



Beijer Ref

Q4 2014

**Strong end
to the year**

1234

the quarter

in brief

12.6%

Increase in sales

sek 115.5M

Operating profit

6.5%

Operating margin

sek 82.5M

Net profit for the period

sek 1.91

Profit per share

sek 5.00

Increased dividend

Quarter 4 2014

- Net sales amounted to SEK 1,789.7M (1,589.2).
- Operating profit amounted to SEK 115.5M (98.9).
- Net profit amounted to SEK 82.5M (61.1).
- Profit per share amounted to SEK 1.91 (1.38).
- Sales growth of 12.6 per cent and operating profit improvement of 16.7 per cent compared with the corresponding quarter in the previous year. Organic growth in sales of 4.8 per cent and organic increase in operating profit of 13.0 per cent.
- New acquisition, GFOI on the Réunion Island in the southern hemisphere.
- The Board of Directors proposes a dividend of SEK 5.00 (4.75) per share.

Key figures

sek m	Q4 2014	Q4 2013	Change	Full year 2014	Full year 2013	Change
Sales	1 789.7	1 589.2	12.6%	7 189.0	6 595.4	9.0%
Operating profit ¹⁾	115.5	98.9	16.7%	481.4	377.7	27.5%
Operating margin %	6.5	6.2	0.3	6.7	5.7	1.0
Net profit for the period	82.5	61.1	35.0%	324.5	244.2	32.9%
Profit per share, sek	1.91	1.38	38.4%	7.46	5.51	35.4%

1) The accumulated operating profit for 2013 included one-time costs of SEK 34.2M relating to severance pay and restructuring.

strong end to the year

Comments by the CEO

Strong growth in several markets

With increased sales of 13 per cent, of which an organic growth of five per cent and an operating profit of SEK 115.5M, the fourth quarter showed the strongest rate of increase during 2014, both organically and totally – a convincing end to the year characterised by a number of strategically important decisions and events such as the EU's resolution about a new f-gas ordinance.

In some of the Group's geographic segments, the increase was considerable. In the Nordic countries, sales increased by 23 per cent, in Central Europe by 10 per cent and in A&A (Africa and Asia), Thailand achieved six per cent and South Africa 18 per cent.

The Nordic countries lead the development with regard to the changeover from f-gases to environment-friendly refrigerants. This favours Beijer Ref which has a strong position in the sector. The United Kingdom continues to convince with its extensive domestic service concept. In the largest market in Europe, Germany, the operation established from scratch by Beijer Ref a few years ago has gained a solid foothold.

However, the individually largest market region, Southern Europe, has continuing difficulties in achieving the levels that prevailed prior to the conflict between Russia and Ukraine and the European financial crisis. The five countries, South Africa, Namibia, Botswana, Mozambique and Zambia showed that Africa with its considerable requirement for modern refrigeration systems remains a highly interesting market for Beijer Ref with 10 per cent organic growth in the fourth quarter.

New acquisition in the southern hemisphere

In October, Beijer Ref acquired all the shares in the French refrigeration wholesaler GFOI (Générale Frigorifique Océan Indien), which is based on the Réunion Island and located approximately 800 kilometres east of Madagascar in the Indian Ocean. GFOI reports sales of approximately SEK 50M and is the leading refrigeration wholesaler on Réunion, which is a French département with more than 840,000 inhabitants and a rapidly expanding tourist industry. GFOI will be integrated into Beijer Ref and will serve as a branch of the Group's French refrigeration wholesaler, GFF. With the acquisition, Beijer Ref reaches sales of more than SEK 700M in the southern hemisphere.

Own manufacturing restructured

Since the acquisition of the remaining 49 per cent of the shares in SCM Frigo in July 2014, the Group's newly-established Beijer Ref OEM business area, under the management of the Italian company, has increased its venture into own production of both standardised and customer-adapted environment-friendly refrigeration systems as well as the training of customers and suppliers in environment-friendly refrigeration technology under the name, Beijer Ref Academy. The first company in addition to SCM Frigo to adapt the new manufacturing concept was DEM in Vislanda, under the name SCMREF AB. During 2015, Beijer Ref's own operation will be made more efficient under the management of its Italian production company.

Carrier DX ready for launch during the first quarter of 2015

During the fourth quarter, the work of relaunching Carrier's technically updated DX products (comfort cooling) has been completed. We are now ready to start up sales and distribution of Carrier's heat-pump and air-conditioning programme in most European countries on an exclusive basis.

2015

The weaker SEK has favoured us as more than 95 per cent of invoicing is made in foreign currency. Current exchange rates will most probably signify further positive exchange effects, at least during the first quarter of the year.

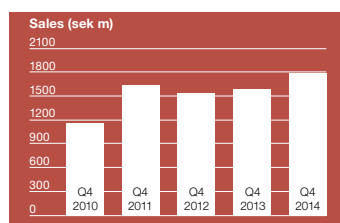
The EU's resolution about a new f-gas ordinance involves the phasing out of old refrigerants which means that a comprehensive adaptation of the refrigeration sector is likely. New environment-friendly refrigerants – either natural, such as carbon dioxide, or synthetic, will replace the current HFC-based technology. Beijer Ref stands well equipped for this change-over with its long experience within carbon dioxide-based solutions.

In line with the company's dividend policy, the Beijer Ref Board of Directors proposes an increased dividend of SEK 5.00 (4.75).

Per Bertland
CEO, Beijer Ref AB

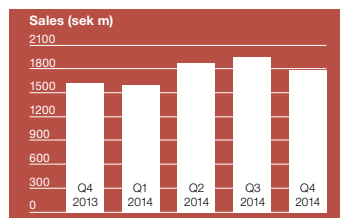
quarterly

report Q4 2014



About Beijer Ref

Beijer Ref is one of the largest refrigeration wholesalers in the world and the leading company in Europe. The Group offers competitive and innovative solutions within refrigeration and air conditioning providing customer-adapted products, environment-friendly and energy-efficient chillers developed by the company itself and an efficient service.

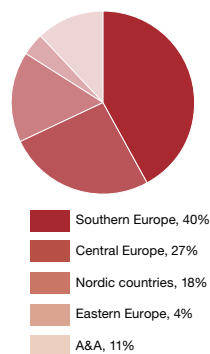


Sales

Beijer Ref increased its sales by 12.6 per cent to SEK 1,789.7M (1,589.2) for the fourth quarter of 2014. Adjusted for exchange rate fluctuations and acquisitions, the organic change in sales was 4.8 per cent. Accumulated for twelve months, the organic growth amounts to 3.1 per cent. For the 2014 full year, the Group's turnover amounted to SEK 7,189.0M (6,595.4).

Beijer Ref operates in three market areas: commercial refrigeration, industrial refrigeration and HVAC (comfort cooling). The Group splits its operation in the global market into five geographic segments: The Nordic countries, Central Europe, Eastern Europe, Southern Europe and A&A (Africa and Asia).

The regions' share of total sales, %

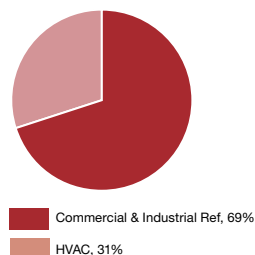


Behind the quarter's sales increase lies a positive development in Central Europe, the Nordic countries and A&A whereas the southern and east European markets report a weak demand.

Results

The Group's operating profit amounted to SEK 115.5M (98.9) for the fourth quarter. The result increase can mainly be explained by increased sales, especially in the Nordic countries, Central Europe and A&A. When adjusted for exchange rate fluctuations and acquisitions, the organic increase in operating profit was 13 per cent.

Share of sales, market segments, %



In the previous year's figures, the accumulated operating result is charged with one-time costs of SEK 34.2M. For the 2014 full year, the operating profit amounted to SEK 481.4M (377.7). Excluding one-time costs, the operating profit was SEK 411.9M in the previous year. The organic increase for the 2014 full year was 23.0 per cent.

The Group's financial income/expense amounted to SEK -8.3M (-7.4) for the fourth quarter. Profit before tax was SEK 107.2M (91.5). Profit after tax was SEK 82.5M (61.1). Profit per share amounted to SEK 1.91 (1.38). For the 2014 full year, the Group's financial income/expense amounted to SEK -34.9M (-31.1). Profit before tax was SEK 446.5M (346.6). Profit after tax amounted to SEK 324.5M (244.2). Profit per share was SEK 7.46 (5.51).

Dividend

The Board of Directors proposes that the Annual Meeting of shareholders resolves that a dividend of SEK 5.00 (4.75) per share shall be paid for the 2014 financial year. This is equivalent to a total of SEK 212.0M if the shares currently held by the company are excluded.

Other financial information

Consolidated capital expenditure, including acquisitions, amounted to SEK 182.6M (57.6) for the 2014 full year. Of this, the major portion refers to the acquisition of the remaining 49 per cent in SCM Frigo. Liquid funds, including unutilised bank overdraft facilities, were SEK 503.8M (563.2) on 31 December 2014. Shareholders' equity amounted to SEK 2,618.6M (2,417.0). The net debt was SEK 1,429.8M (1,211.5). The equity ratio amounted to 46.0 per cent (47.3). The average number of employees during the period was 2,207 (2,137).

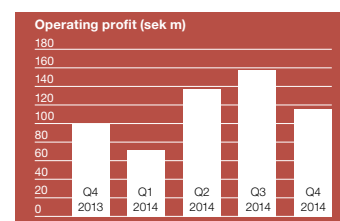
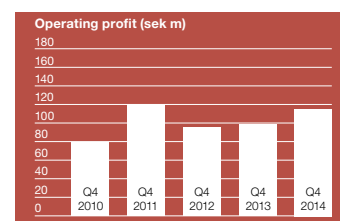
Significant events during the year

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

On 12 March, the EU Parliament voted 'yes' to the proposal about a new f-gas ordinance which was confirmed by the Council of Ministers in a vote on 14 April. As a result, the decision to phase out refrigerants with fluorised greenhouse gases (f-gases) has come into force which is predicted to have a positive effect on Beijer Ref through the investments in new technology which the end customers will gradually need to make and where Beijer Ref is well prepared for the new rules and regulations.

On 14 May, the Swedish Companies Registration Office approved the Group's change of name from G & L Beijer to Beijer Ref. A classic Swedish industrial company's modern operation is now also reflected in the company name.

In July, Beijer Ref acquired the remaining 49 per cent of the shares in the Italian SCM Frigo Group, a leading manufacturer in Europe of, among other things, chillers based on environment-friendly technology. The company reports sales of around SEK 240M and has 90 employees. The acquisition is deemed to have a positive effect on Beijer Ref's net income already in 2014.



In August, Beijer Ref acquired all the shares in a leading refrigeration wholesaler in Norway, Børresen Cooltech AS. Børresen Cooltech reports sales of SEK 60M, has 20 employees and will be integrated into Beijer Ref's organisation. The acquisition is deemed to have a marginally positive effect on Beijer Ref's net income. Børresen Cooltech is included in the consolidated accounts from August 2014.

In September, Beijer Ref strengthened its position in the rapidly growing German refrigeration wholesale market when it acquired the net assets in Grün Großhandel für Kälte- und Klimazubehör. The company reports sales of approximately SEK 25M, has seven employees and gives the Group a strategically important presence in Stuttgart. The acquisition is deemed to have a marginally positive effect on Beijer Ref's net income. The company is included in the consolidated accounts from October 2014.

In October, Beijer Ref acquired all the shares in the French refrigeration wholesaler, GFOI (Générale Frigorifique Océan Indien). GFOI is located on the Réunion Island approximately 800 kilometres east of Madagascar in the Indian Ocean. The company reports sales of around SEK 50M, has seven employees and is a step in the Group's expansion outside Europe. The acquisition is deemed to have a marginally positive effect on Beijer Ref's net income.

Events after the end of the reporting period

In January 2015, Beijer Ref signed a new exclusive distribution agreement with Carrier the world-leading American refrigeration group. The agreement gives Beijer Ref the exclusive right to sales and service of the DX comfort cooling products in Europe. Beijer Ref already has the sole right for the distribution of Toshiba's air-conditioning units, heat pumps and ventilation systems, and the agreement with Carrier further strengthens the Group's product supply.

Risk assessment

The operations of the Beijer Ref Group are affected by a number of external factors, the effects of which on the Group's operating profit can be controlled to a varying degree. The Group's operation is dependent on the general economic trend, especially in Europe, which controls the demand for Beijer Ref's products and services. Acquisitions are normally linked with risks such as, for example, staff defection. Other operating risks, such as agency and supplier agreements, product responsibility and delivery undertaking, technical development, warranties, dependence on individuals, etc., are continually being analysed and, when necessary, action is taken to reduce the Group's risk exposure. In its operation, Beijer Ref is exposed to financial risks such as currency risk, interest risk and liquidity risk. The parent company's risk picture is the same as that of the Group. For further information see the Group's Annual Report.

Financial information

- The Annual Report for 2014 will be published in March 2015.
- The Three-Month Report for 2015 will be published on 23 April 2015.

Malmö, 10 February 2015

Beijer Ref AB (publ)

Board of Directors

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This interim report has not been the subject of an examination by the company's auditors.

Accounting principles

This interim report has been prepared in accordance with IAS 34, the Annual Accounts Act and RFR 2. Beijer Ref continues to apply the same accounting principles and valuation methods as those described in the latest Annual Report, with the exception of what is stated below.

The Group's operation is split into operating segments based on how the company's chief operating decision maker, i.e. the President, monitors the operation. A decision has been taken about a new segment classification when, as from 1 January 2014, the highest executive decision maker monitors the operation based on the following segments: South Europe, Central Europe, the Nordic Countries, Eastern Europe and A&A.

New and changed standards applicable as of 1 January 2014 are not expected to have any material effect on the financial position of either the group or the parent company.

Summarised profit and loss account

sek m	Q4 2014	Q4 2013	Full year 2014	Full year 2013
Net sales	1 789.7	1 589.2	7 189.0	6 595.4
Other operating income	10.7	6.5	20.9	13.7
Operating expenses	- 1 668.8	-1 482.3	- 6 666.1	-6 170.6
Depreciation	-16.1	-14.5	-62.4	-60.8
Operating profit ¹⁾	115.5	98.9	481.4	377.7
Net interest expense	-8.3	-7.4	-34.9	-31.3
Other financial results	—	—	—	0.2
Profit before tax	107.2	91.5	446.5	346.6
Tax	-24.7	-30.4	-122.0	-102.4
Net profit for the period	82.5	61.1	324.5	244.2
Net profit for the period attributable to:				
The parent company's shareholders	80.9	58.6	316.4	233.8
Non-controlling interests	1.6	2.5	8.1	10.4
Net profit for the period per share before and after dilution, sek	1.91	1.38	7.46	5.51
Net profit for the period per share excluding one-time items, sek	1.91	1.38	7.46	6.10

1) The accumulated operating profit for 2013 included one-time costs of SEK 34.2M relating to severance pay and restructuring.

The Group's report on other comprehensive income

sek m	Q4 2014	Q4 2013	Full year 2014	Full year 2013
Net profit for the period	82.5	61.1	324.5	244.2
OTHER COMPREHENSIVE INCOME				
Items which will not be reversed in the profit and loss account				
Revaluation of the net pension commitment	-6.7	-0.7	-6.7	-0.8
Items which can later be reversed in the profit and loss account				
Exchange rate differences	91.5	53.4	178.4	-19.8
Cash flow hedging	0.4	0.1	1.0	2.4
Hedging of net investment	-6.6	-2.1	-9.3	-3.2
Other comprehensive income for the period	78.6	50.7	163.4	-21.4
Total comprehensive income for the period	161.1	111.8	487.9	222.8
Attributable to:				
The parent company's shareholders	157.9	109.0	474.8	212.6
Non-controlling interests	3.2	2.8	13.1	10.2

Summarised balance sheet

sek m	2014 12-31	2013 12-31
ASSETS		
Fixed assets	2 005.3	1 857.1
Current assets	3 457.1	3 070.0
Liquid funds	236.1	181.4
Total assets	5 698.5	5 108.5
EQUITY AND LIABILITIES		
Shareholders' equity	2 618.6	2 417.0
Long term liabilities	1 274.3	988.0
Current liabilities	1 805.6	1 703.5
Total equity and liabilities	5 698.5	5 108.5
Of which interest-bearing liabilities	1 665.9	1 392.9

Key figures

sek m	2014 12-31	2013 12-31
Equity ratio, %	46.0	47.3
Equity per share, sek	62	57
Return on equity after full tax, %	12.9	10.1
Return on capital employed, %	11.9	10.0
Return on capital employed in operations, %	12.7	10.6
Number of outstanding shares	42.391.030	42.391.030
Average number of outstanding shares	42.391.030	42.391.030
Holding of own shares	87.200	87.200

Summarised consolidated cash flow analysis

sek m	Full year 2014	Full year 2013
Cash flow from current operations	380.2	263.1
Changes in working capital	-139.3	40.2
Cash flow from investment operations	-168.8	-54.3
Change in financing operation	170.8	-53.1
Dividend paid	-201.4	-201.4
Change in cash and bank	41.5	-5.5
Exchange rate difference in liquid funds	13.2	-1.8
Cash and bank on 1 January	181.4	188.7
Cash and bank at the period end	236.1	181.4

Shareholders' equity

sek m	2014 12-31	2013 12-31
Opening balance	2 417.0	2 415.1
Adjustment relating to new accounting principles	—	-15.4
Adjusted opening balance	2 417.0	2 399.7
Total comprehensive income for the period	487.9	222.8
Dividend	-201.4	-201.4
Dividend to holders with non-controlling interest	—	-4.1
Acquisition from holders with non-controlling interest	-84.9	—
Closing balance	2 618.6	2 417.0

The Group's segment reporting

The Group's operation is split into operating segments based on how the company's chief operating decision maker, i.e. the President, monitor the operation. The Group has the following operating segments: South Europe, Central Europe, the Nordic Countries, Eastern Europe and A&A (Africa and Asia). As from 2014, the United Kingdom and Ireland is included in Central Europe. A&A consists of southern Africa and Thailand. The segment reporting for the regions contains the profit and loss account up to and including operating profit and working capital. The working capital includes inventories, trade debtors and trade creditors and is based on an average of the year's four quarters. Undistributed costs in the table below represent group-wide costs.

Q4 sek m	Southern Europe		Central Europe		Nordic countries		Eastern Europe		A&A		Group	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
REVENUES												
Revenues	700.9	676.1	506.7	429.6	377.2	300.1	75.6	72.1	241.3	201.9	1 901.7	1 679.8
Internal revenues											-112.0	-90.6
Total revenues	700.9	676.1	506.7	429.6	377.2	300.1	75.6	72.1	241.3	201.9	1 789.7	1 589.2
RESULTS												
Result by operation	19.0	24.9	25.9	19.9	51.9	36.0	5.1	5.0	27.5	23.3	129.4	109.1
Undistributed costs											-13.9	-10.2
Operating profit	19.0	24.9	25.9	19.9	51.9	36.0	5.1	5.0	27.5	23.3	115.5	98.9
Net interest income											-8.3	-7.4
Tax											-24.7	-30.4
Net profit for the year											82.5	61.1
OTHER INFORMATION												
Working capital	894.8	801.8	600.3	530.0	429.0	365.7	129.2	133.5	360.1	268.4	2 413.4	2 099.4

Full year sek m	Southern Europe		Central Europe		Nordic countries		Eastern Europe		A&A		Group	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
REVENUES												
Revenues	3 047.3	2 937.0	2 096.0	1 799.8	1 357.5	1 215.3	319.0	295.0	833.6	759.4	7 653.4	7 006.5
Internal revenues											-464.4	-411.1
Total revenues	3 047.3	2 937.0	2 096.0	1 799.8	1 357.5	1 215.3	319.0	295.0	833.6	759.4	7 189.0	6 595.4
RESULTS												
Result by operation	174.3	174.7	114.5	70.3	142.5	123.6	25.8	19.6	76.0	75.6	533.1	463.8
Undistributed costs											-51.7	-86.1
Operating profit	174.3	174.7	114.5	70.3	142.5	123.6	25.8	19.6	76.0	75.6	481.4	377.7
Net interest income											-34.9	-31.1
Tax											-122.0	-102.4
Net profit for the year											324.5	244.2
OTHER INFORMATION												
Working capital Four quarters rolling average	923.1	856.2	605.7	526.7	412.5	367.5	138.0	129.5	325.5	270.8	2 404.9	2 150.7

Parent company profit and loss account in summary

sek m	Full year 2014	Full year 2013
Operating income	21.1	14.1
Operating expenses	-30.3	-43.6
Depreciation and write-downs of intangible and tangible fixed assets	-0.4	-0.6
Operating profit ¹⁾	-9.6	-30.1
Net interest income/expense	-5.4	1.5
Result of participations in Group companies and associated companies	223.4	232.3
Profit after financial investments	208.4	203.7
Appropriations	14.4	19.7
Profit before tax	222.8	223.4
Tax on the period's profit	0.2	1.2
Net profit	223.0	224.6

1) The operating profit for 2013 includes one-time costs of SEK 17.1M relating to severance pay and restructuring.

Parent company balance sheet in summary

sek m	2014 12-31	2013 12-31
ASSETS		
Intangible and tangible fixed assets	4.0	1.8
Financial fixed assets	1 350.6	1 291.5
Current assets	1 512.0	442.4
Total assets	2 866.6	1 735.7
EQUITY AND LIABILITIES		
Shareholder's equity	1 735.0	1 713.4
Long-term liabilities	1 109.0	0.1
Current liabilities	22.6	22.2
Total equity and liabilities	2 866.6	1 735.7

*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.beijerref.com, you will always find the latest information.
Here, we publish financial information, news releases and much more.

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