Beijer Ref

G & L Beijer AB

Key role within a growing market

2013

ANNUAL REPORT

Beijer Ref
in short

Beijer Ref is one of the three largest refrigeration wholesalers in the world

Beijer Ref is represented in Belgium, Denmark, Estonia, Finland, France, Ireland, Italy, Latvia, Lithuania, Poland, Holland, Norway, Romania, Switzerland, Slovakia, Spain, United Kingdom, Sweden, the Czech Republic, Germany, Hungary, South Africa, Mozambique, Zambia, Botswana, Namibia and Thailand.

242 branches
1,200 suppliers
40,000 products
53,000 customers

Map showing:
Green: countries in which Beijer Ref is the market leader
Yellow: Beijer Ref is one of the five largest operators

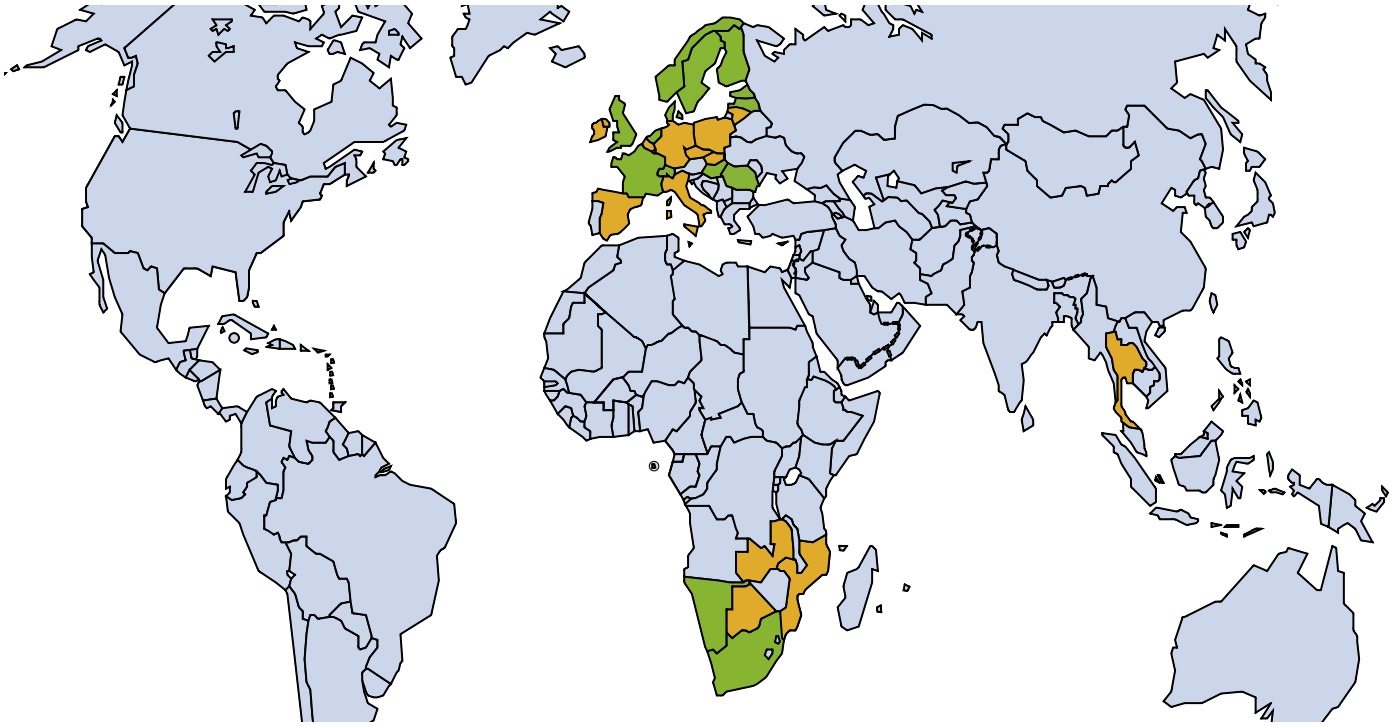
Beijer Ref in short

Beijer Ref is a technology-oriented trading Group which, through added-value products, offers competitive solutions within refrigeration and climate control.

Proposal for change of name of G & L Beijer

The Board of Directors proposes that the Annual Meeting of shareholders passes a resolution to change the name of G & L Beijer AB to Beijer Ref AB.

Ref is an abbreviation of the word refrigeration. The new name strengthens the Group's identity and makes clear its operation. In view of this, the Group is referred to as G & L Beijer in the Directors' Report. In other texts, the Group is referred to as Beijer Ref.



G & L Beijer AB is a public limited liability company with corporate identity number 556040-8113. The company has its registered office in Malmö, Sweden. The company intends to change its name from G & L Beijer AB to Beijer Ref AB. The proposal will be submitted to the Annual Meeting of shareholders on 24 April 2014. Unless otherwise stated, Beijer Ref has been used in this document in order also to signify the operation carried out under the previous name. All amounts are expressed in Swedish kronor with the abbreviation 'SEK K' for thousand kronor and 'SEK M' for million kronor. Figures in brackets refer to 2012 unless otherwise stated. Data about markets and the competitive situation are Beijer Ref's own assessments if no other source is specified. This report contains future-oriented information based on Beijer Ref's analysis and assessments made at the beginning of 2014. Although the company's management is of the opinion that the anticipations evident from such future-oriented information are reasonable, no guarantee can be given that these anticipations will be proved to be correct. The company's Directors' Report comprises pages 16-17 and 33-60.

This Annual Report is published on the company's website (www.beijers.com). Printed copies will be sent on request to shareholders and other interested parties by G & L Beijer. A complete list of addresses over the Group's companies is available on www.beijerref.com.

2013 in short

Significant events

Acquisitions provide strengthened positions
April 2013: FK Teknik – Strengthened presence in Denmark
FK Teknik was founded in 1956 and enjoys a very good reputation in the market. The acquisition was a move forward in a consolidation of the Danish market. FK Teknik is included in G & L Beijer's accounts from April 2013. Sales: approximately SEK 32M. Number of employees: 5.

New President
July 2013: New President and CEO
In June, the Board of Directors appointed Per Bertland as the new President and CEO of G & L Beijer. Per Bertland took up his duties on 1 July 2013.

After the end of the reporting period
January 2014: Eurocool – Strengthened platform for growth in southern Africa
Eurocool is a leading refrigeration wholesaler in South Africa and the largest distributor of Bock compressors. The company is a well-established operator with a strong product range of condensers and refrigeration units. The acquisition, carried out in January, provides cost synergies and increased efficiency in a larger structure as well as increased purchasing volumes through co-ordination with the company's existing operation in southern Africa. The acquisition is included in G & L Beijer's accounts from January 2014. Sales: approximately SEK 65M. Number of employees: 36.

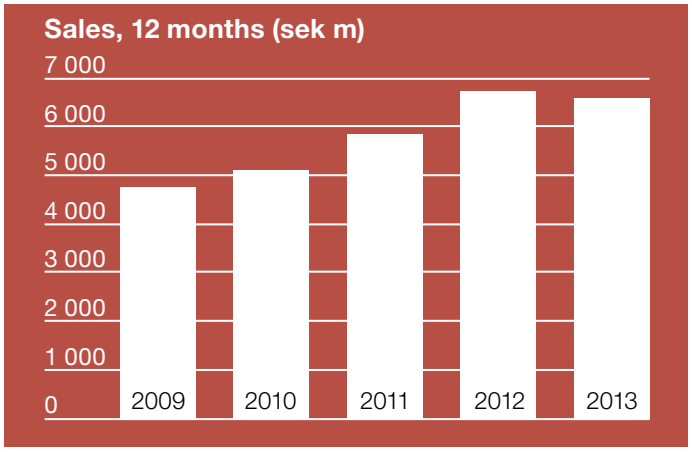
Contents

Key figures	2013	2012	2011
Sales, SEK M	6 595.3	6 758.3	5 846.4
Operating profit, SEK M	411.9	425.7	432.5
Profit after tax, SEK M	269.2	293.0	336.0
Profit per share, SEK	6.10	6.66	7.69
Dividend per share, SEK	4.75*	4.75	4.50

*In accordance with the Board of Directors' proposal.

Share split carried out on 29 June 2012. All comparative figures are recalculated taking into account the implemented split.

The table and diagrams refers to the remaining operation and is adjusted for one-time items which occurred in 2012 and 2013.



stability characterises Beijer Ref

2013 was a year characterised by challenges. When the market stabilised in mid-year, it was after a period of negative growth, particularly in southern Europe. Thanks to the early implementation of a savings programme and by virtue of our leading position, especially in the European market, we succeeded in recapturing a great deal during the second half of the year, both from a sales and results viewpoint, and we now have a good starting point for moving ahead during 2014.

Per Bertland took up his duties on 1 Juli 2013

A warm summer is positive for our sector. The heat in July suppressed the economic chill which had kept the Mediterranean countries in particular in a strong grip. The heat, together with a pent up investment need in the market after a year of low investments, meant that sales gathered speed.

Was it an upturn we saw? After a period of weak demand, we had reason to monitor the market especially closely. August and September continued positively as did the fourth quarter. Although the increase was not sufficient fully to surpass our sales in the previous year, I venture to believe that the positive trend during the autumn can be maintained in the current year.

Our target is to grow and we will do that whilst simultaneously improving the results.

Ready to grow

In spite of our strong links to the food industry, the economic decline in southern Europe was also hurting us. Around 40 per cent of our sales are made in economies which were exposed during the economic crisis in Europe.

The restructuring measures we carried out during 2012 had a good effect, but did not prove to be sufficient. When we again noted continued weak demand during the first quarter of 2013, we decided to implement additional savings. In total, we have reduced our current costs by SEK 50M per annum.

“ The heat, together with a pent up need in the market, meant that sales gathered speed. ”

These changes were not easy to implement. In the Beijer Group, virtually all staff are directly involved in sales, distribution or logistics. In their daily work, four out of five staff members have contacts with customers. Every saving must be carefully weighed against the risk of losing sales.

When I now look back, I feel that we succeeded with this balancing act. The restructuring measures had the intended effects and as we are now entering 2014, we do so with a reduced cost mass and a market that shows signs of having stabilised. It gives us opportunities to start growing again. During the last 10-year period, we have grown organically by approximately five per cent per annum, which is approximately three per cent higher than the average growth in the Euro area, and I have reason to believe there will be continued long-term growth.

Acquisition is an important part of our growth strategy. We have a history of successful company transactions and the discussion about potential acquisition candidates is continually alive in the company.

I had hoped for more transactions during 2013 than was the outcome and my ambition for 2014 is to continue to make acquisitions. With a strong balance sheet and good preparedness to take charge of new companies, we have the freedom to act when the right opportunity occurs.

The markets are developing

After the end of the reporting period, a small, but important, acquisition has been carried out. At the beginning of January, we acquired the South African wholesaler, Eurocool. This means a further strengthened position in the important South African market, where we have a high market share and good margins.

With Johannesburg as the base, we are growing in southern Africa. We have operations in Botswana, Mozambique, Namibia and, as from last year, also in Zambia. These markets are still under development and I see them as strategically important with a strong growth potential. In southern Africa, we grew organically by 17 per cent during 2013.

The Asian markets are also attractive. From our operation in Thailand, it is natural to look towards other countries in Asia, such as China – which we continually do. China is interesting not only for the distribution of our product range and our technical solutions, but I also see opportunities for finding new supplies among the Chinese manufacturers.

We are the largest refrigeration wholesaler in Europe with established operations in 21 countries. Although Europe is largely a mature market, we see clear changes which we must take into consideration. The European countries are becoming increasingly integrated and we see an increased transparency throughout the entire distribution chain, which can be to our advantage as a pan-European company.

The changes, of course, involve a challenge, but it is a challenge which is positive for us. 65-70 per cent of our sales are in the aftermarket and, with more than 20 central warehouses and 240 branches, we have a competitive edge – both with regard to proximity and rapid delivery to the customers and through our extensive technical knowledge. This does not mean that we can relax; we must continually be at the forefront with innovative thinking and be open and adaptable to the changes we see in Europe.

Environment consideration

The environmental issues are always of immediate importance and we see a continuous change in both legislation and in the demand from our customers. The ozone-destroying refrigerants are rapidly being phased out, with the EU as the clear forerunner. The first generation of substitutes, which have major environmental impact, is about to be phased out and replaced by refrigerants with significantly less environmental impact. In countries such as Norway and Denmark, high levies have already been imposed on these products with a high climate impact.

This is a necessary and welcome development, as well as a success story for international environmental work. New refrigerants also place demands on the installations, which means a need for new construction and refurbishment of refrigeration plant. We are ready to offer our customers the latest and most eco-friendly refrigeration installations in the market.

Change of name and dividend

The Board of Directors' will propose the Annual Meeting of shareholders a change of name from G & L Beijer AB to Beijer Ref AB. Ref is an abbreviation of refrigeration. The new name will strengthen our identity and both what we do and who we are will become clearer – not least in relation to other companies with Beijer in their company name. Beijer Ref is already an established name in Europe.

G & L Beijer's Board of Directors has elected to propose that the Annual Meeting of shareholders resolves that an unchanged dividend will be paid. We have a history of producing a high yield and, together with the movements in market prices over time, it has made our share a sound long-term investment.

Personally, I see the dividend level as an acknowledgement of our belief in the future. By continuing along our chosen route – to utilise our benefits of scale and proactively look for interesting acquisitions – we will continue to grow both our sales and our results.

With a dedicated staff, market-leading products and brands we continue to build our company while, at the same time, we are adapting ourselves to our customers' needs and to an environment undergoing constant change. I would like to take this opportunity to thank all our staff for your contribution during a difficult year characterised by both a Euro crisis and by signs of economic stabilisation in Europe.

Per Bertland

strong year for the Beijer share

The Swedish stock market developed positively during 2013. This is partly explained by the gradual recovery in the world economy and positive economic signals from several important countries.

The NASDAQ OMX Stockholm rose by 23 per cent (10)[1]. The price paid for the G & L Beijer B share increased by 30 per cent (-1).

Shareholders

The G & L Beijer B share has been listed on the stock market since 1983. The share is currently quoted on the Nasdaq OMX Stockholm Mid-Cap list. The share capital in G & L Beijer amounts to SEK 371,684,512.50, represented by 42,478,230 shares, each with a nominal value of SEK 8.75. G & L Beijer had 2,689 shareholders on 31 December 2013. There are two classes of shares: 3,306,240 A shares and 39,171,990 B shares. Each A share represents ten votes and each B share one vote. The distribution of the ownership is shown in the table on page 7.

Long-term and high yield

Profit per share after tax amounted to SEK 5.51 (6.96). Total yield of the G & L Beijer share amounted to 35.2 per cent for the B share. This can be compared with the SIXRX index[2] which had a return of 28 per cent. In the past five years, the G & L Beijer B share has had a total yield averaging 30 per cent per annum, equivalent to 206 per cent in total over five years. The corresponding figure for SIXRX is 22 per cent per annum.

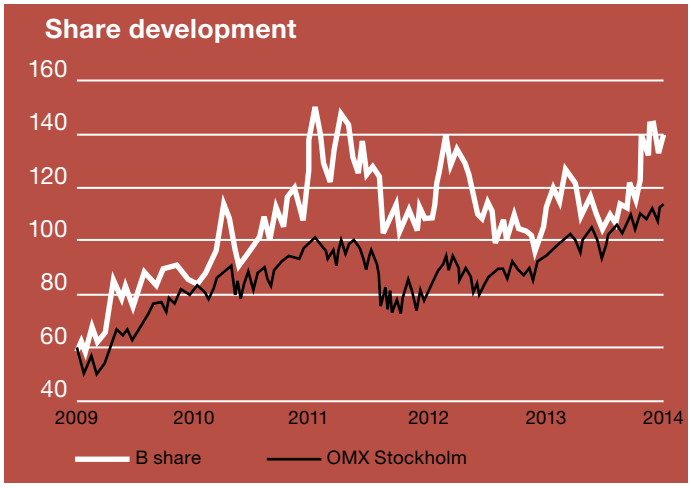
Market value and trading

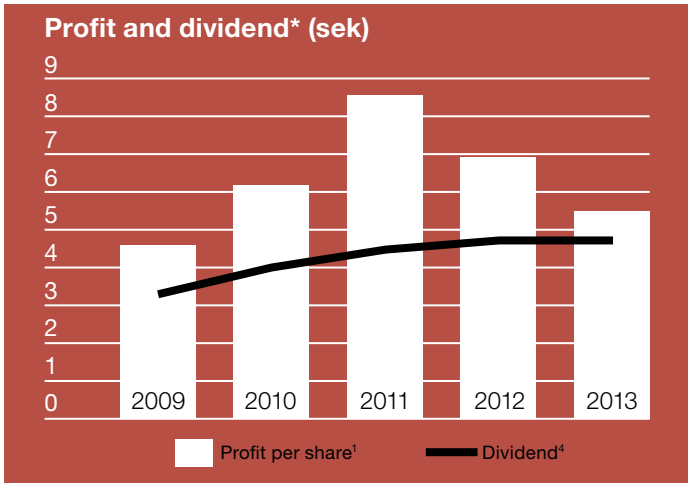
During 2013, a total of 4,466,642 G & L Beijer shares were traded (1,934,937). The total value of trading in the share amounted to SEK 136,937,624 (75,148,576). Average daily trading amounted to 17,867 shares (7,740) or SEK 0.5M (0.3). The highest price paid during the year of SEK 145.25 was registered on 2 December and the lowest price of SEK 100 on 24 June. Further information about the G & L Beijer share is available on http://www.beijers.com/aktien.aspx

Dividend

The Board of Directors has proposed a dividend of SEK 4.75 (4.75) for the 2013 financial year. The dividend proposal is equivalent to 86 per cent (68) of the Group's profit after tax for 2013 and to 8.3 per cent (8.3) of shareholders' equity at the year end. The yield, i.e. the proposed dividend as a percentage of the latest price paid during the year, amounts to 3.4 per cent (4.4).

1) OMXS PI, OMX Stockholm PI, an index which weighs together the value of all shares listed on NASDAQ OMX Stockholm.
2) SIXRX, SIX Return Index, the average development on NASDAQ OMX Stockholm, including dividends.





Ownership. 10 largest shareholders and other owners

on 2013-12-30	*A shares*	*B shares*	*Total*	*Capital*	*Votes*
Carrier Refrigeration ECR Holding	717 420	16 874 858	17 592 278	41.4%	33.3%
Jürgensen, Peter Jessen	895 252	1 618 400	2 513 652	5.9%	14.6%
Magnusson, Joen (private and companies)	945 512	289 632	1 235 144	2.9%	13.5%
Bertland, Per (private and companies)	586 856	252 000	838 856	2.0%	8.5%
Lannebo fonder		2 474 593	2 474 593	5.8%	3.4%
Hain, Jan (private and companies)	160 000	134 000	294 000	0.7%	2.4%
SEB Investment Management		1 699 280	1 699 280	4.0%	2.4%
Ekdahl, Gunnar (private and companies)		1 447 062	1 447 062	3.4%	2.0%
Didner & Gerge Fonder AB		1 326 810	1 326 810	3.1%	1.8%
ODIN Sverige aktiefonder		1 290 551	1 290 551	3.0%	1.8%
Total, 10 largest shareholders	3 305 040	27 407 186	30 712 226	72.2%	83.7%
Other owners	1 200	11 677 604	11 678 804	27.8%	16.3%
Shares in own custody		87 200	87 200		
Total	3 306 240	39 171 990	42 478 230	100.0%	100.0%
Votes			72 234 390		

Share distribution by size

Owners of	*No. of shareholders*	*A shares*	*B shares*	*Holding (%)*	*Votes (%)*	*Market value (sek k)*
1 - 500	1 771	280	258 793	0.61	0.36	36 231
501 - 1000	357	1 920	277 175	0.66	0.41	38 804
1001 - 2000	209	0	323 508	0.76	0.45	45 291
2001 - 5000	174	0	585 422	1.38	0.81	81 959
5001 - 10000	69	1 000	491 050	1.16	0.69	68 747
10001 - 20000	29	10 000	408 837	0.99	0.70	57 237
20001 - 50000	26	0	778 174	1.83	1.08	108 944
50001 - 100000	20	80 000	1 389 840	3.46	3.03	194 578
100001 -	34	3 213 040	34 659 191	89.16	92.46	4 852 287
Total 2013-12-30	2 689	3 306 240	39 171 990	100.00	100.00	5 484 079

Share data* (sek)

	2013	*2012*	*2011*	*2010*	*2009*
Profit per share [1]	5.51	6.96	8.59	6.13	4.69
Equity per share [2]	57	57	57	56	51
Cash flow per share [3]	6.17	7.91	9.06	6.06	5.25
Dividend [4]	4.75	4.75	4.50	4.00	3.25
Market value [5]	140	108	109	140	86
Yield, % [6]	3.4	4.4	4.1	2.9	3.8

*) Share split carried out on 29 June 2012. All comparative figures are recalculated taking into account the implemented split.

Definitions
1) Refers to the remaining operation. 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) Refers to the remaining operation. Cash flow from the current operation before changes in working capital divided by average number of outstanding shares.
4) For 2013, in accordance with the Board of Directors' proposal.
5) On 31 December.
6) Dividend in relation to market value.

well-developed logistics & distribution

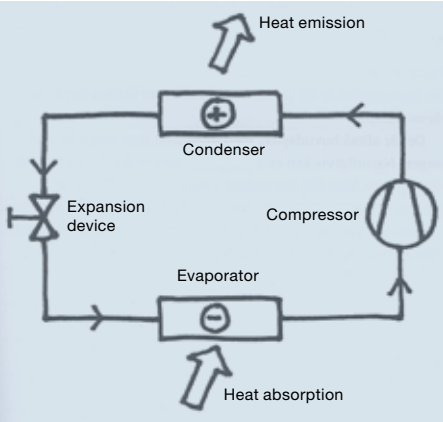
Customised refrigeration systems and well-developed logistics are a part of the Group's core competence

Beijer Ref is one of the world's three largest groups in the global refrigeration wholesale market. Beijer Ref's competitive edge lies in its technical competence relating to its products, its broad and extensive product range, its ability to offer efficient overall solutions and in its local presence with several branches in many countries.

As one of the largest operators, Beijer Ref has a well-developed logistics and distribution network. In a sector in which the aftermarket accounts for the majority of total sales and the assignments are often time-critical, efficient logistics are a prerequisite for being able to meet the customers' requirements. The result of a well-developed logistics chain, together with the commitment from the company's entire staff to find the best solution for the customer in every situation, is central for creating long-term and durable relationships with its customers.

Beijer Ref currently carries out own operations in 21 countries in Europe, five countries in southern Africa and in Thailand. Beijer Ref has exclusive distribution rights for air-conditioning and heating products from Toshiba in 11 countries in Europe.

Products
Beijer Ref markets and sells refrigeration systems, components for refrigeration systems, air conditioning and heat pumps. The product programme consists of most of the best-known brands in the sector and products of the company's own development. The offer to customers is characterised by turnkey system solutions which simplify installation and an extensive distribution network with rapid access to spare parts for service, maintenance and repair.
Beijer Ref's products are mainly used in refrigeration and freezer systems, refrigeration and cold storage rooms, as well as for climate control and ventilation. The products are found in a number of different environments such as food stores, shopping centres, factories, offices, computer rooms, ice rinks, private residences, cafes and hotels.



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 and condensers.

- Expansion device which ensures that the right volume of refrigerant is added to the evaporator.

Beijer Ref's market
The market for refrigeration products is split into three segments: commercial refrigeration, industrial refrigeration and comfort cooling. Commercial refrigeration involves installations in, for example, food stores, cafes and restaurants whereas industrial refrigeration includes installations for process refrigeration in industry. Comfort cooling is associated with the climate control of offices and private residences.

The market is characterised by a small number of large customers and a significant number of small and medium-sized customers. 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.

An important factor which influences the demand for Beijer Ref's products and system solutions is the economic situation in the respective market. The demand for new installations, in particular, is controlled by the anticipated economic trend, whereas the volume of repair and maintenance work is more stable. The demand for commercial refrigeration is relatively stable due to its association with the food distributors but, to some extent, it is also

influenced by the economic trend. Other external factors which influence market development are the weather, legislation, taxes and other incentives. Beijer Ref's operation has a clear seasonal pattern with strong second and third quarters. The variation is due to the strong position Beijer Ref has in Europe but, concurrently with the company strengthening its position in the southern hemisphere, the first and fourth quarters will also be influenced in a positive direction.

Commercial and industrial refrigeration
The market for commercial refrigeration is positively influenced by an increasing consumption of refrigerated and frozen products. The changed consumption pattern with its demand for more delicate raw materials and convenience food, which requires investments in the refrigeration chain, contributes to increased demand from both existing customers and from new store categories which wish to broaden their range with products which require refrigeration or freezer counters.

The development of the products is partly driven by demand for increased energy efficiency and a reduced impact on the environment, which also includes the changeover to more environment-friendly refrigerants. Additional driving forces are decisions made by the authorities, legislation and tax incentives which all benefit products which provide energy savings and reduced environmental impact. Together, these factors support long-term growth in the market because older installations will require upgrading or replacing to comply with legislation and meet customer expectations.

Beijer Ref holds the distribution rights to a large number of well-known products within the market segments for commercial and industrial refrigeration, such as compressors and refrigerants as well as equipment for control and monitoring. With its product portfolio, the company is the leading wholesale and trading company in Europe for commercial and industrial refrigeration – a market which for commercial refrigeration in Europe alone is valued at more than SEK 20 billion per annum.

Market segment and market position	Other significant operators	Most common end-user categories
Commercial refrigeration Mainly complete refrigeration systems and components for refrigeration systems. Beijer Ref is the market leader within commercial refrigeration in Europe and Africa.	Wholesalers and distributors such as Ahlsell, Fischer, Frigotechnik, Onninen, Pecomark, Reiss, Schiessel, Climate Centre.	Food distribution, restaurant sector, kiosks, cafes, petrol stations, catering establishments, etc.
Industrial refrigeration Mainly complete refrigeration systems and components for refrigeration systems.	Wholesalers and distributors such as Ahlsell, Fischer, Frigotechnik, Onninen, Pecomark, Reiss, Schiessel, and manufacturers such as Carrier, Johnson Control, GEA etc.	Food industry, process refrigeration, ice rinks, etc.
HVAC Consists mainly of air conditioning and heat pumps manufacturers. Japanese, South Korean and Chinese for DX products. American and European for hydronic products.	Wholesalers, contractors, distributors, and retailers of, for example, Daikin, Mitsubishi Electric, Toshiba, Samsung, etc.	Offices, private residences, stores, etc.

Comfort cooling (HVAC)
HVAC solutions cover the whole range from heating and air conditioning for private residences to climate control of large office areas. The market for air conditioning alone is estimated to be worth approximately EUR 4.3 billion per annum in Europe and demand for a comfortable indoor climate is increasing as more and more people in the world achieve a higher standard of living.

The market for comfort cooling enjoys a good growth trend, but is more cyclical than commercial refrigeration. Within Europe, there are geographical differences in how mature the market is in relation to other markets. In southern Europe, climate installations for comfort cooling are very extensive whilst the market in northern Europe is still characterised by organic growth.

Within the heating segment, technical developments in recent years have had the effect that highly-efficient air-water-heat pumps are replacing traditional oil and gas burners, which has benefited the demand for the Group's products.

Beijer Ref has an exclusive agreement for the distribution rights of Toshiba's products, which enables the company to offer its customers a broad product programme comprising air-conditioning units, heat pumps and ventilation systems. Toshiba's products are known for high quality with low energy consumption. In Europe, Toshiba is among the four leading brands in the market for comfort cooling.

Diego Lopez, MD, GFF/Delmo, France

"I have been MD of the company for seven years. The most positive thing that happened during the year is the development of a new business segment, which means that we are currently the only distributor in France which can distribute all products related to industrial refrigeration.

We note that the demand for CO_2 as a refrigerant is increasing in France and, partly thanks to the collaboration with our fellow subsidiary, SCM Frigo, we are capturing new market share for CO_2 applications. The increasing attention relating to sustainability matters means that structured distributors – such as Beijer Ref – can benefit from this development, for example in the changeover from traditional refrigeration installations to CO_2 applications.

Our main advantages are our technical expertise and our logistics advantages – we have now been operating in the sector for 75 years!"

Enrique Gibelli, Vice President Beijer Ref ARW * South Europe & Africa

"Southern Europe has long been characterised by the financial crisis. During the last quarter of the year, we received positive signals, which indicate that the financial crisis in Europe is stabilising or even showing an upturn. The difficult market conditions have meant that we have implemented cost-efficiency measures in some markets, which now creates opportunities for Beijer Ref.

Another opportunity, driven by the tough economic climate, has been to take new initiatives. This has meant that we have strengthened our effort within industrial refrigeration.

By meeting our customers' demands for accessibility, competitive prices, advice and technical knowledge, we create added value for our customers. We are a one-stop shop. In addition, we have good national coverage in all markets."

*) Air Condition & Refrigeration Wholesale

Beijer Ref also sells a number of other brands within comfort cooling via agreements with a number of Japanese companies including Mitsubishi Heavy Industries, Mitsubishi Electric, Hitachi, Panasonic and Daikin, as well as the South Korean companies, LG and Samsung and the Italian company, Aermec. Beijer Ref also has its own brand, Aircool, for climate installations. In addition, Beijer Ref sells and distributes small components within refrigeration and air conditioning under the Totaline brand.

Customer-driven organisations

Beijer Ref distributes its products through a network of professional resellers as well as a network of wholesalers. Distribution and sales have been co-ordinated with the existing structure for the refrigeration wholesale operation and consists of offices and branches as well as warehouses and logistics centres in the respective country.

The local country organisations are designed to offer a first-class service to customers and to meet the requirements for both new sales and aftermarket. In addition to sales engineers and technical staff, there are usually functions for marketing and logistics. As a result, each unit secures close local ties with, and proximity to, the customer. The fact that the units also provide warehouses ensures rapid and efficient delivery of products and spare parts, which is of significant value to the customers.

Strong relationships in important markets

Customers

Beijer Ref has more than 50,000 customers in 21 countries in Europe and in Botswana, Mozambique, Namibia, South Africa, Zambia and Thailand. The Group's five largest customers account for only five per cent of sales.

Customer relationships

Beijer Ref has a strong ambition always to deliver systems which meet every customer's unique challenges. The aftermarket accounts for 60-70 per cent of sales. The Group's focus on efficient overall solutions with a high technical content, and the fact that around 80 per cent of the company's employees have some form of customer contact, creates long-term and durable customer relationships.

Through a well-developed logistics operation consisting of branches, or close-proximity warehouses, the Group's customers are close to a broad product range and technical advice. In total, the Group has more than 20 central logistics centres and around 240 branches dedicated to products within refrigeration and air conditioning.

Sales

The Group has a broad customer base with a large variation in customer size. The majority of sales are made to contractors and installation companies who also maintain existing equipment. The deciding factor in Beijer Ref's role as a wholesaler is to provide a cost-efficient logistics chain which includes a broad range of products which meets the requirements of the local market.

A majority of the customers are small, independent refrigeration installation companies and contractors who have strong demands for a short installation time to end-customers with varying equipment. This places strict demands on Beijer Ref as a partner with warehousing which corresponds with the demand that exists in every country.

As a large operator, Beijer Ref is also expected to be responsible for technical advice relating to the products and systems the Group distributes. Concurrently with increasingly complex systems, this becomes increasingly decisive in the customers' choice of partner.

Supplier relationships

Beijer Ref collaborates with, and has good relationships with, around 100 suppliers and distributes products from many well-established brands. It gives the Group and independent position in the market which benefits the customers through a broad and extensive product supply.

"The most spectacular event during the year was that we delivered the refrigeration plant to the skating arena for the Winter Olympics in Sochi, Russia."

Udo van der Meer, MD,
ECR Holland/Belgium.

Beijer Ref represents leading companies in the sector within the different product segments, including Alco, Alfa Laval, Armacell, Bitzer, Bock, Carel, Castel, Copeland, Cupori, Danfoss, Embraco, Frigabohn, Halcor, Henry, Honeywell, Luvata, Luve and Tecumseh.

The Group's product programme within comfort cooling includes air conditioning and heat pumps from the Japanese companies, Toshiba, Mitsubishi Heavy Industries, Mitsubishi Electric, Hitachi, Panasonic and Daikin as well as the South Korean companies, LG and Samsung, and the Italian company, Aermec.

Aircool air-conditioning units is Beijer Ref's own brand. The Group also has European rights in relevant countries to market and sell Carrier's brand, Totaline, within refrigeration and air conditioning.

In the Tele2 Arena in Stockholm, we refrigerate:

27 cold storage rooms
3 freezing chambers
3 refrigeration cabinets
152 refrigerators/benches
38 freezers
4 ice-cube machines
2 switch-control rooms

Development by region

Southern Europe

Southern Europe is Beijer Ref's largest region with 45 (45) per cent of the Group's sales and 764 (773) employees. The region has five logistics centres and 107 branches in France, Italy and Spain.

The region's development has been affected by the generally weak economy in southern Europe. Through focused market work, Beijer Ref's operation in Spain nevertheless strengthened its position. The region has also strengthened its product offer, partly through the introduction of Samsung's HVAC range.

During 2011, the Italian company, SCM Frigo, was acquired, which gave the Group access to a establishment for the development and testing of own products. These products are distributed directly as well as through Beijer Ref's distribution network.

Nordic countries

In the Nordic countries, the Group has four logistics centres and 27 branches in Denmark, Finland, Norway and Sweden. The region accounts for 18 (18) per cent of the Group's sales and has 312 (301) employees. Sales were strengthened gradually during the 2013 financial year and also benefitted from the warm summer. The acquisitions of Ecofrigo and FK Teknik during 2012 and 2013 have been co-ordinated and also contribute to the Group's positive results and market position.

Simon Karlin, Executive Vice President Beijer Ref ARW

"We are seeing signs that the recession could be in its final phase and that our markets will improve somewhat in 2014. During 2013, we have worked on making our companies more efficient by strengthening our competitiveness relating to staff and products in order to become more attractive to our customers. We have also focused on further improving the collaboration with our most important key suppliers.

The new F-gas regulation drives the development of natural refrigerants and refrigerants with low GWP values. This will create a need for upgrading existing systems and also for new development with more eco-friendly refrigerants and high energy efficiency. As our companies have the competence and product portfolio to meet the demand, we stand well equipped ahead of the new opportunity.

Our basic idea is to offer well-known, high-quality products with efficient logistics at competitive prices. Our staff have high technical and business competence where we simplify the customer's work through, among other things, professional advice on dimensioning and component selection for refrigeration and heat-pump applications. This is how we create added value for our customers."

The region's Swedish companies have considerable experience of large and complex systems. During 2013, refrigeration systems were delivered to one of Sweden's largest sports and events arenas, the Tele2 Arena in Stockholm.

In order to achieve cost-efficient logistics of refrigerants, the Group has established a filling station for refrigerants in Gothenburg. With this facility, purchasing and distribution for northern Europe are co-ordinated and, therefore, also provide secure environment-friendly handling.

Central Europe
The central Europe region accounts for 18 (19) per cent of the Group's sales and has 316 (325) employees. The operation's six logistics centres and 19 branches in Belgium, Holland, Switzerland and Germany have a well-established collaboration and can make rapid deliveries in accordance with the customers' requirements. The filling station in Apeldoorn, Holland, supplies central Europe with refrigerants.

Sales in the region were stable during 2013, with some increase during the summer and the second half of 2013, mainly as a result of the warm weather.

United Kingdom & Ireland
United Kingdom & Ireland accounts for nine (9) per cent of the Group's sales and have 193 (197) employees. The co-ordination within purchasing and administration is made through the region's head office and logistics centre in Leeds. The region has a total of 24 branches.

The region's sales started weakly, with some recovery and rising sales volumes during the second half of the 2013 financial year.

Eastern Europe
The eastern Europe region consists of Estonia, Latvia, Lithuania, Poland, Rumania, Slovakia, the Czech Republic and Hungary. The region's share of the Group's sales amounted to five (5) per cent. In total, the region has 127 (136) employees in seven logistics centres and 27 branches. For eastern Europe, the filling station for refrigerants is located in Budapest, Hungary.

During the first half of 2013, the region was affected by slightly weaker demand in all countries, mainly due to the generally weak economy.

Rest of the world
The Group's fourth largest region consists of Botswana, Mozambique, Namibia, South Africa and Zambia in southern Africa as well as Thailand in Asia. The region's share of the Group's sales amounted to 12 (12) per cent. In total, the region has 425 (409) employees in two logistics centres and 38 branches.

During the year, Beijer Ref established a jointly owned company for working the market in Zambia. In the same way, Beijer Ref established its operation in Mozambique, which has been a wholly owned company since 2013. After the end of the period, Beijer Ref also acquired Eurocool in South Africa.

The countries in southern Africa enjoyed continued strong growth during 2013.

Through a jointly owned company, Beijer Ref has a good market position in Thailand. In the long term, Thailand could become an important centre for the distribution of the Group's product range in South-East Asia.

Manufacturing companies

In addition to sales of industrial products for commercial refrigeration and air-conditioning, Beijer Ref carries out some manufacturing. Beijer Ref's manufacturing companies carry out development, manufacturing and sales of heat exchangers. Manufacturing takes place in South Africa, which is a fully-integrated part of the distribution operation, and in Norway, where the production is focused on high-tech solutions for specific areas of use in exposed environments, such as offshore. The manufacturing companies accounted for a marginal share of the Group's sales in 2013.

business model, strategy & objectives

Business concept
Beijer Ref is a technology-oriented trading Group which, through added-value products, offers its customers competitive solutions within refrigeration and climate control.

Strategy
Beijer Ref shall have an operation concentrated on refrigeration, air conditioning and heat pumps.

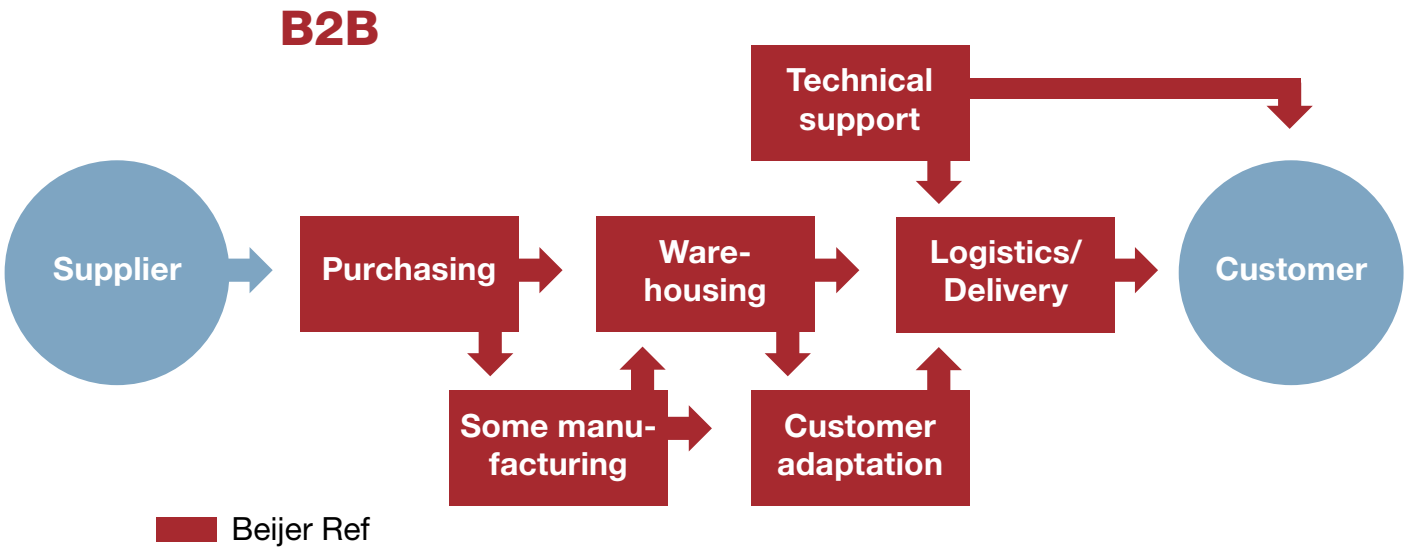
The resources are primarily concentrated on the wholesale operation. Beijer Ref will continue to grow by developing the operations in existing markets through organic growth and supplementary acquisitions as well as acquisitions in new geographic markets in Europe and in the global market.

- The Group gives a 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
Beijer Ref's business model has been sustainable and stable over the years. The fundamental concept is the focus on trading operations and on the distribution of refrigeration components and air conditioning. The business model is based on Business-To-Business operation (B2B).

The Group's value chain consists of: purchasing; some manufacturing and customer adaptation of products by contributing technical expertise; efficient logistics and warehousing; system solutions; and by offering technical support and service. An important part is the collaboration with customers where the Group's knowledge and experience of the market can be converted into products which meet the customers' requirements and demands.

Beijer Ref identifies and evaluates critical variables in the value chain, which means that the customer's operation and the running of it are put into focus. These variables include: decentralisation; local presence; accessibility; rapid and efficient deliveries; technical competence; and service. Long-term planning and stability are characteristics which typify the Group's relationships with suppliers and



customers. At the same time, the ability to change is also a cornerstone. The Group has undergone gradual changes and adaptations to new market conditions. Operations have been divested and new operations have been added.

Growth through acquisition

The majority of the Group's markets are mature and, normally, show a growth rate which exceeds GDP by approximately three per cent. Beijer Ref strives to increase growth, partly through acquisition. Over the past ten years, 2004-2013, the Group has reported average annual growth of 24 per cent.

As a leading operator, Beijer Ref can develop an independent partnership with suppliers which gives them access to a large market. Through the Group's network of branches, the products can be cost-efficiently marketed and distributed to a large customer base.

The business model generates stable results. During the latest five-year period, operating profit has increased by 9.4 per cent per annum on average. The operating margin (operating profit in relation to sales) has averaged 6.4 per cent during this five-year period. It has shown variations with a high of 7.4 per cent and a low of 5.7 per cent.

During the same period, return on capital employed in operations averaged 14.5 per cent. Return on equity was 13.6 per cent on average.

Objectives

Beijer Ref aims to strengthen still 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 aims to have good cash flows and a high-dividend capacity.

The objective is to distribute more than 30 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.

group summary

The Board of Directors and the President of G & L Beijer AB (publ), corporate identity number 556040-8113, submit their annual report and consolidated accounts for the 2013 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 from leading international manufacturers and, in addition, some 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 by providing efficient logistics and warehousing.

Operations are carried out within the Beijer Ref business area including Toshiba's distribution operation within air conditioning and heating. Toshiba is an area of operation within Beijer Ref. The G & L Beijer Group is a leading operator within the refrigeration sector in Europe and has a significant position within air conditioning in Europe. Growth is achieved both organically and through the acquisition of companies which supplement existing operations.

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 reports profit after tax of SEK 224.6M (289.9) for the 2013 financial year.

Significant events during the financial year
In April 2013, G & L Beijer acquired FK Teknik and, therefore, strengthened its position in Denmark. FK Teknik, founded in 1956, enjoys a good reputation in the market. The acquisition was a step forward in a consolidation of the Danish market. The company is included in G & L Beijer's accounts from April 2013. Annual sales in FK Teknik are approximately SEK 32M and the number of employees is five.

Sales and results
Consolidated sales fell by two per cent to SEK 6,595.3M (6,758.3). Organic sales remained unchanged compared with the previous year.

The weak demand that previously prevailed in Europe has improved. The Scandinavian countries, as well as the United Kingdom and Ireland, enjoyed a positive development, which, above all, can be attributed to the second half of the year. Southern Europe also shows signs of stabilisation.

Commercial and industrial refrigeration reported sales of SEK 4,541.1M (4,676.1) and accounted for 69 per cent of total sales. Comfort cooling reported sales of SEK 1,931.6M (2,001.1) and accounted for 29 per cent of sales. The manufacturing companies reported sales of SEK 122.6M (83.1), equivalent to two per cent of sales.

Consolidated operating profit excluding one-time items for the 2013 full year amounted to SEK 411.9M (425.7). Including one-time items of SEK 34.2M (10.5), the result amounted to SEK 377.7M (415.2).

During 2012, a number of structural measures and cost savings were initiated aimed at mitigating the effects of the reduced demand in the market. Additional measures implemented in 2013 influenced the result with one-time costs of SEK 34.2M for severance pay and restructuring. The implemented measures are estimated to generate annual cost savings of approximately SEK 50M, of which the majority has been realised and influences the result for 2013.

The Group's financial income/expense amounted to SEK -31.1M (-10.3) for the full year. Financial income/expense for 2012 included capital gains of SEK 22.0M from the divestment of a participation in an associated company.

Profit before tax amounted to SEK 346.5M (404.9) for the full year and profit after tax to SEK 244.2M (305.8) for the full year. Adjusted for one-time items, profit for the year amounted to SEK 269.2M (293.0).

Profit per share amounted to SEK 5.51 (6.96). Adjusted for one-time items, profit per share was 6.10 (6.66).

Profitability

Return on capital employed in operations and capital employed amounted to 10.6 per cent (11.8) and 10.0 per cent (11.6) respectively. Return on shareholders' equity was 10.1 per cent (12.7).

Capital expenditure, liquidity and employees

Consolidated capital expenditure in tangible and intangible fixed assets, including acquisitions, amounted to SEK 57.6M (88.3). Liquid funds, including unutilised bank overdraft facilities, were SEK 563.2M (538.0) at the year end. The average number of employees was 2,137 (2,141).

Cash flow, financing and equity ratio

The cash flow from current operations before change in working capital was SEK 263.1M (335.4). The net debt was SEK 1,211.5M (1,228.5). Shareholders' equity amounted to SEK 2,417.0M (2,399.7). The change in shareholder' equity amounted to SEK 17.3M (-19.2). It included net comprehensive income for the year of SEK 222.8M (183.9) and a deduction for a dividend of SEK 201.4M (190.8) to the parent company's shareholders. The equity ratio amounted to 47.3 per cent (47.9) at the year end.

Financial review	2013	2012
Operating income, SEK M	6 595.3	6 758.3
Operating profit, (EBITDA), SEK M	438.5	478.4
Operating profit, (EBIT), SEK M	377.7	415.2
Profit after financial items, SEK M	346.5	404.9
Profit for the year, SEK M	244.2	305.8
Operating margin (EBIT), %	5.7	6.1
Return on average capital employed, %	10.0	11.6
Return on average equity, %	10.1	12.7
Equity ratio, %	47.3	47.9
Cash flow from current operations, SEK M	303.2	142.4
Liquid funds (incl. Unutilised credits), SEK M	563.2	538.0
Number of employees	2 137	2 141
Profit per share after tax, SEK	5.51	6.96
Shareholders' equity per share	57	57

Research and development

Research and development relating to the trading operation is mainly carried out by the suppliers.

Prospects for 2014

There are many indications that the economic activity stabilised during the second half of 2013. Nevertheless, some uncertainty remains about economic growth during 2014. G & L Beijer entered the new year with a lower cost basis. On an improved economic trend, there are good prerequisites for enabling G & L Beijer to increase its sales and profit during 2014.

Environment

G & L Beijer strives to contribute to a sustainable development. The Group carries out operations which are liable to give notification. These comprise the handling of refrigerants. G & L Beijer is not involved in any environmental disputes. For further information about G & L Beijer's environmental work, see page 18-21.

Events after the year end

After the end of the reporting period, in January 2014, G & L Beijer acquired Eurocool, South Africa. Eurocool is the largest distributor of Bock compressors in South Africa. The company is a well-established operator and has a strong supply of condensers and refrigeration units. The acquisition provides cost synergies, increased efficiency in a larger structure and increased purchasing volumes through co-ordination with the company's existing operation in southern Africa. The acquisition is included in G & L Beijer's accounts from January 2014. Annual sales amount to approximately SEK 65M and the number of employees is 36.

a sustainable business

The international work aimed at replacing refrigerants with products with less environmental impact has been ongoing for decades. A framework of global agreements aimed at phasing out the climate-impacting refrigerants has been adopted.

Refrigerants' impact on the climate is measured in two terms, ODP and GWP. The abbreviation, ODP, stands for Ozone Depletion Potential (the unit for measuring the impact on the ozone layer) and GWP for Global Warming Potential (the unit for measuring the impact of the greenhouse effect.
A measure of the total impact of a refrigeration installation is the TEWI factor (Total Environmental Warming Impact) which also takes into consideration the propellant energy required to run a refrigerating machine/heat pump, which is normally electricity.

The international collaboration aimed at phasing out the refrigerants which impact most on the environment is governed by the United Nation's environmental body, UNEP, with the Montreal protocol about substances which break down the ozone layer as the governing document. The Montreal protocol has been ratified by all nations in the UN – 197 in total – and has been an important instrument of control for banning refrigerants with CFC[1] and HCFC[2], with the result that the ozone-destroying gases in the atmosphere have been reduced significantly.

Within the EU there is the so-called ozone regulation which regulates destructive substances and which bans the use of HCFC after 31 December 2014. Some countries, including Sweden, banned CFC and HCFC in an earlier phase.

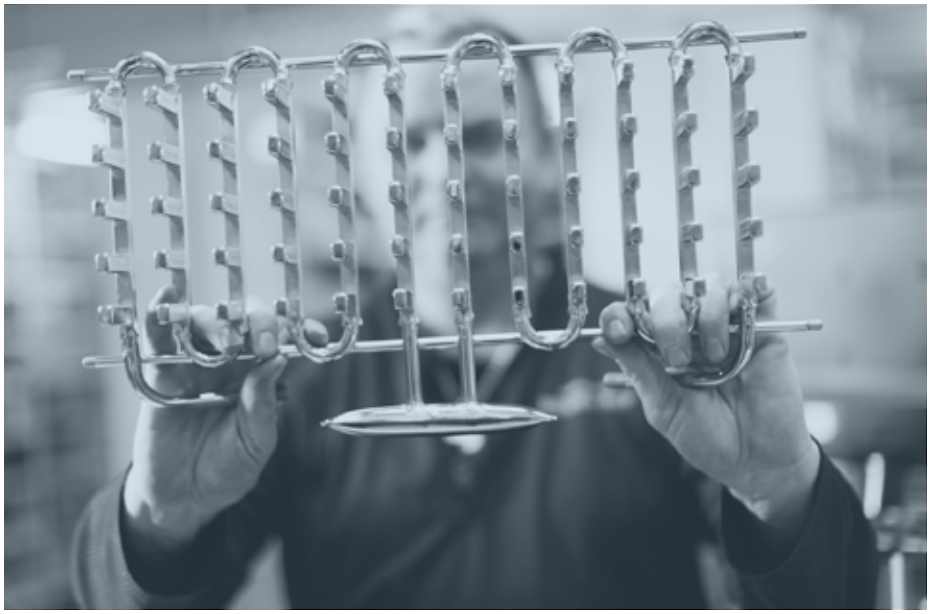
An environmental problem linked with the refrigerants which replace CFC and HCFC is that they are potent greenhouse gases and, therefore, environment influencing. The work aimed at reducing the volume of refrigerants with significant climate impact is proceeding vigorously.

Within the EU, a new F-gas regulation will be published during the spring which increases the demands for the phasing out of HFC[3] refrigerants with a high greenhouse impact. The F-gas regulation also regulates the authority for intervening in the refrigerant cycle in order to avoid leakage, all in order to reduce the discharges. The new F-gas regulation will also regulate the imported volume of refrigerants into the EU with a falling import volume until 2030. This is to give owners of installations time to adapt their selection of refrigerant.

How climate impacting a greenhouse gas is, is described with the GWP number which is an index measure with carbon dioxide as index 1 – a refrigerant with a GWP number of, for example, 2,500 is, therefore, so many times more climate-impacting than the corresponding volume of carbon dioxide.

Refrigerants with high GWP values will, probably, be banned in a few years' time and work aimed at introducing substitutes with less climate impact is underway in the sector. The alternatives include the

1) ChloroFluoroCarbons, ozone-destroying
2) HydroChloroFluoroCarbons, ozone-destroying
3) HydroFluoroCarbons, high GWP impact
4) HydroFluoroOlefin, environment friendly



natural substances, carbon dioxide (GWP 1) and propane (3.3) as well as the synthetic substance, HFO[4]-1234yf (<1).

A measure of the total impact of a refrigeration installation is the TEWI factor (Total Environmental Warming Impact) which also takes into consideration the propellant energy required to run a refrigerating machine/heat pump, which is normally electricity. The TEWI factor depends on how the electricity is produced. Installations driven by electricity produced with fossil fuels have significantly more climate impact regardless of refrigerant which, therefore, becomes of less importance.

Beijer Ref possesses the technical competence required for dimensioning and selecting the right components for refrigeration and heat pump installations. The company's product offer is sufficiently broad to cover all types of site-adapted products and system solutions. Beijer Ref offers all refrigerants existing in the market in order to be able to offer the best solution for the respective application, based on regulation compliance as well as on consideration for investment cost, energy consumption and maintenance cost.

Refrigerants are named in accordance with ASHRAE (American standard), normally with the letter R (as in Refrigerant) followed by a number or letter combination. The combination is built on the basis of the refrigerant's chemical composition.

With responsibility for staff and a sustainable operation

In a global group, it is important to take responsibility for a sustainable operation. Responsibility and authority within the Group lie mainly on the national and local level in order to get as close as possible to the operation and its prerequisites.
The starting point for the Group's work is that the respective company complies with its country's legislation and regulations in addition to, for example, European legislation such as EU directives. This applies to both environmental demands and to demands relating to staff, their comfort and well-being, and competence development. It is incumbent on the different companies' boards of directors and management groups to ensure that these are complied with.

Ethical guidelines
In order for some principles to permeate Beijer Ref's operation, there are ethical guidelines which state a number of key principles applicable to all work within Beijer Ref and its subsidiaries. The ethical guidelines will control the conduct of the Group and all employees.

The ethical guidelines state, among other things, how employees should behave in different situations, for example in relation to relationships with business partners, work-place standards and the company's social responsibility. The ethical guidelines are published in full on the company's website.

Whistle-blower function
Beijer Ref has a whistle-blower function which gives employees the opportunity to report suspected irregularities within the company, either openly or anonymously.

Employees in the Group can use the whistle-blower function if they have reason to suspect that laws, other rules or regulations or the Group's ethical guidelines have been breached. All employees in the Beijer Group have the right, without fear of reprisal, to report suspected crimes or serious irregularities.

Italian facility open for tests

Beijer Ref's Italian subsidiary, SCM Frigo, has opened a test facility with a 'trans critical' CO_2-installation, Booster, which can be used for different compressors.

The refrigeration installation can be used with different leading compressors such as Bitzer, Bock, Copeland or Dorin and with control equipment from Carel or Danfoss.

Beijer Ref's Italian subsidiary, SCM Frigo, develops, designs and produces products which are sold through, among others, Beijer Ref's distribution network. In recent years' the trend towards more sustainable alternatives and more aware customers has meant a significant opportunity for the Italian company, which has focused on a development within carbon dioxide (CO_2).

In September 2013, the company opened its newly-constructed test facility, a so-called 'Training Room'. The facility is used as a test environment for the components and finished products which SCM Frigo manufactures as well as for seminars and workshops for customers. The test facility is also eminently suitable for demonstrating products and training customers, especially builders and installation contractors, in a realistic environment.

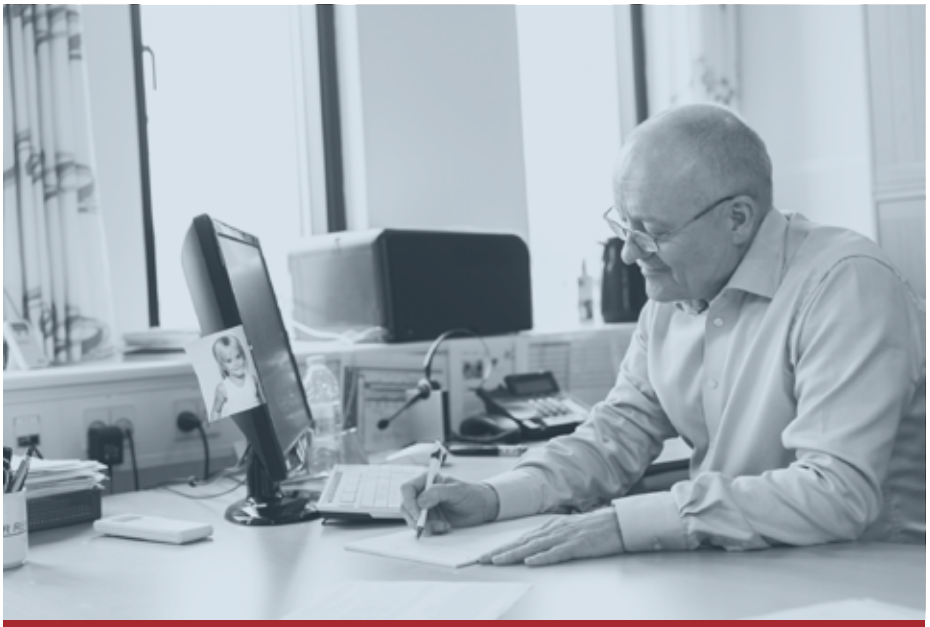
According to SCM Frigo's assessments, 60-70 per cent of the customers specifically request the new, less environment-impacting technology within the sector. Ahead of 2014, the company is focusing on making inroads into large international food chains, as several chains are interested in changing over to more environment-friendly alternatives such as CO_2.

For SCM Frigo, aftermarket sales are important and the company places a strong emphasis on giving good support to its customers, as this is decisive for the customer's confidence. Therefore, quality and reliability secures SCM Frigo's market position, partly through its support engineers who travel around to call on customers in Europe.

Nicola Pignatelli, Sales Director, SCM Frigo

"In recent years' the trend towards more environment-aware customers has meant a significant opportunity for us, as we have focused on a development within carbon dioxide (CO_2)."

With responsibility for employees



Conversation with Jan Lund Sørensen

Employed in H. Jessen Jürgensen A/S in Denmark since 1980, with responsibility for sales budget, product portfolio and competence development.

“I have had an exciting and evolving journey within Beijer Ref. I started my employment as a sales engineer, thereafter as technical manager and later as sales manager.

Above all, I am motivated by all personal contacts, on a high technical level, both national and international, which keep me up-to-date with the latest innovations within refrigeration. Another driving force is to participate in, influence and be responsible for important decisions.

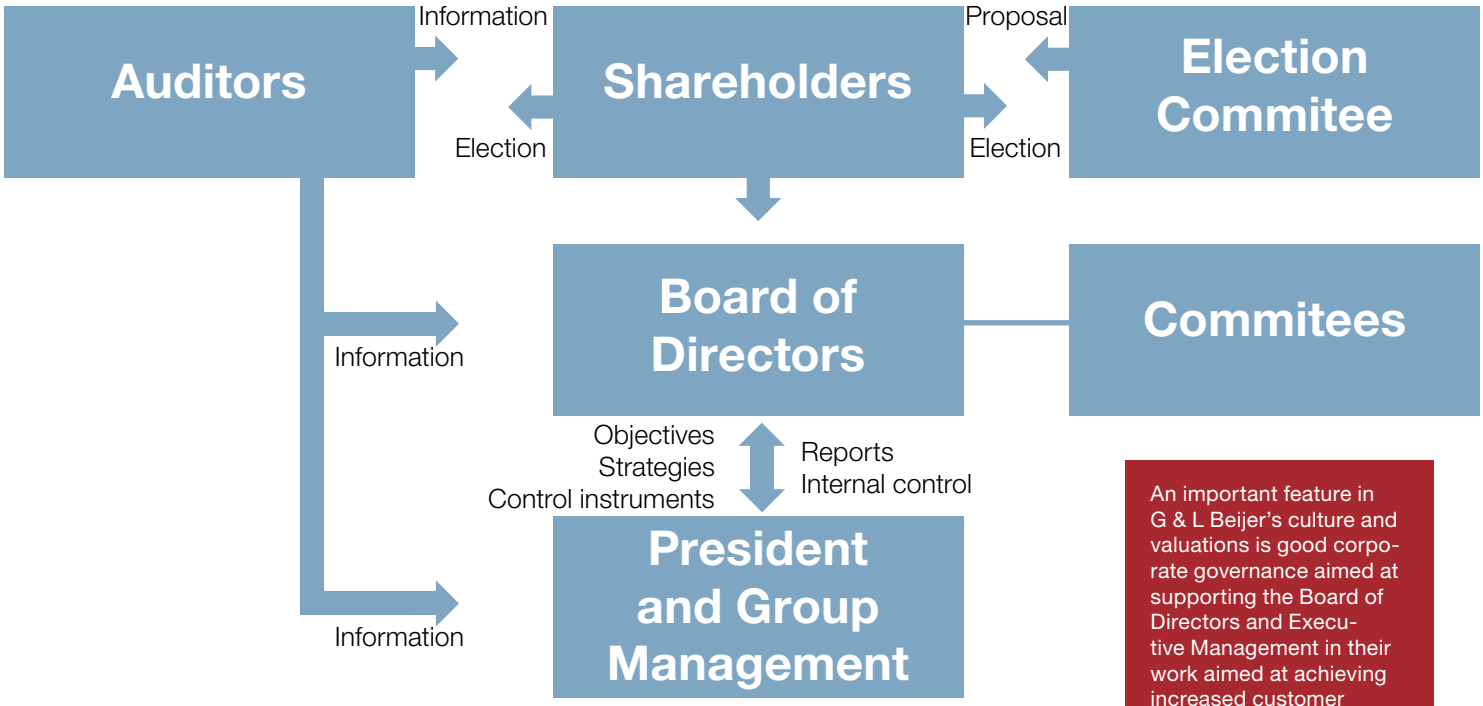
The most enjoyable part of my work is the challenge to find optimal solutions for a customer, based on environmental and technical aspects and, not least, with the total economy in mind over the installation’s working life. Altogether, this will ensure loyal customers.”

Claus Bo Jacobsen, MD of the Danish companies, HJJ, BKF, Aircon, Armadan and FK Teknik, in conversation with Bjarne Jensen at the logistics centre in Ballerup outside Copenhagen.

corporate governance

Corporate governance and corporate responsibility

G & L Beijer is a Swedish public limited company quoted on NASDAQ OMX Stockholm. The company applies the Swedish Code for Corporate Governance and here submits it's Corporate Governance Report for 2013. G & L Beijer had chosen to diverge from the code in one respect; the Election Committee has three Board Members who are dependent in relation to large shareholders. The reason is that, in accordance with a resolution passed by the 2013 Annual Meeting of shareholders, the Chairman of the G & L Beijer Board of Directors shall be a Member of the Election Committee. The report has been reviewed by the company's Auditor.



An important feature in G & L Beijer's culture and valuations is good corporate governance aimed at supporting the Board of Directors and Executive Management in their work aimed at achieving increased customer benefits as well as value and transparency for the shareholders.

Shareholder influence through Annual Meeting

The shareholders' influence is exercised through participation in the Annual Meeting of shareholders which is G & L Beijer's highest decision-making body. The Meeting makes decisions about the Articles of Association and, at the Annual Meeting, the shareholders elect Board Members, the Chairman of the Board of Directors and the Auditor, and determine their remuneration. In addition, the Annual Meeting deals with resolutions on the adoption of the profit and loss account and the balance sheet, on the distribution of the company's profit and on the discharge from liability towards the company for the Board Members and the President. The Annual Meeting of shareholders also passes resolutions on the appointment and work of the Election Committee and takes decisions about principles for remuneration and terms of employment. G & L Beijer's Annual Meeting of shareholders is generally held in April.

2013 Annual Meeting of shareholders

The 2013 Annual Meeting of shareholders was held on 26 April 2013 in Malmö. The meeting was attended by 140 shareholders, personally or through proxies. Together, they represented approximately 82 per cent of the total votes. Four shareholders, Carrier, Peter Jessen Jürgensen, Joen Magnusson and Per Bertland together represented around 75 per cent of the votes represented at the Meeting. Johan Sigeman was elected as Chairman of the Meeting. All Board Members elected by the Meeting were present.

The full Minutes are published on G & L Beijer's website. The resolutions passed by the Meeting included:

- A dividend in accordance with the Board of Directors' and the President's proposal of SEK 4.75 per share for the 2012 financial year.
- Re-election of the Board Members: Peter Jessen Jürgensen, Anne-Marie Pålsson, Bernt Ingman, Joen Magnusson, Philippe Delpech, Harald Link and William Striebe. Peter Jessen Jürgensen was re-elected as Chairman of the Board of Directors.
- Determination of remuneration of the Board of Directors and the Auditor.
- Principles for remuneration of, and other terms of employment for, the President and other Senior Executives.
- Process for the appointment and work of the Election Committee.

The next Annual Meeting of the G & L Beijer shareholders will be held on 24 April 2014 in Malmö. For further information about the next Annual Meeting, see page 63 in this Annual Report.

For information about shareholders and the G & L Beijer share, see pages 6-7 and G & L Beijer's website.

Election Committee

The Election Committee represents the company's shareholders and nominates Board Members and Auditors, and proposes their remuneration.

Election Committee ahead of the 2014 Annual Meeting of shareholders

The Election Committee was appointed in October 2013. The Members of the Election Committee were appointed from the Company's largest owners and consist of: Peter Rönström (Lannebo Fonder), also Chairman of the Election Committee, Peter Jessen Jürgensen (Chairman of the G & L Beijer Board of Directors), Philippe Delpech (Carrier), Johan Strandberg (SEBs fonder) and Joen Magnusson (Member of the G & L Beijer Board of Directors).

G & L Beijer has elected to diverge from the Code in one respect; the Election Committee has three Board Members who are dependent in relation to large shareholders. The 2013 Election Committee has held 3 (3) meetings. The Election Committee has carried out its work by evaluating the work, composition and competence of the Board of Directors.

Proposal for the 2014 Annual Meeting of shareholders

The Election Committee has worked out the following proposal to be submitted for resolution by the 2014 Annual Meeting: The Election Committee has decided to propose to the Annual Meeting of shareholders:

- the re-election as Board Members of: Peter Jessen Jürgensen, Anne-Marie Pålsson, Bernt Ingman, Joen Magnusson, Philippe Delpech, Harald Link and William Striebe
- the election of Bernt Ingman as Chairman of the Board of Directors
- the re-election of PricewaterhouseCoopers AB as the company's Auditor for 2014.

Board of Directors

The Board of Directors has the overall responsibility for G & L Beijer's organisation and administration. In accordance with the Articles of Association, the Board of Directors shall consist of not less than four and not more than eight Members and no Deputy Members. The Board Members are elected annually by the Annual Meeting of shareholders for a term until the end of the next Annual Meeting of shareholders.

The Board of Directors' composition in 2013

In 2013, G & L Beijer's Board of Directors consisted of seven Members elected by the Annual Meeting of shareholders.

The President attends all Board Meetings and, when required, other employees in the Group attend as persons reporting on specific issues.

For further information about the Board Members, see pages 28-29 and Note 6, page 50.

The Chairman's responsibility
The Chairman is responsible for ensuring that the Board's work is well organised, carried out efficiently and that the Board of Directors fulfils its duties. The Chairman monitors the operation in a dialogue with the President. He is responsible for ensuring that the other Board Members receive the information and documentation necessary for high quality discussion and decisions, and monitors that the decisions of the Board of Directors are executed.

The Board of Directors' independence
The Board of Directors' assessment, which is shared by the Election Committee, relating to the Members' state of dependence in relation to G & L Beijer and the shareholders is stated in the table on pages 28-29. As the table makes clear, G & L Beijer complies with the demands of the Swedish Code for Corporate Governance that the majority of the Members elected by the Annual Meeting of shareholders are independent in relation to G & L Beijer and the Executive Management, and that at least two of these Members are also independent in relation to G & L Beijer's major shareholders.

Board of Directors' work during 2013
During 2013, the Board of Directors of G & L Beijer held six Ordinary Meetings, of which one was a strategy meeting. The company's economic and financial position, as well as investment requirements, are discussed at every Ordinary Board Meeting. The work during 2013 focused extensively on matters relating to organisation and structure.

The company's Auditors were present at the Board Meeting 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, as well as other information of importance for the company. The Board of Directors has a working procedure which is determined at the Inaugural Board Meeting following the Annual Meeting of shareholders. At the same time, the Board determines instructions for the President.

Harald Link participated in five and Philippe Delpech in four Board Meetings. The other Board Members participated in all six Board Meetings.

Evaluation of the Members of the Board of Directors in 2013
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. During 2013, evaluation has been made, partly as a self-assessment, where the Chairman interviewed all Board Members individually, partly through interviews and discussions between the Election Committee and a number of individual Board Members, and through a feed-back and discussion involving the entire Board of Directors. The evaluation focuses on, among other things, the availability of, and requirement for, specific competence as well as working procedures. The evaluation also constitutes support for the Election Committee with regard to the proposal for Board Members and remuneration levels.

Board of Directors' Committees
The Board of Directors constitutes an Audit Committee and fulfils its tasks. The majority of the Board Members are independent in relation to the company and the Executive Management. More than one of the Members is independent in relation to the company, the Executive Management and to the company's major shareholders.

The Audit Committee held six (5) Meetings during 2013. The work focused mainly on:

- Accounting matters
- Review of interim reports, year-end report and annual report
- Review of reporting from the internal control function relating to the proactive work with the internal control environment
- Review of reports from the company's Auditor elected by the Annual Meeting of shareholders, including the Auditor's audit plan
- Assistance in the preparation of a proposal for the Annual Meeting of shareholders' resolution about election of an Auditor.

The Board of Directors of G & L Beijer as a whole constitutes the company's Remuneration Committee and fulfils its tasks. 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. The task of the Remuneration Committee includes monitoring and evaluating:

- All programmes for variable remuneration for the Executive Management,
- The application of the company's guidelines for the remuneration of senior executives as well as applicable remuneration structures and remuneration levels in the company.

External Auditors
The Annual Meeting of shareholders elects the external Auditor. G & L Beijer's Auditor is the registered public accountant firm, PricewaterhouseCoopers AB, with the Authorised Public Accountants, Lars Nilsson and Cecilia Andrén Dorselius. Lars Nilsson is the auditor in charge. PricewaterhouseCoopers AB was elected by the 2013 Annual Meeting of shareholders as G & L Beijer's auditor for a term until the 2014 Annual Meeting of shareholders.

Internal audit
A limited internal control organisation has been created. The function has carried out a risk assessment, compiled focus areas and carried out a self-assessment procedure with the Group's companies. A fully-developed internal audit function does not exist in the G & L Beijer Group. In accordance with the regulations in the Swedish Code for Corporate Governance, the Board of Directors in G & L Beijer AB has considered the need for a specific internal audit function. The Board has found that, in the current situation, there is no need to create this organisation within the G & L Beijer Group.

The background to the standpoint is the company's risk picture as well as the control functions and control activities 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.

G & L Beijer has defined internal control as a process which is influenced by the Board of Directors, the Audit Committee, the President, the Executive Management and other staff members and which has been designed to give a reasonable assurance that G & L Beijer's targets will be reached relating to: appropriate and efficient operation; reliable reporting; and compliance with applicable laws and regulations. The Internal Control process is based on the control environment which creates discipline and gives a structure for the components in the process: risk assessment; control structures; and monitoring.

For further information about internal control relating to the financial reporting, see the Internal control section. For information about risk handling, see pages 26-27.

President and Group Management
Per Bertland took up his duties as President and CEO on 1 July 2013. The President and CEO leads G & L Beijer's current operation. The President is assisted by a Group Management consisting of heads of business area and control function.

At the 2013 year end, the Group Management consisted of seven persons. During 2013, the Group Management held two meetings after the re-organisation. The meetings are focused on the Group's structural and operational development and result monitoring.

For further information about the Group Management, see page 30-31.

Remuneration of senior executives
The Board of Directors' proposal for the remuneration of senior executives is in line with the previous year with the addition of some cases of defined benefit pension plans. This is motivated by the increase in the number of senior executives that has taken place, where the additional executives have retained their defined benefit pension plans. The remuneration consists of a fixed salary, variable salary, pension and other remuneration such as a company car. The total remuneration 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 will receive a maximum amount equivalent to six months' salary. For more detailed information, see Note 6, page 50 in this Annual Report.

Further information about corporate governance
The information published on www.beijers.com includes:
- Previous years' corporate governance reports as from 2005
- Notice
- Minutes
- New release

Internal control
The Board of Directors' responsibility for internal control is regulated in the Swedish Companies Act and the Swedish Code for Corporate Governance.

Internal control relating to the financial reporting is aimed at giving reasonable security relating to the reliability in the external financial reporting in the form of quarterly reports, annual reports and year-end reports and to ensure that the external financial reporting is complying with legislation, applicable reporting standards and other demands on listed companies.

Control environment and structure
G & L Beijer is a company with a 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 extensively coincides with the operational organisation and there are, therefore, few decision-making venues which are disengaged from the responsibilities regulated in civil law which are vested in the different legal entities.

External control instruments
The external control instruments which form frameworks for corporate governance within G & L Beijer include:
- The Swedish Companies Act
- Swedish and international accounting legislation
- NASDAQ OMX Stockholm's rules and regulations
- The Swedish Code for Corporate Governance.

Internal control instruments
The internal binding control instruments include:
- Articles of Association
- The Board of Directors' working procedure
- Instruction for the Audit Committee
- Instruction for the President
- Ethical guidelines
- Finance policy
- Finance manual
- Internal Control process
- Process for Whistle-blower

The management work is based on the work of the Board of Directors which is the backbone of the company management and goes out, via the business area Board 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 the Group and the business area management teams are represented in Boards of Directors at the underlying organisational level and also in individual companies of significance. It is through this Board work that that control activities and monitoring are decided and implemented with strong local support. Throughout the Group, the procedure applied is that, in critical matters such as important personnel matters, organisatio-

Risks and risk handling

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. 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.

nal 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 for the different companies' feeling for their importance and for 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 assessment
Risk assessment relating to the financial reporting in G & L Beijer 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.

Monitoring
Monitoring aimed at securing the efficiency in the internal control relating to the financial reporting is made by the Board of Directors, the President and the Group Management. The monitoring includes the monitoring of monthly financial reports against budget and target, quarterly reports with results from self-assessments in the Group's companies and business area. The monitoring also includes the monitoring of observations reported by G & L Beijer's Auditor. G & L Beijer works in accordance with an annual plan, which has its starting point in the risk analysis and comprises prioritised companies, the business area and processes as well as work programme and budget.

Risk	Handling and exposure
The Group is dependent on the general economic trend, especially in Europe, which controls demand for products and services.	The Group has a good geographic spread with sales in 21 markets in Europe as well as in South Africa, Botswana, Namibia, Mozambique, Zambia and Thailand. The food sector is a frequent end customer which is less sensitivity to economic fluctuations than most other sectors.
Few customers in a small market.	The Group has a large number of customers and a broad product programme within the areas of operation which usually reduces the risks.
Acquisitions are normally linked with risks, for example staff defection.	Over time, the Group has achieved a not insignificant experience of acquisitions within the refrigeration and air conditioning sector. In addition, expert help is engaged within different partial segments such as law in order to handle the risks in different ways, for example through agreements and warranties. A large number of suppliers and a large number of customers means that staff defections, if any, constitute a limited risk.
Agency and supplier agreements, product responsibility and delivery undertaking, technical development warranties, dependency on individuals, etc.	The agreements are analysed continually and, when required, measures are taken in order to reduce the Group's risk exposure
The Group meets competition in its local markets.	All subsidiaries are well-established in their markets and successfully keep up with the local competition. In addition, there are the advantages within, for example, purchasing which have been achieved through the work with consolidating many markets.
Beijer enjoys a good reputation in its markets, locally as well as overall towards suppliers.	The different markets are worked locally and the subsidiaries normally work under their own name. The Beijer name is not vulnerable through contamination in the event of a problem in a local market. Overall, Beijer works towards suppliers, which is not vulnerable taking into consideration market risks and the risk for reduced sales.
Risk of losing individuals with key competence.	The key competence within the Group is well distributed in the organisations and the countries in which the Group operates.
Risk that local legislation is not complied with.	Every company has a functioning board of directors with a presence of individuals from Beijer's management. Through the board work, which is based on the local companies' environment and legal requirements, lies the responsibility for compliance, both locally and centrally. The local knowledge is secured through the work of the board of directors while, at the same time, the global linking and competence is present.
G & L Beijer has sales in several countries. The largest sale currencies are EUR, ZAR, GBP, SEK, CHF, DKK and NOK. Purchases are mainly made in EUR, GBP and USD.	The Group is exposed to transaction risks on acquisitions/sales and financial transactions in foreign currency. The currency exposure relates primarily to EUR and USD. Continual price adjustments are made on a par with changed purchase prices caused by, among other things, exchange rate fluctuations. On translation to the Group currency, SEK, the Group is exposed to a translation risk. This currency risk is generally not hedged. In some cases, however, an equity hedge is set up. 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.
The Group's financial liabilities lie in several currencies and with several durations with different interest terms.	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. The Group partly handles the interest risk by using interest swaps with the financial significance to convert the borrowing from floating to fixed interest rates. The Group usually raises long-term loans at floating interest rates and converts them through interest swaps to fixed interest rates which are lower than if the borrowing had taken place directly at fixed interest rates. The interest swaps mean that the Group agrees with other parties to exchange, with stated intervals (usually by quarter), the difference between interest amount in accordance with the fixed contract interest rate and the floating interest amount, calculated on contracted nominal amounts. The Group has a large focus on the current trend in interest rate and the question of possibly fixing the interest is under continuous consideration by the G & L Beijer AB's Board of Directors.
The Group continually renews its financial undertakings.	The Group has continuous and close contact with its external financing sources, which mainly are banks, in order to ensure that anticipations on both future loan requirements and the financiers' view on the risk and, therefore, interest terms are communicated and reconciled.
As the Group's operation is, in part, cyclical during the year, the liquidity requirement varies.	The Group ensures that there is a prudent margin between the liquidity requirement and the limits and resources the Group has at its disposal.
The risk that some or all loans can be rolled over when they mature.	The Group's objective relating to the capital structure is to secure the Group's ability to continue its operation in order to enable it to generate a return for its shareholders whilst the capital structure is kept at an optimum in order to keep the capital costs down. In order to change the capital structure, for example, the dividend can be changed, new shares issued or assets sold to reduce the liabilities. The capital risk is measured as net debt ratio, which means interest-bearing liabilities reduced by liquid funds in relation to shareholders' equity.

board of directors

BOARD



	Peter Jessen Jürgensen	Joen Magnusson	Bernt Ingman
Born:	1949	1951	1954
Position:	Chairman	Board Member	Board Member
Education:	Graduate engineer and MBA in Denmark.	MBA	MBA
Elected:	1999	1985	2006
Other significant assignments:	Chairman of Bio Aqua ApS and Profort A/S. Board Member of IKI Invest A/S, Labotek A/S, and G & L Beijer A/S.	Kungliga Fysiografiska Sällskapets Ekonomiska råd, and other assignments.	Management Consultant. Chairman of Schneidlerföretagen AB. Board Member of SBC Sveriges BostadsrättsCentrum AB.
Dependence:	Yes, of the largest shareholders. No, of the company and the Management.	Yes	No
Work experience:	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 Danmark.	Managing Director of G & L Beijer AB until 30 June 2013. Employed in Teglund Marketing AB, Statskonsult AB, Skrinet AB.	CFO of Munters. CFO of Husqvarna AB.
Shareholding in G & L Beijer 2013:	895,252 A shares 1,618,400 B shares	945,512 A shares 289,632 B shares	0 A shares 6,000 B shares
Shareholding in G & L Beijer 2012:	895,252 A shares 1,618,400 B shares	945,512 A shares 289,032 B shares	0 A shares 6,000 B shares
Presence at Board Meetings:	Chairman of the Board 6 out of 6	Board Member 6 out of 6	Board Member 6 out of 6
Remuneration:	415 sek k	—	250 sek k




	William Striebe	Philippe Delpech	Anne-Marie Pålsson	Harald Link
	1950	1962	1951	1955
	Board Member	Board Member	Board Member	Board Member
	Doctor of Laws degree from University of Connecticut Law School, BA in history, Fairfield University.	MBA from ESCP European School of Management, Paris, Economics degree from INSEAD Asia and IAE in France and graduate mechanical engineer from ENIT, France.	MA graduate from the University of California and PHD in economics from the University of Lund.	Master of Business Administration from University of St. Gallen, Switzerland.
	2009	2009	2003	2010
	Vice President Business Development, UTC Building and Industrial Systems.	Chief Operating Officer of UTC Building & Industrial Systems - Intercontinental Operations	Associate Professor at the University of Lund. Executive Member of Kungliga Ingenjörsvetenskapsakademin and Kungliga Skogs- och Lantbruksakademin.	Chairman of Amata B. Grimm Power Ltd, Amata Power (Bien Hoa) Ltd., B. Grimm Power Corporation, and Carrier (Thailand) Ltd. Board Member of Siemens Ltd., Carl Zeiss Ltd., Merck Ltd., Siam City Cement Public Co. Ltd. and True Corporation Public Co., Ltd.
	Yes, of the largest shareholders. No, of the company and the Management.	Yes, of the largest shareholders. No, of the company and the Management.	No	Yes, of the company and of the largest shareholders. No, of the Management.
	Vice President of Business Development within Carrier Corporation. Legal adviser to Carrier Corporation's operations in Europe, the Middle East and Africa. Vice-President within legal matters for Carrier's North-American operation. Vice President with responsibility for business development and legal matters in Europe. In the Legal Group at UTC since 2002.	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, and in the aerospace industry.	Member of the Swedish Parliament during the period 2002-2010.	Chairman and CEO of B. Grimm Group, Bangkok, Thailand. Previously Executive in the same company. Harald Link has held leading positions in the B. Grimm group for more than 30 years.
	0 A shares 0 B shares	0 A shares 0 B shares	0 A shares 3,000 B shares	0 A shares 10,060 B shares
	0 A-aktier 0 B-aktier	0 A shares 0 B shares	0 A shares 3,000 B shares	0 A shares 10,060 B shares
	Board Member 6 out of 6	Board Member 4 out of 6	Board Member 6 out of 6	Board Member 5 out of 6
	—	—	250 sek k	250 sek k

senior executives

MANAGEMENT

	Per Bertland	Jonas Lindqvist	Simon Karlin
Born:	1957	1962	1968
Position:	CEO & President from 1 July 2013	CFO & Executive Vice President	COO & Executive Vice President, Beijer Ref ARW
Education:	MBA, University of Lund	MBA, University of Lund, EMBA Stockholm School of Economics, AMP Harvard Business School.	MBA, University of Lund
Employed since:	1990	2004	2001
Work experience:	Head of Beijer Ref, CFO of Indra AB and Ötab Sport AB within the Aritmos Group, employed in Set Audit Bureau	VP Finance Polyclad Europe, CFO of Nolato Polymer/Medical and BMH Marine AB	Business & Finance Director Beijer Ref, Business control Svedala Industri Group
Shareholding in G & L Beijer 2013:	585,856 A shares 252,000 B shares	0 A shares 1,110 B shares	0 A shares 45,200 B shares
Shareholding in G & L Beijer 2012:	585,856 A shares 252,000 B shares	0 A shares 1,110 B shares	0 A shares 45,200 B shares




Yann Talhouet	Jonas Steen	Enrique Gibelli	Robert Schweig
1974	1976	1967	1958
COO & Executive Vice President, Beijer Ref Toshiba HVAC	Vice President Beijer Ref ARW, Nordic, East Europe & Asia	Vice President Beijer Ref ARW, South Europe & Africa	Vice President Beijer Ref ARW, Procurement
MA, Paris Dauphine University, MBA, Insead, Fontainebleau.	Master of Science Chemical Engineering, Business Administration, University of Lund.	Bachelor of Science in Agro Economics, Argentina. Master of Science, Purdue University, USA.	Mechanical Engineering. NEVI Professional Procurement.
2010	2010	2009	1990
MD of Toshiba HVAC Western Europe, Carrier Corporation. Management Consultant in A.T. Kearney.	Business & Finance Manager Beijer Ref, Business Control in Trelleborg Group.	Asgrow Seed Company, Argentina. Carrier Corporation, USA and EMEA. Beijer Ref, France.	Procurement experience in wholesale and different industries, 24 years at senior management level, within Elsmark/Danfoss, Aircool/Eriks, Delair/Atlas Copco, Royal Dutch Navy Shipyard.
0 A shares 0 B shares	0 A shares 2,000 B shares	0 A shares 1,283 B shares	0 A shares 0 B shares
0 A shares 0 B shares	0 A shares 2,000 B shares	0 A shares 1,283 B shares	0 A shares 0 B shares

AUDITORS

Lars Nilsson

Authorised Public Accountant, auditor in charge. Born 1965. PricewaterhouseCoopers AB. Auditor in the G & L Beijer Group since 2012.

Cecilia Andrén Dorselius

Authorised Public Accountant. Born 1979. PricewaterhouseCoopers AB. Auditor in the G & L Beijer Group since 2010.

financial information

Consolidated profit and loss account

SEK K	Note	2013	2012
OPERATING INCOME			
Net sales	5	6 595 346	6 758 323
Other operating income	7	13 745	11 327
Total income		**6 609 091**	**6 769 650**
OPERATING EXPENSES			
Raw materials and necessities		-251 161	-257 302
Goods for resale		-4 354 400	-4 450 685
Other external costs	8, 9	-570 191	-585 179
Remuneration of employees	6	-993 598	-997 397
Depreciation and write-down of intangible and tangible fixed assets	18, 19	-60 769	-63 143
Other operating expenses		-1 284	-719
Operating profit		**377 688**	**415 225**
Result of holdings in associated companies	10	179	24 258
Financial income	11	6 548	4 738
Financial expenses	12	-37 876	-39 318
Profit before taxes		**346 539**	**404 903**
Tax on the year's profit	14	-102 365	-99 089
Net profit for the year	15	**244 174**	**305 814**
Attributable to:			
The parent company's shareholders		233 781	295 185
Non-controlling interests		10 393	10 629
The year's profit per share, sek[1]	16	5,51	6,96
Dividend per share, sek[2]	17	4,75	4,75

1) No dilution exists
2) For 2013, in accordance with the Board of Directors' proposal

The Group's report on other comprehensive income

SEK K	Note	2013	2012
Net profit for the year		244 174	305 814
OTHER COMPREHENSIVE INCOME			
Items which will not be reversed in the profit and loss account			
Revaluation of the net pension commitment		-799	-6 148
Items which can later be reversed in the profit and loss account			
Exchange rate differences		-19 837	-119 982
Hedging of net investment	3, 14	-3 161	8 972
Cash flow hedging	3, 14	2 386	-4 775
Other comprehensive income for the year		**-21 411**	**-121 933**
Total comprehensive income for the year		**222 763**	**183 881**
Attributable to:			
The parent company's shareholders		212 601	174 597
Non-controlling interests		10 162	9 284

Consolidated balance sheet

SEK K	Note	2013-12-31	2012-12-31
ASSETS			
Fixed assets			
Intangible fixed assets	18	1 362 676	1 353 252
Tangible fixed assets	19	253 501	255 361
Holdings in associated companies	21	—	4 192
Financial assets available for sale	22	80 782	77 834
Deferred tax assets	29	96 335	86 255
Trade debtors and other receivables	23	63 757	58 638
Total fixed assets		**1 857 051**	**1 835 532**
Current assets			
Inventories	24	1 700 851	1 661 939
Trade debtors and other receivables	23	1 351 621	1 324 828
Income taxes recoverable		17 601	2 132
Liquid funds	25	181 351	188 732
Total current assets		**3 251 424**	**3 177 631**
TOTAL ASSETS		**5 108 475**	**5 013 163**
SHAREHOLDERS' EQUITY			
Equity and reserves which can be attributed to the parent company's shareholders			
Share capital	26	371 685	371 685
Other contributed capital		901 172	901 172
Reserves		-269 747	-249 366
Profit brought forward		1 364 827	1 333 202
Total		**2 367 937**	**2 356 693**
Non-controlling interests		49 032	43 025
Total equity		**2 416 969**	**2 399 718**
LIABILITIES			
Long-term liabilities			
Borrowing	28, 33	810 918	808 403
Other long-term liabilities		19 264	20 712
Deferred tax liabilities	29	64 890	59 615
Pension commitments	30, 34	78 868	76 011
Other provisions	31	14 066	14 454
Total long-term liabilities		**988 006**	**979 195**
Current liabilities			
Trade creditors and other liabilities	32	1 157 783	1 038 745
Borrowing	28, 33	503 064	532 820
Current tax liabilities		20 871	40 913
Other provisions	31	21 782	21 772
Total current liabilities		**1 703 500**	**1 634 250**
Total liabilities		**2 691 506**	**2 613 445**
TOTAL LIABILITIES AND EQUITY		**5 108 475**	**5 013 163**

Consolidated changes in equity

SEK K	Attributable to the parent company's shareholders				Non-controlling interests	Total equity	Note
	Share capital	Other contributed capital	Reserves	Profit brought forward			
Shareholders' equity on 2011-12-31	**371 685**	**901 172**	**-134 927**	**1 244 147**	**36 790**	**2 418 867**	
Effect of changed accounting principle				-9 222		-9 222	2
Shareholders' equity on 2012-01-01	**371 685**	**901 172**	**-134 927**	**1 234 925**	**36 790**	**2 409 645**	
Net profit for the year				295 185	10 629	305 814	
Revaluation of the net pension commitment				-6 148		-6 148	2
Exchange rate differences			-118 636		-1 345	-119 981	
Hedging of net investment			8 972			8 972	
Cash flow hedging			-4 775			-4 775	
Other comprehensive income for the year	**—**	**—**	**-114 439**	**- 6 148**	**-1 345**	**-121 932**	
Total comprehensive income for the year	**—**	**—**	**-114 439**	**289 037**	**9 284**	**183 882**	
Dividend for 2011				-190 760	-3 049	-193 809	17
Shareholders' equity on 2012-12-31	**371 685**	**901 172**	**-249 366**	**1 333 202**	**43 025**	**2 399 718**	
Net profit for the year				233 781	10 393	244 174	
Revaluation of the net pension commitment				-799		-799	2
Exchange rate differences			-19 606		-231	-19 837	
Hedging of net investment			-3 161			-3 161	
Cash flow hedging			2 386			2 386	
Other comprehensive income for the year	**—**		**-20 381**	**-799**	**-231**	**-21 411**	
Total comprehensive income for the year	**—**		**-20 381**	**232 982**	**10 162**	**222 763**	
Dividend for 2012				-201 357	-4 155	-205 512	17
Shareholders' equity on 2013-12-31	**371 685**	**901 172**	**-269 747**	**1 364 827**	**49 032**	**2 416 969**	

Consolidated cash flow statement

SEK K	Note	2013	2012
CURRENT OPERATIONS			
Operating profit		377 688	415 225
Adjustments for items not included in the cash flow:			
Depreciation and write-downs of intangible and tangible fixed assets	18, 19	60 769	63 143
Change in pension, guarantee and other provisions		-361	14 645
Profit on sale of tangible fixed assets		872	—
Total		**438 968**	**493 013**
Received interest and dividend	11	4 906	4 738
Paid interest	12	-37 492	-34 906
Paid income tax		-143 303	-127 458
Cash flow from current operations before changes in working capital		**263 079**	**335 387**
CHANGES IN WORKING CAPITAL			
Change in inventories		-34 954	-97 634
Change in operating receivables		-7 824	8 559
Change in operating liabilities		82 938	-103 953
Cash flow from current operations		**303 239**	**142 359**
INVESTMENT OPERATIONS			
Acquisition of tangible and intangible fixed assets	18, 19	-49 708	-61 164
Liquid funds in acquired operations	35	1 013	768
Sale of shares and participations	21	—	60 000
Acquisition of operations	35	-9 089	-14 812
Sale of operations		3 476	—
Cash flow from investment operations		**-54 308**	**-15 208**
FINANCIAL OPERATIONS			
Raising of loans		—	60 721
Amortisation of liabilities		-48 997	-33 985
Paid dividend to shareholders		-201 357	-190 760
Dividend to owners with non-controlling interest	37	-4 155	-3 049
Cash flow from financial operations		**-254 509**	**-167 073**
Change in liquid funds		**-5 578**	**-39 922**
Exchange rate difference, liquid funds		-1 803	-8 772
Liquid funds on 1 January		188 732	237 426
Liquid funds on 31 December	25	**181 351**	**188 732**

Parent company profit and loss account

SEK K	Note	2013	2012
OPERATING INCOME			
Other operating income	7	14 119	11 487
Total income		**14 119**	**11 487**
OPERATING EXPENSES			
Other external costs	8	-11 245	-11 054
Personnel costs	6	-32 318	-15 822
Depreciation and write-down of intangible and tangible fixed assets	18, 19	-632	-743
Operating profit		**-30 076**	**-16 132**
RESULT OF FINANCIAL INVESTMENTS			
Result of participations in Group companies and associated companies	10	232 269	288 839
Financial income	11	2 719	4 770
Financial expenses	12	-1 230	-2 098
Profit after financial investments		**203 682**	**275 379**
APPROPRIATIONS			
Appropriations	13	19 725	13 734
Profit before taxes		**223 407**	**289 113**
Tax on the year's profit	14	1 161	758
Net profit for the year	**15**	**224 568**	**289 871**

Parent company's report on other comprehensive income

SEK K	2013	2012
Net profit for the year	224 568	289 871
Total comprehensive income for the year	**224 568**	**289 871**

Parent company balance sheet

SEK K	Note	2013-12-31	2012-12-31
ASSETS			
FIXED ASSETS			
Intangible fixed assets			
Capitalised expenditure for software	18	234	555
Total intangible fixed assets		**234**	**555**
Tangible fixed assets			
Equipment, tools and installations	19	1 615	727
Total tangible fixed assets		**1 615**	**727**
Financial fixed assets			
Participations in Group companies	20	1 147 739	1 147 739
Deferred tax recoverable	29	1 161	—
Receivables from Group companies		142 552	218 378
Other long-term securities holdings		54	54
Total financial fixed assets		**1 291 506**	**1 366 171**
TOTAL FIXED ASSETS		**1 293 355**	**1 367 453**
CURRENT ASSETS			
Current receivables			
Receivables from Group companies		441 508	354 671
Other current receivables		597	265
Prepaid expenses and accrued income		188	433
Total current receivables		**442 293**	**355 369**
Cash and bank			
Cash and bank		30	75
TOTAL CURRENT ASSETS		**442 323**	**355 444**
TOTAL ASSETS		**1 735 678**	**1 722 897**
SHAREHOLDERS' EQUITY			
Restricted equity			
Share capital	26	371 685	371 685
Total restricted equity		**371 685**	**371 685**
Non-restricted equity			
Share premium reserve		901 604	901 604
Profit brought forward		215 511	126 997
Net profit for the year		224 568	289 871
Total non-restricted equity		**1 341 683**	**1 318 472**
TOTAL EQUITY		**1 713 368**	**1 690 157**
Untaxed reserves	27		
Tax allocation reserves		—	9 611
Accumulated accelerated depreciation		—	694
Total untaxed reserves		**—**	**10 305**
LIABILITIES			
Long-term liabilities			
Other long-term interest-bearing liabilities		67	67
Total long-term liabilities		**67**	**67**
Current liabilities			
Trade creditors		1 333	490
Liabilities to Group companies		4 002	7 964
Other liabilities		3 822	10 666
Accrued expenses and prepaid income		13 086	3 248
Total current liabilities		**22 243**	**22 368**
TOTAL EQUITY AND LIABILITIES		**1 735 678**	**1 722 897**
Pledged assets	33	417 452	417 452
Contingent liabilities	34	1 423 957	1 371 024

Parent company changes in equity

SEK K	Share capital	Non-restricted equity	Total equity	Note
Equity on 2011-12-31	**371 685**	**1 219 361**	**1 591 046**	
Net profit for the year		289 871	289 871	
Total comprehensive income for the year	**—**	**289 871**	**289 871**	
Dividend for 2011		-190 760	-190 760	17
Equity on 2012-12-31	**371 685**	**1 318 472**	**1 690 157**	
Net profit for the year		224 568	224 568	
Total comprehensive income for the year	**—**	**224 568**	**224 568**	
Dividend for 2012		-201 357	-201 357	17
Equity on 2013-12-31	**371 685**	**1 341 683**	**1 713 368**	

Parent company cash flow statement

SEK K	Note	2013	2012
CURRENT OPERATIONS			
Operating profit		-30 076	-16 132
Adjustment for items not included in the cash flow:			
Depreciation and write-downs of intangible and tangible fixed assets	18, 19	632	743
Profit on sale of tangible fixed assets		743	-49
Total		**-28 701**	**-15 438**
Received interest and dividend		233 792	280 122
Paid interest		-1 230	-140
Paid income tax		-400	-757
Cash flow from current operations before changes in working capital		**203 461**	**263 787**
CHANGES IN WORKING CAPITAL			
Change in operating receivables		-83	45 372
Change in operating liabilities		-124	-10 581
Cash flow from current operations		**203 254**	**298 578**
INVESTMENT OPERATIONS			
Acquisition of intangible and tangible fixed assets	18, 19	-1 942	-863
Sale of tangible fixed assets		—	60 000
Sale of tangible fixed assets		—	408
Cash flow from investment operations		**-1 942**	**59 545**
FINANCIAL OPERATIONS			
Amortisation of liabilities		—	-167 333
Paid dividend		-201 357	-190 760
Cash flow from financial operations		**-201 357**	**-358 093**
Change in cash and bank		**-45**	**30**
Cash and bank on 1 January		75	45
Cash and bank on 31 December		**30**	**75**

1 General information

G & L Beijer AB (the parent company) and its subsidiaries (together, the Group) is a technology-oriented trading Group which, through added-value products, offers competitive solutions within refrigeration and air conditioning. The product programme consists mainly of products from leading international manufacturers and, in addition, some manufacturing of our own products, combined with service and support relating to the products. The Group creates added value by contributing technical competence to the products; accounting for knowledge and experience about the market; and by providing efficient logistics and warehousing. The Group has subsidiaries in large parts of Europe and in Africa and Thailand.

The parent company is a limited company which is located and registered in Malmö, Sweden. The address to the head office is Stortorget 8, SE-211 34 Malmö.

These consolidated accounts were approved for publication by the Board of Directors on 19 March 2014.

2 Applied reporting and valuation principles

General reporting principles
These consolidated accounts have been prepared in accordance with the Annual Accounts Act, RFR 1. Supplementary reporting regulations for Groups and International Financial Reporting Standards (IFRS) and IFRIC interpretations such as they have been adopted by the EU. Standards which have been published, but which have not yet come into force are not adhered to at present.

The Annual Report for the parent company has been prepared in accordance with the Annual Accounts Act. The parent company applies the same reporting principles as the Group with the exceptions and additions stipulated by the Swedish Financial Accounting Standards Council's recommendation RFR 2. 'Reporting for legal entities'. The reporting principles for the parent company are stated in the section 'Parent company reporting principles'. The principles have been consistently applied for all the years presented, unless otherwise stated.

Implementation of new reporting principles
New and amended standards applied by the Group
Below are stated the standards which the Group applies, for the first time, for the financial year started on 1 January 2013 and which have an influence on the Group's financial reports.

IAS 1 'Formulation of financial reports' is amended relating to other comprehensive income. The foremost amendment is the requirement to group the items shown in Other total comprehensive income based on whether they should possibly be reclassified to the profit and loss account in later periods or not. This has meant that new headlines have been added in the report, Consolidated report on total comprehensive income.

IFRS 13 'Valuation at fair value' aims to reduce complexity by giving a more precise definition of fair value and that the information requirements become more standardised. The standard only involves increased additional information.

IAS 19 'Remuneration of employees' has been amended. The amendment means that the 'the corridor method' is removed and all actuarial profits and losses are now reported in other comprehensive income as they arise and that costs for service during previous years is reported immediately. Instead of interest expenses and anticipated return on plan assets a net income/expense is reported net by applying the discount rate, which is used to discount the pension commitment included in the consolidated pension provision. Costs for the year's earnings and net income/expense are reported in the operating result. The amended standard came into force on 1 January 2013, with retroactive application. Equity brought forward in 2012 has been affected negatively by approximately SEK 9M net after tax due to the fact that previously unreported actuarial losses have been reported taking into account deferred tax. This means an increase of SEK 12M in pension provisions and an increase of SEK 3M in deferred tax assets. The result for the year for the 2012 financial year has also been recalculated in accordance with the new principles and this has not brought about any tangible effect on the result for the year. Other comprehensive income for 2012 has been negatively affected by, in total, approximately SEK 6M net after tax due to previously unreported actuarial losses which have been reported during the period. The revaluation result is distributed evenly over the year. The total negative influence on equity carried forward for 2012 is, therefore, SEK 15M. This means that at the end of 2012, the provision for pensions has increased by SEK 20M and the deferred tax asset by SEK 5M, compared with previous principles.

New standards and interpretations of existing standards which have not yet been applied prematurely by the Group
In the preparation of the consolidated accounts at 31 December 2013, several standards and interpretations have been published which have not yet come into force. Below follows a preliminary assessment of the effect the implementation of these standards and pronouncements could have on G & L Beijer AB's financial reports:

IFRS 10 'Consolidated financial statements' is based on already existing principles as it identifies control as the deciding factor for determining if a company shall be included in the consolidated accounts. The standard gives additional guidance in order to assist in the determination of control when this is difficult to judge. The Group intends to apply IFRS 10 for the financial year starting 1 January 2014 and is of the opinion that the standard will not have any significant impact on the Group's financial reports.

IFRS 11 'Co-operation agreements', focuses on the rights and obligations which the parties in a joint operation have, rather than on the legal form of the agreement. There are two types of co-operation agreements, joint operations and joint ventures. The standard comes into force on 1 January 2014 and is not deemed to have any significant effects on the financial reports.

IFRS 12 'Disclosures of interest in other entities' comprises disclosure requirements for subsidiaries, co-operation agreements, associated companies and non-consolidated structured entities. The Group intends to apply IFRS 12 for the financial year starting 1 January 2014 and, when applicable, will bring about increased information requirements.

IFRS 9 'Financial instruments' handles classification, valuation and reporting of financial liabilities and assets. The Group will evaluate the effects of the different phases relating to IFRS 9 when they are concluded by IASB.

None of the other IFRS or IFRIC interpretations, which have not yet come into force, are expected to have any significant influence on the Group.

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.

Consolidated accounts
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 interest over another company. The Group also assesses if controlling interest exists although it does not have a shareholding amounting to more than half of the voting rights but nevertheless has the opportunity to control financial and operational strategies through de facto control. De facto control can occur under circumstances where the proportion of voting rights in relation to the size and distribution on other

shareholders' voting rights gives the Group the opportunity to control financial and operational strategies, etc. Subsidiaries are included in the consolidated accounts from the date on which the controlling interest is transferred to the Group. They are excluded from the consolidated accounts from the date on which the controlling interest ceases.

Acquisition accounting is used for reporting the Group's acquisitions of subsidiaries. For acquisitions in the 2009 financial year and previous years, the acquisition cost for an acquisition consists of the actual value of assets paid as consideration, issued equity instruments and arisen or acquired liabilities on the date of transfer, plus costs 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.

For acquisitions during the 2010 financial year and future-oriented, the consideration for the acquisition of a subsidiary consists of the actual value of transferred assets, liabilities and the shares issued by the Group. The consideration also includes the actual value of all assets or liabilities which are a consequence of an agreement about conditional consideration. Conditional considerations are classified either as equity or financial liability depending on whether it is settled with an equity instrument or cash and is reported initially at actual value. Revaluations relating to conditional considerations, which are reported in subsequent periods, are reported either as an equity instrument or financial liability with revaluation to actual value over the profit and loss account.

Acquisition-related costs are written off when they arise. Identifiable acquired assets and liabilities taken over in a business combination are initially valued at actual values on the date of acquisition. For every acquisition, the Group determines if all holdings with non-controlling interest in the acquired company are reported at actual value or at the holding's proportional share of the net assets of the acquired company. The amount by which the purchase price, holding with non-controlling interest and actual value on the date of acquisition of previous shareholdings exceeds the actual value of the Group's share of identifiable acquired net assets is reported as goodwill or as other intangible asset. If the amount is less than the actual value of the acquired subsidiary's net assets, such as in the event of a 'bargain purchase', 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.

Transactions with holders with non-controlling interest
Transactions with holders with non-controlling interest are treated as transactions with the Group's shareholders. On acquisitions from holders with non-controlling interest, the difference between paid consideration and the actual acquired proportion of the reported value of the subsidiary's net assets is reported in shareholders' equity. Gains and losses on divestments to holders with no controlling influence are also reported in shareholders' equity.

When the Group no longer has a controlling or significant interest, every remaining holding is revalued at actual value and the change in reported value is reported in the profit and loss account. The actual value is used as the first reported value and forms the foundation for the continued reporting of the remaining holding as associated company, joint venture or financial asset. All amounts relating to the divested unit, which have previously been reported in other total results, are reported as if the Group had directly divested the pertaining assets or liabilities. This can result in amounts which have previously been reported in other total results being reclassified to profit or loss.

If the ownership in an associated company decreases, but a significant interest nevertheless remains, only a proportional share of the amount which has previously been reported in other comprehensive income, where relevant, is reclassified to the result.

Associated companies
Associated companies are all companies in which the Group has a significant but non-controlling interest. As a rule, this applies to shareholdings comprising between 20 and 50 per cent of the votes. Where the holding lies within this range, but as a significant interest is not deemed to exist, these holdings are reported as financial assets available for sale. See also Note 22. Holdings in associated companies are reported in accordance with the equity method and are initially valued at acquisition value and the reported value is, thereafter, increased or decreased in order to take into consideration the Group's share of the associated company's profit or loss after the date of acquisition. The Group's reported value of holdings in associated companies includes goodwill identified on the date of acquisition, if any.

The Group's share of a profit or loss 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 a need for write-down exists in respect of the transferred asset. Where applicable, the reporting principles for associated companies have been amended in order to guarantee a consistent application of principles within the Group.

Reporting for segments
An operating segment is a part of the Group which carries out an operation from which it can generate revenues and incur costs and for which independent financial information is available. The Group's operation is split into operating segments based on how the company's highest executive decision maker, i.e. the President, monitors the operation. The Group has one business area, Beijer Ref, and the business area's operation is monitored by the Group Management.

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 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 brands 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 is reported as costs as it arises. 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 it arises. 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 on an assessment of any need for a write-down. The Beijer Ref business area is regarded as a cash-generating unit in the write-down examination.

The following amortisation periods are applied:

	Group	Parent company
Acquired intangible assets:		
Computer programs	3-5 years	3 years
R & D	5 years	—
Agencies, customer lists, trademarks, etc	10-40 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 after 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 assets 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 at the first reporting. In the 2013 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. 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. For financial assets available for sale and derivatives, transaction costs are reported in the profit and loss account. 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 available for sale 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.

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 is 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. Weighted average prices are applied in those units in the Group where a variation in the price of goods is deemed to be significant. In semi-finished or finished products of the company's own manufacture, the acquisition value consists of direct manufacturing costs, such as direct material and payroll expenses, 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 comprehensive income' or direct¬ly against shareholders' equity. In such instances, the tax is also reported in 'Other comprehensive income' 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 assets are 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 tax assets 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 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 of forecast future guarantee commitments.

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 defined contribution plans, 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 defined benefit pension plans there is stated the amount for the pension benefit an employee receives after retirement. This is usually based on one or several factors such as age, period of service and salary. The Group carries a risk of ensuring that the payments undertaken are made. The defined benefit pension plans are both funds invested in various pension plans and floating debts. Where the funds are invested, the assets which belong to the plans 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 plan 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 plan against a deficit in another plan is only made if the company has the right to utilise a surplus in one plan to regulate a deficit in another plan, or if the commitments are intended to be settled on a net basis.

The pension cost and the pension commitment for the defined benefit pension plans 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 based on calculations by independent actuaries. The commitment consists of the current value of the anticipated future payments. The actuarial calculations are based on assumptions about discount rates, anticipated return on plan assets, future salary increases, inflation and demographic conditions. 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 actuarial profits and losses are reported direct in other comprehensive income as they arise. Costs for previous employment are reported immediately. Instead of interest expenses and anticipated return on plan assets an income/expense is reported in accordance with the new standard by applying the discount rate, which is used to discount the pension commitment included in the consolidated pension provision. Costs for the year's earning and net income/expense are reported in the operating result.

Commitments for retirement pension and family pension for salaried employees in Sweden are secured through insurance in Alecta. This is a defined benefit plan which comprises several employers. As the Group has not had access to information which makes it possible to report this scheme as a defined benefit plan, this plan is, therefore, reported as a defined contribution plan.

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 six months' 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. No significant financial lease contracts exist. See Note 9.

Hedge reporting
The Group applies hedge reporting for financial instruments aimed at hedging the following financial risks: future commercial cash flows in future interest payments relating to the Group's borrowing and net investments in operations abroad. When the transaction is entered into the relation between the hedging instrument and the hedged item is documented or the transaction as well as the objective of the risk handling and the strategy for taking different hedging actions. The Group also documents its assessment, both at the start of the hedging and current, as to whether the derivative instruments used in the hedging transaction are effective with regard to mitigating changes in actual value or cash flow for hedged items.

Hedgings are designed to ensure that they can be expected to be effective. Changes in actual value for derivative instruments which do not meet the conditions for hedge reporting are reported immediately in the profit and loss account. The Group raises interest derivatives to hedge the desired interest level on the Group's net debt. Amounts to be paid or received in accordance with interest derivatives are reported on a current basis as interest income or interest expense. Changes in actual value on the hedging instrument are reported in the total result until the maturity date. An ineffective part, if any, is reported immediately in the profit and loss account. If the borrowing and, therefore, future interest payments no longer exist, the accumulated profit or loss reported in the total result is immediately transferred to the profit and loss account.

Translation of foreign currency
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.

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.

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, are translated into the Group's reporting currency as follows:

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

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 reported as a component in 'Other comprehensive income' and accumulated among reserves in 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. The arisen exchange rate differences are reported as a separate component in 'Other comprehensive income'.

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
Information about the Board of Directors', the President's and other senior executives' salaries and other remuneration, costs and obligations relating to pensions and similar benefits, agreements made relating to severance pay is outlined in Note 6. Other transactions with related parties appear in Note 36.

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.

Group contributions
Group contributions which the parent company receives from subsidiaries are reported as appropriations.

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 risk handling is managed by a central finance department (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, and investment of surplus liquidity.

Financial instruments by category in the Group

The reporting principles for financial instruments have been applied as below:

31/12 2013	Loan receivables and trade debtors	Financial assets available for sale	Total
Assets in the balance sheet			
Financial assets available for sale		80 782[1]	80 782
Trade debtors and other receivables	1 415 378		1 415 378
Liquid funds	181 351		181 351
Total	1 596 729	80 782	1 677 511

	Other financial liabilities	Total
Liabilities in the balance sheet		
Liabilities to credit institutions	825 269	825 269
Bank overdraft facilities	488 713	488 713
Trade creditors and other liabilities	1 157 783[2]	1 157 783
Total	2 471 765	2 471 765

1) Financial assets available for sale are valued in accordance with level 3. See Note 22.
2) Includes hedging instruments amounting to 5,016 valued in accordance with level 2 which after tax amounts to 3,912, of which the year's influence on comprehensive income amounts to 2,386.

31/12 2012	Loan receivables and trade debtors	Financial assets available for sale	Total
Assets in the balance sheet			
Financial assets available for sale		77 834[1]	77 834
Trade debtors and other receivables	1 383 466		1 383 466
Liquid funds	188 732		188 732
Total	1 572 198	77 834	1 650 032

	Other financial liabilities	Total
Liabilities in the balance sheet		
Liabilities to credit institutions	843 032	843 032
Bank overdraft facilities	498 191	498 191
Trade creditors and other liabilities	1 038 745[2]	1 038 745
Total	2 379 968	2 379 968

1) Financial assets available for sale are valued in accordance with level 3. See Note 22.
2) Includes hedging instruments amounting to 8,075 valued in accordance with level 2 which after tax amounts to 6,298, of which the year's influence on comprehensive income amounts to 4,775.

Market risk
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. Continual price adjustments are made on a par with changed purchase prices caused by, among other things, exchange rate fluctuations. On translation to the Group currency, SEK, the Group is exposed to a translation risk. This type of currency risk is not hedged. In some cases, however, an equity hedge is set up. 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.

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. The Group partly handles the interest risk by using interest swaps with the financial significance to convert the borrowing from floating to fixed interest rates. The Group usually raises long-term loans at floating interest rates and convert them through interest swaps to fixed interest rates which are lower than if the borrowing had taken place directly at fixed interest rates. The interest swaps mean that the Group agrees with other parties to exchange, with stated intervals (usually by quarter), the difference between interest amount in accordance with the fixed contract interest rate and the floating interest rate amount, calculated on contracted nominal amounts. The Group has a large focus on the current trend in interest rate and the question of possibly fixing the interest rate is under continuous consideration by the G & L Beijer AB'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 563.2M (538.0). In addition, there are limits granted by the Group's banks to cover the working capital requirement which may arise. Further information is presented in Note 28.

Capital risk
The Group's objective relating to the capital structure is to secure the Group's ability to continue its operation in order to enable it to generate a return for its shareholders, whilst the capital structure is kept at an optimum in order to keep the capital costs down. In order to change the capital structure, for example, the dividend can be changed, new shares issued or assets sold to reduce the liabilities.

The capital risk is measured as net debt ratio, which means interest-bearing liabilities reduced by liquid funds in relation to shareholders' equity.

Group	**2013**	**2012**
Interest-bearing liabilities	1 392 850	1 417 234
Liquid funds	-181 351	-188 732
Net debt	1 211 499	1 228 502
Shareholders' equity	2 416 969	2 399 718
Net debt ratio	0,50	0,51

4 Important estimates and assessments for reporting purposes

The Corporate Management and the Board of Directors make assessments and assumptions about the future. These assessments and assumptions influence reported assets and liabilities, as well as revenues and costs, and other given information. These assessments are based on historic experiences and the different assumptions deemed to be reasonable under current circumstances. Conclusions drawn by these means form the foundation for decisions relating to reported values of assets and liabilities where these cannot be determined through other information. Areas which include such assessments and assumptions which can significantly influence the Group's result and financial position include:

- The examination of the need for a write-down of goodwill and other assets with an indefinite useful life: The need for a write-down of goodwill is examined annually in connection with the annual accounts or as soon as changes indicate that a need for a write-down should exist, such as a changed business climate or a divestment or closure of an operation.A write-down is made if the reported value exceeds the estimated value in use. See also Note 2 and Note 18. The Group's goodwill amounts to approximately 35 per cent of the Group's equity.

- Other tangible and intangible assets are reported at acquisition value with a deduction for accumulated depreciation and write-downs, if any. Depreciation is made over the estimated useful life down to an assessed residual value. The reported value of the Group's fixed assets is examined as soon as changed circumstances show that there is a need for a write-down. The value in use is measured as anticipated future discounted cash flow, primarily from the cash-generating unit to which the asset belongs but, in specific cases, also in relation to individual assets. An examination of the reported value of an asset also arises in connection with a decision having been taken about a close-down. The asset is taken up at the lowest of the reported value and the actual value after a deduction for selling expenses. Tangible and intangible assets except goodwill amount to approximately 32 per cent of the Group's equity.

- Calculation of deferred tax asset and tax liability respectively: Assessments are made to determine both current and deferred tax assets or liabilities, especially with regard to deferred tax assets. In this connection, the likelihood that the deferred tax assets will be utilised for settlement against future taxable profits is assessed. The actual value of these future taxable profits can differ with regard to future business climate and earning capacity or changed fiscal regulations. See also Note 29.

5 Reporting for segments

Operating segment
The Group's operation is split into operating segments based on how the company's highest executive decision maker, i.e. the President, monitors the operation. During 2013, the same segment classification has been reported as in previous years. See also Note 2.

	Beijer Ref		Group	
	2013	2012	2013	2012
REVENUES				
External sales	6 595 346	6 758 323	6 595 346	6 758 323
Total revenues	**6 595 346**	**6 758 323**	**6 595 346**	**6 758 323**
RESULTS				
Result by operation	424 694	447 545	424 694	447 545
Undistributed costs			-47 006	-32 320
Operating profit	424 694	447 545	377 688	415 225
Result of holdings in associated companies			179	24 258
Financial income			6 548	4 738
Financial expenses			-37 876	-39 318
Tax on the year's profit			-102 365	-99 089
Net profit for the year			**244 174**	**305 814**
OTHER INFORMATION				
Assets	5 224 391	5 141 326	5 224 391	5 141 326
Undistributed assets			-115 916	-128 163
Total assets			**5 108 475**	**5 013 163**
Liabilities	3 891 329	3 802 524	3 891 329	3 802 524
Undistributed liabilities			-1 199 823	-1 189 079
Total liabilities			**2 691 506**	**2 613 445**
Investments in fixed assets	47 741	60 301		
Depreciation	60 137	62 400		

A decision has been made about a new segment classification in 2014 when, as from 1 January 2014, the highest executive decision maker monitors the operation based on the following segments: Southern Europe, the Nordic countries, Central Europe, United Kingdom & Ireland, Eastern Europe and the Rest of the world. As a service to readers of the Annual Report, this segment classification is also reported pro forma as a comparison for both 2012 and 2013. For a description of the regions, reference is made to pages 10-13.

Pro forma	Group		Southern Europe	
	2013	2012	2013	2012
REVENUES				
Sales	7 006 556	7 166 643	2 937 008	3 023 410
External sales	-411 210	-408 320		
Total revenues	**6 595 346**	**6 758 323**	**2 937 008**	**3 023 410**
RESULTS				
Results	463 782	475 724	174 653	175 524
Undistributed costs	-86 094	-60 499		
Operating profit	**377 688**	**415 225**	**174 653**	**175 524**
Result of holdings in associated companies	179	24 258		
Financial income	6 548	4 738		
Financial expenses	-37 876	-39 318		
Tax on the year's profit	-102 365	-99 089		
Net profit for the year	**244 174**	**305 814**		
OTHER INFORMATION				
Working capital	2 150 700	2 200 528	856 174	864 251
Depreciation	60 769	63 143	13 094	12 885

Geographic regions
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	
	2013	2012	2013	2012	2013	2012
France	1 768 349	1 804 283	1 395 703	1 348 771	8 208	6 416
United Kingdom	615 231	589 189	409 566	369 393	7 986	8 780
The Netherlands	551 526	511 690	347 224	325 757	3 279	2 864
South Africa	549 253	570 204	382 176	424 384	5 756	963
Italy	476 094	471 559	629 730	649 538	2 361	2 324
Denmark	339 931	336 594	338 922	309 814	188	3 618
Spain	338 841	314 790	232 349	213 874	2 059	862
Sweden	325 068	321 274	314 762	323 721	4 022	2 283
Switzerland	301 947	388 996	352 925	418 717	2 691	4 016
Norway	264 901	247 928	213 175	214 468	2 448	19 564
Finland	192 353	204 089	106 360	106 995	3 910	1 062
Germany	169 211	154 805	186 248	233 611	3 529	2 559
Thailand	164 975	171 058	87 607	104 301	348	2 132
Poland	125 972	129 726	101 151	103 351	301	479
Belgium	89 330	149 983	34 029	37 396	208	670
Other European countries	247 038	298 220	130 993	139 885	2 414	2 572
Rest of the world	75 326	93 935	0	0	0	0
Total	**6 595 346**	**6 758 323**	**5 262 920**	**5 323 976**	**49 708**	**61 164**
Undistributed assets/Eliminations			-154 445	-310 813		
Total assets			**5 108 475**	**5 013 163**		

Nordic countries		Central Europe		UK & Ireland		Eastern Europe		Rest of the world	
2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
1 215 346	1 213 816	1 212 569	1 254 907	587 265	577 511	294 928	304 975	759 440	792 024
1 215 346	**1 213 816**	**1 212 569**	**1 254 907**	**587 265**	**577 511**	**294 928**	**304 975**	**759 440**	**792 024**
123 602	118 780	50 781	60 320	19 502	22 986	19 648	17 592	75 596	80 522
123 602	**118 780**	**50 781**	**60 320**	**19 502**	**22 986**	**19 648**	**17 592**	**75 596**	**80 522**
367 514	383 640	330 035	331 450	196 714	186 831	129 452	134 149	270 811	300 207
25 238	26 128	11 134	12 442	6 892	6 925	2 124	2 352	2 287	2 411

6 Employees and remuneration of employees

Average number of employees	2013		2012	
Parent Company	Total	of whom men	Total	of whom men
Sweden	5	60%	4	75%
Total in Parent Company	**5**	**60%**	**4**	**75%**
Subsidiaries	Total	of whom men	Total	of whom men
France	475	81%	474	81%
South Africa	339	88%	336	88%
United Kingdom	185	68%	190	46%
Italy	174	82%	184	79%
The Netherlands	162	79%	171	85%
Spain	115	72%	115	72%
Sweden	104	87%	108	86%
Norway	96	89%	90	88%
Switzerland	90	70%	96	74%
Denmark	70	80%	66	85%
Thailand	63	29%	64	33%
Germany	44	80%	32	84%
Poland	39	85%	39	82%
Finland	37	78%	33	76%
Hungary	28	82%	31	77%
Romania	25	68%	24	71%
Belgium	20	85%	26	77%
Czech Republic	10	80%	14	79%
Mozambique	9	78%	—	—
Estonia	8	88%	8	88%
Ireland	8	63%	7	71%
Lithuania	7	71%	7	71%
Latvia	6	83%	6	83%
Zambia	5	80%	—	—
Botswana	5	60%	5	60%
Slovakia	4	75%	7	57%
Namibia	4	100%	4	100%
Total in subsidiaries	**2132**	**79%**	**2137**	**77%**
Total Group	**2137**	**79%**	**2141**	**77%**

Salaries, other remuneration and social costs (sek k)	2013			2012		
	Salaries & other remuneration	Social costs	Total remuneration of employees	Salaries & other remuneration	Social costs	Total remuneration of employees
Parent company	20 079	12 239	32 318	9 716	6 106	15 822
of which pension costs [1]		4 813	4 813		2 473	2 473
Subsidiaries	707 158	174 133	881 291	725 214	162 841	888 055
of which pension costs		42 183	42 183		39 580	39 580
Group	**727 237**	**186 372**	**913 609**	**734 930**	**168 947**	**903 877**
of which pension costs [2]		**46 996**	**46 996**		**42 053**	**42 053**

1) Of the parent company's pension costs, SEK 3,479K (1,279) relate to the Board of Directors and the President.
2) Of the Group's pension costs, SEK 8,325K (5,800) relate to the Board of Directors and the President.

Benefits for senior executives

For 2013, a directors' fee of SEK 415K was paid to the Chairman and SEK 250K to each of the other Board Members with the exception of Board Members employed in G & L Beijer or in the Carrier group, to whom no remuneration has been paid. As in the previous year, the Board consists of six men and one woman. Per Bertland took up his duties as President on 1 July 2013 and in his position as President from that date has received a salary, remuneration and other benefits amounting to SEK 2,142K. An annual amount equivalent to 26 per cent of his gross salary is appropriated to a pension insurance scheme. The pension solution is contribution-based. The retirement age for the President is 65. Where notice of termination is given by the company, the President will receive 12 months' salary and the company will pay a pension insurance premium of 26 per cent and, in addition, 12 months' severance pay. Notice of termination by the President does not trigger any severance pay. On new employment, there is no deduction of severance pay. A bonus payment is decided annually by the Board of Directors and can amount to up to six months' salary. The bonus payment is based on qualitative and quantitative target fulfilment. During 2013, the previous President, Joen Magnusson, received a salary, remuneration and other benefits amounting to SEK 7,513K (5,276), of which SEK 4,555K relates to severance pay.

The Group's other senior executives, consists of seven men (three men). For further information about the senior executives, see pages 30-31. They received salary, remuneration and other benefits amounting to SEK 11,741K (7,803) including bonus payments of SEK 372K (969). Pension solutions to three of the senior executives are contribution-based and amount to 24 per cent of gross salary. The other senior executives have defined benefit pension solutions the terms of which are based on rules and regulations in France and Holland, respectively. Where notice of termination is given by the by the company, the senior executives receive between three and 12 months' salary.

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

7 Other operating income

Group	2013	2012
Rents	4 952	7 008
Exchange gains	2 023	2 143
Capital gain	1 381	268
Commission	181	113
Other	5 208	1 795
Total	**13 745**	**11 327**
Parent company		
Group revenues	14 119	11 117
Exchange gains	—	54
Other	—	316
Total	**14 119**	**11 487**

8 Remuneration of auditors

Group	2013	2012
PwC		
Audit assignment	7 299	7 025
Audit business in addition to audit assignment	302	319
Tax consultancy	369	719
Other services	1 375	1 238
Total	**9 345**	**9 301**
Other auditors		
Audit assignment	373	136
Tax consultancy	—	139
Total	**373**	**275**
Total	**9 718**	**9 576**

Parent company		
PwC		
Audit assignment	1 010	990
Audit business in addition to audit assignment	302	319
Tax consultancy	41	240
Other services	627	690
Total	**1 980**	**2 239**

9 Lease contracts

Group	2013	2012
The year's leasing cost	133 795	136 470
Leasing charge which falls due		
- within 1 year	103 113	104 937
- within 1-5 years	224 595	229 915
- later than 5 years	109 426	100 855

The above amounts mainly relate to operational 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.

10 Results of participations in Group companies and associated companies

Group	2013	2012
Share of profit in associated companies	179	2 274
Capital gain on sale of participations	—	21 984
Total	**179**	**24 258**
Parent company		
Dividends received, Group companies	232 269	275 352
Capital gain, sale of participations	—	51 867
Liquidation loss	—	-38 380
Total	**232 269**	**288 839**

In 2013, the parent company has received dividends of SEK 150,000K (120,000) from G & L Beijer Ref AB and SEK 82,269K (155,352) from GFF SA.

11 Financial income

Group	2013	2012
Interest income	4 655	4 662
Exchange gain	1 492	—
Capital gain	150	—
Other financial income	251	76
Total	**6 548**	**4 738**
Parent company		
Interest income, Group companies	1 502	4 748
Interest income, external	21	22
Exchange gain	1 196	—
Total	**2 719**	**4 770**

12 Financial expenses

Group	2013	2012
Interest expenses	-34 322	-34 678
Exchange loss	-808	-4 412
Other	-2 746	-228
Total	**-37 876**	**-39 318**
Parent company		
Interest expenses, Group companies	-1 142	—
Interest expenses, external	-88	-140
Exchange loss	—	-1 958
Total	**-1 230**	**-2 098**

13 Appropriations

Parent company	2013	2012
Group contribution	9 419	12 717
Tax allocation reserve, the year's change	9 612	962
Difference between book depreciation and depreciation according to plan – Equipment, tools and installations	694	55
Total	**19 725**	**13 734**

14 Tax on the year's profit

Group	2013	2012
Current tax	-106 080	-119 819
Deferred tax (Note 29)	3 715	20 730
Tax on the year's profit	**-102 365**	**-99 089**
Reconciliation of effective tax		
Profit before taxes	346 539	404 903
Tax expense calculated according to actual tax rate, 22% (26.3%)	-76 239	-106 489
Effect of different tax rates	-3 290	5 104
Non-deductible costs	-23 766	-20 506
Non-taxable income	3 799	11 223
Tax attributable to previous years	1 187	106
Reported loss carry forward	-2 270	14 213
Other	-1 786	-2 740
Net effective tax	**-102 365**	**-99 089**
Effective tax rate	29,5%	24,5%
Parent company		
Current tax	—	758
Deferred tax (Note 29)	1 161	—
Tax on the year's profit	**1 161**	**758**
Reconciliation of effective tax		
Profit before taxes	223 407	289 113
Tax expense calculated according to actual tax rate, 22% (26.3%)	-49 150	-76 037
Non-deductible costs	-788	-10 420
Non-taxable income	51 099	86 347
Tax attributable to previous years	—	868
Net effective tax	**1 161**	**758**
Effective tax rate	-0,5%	-0,3%

Deferred tax expense in other comprehensive income amounts to SEK -434K (3 070) and relates to cash flow hedging.

15 Currency effect in result

Group	2013	2012
Currency effect in operating profit	2 023	2 143
Currency effect in financial income and expenses	684	-4 412
Currency effect in profit after tax	**2 707**	**-2 269**
Parent company		
Currency effect in operating profit	—	54
Currency effect in financial income and expenses	1 196	-1 958
Currency effect in profit after tax	**1 196**	**-1 904**

16 Profit per share

	2013	2012
Profit attributable to the parent company's shareholders	233 781	295 185
Weighted average number of outstanding shares	42 391 030	42 391 030
Profit per share, sek*	5.51	6.96

*) No dilution exists

17 Dividend per share

Dividends paid during 2013 and 2011 amounted to SEK 201,357K (SEK 4.75 per share) and 190,760K (SEK 4.50 per share) respectively.

A dividend of SEK 4.75 per share for 2013, SEK 201,357K in total, will be proposed at the Annual Meeting of shareholders on 24 April 2014.

18 Intangible fixed assets

CAPITALISED EXPENDITURE FOR SOFTWARE

Group

Accumulated acquisition values	**2013**	**2012**
On 1 January	96 963	88 227
Acquisitions during the year	7 736	12 623
Divestments and disposals	-4 547	-1 302
Reclassification	1 081	—
The year's translation differences	1 731	-2 585
Total	**102 964**	**96 963**
Accumulated amortisation		
On 1 January	-70 042	-65 150
The year's amortisation	-9 449	-8 082
Divestments and disposals	4 470	1 302
Reclassification	-320	—
The year's translation differences	-1 389	1 888
Total	**-76 730**	**-70 042**
RESIDUAL VALUE	26 234	26 921

CAPITALISED EXPENDITURE FOR RESEARCH AND DEVELOPMENT, ETC

Group

Accumulated acquisition values	**2013**	**2012**
On 1 January	3 268	3 094
Acquisitions during the year	441	235
Reclassification	-510	—
The year's translation differences	70	-61
Total	**3 269**	**3 268**
Accumulated amortisation		
On 1 January	-1 855	-1 698
The year's amortisation	-133	-183
Reclassification	294	—
The year's translation differences	-19	26
Total	**-1 713**	**-1 855**
RESIDUAL VALUE	1 556	1 413

AGENCIES, CUSTOMER LISTS, TRADEMARKS, ETC

Group

Accumulated acquisition values	**2013**	**2012**
On 1 January	519 091	524 449
Acquisition of companies	—	9 313
The year's translation differences	354	-14 671
Total	**519 445**	**519 091**
Accumulated amortisation		
On 1 January	-25 564	-12 394
The year's amortisation	-13 532	-14 451
The year's translation differences	365	1 281
Total	**-38 731**	**-25 564**
RESIDUAL VALUE	480 714	493 527

GOODWILL

Group

Accumulated acquisition values	**2013**	**2012**
On 1 January	831 391	847 437
Acquisition of companies	7 167	17 839
The year's translation differences	15 614	-33 885
RESIDUAL VALUE	854 172	831 391

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 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 8.60 per cent (8.64) after 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 requirement on the company's total capital.

A sensitivity analysis shows that an increase in the discount rate by one percentage point reduces the recovery value by 11 per cent (11). A prudent margin remains to the book value.

The calculation has shown that there is no need for a write-down. A sensitivity analysis has been made and, with the assumption of a halved growth and a raised discount rate by three per cent, there is still no need for a write-down.

TOTAL INTANGIBLE FIXED ASSETS

Group

Accumulated acquisition values	**2013**	**2012**
On 1 January	1 450 713	1 463 207
Acquisitions during the year	8 177	12 858
Acquisition of companies	7 167	27 152
Divestments and disposals	-4 547	-1 302
Reclassification	571	—
The year's translation differences	17 769	-51 202
Total	**1 479 850**	**1 450 713**
Accumulated amortisation		
On 1 January	-97 461	-79 242
The year's amortisation	-23 114	-22 716
Divestments and disposals	4 470	1 302
Reclassification	-26	—
The year's translation differences	-1 043	3 195
Total	**-117 174**	**-97 461**
RESIDUAL VALUE	1 362 676	1 353 252

CAPITALISED EXPENDITURE FOR SOFTWARE

Parent company

Accumulated acquisition values	**2013**	**2012**
On 1 January	1 744	2 333
Acquisitions during the year	77	117
Divestments and disposals	—	-706
Total	**1 821**	**1 744**
Accumulated amortisation		
On 1 January	-1 189	-1 400
The year's amortisation	-398	-495
Divestments and disposals	—	706
Total	**-1 587**	**-1 189**
RESIDUAL VALUE	234	555

19 Tangible fixed assets

BUILDINGS AND LAND

Group		
Accumulated acquisition values	**2013**	**2012**
On 1 January	214 753	199 514
Acquisitions during the year	1 813	16 273
Reclassification	—	2 089
The year's translation differences	-1 130	-3 123
Total	**215 436**	**214 753**
Accumulated depreciation		
On 1 January	-83 162	-78 273
The year's depreciation	-5 321	-4 567
Reclassification	—	-2 089
The year's translation differences	-1 180	1 767
Total	**-89 663**	**-83 162**
RESIDUAL VALUE	125 773	131 591

MACHINERY AND OTHER TECHNICAL PLANT

Group		
Accumulated acquisition values	**2013**	**2012**
On 1 January	72 385	93 002
Acquisitions during the year	9 187	5 204
Divestments and disposals	-1 273	-26 151
Reclassification	117	—
The year's translation differences	-4 236	330
Total	**76 180**	**72 385**
Accumulated depreciation		
On 1 January	-49 081	-70 092
The year's depreciation	-4 557	-4 810
Divestments and disposals	604	26 151
Reclassification	-744	—
The year's translation differences	2 941	-330
Total	**-50 837**	**-49 081**
RESIDUAL VALUE	25 343	23 304

EQUIPMENT, TOOLS AND INSTALLATIONS

Group		
Accumulated acquisition values	**2013**	**2012**
On 1 January	352 515	337 525
Acquisitions during the year	30 277	26 639
Acquisition of companies	1 703	—
Divestments and disposals	-17 190	-7 075
Reclassification	713	1 550
The year's translation differences	7 944	-6 124
Total	**375 962**	**352 515**
Accumulated depreciation		
On 1 January	-252 765	-233 097
The year's depreciation	-27 683	-29 861
Acquisition of companies	-1 025	—
Divestments and disposals	13 588	4 832
The year's translation differences	-6 005	5 361
Total	**-273 890**	**-252 765**
RESIDUAL VALUE	102 072	99 750

CONSTRUCTION IN PROGRESS

Group	**2013**	**2012**
On 1 January	716	2 315
Accrued expenses during the year	254	190
Reclassification	-631	-1 550
The year's translation differences	-26	-239
RESIDUAL VALUE	313	716

TOTAL TANGIBLE FIXED ASSETS

Group		
Accumulated acquisition values	**2013**	**2012**
On 1 January	640 369	632 356
Acquisitions during the year	41 531	48 306
Acquisition of companies	1 703	—
Divestments and disposals	-18 463	-33 226
Reclassification	199	2 089
The year's translation differences	2 552	-9 156
Total	**667 891**	**640 369**
Accumulated depreciation		
On 1 January	-385 008	-381 462
The year's depreciation	-37 561	-39 238
Acquisition of companies	-1 025	—
Divestments and disposals	14 192	30 983
Reclassification	-744	-2 089
The year's translation differences	-4 244	6 798
Total	**-414 390**	**-385 008**
RESIDUAL VALUE	253 501	255 361

EQUIPMENT, TOOLS AND INSTALLATIONS

Parent company		
Accumulated acquisition values	**2013**	**2012**
On 1 January	1 805	1 926
Acquisitions during the year	1 865	747
Divestments and disposals	-1 552	-868
Total	**2 118**	**1 805**
Accumulated depreciation		
On 1 January	-1 078	-1 338
The year's depreciation	-234	-248
Divestments and disposals	809	508
Total	**-503**	**-1 078**
RESIDUAL VALUE	1 615	727

20 Participations in Group companies

Parent company

Accumulated acquisition values	**2013**	**2012**
On 1 January	1 147 739	1 185 469
Shareholders' contribution	-	344 882
Liquidation	-	-382 612
Total	**1 147 739**	**1 147 739**

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 2013	Book value 2012
G & L Beijer Förvaltning AB	556020-8935	Malmö	20 000	100		7 418	7 418
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		417 452	417 452
GFF SA	552130296	Lyon	282 120	100		611 643	611 643
Delmo SA	49360517	Villeurbaunne	76 735	100		111 226	111 226
Kylma AB	556059-7048	Solna			100		
Fastighets AB Asarum 40:196	556072-3289	Malmö			100		
DEM Production AB	556546-2412	Alvesta			100		
Clima Sverige AB	556314-6421	Ängelholm			100		
H. Jessen Jürgensen AB	556069-2724	Gothenburg			100		
G & L Beijer A/S	56813616	Ballerup			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		
Air-Con A/S	49360517	Ebeltoft			100		
FK Teknik A/S	276988808	Højbjerg			100		
OY Combi Cool AB	5999255	Helsinki			100		
TT-Coil Norge AS	947473697	Mysen			100		
Schlösser Möller Kulde AS	914492149	Oslo			100		
Ecofrigo AS	894871172	Moss			100		
Külmakomponentide OÜ	10037180	Tallinn			100		
Max Cool SIA	344341	Riga			100		
UAB Beijer Ref, Lithuania	1177481	Vilnius			100		
Coolmark B.V.	24151651	Barendrecht			100		
Uniechemie B.V.	8032408	Apeldoorn			100		
ECR Nederland B.V.	17014719	Nuenen			100		
Werner Kuster AG	280.3.001.874-3	Frenkendorf			100		
Paulus Schweiz AG	280.3.017.001-9	Frenkendorf			100		
Charles Hasler AG	020.3.911.192-5	Regensdorf			100		
Dean & Wood Ltd	467637	Leeds			100		
UR Refrigeration Wholesale Ltd	3453694	Leeds			100		
DWG Refrigeration Wholesale Ltd	299353	Dublin			100		
Beijer Ref Polska Sp.z o.o	206476	Warzaw			100		
Equinoxe Kft	01-09-163446	Budapest			100		
Beijer Ref Romania s.r.l.	J35-2794-29	Timisoara			100		
Beijer Ref Slovakia s.r.o	36551856	Nové Zámky			100		
Beijer Ref Czech s.r.o	16734874	Plzen			100		
ECR Italy SpA	728980152	Milan			100		
Frigoram Commerciale SpA	7202290156	Milan			100		
SCM Frigo S.p.A.	04342820281	Padua			51		
Starcold S.r.l	03744160288	Padua			51		
ECR Belgium BVBA	0807.473.926	Aartselaar			100		
Beijer ECR Iberica S.L	ES B85608925	Madrid			100		
Cofriset	961500261	Lyon			100		
TFD SNC	534687306	Saint Priest			100		
Beijer Ref Deutschland GmbH	HRB195155	Munich			100		
Metraclark South Africa (Pty) Ltd	2008/016731/07	Johannesburg			100		
Phoenix Racks (Pty) Ltd	1999/025734/07	Centurion			100		
Subcosec (Pty) Ltd	2010/013657/07	Pretoria			100		
Metraclark LDA	100248697	Cidade de Maputo			100		
Metraclark Refrigeration and Airconditioning Wholesalers Namibia (Pty) Ltd	2008/992	Windhoek			100		
Scotcool Ref Wholesales (Pty) Ltd	2003/5506	Gabarone			100		
Metraclark (Zambia) Limited	109483	Lusaka			51		
Beijer B.Grimm (Thailand) Ltd	105537024313	Bangkok			49		
Total Group						**1 147 739**	**1 147 739**

1) Share of capital corresponds with share of vote for the total number of shares, with the exception of Beijer B. Grimm (Thailand) Ltd where share of vote amounts to 51 per cent.

21 Holdings in associated companies

The participation at the beginning of the year relates to the holding of 40 per cent in Logos Industrias, Mozambique. During the year, the remaining 60 per cent was acquired and the company is, therefore, reported as a subsidiary at the year end.

Group	**2013**	**2012**
Balance on 1 January	4 192	40 377
Acquisition of participations	-4 192	—
Divestment of participations	—	-36 517
Share of profit after tax	—	332
Balance on 31 December	**0**	**4 192**

22 Financial assets available for sale

	2013	**2012**
Balance on 1 January	77 834	80 797
Exchange rate differences	2 948	-2 963
Balance on 31 December	**80 782**	**77 834**

The book value of holdings in unlisted shares amounts to SEK 81M (78). It has not been possible to calculate the actual value of these securities at 31 December 2013 in a reliable way and a valuation has, therefore, been made at the Group's acquisition value, i.e. accordance with level 3. There is no observable market data and G & L Beijer has not been given access to information which can form the basis for an estimation relating to anticipated cash flows.

SEK 55M of the holding in the unlisted securities exceeds 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 or operational strategies.

None of the financial assets are deemed to be in need of a write-down. Financial assets available for sale are expressed in EUR.

23 Trade deptors and other receivables

Group	**2013**	**2012**
Trade debtors	1 151 760	1 151 367
Prepaid expenses and accrued income	96 869	100 007
Other receivables	166 749	132 092
Total	**1 415 378**	**1 383 466**
Minus long-term portion	-63 757	-58 638
Short-term portion	1 351 621	1 324 828

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.

Age analysis	**2013**	**2012**
Non-matured receivables	806 233	816 418
Receivables due between 1-30 days	192 365	189 723
Receivables due between 31-60 days	89 107	78 645
Receivables due between 61-90 days	42 858	28 546
Receivables due >90 days	99 773	118 325
Total	**1 230 336**	**1 231 657**

Provisions for doubtful receivables	**2013**	**2012**
Balance on 1 January	80 290	73 096
Costs for bad debt losses	-15 016	-24 784
Allocated during the period	13 302	31 978
Balance on 31 December	**78 576**	**80 290**

24 Inventories

Group	**2013**	**2012**
Raw materials and supplies	63 870	71 510
Work-in-progress	13 406	17 237
Finished products and goods for resale [1)]	1 622 585	1 572 071
Advances to suppliers	990	1 121
Total inventories	**1 700 851**	**1 661 939**
1) Of which reported to net sales value	29 768	27 077

25 Liquid funds

Liquid funds in the Group consist of cash and bank and amounted to SEK 181,351K (188,732).

26 Share capital

Number of shares	**2013**	**2012**
A shares with number of votes 10	3 306 240	3 306 240
B shares with number of votes 1	39 171 990	39 171 990
Total	**42 478 230**	**42 478 230**
Shares in own custody	-87 200	-87 200
Number of outstanding shares	**42 391 030**	**42 391 030**

Each share has a nominal value of SEK 8.75.

27 Untaxed reserves

Parent company	**2013**	**2012**
Tax allocation reserves	—	9 611
Accumulated accelerated depreciation	—	694
Total *	**0**	**10 305**

*) The tax portion amounts to 22 per cent

28 Borrowing

Group	2013	2012
Long-term		
Bank loans	810 918	808 403
Total long-term	**810 918**	**808 403**
Current		
Bank overdraft facilities	488 713	498 191
Bank loans	14 351	34 629
Total current	**503 064**	**532 820**
Total borrowing	**1 313 982**	**1 341 223**

Due dates for long-term borrowing are as follows:

Between 1 and 5 years	810 918	808 403

The Group's fixed-interest term as a whole is less than twelve months. Reported amounts for borrowing form a good approximation of their actual value.

The Group's borrowing by currency is as follows:

	2013	2012
EUR	828 607	822 322
GBP	143 130	133 823
SEK	128 360	131 638
CHF	53 814	61 014
DKK	46 418	35 450
PLN	43 487	51 277
NOK	36 708	55 522
THB	22 200	37 320
Other currencies	11 258	12 856
Total	**1 313 982**	**1 341 223**

29 Deferred tax

	Amount on 2012 01-01	Acquisitions/ Divestments	Reported over the profit and loss account	Reported in other comprehensive income	Translation differences	Amount on 2012 12-31	Acquisitions/ Divestments	Reported over the profit and loss account	Reported in other comprehensive income	Translation differences	Amount on 2013 12-31
Group											
Deferred tax recoverable:											
Fixed assets	4 408		-2 219		-139	2 050	14	-567		690	2 187
Trade debtors	3 146		2 813		-164	5 795	112	154		71	6 132
Inventories	2 998		4 284		-157	7 125		-737		-237	6 151
Provision for pensions	9 097	723	-1 281		-121	8 418		1 076	239	1 469	11 202
Provision for pensions IB adjustment IAS19 R	2 755			1 836		4 591					4 591
Other provisions	14 248	383	-4 986	1 234	-1 727	9 152	-847	3 315	-673	329	11 276
Loss carry forwards	25 275	2 046	24 475		-2 672	49 124		4 282			53 406
Set-off	-3 817		3 817					1 390			1 390
Total deferred tax recoverable	**58 110**	**3 152**	**26 903**	**3 070**	**-4 980**	**86 255**	**-721**	**8 913**	**-434**	**2 322**	**96 335**
Deferred tax liabilities:											
Fixed assets	-42 868	-2 847	-4 253		3 273	-46 695		-4 313		-92	-51 100
Inventories	-12 077		724		418	-10 935	365	505		-350	-10 415
Untaxed reserves	-3 158		1 173			-1 985					-1 985
Set-off	3 817		-3 817					-1 390			-1 390
Total deferred tax liabilities	**-54 286**	**-2 847**	**-6 173**	**0**	**3 691**	**-59 615**	**365**	**-5 198**	**0**	**-442**	**-64 890**
Deferred tax	**3 824**	**305**	**20 730**	**3 070**	**-1 289**	**26 640**	**-356**	**3 715**	**-434**	**1 880**	**31 445**

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.

30 Pension commitments

Group	2013	2012
The amounts reported in the balance sheet have been calculated as follows:		
Current value of invested commitments	286 431	275 127
Actual value of plan assets	-233 357	-224 644
Deficit in invested plans	**53 074**	**50 483**
Current value of uninvested commitments	25 794	25 528
Net liability in the balance sheet	**78 868**	**76 011**
The change in the defined benefit obligation during the year is as follows:		
On 1 January	300 655	263 969
Costs for service during the current year	11 086	10 889
Interest expenses	6 148	9 193
Contributions from employees	3 696	4 080
Revaluation effects	-5 589	26 089
Payments made	-8 569	-7 824
Liabilities taken over through divested operations	—	-1 199
Other	-359	55
Translation difference	5 157	-4 597
On 31 December	**312 225**	**300 655**
The change in the actual value of plan assets during the year are as follows:		
On 1 January	224 644	193 054
Interest income	4 534	7 000
Revaluation effects	-4 640	18 472
Contributions from the employer	9 502	12 294
Contributions from employees	3 695	4 080
Payments made	-6 591	-6 060
Other	-359	-955
Translation difference	2 572	-3 241
On 31 December	**233 357**	**224 644**
The plan assets consist of the following:		
Invested with pension managers	109 728	107 585
Interest-bearing securities	81 589	77 336
Properties	18 389	17 451
Receivables at nominal value	12 470	11 586
Shares	2 080	2 156
Other	9 101	8 530
Total	**233 357**	**224 644**

Group	2013
The amounts reported in other comprehensive income are the following (revaluations):	
Actuarial (profit) or loss on the current value of the commitment	5 589
Return on plan assets excluding amounts included in the interest expence	-4 640
Total pension cost or (income)	**950**

Defined benefit plans

Within the Group there are several defined benefit plans, where the employees have a right to compensation after they have finished employment based on final salary and period of employment. The defined benefit plans exist in Switzerland, Italy, Holland, France, Norway and Sweden.

Pension insurance in Alecta

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 Reporting Board, UFR 3, this is a benefit-based plan which comprises several employers. For the 2013 financial year, the company has not had access to information which makes it possible to report this scheme as a benefit-based plan. The pension plan in accordance with ITP, which is secured through insurance in Alecta, is, therefore, reported as a contribution-based plan. The year's contributions for pension insurance plans subscribed in Alecta amount to SEK 2.2M (2.0). Alecta's surplus can be distributed to the policy holders and/or the insured. At the 2013 year end, Alecta's surplus in the form of the collective consolidation level amounted to 148 per cent (129). 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.

The most important actuarial assumptions were the following:

		2013
	Holland	Switzerland
Discount rate, %	3.73	1.75

		2012
	Holland	Switzerland
Discount rate, %	3.67	1.75

The sensitivity in the defined benefit obligation for changes in the weighted significant assumptions is:

	Decrease in the obligation	Increase in the obligation
Holland		
Discount rate, +1%	-12 680	
Discount rate, -1%		17 124
Switzerland		
Discount rate, +1%	-12 199	
Discount rate, -1%		15 424

The above sensitivity analyses are based on a change in one assumption whereas all other assumptions are kept constant. In practice, it is unlikely that this occurs and changes in some of the assumptions can be correlated. On calculation of the sensitivity in the defined benefit obligation for significant actuarial assumptions, the same method is applied (the present value of the defined benefit with application of the projected unit credit method at the end of the reporting period) as on calculation of the pension provision which is reported in the report over financial position.

The composition of the defined benefit net obligation by country is reported below:

				2013
	Holland	Switzerland	Other	Total
Present value of the obligation	65 360	128 095	118 769	312 224
Fair value of plan assets	-52 834	-99 679	-80 844	-233 357
Total	**12 526**	**28 416**	**37 925**	**78 868**

				2012
	Holland	Switzerland	Other	Total
Present value of the obligation	63 182	121 652	115 821	300 655
Fair value of plan assets	-51 470	-92 580	-80 594	-224 644
Total	**11 711**	**29 072**	**35 227**	**76 011**

31 Other provisions

Group	2013	2012
Guarantee commitments	10 169	9 377
Restructuring reserves	3 476	4 695
Other	22 203	22 154
Total	**35 848**	**36 226**
Long-term portion	14 066	14 454
Current portion	21 782	21 772
Total	**35 848**	**36 226**
Guarantee commitments		
Net value at the start of the period	9 377	9 850
Provisions made during the period	6 290	2 179
Amounts utilised during the period	-5 172	-2 330
Restored unutilised amount	-823	—
Translation difference	497	-322
Net value at the period end	**10 169**	**9 377**
Restructuring reserve		
Net value at the start of the period	4 695	1 064
Provisions made during the period	15 100	4 695
Amounts utilised during the period	-16 319	-1 025
Translation difference	—	-39
Net value at the period end	**3 476**	**4 695**
Other information		
Net value at the start of the period	22 154	16 610
Provisions made during the period	19 707	15 552
Amounts utilised during the period	-16 196	-9 504
Restored unutilised amount	-4 434	—
Translation difference	972	-504
Net value at the period end	**22 203**	**22 154**

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.

Restructuring reserve
The restructuring reserve relates mainly to severance pay and restructuring in the Group's European companies.

32 Trade creditors and other liabilities

Group	2013	2012
Trade creditors	756 434	654 979
Advances from customers	3 092	1 178
Accrued expenses and prepaid income	275 937	256 437
Other current liabilities	122 320	126 151
Total	**1 157 783**	**1 038 745**

33 Pledged assets

Group	2013	2012
For own liabilities and provisions		
Shares	1 137 317	1 142 460
Property mortgages	31 740	35 016
Total	**1 169 057**	**1 177 476**
Parent company		
For own liabilities and provisions		
Shares in subsidiaries	417 452	417 452
Total	**417 452**	**417 452**

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.

34 Contingent commitments/ Contingent liabilities

Group	2013	2012
Undertakings towards pension institutions	548	1 175
Total	**548**	**1 175**
Parent company		
Guarantees in favour of Group companies	1 423 957	1 371 024
Total	**1 423 957**	**1 371 024**

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

35 Acquisition of companies

2013
During the year, one minor acquisition was carried out. In April, G & L Beijer acquired the Danish company, FK Teknik A/S, a refrigeration wholesaler with five employees and annual sales of approximately SEK 32M. The operation is included in G & L Beijer's accounts from April 2013.

The acquisition price amounted to SEK 9M. During 2013, the acquisition contributed sales of approximately SEK 22M and an operating profit of SEK 2.1M.

2012
During the year, two minor acquisitions were carried out. In January, the Norwegian company, Ecofrigo AS, was acquired. Ecofrigo is a project-oriented refrigeration distribution company which mainly operates within the planning and distribution of environment-friendly chillers and refrigerants. Ecofrigo has six employees and the operation is included in G & L Beijer's accounts from January 2012.

In August, Gasco Ireland was acquired. The company has six employees. Gasco is strong within refrigerants and the acquisition is a step forward in the consolidation of the Irish market. The operation is included in G & L Beijer's accounts from August 2012.

The total acquisition price amounted to SEK 32M. During 2012, the acquisitions contributed sales of approximately SEK 60M and an operating profit of SEK 6M.

36 Transactions with related parties

Purchase of goods is made on normal commercial terms from Carrier which is an owner company. During the year, purchases at a value of SEK 129.7M (122.5) were made. Sales to Carrier are also made on normal commercial terms. During the year, sales at a value of SEK 96.4M (95.8) were made.

Beijer B. Grimm (Thailand) Ltd rents premises in a property owned by a company controlled by Harald Link, a Board Member in G & L Beijer. Harald Link is the owner of B.Grimm Ltd, which is a jointly owned party in Beijer B. Grimm (Thailand) Ltd. The rent is on market terms and amounted to SEK 622K for the year.

H. Jessen Jürgensen A/S rents premises in a property owned by parties related to Peter Jessen Jürgensen, Chairman of G & L Beijer. The rent is on market terms and amounted to SEK 4,370K for the year.

Remuneration of senior executives is shown in Note 6.

37 Transactions with holders with no controlling influence

	2013	2012
Balance on 1 January	43 025	36 790
Share of the year's result	10 393	10 629
Translation difference	-231	-1 345
Dividend	-4 155	-3 049
Closing balance	**49 032**	**43 025**

Holders of participations with non-controlling interest relate to Beijer B. Grimm (Thailand), the Italian SCM Frigo group and Metraclark Zambia Limited. During the year, these companies have received dividends totalling SEK 4,155K.

38 Events after the balance sheet date

In January 2014, G & L Beijer acquired all the shares in Eurocool (Pty) Ltd, a leading refrigeration wholesaler in South Africa. Eurocool was founded in 1999 and holds a strong market position within G & L Beijer's priority segments. The company reports sales of approximately SEK 65M and has 36 employees. The acquisition is expected to provide cost synergies, increased efficiency and increased purchasing volumes through co-ordination with the company's existing operation in southern Africa. The acquisition is deemed to have a marginal positive effect on G & L Beijer's profit per share in 2014. Eurocool is included in G & L Beijer's accounts from January 2014.

Proposal for distribution of profit

Profit at the disposal of the Annual Meeting of shareholders:

Share premium reserve	901 604
Profit brought forward	215 511
Net profit for the year	224 568
Total	**1 341 683**

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

Dividend, SEK 4.75 per share	201 357
To be carried forward	1 140 326
Total	**1 341 683**

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 consolidated equity ratio after the proposed dividend amounts to 45 per cent.

The profit and loss account and balance sheet will be submitted for adoption to the Annual Meeting of shareholders on 24 April 2014. 29 April 2014 is proposed as the record day.

G & L Beijer (publ)
Corporate Identity Number: 556040-8113
Address: Stortorget 8, SE-211 34 Malmö, Sweden
Registered Office: Malmö

The Board of Directors and the President 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 19 March 2014

Peter Jessen Jürgensen Chairman	Bernt Ingman Board Member	Anne-Marie Pålsson Board Member	William Striebe Board Member	Philippe Delpech Board Member	Harald Link Board Member	Joen Magnusson Board Member	Per Bertland President

Our Audit Report was submitted on 20 March 2014
PricewaterhouseCoopers AB

Lars Nilsson
Authorised Public Accountant
Auditor in charge

Cecilia Andrén Dorselius
Authorised Public Accountant

Auditor's report
To the annual meeting of the shareholders of G & L Beijer AB (publ), corporate identity number 556040-8113

Report on the annual accounts and consolidated accounts

We have audited the annual accounts and consolidated accounts of G & L Beijer AB (publ), for the year 2013, except for the corporate governance statement on pages 22-31. The annual accounts and consolidated accounts of the company are included in the printed version of this document on pages 16-17 and 33-60.

Responsibilities of the Board of Directors and the Managing Director for the annual accounts and consolidated accounts

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

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the annual accounts and consolidated accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and the Managing Director, as well as evaluating the overall presentation of the annual accounts and consolidated accounts.

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

Opinions

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2013 and of its financial performance and its cash flows for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2013 and of their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 22-31. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

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

Report on other legal and regulatory requirements

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the proposed appropriations of the company's profit or loss and the administration of the Board of Directors and the Managing Director of G & L Beijer AB (publ) for the year 2013. We have also conducted a statutory examination of the corporate governance statement.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss, and the Board of Directors and the Managing Director are responsible for administration under the Companies Act and that the corporate governance statement on pages 22-31 has been prepared in accordance with the Annual Accounts Act.

Auditor's responsibility

Our responsibility is to express an opinion with reasonable assurance on the proposed appropriations of the company's profit or loss and on the administration based on our audit. We conducted the audit in accordance with generally accepted auditing standards in Sweden.

As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss, we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

As a basis for our opinion concerning discharge from liability, in addition to our audit of the annual accounts and consolidated accounts, we examined significant decisions, actions taken and circumstances of the company in order to determine whether any member of the Board of Directors or the Managing Director is liable to the company. We also examined whether any member of the Board of Directors 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 the audit evidence we have obtained is sufficient and appropriate to provide a basis for my our opinions.

Furthermore, we have read the corporate governance statement and based on that reading and our knowledge of the company and the group we believe that we have a sufficient basis for our opinions. This means that our statutory examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

Opinions

We recommend to the annual meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.
A corporate governance statement has been prepared, and its statutory content is consistent with the other parts of the annual accounts and consolidated accounts.

Malmö, 20 March 2014
PricewaterhouseCoopers AB

Lars Nilsson
Authorised Public Accountant
Auditor in charge

Cecilia Andrén Dorselius
Authorised Public Accountant

Five-year summary

SEK M	2013	2012	2011	2010	2009
Sales and results [1]					
Net sales	6 595.3	6 758.3	5 846.4	4 991.9	4 757.8
Other operating income, etc	13.7	11.3	11.9	11.0	9.7
Operating expenses excluding amortisation and depreciation	-6 170.6	-6 291.3	-5 379.0	-4 623.5	-4 447.3
Amortisation	-60.8	-63.1	-46.8	-36.0	-40.1
Operating profit	377.7	415.2	432.5	343.4	280.1
Net interest income and expenses	-31.3	-34.6	42.7	-6.4	-17.0
Other financial income and expenses	0.2	24.3	12.7	8.0	7.4
Profit before taxes	346.5	404.9	487.9	345.0	270.5
Taxes	-102.4	-99.1	-113.8	-86.3	-78.4
Profit for the year	244.2	305.8	374.0	258.7	192.1
Attributable to:					
Parent company's shareholders	233.8	295.2	364.0	259.7	192.1
Non-controlling interests	10.4	10.6	10.0	-1.0	
Capital structure					
Cash and bank including unutilised bank overdraft facilities	563.2	538.0	677.2	478.4	537.6
Shareholders' equity	2 417.0	2 399.7	2 418.9	2 358.7	2 175.5
Capital employed [2]	3 829.1	3 837.6	3 824.6	2 931.3	2 910.3
Capital employed in operations [3]	3 567.0	3 566.8	3 466.0	2 201.5	2 443.4
Interest-bearing liabilities	1 392.9	1 417.2	1 398.5	569.7	734.0
Total assets	5 108.5	5 013.2	5 092.4	3 968.6	4 006.9
Key figures [4]					
Equity ratio, % [5]	47.3	47.9	47.5	59.4	54.3
Return on equity after full tax, % [6]	10.1	12.7	15.7	17.6	12.1
Return on capital employed, % [7]	10.0	11.6	14.9	17.2	12.6
Return on capital employed in operations, % [8]	10.6	11.8	15.3	20.8	13.9
Interest coverage ratio [9]	10.1	11.3	30.7	22.4	14.1
Debt ratio [10]	0.6	0.6	0.6	0.2	0.3
Profit margin, % [11]	5.3	6.0	8.3	9.6	5.7
Other information [1]					
Average number of employees	2 137	2 141	1 867	1 574	1 591
of whom outside Sweden	2 028	2 028	1 761	1 468	1 387
Payroll excluding social security contributions	727.2	734.9	655.0	617.8	608.7
of whom outside Sweden	660.5	678.2	580.9	534.0	526.2
Investments intangible and intangible fixed assets including acquisitions	57.6	88.3	1 004.8	36.3	1 132.5

Definitions

(1) Relates to the remaining operation.
(2) Total assets minus non-interest-bearing liabilities including deferred tax.
(3) Capital employed minus liquid funds, financial assets and other interest-bearing assets.
(4) The profit/loss items in the Group's key figures relate to remaining operations for all periods.
For 2010, the capital gain on the divestment of Beijer Tech is also included, except in the calculation of interest coverage ratio.
The comparative figures of the balance sheet items have not been changed.
(5) Shareholders' equity including holdings with no controlling influence as a percentage of total assets.
(6) Profit after deduction for full tax as a percentage of average equity.
(7) Profit before taxes plus financial costs as a percentage of average capital employed.
(8) Operating profit as a percentage of average capital employed in operations.
(9) Profit before taxes plus financial costs divided by financial costs.
(10) Interest-bearing liabilities divided by equity.
(11) Profit before taxes as a percentage of net sales for the year.

annual meeting

The Annual Meeting of shareholders will be held at 3 pm on Thursday 24 April 2014 in Börshuset, 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, not later than 16 April 2014.
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 16 April 2014 by mail to: G & L Beijer AB, Stortorget 8, SE-211 34 Malmö, Sweden; or by telephone +46 40-35 89 00; or by e-mail to lpl@beijers.com.
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 4.75 per share for the 2013 financial year and 29 April 2014 as the record day. Payment is expected to be remitted by Euroclear on 5 May 2014.

FINANCIAL INFORMATION 2014
- The Interim Report for the first quarter will be published on 23 April 2014.
- The Interim Report for the second quarter will be published on 18 July 2014.
- The Interim Report for the third quarter will be published on 22 October 2014.
- The Year-End Report for 2014 will be published in February 2015.
- The Annual Report for 2014 will be published in April 2015.

Beijer Ref is a technology-oriented trading Group which, through added-value products, offers competitive solutions within refrigeration and climate control

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On our website, www.beijers.com, you will always find the latest information.
Here, we publish financial information, news releases and much more.

BEIJER REF

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