

## BE Group Q3 2015 – increased tonnage in Sweden and Finland, despite challenging market

- Consolidated net sales decreased by 3 percent compared with the same period last year, amounting to SEK 966 M (998).
- Shipped tonnage rose in both Business Area Sweden (up 9 percent) and Business Area Finland (up 3 percent).
- The underlying operating result improved to SEK 10 M (6).
- The operating result amounted to SEK -117 M (-3), affected by write-downs of assets of SEK 124 million.
- The result after tax was SEK -133 M (-16).
- Earnings per average number of shares amounted to SEK -0.51 (-0.22).

“We are growing more than the market in both Sweden and Finland. Business Area Sweden has succeeded best with a 9 percent increase in shipped tonnage. Our other principal market, Finland, is also growing in terms of tonnage.

The trend from the first half of the year, with stabilized demand in our main markets, continued in the third quarter. Demand in Sweden is stronger than in the Finnish market.

The underlying gross margin for the quarter improved to 13.2 percent compared with 12.5 percent for the corresponding period last year. The combination of increased volumes and improved margins also means that we can report an increase in underlying operating profit.

In Other Units, Lecor Stålteknik achieved a stronger quarter following a weak first half of the year. In the Czech Republic and Slovakia we are experiencing continued weak demand.

Based on the outcome of the three first quarters we have found that parts of our business will not reach the targets set for the year. Hence, we have made a new assessment of the development for the coming years. The overall conclusion is that write-downs of SEK 124 million had to be recognized. This is distributed on write-downs of goodwill in Lecor Stålteknik and BE Produktion Eskilstuna of SEK 54 million, write-down of shares in the Group’s joint venture ArcelorMittal BE Group SSC of SEK 50 million and write-down of tangible fixed assets in Czech Republic of SEK 20 million.



To sum up, we look back on a quarter in which, with no significant change in demand, we managed to increase volumes in our core markets. The demand during the fourth quarter is expected to remain on current levels as the third quarter adjusted for normal seasonal pattern. We remain focused on developing our customer relations while continuing to work to increase the competitiveness of our units.”

*Anders Martinsson, President & CEO*

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Today, at 9:00 a.m., Anders Martinsson and Andreas Karlsson will comment on developments in a press and analyst conference. 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://edge.media-server.com/m/p/e53as6pz>

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

Sweden: +46 8 505 564 74

UK: +44 20 336 453 74

US: +1 855 753 22 30

The information in this press release is such that BE Group AB (publ) is required to disclose pursuant to the Swedish Securities Markets Act and/or the Swedish Financial Instruments Trading Act. The information was released for publication on 22 October 2015 at 7.45 a.m. CET.

*BE Group, listed on the Nasdaq 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 2014, the Group reported sales of SEK 4.2 Bn. BE Group has approximately 750 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)*