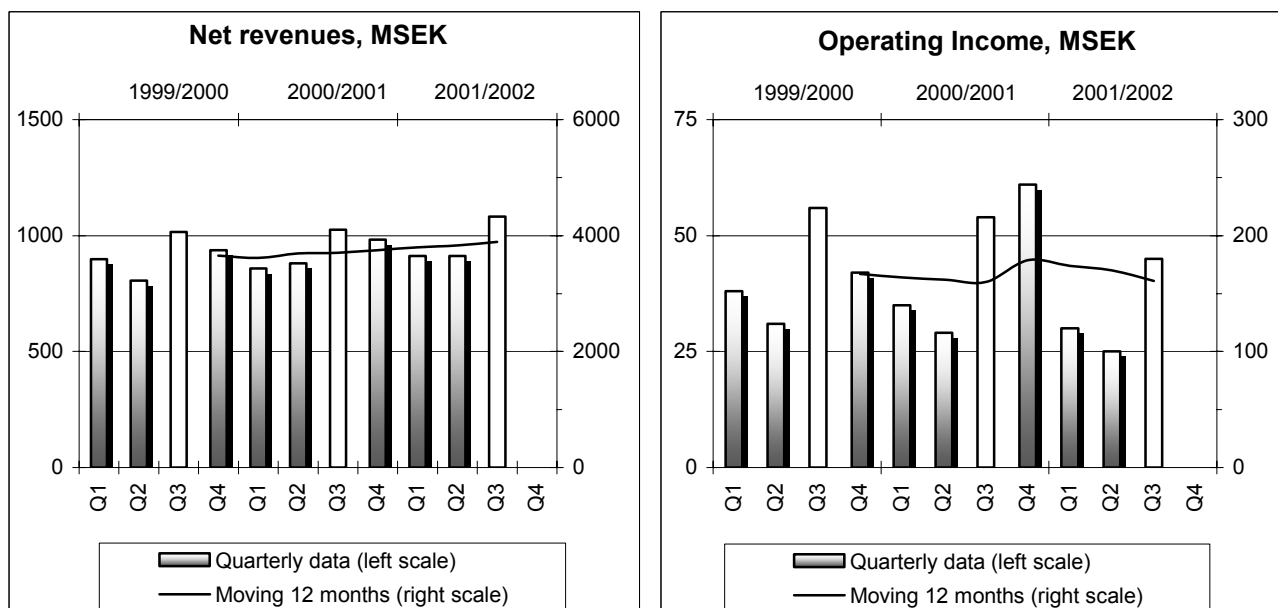


# THE BERGMAN & BEVING GROUP

## Interim report April 1 – December 31, 2001 (9 months)

- Net revenues increased by 5 percent to MSEK 2 908 (2 765).
- Income after financial items, not including items affecting comparability, amounted to MSEK 97 (119).
- Income after financial items, not including items affecting comparability, on a 12-month moving basis amounted to MSEK 158, as compared with MSEK 180 for the 2000/2001 financial year.
- Strong cash flow from current operations – amounting to MSEK 184 for the period.
- Continued weak economic climate and a weak Swedish krona affected the income for the Group's business areas negatively.



Note: Net revenues and operating income in the graphs refer to Bergman & Beving pro forma, not including Addtech and Lagercrantz Group. Income data refer to operating income not including items affecting comparability.

**Bergman & Beving's business concept is to acquire and develop companies conducting business with elements of value-adding technology trade. The Group is organized in two business areas - Tools and MediTech.**

### NET REVENUES AND INCOME<sup>1</sup>

Net revenues increased by 5 percent to MSEK 2 908 (2 765). Compared to the corresponding period one year ago, net revenues for the period increased for both business areas. The increase is explained primarily by corporate acquisitions and exchange rate differences, while the Group's markets continued to show a weak development during the past quarter.

Income after financial items, not including items affecting comparability, declined to MSEK 97 (119). Income for business area Tools is on a par with the level for the corresponding period one year ago while MediTech's income declined. The businesses were negatively affected by the weak economic trend also during the third quarter, and both business areas continue their efforts to improve efficiency and cost control. Activities are also in progress aimed at strengthening the Group's market positions.

<sup>1</sup> Refers to Bergman & Beving pro forma, not including Addtech and Lagercrantz Group.

Moving 12-month income after financial items, not including items affecting comparability, amounted to MSEK 158, as compared with MSEK 180 for the 2000/2001 financial year.

The profit margin, as a twelve month moving value, amounted to 4.1 percent, as compared with 4.8 percent for the 2000/2001 financial year.

Income before items affecting comparability for the past 12-month period is equivalent to earnings per share of SEK 3.80, as compared with SEK 4.10 for the 2000/2001 financial year.

## BUSINESS AREAS

### TOOLS

Net revenues increased by 3 percent to MSEK 2 192 (2 137). Volume growth continues to be negatively affected by a reduction of low-margin transactions, at the same time as exchange rate differences and acquired businesses had a positive effect on revenues. Purged for these factors, net revenues were more or less unchanged compared to the corresponding period on year ago.

Income after financial items shows a slight decline and amounted to MSEK 87 (89). Earnings performance varies among the different business units. Product line streamlining, broadening of networks for distribution and a positive development of funds tied up as working capital had a positive impact, while the weak Swedish krona had a negative effect on the earnings of several units.

The largest division of the business area, tool and machine supplier Luna, recorded continued growth compared to the corresponding period one year ago. This is primarily explained by the strong performance of the Norwegian operations and a broadening of the distribution network.

The positive volume and earnings development for all companies in the Skydda division continued. Skydda sells solutions for personal protection and is deemed to offer a very strong concept for its partners as well as to end customers. Opportunities for continued growth are good.

The Essve division, which markets fastening elements and fastening solutions, reports a continued decline in sales as well as earnings. Operations are negatively affected by weak markets in the vehicle and telecom sectors, at the same time as costs for long-term expansion of new product concepts and initiatives to broaden the product range constituted a drag on earnings during the period.

Through continuing focus on its core product range, measures to improve efficiency and better utilization of working capital, Grunda, that sells consumables to the manufacturing and construction industries, was able to continue its positive development of earnings despite lower revenues.

Tools has continued to emphasize on different communication solutions with the aim of rendering the interaction with the customers more efficient. Activities to further increase electronic order handling are being carried out in the beginning of 2002.

Tools acquired three businesses during the period. Acquired annual revenues amount to about MSEK 115.

### MEDITECH

Net revenues increased by 14 percent to MSEK 716<sup>2</sup> (628). Income after financial items decreased to MSEK 18 (28).

The business area's operations in diagnostics, dental consumables and plastics for medical applications increased during the period, both in terms of revenues and income, compared to the corresponding period one year ago. At the same time the weak Swedish krona exchange rate had a continued negative effect on earnings for the period.

The companies offering laboratory equipment and the subsidiary in precious metal refinement recorded lower earnings. Among the reasons for this are a weaker market development for these products, lower trading margins and an unfavorable development of foreign exchange rates.

The effects of completed action programs have yet to show their full impact. Further streamlining actions have been initiated. In combination herewith, there are ongoing activities aimed at strengthening trading margins and raising the business volume.

MediTech acquired two companies during the period. Acquired annual revenues amount to about MSEK 40.

### PARENT COMPANY

The Parent Company's net revenues were MSEK 15 (19) and income before year-end appropriations and taxes was MSEK 58 (121). This result includes dividends from subsidiaries in an amount of MSEK 66 (17). Last year's figure includes items affecting comparability in an amount of MSEK 98. The income during the past quarter was positively affected by MSEK 5 (0) attributable to appreciation under a share swap agreement.

<sup>2</sup> Changes in the value added tax legislation for the business area's precious metal operations have resulted in an increase of the period's net revenues by MSEK 33 without any earnings contribution to the operations. Net of this effect, revenues increased by 9 percent.

## BERGMAN & BEVING<sup>3</sup> REPORTING BY BUSINESS AREA

NET REVENUES	3 months ending Dec. 31		9 months ending Dec. 31		Full year	
	2001	2000	2001	2000	Moving 12 months	2000/ 2001
MSEK	<b>2001</b>	2000	<b>2001</b>	2000		
Tools	<b>801</b>	779	<b>2 192</b>	2 137	2 893	2 838
MediTech	<b>282</b>	247	<b>716</b>	628	998	910
Parent Company/consolidation eliminations	<b>0</b>	0	<b>0</b>	0	0	0
GROUP TOTAL – PRO FORMA	<b>1 083</b>	1 026	<b>2 908</b>	2 765	3 891	3 748

NET REVENUES BY QUARTER	2001/2002				2000/2001		
	Q 3	Q 2	Q 1	Q 4	Q 3	Q 2	Q 1
MSEK	<b>Q 3</b>	Q 2	Q 1	Q 4	Q 3	Q 2	Q 1
Tools	<b>801</b>	700	691	701	779	702	656
MediTech	<b>282</b>	213	221	282	247	178	203
Parent Company/consolidation eliminations	<b>0</b>	0	0	0	0	0	0
GROUP TOTAL – PRO FORMA	<b>1 083</b>	913	912	983	1 026	880	859

INCOME AFTER FINANCIAL ITEMS	3 months ending Dec. 31		9 months ending Dec. 31		Full year	
	2001	2000	2001	2000	Moving 12 months	2000/ 2001
MSEK	<b>2001</b>	2000	<b>2001</b>	2000		
Tools	<b>32</b>	40	<b>87</b>	89	120	122
MediTech	<b>13</b>	15	<b>18</b>	28	46	56
Parent Company/consolidation eliminations	<b>0</b>	0	<b>-8</b>	2	-8	2
GROUP TOTAL – PRO FORMA	<b>45</b>	55	<b>97</b>	119	158	180

INCOME AFTER FINANCIAL ITEMS BY QUARTER	2001/2002				2000/2001		
	Q 3	Q 2	Q 1	Q 4	Q 3	Q 2	Q 1
MSEK	<b>Q 3</b>	Q 2	Q 1	Q 4	Q 3	Q 2	Q 1
Tools	<b>32</b>	28	27	33	40	25	24
MediTech	<b>13</b>	2	3	28	15	3	10
Parent Company/consolidation eliminations	<b>0</b>	-7	-1	0	0	1	1
GROUP TOTAL – PRO FORMA	<b>45</b>	23	29	61	55	29	35

<sup>3</sup> Revenues and income refer to Bergman & Beving pro forma, not including Addtech and Lagercrantz Group.

Income data refer to income after financial items, but not including items affecting comparability.

In the reported pro forma income in the Parent Company for comparative periods prior to March 31, 2001 the financial income and expense are adjusted for the capitalization of Addtech and Lagercrantz Group that took place in March 2001.

Comparative data have been adjusted for internal transfers of companies.

**PRO FORMA – CONSOLIDATED STATEMENT OF INCOME**

	3 months ending Dec. 31		9 months ending Dec. 31		Full year	
	2001	2000	2001	2000	Moving 12 months	2000/ 2001
MSEK						
Net revenues	<b>1 083</b>	1 026	<b>2 908</b>	2 765	3 891	3 748
Operating expenses	<b>-1 038</b>	-972	<b>-2 808</b>	-2 647	-3 730	-3 569
- of wicH depreciation and amortization	<b>-18</b>	-17	<b>-51</b>	-46	-67	-62
Items affecting comparability		140		187	-40	147
OPERATING INCOME	<b>45</b>	194	<b>100</b>	305	121	326
Financial income and expense		1	<b>-3</b>	1	-3	1
INCOME AFTER FINANCIAL ITEMS	<b>45</b>	195	<b>97</b>	306	118	327
Taxes	<b>-16</b>	-62	<b>-35</b>	-97	-42	-104
NET INCOME FOR THE PERIOD	<b>29</b>	133	<b>62</b>	209	76	223
SEK						
Earnings per share	<b>1.05</b>	4.70	<b>2.25</b>	7.35	2.75	7.90
- of which items affecting comparability		3.55		4.75	-1.05	3.80
Earnings per share after full conversion	<b>0.95</b>	4.40	<b>2.05</b>	6.90	2.65	7.40

**PRO FORMA – CONSOLIDATED BALANCE SHEET**

MSEK	Dec. 31, 2001	Mar. 31, 2001
ASSETS		
Intangible assets	<b>108</b>	101
Other fixed assets	<b>411</b>	410
Inventories	<b>593</b>	546
Short-term receivables	<b>554</b>	607
Liquid funds	<b>314</b>	387
TOTAL ASSETS	<b>1 980</b>	2 051
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity	<b>769</b>	838
Interest-bearing liabilities and provisions	<b>406</b>	425
Non-interest-bearing liabilities and provisions	<b>805</b>	788
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	<b>1 980</b>	2 051

**PROFORMA – CONSOLIDATED STATEMENT OF CASH FLOW**

MSEK	9 months 2001/ 2002
Current operations before changes in working capital	<b>95</b>
Changes in working capital	<b>89</b>
Cash flow from current operations	<b>184</b>
Investments in subsidiaries and other business units	<b>-43</b>
Investments in other fixed assets	<b>-44</b>
Sale of other fixed assets	<b>11</b>
CASH FLOW BEFORE FINANCING	<b>108</b>
Financing operations	<b>-184</b>
CASH FLOW FOR THE PERIOD	<b>-76</b>
Liquid funds at the beginning of the year	<b>387</b>
Exchange rate difference in liquid funds	<b>3</b>
Liquid funds at the end of the period	<b>314</b>

## PRO FORMA – CHANGES IN SHAREHOLDERS' EQUITY

	Dec. 31, 2001
MSEK	
Opening balance	838
Cash dividend	-139
Exchange rate differences, etc.	8
Net income for the period	62
Closing balance	769

## PRO FORMA – PER-SHARE DATA

SEK	9 months		Full year	
	2001/ 2002	2000/ 2001	Moving 12 months	2000/ 2001
Income	2.25	7.35	2.75	7.90
– of which items affecting comparability		4.75	-1.05	3.80
Income after full conversion	2.05	6.90	2.65	7.40
Shareholders' equity <sup>4</sup>	26.90			30.10
Shareholders' equity after full conversion	28.10			31.20

## NUMBER OF SHARES OUTSTANDING IN THOUSANDS

Number of shares outstanding after the period's repurchases <sup>5</sup>	26 600	27 865		27 865
Number of shares outstanding after full conversion <sup>5</sup>	28 401	30 072		30 072
Weighted number of shares outstanding after repurchases	27 725	28 365	27 760	28 240
Weighted number of shares outstanding after conversion	29 887	30 573	29 933	30 448

## PRO FORMA ACCOUNTING – PRINCIPLES

In August 2001 Bergman & Beving distributed two former business areas, Addtech and Lagercrantz Group, to its shareholders. Pro forma accounts have been compiled for this reason. The purpose of the pro forma accounts is to show the development of the new Bergman & Beving, consisting of business areas Tools and MediTech, and the Parent Company.

The basis for Bergman & Beving's pro forma accounting and pro forma adjustments are:

- *The organizational structure of the business areas as of April 1, 2001*  
Internal transfers of companies before April 1, 2001 are reported as if they occurred as of April 1, 1998.
- *Bergman & Beving's financial position as of March 31, 2001, not including Addtech and Lagercrantz Group*  
For the 2000/2001 financial year, Bergman & Beving's net financial items have been adjusted pro forma by MSEK 11. The adjustment corresponds to the interest rate effect of the capitalization of Addtech and Lagercrantz Group that took place in March 2001.
- *Need for external borrowing in the present operations*  
Bergman & Beving AB had external borrowing to finance a corporate acquisitions for the Lagercrantz Group. The pro forma accounts are adjusted for this borrowing.

Against the background that the capital structure of Bergman & Beving has changed on a pro forma basis as of March 31, 2001, it has not been deemed meaningful to include financial items and taxes in the historical income statements for periods before March 31, 2000. Pro forma adjustments have been made of these items only for the 2000/2001 financial year. The pro forma income statements for the years 1998/1999 and 1999/2000 thus include only income statements down to the level operating income before financial items. The same applies to the balance sheet. A complete balance sheet as of March 31, 2001 is reported. The balance sheets of prior financial years contain only operating capital without consideration given to financing.

Against this background, a full pro forma statement of cash flow is reported only for the current year.

Pro forma measurements of return for the 2000/2001 financial year are based on closing capital values as of March 31, 2001. Pro forma measurements of return for moving 12-month periods have been calculated based on average capital values for the period March 31 – December 31, 2001.

## OFFICIAL ACCOUNTS

The official accounts (income statement, balance sheet, cash flow statement and per-share data) for Bergman & Beving including Addtech and Lagercrantz Group through the month for distribution to the shareholders in August 2001 are found on pages 7–8 in this interim report.

<sup>4</sup> In the calculation of shareholders' equity per share as of December 31, 2001, the cost (MSEK 53) for synthetically repurchased shares under a share swap agreement with Svenska Handelsbanken has reduced the value of the shareholders' equity.

<sup>5</sup> The number of shares outstanding was affected by the synthetic repurchase of own shares consummated during the past quarter. The number of synthetically repurchased shares is 1 265 000 class B shares, which are a part of the share swap agreement settled between Bergman & Beving and Svenska Handelsbanken.

## ACCOUNTING PRINCIPLES

This interim report has been compiled in accordance with the recommendation No. 20 (Interim reporting) of the Swedish Financial Accounting Standards Council, which applies to the Company from the start of the 2001/2002 financial year. New recommendations from the Swedish Financial Accounting Standards Council have had no effect on the reported results and financial position of the Bergman & Beving Group. In all other respects the same accounting principles and methods of computation have been used in this interim report as in the most recently published Annual Report.

## PRO FORMA – PROFITABILITY, FINANCIAL POSITION AND CAPITAL EXPENDITURES

The return (income not including items affecting comparability) on capital employed for the past 12-month period and the return on equity was 15 percent and 14 percent, respectively. The corresponding figures for the preceding financial year was 16 percent and 14 percent, respectively.

The cash flow from current operations has had a positive development during the period and amounted to MSEK 184. The Group's net financial liabilities amounted to MSEK 40 at the end of the period, as compared with net loan receivables of MSEK 18 at the beginning of the financial year.

The equity ratio at the end of the period was 39 percent, as compared with 41 percent at the beginning of the financial year. The dividend to the shareholders of MSEK 139 has affected the equity ratio by four percentage points.

Shareholders' equity per share<sup>6</sup> amounted to SEK 26.90, as compared with SEK 30.10 at the beginning of the financial year. Computed based on the number of shares outstanding after full conversion, shareholders' equity per share amounts to SEK 28.10, as compared with SEK 31.20 at the beginning of the financial year.

Investments in fixed assets, in addition to what has been added through corporate acquisitions and divestitures, amounted to MSEK 33. Investments in corporate acquisitions amounted to MSEK 43.

## PRO FORMA – EMPLOYEES

At the end of the period the number of employees in the Group was 1 390, as compared with 1 273 at the beginning of the period. Acquired companies account for an increase of 111 persons.

## ITEMS AFFECTING COMPARABILITY

Business area MediTech reported items affecting comparability of about MSEK 7 during the period. A major portion of the items refer to expenses relating to a move from one warehouse to another, whereby for example double rent will be incurred for a period. The move will be made after summer and is caused by the present warehouse not meeting requirements in force for handling of dangerous goods.

<sup>6</sup> See note 4 on page 5.

Business area Tools has reversed about MSEK 7 of the restructuring reserve set aside in connection with the closing of the financial statements in March 2001, since it is believed that these reserved costs will not be realized.

## REPURCHASES OF SYNTHETIC OPTIONS AND CONVERTIBLES

In November and December 2001 Bergman & Beving made two offers to repurchase convertible debentures and synthetic options, respectively. Of the convertible loan's original nominal value of MSEK 101, MSEK 82 remains after the repurchase made. The remaining convertible loan outstanding entitles its holders to convert to 1 800 804 shares at a conversion price of SEK 45.70.

Upon full conversion of the remaining convertible loan, the dilution will be 6.1 percent. About half of this dilution (3.1 percent) is attributable to employees of the Bergman & Beving Group. The remaining convertible debentures are held by employees of Addtech and Lagercrantz Group, and by persons who have resigned from the Group.

The offer to repurchase synthetic options was met with almost 100 percent response. Only 3 000 synthetic options, equivalent to 7 830 underlying shares, remain after the consummated repurchase.

## THE PERIOD'S REPURCHASE OF OWN SHARES AND SYNTHETICALLY REPURCHASED SHARES

No shares were repurchased during the period. All 765 200 shares held as of March 31, 2001 remain in treasury at the end of the reporting period. No changes have occurred of shares held in treasury after the end of the reporting period.

As a consequence of the repurchase of synthetic options, 1 265 000 shares of a total of 1 271 000 shares in a share swap agreement with Svenska Handelsbanken have been converted to synthetically repurchased shares during the past quarter. These shares previously constituted a hedge for the option program.

The holding of 765 200 repurchased shares is equivalent to 2.7 percent of the total number of shares outstanding and the 1 265 000 synthetically repurchased shares are equivalent to 4.4 percent of the total number of shares outstanding.

## SHARE CAPITAL STRUCTURE

During the period 725 802 class A shares were converted to class B shares. As of December 31, 2001 Bergman & Beving's share capital structure is as follows. No changes have been registered after December 31, 2001.

CLASSES OF SHARES	Number of shares	Proportion of capital	Proportion of votes
Class A	1 117 942	4.0%	29.5%
Class B	26 747 218	96.0%	70.5%
	<b>27 865 160</b>	<b>100.0%</b>	<b>100.0%</b>
Repurchased class B shares	765 200		
<b>Total number of shares outstanding</b>	<b>28 630 360</b>		

## BERGMAN & BEVING – results including Addtech and Lagercrantz Group through August 2001

Addtech and Lagercrantz Group were distributed to the shareholders of Bergman & Beving AB with the record day August 30, 2001. The official accounts below include revenues and income for Addtech and Lagercrantz Group through August 2001.

CONSOLIDATED STATEMENT OF INCOME	3 months ending Dec. 31		9 months ending Dec. 31		Full year	
	2001	2000	2001	2000	Moving 12 months	2000/2001
MSEK						
Net revenues	1 084	2 465	4 806	6 534	7 197	8 925
Operating expenses	-1 039	-2 312	-4 631	-6 171	-6 887	-8 427
– of which depreciation and amortization	-18	-47	-105	-130	-156	-181
Items affecting comparability		140	5	216	-95	116
OPERATING INCOME	45	293	180	579	215	614
Financial income and expense		-5	-10	-9	-12	-11
INCOME AFTER FINANCIAL ITEMS	45	288	170	570	203	603
Taxes	-16	-88	-58	-177	-85	-204
NET INCOME FOR THE PERIOD	29	200	112	393	118	399
SEK						
Earnings per share	1.05	7.20	4.05	13.90	4.25	14.10
– of which items affecting comparability		3.60	0.15	5.50	-2.45	3.00
Earnings per share after full conversion	0.95	6.60	3.75	12.90	4.05	13.20

### CONSOLIDATED BALANCE SHEET

MSEK	Dec. 31, 2001	Dec. 31, 2000	Mar. 31, 2001
ASSETS			
Intangible assets	108	577	644
Other fixed assets	411	770	754
Inventories	593	1 367	1 305
Short-term receivables	554	1 489	1 574
Liquid funds	314	764	876
TOTAL ASSETS	1 980	4 967	5 153
SHAREHOLDERS EQUITY AND LIABILITIES			
Shareholders' equity	769	2 153	2 194
Interest-bearing liabilities and provisions	406	1 013	1 013
Non-interest-bearing liabilities and provisions	805	1 801	1 946
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	1 980	4 967	5 153

### CONSOLIDATED STATEMENT OF CASH FLOW

MSEK	9 months		Full year
	2001/2002	2000/2001	2000/2001
Current operations before changes in working capital	197	427	488
Changes in working capital	88	-66	50
Cash flow from current operations	285	361	538
Investments in subsidiaries and other business units	-43	-250	-339
Sale of subsidiaries and other business units			45
Investments in other fixed assets	-44	-83	-119
Sale of other fixed assets	11	205	229
CASH FLOW BEFORE FINANCING	209	233	354
Financing operations	-775	-165	-190
CASH FLOW FOR THE PERIOD	-566	68	164
Liquid funds at the beginning of the year	877	683	683
Exchange rate difference in liquid funds	3	13	29
Liquid funds at the end of the period	314	764	876

## BERGMAN & BEVING – results including Addtech and Lagercrantz Group through August 2001

Addtech and Lagercrantz Group were distributed to the shareholders of Bergman & Beving AB with the record day August 30, 2001. The official accounts below include revenues and income for Addtech and Lagercrantz Group through August 2001.

### CHANGES IN SHAREHOLDERS' EQUITY

MSEK	Dec. 31, 2001	Dec. 31, 2000	Mar. 31, 2001
Opening balance	2 194	1 920	1 920
Repurchase of own shares		-84	-84
Distribution of shares in subsidiaries	-1 443		
Cash dividend	-139	-122	-122
Exchange rate differences, etc.	45	46	81
Net income for the period	112	393	399
Closing balance	769	2 153	2 194

### PER-SHARE DATA

SEK	9 months		Full year	
	2001/ 2002	2000/ 2001	Moving 12 months	2000/ 2001
Income	4.05	13.90	4.25	14.10
– of which items affecting comparability	0.15	5.50	-2.45	3.00
Income after full conversion	3.75	12.90	4.05	13.20
Shareholders' equity <sup>7</sup>	26.90	77.30		78.70
Shareholders' equity after full conversion	28.10	74.95		76.30

### NUMBER OF SHARES OUTSTANDING IN THOUSANDS

Number of shares outstanding after the period's repurchases <sup>7</sup>	26 600	27 865		27 865
Number of shares outstanding after full conversion <sup>7</sup>	28 401	30 072		30 072
Weighted number of shares outstanding after repurchases	27 725	28 365	27 760	28 240
Weighted number of shares outstanding after conversion	29 887	30 573	29 933	30 448

<sup>7</sup> See notes 4 and 5 on page 5.

Stockholm, February 11, 2002

Stefan Wigren  
President and CEO

The present report has not been subject to special review by the Company's auditors.  
Financial report for the financial year April 1, 2001 – March 31, 2002 will be presented May 16, 2002.

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