

Stabilized demand and positive cash flow

- Stabilized demand in Sweden in the fourth quarter and continued recovery in Central and Eastern Europe, while Finland's market situation remained weak.
- In the fourth quarter, net sales declined by 40 percent to SEK 1,011M (1,683). Shipped tonnage decreased by 18 percent.
- The operating result for the quarter deteriorated to a loss of SEK 33M (16) and underlying EBITA amounted to SEK 9M (35).
- Working capital was reduced by a further SEK 108M, contributing to continued positive cash flow during the quarter.
- Cost savings implemented in 2009 resulted in total savings of SEK 170M, of which SEK 50M during the fourth quarter. Additional savings of SEK 25M were decided at the end of 2009. The quarter was burdened with nonrecurring costs of SEK 8M.
- The Board of Directors proposes to the Annual General Meeting that no dividend be paid for the 2009 financial year (SEK 1.00).

BE Group's President and CEO Lars Bergström made the following comments regarding the report:

"In the fourth quarter, we saw demand stabilize and shipped tonnage increase by 13 percent compared with the third quarter. It was disappointing that steel prices came under pressure towards the end of the quarter as a result of increased supply driven by intensified production in the steel industry.

BE Group has implemented a comprehensive cost savings program that was gradually extended during 2009, and costs were reduced with SEK 170M. To further reduce the sustained cost level, we have initiated complementary savings measures estimated to produce savings of SEK 25M effective from 2011.

Our focus on reducing working capital continued to be successful in the fourth quarter. Cash flow amounted to SEK 70M (154) before changes in net debt, resulting in working capital of 13 percent during the fourth quarter.

We believe purchase prices – and consequently BE Group's sales prices – will increase during the latter part of the first quarter and subsequent follow an upward trend. The level of activity among our customers in Sweden and Finland rose in January and the level of bid requests is now higher than at the end of the fourth quarter, leading us to expect an improved demand situation during the coming months."



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A press conference hosted by Lars Bergström and Torbjörn Clementz will be held in English at 9:00 a.m. for the press and market analysts. 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://wcc.webeventservices.com/view/wl/r.htm?e=190385&s=1&k=98CEB6993AF9EC06AE529A38CCD4AF29&cb=blank>

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 in this report 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. The information was released for publication on February 10, 2010 at 7:30 a.m.

BE Group, listed on the Nasdaq OMX Stockholm since November 2006, is one of the leading trading and service companies for steel and other metals in Europe. The Group has about 10,000 customers, primarily in the construction and engineering industries. BE Group provides various forms of service for steel, stainless steel and aluminum applications. In 2009, the company reported sales totaling SEK 4.3 billion. BE Group has about 900 employees in ten countries in northern Europe, where Sweden and Finland are its largest markets. The head office is located in Malmö, Sweden. Read more about BE Group at www.begroup.com.