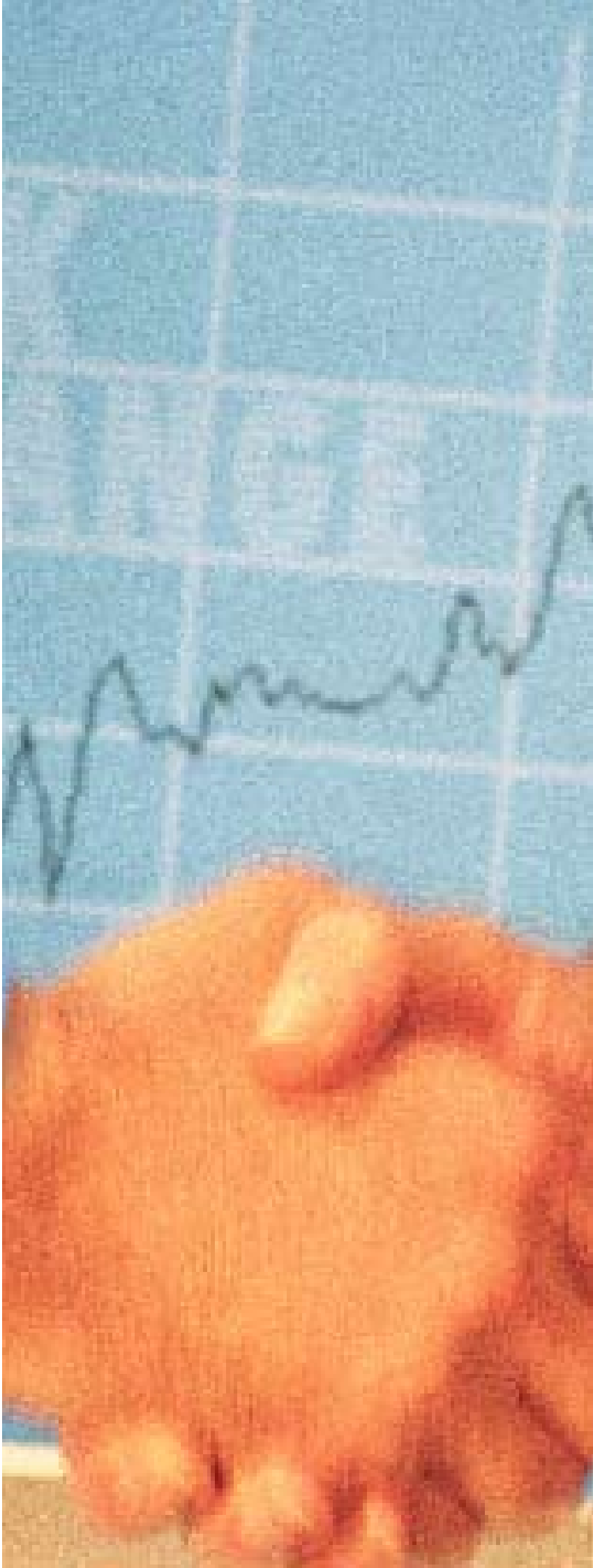
	2009	2008	2007
Sales, sek m	5263.2	3356.6	3136.0
Operating profit, sek m	300.7	336.4	298.4
Profit after tax, sek m	206.0	255.2	212.5
Profit per share after tax, sek[1]	10.07	20.58	17.11
Dividend per share, sek[2]	6.50	6.00	6.00

1) Based on average number of shares
2) For 2009, in accordance with the Board of Directors' proposal

Significant events

On 1 February 2009, G & L Beijer acquired Carrier ARW's refrigeration and air-conditioning distribution operation in seven countries in Europe and the company's distribution and manufacturing operation in South Africa through its Beijer Ref business area. As payment for the operations, G & L Beijer carried out a directed new issue of 8.8 million shares at a value of SEK 1,055M.

After the end of the financial year, G & L Beijer divested its Beijer Tech business area to Beijer Alma., G & L Beijer received 2.7 million shares in Beijer Alma and a cash portion of SEK 39M in total consideration. In total, the transaction was valued at SEK 340M and G & L Beijer realised a capital gain of SEK 140M which will be included in the Group's results for the first quarter of 2010. The transaction, which was made on a free-from-debt basis, further strengthened the Group's financial position. Beijer Tech will not be included in the consolidated accounts from 25 March 2010.



The stock market has made a note of G & L Beijer's profitable growth

G & L Beijer reached yet another milestone during 2009, when consolidated sales exceeded SEK 5 billion for the first time. It means that G & L Beijer has reported an average annual growth of 17 per cent during the period 1999-2009. It has also been profitable growth. The operating profit has risen by 19 per cent per annum and reached SEK 300M for 2009.

However, 2009 was a tough year. The financial crisis had significantly negative effects on the world economy which impacted with full force on markets and demand. It also hit G & L Beijer's operations and the past year was, to say the least, challenging.

The major event in 2009 was our acquisition of Carrier's operations within the refrigeration sector in Europe and South Africa. At the beginning of the year, we had to focus extensively on bringing the transaction to a successful close. It was during a period when only a few, or no one, knew what course the financial crisis would take. As it transpired, we were in a position to complete the deal on 25 March and this meant that G & L Beijer significantly strengthened its financial position.

Thereafter began an intensive period with the integration process during difficult external conditions.

We had already prepared some additional structural measures against the background of the fact that the acquired operations within Beijer Ref had suffered a weaker market earlier than G & L Beijer's 'old' operations. It was, therefore, a relatively onerous first quarter when profit fell even though sales increased.

However, we could see effects of the structural work and savings programmes as early as during the second and third quarters when the results once again moved in the right direction. During the autumn, the fall in demand also slowed down and the market began to stabilise. So, although times have been tough, I would say that the co-ordination and integration of the acquired operations have run smoothly. I would also say that Beijer Ref has been positively received both by the staff in the companies concerned and by Carrier Corporation in its capacity as a new and significant owner in G & L Beijer.

'G & L Beijer reached yet another milestone during 2009, when consolidated sales exceeded SEK 5 billion for the first time.'

In February 2010, we decided to divest our Beijer Tech business area to Beijer Alma. G & L Beijer received a total consideration of SEK 340M and the company realised a gain of SEK 140M.

The divestment of Beijer Tech was a move forward in the consolidation of G & L Beijer towards the strongly-growing operation within refrigeration systems and refrigeration components. We will now be able to concentrate our focus on investing our resources in developing Beijer Ref into a global operator within the refrigeration sector.

At the same time, we were of the opinion that Beijer Alma will be an excellent environment for the continued development of Beijer Tech's technology trading. As a large owner in Beijer Alma, we will monitor the development closely.

Against the background of the past year's challenges we are satisfied with the outcome relating to sales and results. We have consolidated a large strategic acquisition in a weak market and met volume falls with different savings programmes. The stock market has also taken note of G & L Beijer's profitable growth. The total yield of the share amounted to 63 per cent during 2009.

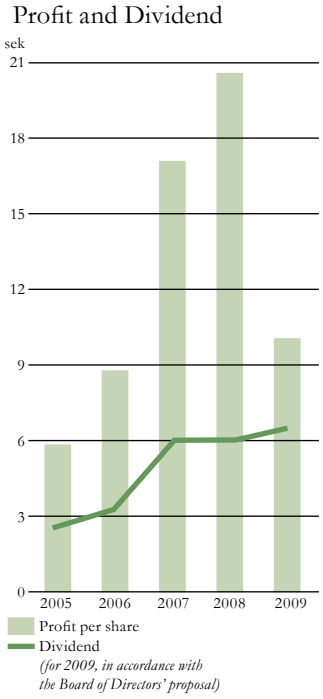
G & L Beijer now has a solid platform for continued international expansion. During the year, we achieved a very strong cash flow and our financial position strengthened significantly.

Prospects for 2010

The continued economic development is, as always, difficult to predict. G & L Beijer is, nevertheless, deemed to be able to increase its results during 2010.

Joen Magnusson
Managing Director

The share



The G & L Beijer B share is quoted on the NASDAQ OMX Nordic Mid-Cap list

Share capital

The share capital in G & L Beijer AB amounts to SEK 371,684,512.50, represented by 1,653,120 A shares and 19,585,955 B shares, amounting to 21,239,115 shares in total. Each share has a nominal value of SEK 17.50. Each A share entitles the owner to ten votes and each B share to one vote. All shares have equal rights to the company's assets and profits.

Ownership structure

On 31 December 2009, G & L Beijer had 2,707 shareholders. Distribution of ownership is shown in the adjacent table.

Market value and trading

Beijer's market value measured as price paid was SEK 171.50 at the 2009 year end. On the last trading day in 2008, the price paid was SEK 109. Including a dividend of SEK 6.00, the total yield for 2009 was 63 per cent. The comparable index rose by 53 per cent. The highest price paid during 2009 for the Beijer share was SEK 183.50 and the lowest SEK 107.50.

Trading of the company's shares amounted to 1.7 million shares, equivalent to a value of SEK 250M. The trading rate was approximately eight per cent of the total number of shares.

Profit

Profit per share after tax amounted to SEK 10.07 (20.58).

Dividend

The Board of Directors proposes a dividend of SEK 6.50 (6.00) for the 2009 financial year. The dividend proposal is equivalent to 67 per cent (29) of the Group's profit after tax for 2009 and 6.3 per cent (7.5) of shareholders' equity at the 2009 year end. The yield – the proposed dividend as a percentage of the latest price paid during the year – amounts to 3.8 per cent.

Non-cash issue

In January 2009, G & L Beijer carried out a non-cash issue to Carrier Corporation by issuing 358,710 class A and 8,437,429 class B shares and, therefore, increase the company's share capital by SEK 153, 932,432.50 as payment for the acquisition of Carrier ARW. After the issue, the number of A shares amounts to 1,653,120 and the number of B shares to 19,585,995. The total number of shares amounts to 21,239,115 and the total number of votes to 36,117,195. During 2009, the average number of shares amounted to 20,462,503.

Share development

Shareholders on 2009-12-31

	A shares	B shares	Total	Capital	Votes
Carrier	358 710	8 437 429	8 796 139	41,4 %	33,3 %
Jürgensen, Peter Jessen	447 626	809 200	1 256 826	5,9 %	14,6 %
Magnusson, Joen (private & companies)	472 756	142 516	615 272	2,9 %	13,5 %
Bertland, Per (private & companies)	293 428	126 000	419 428	2,0 %	8,5 %
Lannebo fonder		1 644 900	1 644 900	7,7 %	4,6 %
Livförsäkringsaktiebolaget Skandia		969 302	969 302	4,6 %	2,7 %
Hain, Jan (private & companies)	80 000	93 700	173 700	0,8 %	2,5 %
Ekdahl, Gunnar (private & companies)		858 449	858 449	4,0 %	2,4 %
SEB Asset Management SA		565 000	565 000	2,7 %	1,6 %
Skandia Fonder		495 426	495 426	2,3 %	1,4 %
SEB Investment Management		443 659	443 659	2,1 %	1,2 %
Placeringsfond Nordea, Garanti		373 795	373 795	1,8 %	1,0 %
Handelsbanken fonder inkl XACT		298 954	298 954	1,4 %	0,8 %
Bjurman, Torsten (private & companies)		288 100	288 100	1,4 %	0,8 %
Riksbankens jubileumsfond		285 433	285 433	1,3 %	0,8 %
Carlson fonder		258 077	258 077	1,2 %	0,7 %
Unionen (SIF)		240 000	240 000	1,1 %	0,7 %
JP Morgan Chase N.A		214 876	214 876	1,0 %	0,6 %
G & L Beijers personalstiftelse		140 000	140 000	0,7 %	0,4 %
CBLDN-IF Skadeförsäkring		135 000	135 000	0,6 %	0,4 %
AMF-Försäkring och Fonder		114 225	114 225	0,5 %	0,3 %
Fjärde AP-Fonden		109 865	109 865	0,5 %	0,3 %
Länsförsäkringar fonder		104 130	104 130	0,5 %	0,3 %
Total holders of >100 000 shares	1 652 520	17 148 036	18 800 556	88,4 %	93,4 %
Other owners	600	2 394 359	2 394 959	11,6 %	6,6 %
Shares in own custody		43 600	43 600		
Total	1 653 120	19 585 995	21 239 115	100,0 %	100,0 %
Votes			36 117 195		

Share data* (SEK)

	2009	2008	2007	2006	2005
Profit per share [1]	10.07	20.58	17.11	8.79	5.86
Equity per share [2]	103	80	59	43	38
Dividend [3]	6.50	6.00	6.00	3.25	2.50
Market value [4]	171.50	109	175	109	89
Yield, % [5]	3.8	5.5	3.4	3.0	2.8
Cash flow per share [6]	11.47	15.91	19.97	11.54	7.42

**) Share split carried out on 31 May 2007. All comparative figures are recalculated taking into account the implemented split.*

Definitions
1) Net profit for the year divided by the average number of outstanding shares
2) Shareholders' equity divided by the number of outstanding shares at year end
3) For 2009, in accordance with the Board of Directors' proposal
4) On 31 December
5) Dividend in relation to market value
6) Cash flow from current operations before changes in working capital divided by the average number of outstanding shares

Share data per registered owner (SEK)

Owners of	Number of shares	Per cent	Number of owners
1 – 500	271 639	1.3	2 122
501 – 1000	187 306	0.9	232
1001 – 2000	247 030	1.2	150
2001 – 5000	276 262	1.3	82
5001 – 10000	300 683	1.4	40
10001 – 20000	305 958	1.4	21
20001 – 50000	929 948	4.4	27
50001 – 100000	412 300	1.9	6
100001 –	18 307 989	86.2	27
Total	21 239 115	100.0	2 707

The year's acquisitions made an impact on sales during 2009

Proposal for the modernisation of the frontage of G & L Beijer's head office in Norra Vallgatan in Malmö. The drawing was created in 1960.

After a number of very good years with strong growth and high profitability, the positive trend for the trading companies on the NASDAQ OMX Stockholm Exchange was broken during 2009. The trading companies, in common with virtually the entire business world, faced difficult challenges during the year as a result of the significant fall in demand which followed from the financial and economic crisis.

In a broader sense, the sector consists of ten companies. According to the companies' profit and loss account reports, their total sales fell by 15 per cent to approximately SEK 33 billion during 2009. At the same time, the companies' combined operating results fell by 64 per cent to SEK 1.1 billion. This is equivalent to an operating margin of 3.5 per cent as a weighted average. It meant that the total weighted operating margin more than halved.

The unusually rapid and strong fall in demand and, therefore, in sales was thus difficult to master fully from a result viewpoint. The fall in sales during the year amounted to no less than SEK 5.8 billion whilst the fall in profit was SEK 2.0 billion. The companies' reports also indicate relatively extensive savings programmes and cost cuts to compensate for the lower sales. The trading companies have also put a significant focus on capital tied-up and especially sought to reduce working capital such as inventories and trade debtors.

During the three-year period 2006-2008, the trading companies as a group grew by 17 per cent per annum on average. An important feature in the sector, which is mature with moderate organic growth, has been to grow through acquisition. The acquisition activity was, for understandable reasons, low during the past year when the focus was on responding to and handling the lower demand. Acquisitions carried out earlier, on the other hand, made an impact on sales for some companies during 2009. G & L Beijer belonged to this category as its acquisition of Carrier ARW was completed on 1 February 2009 and contributed to the increase in the Group's sales during the year.

The stock market anticipated the more difficult times fairly early. As early as 2007, the sector's total market value fell by nearly five per cent. The following year the market value plummeted by 55 per cent. At the 2008 year end, the stock market valued the trading companies' operating results for 2008 at the low EBIT multiple of 3.2. The stock market, however, values anticipated future profits. Seen at the outcome for 2009, the EBIT multiple at the aforementioned year end amounted to 7.5.

The stock market also anticipates a strong recovery of the sector's operating results during 2010, judging from the companies' price trends during 2009. The trading companies' total market value rose by a full 73 per cent during the year which was significantly better than NASDAQ OMX Stockholm Exchange's rise per se of an excellent 47 per cent.

With a total market value in excess of SEK 19 billion, the sector's EBIT multiple amounts to 17 calculated on 2009 operating results. However, the multiple is raised by the fact that some of the companies reported losses for 2009. If the loss-making companies are eliminated from the calculation, the multiple falls to 11.5. The average EBIT multiple calculated on the past year's results at the four latest year-ends amounts to 9. The stock market, therefore, appears to believe in a speedy recovery of the profits.

In their reports for the fourth quarter, many companies state that the market has stabilised and that demand has levelled out at a low level. Some companies also point to signs of some recovery and an improved business climate, but no one dares directly to promise a rapid upturn.

	Sales 2009, sek m	*Change from 2008, %*	*Operating profit 2009, sek m*	*Change from 2008, %*	*Operating margin, %*	*Market value on 31 Dec 2009, sek m*
Addtech*	3 766	– 17	225	– 47	6.0	2 540
BE Group	4 308	– 44	– 266	—	– 6.2	2 180
Beijer Electronics	1 088	– 15	64	– 45	5.9	827
B & B Tools*	7 848	– 19	220	– 67	2.8	2 730
Elektronikgruppen	718	– 23	– 68	—	– 9.5	101
G & L Beijer AB	5 263	57	301	6	5.7	3 635
Indutrade	6 271	– 7	525	– 31	8.4	5 400
Lagercrantz*	1 813	– 17	55	– 59	3.0	623
Malmbergs El	482	– 13	28	– 44	5.8	270
OEM International	1 331	– 20	64	– 60	4.8	957
Total	*32 888*	*– 15*	*1 148*	*– 64*	*3.5*	*19 263*

*) Company with a split financial year. The figures refer to twelve months' average.

G & L Beijer's shareholders could benefit from the Group's successes in the form of dividend and upward trend in the share price

The first decade of the new Millennium was eventful and challenging for the G & L Beijer Group. It culminated during the last year of the 'noughties', 2009, with its large and strategic acquisition of Carrier ARW in the midst of the intense global financial and economic crisis.

As a result, G & L Beijer passed a new milestone in 2009 when Group sales comfortably exceeded SEK 5 billion. It enabled G & L Beijer to report an annual growth of 17 per cent on average during the ten-year period 1999-2009. It has also been a profitable expansion. Operating profit has increased even faster, or by 19 per cent per annum during the same period, and reached a new record level of SEK 300M for 2009.

A brief summary of the financial outcome during the decade gives the following picture:
• Sales increased from SEK 1,147M to SEK 5,263M.
• Operating profit rose from SEK 53M to SEK 300M.
• The operating margin improved from 4.6 per cent to 5.7 per cent.
• Profit after tax increased from 35M to SEK 206M.
• The total dividend amounted to SEK 427M in cash and SEK 870M in the form of shares in Beijer Electronics.
• Shareholders' equity grew from SEK 373M to SEK 2,176 including a non-cash share issue for SEK 1,055M.

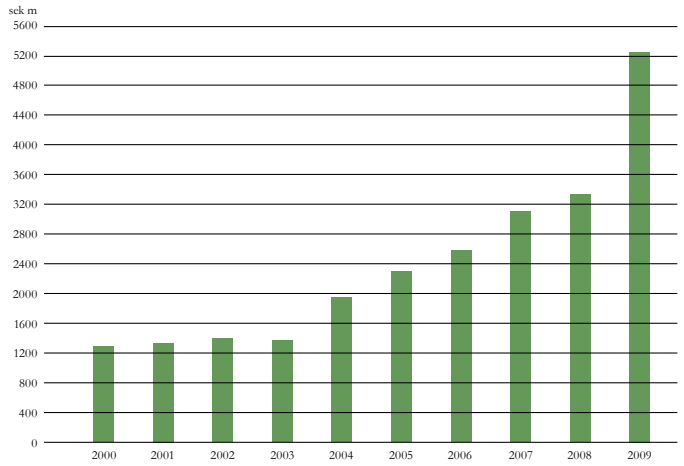
The starting point for the new Millennium occurred when G & L Beijer distributed and listed its subsidiary, Beijer Electronics, to its shareholders in the year 2000. It was a big strategic decision. Beijer Electronics accounted for more than 20 per cent of G & L Beijer's sales in 1999 and was the Group's fastest-growing business area. However, Beijer Electronics was deemed to be able to develop best as an independent listed company with direct access to the stock market whilst G & L Beijer could concentrate its focus on and give higher priority to the two remaining business areas, Beijer Ref and Beijer Tech.

G & L Beijer also adopted a technology-oriented growth strategy with expansion both organically and through acquisition. During the years 2000-2003 Beijer Tech was most active within acquisition. Beijer Tech gave priority to growth within the business area's new segments, hose and rubber operations, and to consumer products such as hand tools.

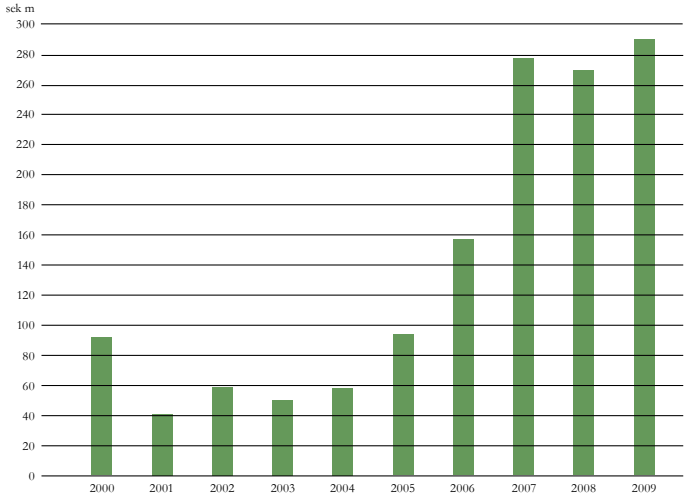
The Beijer Ref business area reached a milestone in connection with the acquisition of Elsmark in 2004. The acquisition meant that Beijer Ref doubled its sales and moved from being the leading refrigeration wholesaler in the Nordic countries to being one of the largest wholesalers in Europe. The acquisition included six companies with operations in six countries in Europe. During the ensuing years, Beijer Ref carried out a number of supplementary acquisitions, both in its existing markets and in new markets in Europe. The business area also consolidated its operation to trading by divesting some manufacturing units. At the same time, the fast-growing segment comfort cooling, or air conditioning, was given increased priority.

In the middle of the decade, consumer products within Beijer Tech met increasingly tough competition, price pressure and weaker profitability. The business area then changed its strategy and decided to divest consumer products, which it did during 2006. At the beginning of 2008, the business area's only manufacturing operation, Brogårdssand, was also divested. The sales freed up resources for continued invest-

Sales 2000 – 2009



Profit before tax excluding one-off items 2000 – 2009



ments and acquisitions within the rubber and hose segment and within industrial trading.

During the decade, G & L Beijer carried out a total of 40 acquisitions of different sizes. The total consideration amounted to approximately SEK 1.5 billion. At the same time, the company divested a number of companies and assets, including some properties.
G & L Beijer's business model is based on long-term planning, stability and tradition. At the same time, the capacity to change is an important cornerstone. During its almost 150-year history, the Group has gone through gradual changes and adaptations to new conditions. Thus, the 'noughties' were no exception.

The main theme in G & L Beijer has always been its focus on trading. It is, without doubt, an important part in the explanation of the Group's survival and development strength. It is easier to adapt a trading operation to external changes.

The 2010s also started with continued structural changes. In February 2010, G & L Beijer decided to divest its Beijer Tech business area to Beijer Alma. Through the transaction, G & L Beijer took another step forward in the strategic development of the company. The divestment of Beijer Tech was a step in concentrating its focus on the fast-growing operation within refrigeration systems and refrigeration components.

G & L Beijer's shareholders could benefit from the Group's successes during the decade in the form of dividends and the upward trend in the share price. A shareholder who bought or owned a share at the 1999 year end and has kept the shares has received SEK 68 in cash dividends and SEK 140 in Beijer Electronics' shares plus a dividend on these shares totalling SEK 34. The total yield, including movements in market prices, amounted to almost 1,000 per cent during the ten-year period, equivalent to approximately 25 per cent per annum.

What then do the 2010s have in store? Can G & L Beijer continue to maintain its rapid expansion rate? With its acquisition of Carrier ARW during 2009, G & L Beijer became clearly the largest operator in Europe with operations in 22 European markets. With the acquisition also came a significant operation in South Africa and operations established in Namibia and Botswana. The starting point is favourable.

• G & L Beijer has a very strong balance sheet, which further improved with the divestment of Beijer Tech, and a good cash flow.
• The underlying markets show good long-term growth.
• There are a large number of potential acquisitions, both inside and outside Europe.
• The Group has extended its contact network through the collaboration with Carrier.
• The organisation is decentralised.
• G & L Beijer has a vast experience of acquisitions.

However, the risks should not be underestimated. A high rate of expansion requires a large number of acquisitions, which always involves risks. It becomes more difficult to control a larger company and the need of management resources increases. New geographic markets mean greater risks but also greater opportunities. In any event, G & L Beijer has created a solid platform for continued international expansion with the opportunity to establish itself as a global group within the refrigeration sector.

The robust business model and the extensive operations also generate stable results

Business concept

G & L Beijer is a technology-oriented trading Group, operating in refrigeration and air conditioning. Through a combination of added-value agency products and products of the company's own development, the Group will offer competitive solutions for a large number of customers.

Objectives

G & L Beijer aims to create scope for strong growth within Beijer Ref. The parent company, together with the Beijer Ref, has set the following targets.

Beijer Ref aims to strengthen further its position as the leading operator in Europe and to increase its business activities in the global market.

The objective is to grow faster than the market.

The Group aims to achieve a return on capital employed in operations of at least 11 per cent.

The Group normally has good cash flows and a high-dividend capacity. The objective is to distribute 30-70 per cent of profit after tax. However, the level will be weighted every year against the Group's capital requirements and prospects for the future.

The equity ratio shall not normally fall below 30 per cent.

Strategies

G & L Beijer will concentrate its operations on Beijer Ref.

Beijer Ref's resources are mainly concentrated on the wholesale operations. The strategy for continued growth is to develop the operations in existing markets through organic growth and supplementary acquisitions as well as acquisitions in new geographic markets in Europe and in the global market. From a product viewpoint, air conditioning will be given priority for developing the operation.

The Group gives priority to long-term and stable business relationships.

The Group will optimise the diverse requests of different interested parties. The primary interest groups consist of shareholders, customers, employees and suppliers.

Business model

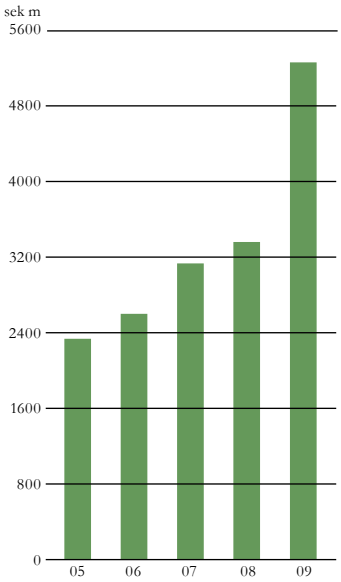
G & L Beijer's business model has been sustainable and stable over the years. The fundamental concept is the focus on trading operations and distribution of refrigeration components and air conditioning. The Group's value chain consists of agency agreements, purchasing, some manufacturing, processing and customer adaptation of products by contributing technical expertise, efficient logistics and warehousing, system solutions and offering technical support and service. Vis-à-vis G & L Beijer's suppliers, the Group accounts for knowledge and experience of the market and customer needs and demands.

G & L Beijer identifies and evaluates critical variables in the value chain which means that the customer's operation and the running of it are put in focus. These variables include decentralisation, local presence, accessibility, rapid and efficient deliveries, and service.

Long-term planning, stability and tradition are characteristics which typify G & L Beijer's relationships with suppliers and customers. At the same time, the ability to change is also an important cornerstone.

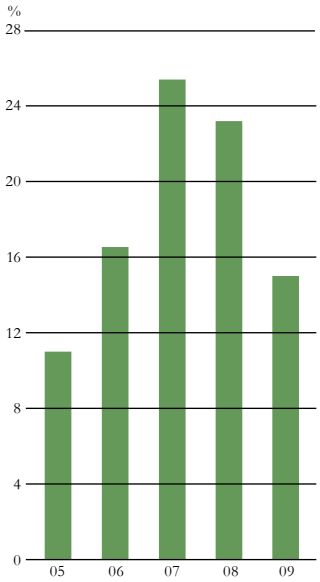
The Group has undergone gradual changes and adaptations to new market conditions. Operations have been divested or distributed and new operations have been added. In February 2010, G & L Beijer decided to divest its Beijer Tech business area to Beijer Alma. The divestment of Beijer Tech was a move forward in focusing on the strongly-growing operation within refrigeration systems and refrigeration components.

Net sales



Over the past five years, the Group has reported average growth of 22 per cent

Return on capital employed in operations



Return on capital employed in operations has averaged 18.2 per cent

All in all, Beijer Ref has a comprehensive product range which covers most sectors. G & L Beijer has a good geographic spread with sales in 22 countries in Europe as well as sales in South Africa, Namibia and Botswana. The total number of customers amounts to approximately 50,000.

The Group's markets are mature and show moderate growth. G & L Beijer strives to increase growth, partly through acquisition. Over the past five years, 2005-2009, the Group has reported average growth of 22 per cent per annum.

The robust business model and the extensive operations also generate stable results. The operating margin (operating profit in relation to sales) has averaged 7.3 per cent during the five-year period. It has shown variations with a high of 10.0 per cent and a low of 4.7 per cent. Return on capital employed in operations has averaged 18.2 per cent. Return on capital employed in operations has varied between 25.4 per cent and 10.9 per cent. Return on equity was 22.9 per cent on average. The high was 33.6 per cent and the low was 13.0 per cent.

G & L Beijer's value-creation benefits its shareholders in the form of dividend and potential price growth. The dividend over the past five years has averaged approximately 40 per cent of profit after tax. G & L Beijer's shareholders have received a total yield (dividend plus share-price growth) of 23.0 per cent per annum on average during the five-year period, 2005-2009. The comparable index - the Six Return Index - rose by 10 per cent per annum during the same period.

Market demand fell dramatically during the year

The G & L Beijer Group is focused on trading and distribution operations within refrigeration products, air conditioning and heat pumps. The product programme consists mainly of agency products.

Overall, operations are controlled by the Board of Directors and the parent company through target formulation and target monitoring of the Group's business area - Beijer Ref. The parent company acts through work on the Board of Directors of the business area and takes a proactive part in acquisition processes, strategic decisions, etc.

The global financial and economic crisis made a big impact on the markets in which G & L Beijer operates, Market demand fell dramatically during the year. However, the rate of decline slowed down during the second half of the year and demand stabilised on a low level towards the end of the year. G & Beijer could, nevertheless, report its best year so far, including acquisitions, relating to sales and operating profit.

On 1 February 2009, G & L Beijer acquired Carrier ARW's refrigeration and air-conditioning distribution operation in seven countries in Europe and the company's distribution and manufacturing operations in South Africa through its Beijer Ref business area. As payment for the operations, G & L Beijer carried out a directed new issue of 8.8 million shares at a value of SEK 1,055M.

After the end of the financial year, G & L Beijer divested its Beijer Tech business area to Beijer Alma. G & L Beijer received a total consideration of 2.7 million shares in Beijer Alma and a cash portion of SEK 39M. In total, the transaction was valued at SEK 340M and G & L Beijer realised a capital gain of SEK 140M which will be included in the Group's results for the first quarter of 2010. The transaction, which was made on a free-from-debt basis, strengthened further the Group's financial position. Beijer Tech will not be included in the consolidated accounts from 25 March 2010.

Sales

Consolidated sales increased by 57 per cent to SEK 5,263.2M (3,356.6). The increase is explained by acquisitions.

Sales of Beijer Ref rose by 75 per cent to SEK 4,757.8M (2,714.1), equivalent to 90 per cent (81) of Group sales. Beijer Tech's sales fell by 21 per cent to SEK 505.4M (642.5), equivalent to 10 per cent (19) of Group sales.

Operating profit

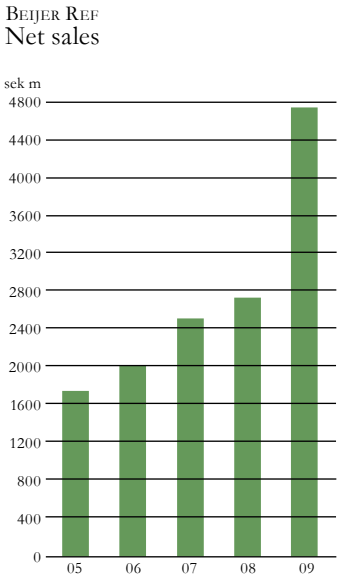
The Group's operating profit amounted to SEK 300.7M (283.2). Including one-time items of SEK 53.2M, the result was SEK 336.4M in 2008. Beijer Ref contributed SEK 299.3M (247.7). Including one-time items of SEK 22.7M, operating profit was SEK 270.4M in 2008. Beijer Tech's profit amounted to SEK 20.6M (55.1). Including one-time items of SEK 30.5M, the result amounted to SEK 85.6M in 2008.

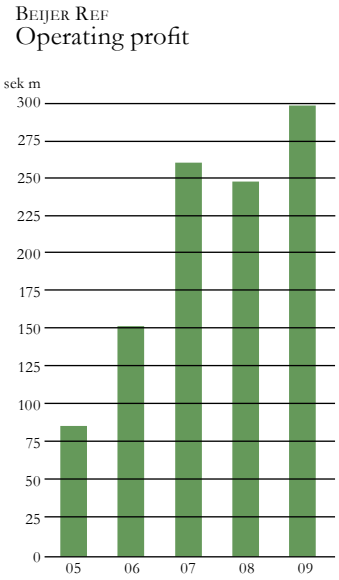
Profit after financial income/expense and tax

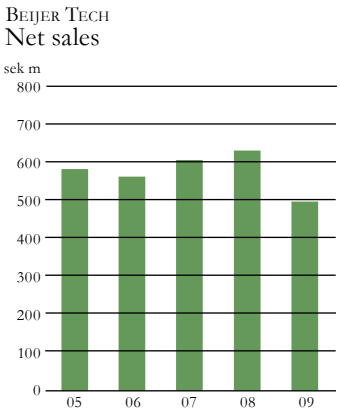
Financial income/expense amounted to SEK -10.8M (-14.4). Financial income/expense included a share in profits of SEK 7.4M (9.4) from the Group's indirect ownership in CMP (Copenhagen Malmö Ports). Profit before taxes amounted to SEK 289.9M (322.0). Profit after tax amounted to SEK 206.0M (255.2).

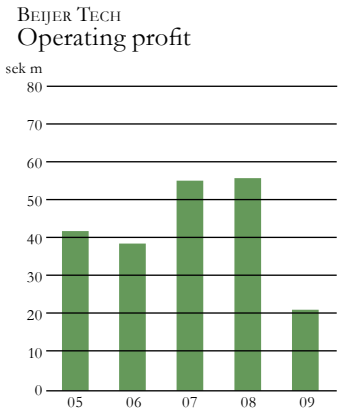
Profitability

Return on capital employed in operations and capital employed amounted to 14.6 per cent (23.2) and 13.2 per cent (22.7) respectively. Return on equity was 13.0 per cent (29.7).









All the diagrams are adjusted for items affecting comparability and one-off items which occurred during 2005, 2007 and 2008.

Other financial information

The Group's investments in tangible and intangible fixed assets, including acquisitions, amounted to SEK 1,160.3M (91.6). The cash flow from current operations after changes in working capital was SEK 419.1M (67.2). Liquid funds, including unutilised bank overdraft facilities, were SEK 537.6M (192.7) at the year end. Interest-bearing liabilities amounted to SEK 734.0M (722.0). The net debt amounted to SEK 400.2M (617.6). Shareholders' equity amounted to SEK 2,175.5M (990.0). It meant a debt/equity ratio of 0.34 (0.73) and an equity ratio of 54.3 per cent (44.6).

Parent company

The parent company, G & L Beijer AB, reported profit after financial income/expense of SEK 57.4M (54.7). Profit after tax amounted to SEK 62.0M (58.4). At the year end, loan financing was SEK 342.3M (299.2). The parent company's investments amounted to SEK 1.0M (0.07).

Currency

G & L Beijer's sales are transacted in Europe and South Africa. EUR accounted for 47 per cent of total sales, SEK for 14 per cent, CHF for nine per cent and ZAR and GBP for eight per cent each. EUR accounted for 67 per cent of purchases, SEK for eight per cent and GBP for eight per cent.

Organisation and staff

G & L Beijer has a decentralised organisation. During 2009, operations were carried out in a number of subsidiaries which were co-ordinated under the Beijer Ref and Beijer Tech business areas. The control of the operations is carried out through target formulation and monitoring of set targets. The parent company has overall responsibility for Group management and Group control.

In 2009, the Group had an average of 1,765 employees (1,036). The parent company, including Beijer Förvaltning AB, had seven employees (6) on average. The number of employees in Beijer Ref was 1,584 (846) and in Beijer Tech 174 (184).

Environmental policy

G & L Beijer will contribute to ecologically sustainable development. The Group will offer advanced technical services and products which meet customer requirements and make the least possible impact on the environment throughout the product lifecycle within the constraints of what is technically possible and commercially defensible.

G & L Beijer will ensure that the Group's environmental ambitions are communicated and observed through an open and objective dialogue with all interested parties. The staff will continually be trained to assume responsibility for, and develop, the Group's environmental work. The environmental work will be audited regularly and the results reported openly.

The outcome for the full year was clearly satisfactory as Beijer Ref was able to increase its sales significantly and report improved results

The Beijer Ref business area markets and sells complete refrigeration systems, refrigeration components and air conditioning in 22 countries in Europe and in South Africa, Namibia and Botswana.

2009 OPERATIONS

2009 was an extremely challenging year in several respects for the Beijer Ref business area. It involved integrating and co-ordinating the large acquisition of Carrier ARW, which has operations in eight countries, and, at the same time, responding to and handling the dramatic fall in demand in virtually all markets. Against a background of negative economic trends, the outcome for the full year was clearly satisfactory as Beijer Ref was able to increase its sales significantly and report improved results.

The markets in which Beijer Ref operates developed at different rates during the past year. The significant fall in demand as a result of the global financial and economic crisis hit southern Europe as early as the fourth quarter of 2008. Northern Europe held up relatively well before demand fell during the first half of 2009. In the second half of the year, the fall in southern Europe slowed down whilst northern Europe remained weak during the period. For the full year, the falls in volume amounted to 10-30 per cent depending on market. All in all, Beijer Ref is estimated to have won market share during the year.

The fall in volume for the 'old' Beijer Ref amounted to approximately 15 per cent during the year. Currency effects had a positive effect of nine per cent. Norway surprised positively with largely unchanged sales. The Swedish wholesale operation, Finland and Holland fell by five per cent each. Denmark, United Kingdom and Ireland reported falls of around 20 per cent. The operations in Eastern Europe reported a relatively poorer trend.

The acquired companies within ARW together reported a fall in volume of nine per cent. Currency effects affected sales positively by six per cent and, therefore, the effect in SEK was a fall of three per cent. South Africa reported the best development with a fall in volume of approximately six per cent. The volume falls in France, Spain, Italy and Belgium were around 13-20 per cent.

Sales in Beijer Ref's largest individual market, France, amounted to SEK 939M, equivalent to 20 per cent of the business area's sales. Holland accounted for SEK 622M, Switzerland for SEK 449M, South Africa for SEK 409M and United Kingdom for SEK 402M of total sales. The Nordic countries, Sweden, Denmark, Norway and Finland, reported combined sales of SEK 1,051M, equivalent to 22 per cent of total sales. Italy and Spain accounted for five and four per cent respectively of the business area's sales.

Beijer Ref has been relatively successful in defending its gross margins. In order to meet the volume-related fall in gross profit, the business area worked with a number of different action programmes which, together, generated savings in expenses of approximately SEK 30M during the year.

The different measures included renegotiations of lease contracts, the formation of a joint warehouse for the operations in Holland and Belgium, the closure of Delmo's plant in France and moving the operation to the company's other plants in the country, staff adaptations in Spain, the merger of two companies in Poland, the transfer of Clima's operation to Kylma as well as staff reductions and a short-working week in the Swedish manufacturing operation.

The Asian Games are arranged as a part of the Olympic movement. During 2011, these Games will be held for the seventh time in Kazakhstan. Ahead of these Games, the Beijer Ref company, ECR Nederland, has delivered the refrigeration plant to Medeo Skating Arena in Astana.


MATTON

In total, approximately 100 employees, equivalent to more than five per cent of the workforce, have been affected by the action programmes. As its expressed strategy during the difficult market conditions, Beijer Ref has, as far as possible, sought to keep sales organisations and technical personnel intact in order to be able to respond rapidly to any normalisation of the market.

The co-ordination and integration of the acquired operations have, in all essentials, followed the plan although the process is estimated to take slightly longer due to the economic crisis. During the year, a number of important steps were taken in the co-ordination process, including:

• The majority of the most important supplier agreements have been negotiated on a central level, taking into account the different local market conditions, in order to co-ordinate all purchases which generates significant savings. In addition, volume bonus systems have been implemented.
• Beijer Ref has been awarded a new distributor agreement with a strategic supplier in United Kingdom.
• The product portfolio in Spain has been expanded into a full-range wholesale operation.
• Increased collaboration with Emerson in South Africa and the establishment of a branch office in Botswana well as advanced plans for the additional establishment of operations in other countries adjacent to South Africa.
• An exclusive agreement with a supplier of compressors.
• Beijer Ref is involved in detailed negotiations to become the principal supplier to large international installation companies within the heating, refrigeration and comfort segments.

Sales

Beijer Ref's sales increased by 75 per cent to SEK 4,757.8 M (2,714.1). The significant increase is explained by the acquisition of Carrier ARW. Sales for the acquired units, which were included during the period February-December, amounted to SEK 2,304M.

Commercial refrigeration reported sales of SEK 3,879M and accounted for 82 per cent of the business area's sales. Comfort cooling reported sales of SEK 878M and accounted for 18 per cent of sales. Sales within the wholesale and trading companies amounted to SEK 4,584M, equivalent to 96 per cent of the business area's total sales. The manufacturing companies reported sales of SEK 173M.

Operating profit

The business area's operating profit rose by 20 per cent to SEK 299.3M (247.7). Including one-time gains, the result amounted to SEK 270.4M in 2008. The operating margin was 6.3 per cent (9.1). The improved result is explained by profit contributions from the acquired operations and lower expenses as a result of the savings programmes.

Beijer Ref's company in South Africa, Metraclark, delivers refrigeration and freezing systems to the Checkers grocery chain.

The Beijer Ref business area is the leading refrigeration and air-conditioning wholesaler in Europe with sales in 22 countries. Beijer Ref also manufactures heat exchangers. Operations are carried out in two segments: Wholesale & Trading companies and Manufacturing companies.
Beijer Ref's competitive edge lies in its technical competence relating to its products, its comprehensive product range and its ability to offer efficient overall solutions.

Products

Beijer Ref markets and sells complete refrigeration systems and components for refrigeration systems as well as air conditioning and heat pumps. The product range consists of products developed by the company and features some of the best-known brands in the sector. The offer to customers is characterised by turnkey system solutions which simplify installation.

Beijer Ref's products are mainly used in refrigeration and freezer counters, refrigeration and cold storage rooms, as well as for air conditioning and ventilation. The products are found in different environments such as food stores, shopping centres, factories, offices, computer rooms, ice rinks, private residences, hotels etc.

In simple terms, a complete refrigeration system consists of the following components:
• A compressor which pumps a refrigerant through a cooling system.
• A refrigerant which transports heat away from the refrigerated area.
• Heat exchangers of various types such as evaporators, condensers or coolers.

Beijer Ref offers the market a total of tens of thousands different products in the refrigeration sector. Operations are carried out in two segments: Wholesale & Trading companies and Manufacturing companies.

Wholesale & Trading companies

Beijer Ref's wholesale and trading companies are the leading operators in Europe. The companies have agencies for a number of products within the refrigeration segment such as compressors, refrigerants, control and monitoring equipment, and various components. Beijer Ref represents leading companies in the sector within the different product areas, including AIA, Alfa Laval, Armacell, Bitzer, Bock, Carel, Castel, Copeland Scroll, Danfoss, Honeywell, Ineos, Johnson Controls, Luve, Outokumpu, Electrolux, Henry and L´Unité Hermetique.

The Swedish, Norwegian, Dutch and Swiss wholesalers also manufacture customised fluid-refrigerating units.

The products within comfort cooling (air conditioning) are sold on an agency basis from the Japanese companies Mitsubishi Heavy Industries, Mitsubishi Electric, Hitachi and Toshiba, from the Italian company, Aermec, the Chinese company, Midea, and the South Korean company, LG. The Aircool air-conditioning unit is an own-brand product. In addition, Beijer Ref distributes products from the Carrier group and also has the rights to market and sell Carrier's brand, Totaline, within refrigeration and air conditioning.

Beijer Ref's competitive edge lies in its technical competence relating to the products, an extensive and varied product range and, in particular, opportunities to offer customers efficient overall solutions. In addition, Beijer Ref enjoys long-term durable relationships with its customers.

The wholesale and trading companies accounted for approximately 81 per cent of the business area's sales in 2009. Comfort cooling accounted for around 19 per cent.

The Dutch company, ECR Nederland, has delivered refrigeration units of its own design and manufacture that have been shipped to Japan for installation in vessels which transport nuclear fuel waste.

Manufacturing companies

The manufacturing companies carry out development, manufacturing and sales of the business area's own products such as heat exchangers, evaporators and condensers. Production is carried out in Sweden and Norway. The products complement each other well in terms of customer segment and production technology, which provides integrated technical and marketing strength.

The manufacturing companies account for approximately four per cent (6) of the business area's gross sales in 2009. Approximately 80 per cent of the manufacturing company's sales are made to external customers and the remaining 20 per cent are delivered to the business area's wholesale and trading companies. Beijer Ref also manufactures heat exchangers and refrigeration units in South Africa.

Market and market segments

Beijer Ref is established in 22 markets in Europe: Sweden, Denmark, Norway, Finland, United Kingdom and Ireland, Holland, Switzerland, Poland, the three Baltic States, Hungary, Rumania, the Czech Republic, France, Italy, Spain and Belgium. Beijer Ref also carries out a significant operation in South Africa and has offices in Namibia and Botswana.

The market is split into three segments: commercial refrigeration, industrial refrigeration and comfort cooling.

• Commercial refrigeration dominates the business area and consists mainly of complete refrigeration systems and components for refrigeration systems. The food retail sector and the restaurant sector are the largest end-customer groups.
• Industrial refrigeration is mainly used by food industries, process refrigeration, ice rinks and in large heat pumps.
• Comfort cooling is air conditioning for offices, private residences and cars, and heat pumps.

Demand in the business area's largest segment, commercial refrigeration, is relatively stable and only partly varies with the economic trend. Rising consumption of refrigerated and frozen products, as well as the establishment of new food supermarkets, benefits the segment. In addition, the market is being positively affected by decisions made by the authorities, such as the requirement to convert to more environmentally-friendly refrigerants. The market for comfort cooling enjoys strong growth as climate installations in work locations and in cars are becoming increasingly common.

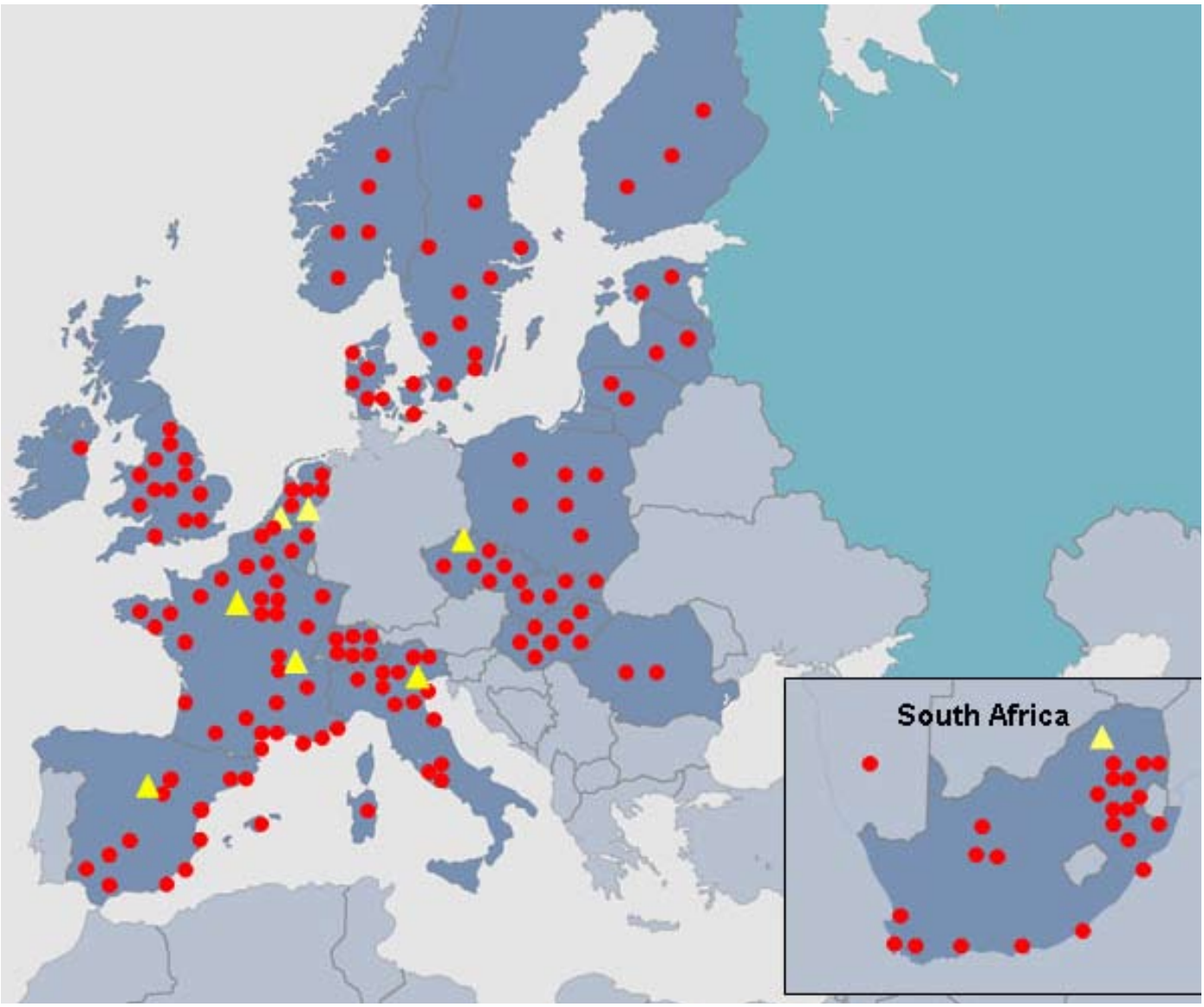
Beijer Ref's sales are mainly made to refrigeration installation contractors, service companies and manufacturers of refrigeration products which, in turn, deliver to end customers. The market consists of a small number of large customers and a significant number of small and medium-sized customers.

Competitors

Beijer Ref is the market leader in Europe. Major competitors of the wholesale and trading companies in Europe are the Spanish company, Pecomark; and the German companies, Schiessel, Fischer, Frigotechnik and Reiss. The Nordic competitors are Ahlsell and Onninen. In addition, there are a large number of small competitors.

The manufacturing companies face competition from Alfa Laval, Coil-Tech, Guntner, Luve and Searle.

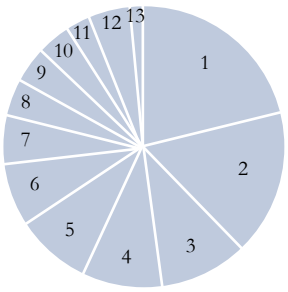
The picture shows the air-conditioning system which Metraclark has delivered to the Road and Transport Department in the Limpopo province in South Africa.



Net sales and Results

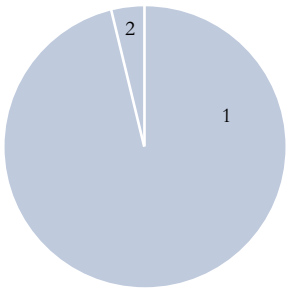
sek m	*2009*	*2008*	*2007*	*2006*	*2005*
Net sales	4757.8	2714.1	2520.5	2018.3	1743.2
Operating profit	299.3	270.4	260.6	150.4	85.3
Return on capital employed in operations, %	17.5	23.6	29.2	20.2	11.4
No. of employees	1584	846	774	708	719

Geographic distribution of net sales



1. France 20%, 2. The Netherlands 13%, 3. Switzerland 9%, 4. South Africa 9%, 5. United Kingdom 9%, 6. Denmark 8%, 7. Sweden 7%, 8. Italy 5%, 9. Spain 4%, 10. Norway 4%, 11. Finland 3%, 12. Other European countries 7%, 13. Rest of the world 2%

Distribution of net sales



1. Wholesale and Trading companies 96%, 2. Manufacturing companies 4%

Per Bertland,
Head of the Beijer Ref business area

Beijer Tech divested after the end of the financial year

The Beijer Tech business area carries out value-creating technology trading which develops and improves the customer's processes and products. The business area operates within six product areas: Surface Treatment, Foundries, Steel Mills & Smelters, Fluid Technology, Industrial Rubber and Services. Beijer Tech mainly works the markets in Sweden, Norway and Finland.

2009 OPERATIONS

The economic crisis moved along rapidly and the ensuing deep recession during 2009 resulted in significant falls in demand in all markets. It particularly affected Beijer Tech as the business area is especially exposed to demand from the Swedish industrial sector.

It was a difficult year during which the challenges consisted of handling and responding to the rapid and significant market decline. The business area also concentrated its focus on the continued integration of the previous acquisitions within Lundgrens, which implemented a new market organisation at the 2008 year end. The organisation was split into five product areas and two sales regions. As a result, Lundgrens achieved a broad and complete product programme of manufacturing supplies and maintenance products.

In spite of the significant fall in demand in the market, Beijer Tech was largely able to maintain its gross margins. Various savings in expenses contributed to moderating the fall in profit and, in view of the circumstances, the business area was able to report an acceptable operating margin and profitability for the full year.

The fall in demand began as early as at the end of the fourth quarter of 2008. Thereafter, the market deteriorated gradually from the first to the third quarter. During the fourth quarter, the rate of decline slowed down and the low level in demand passed. For the full year, sales fell by 21 per cent.

Beijer Tech's different product areas were all hit by the weak market, but to a varying degree. The hose and rubber operations within Fluid Technology and Industrial Rubber coped relatively better with falls of around 18 per cent. One explanation is that Fluid Technology has a broader customer base with many small and medium-size companies. The industrial side with product areas Surface Treatment, Foundries, Steel Mills & Smelters, which has fewer, larger customers, was hit harder with falls of more than 25 per cent. On the other hand, plant equipment for Steel Mills & Smelters, which are commission transactions for Beijer Tech, reported a strong year. This is explained by the fact that the construction side is investment-related and lies later in the business cycle.

In order to counter the lower demand, Beijer Tech implemented a number of savings measures. Costs for marketing, sales and administration were reduced. In total, savings in expenses amounted to SEK 18M.

The activities on the acquisition side were also reduced during the year. In 2009, Beijer Tech acquired the hose and rubber company Slang-Pac AB in Stockholm. The operation markets and sells industrial hose, hose fittings, rubber sections, mouldings, gaskets and other rubber products. The acquisition complements the business area's subsidiary, Lundgrens, product programme and strengthens the company's position on the construction side. It also increases the market coverage, especially in the Mälaren region. Slang-Pac, which reports annual sales of SEK 40M and has 14 employees, has been included in G & L Beijer's accounts from 1 November 2009.

Sales

Beijer Tech's sales fell by 21 per cent to SEK 505.4M (642.5). The fall is due to the significant fall in demand.

Operating profit

Beijer Tech's operating profit amounted to SEK 20.6M (55.1). Including one-time gains of SEK 30.5M, the result was SEK 85.6 in 2008. The operating margin was 4.1 per cent (8.6). The fall in profit is explained by lower sales volumes. The fall in profit was mitigated by cost savings. At the same time, profit was charged with one-time costs of SEK 6M as a result of bad debt losses and inventory write-downs.

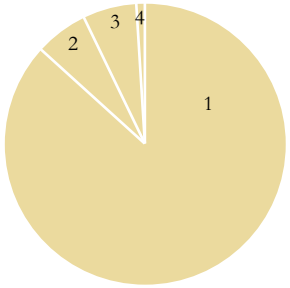
Beijer Tech divested

After the end of the financial year, G & L Beijer divested the Beijer Tech business area to Beijer Alma. Beijer Tech is not included in the consolidated accounts from 25 March 2010.

Net sales and Results

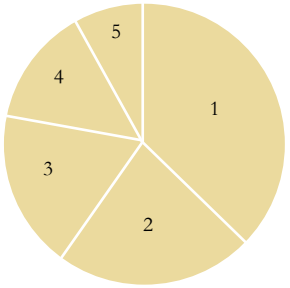
sek m	*2009*	*2008*	*2007*	*2006*	*2005*
Net sales	505.4	642.5	615.4	573.9	589.7
Operating profit	20.6	85.6	55.2	38.1	41.8
Return on capital employed in operations, %	10.5	53.6	39.1	25.1	24.1
No. of employees	174	184	186	193	194

Geographic distribution of net sales



1. Sweden 86%,
2. Norway 6%,
3. Finland 6%,
4. Other European countries 2%

Distribution of net sales



1. Fluid Technology 32%,
2. Foundries 23%,
3. Surface Treatment 22%,
4. Industrial Rubber 17%,
5. Steel Mills and Smelters 6%

Peter Kollert,
Head of the Beijer Tech business area

Board of Directors

Chairman
Peter Jessen Jürgensen
Born 1949
Board Member since 1999.
Chairman of Bio Aqua ApS and Scanfort A/S.
Board Member of IKI Invest A/S, Labotek A/S, Profort A/S, News Cap A/S and G & L Beijer A/S.
Shareholding in G & L Beijer AB: 447 626 A shares and 809 200 B shares.

Board Member
Joen Magnusson
Born 1951
Board Member since 1985.
Managing Director of G & L Beijer AB.
Board Member of Beijer Electronics and other companies.
Shareholding in G & L Beijer AB: 472 756 A shares and 135 916 B shares.

Board Member
Philippe Delpech
Born 1962
Board Member since 2009.
President of Carrier Commercial Refrigeration.
Shareholding in G & L Beijer AB: 0

Board Member
Bernt Ingman
Born 1954
Board Member since 2006.
CFO of Husqvarna AB.
Chairman of Schneidlerföretagen AB.
Shareholding in G & L Beijer AB: 3 000 B shares.

Board Member
Poul Friis
Born 1939
Board Member since 2002.
Board Member of G & L Beijer A/S.
Shareholding in G & L Beijer AB: 12 500 B shares.

Board Member
Anne-Marie Pålsson
Born 1951
Board Member since 2003.
Vice Chairman of Länsförsäkringar Skåne.
Board Member of Länsförsäkringar AB, Hagströmer & Qviberg and Riksrevisionen.
Executive Member of Kungliga Ingenjörsvetenskapsakademin and Kungliga Skogs- och Lantbruksakademin.
Associate Professor at the University of Lund.
Member of the Swedish Parliment.
Shareholding in G & L Beijer AB: 1000 B shares.

Board Member
William Striebe
Born 1950
Board Member since 2009.
Vice President of Carrier Corporation.
Shareholding in G & L Beijer AB: 0


Peter Jessen Jürgensen


Joen Magnusson


Philippe Delpech


Bernt Ingman


Poul Friis


Anne-Marie Pålsson


William Striebe

Senior Executives

Chief Financial Officer
Jonas Lindqvist
Born 1962
Shareholding in G & L Beijer AB: 0

Head of the Beijer Ref business area
Per Bertland
Born 1957
Shareholding in G & L Beijer AB: 293 428 A-aktier samt 126 000 B shares

Head of the Beijer Tech business area
Peter Kollert
Born 1961
Shareholding in G & L Beijer AB: 16 000 B shares


Jonas Lindqvist


Per Bertland


Peter Kollert

Auditors
Mikael Eriksson
Born 1955
Authorised Public Accountant,
PricewaterhouseCoopers AB.
Auditor in the G & L Beijer Group since 2005.

Lars Nilsson
Born 1965
Authorised Public Accountant,
PricewaterhouseCoopers AB.
Auditor in the G & L Beijer Group since 2005.


Mikael Eriksson and Lars Nilsson

Corporate Governance Report

1. Introduction
G & L Beijer AB has been implementing the Swedish Code for Corporate Governance since 2005. The follow-up during 2009 has resulted in G & L Beijer having no discrepancies to report.

This Corporate Governance Report has not been examined by the company's auditors.

2. Preparation of appointment of board of directors and auditors
An Election Committee was appointed in October 2009. The duties of the Election Committee is to submit proposals for Board Members, Chairman of the Board, Chairman of the Annual Meeting of shareholders and for the remuneration of the Board of Directors and Auditors to be submitted to the Annual Meeting of shareholders on 28 April 2010. The Members of the Election Committee were appointed from the company's largest owners.

The year's Election Committee consists of the following members:
Peter Rönström (Lannebo Fonder), Chairman of the Election Committee
Peter Jessen Jürgensen (Chairman of the G & L Beijer Board of Directors)
Philippe Delpeche (Carrier)
Erik Sjöström (Skandia Liv)

The Election Committee has carried out its work as follows:
It has evaluated the work, composition and competence of the Board of Directors.

3. Information about the board members
Below follows information about the Board Members:

- *Peter Jessen Jürgensen* (born 1949), Chairman.
Board Member since 1999.
Education and work experience:
Graduate engineer and MBA in Denmark. Engineer in Atlas. Work in the family company, HJJ, as Managing Director of the subsidiary, Ajax, and later as Managing Director of IKI and Managing Director of TTC in Denmark.
Other significant assignments:
- Chairman of Bio Aqua ApS and Scanfort A/S
- Board Member of IKI Invest A/S, Labotek A/S, Profort A/S, News Cap A/S and G & L Beijer A/S.
Shareholding, privately and via companies, in G & L Beijer AB: 447,626 A shares and 809,200 B shares.

The Election Committee is not of the opinion that Peter Jessen Jürgensen is independent of the largest shareholders. However, he is independent of the company and the Executive Management.

- *Paul Friis* (born 1939), Board Member.
Board Member since 2002.
Education and work experience:
Paul Friis is a graduate engineer of DTU and has worked within ITT, Teleselskaberne Denmark, currently Teledanmark, in different posts and later in leading positions. Paul Friis later worked as Divisional Director in Siemens in Denmark and, thereafter, as Managing Director of NKT Elektronik until 1995. Thereafter, Paul Friis has devoted his time to board work.
Other significant assignments:
- Board Member of G & L Beijer A/S
Shareholding in G & L Beijer AB: 12,500 B shares.

The Election Committee is of the opinion that Paul Friis is independent of the company, the Executive Management and large shareholders.

- *Anne-Marie Pålsson* (born 1951), Board Member.
Board Member since 2003.
Education and work experience:
Anne-Marie Pålsson is a MA graduate from the University of California and is a PHD in economics from the University of Lund. During her professional career, Anne-Marie Pålsson has worked in the academic world. She is an Associate Professor at the University of Lund. Anne-Marie Pålsson holds a number of board assignments and has been a Member of the Swedish Parliament since 2002.
Other significant assignments:
- Vice Chairman of Länsförsäkringar Skåne
- Board Member of Länsförsäkringar AB, Hagströmer & Qviberg, Riksrevisionen, Institutet för Framtidsstudier.
- Deputy Board Member of Riksbankens jubilumsfond.
- Executive Member of Kungliga Ingenjörsvetenskapsakademin and Kungliga Skogs- och Lantbruksakademin.
Shareholding in G & L Beijer AB: 1,000 B shares.

The Election Committee is of the opinion that Anne-Marie Pålsson is independent of the company, the Executive Management and large shareholders.

- *Joen Magnusson* (Born 1951), Board Member.
Board Member since 1985.
Managing Director of G & L Beijer AB.
Education and work experience:
MBA, Lund.
Employed in Teglund Marketing AB, Statskonsult AB, Skrinet AB.
Managing Director of G & L Beijer AB since 1993.
Other significant assignments:
- Board Member of Beijer Electronics AB
- Board Member/Chairman of a number of companies within the Beijer Group.
Shareholding, privately and via companies, in G & L Beijer AB: 472,756 A shares and 135,916 B shares.

The Election Committee is not of the opinion that Joen Magnusson is independent of either the company, the Executive Management or large shareholders.

- *Bernt Ingman* (Born 1954), Board Member.
Board Member since 2006.
CFO of Husqvarna AB.
Education and work experience:
MBA graduate
CFO of Munters for eight years
Other significant assignments:
- Chairman of Schneidlerföretagen AB
Shareholding in G & L Beijer AB: 3,000 B shares.

The Election Committee is of the opinion that Bernt Ingman is independent of the company, the Executive Management and large shareholders.

- *William Striebe* (born 1950), Board Member.
Board Member since 2009.
Education and work experience:
Master of Laws degree from University of Connecticut Law School, BA in history, Fairfield University. Vice President of Business Development within Carrier Corporation since 2005.

From 1990 to 1993, William Striebe was legal adviser to Carrier Corporation's operations in Europe, the Middle East and Africa. At the end of 1993, he was appointed Vice-President within legal matters for Carrier's North-American operation. William Striebe returned to Europe in 1996, as Vice-President with responsibility for business development and legal matters. In 2002, William Striebe moved to Carrier's parent company, UTC, head office where he worked with business development.
Shareholding in G & L Beijer AB: 0

Independent in relation to the company and its Executive Management. Not independent in relation to large shareholders.

- *Philippe Delpech* (born 1962), Board Member
Board Member since 2009.
President of Carrier Commercial Refrigeration.
Education and work experience:
MBA from ESCP European School of Management, Paris, Economics degree from INSEAD Asia, Economics degree from DECF IAE in France and graduate engineer from ENIT, France.
President of Carrier Commercial refrigeration since 2008.
Philippe Delpech started his career within Carrier in 2001 as Vice-President, Commercial Air Conditioning & Services EMEA & General Manager Northern Europe. From 2003, Philippe Delpech held different appointments with Carrier in Asia before he returned to Europe in 2006. Before Philippe Delpech joined Carrier in 2001, he held different positions in Danfoss, ABB, Aerospatiale, Turbomeca and SKF.
Shareholding in G & L Beijer: 0

Independent in relation to the company and its Executive Management. Not independent in relation to large shareholders.

4. Information about auditors
At the Annual Meeting of shareholders in 2009, the Authorised Public Accountants, Mikael Eriksson and Lars Nilsson, both practicing at PricewaterhouseCoopers in Malmö, were elected for the term until the end of the Annual Meeting of shareholders held during the third financial year after the election of auditors, i.e. 2012.

5. Work of the board of directors
During 2009, the Board of Directors of G & L Beijer held five Ordinary Meetings, of which one was a strategy meeting. The company's economic and financial position, as well as the investment operations, are discussed at every Ordinary Board Meeting. The work during 2009 focused extensively on matters relating to the integration and co-ordination of the Carrier ARW operation as well as matters relating to divestment of the Beijer Tech business area.

The company's auditors were present at Board Meetings which discussed the annual accounts. Between the Board Meetings, there has been considerable contact between the company, its Chairman and other Board Members. The Board Members have also been provided with continual written information regarding the company's operations, economic and financial position and other information of importance for the company.

The Board of Directors has a working procedure which is determined annually at the Inaugural Board Meeting following the Annual Meeting of shareholders. At the same time, the Board determines instructions for the Managing Director.

Peter Jessen Jürgensen, Poul Friis, Anne-Marie Pålsson, Philippe Delpech and Joen Magnusson participated in all Board Meetings. Bert Ingman was unable to attend one Meeting. William Striebe participated in one Meeting during 2009.

The Board of Directors constitutes an Audit Committee and fulfils its tasks. Board Members who are included in the Executive Management do not participate in the Audit committee's work. The majority of the Members are independent in elation to the company and the Executive Management. More than one of the Members is independent in relation to the company, the Executive Management and in relation to the company's largest shareholders.

6. Information about the managing director
The Managing Director of G & L Beijer AB, Joen Magnusson, has no significant shareholdings or partnerships in companies with whom G & L Beijer AB has important business connections.

7. Remuneration and other terms of employment for the executive management
The Board of Directors has handled matters relating to the remuneration of the Senior Executives and the Board of Directors as a whole constitutes the Remuneration Committee. The Managing Director does not participate in decisions relating to his own remuneration. The matter is prepared during the first Board Meeting of the year and is decided at the Board Meeting held in connection with the Annual Meeting of shareholders.

8. Share and share price related incentive schemes
The company has no share related and share price related incentive schemes to the Executive Management.

9. Quality assurance
The Board of Directors continually studies the company's financial reports which are sent to the Board in connection with Board Meetings. In addition to the financial reporting for the Group, financial reports for the two business areas are appended as well as comments by the Head of the respective business area. At every Meeting, the Managing Director reports on the financial outcome for the current period which is discussed and analysed.

The Board of Directors always meets the company's Auditors at the Board Meeting that discusses the annual accounts, but usually also in connection with the Meeting held in December. At these Meetings, the Auditors give an account of their observations and view on the internal control. The Board of Directors puts questions and discusses issues relating to the audit and to the quality of the financial reporting at these Meetings.

10. Evaluation of the board of directors' work
The Chairman of the Board of Directors is responsible for the evaluation of the Board's work, including the achievements of the individual Members. This is made annually in accordance with an established process. The evaluation focuses on, among other things, the availability of and requirement for specific competence as well as working procedures. The evaluation also constituted support for the Election Committee with regard to the proposal for Board Members and remuneration levels.

The Board of Directors' report on internal control relating to the financial reporting for the 2009 financial year

Introduction

In accordance with the Swedish Companies Act and the Swedish Code for Corporate Governance, the Board of Directors is responsible for internal control. This report has been prepared in accordance with the Swedish Code for Corporate Governance, sections 10.5 and 10.6, and is, therefore, limited to internal control relating to the financial reporting. This report does not form part of the formal annual accounts documents.

Description

The base for internal control relating to financial reporting consists of the control environment within the organisation, decision-making routes, authorities and responsibilities which are documented and communicated through the controlling document. These relate primarily to the Boards' of Directors working procedures, the Managing Director's working procedure and approvals instructions. G & L Beijer is a company with strong owner influence. The owners are represented on the Board of Directors and in executive positions within the company. G & L Beijer is decentralised in its nature and the individual companies' own organisations fulfil important functions relating to company culture and the control environment through the short decision-making routes which exist and the strong presence of local management. The legal organisation coincides with the operational organisation and there are, therefore, no decision-making fora which are disengaged from the responsibilities regulated in civil law which are vested in the different legal entities. The management work is based on the work of the Board of Directors which is the backbone of the company management. This starts from G & L Beijer AB's Board of Directors and goes out, via the business area Boards of Directors, into the organisation's different company Boards of Directors. The rules and regulations which deal with company management, such as the Companies Act, form the foundation for how the Board work is carried out and, as a result of this, to the working procedures, authorities and responsibilities which are regulated through this legislation. The decisions made by the Boards of Directors are documented and carefully monitored. Senior Executives from Group and business area management teams are represented in Boards of Directors at the underlying organisational level and also in individual companies of significance. The so-called grandfather principle is applied throughout the Group. This means that, in critical matters such as important personnel matters, organisational matters, etc., the nearest manager goes to his or her manager to get support for decisions before they are made.

The principle about far-reaching decentralisation is of great importance. It creates within the different companies' a feeling for the importance of their work and it increases their work motivation. The distribution of responsibilities and authorities leads to a strong will to live up to these responsibilities and the ensuing expectations.

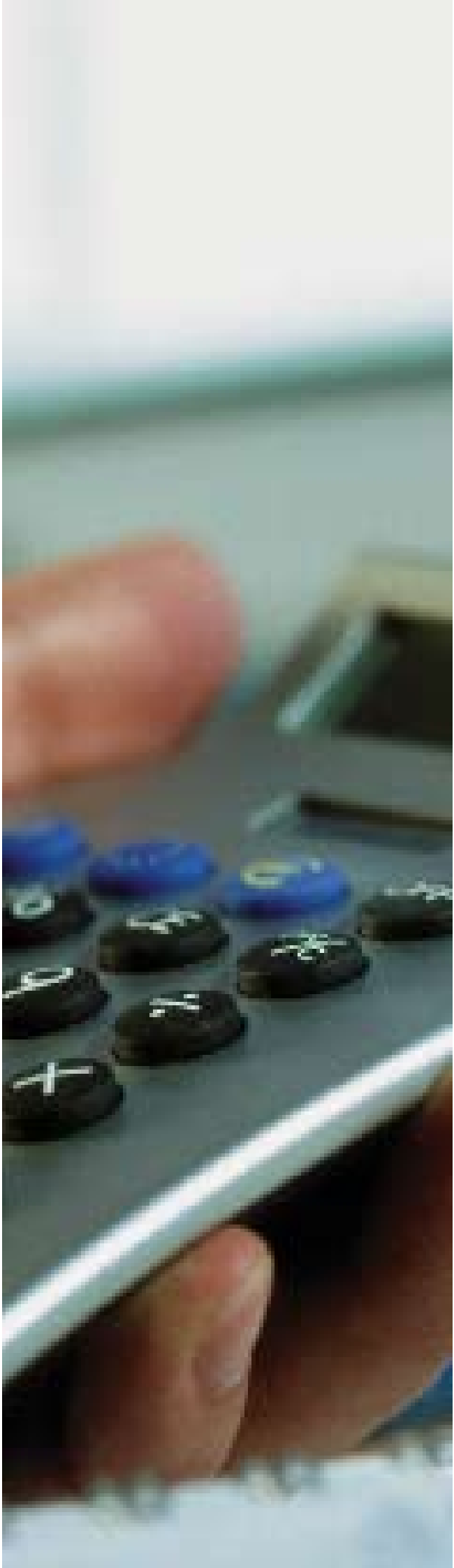
Risk evaluation is made continually to map out risk areas relating to the financial reporting. This is aimed at identifying and evaluating the most significant risks which influence the internal control relating to the financial reporting in the Group's companies, business areas and processes. The current position is assessed and points for improvement established. The control activities are also evaluated on a continuous basis.

The board of directors' standpoint in relation to an internal audit

In accordance with the regulations in item 10.6, the Board of Directors of G & L Beijer AB has taken a stand with regards to the need for a special internal audit function. The Board of Directors has found that there is currently no need to create this organisation within the G & L Beijer Group. The background to the standpoint is the company's size and risk picture as well as the control functions which are built into the company's structure. These include proactive Boards of Directors in all companies, a high level of representation by local management teams, board representation by the management at the level above, etc.

No statement has been made about how well the internal control has functioned and no auditor examination has been carried out.

Contents
Financial reporting



Director's Report

The Board of Directors and the Managing Director of G & L Beijer AB (publ), corporate identity number 556040-8113, submit their annual report and consolidated accounts for the 2009 financial year.

Group

The G & L Beijer Group is focused on trading and distribution operations within refrigeration products, air conditioning and heat pumps. The product programme consists mainly of agency products. Operations consist of agency products from leading international manufacturers and the manufacture of own products, combined with service and support for the products. The Group creates added value by contributing technical competence to the products; accounting for knowledge and experience about the market; and providing efficient logistics and warehousing.

During 2009, operations were carried out within the Beijer Ref and Beijer Tech business areas. The G & L Beijer Group is a leading operator within the refrigeration sector in Europe. Growth is achieved both organically and through the acquisition of companies which supplement existing operations.

Parent company

The parent company, G & L Beijer AB, is the parent company of the G & L Beijer Group. The parent company carries out central functions such as group management and group control. The company's registered office is in Malmö. The parent company, which has only marginal external sales, reports profit after financial income/expense of SEK 57.4M (54.7) for the 2009 financial year.

Significant events during the financial year

On 1 February 2009, G & L Beijer acquired Carrier ARW's refrigeration and air-conditioning distribution operation in seven countries in Europe and the company's distribution and manufacturing operation in South Africa through its Beijer Ref business area. As payment for the operations, G & L Beijer carried out a directed new issue of 8.8 million shares at a value of SEK 1,055M.

G & L Beijer acquired the hose and rubber company, Slang-Pac AB, in Stockholm through its Beijer Tech business area. Slang-Pac, which reports sales of SEK 40M and has 14 employees, is included in G & L Beijer's accounts from 1 November 2009.

Events after the end of the financial year

After the end of the financial year, G & L Beijer divested its Beijer Tech business area to Beijer Alma. G & L Beijer received 2.7 million shares in Beijer Alma and a cash portion of SEK 39M in total consideration. In all, the transaction was valued at SEK 340M and G & L Beijer realised a capital gain of SEK 140M which will be included in the Group's results for the first quarter of 2010. The transaction, which was made on a free-from-debt basis, strengthened further the Group's financial position. Beijer Tech will not be included in the consolidated accounts from 25 March 2010.

Sales and results

Sales of the G & L Beijer Group rose by 57 per cent to SEK 5,263.2M (3,356.6) in 2009. The increase is explained by acquisitions. The Beijer Ref business area increased its sales whilst sales fell within Beijer Tech. The Group has a wide geographic spread. Sales in the largest markets were SEK 939M in France, SEK 770M in Sweden, SEK 623M in Holland, SEK 449M in Switzerland and SEK 409M in South Africa.

Consolidated operating profit amounted to SEK 300.7M (283.2). Including one-time gains of SEK 53.2M, the result was SEK 336.4 in 2008. The result improvement is explained by contributions from the acquired operations and savings programmes.

Consolidated financial income/expense amounted to SEK -10.8M (-14.4). Financial income/expense includes a share in profits from the Group's indirect ownership in CMP (Copenhagen Malmö Ports) of SEK 7.4M (9.4). Profit before taxes amounted to SEK 289.9M (322.0). Profit after tax amounted to SEK 206.0M (255.2).

Profitability

Return on capital employed in operations and capital employed amounted to 14.6 per cent (23.2) and 13.2 per cent (22.7) respectively. Return on equity was 13.0 per cent (29.7).

Capital expenditure, liquidity and employees

Group investments in tangible and intangible fixed assets, including acquisitions, amounted to SEK 1,160.3M (91.6). Liquid funds, including unutilised bank overdraft facilities, amounted to SEK 537.6M (192.7) at the year end. The average number of employees was 1,765 (1,036).

Cash flow, financing and equity ratio

The cash flow from current operations after changes in working capital was SEK 419.1M (67.2). Interest-bearing liabilities amounted to SEK 734.0M (722.0). The net debt amounted to SEK 400.2M (617.6). Shareholders' equity amounted to SEK 2,175.5M (990.0). The change in equity amounted to SEK 1,185.5M (263.1). It included net profit for the year of SEK 206.0M (255.2), a non-cash share issue of SEK 1,055M (0) in total and a deduction for a dividend of SEK 74.4M (74.4). Translation differences amounted to SEK -1.1M (82.9). The equity ratio was 54.3 per cent (44.6) at the year end.

Research and development

Research and development relating to the trading operation is mainly carried out by the suppliers. The Group's manufacturing companies carry out their own research and development which amounted to SEK 1.0M (1.9) in 2009.

Prospects for 2010

The continued economic trend is, as always, difficult to anticipate. G & L Beijer is nevertheless expected to be able to increase its profit during 2010.

Business areas

Beijer Ref

The Beijer Ref business area increased its sales significantly and was able to report an improved result for 2009. The business area faced many challenges such as integrating and co-ordinating the large acquisition of Carrier ARW, which has operations in eight countries, and, at the same time, responding to and handling the dramatic fall in demand in virtually all markets. During the year, the falls in volume amounted to 10-30 per cent depending on market. All in all, Beijer Ref is deemed to have won market share during the year. Beijer Ref has been relatively successful in defending its gross margins. In order to meet the volume-related fall in gross profit, the business area worked with a number of different action programmes which, together, generated savings in expenses of approximately SEK 30M during the year.

The business area's sales increased by 75 per cent to SEK 4,757.8M (2,714.1). The significant increase is explained by the acquisition of Carrier ARW. Sales for the acquired units, which were included during the period February-December, amounted to SEK 2,304M. Sales in Beijer Ref's largest individual market, France, amounted to SEK 939M, equivalent to 20 per cent of the business area's sales. Holland accounted for SEK 622M, Switzerland for SEK 449M, South Africa for SEK 409M and United Kingdom for SEK 402M of total sales. The Nordic countries, Sweden, Denmark, Norway and Finland, reported combined sales of SEK 1,051M, equivalent to 22 per cent of total sales. Italy and Spain accounted for five and four per cent respectively of the business area's sales. Operating profit rose by 21 per cent to SEK 299.3M (247.7). Including one-time gains, the result amounted to SEK 270.4M in 2008. The operating margin was 6.3 per cent (9.1). The improved result is explained by profit contributions from the acquired operations and by lower expenses as a result of the savings programmes.

Beijer Tech

The economic crisis moved along rapidly and the ensuing deep recession during 2009 resulted in significant falls in demand in all markets. It affected Beijer Tech to a particularly high degree as the business area is exposed to demand from, in particular, the Swedish industrial sector. The fall in demand had already begun at the end of the fourth quarter of 2008. Thereafter, the market deteriorated gradually from the first to the third quarter. During the fourth quarter, the rate of decline slowed down and the market stabilised. In order to counter the lower demand, Beijer Tech implemented a number of measures which generated savings SEK 18M in lower expenses.

Beijer Tech's sales fell by 21 per cent to SEK 505.4M (642.5). The fall is explained by the significant fall in demand. Operating profit amounted to SEK 20.6M (55.1). Including one-time gains of SEK 30.5M, the result was SEK 85.6 in 2008. The operating margin was 4.1 per cent (8.6). The fall in profit is explained by the significant fall in sales volumes. The fall in profit was mitigated cost savings. At the same time, profit was charged with one-time costs of SEK 6M as a result of bad debt losses and inventory write-downs.

In November, the hose and rubber company, Slang-Pac AB, in Stockholm was acquired.

G & L Beijer has decided to divest its Beijer Tech business area during 2010. See further 'Events after the end of the financial year', page 32.

Reporting principles in accordance with IFRS

As from 1 January 2005, the G & L Beijer Group is applying reporting in accordance with International Financial Reporting Standards (IFRS).

Currency

G & L Beijer has sales in 22 countries in Europe as well as in South Africa, Namibia and Botswana. The largest sale currencies are EUR, SEK, ZAR, GBP, DKK and NOK. Purchases are mainly made in SEK and EUR. For further information about the Group's currency policy and financial risk handling, see note 3.

Operating risks

The G & L Beijer Group's operations are affected by a number of external factors the effects of which on the Group's operating profit can be controlled to a varying degree. The Group's business areas are dependent on the general economic trend, especially in Europe, which controls demand for the business areas' products and services. The Group has a good geographic spread with sales in 22 markets in Europe as well as in South Africa, Namibia and Botswana. The Group has a large number of customers and a broad product programme within the areas of operations which usually reduces the risks. Acquisitions are normally linked with risks, for example staff defection. Other operating risks such as agency and supplier agreements, product responsibility and delivery undertakings, technical development, guarantees, dependency on individuals, etc, are analysed continually and measures aimed at reducing the Group's risk exposure are implemented when required.

Financial risks and risk handling

In its operation, G & L Beijer AB is exposed to financial risks such as currency risk, interest risk as well as re-financing risk and liquidity risk. Group-wide rules and regulations, which are determined by the Board of Directors, form the foundation for the handling of these risks at different levels within the Group. The objective of these rules is to achieve an overall picture of the risk situation, to minimise negative effects on the result and to clarify responsibilities and authorities within the Group. Monitoring to ensure that the rules and regulations are complied with is made by the person responsible and is reported to the Board of Directors. For further information, see note 3.

Environment

G & L Beijer strives to contribute to ecologically sustainable development. The Group carries out operations which require permits and are liable to give notification. Operations requiring permits comprise machine processing locations and extraction operations. Operations liable to give notification comprise the handling of refrigerants.

Shares and ownership

On 31 December 2009, the parent company's share capital consisted of the following number of shares with a nominal value of SEK 17.50 per share. In January 2009, G & L Beijer carried out a non-cash issue to Carrier Corporation by issuing 358,710 class A shares and 8,437,429 class B shares and, therefore, increase the company's share capital by SEK 153,932,423.50 as consideration for its acquisition of Carrier ARW. After the issue, the number of class A shares amounted to 1,653,120 and the number of class B shares to 19,542,395. The total number of shares amounts to 21,195,515 and the total number of votes to 36,073,595. During 2009, the average number of shares amounted to 20,462,503.

Class of shares	*Number of shares*	*Number of votes*	*Share of capital, %*	*Share of votes, %*
A 10 votes	1 653 120	16 531 200	7.8	45.8
B 1 vote	19 585 995*	19 585 995	92.2	54.2
	21 239 115	36 117 195	100.0	100.0

**) Of which 43,600 shares in own custody*

At the year end, Carrier Corporation was the largest owner in G & L Beijer with 41.5 per cent of capital and 33.3 per cent of votes. Peter Jessen Jürgensen held 14.7 per cent of votes and 5.9 per cent of capital. Joen Magnusson (family & companies) held 13.5 per cent of votes and 2.9 per cent of capital.

Guidelines for the remuneration of senior executives

The Board of Directors' proposal for guidelines for the remuneration of Senior Executives is unchanged from the previous year. By Senior Executives is meant the Managing Director, the Chief Financial Officer and the Heads of the two business areas. The remuneration shall consist of fixed salary, variable salary, pension and other remuneration such as a company car. The total compensation shall be on market terms and support the shareholders' interest by enabling the company to attract and retain senior executives. The fixed salary is renegotiated annually and takes into account the individual's area of responsibility, competence, performance and experience. The variable portion of the salary is based on qualitative and quantitative target fulfilment. The individual receives an amount of up to equivalent of one month's salary.

Proposal for distribution of profit

Profit at the disposal of the Annual Meeting of shareholders:

sek k	
Share premium reserve	901 604
Profit brought forward	95 852
Net profit for the year	61 991
Total	1 059 447

The Board of Directors propose that the profit be distributed as follows:

sek k	
Dividend, SEK 6.50 per share	137 771
To be carried forward	921 676
Total	1 059 447

The Board of Directors finds that the proposed dividend is within the framework of the company's long-term objective and is defensible taking into account what is stipulated in Chapter 17 Para. 3 of the Companies Act relating to the demands which the nature, extent and risks of the operations places on the size of shareholders' equity and the need for consolidation, liquidity and the position in general for the parent company and the Group. The Group's equity ratio after the proposed dividend amounts to 52.7 per cent.

The profit and loss account and balance sheet will be submitted for adoption to the Annual Meeting of shareholders on 28 April 2010. 3 May 2010 is proposed as the record day.

G & L Beijer (publ)
Corporate Identity Number: 556040-8113
Address: Norra Vallgatan 70, SE-211 22 Malmö, Sweden
Registered Office: Malmö

The Board of Directors and the Managing Director assure that the annual accounts have been prepared in accordance with generally accepted accounting principles for stock market companies. The given information corresponds with the actual circumstances in the operations and nothing of significant importance has been left out which could affect the picture of the Group and the parent company created by the annual accounts.

Malmö, 26 March 2010

Peter Jessen Jürgensen
Chairman

Poul Friis

Bernt Ingman

Anne-Marie Pålsson

William Striebe

Philippe Delpech

Joen Magnusson
Managing Director

Our Audit Report was submitted on 29 March 2010

Mikael Eriksson
Authorised Public Accountant

Lars Nilsson
Authorised Public Accountant

Consolidated profit and loss account

SEK K	2009	2008	NOTE
OPERATING INCOME, ETC			
Net sales	5 263 150	3 356 591	5
Change in work-in-progress and finished products	– 484	1 974	
Other operating income	39 693	104 843	7
Total income, etc	5 302 359	3 463 408	
OPERATING EXPENSES			
Raw materials and necessities	– 138 222	– 107 679	
Goods for resale	– 3 472 528	– 2 161 083	
Other external costs	– 458 897	– 300 130	8, 9
Remuneration of employees	– 869 567	– 518 589	6
Depreciation and write-down of intangible and tangible fixed assets	– 45 678	– 36 303	18, 19
Other operating expenses	– 16 798	– 3 235	
Operating profit	300 669	336 389	
RESULT OF FINANCIAL INVESTMENTS			
Result of holdings in associated companies	7 400	9 400	21
Financial income	4 182	11 309	11
Financial expenses	– 22 355	– 35 078	12
Profit before taxes	289 896	322 020	
Tax on the year's profit	– 83 898	– 66 846	14
Net profit for the year	205 998	255 174	15
Attributable to the parent company's shareholders	205 998	255 174	
The year's profit per share, SEK [1]	10.07	20.58	16
Dividend per share, SEK [2]	6.50	6.00	17

1) No dilution exists
2) For 2009, in accordance with the Board of Directors' proposal

The Group's report on total results

SEK K	2009	2008	NOTE
Net profit for the year	205 998	255 174	
INCOME/EXPENSE REPORTED DIRECT IN SHAREHOLDERS' EQUITY			
Exchange rate differences	– 1 129	82 940	
Other total results for the year	– 1 129	82 940	
Total profit for the year	204 869	338 114	
Attributable to the parent company's shareholders	204 869	338 114	

Consolidated balance sheet

SEK K	2009-12-31	2008-12-31	NOTE
Assets			
FIXED ASSETS			
Intangible fixed assets	910 988	576 679	18
Tangible fixed assets	248 638	178 928	19
Holdings in associated companies	39 588	33 805	21
Financial assets available for sale	93 529	—	22
Deferred tax recoverable	31 503	7 562	29
Trade debtors and other receivables	41 733	501	23
Total fixed assets	1 365 979	797 475	
CURRENT ASSETS			
Inventories	1 204 210	722 444	24
Trade debtors and other receivables	1 087 329	581 883	23
Income taxes recoverable	15 581	12 587	
Liquid funds	333 775	104 381	25
Total current assets	2 640 895	1 421 295	
Total assets	4 006 874	2 218 770	
Shareholders' equity			
EQUITY AND RESERVES WHICH CAN BE ATTRIBUTED TO THE PARENT COMPANY'S SHAREHOLDERS			
Share capital	371 685	217 752	26
Other contributed capital	901 172	—	
Translation reserve	101 035	102 164	
Profit brought forward	801 638	670 036	
Total equity	2 175 530	989 952	
Liabilities			
LONG-TERM LIABILITIES			
Borrowing	369 241	391 857	28, 33
Other long-term liabilities	817	—	
Deferred tax liabilities	57 268	23 012	29
Pension commitments	28 333	14 670	30, 34
Other provisions	8 635	8 195	31
Total long-term liabilities	464 294	437 734	
CURRENT LIABILITIES			
Trade creditors and other liabilities	946 532	454 413	32
Borrowing	336 414	315 481	28, 33
Current tax liabilities	44 011	21 072	
Other provisions	40 093	118	31
Total current liabilities	1 367 050	791 084	
Total liabilities	1 831 344	1 228 818	
Total liabilities and equity	4 006 874	2 218 770	

SEK K	Attributable to the parent company's shareholders				Minority interest	Total equity	NOTE
	Share capital	Other contributed capital	Translation reserve	Profit brought forward			
SHAREHOLDERS' EQUITY ON 2007-12-31	217 752		19 224	489 258	672	726 906	
Net profit for the year				255 174		255 174	
Exchange rate differences			82 940			82 940	
Total, other total result	—		82 940	—	—	82 940	
Total result	—		82 940	255 174	—	338 114	
Dividend for 2007				– 74 396		– 74 396	17
Sale of subsidiaries					– 672	– 672	
	—		—	– 74 396	– 672	– 75 068	
SHAREHOLDERS' EQUITY ON 2008-12-31	217 752		102 164	670 036	—	989 952	
Net profit for the year				205 998		205 998	
Exchange rate differences			– 1 129			– 1 129	
Total, other total result	—		– 1 129	—	—	– 1 129	
Total result	—		– 1 129	—	—	204 869	
Dividend for 2008				– 74 396		– 74 396	17
New issue	153 933	901 604				1 055 537	
Issue costs		– 432				– 432	
	153 933	901 172	—	– 74 396	—	980 709	
SHAREHOLDERS' EQUITY ON 2009-12-31	371 685	901 172	101 035	801 638	—	2 175 530	

Consolidated cash flow statement

SEK K	2009	2008	Note
Current operations			
Operating profit	300 669	336 389	
Adjustments for items not included in the cash flow:			
Depreciation and write-downs of intangible and tangible fixed assets	45 678	36 303	
Change in pension, guarantee and other provisions	– 14 713	– 3 714	
Capital result on sale of fixed assets	205	– 57 893	
Issue costs	– 432	—	
Total	331 407	311 085	
Received interest and dividend	4 182	12 951	
Paid interest	– 22 355	– 35 078	
Paid income tax	– 78 618	– 91 733	
Cash flow from current operations before changes in working capital	234 616	197 225	
Changes in working capital			
Change in inventories	139 071	– 18 667	
Change in operating receivables	89 407	– 17 485	
Change in operating liabilities	– 43 990	– 93 823	
Cash flow from current operations	419 104	67 250	
Investment operations			
Acquisition of tangible and intangible fixed assets	– 57 938	– 56 970	
Liquid funds in acquired operations	36 466	—	35
Acquisition of operations	– 47 120	– 40 451	35
Sale of operations	—	73 624	
Repayment of shareholders' contributions in associated companies	1 617	—	21
Sale of tangible fixed assets	8 548	15 064	
Cash flow from investment operations	– 58 427	– 8 733	
Financial operations			
Raising of loans / Amortisation of liabilities	– 52 211	28 916	
Paid dividend to shareholders	– 74 396	– 74 396	
Cash flow from financial operations	– 126 607	– 45 480	
Change in liquid funds	234 070	13 037	
Exchange rate difference, liquid funds	– 4 676	10 463	
Liquid funds on 1 January	104 381	80 881	
Liquid funds on 31 December	333 775	104 381	25

Parent company profit and loss account

SEK K	2009	2008	NOTE
OPERATING INCOME, ETC			
Other operating income	25	—	7
Total income	25	—	
OPERATING EXPENSES			
Other external costs	– 9 290	– 8 141	8
Personnel costs	– 8 218	– 6 143	6
Depreciation and write-down of tangible fixed assets	– 241	– 270	19
Operating profit	– 17 724	– 14 554	
RESULT OF FINANCIAL INVESTMENTS			
Result of participations in Group companies and associated companies	75 803	63 023	10
Financial income	9 407	21 099	11
Financial expenses	– 10 070	– 14 877	12
Profit after financial investments	57 416	54 691	
APPROPRIATIONS			
Appropriations	– 74	2 876	13
Profit before taxes	57 342	57 567	
Tax on the year's profit	4 649	836	14
Net profit for the year	61 991	58 403	15

Parent company balance sheet

SEK K	2009-12-31	2008-12-31	Note
Assets			
Fixed assets			
Tangible fixed assets			
Equipment, tools and installations	909	701	19
Total tangible fixed assets	909	701	
Financial fixed assets			
Participations in Group companies	1 175 330	102 469	20
Holdings in associated companies	8 133	9 750	21
Total financial fixed assets	1 183 463	112 219	
Total fixed assets	1 184 372	112 920	
Current assets			
Current receivables			
Receivables from Group companies	618 366	567 632	
Other current receivables	1 552	9 840	
Prepaid expenses and accrued income	489	479	
Total current receivables	620 407	577 951	
Cash and bank			
Cash and bank	68	131	
Total current assets	620 475	578 082	
Total assets	1 804 847	691 002	
Equity and liabilities			
Shareholders' equity			
Restricted equity			
Share capital	371 685	217 752	26
Total restricted equity	371 685	217 752	
Non-restricted equity			
Share premium reserve	901 604	—	
Profit brought forward	95 852	98 932	
Net profit for the year	61 991	58 403	
Total non-restricted equity	1 059 447	157 335	
Total equity	1 431 132	375 087	
Untaxed reserves			27
Tax allocation reserves	1 185	1 185	
Accumulated accelerated depreciation	232	157	
Total untaxed reserves	1 417	1 342	
Liabilities			
Long-term liabilities			
Long-term interest-bearing liabilities to Group companies	6 105	5 803	
Other long-term interest-bearing liabilities	95 500	106 500	28
Total long-term liabilities	101 605	112 303	
Current liabilities			
Bank overdraft facilities	98 414	129 751	28
Other current interest-bearing liabilities	148 386	62 980	28
Trade creditors	1 041	4 837	
Liabilities to Group companies	17 647	1 573	
Other liabilities	459	358	
Accrued expenses and prepaid income	4 746	2 771	
Total current liabilities	270 693	202 270	
Total equity and liabilities	1 804 847	691 002	
Pledged assets	72 569	92 569	33
Contingent liabilities	420 676	79 488	34

Parent company changes in equity

SEK K	Share capital	Non-restricted equity	Total equity	Note
Equity on 2007-12-31	217 752	171 178	388 930	
Received Group contribution		5 890	5 890	
Paid Group contribution		– 2 903	– 2 903	
Tax effect of Group contribution		– 837	– 837	
Total changes in equity not reported in the profit and loss account		2 150	2 150	
Net profit for the year		58 403	58 403	
Dividend		– 74 396	– 74 396	17
Equity on 2008-12-31	217 752	157 335	375 087	
New issue	153 933	901 604	1 055 537	
Issue costs		– 432	– 432	
Received Group contribution		21 287	21 287	
Paid Group contribution		– 3 179	– 3 179	
Tax effect of Group contribution		– 4 763	– 4 763	
Total changes in equity not reported in the profit and loss account	153 933	914 517	1 068 450	
Net profit for the year		61 991	61 991	
Dividend		– 74 396	– 74 396	17
Equity on 2009-12-31	371 685	1 059 447	1 431 132	

Parent company cash flow statement

SEK K	2009	2008
CURRENT OPERATIONS		
Operating profit	– 17 724	– 14 554
Adjustment for items not included in the cash flow:		
Depreciation of tangible fixed assets	241	270
Result on sale of fixed assets	– 25	—
Issue costs	– 433	—
Total	– 17 941	– 14 284
Received Group contributions	18 108	2 987
Received interest and dividend	94 407	84 122
Paid shareholders' contributions	– 9 000	—
Paid interest	– 10 070	– 14 877
Paid income tax	– 335	– 4 927
Cash flow from current operations before changes in working capital	75 169	53 021
CHANGES IN WORKING CAPITAL		
Change in operating receivables	– 42 234	– 143 972
Change in operating liabilities	14 355	6 730
Cash flow from current operations	47 290	– 84 221
INVESTMENT OPERATIONS		
Acquisition of tangible fixed assets	– 958	– 72
Repayment of shareholders' contributions in associated companies	1 617	—
Sale of tangible fixed assets	534	—
Acquisition of subsidiaries	– 17 521	—
Sale of operations	—	142 553
Cash flow from investment operations	– 16 328	142 481
FINANCIAL OPERATIONS		
Raising of loans	43 371	16 141
Paid dividend	– 74 396	– 74 396
Cash flow from financial operations	– 31 025	– 58 255
Change in cash and bank	– 63	5
Cash and bank on 1 January	131	126
Cash and bank on 31 December	68	131

Notes to the financial statements

Note 1 General information

G & L Beijer AB (the parent company) and its subsidiaries (taken together, the Group) import agency products from leading international manufacturers and manufacture own products, and combine this with service and support relating to the products. Operations are carried out in two business areas, Beijer Ref and Beijer Tech. The Group has subsidiaries within large parts of Europe and in South Africa.

The parent company is a limited company which is registered and located in Malmö. The address of the head office is Norra Vallgatan 70, SE-211 22 Malmö.

These consolidated accounts were approved for publication by the Board of Directors on 26 March 2010.

Note 2 Applied reporting and valuation principles

General reporting principles

These consolidated accounts have been prepared in accordance with the Annual Accounts Act, RFR 1:2 'Supplementary accounting rules for Groups' and International Financial Reporting Standards (IFRS) such as they have been approved by the EU. Standards which have been published but which have not yet come into force are not adhered to at present.

Implementation of new reporting principles

New and amended standards applied by the Group
The Group has applied the following new and amended IFRS from 1 January 2009.

*IAS 1 Presentation of financial statements (revised)**
The standard applies from 1 January 2009. The changes involve, in particular, changes in the formats and terms of the financial reports. The Group's future formulation of its financial reports will thus be affected.

IFRS 7 Financial instruments – Disclosures (revised)
The amendment applies from 1 January 2009. The amendment demands increased information about valuation at actual value and liquidity risk. In particular, the amendment requires information about valuation at actual value per level in a valuation hierarchy. Increased information will not need to be given as the Group does not have any significant amount of financial instruments.

IFRS 8 Operating segments
The standard comes into force on 1 January 2009 and applies to financial years starting from this date. The standard deals with the classification of the company's operations in different segments. In accordance with the standard, the company shall take its starting point in the structure of the internal reporting and determine reportable segments in accordance with this structure. G & L Beijer AB is of the opinion that no additional segments will be presented in the 2009 Annual Report.

IFRIC 16 Hedges of a net investment in a foreign operation
The interpretation applies from 1 October 2008. IFRIC 16 makes clear the reporting of hedges of a net investment. It includes the fact that hedges of net investments relate to differences in functional currency, not reporting currency, and that hedging instruments can be held by any company in the Group. The requirements in IAS 21, 'The effects of changed exchange rates', apply to the hedged item. The Group will apply IFRIC 16 from 1 January 2009. This is not expected to have any significant impact on the Group's financial reports.

Standards, amendments and interpretations of existing standards where the amendment has not yet come into force and has not been applied prematurely
When preparing the consolidated accounts at 31 December 2009, several standards and interpretations have been published which have not yet come into force. Below follows a preliminary assessment of the impact the introduction of these standards and pronouncements can have on G & L Beijer's financial reports:

IAS 27 Consolidated and separate financial statements (revised)
The standard applies from 1 July 2009. The change means, among other things, that results attributed to minority shareholders shall always be reported even if it means that the minority interest is negative. Also, that transactions with minority shareholders shall always be reported in shareholders' equity and, where a parent company loses its controlling influence, the remaining share, if any, shall be revalued at actual value. The amendment of the standard will influence the reporting of future transactions.

IFRS 3 Business combinations (revised)
The standard applies from 1 July 2009. The amendment applies, future-oriented, for acquisitions after the date of coming into force. The application will involve a change of how future acquisitions are reported, including what applies to the reporting of transaction costs, conditional considerations, if any, and successive acquisitions. The Group will apply the standard from the financial year starting 1 January 2010. The amendment of the standard will not involve any effect on previously carried out acquisitions, but will affect the reporting of future transactions.

IFRIC 17 Distributions of non-cash assets to owners
The interpretation applies to financial years starting on 1 July 2009 or later. IFRIC 17 gives guidance that a liability relating to distributions of non-cash assets shall be reported when the company has an undertaking towards its shareholders and that the liability shall be valued at actual value. When the liability is settled, i.e. on the distribution date, the assets distributed to settle the liability shall be revalued to actual value. The result of the revaluation shall be reported in the profit and loss account. IFRIC 17 also states that 'IFRS 5 Plant held for sale and closed operations' is applicable for fixed assets available for distribution. The Group will apply IFRIC 17 on distribution of non-cash assets and where the distribution is a mixture of distribution of non-cash assets and cash, future oriented from 1 January 2010.

*IFRS 9 Financial instruments **
The standard applies to financial years starting 1 January 2013 or later. IFRS 9 deals with valuation and classification of financial instruments. It contains two primary valuation categories: accrued acquisition value and actual value. Classification is made based on the company's business model and characteristic properties in the contractual cash flows. If the company's business model is to hold the financial asset with the aim of obtaining the contractual cash flows, and that the contractual cash flows consist of only capital amount and interest, valuation shall be made at accrued acquisition value. All other financial assets shall be valued at actual value. The standard, before it comes into force, will be supplemented with additional parts relating to, among other things, liabilities, write-down and hedging reporting. When the standard is complete, its impact on the Group's financial reports will be evaluated.

** These standards/interpretations are not adopted by the EU at this moment.*

Conditions on the preparation of the group's financial reports

The parent company's functional currency is SEK, which is also the reporting currency for both the parent company and the Group. All amounts stated have been rounded up or down to the nearest thousand unless otherwise stated.

The reporting principles applied in the preparation of these consolidated accounts are stated below. These principles have been applied consistently for all the years presented unless otherwise stated.

The parent company applies the same reporting principles with the exceptions and additions stipulated by the Swedish Financial Accounting Standards Council's recommendation RFR 2.2 'Reporting for legal entities'. The reporting principles for the parent company are stated in the section 'Parent company reporting principles'.

Reporting for segments

The classification of the Group's segments consists of operating segments. It is based on how the operation is monitored and reported to the highest executive decision maker.

Classification, etc
Fixed assets and long-term liabilities consist essentially only of amounts which are expected to be recovered or paid after more than twelve months calculated from the balance sheet date. Current assets and current liabilities consist essentially only of amounts which are expected to be recovered or paid within twelve months calculated from the balance sheet date.

Valuation principles, etc
Assets, provisions and liabilities have been valued at their acquisition value unless it is otherwise stated below.

Intangible assets
Intangible assets acquired by the company are reported at their acquisition value less accumulated depreciation and write-downs with the exception of what relates to goodwill which is reported at acquisition value less accumulated write-downs. Expenditure for internally generated goodwill and brand names is reported as a cost in the profit and loss account as they arise. Additional expenditure for an intangible asset is added to the acquisition value only if it increases future financial benefits. All other expenditure is written off as it arises. Depreciation is based on acquisition values less residual values, if any. Depreciation is made in a straight line over the period of use of the asset and is reported as a cost in the profit and loss account. The residual values and period of use is tested on every balance sheet date and adjusted when required.

Research and development
Expenditure for research and development is reported as costs as they arise. Costs arisen in development projects (which applies to the design and testing of new or improved products) are reported as intangible assets when the following criteria are fulfilled:

(a) it is technically possible to complete the intangible asset so that it can be used,
(b) the Executive Management intends to complete the intangible asset and use or sell it,
(c) there are conditions for using or selling the intangible asset,
(d) it can be shown how the intangible asset will generate probable future financial benefits,
(e) adequate technical, financial or other resources for completing the development and for using or selling the intangible asset are available, and
(f) the expenditure attributable to the intangible asset during its development can be calculated in a reliable way.

Other development expenditure is reported as costs as they arise. Development expenditure which has previously been reported as a cost is not reported as an asset in the ensuing period. Development expenditure which has been capitalised is written off in a straight line from the date when the asset is ready for use. The amortisation is made over the anticipated period of use. However, this is not for more than five years.

Goodwill
Goodwill consists of the amount by which the acquisition value exceeds the actual value on the Group's share of the acquired subsidiary's/associated company's identifiable net assets on the date of acquisition. Goodwill on acquisition of subsidiaries is reported as intangible assets. Goodwill on acquisition of associated companies is included in the value of holdings in associated companies. Goodwill is tested annually in order to identify any needs for a write-down and is reported at acquisition value less accumulated write-down. Write-down of goodwill is not reversed. Profit or loss on the divestment of a unit includes the remaining net value of the goodwill that refers to the divested unit.

Goodwill is distributed on cash-generating units when testing the need for a write-down, if any. The Group's cash-generating units are identified by country of operation.

The following amortisation periods are applied:

	Group	*Parent company*
Acquired intangible assets:		
Computer programs	3-5 years	—
R & D	5 years	—

Tangible assets
Tangible fixed assets are reported as assets in the balance sheet when, based on available information, it is probable that the future economic use linked with the holding accrues to the Group/company and that the acquisition value of the asset can be calculated in a reliable way. Tangible fixed assets are reported at acquisition value with a deduction for depreciation. Depreciation is based on acquisition values less estimated residual value. Depreciation is made in a straight line over the estimated use of the asset. The assets' residual values and period of use are tested on every balance sheet date and adjusted when required.

The following depreciation periods are applied:

	Group	*Parent company*
Buildings	25-50 years	—
Land improvements	20 years	—
Machinery and other technical plant	5-10 years	—
Equipment, tools and installations	3-10 years	3-10 years

Additional expenditure is added to the reported value of the asset or is reported as a separate asset, depending on which is appropriate, only when it is probable that future financial benefits linked with the asset will accrue to the Group and the acquisition value of the asset can be measured in a reliable way. All other forms of repair and maintenance are reported as costs in the profit and loss account during the period in which they arise.

Profits and losses on divestment are determined by a comparison between the sales proceeds and the reported value and are reported in 'Other operating income' or 'Other operating expenses'.

Write-down of non-financial assets
Assets which have an indefinite period of use are not written off but are tested annually relating to the need for write-down, if any. Assets which are written off are assessed with regard to depreciation whenever events or changes in conditions indicate that the reported value is not recoverable. A write-down is made with the amount by which the reported value of the asset exceeds its recovery value. The recovery value is the higher of an asset's actual value less selling expenses and the value of use. When assessing the need for a write-down, assets are grouped at the lowest levels at which there are separate identifiable cash flows (cash-generating units).

When calculating the value of use, future cash flows are discounted at an interest rate before tax which is intended to take into account the market's evaluation of risk-free interest and risk linked with the specific asset. An asset which is dependent on other assets is not considered to generate any independent cash flows. Such an asset is, instead, assigned to the smallest cash-generating unit in which the cash flows can be determined.

A write-down is reversed if there has been a change in the calculations applied to determine the recovery value. A reversal is only made to the extent that the reported value of the asset would have been if no write-down had been made. On every balance sheet date, an examination is made to establish if reversal should be made.

Financial assets
The Group classifies its financial instruments in the following categories: financial assets at fair value through profit and loss; loans and receivables; financial instruments held to maturity; and financial assets available for sale. The classification is dependent on the objective for which the instruments were acquired. The Executive Management determines the classification of the instruments on the first reporting date and reconsiders its decision on every reporting date. In the 2009 Annual Report there are financial assets of the loans and receivables, and financial assets available for sale categories.

Loans and receivables are non-derivative financial assets with determined or determinable payments which are not listed in an active market. The characteristic is that they arise when the Group provides money, products or services direct to a customer with no intention of trading with the arisen receivable. They are included in current assets, with the exception of items with a due date of more than 12 months after the balance sheet date, which are classified as fixed assets. Loan receivables and trade debtors are included in the item 'Trade debtors and other receivables' in the balance sheet. The Group's loans and receivables consist of 'Trade debtors and other receivables', and 'Liquid funds' in the balance sheet.

Financial assets available for sale are assets which are not derivatives and where the assets have been identified as that they cannot be sold or have not been classified in any of the other categories. They are included in fixed assets unless it is the intention of the management to divest the asset within 12 months after the end of the reporting period.

Acquisitions and sales of financial instruments are reported on the transaction date, i.e. the date on which the Group undertakes to acquire or sell the asset. Financial instruments are initially valued at actual value plus transaction costs. Financial assets are removed from the balance sheet when the right to receive cash flows from the instrument has either expired or been transferred and the Group has transferred virtually all risks and benefits linked with the ownership. Loans and receivables are reported after the date of acquisition at accrued acquisition value by application of the effective rate method. Financial assets available for sale are reported at actual value both initially and in subsequent periods with value changes in other total results. When securities classified as financial assets available for sale are sold or written down, accumulated adjustments of actual value are transferred from shareholders' equity to financial income/expense in the profit and loss account. Dividend on share instruments which can be sold is reported in the profit and loss account as a part of financial income/expense. There is one exemption in the standard which states that if actual value for financial assets available for sale cannot be determined, these instruments shall be reported at acquisition value. At 31 December 2009, the company has not been able to calculate the actual value for securities in the can be sold category and, therefore, the exemption has been applied and valuation has been made at the Group's acquisition value.

Write-downs of financial assets

At the end of every reporting period, the Group assesses if there is objective evidence that there is a need for write-down in respect of a financial asset or a group of financial assets. A financial asset or group of financial assets has a need for write-down and is written down only if there is objective evidence for a need for write-down as a consequence of the fact that one or several events have occurred after the asset has been reported the first time and that this event has an influence on the estimated future cash flows for the financial asset or group of financial assets which can be estimated in a reliable way.

Write down for financial assets in the loans and receivables category are calculated as the difference between the reported value of the asset and the current value of estimated future cash flows discounted at the original effective rate. If the need for write-down decreases in a subsequent period and the decrease can be attributable to an event which occurred after the write-down was reported, the reversal of the previously reported write-down is reported in the consolidated profit and loss account. When it concerns an own capital instrument classified as financial assets available for sale, a significant or prolonged fall in actual value for an instrument to a level below its acquisition value is taken into consideration as evidence that there is a need for write-down. If such evidence exists for financial assets available for sale, the accumulated loss – calculated as the difference between the acquisition value and actual value, with a deduction for previous write-downs, if any, which have been reported in the profit and loss account – is removed from shareholders' equity in the balance sheet and reported in the profit and loss account. Write-downs of equity instruments, which have previously been reported in the profit and loss account, are not reversed over the profit and loss account.

Inventories

Inventories are entered at the lower of acquisition value and net sales value. The acquisition value is calculated in accordance with the 'first-in, first-out' principle or in accordance with weighted average prices. In semi-finished or finished products of the company's own manufacture, the acquisition value consists of direct manufacturing costs and a reasonable proportion of indirect manufacturing costs. On valuation, normal capacity utilisation has been taken into account. Loan costs are not included. The net sales value is the estimated sales price in the current operations with a deduction for applicable variable selling expenses.

Trade debtors

Trade debtors are initially reported at actual value and, thereafter, at accrued acquisition value by application of the effective rate method, less a provision for depreciation, if any. A provision for depreciation of trade debtors is made when there is objective evidence that the Group will not be able to receive all amounts which have fallen due in accordance with the original terms of the receivables. Significant financial difficulties of the debtor; the probability that the debtor will become bankrupt or go through financial reconstruction; and non-payments or delayed payments; are regarded as indications that a need for the write-down of a trade debtor could exist. The size of the provision consists of the difference between the reported value of the asset and the current value of estimated future cash flows, discounted by the original effective rate. The reserved amount is reported in the item 'Other external costs' in the profit and loss account. When a trade debtor cannot be recovered, it is written off. Recovery of previously written off amounts is credited to 'Other external costs' in the profit and loss account.

Liquid funds

Liquid funds comprise cash and immediately available bank balances.

Share capital

Ordinary shares are classified as shareholders' equity. When a Group company buys the parent company's shares (buy-back of own shares), the purchase price paid, including directly attributable transaction costs (net after tax), if any, reduces profit brought forward until the shares are cancelled or divested. If these shares are later divested, the amounts received (net after directly attributable transaction costs and tax effects, if any) are reported in profit brought forward.

Trade creditors

Trade creditors are initially reported at actual value and, thereafter, at accrued acquisition value by application of the effective rate method.

Borrowing

Borrowing is initially reported at actual value, net after transaction costs. Thereafter, borrowing is reported at accrued acquisition value and the difference, if any, between the amount received (net after transaction costs) and the repayment amount is reported in the profit and loss account, distributed over the loan period, by application of the effective rate method.

Borrowing is classified as current liabilities unless the Group has an unconditional right to defer payment of the liability for at least 12 months after the balance sheet date.

Taxes

Total tax consists of current tax and deferred tax. Taxes are reported in the profit and loss account except where the underlying transaction is reported as a component in 'Other total result' or directly against shareholders' equity. In such instances, the tax is also reported in 'Other total result' and shareholders' equity respectively. Current tax is tax calculated on taxable profit for the period. To this also belongs adjustment of current tax attributable to previous periods.

Deferred tax is calculated in accordance with the balance sheet method on all temporary differences between reported and fiscal values on assets and liabilities. However, the deferred tax is not reported if it arises as a result of a transaction which constitutes the first reporting of an asset or liability which is not an acquisition of an operation and which affects neither reported nor fiscal results on the date of acquisition. Deferred income tax is calculated by application of tax rates (and tax legislation) which have been decided or announced as per the balance sheet date and which are anticipated to apply when the deferred tax recoverable is realised or the deferred tax liability is settled.
In the legal entity are reported untaxed reserves including deferred tax liability. In the consolidated accounts, on the other hand, untaxed reserves are divided into deferred tax liability and shareholders' equity.

Deferred taxes recoverable are reported to the extent it is likely that future fiscal surpluses will be available, against which the temporary differences can be utilised. Deferred tax is calculated on temporary differences which arise on participations in subsidiaries and associated companies, except where the date for reversal of the temporary difference can be controlled by the Group and it is likely that the temporary difference will not be reversed in the foreseeable future.

Provisions (with the exception of deferred tax)

A provision is reported in accordance with IAS 37, Provisions, contingent liabilities and contingent assets in the balance sheet when the company has a formal or informal commitment as a consequence of an event that has occurred and it is probable that an outflow of resources will be required to settle the commitment and a reliable estimate of the amount can be made.

The provisions are valued at the current value of the amount that can be expected to be required to settle the commitment. In this connection, a discount rate before tax is applied which reflects a current market valuation of the time-dependent value of money and the risks linked with the provision. The increase in the provision which is due to the fact that time passes is reported as an interest expense.

Guarantee reserve

A provision is reported when the underlying product or service has been sold. The guarantee provision is calculated on the basis of previous years' guarantee expenditure and a calculation of future guarantee risk.

Restructuring reserve

A provision is reported when a detailed restructuring plan has been adopted and the restructuring has either started or been announced publicly.

Remuneration of employees

Pension commitments

The Group's pension costs are reported in full under the heading remuneration of employees in the profit and loss account.

In contribution-based schemes, the company pays fixed contributions to a separate legal entity and has no commitment to pay additional contributions. The Group's profit is charged for costs as the benefits are earned.

In benefit-based pension schemes, benefits to employees and former employees are paid based on the salary at a date of retirement and the number of years worked. The Group carries a risk of ensuring that the payments undertaken are made. The benefit-based pension schemes are both funds invested in various pension schemes and floating debts. Where the funds are invested, the assets which belong to the schemes are separated from the Group's assets in externally managed funds. These managed assets can only be used to pay benefits in accordance with the pension agreements.

In the balance sheet is reported the net of the calculated current value of the commitments and the actual value of the managed assets, either as a provision or a long-term financial receivable. Where a surplus in the scheme cannot be utilised in full, only the portion of the surplus which the company can recover through reduced contributions or repayments is reported. Set-off against a surplus in a scheme against a deficit in another scheme is only made if the company has the right to utilise a surplus in one scheme to regulate a deficit in another scheme, or if the commitments are intended to be settled on a net basis.

The pension cost and the pension commitment for the benefit-based pension schemes is calculated in accordance with the Projected Unit Credit Method. The method distributes the cost for pensions in step with the employees carrying out services for the company which increase their right to future compensation. The company's commitment is calculated annually by independent actuaries. The commitment consists of the current value of the anticipated future payments. The discount rate applied is equivalent to the interest in respect of first class company bonds or Government bonds with a duration equivalent to the average duration for the commitments and the currency. The most important actuarial assumptions are stated in note 30.

When determining the current value of the commitment and the actual value of the managed assets, actuarial profits and losses could arise. These arise either because the actual outcome is different from the previous assumption or because assumptions change. The portion of the accumulated actuarial profits and losses at the previous year's end which exceeds 10 per cent of the commitments' current value and 10 per cent of the managed assets' actual value is reported in the result over the anticipated average remaining period of service for the employees covered by the scheme.

Commitments for retirement pension and family pension for salaried employees in Sweden are secured through insurance in Alecta. In accordance with the statement by the Swedish Financial Accounting Standards Council's Emergency Issues Task Force, UFR 3, this is a benefit-based scheme which comprises several employers. For the 2009 financial year, the company has not had access to information which makes it possible to report this scheme as a benefit-based scheme.

The pension scheme in accordance with ITP, which is secured through insurance in Alecta, is, therefore, reported as a contribution-based scheme. The year's contributions for pension insurance schemes subscribed in Alecta amount to SEK 6.4M (4.7). Alecta's surplus can be distributed to the policy holders and/or the insured. At the 2009 year end, Alecta's surplus in the form of the collective consolidation level amounted to 118 per cent (99). The collective consolidation level consists of the market value of Alecta's assets as a percentage of the insurance commitments calculated in accordance with Alecta's insurance technical calculation assumptions which do not correspond with IAS 19.

Payments on termination of employment

A provision in connection with termination of employment of staff is only reported if the company is demonstrably obliged to end an employment before the normal date or when payments are made as an offer to encourage voluntary termination. When the company needs to make staff redundant, a detailed plan is prepared which contains at least work location, positions and the approximate number of people involved, as well as payments for each staff category or position and the time for the implementation of the plan.

Variable remuneration

Variable remuneration of Senior Executives is reported in note 6. The variable remuneration is decided annually by the G & L Beijer AB Board of Directors and can amount to not more than one month's salary. The variable remuneration is based on qualitative and quantitative target fulfilment. Variable remuneration of employees in addition to senior executives exists only to a limited extent. Remuneration is reported in the period when the legal commitment arises.

Revenues

Revenue recognition is made in the profit and loss account when it is probable that the future financial benefits will accrue to the company and these benefits can be calculated in a reliable way. The revenues include only the gross inflow of financial benefits the company receives or can receive on its own account. Income on sale of goods is reported as income when the company has transferred the significant risks and benefits linked with the ownership of the goods and the company does not exercise any real control over the goods sold. The revenues are reported at the actual value of what has been received or will be received with a deduction for VAT, made discounts and returned goods. Income from services is reported in the period they have been carried out. The criteria for revenue recognition are applied to each transaction per se. Payments in the form of interest, commission and dividend are reported as income when it is probable that the financial benefits linked with the transaction accrue to the company and that they can be calculated in a reliable way. Interest income is reported as revenue distributed over the duration by application of the effective rate method. Dividend income is reported when the right to receive payment has been determined.

Leasing – lessees

In the consolidated accounts, leasing is classified either as financial or operational leasing. Financial leasing exists when the financial risks and benefits linked with the ownership have been essentially transferred to the lessee. If this is not the case, it is a matter of operational leasing. Operational leasing means that the leasing charge is written off over the duration with the use as a starting point, which can differ from what has de facto been paid as a leasing charge during the year.

Consolidated accounts

(a) Subsidiaries

Subsidiaries are all companies (including companies for specific purposes) in which the Group has the right to formulate financial and operational strategies in a way that usually follows with a shareholding amounting to more than half of the voting rights. The existence and effect of potential voting rights, which it is currently possible to exercise or convert, are taken into account in the assessment of whether the Group exercises controlling influence over another company. Subsidiaries are included in the consolidated accounts from the date on which the controlling influence is transferred to the Group. They are excluded from the consolidated accounts from the date on which the controlling influence ceases.

Acquisition accounting is used for reporting the Group's acquisitions of subsidiaries. The acquisition cost for an acquisition consists of actual value of the assets paid as consideration, issued equity instruments and arisen or acquired liabilities on the date of transfer, plus costs which are directly attributable to the acquisition. Identifiable acquired assets and liabilities and contingent commitments in the acquisition of a company are initially valued at actual values on the date of acquisition, regardless of the extent of any minority interest. The surplus, which constitutes the difference between the acquisition value and the actual value of the Group's share of identifiable acquired net assets, is reported as goodwill. If the acquisition cost is less than the actual value of the acquired subsidiary's net assets, the difference is reported direct in the profit and loss account.

Intra-Group transactions and balance sheet items, as well as unrealised profits on transactions between Group companies, are eliminated. Unrealised losses are also eliminated unless the transaction constitutes evidence that there is a need for a write-down in respect of the transferred asset. Where applicable, the reporting principles for subsidiaries have been changed to guarantee a consistent application of the Group's principles.

(b) Transactions with minority shares
The Group applies the principle of reporting transactions with minority owners as transactions with a third party. On acquisitions of minority shares where the paid consideration exceeds the acquired share of the reported value of the subsidiary's net assets, the amount of disparity is reported as goodwill. On divestments to minority owners where the received consideration differs from the reported value of the share of the divested net assets, a gain or a loss arises. This gain or loss is reported in the profit and los account.

(c) Associated companies
Associated companies are all companies in which the Group has a significant but not controlling interest. As a rule, this applies to shareholdings comprising between 20 and 50 per cent of the votes. Holdings in associated companies are reported in accordance with the equity method and are initially valued at acquisition value. The Group's reported value of holdings in associated companies includes goodwill identified on the date of acquisition, net after write-downs, if any.

The Group's share of a result which has arisen in an associated company after acquisition is reported in the profit and loss account and its share of changes in reserves after the acquisition is reported among reserves. Accumulated changes after the acquisition are reported as a change in the reported value of the holding. When the Group's share in an associated company's losses amounts to, or exceeds, its holding in the associated company, including any receivables without security, the Group does not report further losses unless the Group has taken on commitments or made payments on behalf of the associated company.

Unrealised profits on transactions between the Group and its associated companies are eliminated in relation to the Group's holding in the associated company. Unrealised losses are also eliminated unless the transaction forms proof that there is a need for a write-down in respect of the transferred asset. Where applicable, the reporting principles for associated companies have been changed to guarantee a consistent application of principles within the Group.

Translation of foreign currency

(a) Functional currency and reporting currency
Items included in the financial reports for the different units in the Group are valued in the currency used in the financial environment in which the respective company mainly operates (functional currency). In the consolidated accounts SEK is used, which is the parent company's functional currency and reporting currency.

(b) Transactions and balance sheet items
Transactions in foreign currency are translated into the functional currency in accordance with the exchange rates applicable on the date of transaction. Exchange gains and losses, which arise on payment of such transactions and on the translation of monetary assets and liabilities in foreign currency at the balance sheet date rate, are reported in the profit and loss account.

(c) Group companies
Results and financial position for all Group companies (none of which have a high inflation currency), which have functional currency other than the reporting currency, is translated into the Group's reporting currency as follows:

a. assets and liabilities for each balance sheet are translated at the balance sheet date rate,
b. income and expenses for each profit and loss account is translated at the average exchange rate and
c. all exchange rate differences which arise are reported as a separate component in 'Other total result'.

On consolidation, the year's exchange rate differences, which arise as a result of translation of net investments in foreign operations and of borrowing and other currency instruments which have been identified as hedgings of such investments, are posted to shareholders' equity. On the divestment of a foreign operation, such exchange rate differences are reported as a part of the capital gain/loss in the profit and loss account.

Goodwill and adjustments of actual value which arise on the acquisition of a foreign operation are treated as assets and liabilities in this operation and translated at the balance sheet date rate.

Dividends
Dividend to the parent company's shareholders is reported as liability in the Group's financial reports in the period when the dividend is approved by the parent company's shareholders.

Related parties transactions
For information about the Board of Directors', Managing Director's and other Senior Executives' salaries and other remuneration, costs and commitments relating to pensions and similar benefits, as well as agreements relating to severance pay, see note 6. Otherwise, there are no related parties transactions of significance.

PARENT COMPANY REPORTING PRINCIPLES

Deferred tax
In the parent company - due to the relationship between reporting and taxation - the deferred tax liability on untaxed reserves is reported as a part of the untaxed reserves.

Subsidiaries
In the parent company's accounts are reported participations in subsidiaries at acquisition value with a deduction for write-downs, if any. As dividend from subsidiaries is only reported a dividend received from profits earned after the acquisition.

Associated companies
In the parent company's accounts are reported participations in associated companies at acquisition value with a deduction for write-downs, if any. As income from associated companies is only reported a dividend received from profits earned after the acquisition.

Group contributions and Shareholders' contributions
The company reports Group contributions and shareholder contributions in accordance with the pronouncement by the Swedish Financial Accounting Standards Council's Emergency Issues Task Force. Shareholders' contributions are posted direct to shareholders' equity at the recipient and is capitalised in shares and participations with the contributor to the extent that a write-down is not required. Group contributions are reported in accordance with financial meaning. It means that Group contributions provided with the objective of minimising the Group's total tax are reported direct against profits brought forward after deduction for their current tax effect.

Remuneration of employees
The parent company reports benefit-based pension schemes in accordance with the Swedish Institute of Public Accountants' Recommendation No 4, Reporting of pension liability and pension cost. The parent company has undertaken benefit-based pensions to employees. In this respect, the parent company's commitments to pay pensions in the future have a current value, determined for each employee partly by the pension level, the age and the degree to which a full pension has been earned. This current value has been calculated in accordance with actuarial basis and is based on the salary and pension levels applicable on the balance sheet date. The pension commitments are reported as a provision in the balance sheet. Pension commitments for white collar workers secured through insurance in Alecta are reported as a contribution-based scheme in the parent company. The interest portion in the year's pension cost is reported among financial expenses. Other pension costs are charged to operating profit.

Note 3 Financial risk handling

Financial risks

Through its operations, the Group is exposed to a large number of different financial risks, including the effects of changes in prices in the loan and capital markets, exchange rates and interest rates. The Group's overall risk-handling programme focuses on the unpredictability in the financial markets and strives to minimise potential unfavourable effects on the Group's results.
The Group uses forward-exchange contracts and interest swaps to hedge some exposure where applicable. The risk handling is managed by a central finance department in collaboration with the business areas' finance departments (Group Finance) in accordance with principles approved by the Board of Directors. Group Finance identifies, evaluates and hedges financial risks in close collaboration with the Group's operational units. The Board of Directors draws up written principles for both the overall risk handling and for specific areas such as currency risks, interest risks, credit risks, use of derivative instruments and investment of surplus liquidity.

Currency risks

The Group is exposed to transaction risks on acquisitions/sales and financial transactions in foreign currency. The currency exposure relates primarily to the EUR and USD. Quotations and price lists contain a currency clause. Continual price adjustments are made on a par with changed purchase prices caused by, among other things, exchange rate fluctuations. Forward cover is made in the following cases: Individual large transactions with a fixed price for the customer; agreements without a currency clause; and large individual purchases with no possibility for price adjustment. On translation to the Group currency, SEK, the Group is exposed to a translation risk. This type of currency risk is not hedged, except in Switzerland, Romania and Hungary where equity hedge exists. The arisen exchange rate difference compared with the previous year is shown in note 15. On the balance sheet date, the Group had no outstanding forward exchange agreements of a significant nature for which actual value shall be reported.

Interest risks

The Group's revenues and cash flow from operations are essentially independent of changes in market interest levels. The Group has no significant interest-bearing assets. At the year end, in principle, all liabilities were at floating interest rate as this was deemed to be most advantageous. The Group is continually monitoring the trend in interest rates and the question of tying the interest rate of the whole, or parts of, the liability to a floating interest rate is under continuous consideration by the G & L Beijer's Board of Directors.

Credit risk

The Group has no significant concentration of credit risks. The Group has established guidelines for ensuring that sales of products are made to customers with an appropriate credit background. Due to the fact that the Group has of a large number of customers and transactions, the credit risk is kept at a low level.

Liquidity risk

The handling of liquidity risks is made with prudence as the starting point. This involves maintaining sufficient liquid funds, available financing and through sufficient agreed bank overdraft facilities. On the balance sheet date, liquid funds including unutilised bank overdraft facilities totalled SEK 537.6M (192.7). In addition, there are limits granted by the Group's banks to cover the working capital requirement which may arise.

Note 4 Important estimates and assessments for reporting purposes

Estimates and assessments are continually evaluated and based on historic experience and other factors, including expectations from future events which are deemed to be reasonable under current circumstances.

The Group makes estimates and assumptions about the future. The estimates for reporting purposes which become the consequence of these will, from a definition viewpoint, seldom correspond with the actual result. The estimates and assumptions, which involve a significant risk for essential adjustments in reported values for assets and liabilities during the next financial year, are, above all, testing of the need for a write-down of goodwill.

Every year, the Group examines if there is a need for a write-down of goodwill in accordance with the reporting principle described in note 2. Recovery values for cash-generating units have been determined through calculation of value of use. For these calculations, some estimates must be made (note 18).

Note 5 Reporting for segments

Operations

The Group is organised into two business areas, Beijer Ref and Beijer Tech. The business areas form the primary basis of division. There are no sales or other transactions between the different operations. Undistributed costs represent common costs.

The division into segments is determined by the products and, therefore, the customers they address. The Beijer Ref segment is split into three operations: the wholesale operation, air conditioning and manufacturing. Of these, the wholesale operation is the largest. The companies within this operation are full-range wholesalers for the refrigeration sector. They provide products and services to the European refrigerating/freezer, technical insulation, heat pumps and climate comfort markets. The Beijer Tech segment is a wholesale and trading operation which sells a wide product range of components, machinery and plant to the manufacturing and engineering industries.

Assets of operations consist mainly of tangible fixed assets, intangible fixed assets, inventories, receivables and operating cash in hand.
Liabilities of operations consist of operating liabilities, but not items such as taxes and some company borrowing.
Investments consist of purchases of tangible fixed assets and intangible fixed assets.

	Beijer Ref		Beijer Tech		Group	
	2009	2008	2009	2008	2009	2008
Revenues						
External sales	4 757 746	2 714 108	505 404	642 483	5 263 150	3 356 591
Total revenues	4 757 746	2 714 108	505 404	642 483	5 263 150	3 356 591
Results						
Result by operation	299 308	270 364	20 550	85 651	319 858	356 015
Undistributed costs					– 19 189	– 19 626
Operating profit	299 308	270 364	20 550	85 651	300 669	336 389
Result of holdings in associated companies					7 400	9 400
Financial income					4 182	11 309
Financial expenses					– 22 355	– 35 078
Tax on the year's profit					– 83 898	– 66 846
Net profit for the year					205 998	255 174
Other information						
Assets	3 795 492	1 837 660	283 338	311 360	4 078 830	2 149 020
Undistributed assets					– 71 956	69 750
Total assets					4 006 874	2 218 770
Liabilities	1 995 360	367 249	72 601	99 177	2 067 961	466 426
Undistributed liabilities					– 236 617	762 392
Total liabilities					1 831 344	1 228 818
Investments	55 773	48 873	945	3 959		
Depreciation	39 871	29 317	5 562	6 714		

Geographic regions

The Group's operations are mainly carried out in Europe. In Sweden, which is the Group's domestic market, operations are carried out within both Beijer Ref and Beijer Tech as they are in Norway and Finland. In other countries, operations are mainly carried out within the Beijer Ref business area. The sales figures are based on the country in which the customer is located. Assets and investments are reported where the asset is located.

	Sales		Assets		Investments	
	2009	2008	2009	2008	2009	2008
France	939 267	93	813 343	—	4 291	—
Sweden	770 340	931 538	715 957	676 523	15 060	13 508
The Netherlands	622 533	426 348	343 657	250 871	11 800	4 773
Switzerland	448 858	328 923	458 500	356 595	6 091	1 926
South Africa	408 717	—	434 650	—	2 426	—
United Kingdom	402 551	453 755	215 905	232 227	3 041	4 655
Denmark	367 809	428 793	348 166	409 315	2 847	9 797
Italy	231 523	1 769	318 148	—	1 158	—
Norway	226 495	268 739	125 607	121 211	8 078	15 654
Spain	200 401	60	145 067	—	170	—
Finland	186 536	180 307	76 249	78 703	744	980
Poland	82 144	70 845	46 756	43 826	160	419
Hungary	42 371	61 993	37 746	48 198	550	312
Other European countries	232 103	182 502	199 243	103 705	302	808
Rest of the world	101 502	20 926	—	—	—	—
Total	5 263 150	3 356 591	4 278 994	2 321 174	56 718	52 832
Undistributed assets/Eliminations			– 272 120	– 102 404		
Total assets			4 006 874	2 218 770		

Note 6 Employees and remuneration of employees

Average number of employees

Parent Company	2009	Of whom men	2008	Of whom men
Sweden	4	75%	3	67%
Total in Parent Company	4	75%	3	67%
Subsidiaries				
Sweden	361	87%	387	87%
South Africa	281	85%	—	—
France	267	79%	—	—
The Netherlands	157	81%	101	80%
United Kingdom	154	71%	160	69%
Switzerland	99	76%	72	78%
Norway	89	87%	93	85%
Spain	63	78%	—	—
Denmark	61	79%	67	75%
Italy	56	84%	—	—
Finland	33	73%	33	73%
Hungary	30	67%	32	66%
Poland	26	81%	21	86%
Belgium	22	71%	—	—
Czech Republic	16	63%	21	67%
Romania	12	92%	8	88%
Slovakia	10	30%	10	30%
Ireland	8	75%	8	63%
Estonia	8	88%	8	88%
Latvia	5	80%	6	67%
Lithuania	4	100%	6	83%
Total in subsidiaries	1 761	81%	1 033	79%
Total Group	1 765	81%	1 036	79%

Salaries, other remuneration and social costs (SEK K)

	2009		2008	
	Salaries and remuneration	Social costs	Salaries and remuneration	Social costs
Parent Company [1]	7 728	4 080	5 792	3 528
(of which pension costs) [2]	—	(1 531)	—	(1 408)
Subsidiaries	675 423	182 336	407 188	102 081
(of which pension costs)	—	(54 663)	—	(25 125)
Total Group	683 151	186 416	412 980	105 609
(of which pension costs) [3]	—	(56 194)	—	(26 533)

1) Absence for illness is not reported for the parent company as the number of employees is below 10.
2) Of the parent company's pension costs, SEK 1,030K (950) relate to the Board of Directors and the Managing Director.
3) Of the Group's pension costs, SEK 5,722K (4,602) relate to the Board of Directors and the Managing Director.

(Note 6, cont.)

Salaries and other remuneration distributed by country and between Board Members, etc, and other employees

	2009		2008	
	Board and MD	Other employees	Board and MD	Other employees
Total Parent Company	5 294	2 434	4 284	1 508
(of which, bonus, etc)	(290)	(191)	(248)	(135)
Subsidiaries in Sweden	10 121	129 949	10 173	132 338
(of which, bonus, etc)	(607)	(3 569)	(808)	(5 116)
Subsidiaries outside Sweden				
France	2 933	104 991	—	—
(of which, bonus, etc)	(330)	(7 286)	(—)	(—)
The Netherlands	4 631	68 932	1 249	44 974
(of which, bonus, etc)	(690)	(24 142)	(96)	(2 565)
Switzerland	4 390	66 086	3 986	41 405
(of which, bonus, etc)	(767)	(4 628)	(1 751)	(2 333)
South Africa	2 550	49 057	—	—
(of which, bonus, etc)	(1 042)	(4 257)	(—)	(—)
United Kingdom	1 896	43 041	1 886	44 496
(of which, bonus, etc)	(—)	(—)	(—)	(206)
Norway	4 709	42 914	4 901	41 225
(of which, bonus, etc)	(464)	(1 107)	(1 157)	(879)
Denmark	4 250	38 580	4 430	37 796
(of which, bonus, etc)	(828)	(2 413)	(1 684)	(996)
Italy	1 986	22 772	—	—
(of which, bonus, etc)	(191)	(669)	(—)	(—)
Spain	1 285	17 801	—	—
(of which, bonus, etc)	(170)	(202)	(—)	(—)
Finland	2 507	14 466	2 325	12 804
(of which, bonus, etc)	(234)	(860)	(279)	(807)
Belgium	—	12 565	—	—
(of which, bonus, etc)	(—)	(106)	(—)	(—)
Poland	1 520	4 264	905	4 021
(of which, bonus, etc)	(255)	(597)	(121)	(650)
Ireland	—	3 824	—	3 285
Hungary	604	3 222	567	3 526
(of which, bonus, etc)	(—)	(280)	(—)	(580)
Czech Republic	—	2 973	145	2 519
Estonia	1 008	1 410	1 314	1 307
(of which, bonus, etc)	(59)	(16)	(378)	(138)
Romania	372	923	368	748
Latvia	406	662	546	725
(of which, bonus, etc)	(—)	(—)	(68)	(—)
Slovakia	212	584	394	1 306
Lithuania	532	495	648	876
Total subsidiaries	45 912	629 511	33 837	373 351
(of which, bonus, etc)	(5 637)	(50 132)	(6 342)	(14 270)
Total Group	51 206	631 945	38 121	374 859
(of which, bonus, etc)	(5 927)	(50 323)	(6 590)	(14 405)

Benefits for senior executives

For 2009, a director's fee of SEK 340K was paid to the Chairman and SEK 215K to each of the other Board Members. The Board consists of six men and one woman. The Managing Director, Joen Magnusson, has received a salary, remuneration and other benefits amounting to SEK 4,074K (3,529) including a bonus payment of SEK 290K (248). An annual amount equivalent to 26 per cent of his gross salary, including bonus payment, is appropriated to a pension insurance scheme. The pension solution is contribution-based. The retirement age for the Managing Director is 65. Where notice of termination is given by the company, the Managing Director will receive 24 months' salary and the company will pay a pension insurance premium of 26 per cent. A bonus payment is decided annually by the Board of Directors and can amount to up to one month's salary. The bonus payment is based on qualitative and quantitative target fulfilment. Other senior executives include the Chief Financial Officer and the two Business Area Managers, all men, who received salaries, remuneration and other benefits totalling SEK 6,133K (5,403) including bonus payments of SEK 438K (369). Pension solutions to other senior executives are contribution-based and average 24 per cent of salary including bonus payment. Where notice of termination is given by the company, these executives will receive of 10 months' salary and the company will pay a pension insurance premium of 24 per cent on average. One of the senior executives will, in addition to 12 months' salary on notice of termination, receive 12 months' severance pay. Notice of termination by the Managing Director or other senior executive does not trigger any severance pay. On new employment, there is no deduction of severance pay.

The Board of Directors handles matters relating to remuneration of the senior executives and the Board as a whole constitutes the Remuneration Committee. However, the Managing Director does not participate in decisions relating to his own remuneration. The matter is prepared during the first Board Meeting of the year and is decided at the Board Meeting held in connection with the Annual Meeting of shareholders.

Note 7 Other operating income

Group	2009	2008
Commission	20 098	22 562
Installation work	7 471	13 679
Rents	4 169	4 432
Exchange gains	3 612	3 281
Capital gain	102	59 727
Other	4 241	1 162
Total	39 693	104 843
Parent Company		
Capital gain	25	—
Total	25	—

Note 8 Remuneration of auditors

Other external costs include costs for audit and other assignments carried out by the principal auditor, PricewaterhouseCoopers as follows:

Group	2009	2008
Audit, principal auditor	6 236	2 400
Audit, other	1 097	146
Other assignments (principal auditor and other)	923	1 849
Total	8 256	4 395
Parent Company		
Audit, principal auditor	1 013	550
Other assignments (principal auditor and other)	301	290
Total	1 314	840

Note 9 Lease contracts

Group	2009	2008
The year's leasing cost	122 334	47 565
Leasing charge which falls due within 1 year	103 038	38 648
Leasing charge which falls due within 1-5 years	177 752	77 184
Leasing charge which falls due later than 5 years	85 363	20 460

The above amounts mainly relate to lease contracts for premises, but leasing charges for cars, trucks and office equipment are also included.
The lease contracts run with customary index clauses and the car contracts run with normal interest terms.

Note 10 Results of participations in Group companies and associated companies

Group	2009	2008
Dividends received, Group companies	85 000	61 381
Dividends received, associated companies	—	1 642
Write-down, Group companies	– 9 197	—
Total	75 803	63 023

The parent company has received dividends of SEK 50,000K from G & L Beijer Ref AB and SEK 35,000K from Beijer Ref AB.

Note 11 Financial income

Group	2009	2008
Interest income	4 881	5 567
Exchange gain/-loss	– 458	3 561
Dividend income	—	2 017
Capital gain/-loss	– 241	164
Total	4 182	11 309
Parent Company		
Interest income, Group companies	9 262	19 955
Interest income, external	8	25
Exchange gain	137	1 119
Total	9 407	21 099

Note 12 Financial expenses

Group	2009	2008
Interest expenses	– 18 398	– 34 174
Exchange loss	– 2 788	– 423
Other	– 1 169	– 481
Total	– 22 355	– 35 078
Parent Company		
Interest expenses, Group companies	—	– 7
Interest expenses, external	– 10 070	– 14 870
Total	– 10 070	– 14 877

Note 13 Appropriations

Parent Company	2009	2008
Tax allocation reserve, the year's change	—	2 839
Difference between book depreciation and depreciation according to plan		
– Equipment, tools and installations	– 74	37
Total	– 74	2 876

Note 14 Tax on the year's profit

Group	2009	2008
Current tax	– 88 257	– 74 456
Deferred tax (note 29)	4 359	7 610
Tax on the year's profit	– 83 898	– 66 846

Reconciliation of effective tax		
Profit before taxes	289 896	322 020
Tax expense calculated according to actual tax rate, 26.3% (28%)	– 76 243	– 90 166
Effect of different tax rates	– 3 365	7 027
Non-deductible costs	– 7 702	– 3 562
Non-taxable income	4 042	21 363
Tax attributable to previous years	– 641	– 1 557
Utilised loss carry forwards, not previously reported	606	17
Other	– 595	32
Net effective tax	– 83 898	– 66 846
Effective tax rate	28,9%	20,8%

Parent Company		
Current tax	4 649	836
Tax on the year's profit	4 649	836

Reconciliation of effective tax		
Profit before taxes	57 342	57 567
Tax expense calculated according to actual tax rate, 26.3% (28%)	– 15 081	– 16 119
Non-deductible costs	– 2 626	– 232
Non-taxable income	22 356	17 187
Net effective tax	4 649	836
Effective tax rate	– 8,1%	– 1,5%

No deferred tax is attributable to items in 'Other total result'.

Note 15 Currency effect in results

Group	2009	2008
Currency effect in operating profit	3 612	3 281
Currency effect in financial income and expenses	– 3 246	3 587
Currency effect in profit after tax	366	6 868

Parent Company		
Currency effect in financial income and expenses	137	1 119
Currency effect in profit after tax	137	1 119

Note 16 Profit per share

	2009	2008
Profit attributable to the parent company's shareholders	205 998	255 174
Weighted average number of outstanding shares	20 462 503	12 399 376
Profit per share, SEK*	10,07	20,58

*) No dilution exists.

Note 17 Dividend per share

Dividends paid during 2009 and 2008 amounted to SEK 74,396K (SEK 6.00 per share). A dividend of SEK 6.50 per share for 2009, SEK 137,771K in total, will be proposed at the Annual Meeting of shareholders on 28 April 2010.

Note 18 Intangible fixed assets

Capitalised expenditure for software

Group

Accumulated acquisition values	2009	2008
On 1 January	41 997	36 356
Acquisitions during the year	5 730	2 040
Acquisition of companies	39 309	320
Reclassification	– 727	—
The year's translation differences	– 2 756	3 281
Total	83 553	41 997

Accumulated amortisation		
On 1 January	– 36 045	– 28 795
Acquisition of companies	– 34 070	– 95
The year's amortisation	– 7 028	– 4 541
The year's write-up/write-down	1 158	—
Reclassification	716	—
The year's translation differences	4 924	– 2 614
Total	– 70 345	– 36 045
Residual value	13 208	5 952

Capitalised expenditure for research and development, etc

Group

Accumulated acquisition values	2009	2008
On 1 January	11 766	14 250
Acquisitions during the year	1 046	1 861
Divestments and disposals	—	– 650
Reclassification	– 351	– 3 700
The year's translation differences	—	5
Total	12 461	11 766

Accumulated amortisation		
On 1 January	– 4 858	– 3 264
The year's amortisation	– 1 761	– 2 141
The year's write-up/write-down	—	– 288
Divestments and disposals	—	649
Reclassification	244	161
The year's translation differences	—	25
Total	– 6 375	– 4 858
Residual value	6 086	6 908

Agencies, customer lists, trademarks, etc

Group

Accumulated acquisition values	2009	2008
On 1 January	22 128	5 790
Acquisition of companies	54 500	16 338
Adjustment of acquisition calculation	2 089	—
Reclassification	351	—
The year's translation differences	– 1 573	—
Total	77 495	22 128

Accumulated amortisation		
On 1 January	– 3 377	– 302
The year's amortisation	– 4 267	– 2 956
Reclassification	371	– 119
The year's translation differences	– 45	—
Total	– 7 318	– 3 377
Residual value	70 177	18 751

Goodwill

Group

Accumulated acquisition values	2009	2008
On 1 January	545 068	459 208
Acquisition of companies	290 984	15 336
Adjustment of acquisition calculation	—	– 309
Divestments and disposals	—	– 3 239
Reclassification	– 615	3 658
The year's translation differences	– 13 920	70 414
Residual value	821 517	545 068

Examination of need for write-down of goodwill

Goodwill is distributed on the Group's cash generating units identified by country of operation and operation.

Goodwill	2009	2008
Beijer Ref	755 794	493 052
Beijer Tech	65 723	52 016
Total	821 517	545 068

The recoverable amount for a cash-generating unit is determined based on calculations of value of use. These calculations are based on estimated future cash flows which, in turn, are based on financial budgets approved by the Executive Management for the immediate year. Thereafter, estimates have been made by the respective business area's management, which have been approved by the Executive Management, and which cover a five-year period. Cash flows beyond the five-year period are extrapolated with the aid of estimated growth and future profitability development. The most important variables for the calculation of value of use are operating margin and growth. These are estimated based on sector experience and historic experience.

The discount rate, which amounts to 6.7 per cent before tax, has been determined with the aid of current tools for the calculation of the yield requirements on capital and the weighted average of the yield requirements on the company's total capital.

There is no need for a write-down of the Group's goodwill item.

Total intangible fixed assets

Group

Accumulated acquisition values	2009	2008
On 1 January	620 959	515 604
Acquisitions during the year	6 776	3 901
Acquisition of companies	384 793	31 994
Adjustment of acquisition calculation	2 089	– 309
Divestments and disposals	—	– 3 889
Reclassification	– 1 342	– 42
The year's translation difference	– 18 249	73 700
Total	995 026	620 959

Accumulated amortisation		
On 1 January	– 44 280	– 32 362
Acquisition of companies	– 34 070	– 95
The year's amortisation	– 13 056	– 9 638
The year's write-up/write-down	1 158	– 288
Divestments and disposals	—	649
Reclassification	1 331	42
The year's translation difference	4 879	– 2 588
Total	– 84 038	– 44 280
Residual value	910 988	576 679

Note 19 Tangible fixed assets

Buildings and land

Group

Accumulated acquisition values	2009	2008
On 1 January	125 764	144 136
Acquisitions during the year	1 411	1 400
Acquisition of companies	79 270	—
Divestments and disposals	– 8 333	– 19 272
The year's translation differences	– 4 077	– 500
Total	194 035	125 764

Accumulated amortisation		
On 1 January	– 46 629	– 57 017
Acquisition of companies	– 34 351	—
The year's depreciation	– 4 379	– 3 424
Divestments and disposals	3 326	13 287
The year's translation differences	3 498	525
Total	– 78 535	– 46 629
Residual value	115 500	79 135
Of which land	6 087	5 199
Book values, Sweden	28 046	33 936
Tax assessment values, buildings, Sweden	21 469	25 590
Tax assessment values, land, Sweden	7 234	8 339

Machinery and other technical plant

Group

Accumulated acquisition values	2009	2008
On 1 January	99 968	156 468
Acquisitions during the year	13 946	11 013
Acquisition of companies	8 852	1 847
Divestments and disposals	– 4 963	– 67 601
The year's translation differences	3 523	– 1 759
Total	121 326	99 968

Accumulated amortisation		
On 1 January	– 79 903	– 131 111
Acquisition of companies	– 7 392	– 1 758
The year's depreciation	– 5 103	– 1 675
Divestments and disposals	4 946	53 333
The year's translation differences	– 1 940	1 308
Total	– 89 392	– 79 903
Residual value	31 934	20 065

Equipment, tools and installations

Group

Accumulated acquisition values	2009	2008
On 1 January	257 245	237 699
Acquisitions during the year	33 600	31 057
Acquisition of companies	70 558	1 671
Divestments and disposals	– 24 112	– 15 863
Reclassification	7	—
The year's translation differences	– 6 120	2 681
Total	331 178	257 245

Accumulated amortisation		
On 1 January	– 177 557	– 168 775
Acquisition of companies	– 55 087	– 67
The year's depreciation	– 24 935	– 21 235
The year's write-up/write-down	—	– 43
Divestments and disposals	20 383	13 377
Reclassification	4	—
The year's translation differences	5 002	– 814
Total	– 232 190	– 177 557
Residual value	98 988	79 688

Construction in progress

Group	2009	2008
Balance on 1 January	40	—
Accrued expenses during the year	2 205	37
Translation difference	– 29	3
Residual value	2 216	40

Total tangible fixed assets

Group

Accumulated acquisition values	2009	2008
On 1 January	483 017	538 303
Acquisitions during the year	51 162	43 507
Acquisition of companies	158 680	3 518
Divestments and disposals	– 37 408	– 102 736
Reclassification	7	—
The year's translation differences	– 6 703	425
Total	648 755	483 017

Accumulated amortisation		
On 1 January	– 304 089	– 356 903
Acquisition of companies	– 96 830	– 1 825
The year's depreciation	– 34 417	– 26 334
The year's write-up/write-down	—	– 43
Divestments and disposals	28 655	79 997
Reclassification	4	—
The year's translation differences	6 560	1 019
Total	– 400 117	– 304 089
Residual value	248 638	178 928

Equipment, tools and installations

Parent Company

Accumulated acquisition values	2009	2008
On 1 January	1 751	1 784
Acquisitions during the year	959	72
Divestments and disposals	– 884	– 105
Total	1 826	1 751

Accumulated amortisation		
On 1 January	– 1 050	– 885
The year's depreciation	– 241	– 270
Divestments and disposals	374	105
Total	– 917	– 1 050
Residual value	909	701

Note 20 Participations in Group companies

Parent Company

Accumulated acquisition values	2009
On 1 January	102 469
Acquisitions	1 073 058
Shareholders' contribution	9 000
Write-down	– 9 197
Total	1 175 330

Specification of the parent company and the Group holdings of shares and participations in Group companies

Company	Company ID number	Registered office	Number of participations	Direct share of capital, %[1]	Indirect share of capital, %[1]	Book value 2009	Book value 2008
G & L Beijer Förvaltning AB	556020-8935	Malmö	20 000	100		703	9 900
Fastighets AB Timmerön	556076-3442	Malmö			100		
G & L Beijer Ltd	SC38231	Glasgow			100		
Beijer Ref							
G & L Beijer Ref AB	556046-6087	Malmö	586 447	100		72 569	72 569
Beijer Ref Luxembourg Holding	B 142 574	Luxemburg	127	100		461 415	
GFF SA	552130296	Lyon	282 120	100		611 643	
Delmo SA	49360517	Bobigny	10 800	100			
G & L Beijer A/S	56813616	Ballerup			100		
Kylma AB	556059-7048	Solna			100		
Asarums Industrier AB	556072-3289	Karlshamn			100		
DEM Production AB	556546-2412	Alvesta			100		
Clima Sverige AB	556314-6421	Ängelholm			100		
H. Jessen Jürgensen AB	556069-2724	Gothenburg			100		
Külmakomponentide OÜ	10037180	Tallinn			100		
OY Combi Cool AB	5999255	Helsinki			100		
H. Jessen Jürgensen A/S	16920401	Ballerup			100		
Armadan A/S	16920436	Ballerup			100		
BKF-Klima A/S	18297094	Ballerup			100		
TT-Coil A/S	19509519	Ballerup			100		
Beijer Ref ApS	26010292	Ballerup			100		
Air-Con A/S	49360517	Ebeltoft			100		
TT-Coil Norge AS	947473697	Mysen			100		
Schlösser Möller Kulde AS	914492149	Oslo			100		
Beijer Ref Polska Sp.z.o.o	206476	Warzaw			100		
ECR Poland Sp.z.o.o	299981	Warzaw			100		
TT-Coil Deutschland Gmbh	984002092	Hamburg			100		
Max Cool Sia	344341	Riga			100		
UAB Beijer Ref, Lithuania	1177481	Vilnius			100		
Werner Kuster AG	280.3.001.874-3	Frenkendorf			100		
Charles Hasler AG	020.3.911.192-5	Regensdorf			100		
Paulus AG	280.3.914.612-1	Aesch Basel			100		
Dean & Wood Ltd	467637	Leatherhead			100		
Dean & Wood Ireland	299353	Dublin			100		
Coolmark bv	24151651	Barendrecht			100		
Uniechemie B.V.	8032408	Apeldoorn			100		
ECR Nederland BV	17014719	Nuenen			100		
Equinoxe Kft Cg	01-09-163446	Budapest			100		
Beijer Ref Romania s.r.l.	J35-2794-29	Timisoara			100		
RK Slovakia s.r.o.	36551856	Nové Zâmky			100		
Fridanair s.r.o.	16734874	Plzen			100		
ECR Italy SpA	728980152	Milano			100		
Frigoram Commerciale SpA	7202290156	Milano			100		
ECR Belgium BVBA	0807.473.926	Aartselaar			100		
Metraclark South Africa Propriety Ltd	2008/016731/07	Johannesburg			100		
Beijer ECR Iberica S.L.	1883/09	Madrid			100		
Beijer Tech							
G & L Beijer Tech AB	556650-8320	Malmö	50 000	100		29 000	20 000
G & L Beijer Industri AB	556031-1549	Malmö			100		
Lundgrens Sverige AB	556063-3504	Gothenburg			100		
AB Tebeco Industriprodukter	556021-1442	Halmstad			100		
Slang-Pac AB	556296-5391	Stockholm			100		
G & L Beijer AS	929417607	Drammen			100		
G & L Beijer OY	0109075-7	Helsinki			100		
Total Group						1 175 330	102 469

1) Share of capital corresponds with share of vote for the total number of shares

Note 21 Holdings in associated companies

The holding related to Förvaltnings AB Norra Vallgatan (corporate ID number 556669-0383) which has its registered office in Malmö, Sweden.

Group	2009	2008
Balance on 1 January	33 805	26 047
Dividends received	—	– 1 642
Repayment of shareholders' contribution	– 1 617	—
Share of profit [1]	7 400	9 400
Balance on 31 December	39 588	33 805

1) After tax.

On the balance sheet date, the Group's participation in the associated company, which is unlisted, was as follows:

	2009	2008
Assets	93 735	81 268
Liabilities	10 110	9 860
The year's profit	15 631	19 856
Ownership, %	47	47

Parent Company	2009	2008
Balance on 1 January	9 750	9 750
Repayment of shareholders' contribution	– 1 617	—
Balance on 31 December	8 133	9 750

Note 22 Financial assets available for sale

During the year, financial assets available for sale have been added via an acquired operation. No divestments or provisions for a fall in value have been made during 2009 or 2008 relating to financial assets available for sale.

Financial assets available for sale include the following:

Securities:	2009	2008
– holding in unlisted securities *		
Total	93 529	—
	93 529	—

* The holding in the above unlisted securities exceed a share of votes of 20 per cent. This holding is not classified as an associated company as no significant influence can be deemed to exist. An opportunity to exercise significant influence is not deemed to exist as the Group has no representation on the board of directors or any form of opportunity to influence the company's financial and operational strategies.

Financial assets available for sale are expressed in the following currencies:

EUR	9 034	—

It has not been possible to calculate the actual value of these securities at 31 December 2009 in a reliable way and a valuation has, therefore, been made at the Group's acquisition value. There is no observable market data and G & L Beijer has not been given access to information which can form the basis for an estimate relating to anticipated cash flows.

None of the financial assets are deemed to be in need of a write-down.

Note 23 Trade debtors and other receivables

Group	2009	2008
Trade debtors	950 192	510 977
Prepaid expenses and accrued income	65 867	45 851
Other receivables	113 003	25 556
On 31 December	1 129 062	582 384
Minus long-term portion	– 41 733	– 501
Short-term portion	1 087 329	581 883

All long-term receivables mature within five years of the balance sheet date. Actual value of trade debtors and other receivables correspond with reported values. There is no concentration of credit risks relating to trade debtors as the Group has a large number of customers who, in addition, are spread internationally.

Provisions for doubtful receivables	2009	2008
Opening balance	17 640	13 120
Costs for bad debt losses	– 16 078	– 6 727
Acquisition of companies	32 870	—
Allocated during the period	12 622	11 247
Closing balance	47 054	17 640

Note 24 Inventories

Group	2009	2008
Raw materials and supplies	51 997	32 723
Work-in-progress	12 497	12 489
Finished products and goods for resale[1]	1 139 050	672 187
Advances to suppliers	666	5 045
Total inventories	1 204 210	722 444
1) Of which reported to net sales value	44 396	24 597

Note 25 Liquid funds

Liquid funds in the Group consist of cash and bank and amounted to SEK 333,775K (104,381).

Note 26 Share capital

Number of shares	2009	2008
A shares with number of votes 10	1 653 120	1 294 410
B shares with number of votes 1	19 585 995	11 148 566
Total	21 239 115	12 442 976
Shares in own custody	– 43 600	– 43 600
Number of outstanding shares	21 195 515	12 399 376

Each share has a nominal value of SEK 17.50.

Note 27 Untaxed reserves

Parent Company	2009	2008
Tax allocation reserves	1 185	1 185
Accumulated accelerated depreciation	232	157
Total*	1 417	1 342

*) The tax portion amounts to 26.3 per cent (28)

Note 28 Borrowing

Group Long-term	2009	2008
Bank loans	369 241	391 857
Total long-term	369 241	391 857
Current		
Bank overdraft facilities	147 494	203 607
Bank loans	188 920	111 874
Total current	336 414	315 481
Total borrowing	705 655	707 338

The Group's fixed-interest term as a whole is less than six months.

Due dates for long-term borrowing are as follows:

Between 1 and 5 years	369 241	391 857
	369 241	391 857

The Group's borrowing by currency is as follows:

SEK	319 346	531 715
CHF	189 689	5 876
EUR	108 354	24 088
GBP	38 510	65 438
DKK	34 260	60 661
NOK	10 570	8 078
Other currencies	4 926	11 482
	705 655	707 338

Reported amounts for borrowing form a good approximation of their actual value.

Parent Company Long-term	2009	2008
Bank loans	95 500	106 500
Total long-term	95 500	106 500
Current		
Bank overdraft facilities	98 414	129 751
Bank loans	148 386	62 980
Total current	246 800	192 731
Total borrowing	342 300	299 231

Due dates for long-term borrowing are as follows:

Between 1 and 5 years	95 500	106 500
	95 500	106 500

Note 29 Deffered tax

Group	*Amount on 2007-12-31*	*Acquisitions/ Divestments*	*Reported over the profit and loss account*	*Reported against shareholders' equity*	*Translation differences*	*Amount on 2008-12-31*	*Acquisitions/ Divestments*	*Reported over the profit and loss account*	*Translation differences*	*Amount on 2009-12-31*
Deffered tax recoverable:										
Fixed assets	882	–16	873	—	–91	1 648	150	–125	5	1 678
Trade debtors	2 016	—	865	—	101	2 982	4 376	–1 271	223	6 310
Inventories	1 040	—	–165	—	–30	845	1 310	–404	287	2 038
Provision for pensions	3 762	—	94	—	442	4 298	—	–268	—	4 030
Other provisions	5 177	—	–358	—	–125	4 694	3 610	6 360	558	15 222
Loss carry forwards	558	—	–68	—	54	544	—	2 076	–375	2 245
Set-off	–6 226	—	–1 223	—	—	–7 449	—	7 429	—	–20
Total deffered tax recoverable	7 209	–16	18	0	351	7 562	9 446	13 797	698	31 503
Deffered tax liabilities:										
Fixed assets	–19 235	1 473	4 658	–87	–756	–13 947	–19 441	–3 254	967	–35 675
Inventories	–2 695	—	613	—	–510	–2 592	–5 938	–793	–132	–9 455
Tax allocation reserve	–17 668	2 727	1 098	—	–79	–13 922	—	2 038	–274	–12 158
Set-off	6 226	—	1 223	—	—	7 449	—	–7 429	—	20
Total deffered tax liabilities	–33 372	4 200	7 592	–87	–1 345	–23 012	–25 379	–9 438	561	–57 268
Deffered tax	–26 163	4 184	7 610	–87	–994	–15 450	–15 933	4 359	1 259	–25 765

Deferred tax attributable to fixed assets, pension commitments and loss carry forward is expected to be utilised after 12 months. Otherwise, a duration of less than 12 months is expected.

No deferred tax is attributable to items in 'Other total result'.

Note 30 Pension commitments

Group	2009	2008
Benefit-based commitments and value of managed assets		
Wholly or partly invested commitments:		
Current value of benefit-based commitments	74 716	73 111
Actual value of managed assets	– 51 731	– 57 151
Total wholly or partly invested commitments	22 985	15 960
Net value of floating benefit-based commitments	21 493	5 910
Net commitments before adjustments	44 478	21 870
Adjustments:		
Accumulated unreported actuarial profits (+)	998	7 193
and losses (-)	– 17 143	– 14 393
Net amount in the balance sheet (commitment +, asset -)	28 333	14 670
The net amount is reported in the following item in the balance sheet:		
Pension commitments	28 333	14 670
Net amount in the balance sheet (commitment +, asset -)	28 333	14 670
The net amount is distributed on schemes in the following countries:		
Sweden	4 197	3 529
Norway	5 854	4 520
The Netherlands	3 235	6 621
France	4 129	—
Italy	10 919	—
Pension cost		
Benefit-based schemes		
Cost for pensions earned during the year	3 402	3 195
Interest expense	3 664	3 350
Anticipated yield on managed assets	– 2 991	– 3 140
Actuarial profits(-) and losses(+)reported during the year	– 35	157
Profits(-) or losses(+) on reductions and regulations	36	34
Cost, benefit-based schemes	4 076	3 596
Cost, contribution-based schemes	52 118	22 937
Payroll tax	3 847	6 437
Total cost for payments after ended employment	60 041	32 970

Reconciliation of net amounts for pensions in the balance sheet

The following table explains how the net amount in the balance sheet has changed during the period

Net amount on 1 January 2009	14 670	14 580
Cost for benefit-based schemes	4 033	2 959
Payments	– 4 759	– 3 804
Effects of acquired operations	15 005	—
Changed commitments in pension schemes	1 998	– 774
Exchange rate differences	– 2 614	1 709
Net amount in the balance sheet on 31 December 2009	28 333	14 670

Yield on managed assets		
Actual yield on managed assets	4 877	– 12 564
Anticipated yield on managed assets	2 991	3 140
Actuarial result for managed assets during the period	1 886	– 15 704

Actuarial assumptions

The following significant actuarial assumptions have been applied on calculation of the commitments:

Discount rate, %	3,5-5,5	4,5-6,8
Anticipated yield on managed assets, %	4,5-5,7	5,5-6,1
Future increases in salaries, %	1,5-4,5	2,0-5,0
Future increases in pensions, %	1,4-4,0	0,4-3,0

The Dutch benefit-based pension schemes cover, in principle, all employees and are based on the average salary during the period of employment.

The Swedish pension schemes relate mainly to PRI liabilities to employees in Sweden. The remaining liability relates to two pension schemes in Norway.

Payroll tax liability on Swedish pension schemes is reported under the heading *'Trade creditors and other liabilities'*.

The acquisition of Carrier ARW has meant that pension schemes in France and Italy are reported as benefit-based pension schemes. One of three plans contains assets held for investment purposes.

Note 31 Other provisions

Group	2009	2008
Guarantee commitments	5 650	7 905
Restructuring reserves	29 077	—
Other	14 001	408
Total	48 728	8 313
Long-term portion	8 635	8 195
Current portion	40 093	118
Total	48 728	8 313

Guarantee commitments		
Net value at the start of the period	7 905	10 737
Provisions made during the period	304	2 736
Amounts utilised during the period	– 1 222	– 2 567
Restored unutilised amount	– 1 157	– 2 912
Reclassification	—	– 282
Translation difference	– 180	193
Net value at the period end	5 650	7 905

Restructuring reserve		
Net value at the start of the period	—	—
Acquisitions of companies	53 429	—
Amounts utilised during the period	– 22 663	—
Translation difference	– 1 689	—
Net value at the period end	29 077	—

Other information		
Net value at the start of the period	408	165
Acquisitions of companies	11 016	—
Provisions made during the period	2 585	126
Amounts utilised during the period	—	– 213
Reclassification	—	282
Translation difference	– 8	48
Net value at the period end	14 001	408

Restructuring reserves

In February 2009, Carrier ARW's distribution operation was acquired. In the acquired units, a number of restructuring programmes were ongoing. These are mainly attributable to the centralisation of the operations in France, the Netherlands and Belgium. These measures have involved, among other things, moving the central warehouse as well as the centralisation of the IT operation and other administration. In addition, adaptations of the operations have been made in Italy, Spain, Switzerland and South Africa.

During 2009, these programmes have, therefore, not had any impact on the result. The total impact on the cash flow of ongoing restructuring programmes has amounted to SEK 22,663K during 2009. These programmes are expected to be completed during 2010 and the total impact on the cash flow during 2010 is expected to amount to SEK 29,077K.

Guarantee reserve

A guarantee reserve is reported when the underlying product or service has been sold. The warranty provision is calculated on the basis of previous years' warranty expenditure and a calculation of the future guarantee risk.

Note 32 Trade creditors and other liabilities

Koncernen	2009	2008
Trade creditors	625 987	263 903
Advances from customers	4 106	11 088
Accrued expenses and prepaid income	210 785	117 069
Other current liabilities	105 654	62 353
Total	946 532	454 413

Note 33 Pledged assets

Group

For own liabilities and provisions	2009	2008
Shares	669 371	671 577
Floating charges	44 140	56 866
Property mortgages	3 875	18 582
Pledged trade debtors	—	1 104
Other	—	600
Total	717 386	748 729

Parent Company

For own liabilities and provisions		
Shares in subsidiaries	72 569	92 569
Total	72 569	92 569

The Group's and the parent company's pledged assets constitute collateral for bank commitments such as loans and bank overdraft facilities in the Group's principal banks.

Note 34 Contingent commitments / Contingent liabilities

Group	2009	2008
Undertakings towards pension institutions	4 182	4 438
Total	4 182	4 438

Parent company		
Guarantees in favour of Group companies	420 676	79 488
Total	420 676	79 488

The Group's contingent liabilities consist of undertakings towards pension institutions. The parent company's guarantee commitments are to banks for subsidiaries' credits.

Note 35 Acquisition of companies

2009
During the year, 13 new companies were acquired, of which the majority were included in the acquisition of Carrier ARW. The acquired ownership has been 100 per cent in all cases. The total consideration for the year's acquisitions amounts to SEK 1,100M. The acquired companies and operations have businesses which lie within the Group's existing business areas into which they have been incorporated after the acquisitions. Collectively, the operations acquired during the year have influenced the Group's net sales by approximately SEK 2,300M. Total annual sales in the acquired units amount to approximately SEK 2,550M. The acquisitions are also described in the Directors' Report.

Of the total consideration of SEK 1,100M, SEK 164M referred to surplus values. The largest part of the surplus values has been attributed to synergy gains with the Group's existing operations. These surplus values have, therefore, been classified as goodwill.

Carrier ARW

	Reported value in the acquired companies before the acquisition	*Actual value adjustment*	*Actual value reported in the Group*
Goodwill	165 743	108 799	274 542
Other intangible assets	5 239	52 000	57 239
Tangible fixed assets	60 852	0	60 852
Financial fixed assets	139 460	0	139 460
Inventories	609 437	0	609 437
Other current assets	595 816	0	595 816
Liquid funds	31 742	0	31 742
Deferred tax liability	–173	–15 760	–15 933
Interest-bearing loans	–51 013	0	–51 013
Other operating liabilities	–629 084	0	–629 084
	928 019	145 039	1 073 058

Effect on the cash flow	
Purchase price	1 073 058
Not paid purchase price	–1 055 537
Liquid funds in acquired companies	–31 742
	–14 221

Other companies

	Reported value in the acquired companies before the acquisition	*Actual value adjustment*	*Actual value reported in the Group*
Goodwill	0	16 442	16 442
Other intangible assets	0	2 500	2 500
Tangible fixed assets	1 000	0	1 000
Inventories	7 192	0	7 192
Other current assets	6 051	0	6 051
Liquid funds	4 723	0	4 723
Other operating liabilities	–8 309	0	–8 309
	10 657	18 942	29 599

Effect on the cash flow	
Purchase price	29 599
Liquid funds in acquired companies	–4 723
	24 876

2008
During the year, six new acquisitions were carried out, of which two were acquisitions of companies and four were acquisitions of assets and liabilities. The acquired ownership has been 100 per cent in all cases. The total purchase price for the year's acquisitions amounts to SEK 42M. The acquired companies and operations have businesses which lie within the Group's existing business areas into which they have been incorporated after the acquisitions. Collectively, the operations acquired during the year have influenced the Group's net sales by approximately SEK 39M. Total annual sales in the acquired units amount to approximately SEK 101M. The acquisitions are also described in the Directors' Report.
Of the total purchase price of SEK 42M, SEK 23M referred to surplus values. The largest part of the surplus values has been attributed to synergy gains with the Group's existing operations. These surplus values have, therefore, been classified as goodwill.

	Reported value in the acquired companies before the acquisition	*Actual value adjustment*	*Actual value reported in the Group*
Goodwill	0	15 336	15 336
Other intangible assets	392	6 869	7 260
Tangible fixed assets	820	631	1 451
Inventories	23 602	0	23 602
Other current assets	7 440	0	7 440
Interest-bearing loans	–4 661	0	–4 661
Other operating liabilities	–8 508	0	–8 508
	19 086	22 836	41 922

Effect on the cash flow	
Purchase price	41 922
Not paid purchase price	–1 471
	40 451

Note 36 Events after the balance sheet date

On 19 March 2010, G & L Beijer AB completed the divestment of the Group's Beijer Tech business area to Beijer Alma in accordance with the declaration of intent announced on 15 February 2010.

G & L Beijer received a consideration consisting of 2.7 million B shares in Beijer Alma and a cash portion of SEK 39M. In total, the transaction is valued at approximately SEK 340M and G & L Beijer will report a tax-free capital gain of approximately SEK 140M. The transaction, which was made of a free-from-debt basis, further strengthened the Group's financial position. Beijer Tech reported sales of SEK 505M for 2009 and had approximately 180 staff. Beijer Tech is not included in the consolidated accounts from 25 March 2010.

Audit Report
to the Annual Meeting of the shareholders of G & L Beijer AB
Corporate identity number 556040-8113

We have audited the annual accounts, the consolidated accounts, the accounting records and the administration of the Board of Directors and the Managing Director of G & L Beijer AB for the financial year 2009. The company's annual accounts and the consolidated accounts are included in the printed version on pages 31-61. The Board of Directors and the Managing Director are responsible for these accounts and the administration of the company as well as for the application of the Annual Accounts Act when preparing the annual accounts and the application of international financial reporting standards IFRSs as adopted by the EU and the Annual Accounts Act when preparing the consolidated accounts. Our responsibility is to express an opinion on the annual accounts, the consolidated accounts and the administration based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in Sweden. Those standards require that we plan and perform the audit to obtain reasonable assurance that the annual accounts and the consolidated accounts are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the accounts. An audit also includes assessing the accounting principles used and their application by the Board of Directors and the Managing Director and significant estimates made by the Board of Directors and the Managing Director when preparing the annual accounts and consolidated accounts as well as evaluating the overall presentation of information in the annual accounts and the consolidated accounts. As a basis for our opinion concerning discharge from liability, 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 Managing Director. We also examined whether any Board Member or the Managing Director has, in any other way, acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association. We believe that our audit provides a reasonable basis for our opinion set out below.

The annual accounts have been prepared in accordance with the Annual Accounts Act and give a true and fair view of the company's financial position and results of operations in accordance with generally accepted accounting principles in Sweden. The consolidated accounts have been prepared in accordance with international financial reporting standards IFRSs as adopted by the EU and the Annual Accounts Act and give a true and fair view of the Group's financial position and results of operations. The statutory administration report is consistent with the other parts of the annual accounts and the consolidated accounts.

We recommend to the Annual Meeting of shareholders that the income statements and balance sheets of the parent company and the Group be adopted, that the profit of the parent company be dealt with in accordance with the proposal in the administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Malmö, 29 March 2010

Mikael Eriksson	Lars Nilsson
Authorised Public Accountant	Authorised Public Accountant

SEK K	2009	2008	2007	2006	2005
Sales and results					
Net sales	5 263.2	3 356.6	3 136.0	2 592.2	2 332.9
Other operating income, etc	39.2	106.8	36.9	43.5	31.6
Operating expenses excluding amortisation and depreciation	–4 956.0	–3 090.7	–2 839.0	–2 428.3	–2 220.6
Amortisation and depreciation	–45.7	–36.3	–35.5	–35.6	–33.3
Operating profit	300.7	336.4	298.4	171.8	110.6
Net interest income and expenses	–18.2	–23.8	–25.8	–21.6	–18.5
Other financial income and expenses	7.4	9.4	10.3	6.4	7.9
Profit before taxes and minority interest	289.9	322.0	282.9	156.6	100.0
Taxes	–83.9	–66.8	–70.4	–47.4	–27.9
Profit after tax	206.0	255.2	212.5	109.2	72.1
Minority interest	—	—	–0.3	–0.2	0.6
Net profit	206.0	255.2	212.1	109.0	72.7
Capital structure					
Cash and bank including unutilised bank overdraft facilities	537.6	192.7	199.4	184.7	146.0
Shareholders' equity	2 175.5	990.0	726.9	536.4	479.7
Capital employed (1)	3 005.8	1 712.0	1 429.1	1 105.2	1 082.4
Capital employed in operations (2)	2 538.9	1 573.8	1 322.2	1 027.2	1 038.3
Interest-bearing liabilities	734.0	722.0	698.8	565.4	605.6
Total assets	4 006.9	2 218.8	1 985.1	1 542.1	1 462.4
Key figures					
Equity ratio, % (3)	54.3	44.6	36.6	34.8	32.8
Return on equity after full tax, % (4)	13.0	29.7	33.6	21.5	16.2
Return on capital employed, % (5)	13.2	22.7	24.8	16.5	11.6
Return on capital employed in operations, % (6)	14.6	23.2	25.4	16.6	10.9
Interest coverage ratio (7)	14.0	10.2	10.2	7.6	5.1
Debt ratio (8)	0.3	0.7	1.0	1.1	1.3
Profit margin, % (9)	5.5	9.6	9.0	6.0	4.3
Other information					
Average number of employees	1 765	1 036	966	907	919
of whom outside Sweden	1 400	646	565	518	526
Payroll excluding social security contributions	683.2	413.0	367.1	321.8	311.2
of whom outside Sweden	535.4	264.7	217.9	183.8	178.3
Investments intangible and intangible fixed assets including acquisitions	1 160.3	91.6	290.0	33.8	49.0

Definitions

(1) Total assets minus non-interest-bearing liabilities including deferred tax.

(2) Capital employed minus liquid funds, financial assets and other interest-bearing assets.

(3) Shareholders' equity including minority liability as a percentage of total assets.

(4) Profit after deduction for full tax as a percentage of average equity.

(5) Profit before taxes and minority interest plus financial expenses as a percentage of average capital employed.

(6) Operating profit as a percentage of average capital employed in operations.

(7) Profit before taxes and minority interest plus financial expenses divided by financial expenses.

(8) Interest-bearing liabilities divided by equity.

(9) Profit before taxes and minority interest as a percentage of net sales for the year.

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Annual Meeting of shareholders

The Annual Meeting of shareholders will be held at 3 pm on Wednesday 28 April 2010 in Malmö Börshus, Skeppsbron 2, Malmö, Sweden.

Right to participate in the annual meeting of shareholders

In accordance with the Simplified Share Handling Act, with which the company complies, shareholders who wish to participate in the Annual Meeting of shareholders must be entered in the Register of Shareholders maintained by Euroclear Sweden AB (formerly VPC), not later than 22 April 2010. To be entitled to vote at the Annual Meeting, shareholders whose shares are nominee-registered through the trust department in a bank or private securities brokerage company must re-register their shares temporarily in their own name with the Euroclear.

Notification

Shareholders who wish to participate in the Annual Meeting must notify the Board of Directors not later than noon on 22 April 2010 by mail to: G & L Beijer AB, Norra Vallgatan 70, SE-211 22 Malmö, Sweden; or by telephone +46 40-35 89 00; or by e-mail to linda.prahl@gl.beijer.se. For information about the details required in a notification by e-mail, visit our website www.beijers.com.

Dividend

The Board of Directors proposes a dividend of SEK 6.50 per share for the 2009 financial year and 3 May 2010 as the record day. Payment is expected to be remitted by Euroclear on 6 May 2010.

Financial information 2010

- The Interim Report for the first quarter will be published on 27 April 2010.
- The Interim Report for the second quarter will be published on 16 July 2010.
- The Interim Report for the third quarter will be published on 21 October 2010.
- The Year-End Report for 2010 will be published in February 2011.
- The Annual Report for 2010 will be published in April 2011.

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