



Press release

April 26, 2013

## BE Group Q1 – signs of improved demand

- Net sales fell by 23 percent compared with the year-earlier period, amounting to SEK 1,032 M (1,343). Shipped tonnage decreased by 18 percent.
- The operating result weakened to a loss of SEK 17 M (positive 41) and the underlying operating result amounted to SEK 14 M (51).
- Deliveries to the engineering sector rose and the proportion of production services continued to grow.
- Negotiations on the personnel reductions that have been decided have now largely been concluded. The measures will generate an annual cost reduction of approximately SEK 65 M. Non-recurring costs totaling SEK 30 M were charged against the first quarter.

The President and CEO of BE Group, Kimmo Väkiparta, comments on the report for the first quarter of 2013:

“Compared with the weak conclusion to 2012, we have seen quite a few positive signals during the first quarter. Overall within the Group, we have seen a gradual improvement in daily deliveries from BE Group, and in the key Swedish and Finnish markets, we are noting increased demand from the engineering sector.

In the Swedish operations there has been a shift towards an increased proportion of production service sales that has helped strengthen the gross margin.

In Business Area CEE, we are noting a continued weak market. The operations in the Baltic States and Slovakia showed positive results while Poland is lagging. The process of selling the Czech operations is ongoing although we have, at the same time, implemented efficiency enhancement measures that have led to improved results.

Forward planning with regard to customers’ needs remains short term, although we expect demand in all markets to continue to slightly improve in the second quarter. At the same time, sales prices are expected to fall somewhat due to lower market prices. The personnel reductions currently in progress are also resulting in an improved cost structure and thus strengthened competitiveness.”



**BE GROUP**

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Today, at 08:30 a.m. CET, Kimmo Väkiparta and Torbjörn Clementz will comment on development at a conference with market analysts and the press. The conference may be followed via webcast or by phone (see information below).

If you wish to participate via webcast and/or ask questions at the press conference, please copy and paste the following link into your web browser to register online. Please be certain to copy the full link.

<http://storm.zoomvisionmamato.com/player/begroup/objects/3ajnh985//>

The following telephone number can be used to participate in the presentation:

Sweden: +46 (0)8 506 307 79

UK: +44 (0)844 571 89 57

US: +1 866 682 8490

The information disclosed here is such that BE Group AB (publ) is required to disclose pursuant to the Swedish Securities Exchange and Clearing Operations Act and/or the Swedish Financial Instruments Trading Act. This information was submitted for publication on April 26, 2013 at 07.30 a.m. CET.

*BE Group, listed on the NASDAQ OMX Stockholm exchange, is a trading and service company in steel and other metals. BE Group provides various forms of service for steel, stainless steel and aluminium applications to customers primarily in the construction and engineering sectors. In 2012, the Group reported sales of SEK 4.6 Bn. BE Group has close to 900 employees in nine countries, with Sweden and Finland as its largest markets. The head office is located in Malmö, Sweden. Read more about BE Group at [www.begroup.com](http://www.begroup.com)*