



YEAR-END REPORT 2007

*Håkan Jeppsson, CEO
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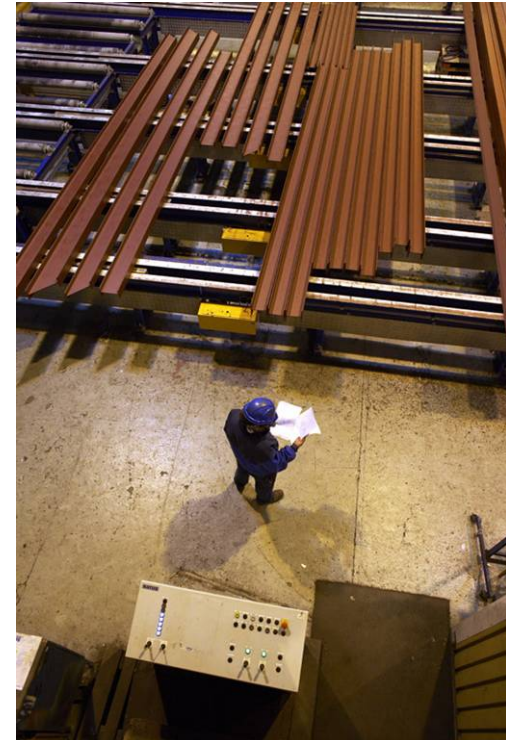
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Highlights Q4 2007

- Net sales decreased 7 % due to lower tonnage
- Lower operational profit
 - Lower tonnage
 - Inventory losses
- Service volumes on highest level ever, 34 % of total
- Strong cash flow due to inventory reductions
- New Business area manager appointed in Sweden
- Acquisition Czech Republic
- Agreement with ArcelorMittal to form a joint venture



Stainless steel effect 53 MSEK



Financial summary Q4 2007

<i>(MSEK)</i>	2007	2006	Change
Net Sales	1,803	1,938	-7%
Operating Profit (EBIT)	82	167	-51%
Profit After Tax (EAT)	54	125	-57%
Earnings/share	1.08	2.50	-57%
Proposed dividend	3.50		

Highlights full year 2007

- Net sales increased 14 %
- Second best year ever
- Underlying profit substantially higher than last year
- Big impact from stainless steel alloy surcharge
- Increased competition during Q3-Q4
 - Bigger inventory
 - Slightly weaker demand
- Strong growth in Central and Eastern Europe
- Stronger competition for acquisitions



Financial summary full year 2007

<i>(MSEK)</i>	2007	2006	Change
Net Sales	7,650	6,681	+15%
Operating Profit (EBIT)	510	550	-7%
Profit After Tax (EAT)	353	395	-11%
Earnings/share	7.06	7.60	-7%
Paid Dividend	3.50		
Proposed Dividend 2008	3.50		

Acquisition in Czech Republic

- Czechprofil s.r.o.
- Head office in Uherske Hradiste. Warehouse in Prerov
- Distribution and service business
- Estimated net sales 2006 of 140 MSEK with tonnage 25,000
- Consolidated from January 2008
- Positive impact on growth and profit
- Creation of platform in Czech Republic

Agreement with ArcelorMittal



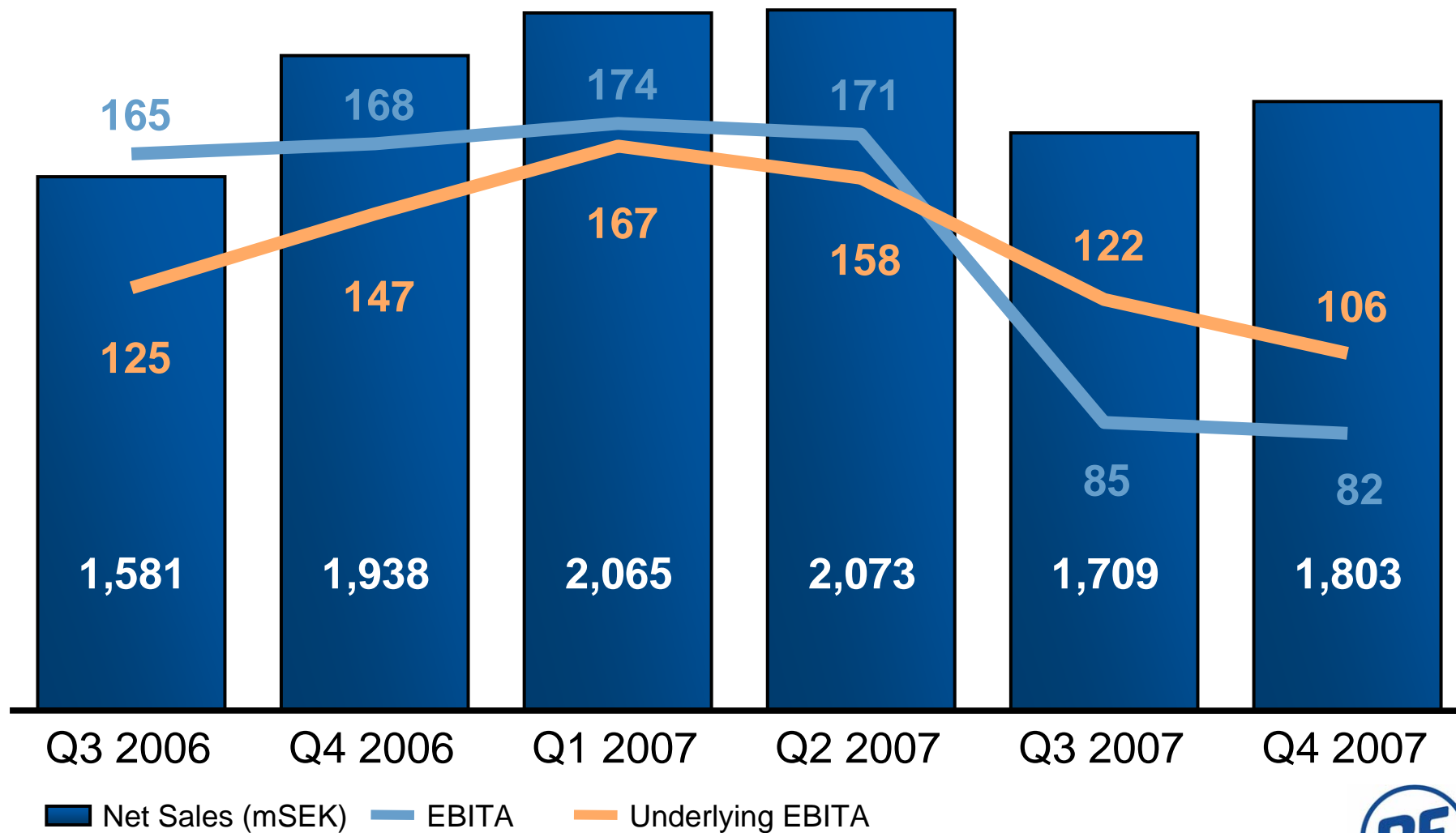
- Agreement in January
- Joint venture within the Swedish steel service centre market for thin sheets and coils
- BE Group acquires 50% of ArcelorMittal SSC AB in Karlstad
- Creates the third largest player on the market with 800 MSEK in net sales
- To be treated as an associated company
- Capital gain of 50 MSEK for BE Group
- Subject to compliance from the Competition Authorities



Financial targets 2007

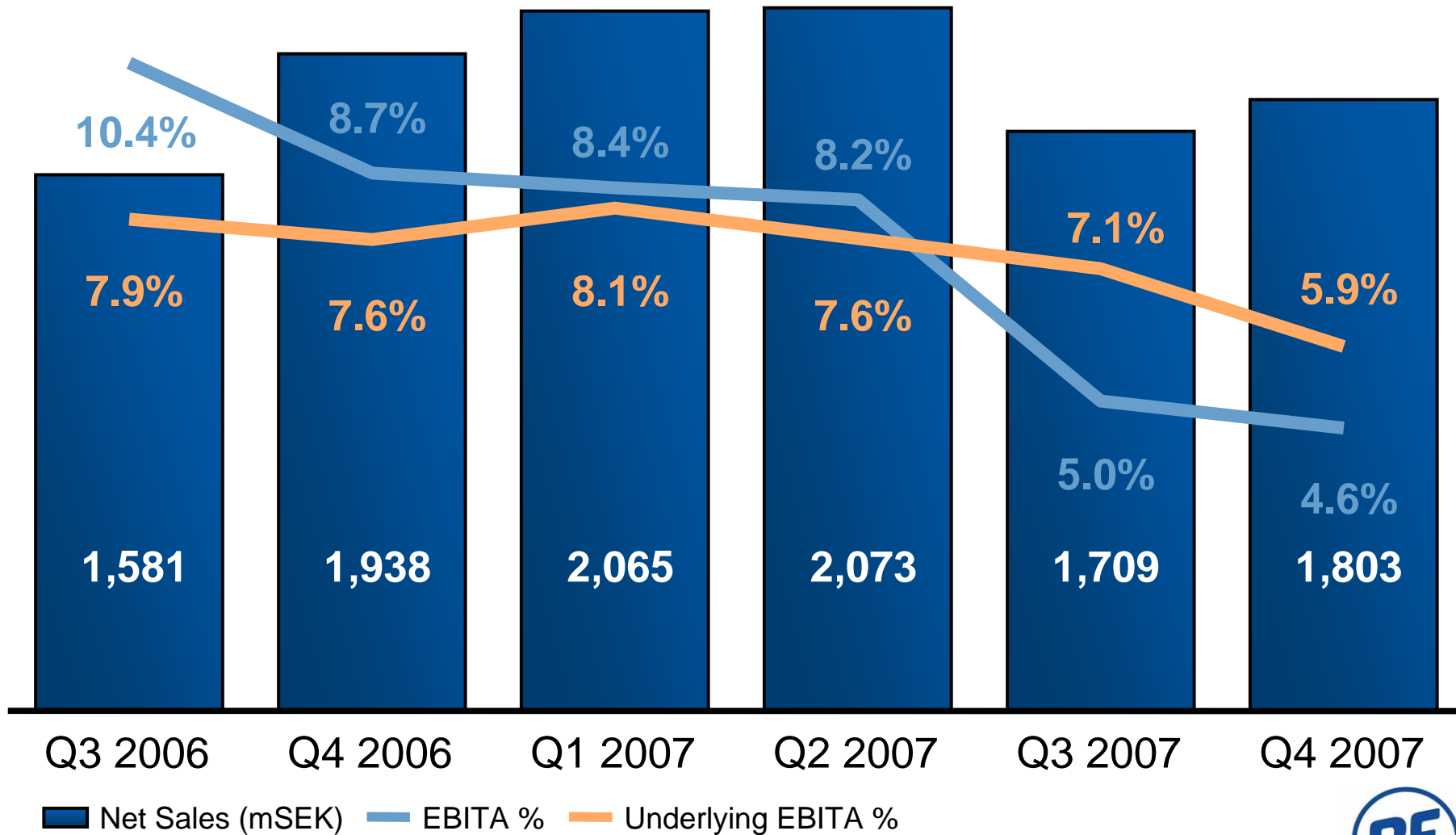
	TARGET	ACTUAL 2007
Underlying growth	>5%	1.1%
Underlying EBITA-margin	>6%	7.2%
Underlying ROOC	>40%	63.2%
Net debt/equity	<150%	69.8%
Net DEBT/underlying EBITDA	<3 times	1.0 times

BE Group – Quarterly development EBITA



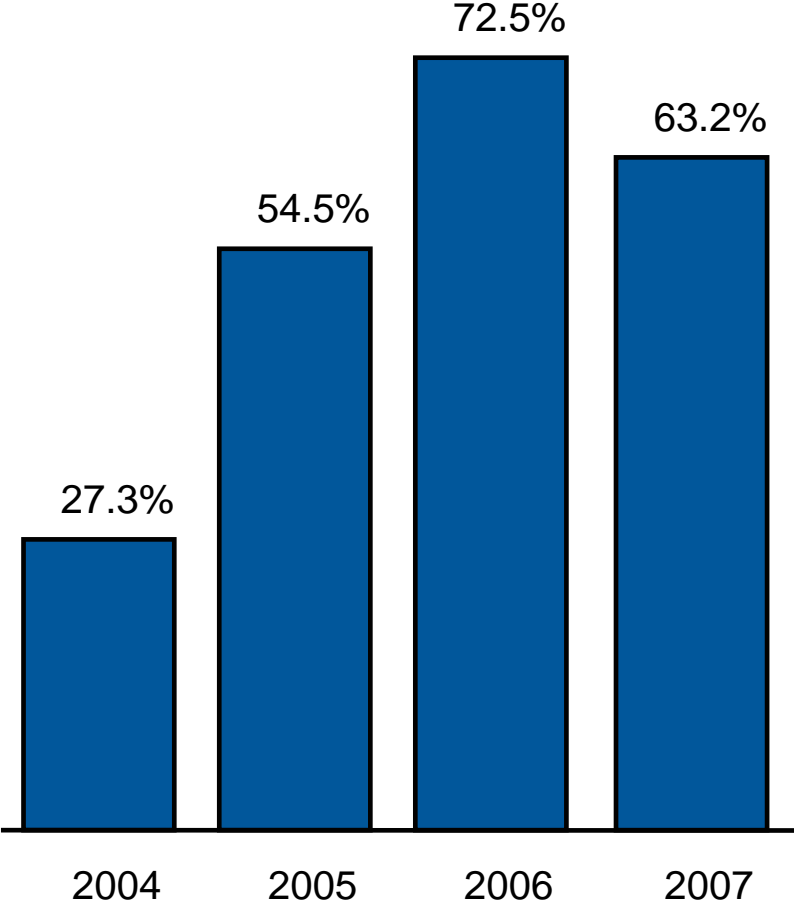
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BE Group – Quarterly development EBITA-margin



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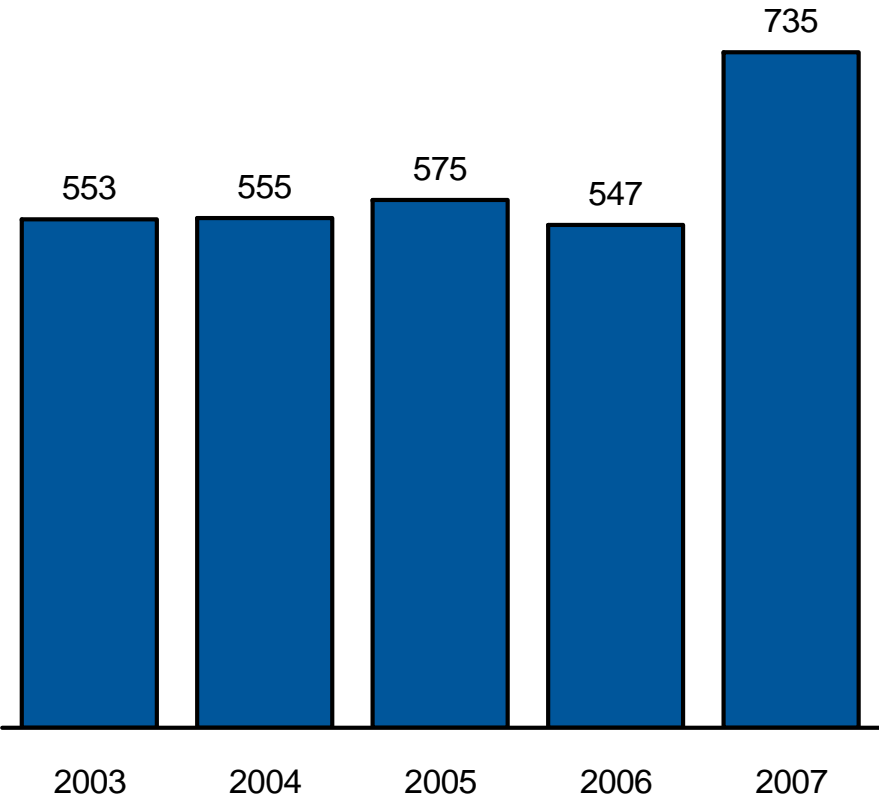
Underlying return on operating capital



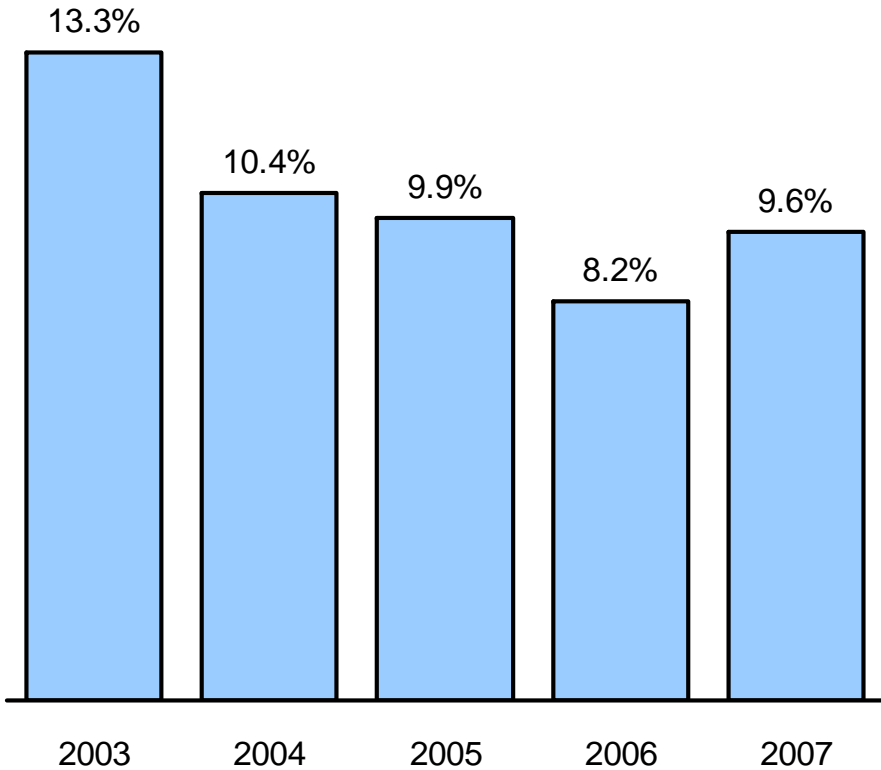
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Working capital affected by higher inventory levels

Average Net Working Capital (MSEK)



Average Net Working Capital / Sales



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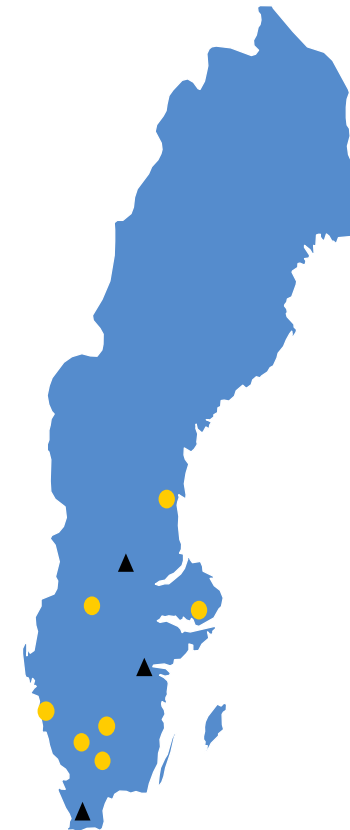


BUSINESS AREAS



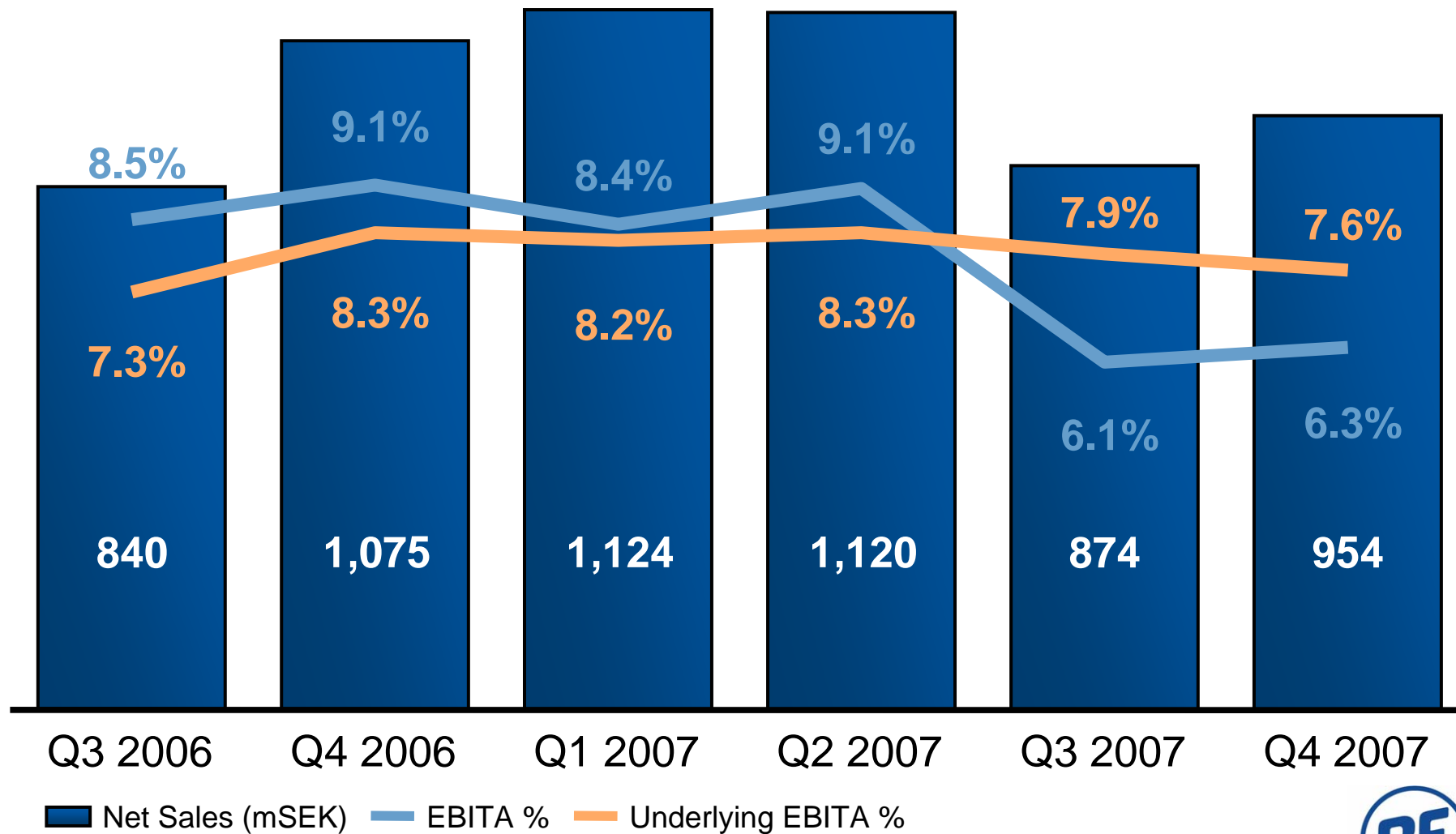
Business area Sweden - highlights

- All time high 2007
- Positive change in sales mix compensates lower tonnage during Q4
- Margin pressure due to alloy surcharges
- Underlying margin remains on high level
- Successful cost decreases
- JV with ArcelorMittal in SSC market
- Appointment of new Business area manager



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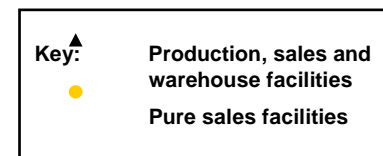
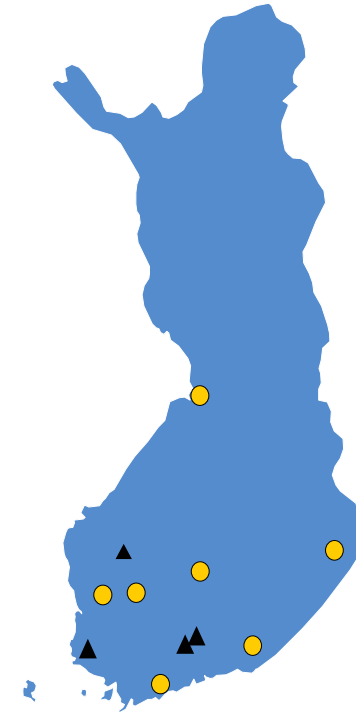
Business area Sweden – quarterly development



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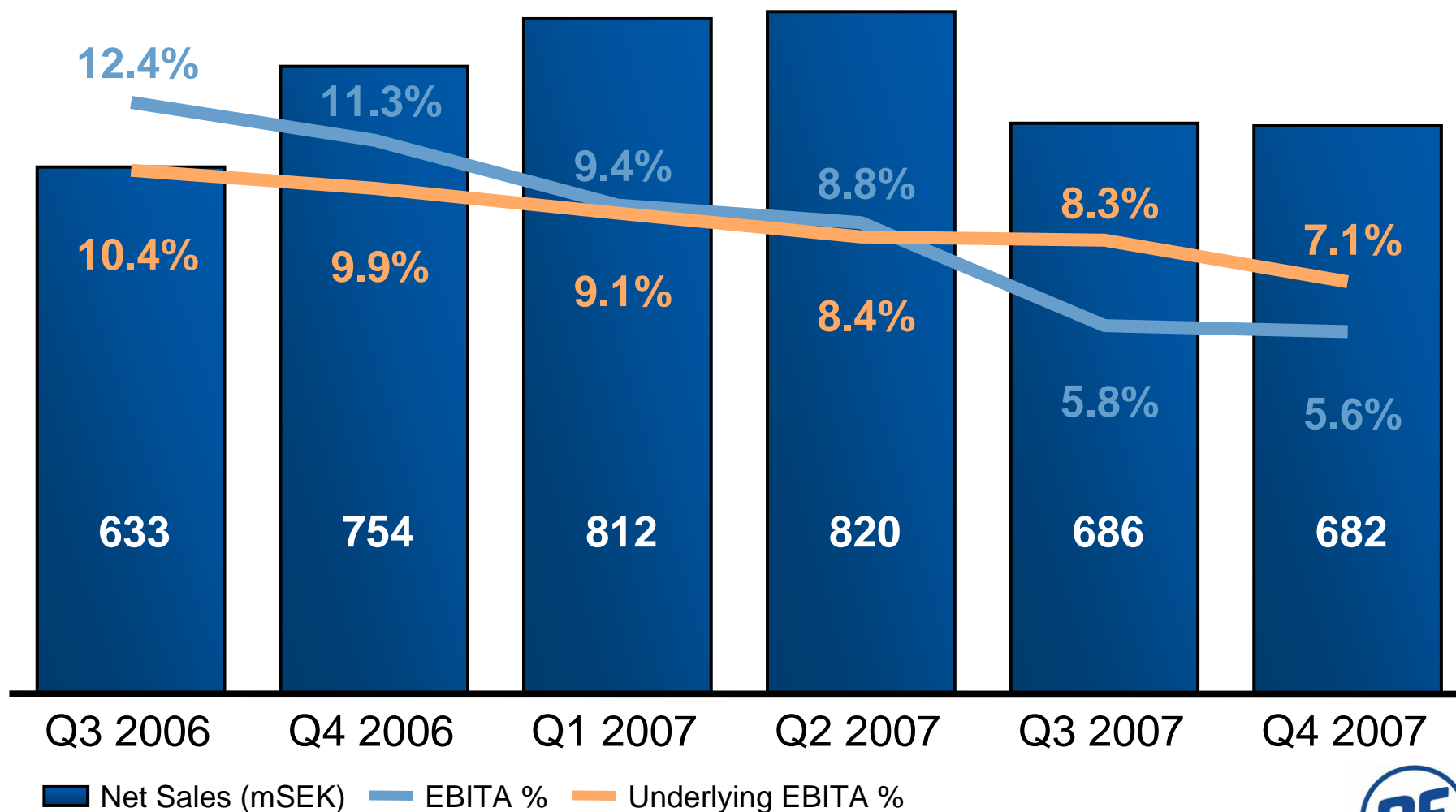
Business area Finland - highlights

- Strong market
- Growth in net sales for full year due to higher prices
- Healthy demand for production services
- Lower profit margins than in 2006 mainly due to margin pressure on stainless steel
- Investment in Lapua service workshop finalized



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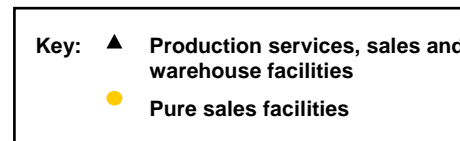
Business area Finland – quarterly development



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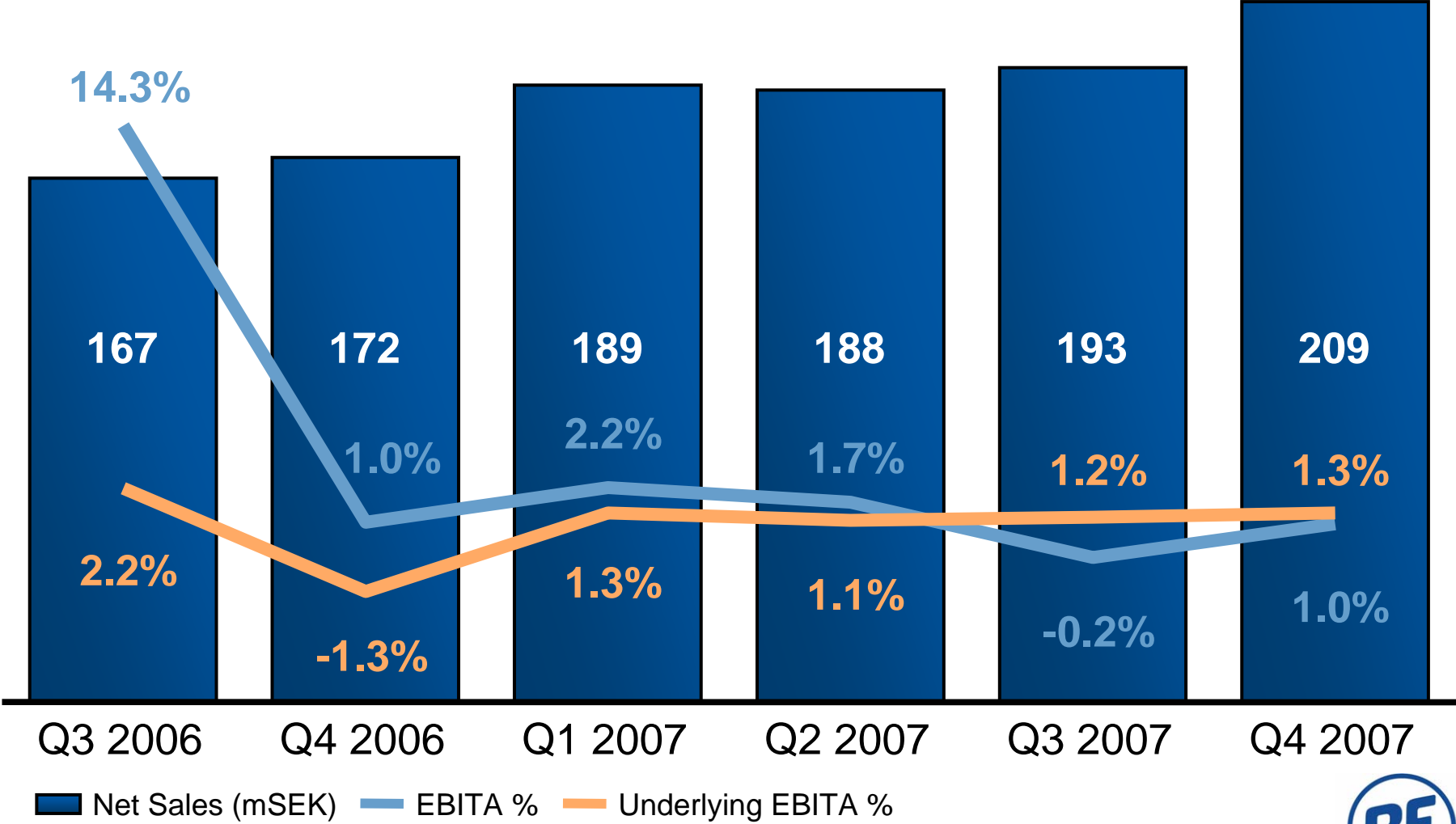
Business area CEE - highlights

- Acquisition in Czech Republic
- Market demand and growth still strong
- Critical mass needed for improved profitability
- Increase in service sales from low level
- Acquisition strategy still valid



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Business area CEE – quarterly development



Market outlook

- Continued strong global steel market with relatively high prices
- Strong markets in Eastern and Central Europe
- Some uncertainty for Sweden and Finland
- Slight decrease in carbon steel prices in Q1
- Lower stainless prices and alloy surcharges during beginning of Q1



Going forward in 2008

- Looking for continued growth
 - Acquisitions
 - Organic
- Service development highly focused
- Coordinating BE Group further into ONE Group
- Continued focus on underlying performance
- Integrate acquisition
 - Czechprofil
 - JV ArcelorMittal



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APPENDIX FINANCIAL INFORMATION

Appendix: EBITA-development Q4 compared to last year

OPERATING PROFIT Q4 2006	167
Reversal of amortization of intangible assets	+1
EBITA Q4 2006	168
Exceptional items	+3
Adjustment for inventory gains Q4 2006	-24
Underlying EBITA Q4 2006	147
Changes in volume, price, mix and gross margin	-47
Changes in overhead cost etc	+6
Underlying EBITA Q4 2007	106
Exceptional items	0
Adjustment for inventory losses Q4 2007	-24
EBITA Q4 2007	82
Less amortization of intangible assets	-0
OPERATING PROFIT Q4 2007	82



Appendix: Sensitivity Analysis I

	Change in underlying EBITA (MSEK)
+/- 5% in Volume	+/-70
+/- 5% in Average steel price	+/-58
+/- 5% in Selling and Administration Cost	-/+18
+/- 5% in SEK/EUR exchange rate	-/+34
+/- 10% in Alloy surcharge	+/-4

Appendix: Financial Summary

	2006				2007				2006	2007
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	YTD	YTD
Volume	149.3	155.4	141.4	164.0	169.5	162.3	134.9	150.4	610.2	617.1
Net Sales	1,542	1,621	1,581	1,938	2,065	2,073	1,709	1,803	6,681	7,650
EBITA	89	130	165	168	174	171	85	82	552	512
<i>% of Sales</i>	5.8%	8.0%	10.4%	8.7%	8.4%	8.2%	5.0%	4.6%	8.3%	6.7%
Underlying EBITA	95	107	125	147	167	158	122	106	474	552
<i>% of Sales</i>	6.2%	6.6%	7.9%	7.6%	8.1%	7.6%	7.1%	5.9%	7.1%	7.2%
Profit	63	88	118	125	126	118	55	54	395	353
Earnings/share¹	1.20	1.69	2.25	2.50	2.52	2.36	1.10	1.08	7.60	7.06
Cash flow	-50	52	-66	156	2	-152	-117	229	92	-38
Operating Capital²	585	663	711	713	743	856	995	991	654	874
Underlying ROOC	65.1%	64.2%	70.3%	82.5%	89.9%	73.6%	48.9%	42.7%	72.5%	63.2%

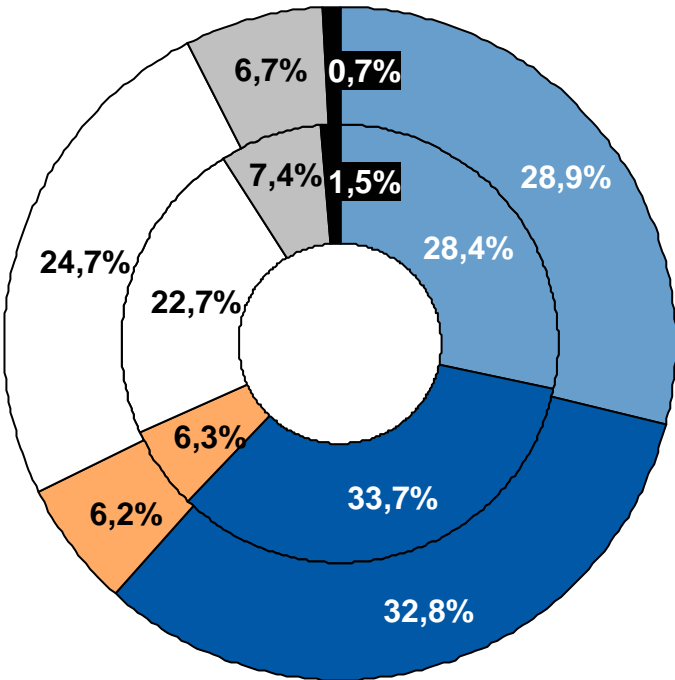
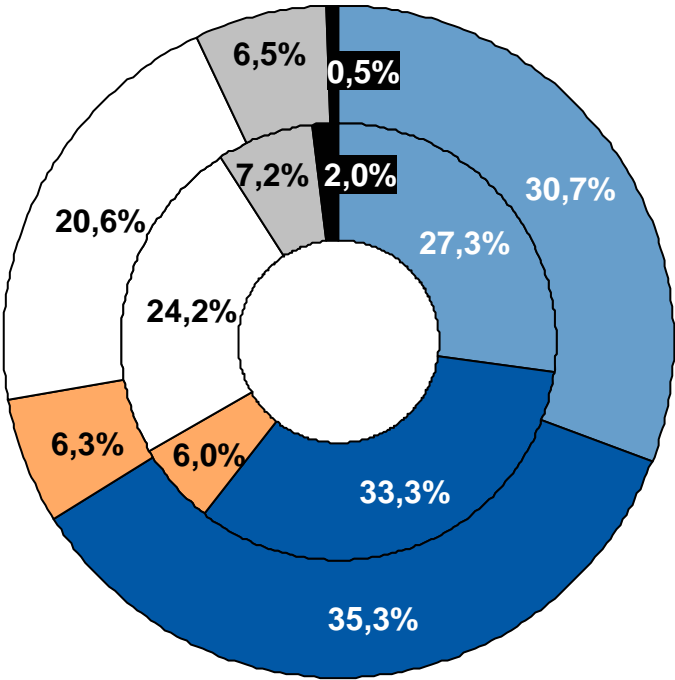
¹ Earnings per share after dilution

² Average Operating Capital excluding intangible assets

Appendix: Sales per Product Area

Q4 06/07

Full year 06/07



- Long Steel
- Reinforcement steel
- Aluminium
- Flat Steel
- Stainless steel
- Other

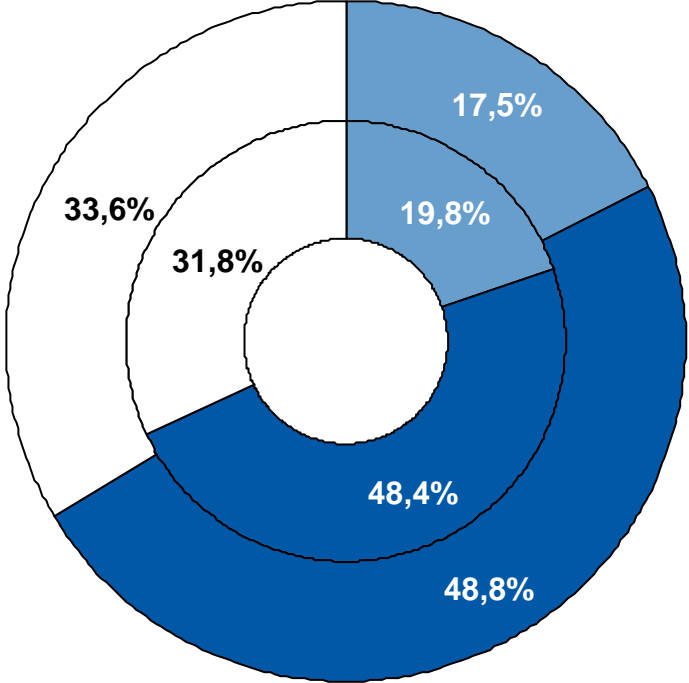
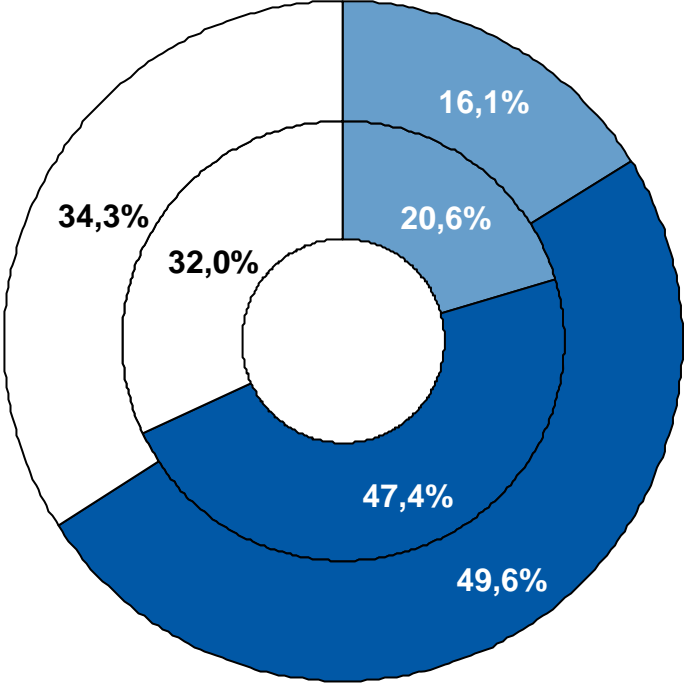


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Appendix: Tonnes per sales channel

Q4 06/07

Full year 06/07



Direct Channel
 Stock Channel
 Service Channel



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BE STRONGER WITH BE



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