

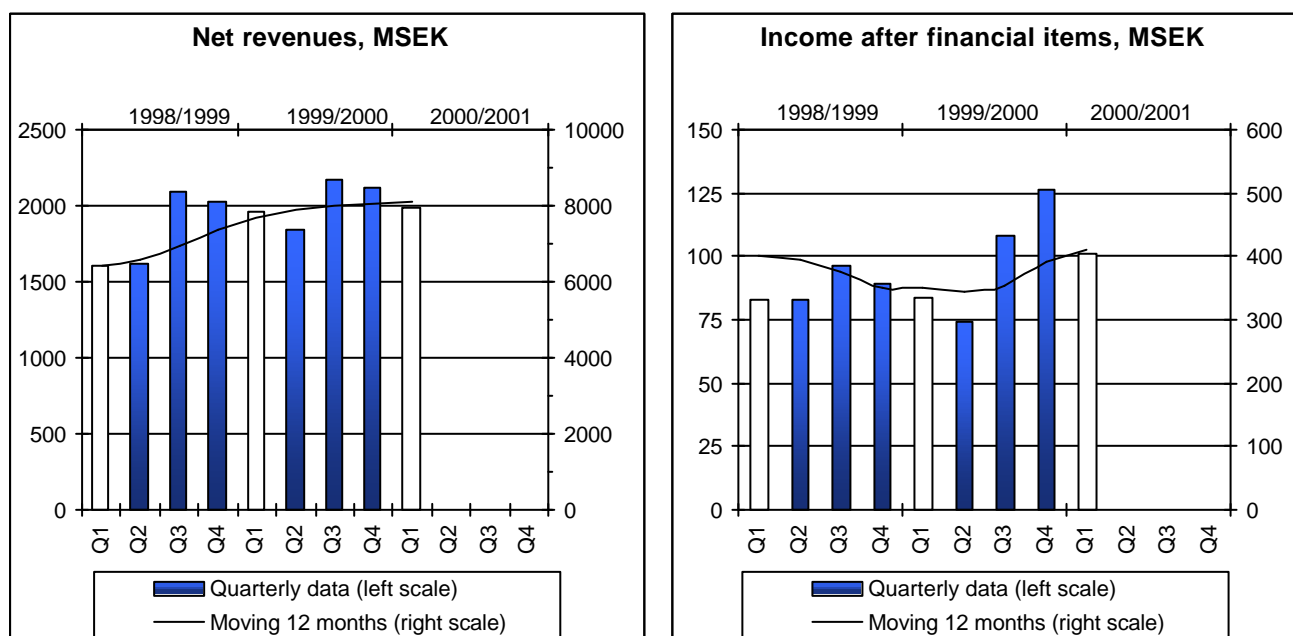


PRESS INFORMATION

THE BERGMAN & BEVING GROUP

Interim Report for the period April 1 – June 30, 2000

- **Income after financial items increased by 20 percent to MSEK 101 (84).**
- **Income on a 12-month moving basis an all-time-high, MSEK 409.**
- **Continued improvement in the market situation for the Group's main businesses.**
- **Action program for increased net margins beginning to show effects.**
- **Earnings per share for the past 12-month period were SEK 9.60, as compared with SEK 9.20 for the 1999/2000 financial year.**



Bergman & Beving's business concept is Value-adding Tech Provider. Since April 1, 2000, the Group is divided into five business areas, Electronics, Industry, Tools, MediTech and Lagercrantz Group.



NET REVENUES AND RESULT

Net revenues increased by 2 percent to MSEK 1 993 (1 955). Income after financial items increased by 20 percent to MSEK 101 (84).

The market situation for the Group's main businesses continues to improve, with stronger order bookings than for the corresponding period one year ago. The development was the best of all for businesses aimed at our largest customer categories, telecommunications, electronics and the electrical industry.

In terms of income, the quarterly result means that the Group reaches an all-time-high of MSEK 409 on a moving 12-month basis. The primary reasons for this are the improved market situation, internal efficiency programs and a focus on higher ROS rates (Return on sales, i.e. net margin).

Income for the past 12-month period is equivalent to earnings per share of SEK 9.60, as compared with SEK 9.20 for the 1999/2000 financial year.

BUSINESS AREAS

ELECTRONICS

Net revenues dropped to MSEK 530 (560). The decline is due to disinvestments and revamping during the previous financial year, with operations being concentrated to the more profitable areas. Income after financial items increased by 44 percent to MSEK 23 (16).

For components and cable harnesses, which account for a major portion of the business area's business, the market situation continues to be very positive. Sales volume and income increased by 18 percent and 78 percent, respectively, compared to the corresponding year-ago period. For several components there is today a shortage situation, which reduces pricing pressures, but which is also beginning to lead to certain delivery problems.

For data products, which account for the remaining portion of the business area's business, the year has begun on a weak note. The primary reason is an industry-wide decline in market volumes. Nor have new initiatives in niches with greater knowledge content and higher value added had full effect.

Elfac A/S in Denmark was acquired during the period by Electronics, which thus continued building its business in customized cable harnesses. This acquisition means that the Nordic sales organization is complemented with a highly efficient production facility in Denmark. Elfac A/S has revenues of MDKK 50 and has 80 employees.

In order to increase further the value added in the business, the business area established a new business unit during the period, 2B-Electronics. This business unit will offer several new services to the customers, including application development and competence around contract manufacturing.

INDUSTRY

Net revenues increased by 24 percent to MSEK 544 (438) and income increased by 44 percent to MSEK 36 (25).

Industry is seeing a continued improvement in its market situation. The willingness of industry to invest is on the rise, and all divisions are experiencing improved order bookings for the first quarter of the financial year compared to the corresponding period one year ago.

In terms of income, the strongest showing during the early part of the year was seen in businesses involved in sales of industrial components. Divisions Beving Addtech and MotionComp, with mechanical and electronic components, and Nordic Energy with battery and charging components, and an aggregate annual volume of MSEK 1 200, show very good results for the first quarter of the financial year.

Also Industry's largest division, Teleinstrument, with sales of production and testing equipment for electronic production equivalent to MSEK 480 on an annual basis, reports a strong beginning for the year. Sales of testing equipment show a particularly good increase.



Division EnvoControl, with an orientation on environmental technology and component cleaning, acquired Vilokan Sweden AB during the first quarter. Vilokan develops cleaning and recycling systems for manufacturing industry. Revenues amount to MSEK 35, and after the acquisition the group's annual volume is estimated to amount to MSEK 150.

TOOLS

Net revenues amounted to MSEK 656 (699). Income after financial items declined by 11 percent to MSEK 24 (27).

The market situation in the Nordic Region, Poland and the Baltic States continues to be stable. In Sweden, as in Finland, demand is rising, whereas the Norwegian market, especially on the industrial side, posted a weaker development.

In terms on income, tool supplier Luna shows a development for the early part of the year in line with last year. Grunda, the former Supplies division in Luna, was established as a separate profit center during the period. The annual volume is about MSEK 500 and action is being taken to concentrate the product line and raise the force in sales.

Essve has started the year weaker than one year ago, while the excellent performance of Skydda continues. Nomab, a supplier of industrial fastening elements, especially to the vehicle industry, is experiencing an improved market situation and in terms of income, the year has started well. Oulun Pultti Oy, active in industrial fastening elements, was acquired during the period. The company has revenues of MFIM 25.

During the first quarter Tools launched its industry portal www.toolstore.se aimed at the manufacturing and construction sectors. Reactions from customers have been highly positive. Tools is today the Nordic Region's leading player in business-to-business e-commerce in tools and supplies for the manufacturing and construction trade. The proportion of electronic orders, which keeps on growing, is over 70 percent of the business area's sales volume, which is equivalent to about MSEK 1 900 on an annual basis.

MEDITECH

Net revenues amounted to MSEK 209 (206) and income increased to MSEK 11 (9).

The market of MediTech continues to stagnate. The result improved in spite hereof, primarily as a consequence of the effects of ongoing action programs. The ROS number was 5.3 percent for the first quarter, which is one percentage point higher than one year ago.

The Lab business is showing a positive development and most of MediTech's improvement in earnings is attributable to it. Especially the business within laboratory automation has increased. The diagnostics business continues to show an excellent development and the business in Norway had a particularly strong first quarter. The dental business saw a somewhat weaker start on the year, whereas Special paper performed better than one year ago.

LAGERCRAINTZ GROUP

Net revenues increased somewhat to MSEK 55 (54) and income after financial items declined to MSEK 3 (4).

Lagercrantz Group, which has highly project-oriented sales, began the year at the same level as one year earlier. The end of the period was stronger, however, and order bookings for the entire first quarter were more than 30 percent higher than one year ago. It is worth noting that order bookings include a major transaction for a customized video conferencing installation for the armed forces for delivery during the current financial year.

The business in Lagercrantz Group was separated from business area Industry during the quarter and the organization has been strengthened. During summer, Lagercrantz also established itself in Denmark.



BUSINESS AREAS

	Net revenues 3 months			Income 3 months		
	2000/ 2001	1999/ 2000	1998/ 1999	2000/ 2001	1999/ 2000	1998/ 1999
MSEK						
Electronics	530	560	312	23	16	16
Industry	544	438	388	36	25	31
Tools	656	699	692	24	27	24
MediTech	209	206	180	11	9	8
Lagercrantz Group	55	54	38	3	4	1
Parent Company/consolidation eliminations	-1	-2	-1	4	3	3
GROUP TOTAL	1 993	1 955	1 609	101	84	83

Net revenues – quarterly data MSEK	2000/2001			1999/2000		
	Q 1	Q 4	Q 3	Q 2	Q 1	
Electronics	530	575	558	487	560	
Industry	544	542	525	495	438	
Tools	656	681	763	641	699	
MediTech	209	264	259	170	206	
Lagercrantz Group	55	50	62	47	54	
Parent Company/consolidation eliminations	-1	0	-1	0	-2	
GROUP TOTAL	1 993	2 112	2 166	1 840	1 955	

Income after financial items – quarterly data MSEK	2000/2001			1999/2000		
	Q 1	Q 4	Q 3	Q 2	Q 1	
Electronics	23	36	17	4	16	
Industry	36	42	28	33	25	
Tools	24	28	32	26	27	
MediTech	11	17	20	5	9	
Lagercrantz Group	3	2	6	2	4	
Parent Company/consolidation eliminations	4	1	5	4	3	
GROUP TOTAL	101	126	108	74	84	

Lagercrantz Group, which previously was a part of business area Industry, constitutes its own business area since April 1, 2000 and has been separated from the numbers for Industry.

PROFITABILITY, FINANCIAL POSITION AND CAPITAL EXPENDITURES

The return on capital employed for the most recent 12-month period was 16 percent, and the return on equity was 14 percent. These numbers are only marginally affected by calculations based on the number of shares on a fully diluted basis.

Cash flow from current operations for the first quarter amounted to MSEK 35 (31) and the Group's net financial indebtedness amounted to MSEK 286 at the end of the period (303).

Shareholders' equity per share was SEK 69.60, as compared with SEK 67.10 at the beginning of the financial year. Computed based on the number of shares outstanding after full conversion, shareholders' equity was SEK 71.00, compared to SEK 68.80 at the beginning of the financial year.

Surplus funds with SPP in the amount of MSEK 85 have not been recognized in the financial statements as of June 30, 2000.

Capital expenditures in plant and equipment, in excess of what has been added net through corporate acquisitions and divestitures, amounted to MSEK 16 (21). Investments in corporate acquisitions amounted to MSEK 85 (0).



CORPORATE ACQUISITIONS

Bergman & Beving acquired three companies during the period. Business area Electronics acquired Elfac A/S, Denmark, a leader in developing and manufacturing cable harnesses, in the first instance for Danish manufacturing industry. Elfac A/S has revenues of MDKK 50.

Business area Industry acquired Vilokan Sweden AB with revenues of MSEK 35. Vilokan's business concept is to work with environmental consulting, development, manufacture and installation of cleaning and recycling systems for industry.

Business area Tools acquired Oulun Pultti Oy in Finland, with revenues of MFIM 25. The thrust of its operations are in sales of fastening elements and supplies in Finland.

EMPLOYEES

At the end of the period the number of employees was 2 804, which can be compared with 2 693 at the beginning of the period. Acquired companies account for an increase of 122.

ACTION PROGRAM FOR INCREASED SHAREHOLDER VALUE

During the spring of 2000 Bergman & Beving initiated an action program aimed at increasing shareholder value. The program, which was presented earlier in the Annual Report, contains three main components:

1. Increase profitability – Sharper focus was placed on ROS (Return on sales, i.e. net margin) during the first quarter and funds tied up in working capital. Important steps taken include an increase in benchmarking and ranking among the Group's profit centers. Action programs have been initiated in low-performing units. Effects of these actions are beginning to be seen and for the year's first quarter the net margin was 5.1 percent, as compared with 4.3 percent for the similar period one year ago. The business areas will increase their net margins through continued measures.
2. Develop the business concepts – As a consequence of the Group's broadened business concept, *Value-adding Tech Provider*, the Group strengthened the orientation towards creation of higher value added. Business area Electronics' initiatives in cable harnesses, the start-up of 2B-Electronics and business area Industry's efforts in environmental operation Envicontrol are examples hereof. In addition, the Group continues its efforts in e-commerce, where especially Tools is advancing its positions with www.toolstore.se.
3. Structural action – Measures to improve the Group's structure have been initiated. Lagercrantz Group has been established as a separate business area. Sales of real estate, which before taxes will free up MSEK 275 in liquid funds, and generate a capital gain of MSEK 175, have been initiated. A buyback program of our own shares is another structural measure that increases earnings per share and raises the return on equity.

In the interest of raising the attractiveness of the Bergman & Beving share, investor and stock market contacts have also been intensified. The number of shareholders increased from 3 000 to 3 500 during the past year.

BUYBACK OF OWN SHARES

With a view to improving the Group's return on equity and earnings per share, the Board of Directors resolved May 24, 2000, to propose to today's regularly scheduled Annual General Meeting a buyback of shares. Under the proposal, the Board of Directors is given a mandate to buy back up to 10 percent of the shares outstanding, and the mandate is suggested to remain in force until the 2001 regularly scheduled Annual General Meeting.

Buybacks may be effected over the OM Stockholm Stock Exchange as well as in the form of offers to all shareholders. The mandate of the Board of Directors is also proposed to include the possibility of using repurchased shares in payment for companies and business acquired.



CONSOLIDATED STATEMENT OF INCOME MSEK	3 months			Full year	
	2000/ 2001	1999/ 2000	1998/ 1999	1999/ 2000	1998/ 1999
Net revenues	1 993	1 955	1 609	8 073	7 343
Operating expenses	-1 889	-1 864	-1 526	-7 666	-6 981
OPERATING INCOME	104	91	83	407	362
Financial income and expenses	-3	-7	0	-15	-11
INCOME AFTER FINANCIAL ITEMS	101	84	83	392	351
Taxes	-33	-27	-26	-128	-114
NET INCOME FOR THE PERIOD	68	57	57	264	237
EARNINGS PER SHARE, SEK	2.40	2.00	2.00	9.20	8.30
Number of shares outstanding: 28 630 360					
Earnings per share after full conversion, SEK	2.30			9.20	
Weighted number of shares, thousands	29 478			28 772	

CONSOLIDATED BALANCE SHEET

MSEK	June 30, 2000	June 30, 1999	March 31, 2000
ASSETS			
Intangible fixed assets	486	487	464
Other fixed assets	724	713	681
Inventories	1 252	1 174	1 198
Short-term receivables	1 335	1 240	1 301
Liquid funds	669	484	683
TOTAL ASSETS	4 466	4 098	4 327
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	1 993	1 870	1 920
Interest-bearing liabilities and provisions	988	823	914
Non-interest-bearing liabilities and provisions	1 485	1 405	1 493
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	4 466	4 098	4 327



CONSOLIDATED STATEMENT OF CASH FLOW

MSEK	3 months		Full year
	2000/ 2001	1999/ 2000	1999/ 2000
Cash flow from current operations	121	92	417
Change in working capital	-86	-61	-62
Investment operations	-101	-21	-103
CASH FLOW BEFORE FINANCING	-66	10	252
Financing operations	51	-7	-39
CASH FLOW FOR THE PERIOD	-15	3	213
Liquid funds at the beginning of the year	683	482	482
Exchange rate difference in liquid funds	1	-1	-12
Liquid funds at the end of the period	669	484	683

Stockholm, August 23, 2000

Anders Börjesson
President and CEO

This report has not been subject to special examination by the Company's auditors.

The Annual General Meeting will be held today at 4:30 p.m., August 23, at Industrihuset, Stockholm.

An interim report for the period April 1 – September 30, 2000, will be presented November 22, 2000.

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