



INTERIM REPORT JANUARY – MARCH 2008

Håkan Jeppsson, CEO
Torbjörn Clementz, CFO



BE GROUP

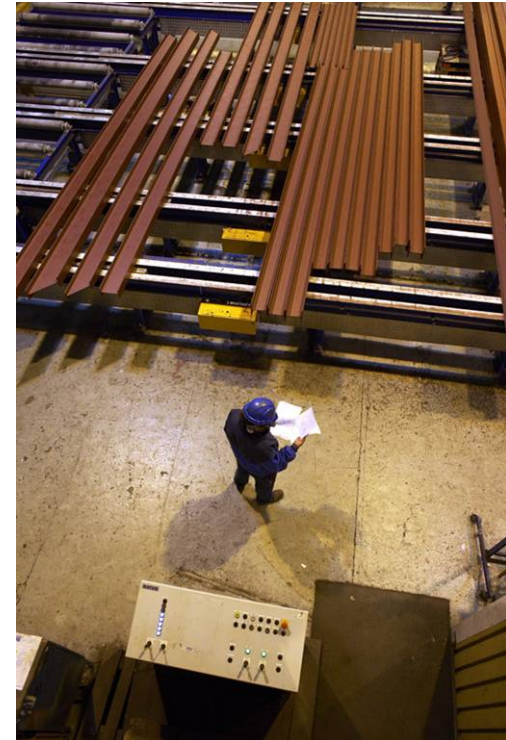
Financial summary Q1 2008

(MSEK)	Q1 2008	Q1 2007	Change, %	Q4 2007
Net sales	1,995	2,065	-3%	1,803
Operating profit (EBIT)	135	173	-22%	82
Profit after tax	93	126	-26%	54
Earnings / share	1.87	2.52	-7%	1.08
Dividend	3.50 ¹⁾	3.50		

¹⁾ Board proposal

Highlights Q1 2008

- Increased sales and margins compared to second half 2007
- Net sales decreased 3 % due to lower prices
- Strong growth in Central and Eastern Europe
- Tonnage from own sites increased 6 %
- Service volumes on highest level ever, 37 % of total
- Weak development for stainless steel
- Centralized Product supply
- Acquisition Czech Republic
- Joint venture with ArcelorMittal



Acquisition in Czech Republic

- Strengthens the market position
- Consolidated from January 2008
- Positive impact from combined operations on growth and profit
- Creation of platform in Czech Republic

Facts Czechprofil s.r.o.

- Net sales 166 MSEK 2007
- Distributed 26,000 tons 2007
- Flat and long products with service
- Three sites in eastern part
- 40 employees



Agreement with ArcelorMittal



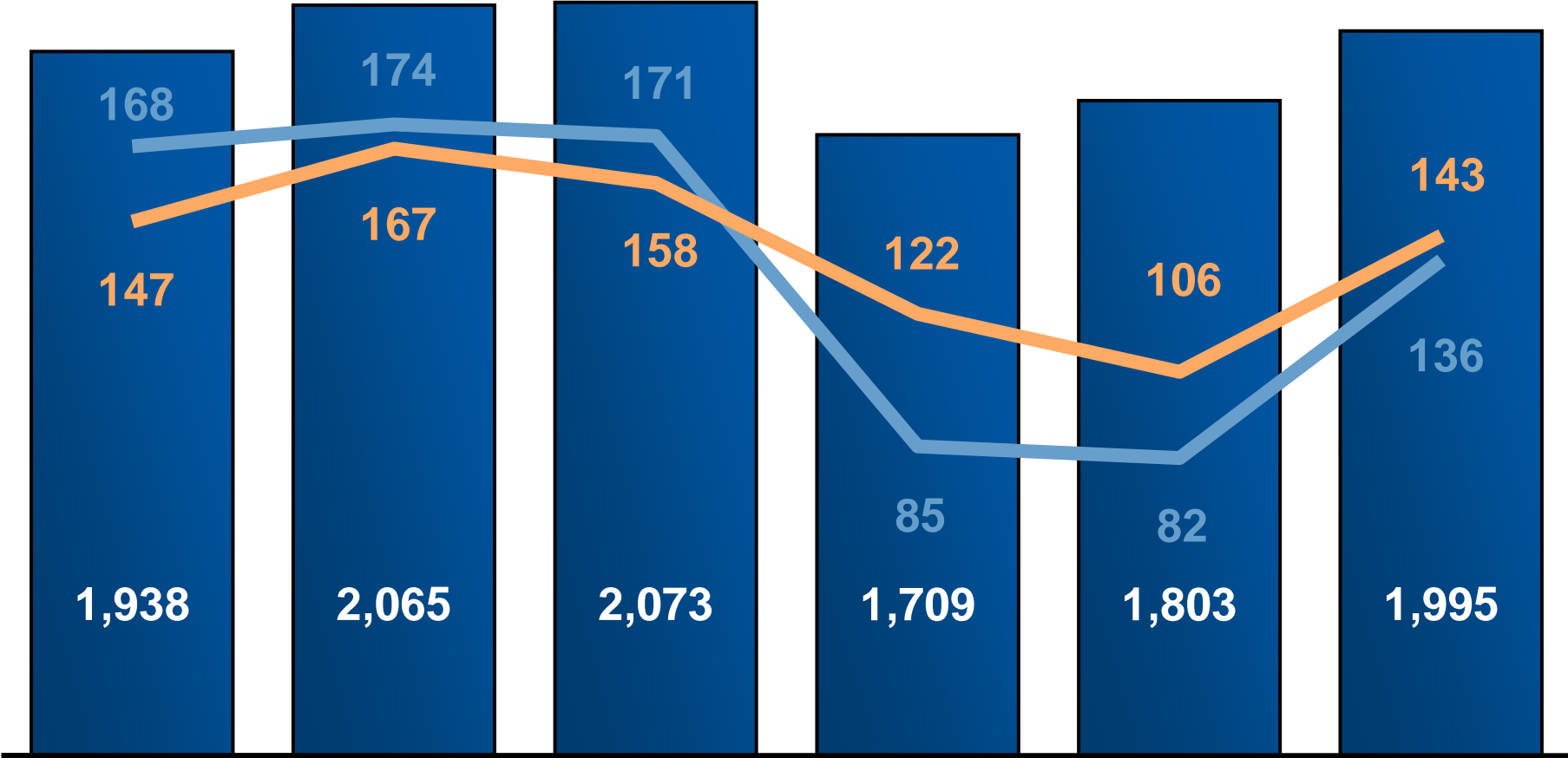
- Joint venture within the Swedish steel service centre market for thin sheets and coils
- BE Group acquires 50% of ArcelorMittal SSC AB in Karlstad
- Creates the third largest player with 800 MSEK in net sales
- To be treated as an associated company
- Substantial capital gain for BE Group
- Start up in beginning of June



Financial targets March 2008

	Target	Q1 2008 R12
Underlying growth	>5%	neg
Underlying EBITA-margin	>6%	7.0%
Underlying ROOC	>40%	56.6%
Net debt/Equity	<150%	66.2%
Net debt/Underlying EBITDA	<3 times	1.1 times

EBITA development



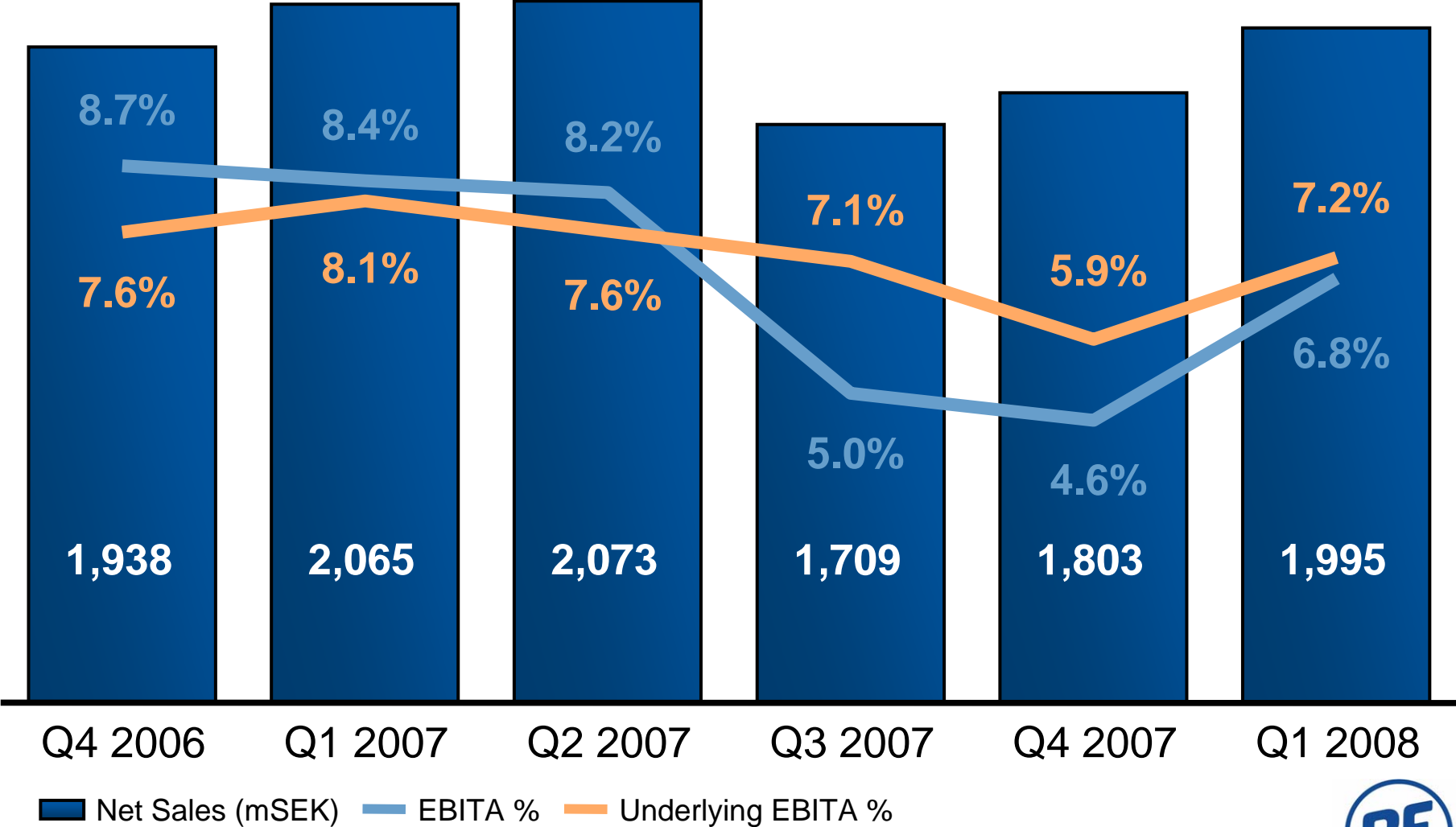
Q4 2006 Q1 2007 Q2 2007 Q3 2007 Q4 2007 Q1 2008

Net Sales (mSEK) EBITA Underlying EBITA

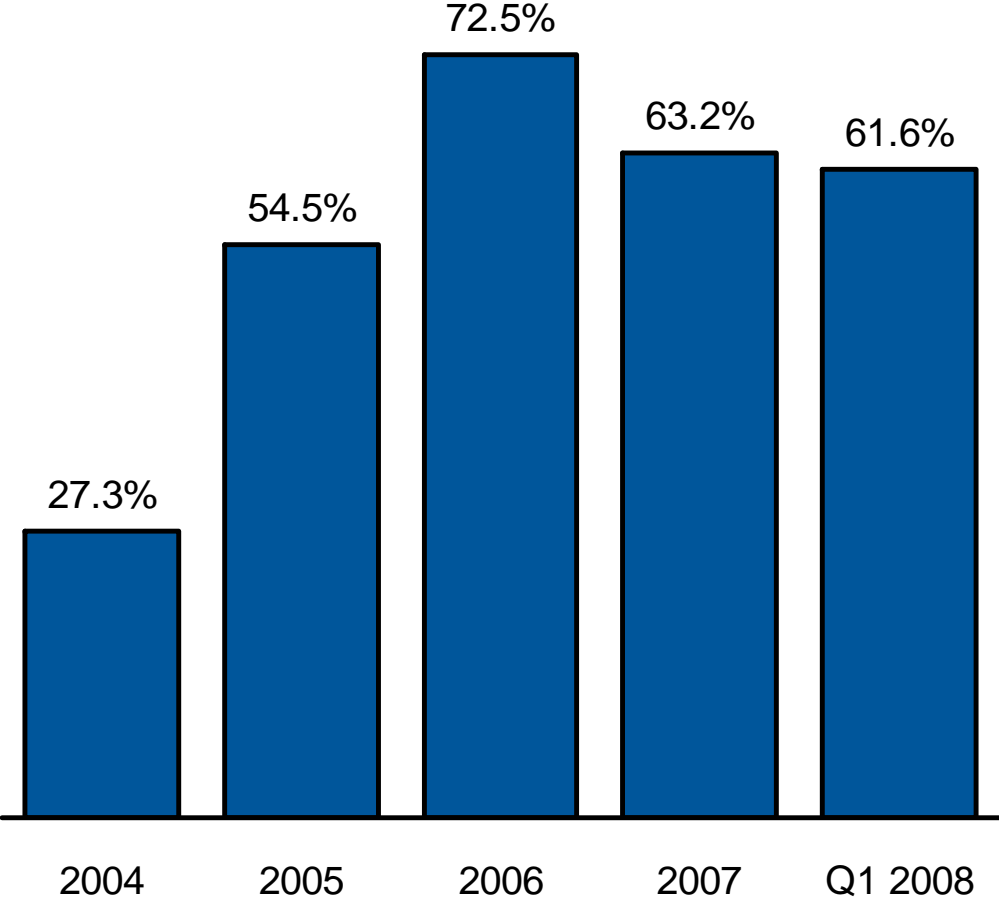


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Development EBITA-margin



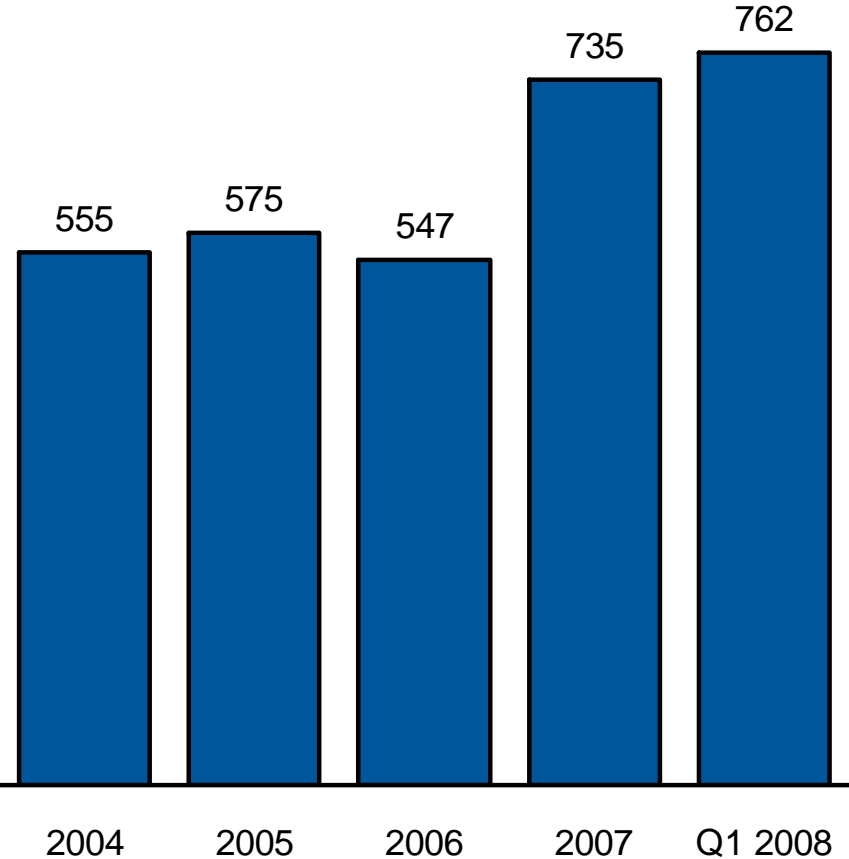
Stable high underlying return on operating capital



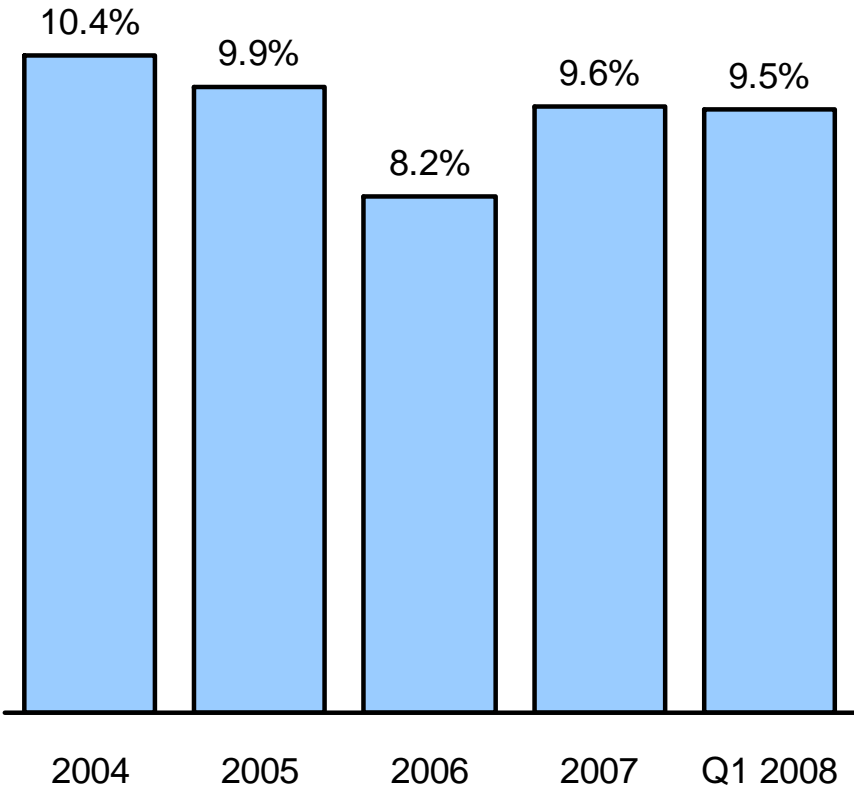
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Working capital affected by acquisition

Average Net Working Capital (MSEK)



Average Net Working Capital / Sales



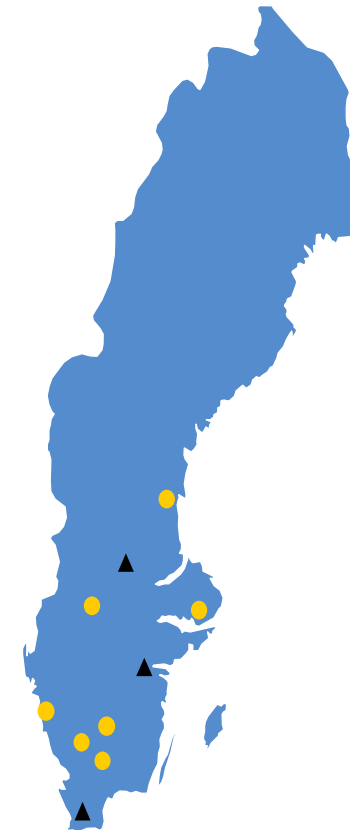
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BUSINESS AREAS

Business area Sweden - highlights

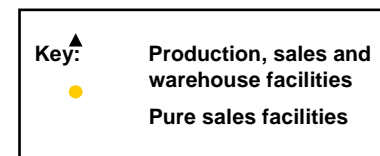
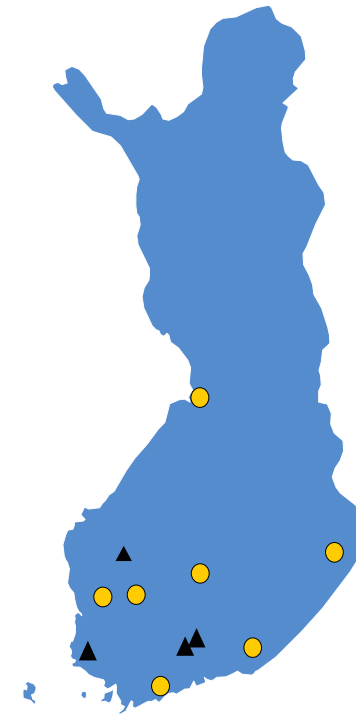
- Recovery compared to Q4
- Negative sales development in direct channel
- Positive change in sales mix compensates lower tonnage during Q1
- Underlying margin remains on high level
- Joint venture with ArcelorMittal



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Business area Finland - highlights

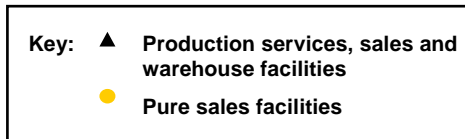
- Increased sales compared to Q4 2007
- Weak recovery for stainless
- Strong demand for production services, 47 % of total tonnage
- Improved underlying EBITA margin
- Production in Lapua service workshop started successfully



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Business area CEE - highlights

- Strong net sales growth of 46 %
- Acquisition in Czech Republic
- Strong demand in Central Europe
- Contribution margins not satisfying
- Focus on further acquisitions
- Increase in service sales from low level



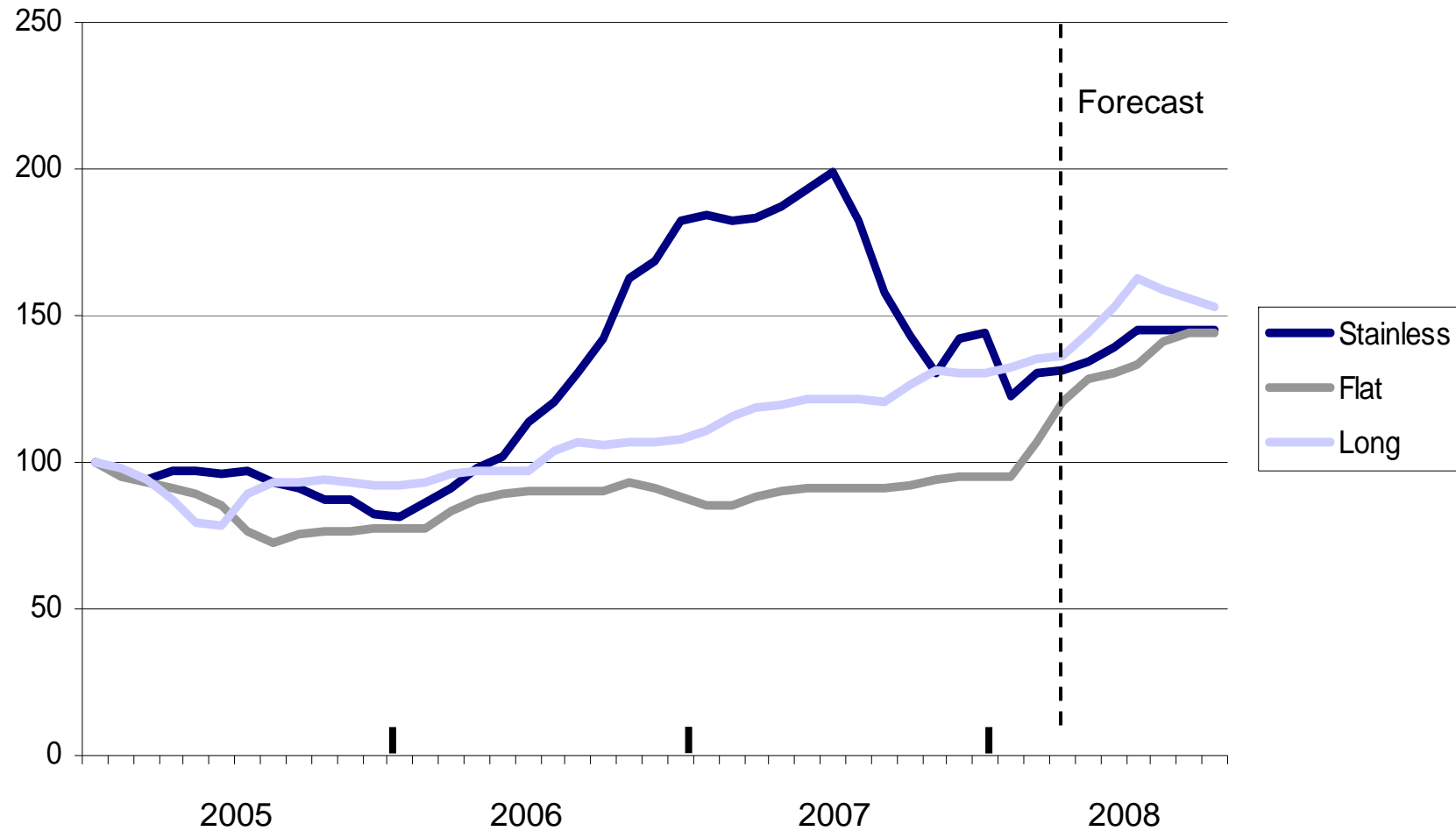
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Market outlook

- Continued strong global steel market
- Higher prices for Q2. Further increases possible.
- Strong markets in Eastern and Central Europe
- Stable development in Finland
- Healthy Swedish market with some uncertainty
- Recovery of stainless steel slower than anticipated



European market prices



Index, 2005=100



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Going forward in 2008

- Looking for continued growth through
 - Acquisitions
 - Initiatives to generate organic growth
- Service development highly focused
- Coordinating BE Group further into ONE Group
- Continued focus on underlying performance
- Start up joint venture ArcelorMittal





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BE STRONGER WITH BE



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