



Press release

July 16, 2014

## **BE Group Q2 2014 – lower cost base compensates for lower volume**

- Net sales fell by 6 percent compared with the year-earlier period, amounting to SEK 1,027 M (1,089). Shipped tonnage decreased by 10 percent.
- The operating result amounted to SEK 4 M (5) and the underlying operating result to SEK 5 M (8).
- The loss after tax for the continuing operations was SEK 5 M (7) and from operations for sale was SEK 2 M (1).

BE Group's President and CEO, Kimmo Väkiparta, comments on the report:

“The second quarter developed largely in accordance with the pattern established previously. The reduction in tonnage compared with the year-earlier period is mainly attributable to our having chosen a higher margin over volume sales in Central Europe, and to Business Area Sweden being affected by a lower number of trading days. However, demand in the Swedish market continues to gradually improve, while Finland is showing largely unchanged volumes, despite a weak market.

The average sales price for the quarter was slightly higher than in the preceding quarter, mainly as a consequence of increased sales prices on stainless steel and a change in product mix. At the same time, the competitive situation, primarily for flat products, remains challenging, which has contributed to a somewhat lower gross margin. In parallel, the structural measures that we implemented in the Group last year have significantly improved our cost structure, affecting results for the period positively.

The outlook for the second half of the year is mainly positive. We expect somewhat improved demand in our principal markets. At the same time, our position as the largest independent player in the Swedish and Finnish markets is being strengthened as a consequence of the ongoing structural changes in the industry. Going forward, our focus will be on a high level of market activity and strengthening margins.”



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Today, at 09:00 a.m. CET, Kimmo Väkiparta and Andreas Karlsson 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. Make sure to include the full link.

<http://www.media-server.com/m/p/wv2kb7ia>

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

Sweden: +46 (0)8 505 56 474

UK: +44 (0)203 364 53 74

US: +1 855 753 22 30

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 July 16, 2014 at 07.45 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 2013, the Group reported sales of SEK 4.0 billion. BE Group has about 800 employees, 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)*