



Press Release

October 22, 2008

Despite slowdown, BE Group heading for record year

BE Group's third-quarter profits outperformed Q3 2007 and the Group is heading for the best full-year performance in the company's history. Total demand was high in BE Group's markets, although there was a slowdown during the quarter.

- Net sales rose 12.3% compared to Q3 2007 to SEK 1,919M (1,709). Shipped tonnage increased by 5.5%.
- Operating profit increased by 91.8% to SEK 163M (85). Earnings benefited from inventory gains of SEK 46M, while inventory losses of SEK 36M were charged against earnings in the comparison period.
- Underlying EBITA declined by 2.5% to SEK 119M (122) and the underlying EBITA margin was 6.2% (7.1).
- Earnings per share increased to SEK 2.27 (1.10) and underlying earnings per share declined to SEK 1.32 (1.55).
- An efficiency improvement programme has been initiated in response to an expected downturn in the market situation.
- Despite growing market uncertainty, operating profit for the full year is going to be the best ever for BE Group and significantly outperform 2007.

BE Group President and Chief Executive Officer Håkan Jeppsson's remarks on the report:

"We have delivered a strong third quarter and are heading towards BE Group's best full year ever. Sales went up and BE Group benefited from price increases and strong demand. However, demand moderated gradually during the quarter and the Central and Eastern European markets weakened faster than we expected."

"BE Group significantly strengthened its market position in Central and Eastern Europe through the acquisitions of Ferram Steel and Czechprofil in the Czech Republic. The company expects the acquisitions to contribute to growth and earnings this year."

"The economy looks more uncertain than before. Demand is still high in several markets, but I expect weaker demand in the fourth quarter, when we are also going to see lower market prices."



Net sales for the interim period of January-September were SEK 6,030M (5,848) and operating profit rose to SEK 548M (428). Underlying EBITA was SEK 424M (446) and earnings per share rose to SEK 8.16 (5.98).

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A press conference in English will be held at 9:00 a.m. The conference may be followed by phone or via webcast (see information below). Hosts of the press conference: CEO Håkan Jeppsson and CFO and Deputy CEO Torbjörn Clementz, BE Group.

If you wish to participate via webcast and/or ask questions at the press conference, please follow the link provided to register online.

<http://wcc.webeventservices.com/view/wl/r.htm?e=108238&s=1&k=5AD9B16ADCFCD0044D86F378C67A4169&cb=genesys>

Those who do not have access to the Internet may register by phone on **+46 (0)8 5052 0110** a few minutes before the conference begins.

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 October 22, 2008 at 7.30 a.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.