



Press Release

February 5, 2009

BE Group improves full-year earnings despite profitability dip in the fourth quarter

BE Group's sales declined in the fourth quarter due to sharply weaker demand. Despite the slowdown, full-year earnings for 2008 outperformed 2007 and the year was one of the best in BE Group's history.

- Net sales declined by 6.6% in the fourth quarter compared to Q4 2007, to SEK 1,683M (1,803), due to lower tonnage. Net sales for the full year increased by 0.8% to SEK 7,713M (7,650).
- BE Group is reporting an operating loss of SEK 16M (82) in the fourth quarter owing to weaker demand and exceptional items of SEK 18M (-) charged against profit. Operating profit for the full year rose by 4.4% to SEK 532M (510).
- Underlying EBITA was SEK 35M (106) and the underlying EBITA margin was 2.1% (5.9). For the full year, underlying EBITA decreased by 16.8% to SEK 459M (552) and the underlying EBITA margin decreased to 6.0% (7.2).
- Earnings per share for the full year increased to SEK 7.58 (7.06), while underlying earnings per share declined to SEK 6.17 (7.58).
- A cost savings programme has been implemented to lower total annual costs by approximately SEK 100M within 12-15 months. The programme also includes a decision to discontinue operations in St Petersburg, Russia.
- After the end of the year, Lars Bergström was appointed the new president and CEO of BE Group, effective spring 2009.
- Proposed dividend to shareholders of SEK 1.00 per share (3.50).

BE Group President and Chief Executive Officer Håkan Jeppsson's remarks on the report:

"BE Group skilfully managed the difficult market situation in autumn, which brought price pressure and lower demand. We have resisted the price downturns and earnings did not suffer the full impact of the volatility in the steel price trend. As a result, BE Group has, despite all, delivered good quarterly results under the circumstances and excellent performance for the full year, with operating profit among the highest in the Group's history."



“Through the acquisitions of Ferram Steel and Czechprofil in the Czech Republic, BE Group has significantly strengthened its market position in Central and Eastern Europe and solidified its status as an industry leader in Europe.”

“BE Group is forecasting weak development in 2009 with poorer demand and lower margins than in 2008. Growth should continue in Central and Eastern Europe, buoyed by the acquisitions carried out in 2008. Having responded to the weaker market trend by initiating a cost savings programme and reducing working capital, BE Group is thoroughly prepared for future developments, whatever they may be.”

“BE Group’s strategy to increase the service component of sales remains firm. Over the next few years, BE Group will continue strengthening its skills in production service to become more competitive and offer customers even more cost-effective services. Another key task will be to carry out strategic acquisitions, and the effort to identify acquisition opportunities is ongoing.”

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A press conference in English will be held at 9:00 a.m. for the press and market analysts. The conference may be followed by phone or via webcast (see information below). Hosts of the press conference: CEO Håkan Jeppsson and CFO Torbjörn Clementz, BE Group.

If you wish to participate via webcast and/or ask questions at the press conference, please follow the link provided to register online.

<http://wcc.webeventservices.com/view/wl/r.htm?e=133053&s=1&k=F62BABBEDDEEC82F5089E04BBFA43080>

Those who do not have access to the Internet may register by phone on
+46 (0)8 5052 0110 a few minutes before the conference begins.

The information presented here is such that BE Group AB (publ) is required to publish pursuant to the Swedish Securities Markets Act and/or the Swedish Financial Instruments Trading Act. The information was released for publication on February 5, 2009 at 7.30 a.m. CET.

BE Group AB (publ), listed on the OMX Nordic Exchange, Stockholm since November 2006, is one of the leading trading and service companies within steel and other metals in Europe. The company has about 10,000 customers, primarily within the construction and engineering industries. BE Group provides service in the steel, stainless steel and aluminium sectors. The company’s sales in 2008 were SEK 7.7 billion. BE Group has more than 1,000 employees in ten countries in northern Europe, where Sweden and Finland are its largest markets. The head office is in Malmö, Sweden. For more information, you are invited to visit us online at www.begroup.com.