



Press Release

December 1, 2008

BE Group implements savings programme to meet rapidly falling demand

On account of reduced demand and uncertain market prospects, BE Group is implementing a cost saving programme. The aim is to reduce total annual costs by approximately SEK 100 million over a two-year period.

The number of employees is expected to be reduced by around 120 and the reduction will be implemented primarily in Sweden, Finland, Poland and Latvia. However, other markets will also be affected. Negotiations with trade unions have been started.

The savings have already been initiated with a reduction in temporary employees. The savings programme is expected to begin to have a clear impact in the first half of 2009 and to have full effect during the first quarter of 2010. The one-off cost of implementing the programme is expected to be SEK 15 million. This will have an impact on the result for the fourth quarter of 2008. The savings target of SEK 100 million concerns net costs and is calculated on a normalised cost level after acquisitions.

So far in the fourth quarter, BE Group's delivered tonnage has been in the order of 20% lower than during the same period last year. In the prevailing market situation, no recovery can be foreseen during the rest of the year and in 2009. The dramatically reduced demand means that the fourth quarter will be worse than previously indicated. However, the operating profit for 2008 as a whole is expected to be better than last year.

BE Group's President and CEO, Håkan Jeppsson has the following comments:

- We are moving towards one of the best years for BE Group to date. Demand on all of BE Group's markets has, however, gradually decreased during the autumn and the downturn has accelerated during November.
- The weaker demand, combined with falling market prices, means that we need to adapt operations to fast-changing conditions.
- It is unfortunate that this affects our employees. Regrettably, we regard the measures as necessary to maintain BE Group's competitiveness in the future. We will, of course, show as much consideration as possible for our employees and offer the best solutions we are able to offer.



For further information, please contact:

Håkan Jeppsson, President and Chief Executive Officer
+46 (0) 705 50 15 17,
E-mail: hakan.jeppsson@begroup.com

Torbjörn Clementz, CFO and Deputy CEO,
+46 (0) 70 869 07 88,
E-mail: torbjorn.clementz@begroup.com

The information presented here is such that BE Group AB (publ) is required to publish pursuant to the Swedish Securities Markets Act and/or the Swedish Financial Instruments Trading Act. The information was released for publication on December 1, 2008 at 1.00 p.m. CET.

BE Group AB (publ), listed on the OMX Nordic Exchange, Stockholm since November 2006, is one of the leading trading and service companies within steel and other metals in Europe. The company has about 10,000 customers, primarily within the construction and engineering industries. BE Group provides service in the steel, stainless steel and aluminium sectors. The company's sales in 2007 were SEK 7.7 billion. BE Group has more than 1,000 employees in ten countries in northern Europe, where Sweden and Finland are its largest markets. The head office is in Malmö, Sweden. For more information, you are invited to visit us online at www.begroup.com.