



Press release

April 25, 2014

## **BE Group Q1 2014 – improved earnings and signs of improved demand**

- Net sales fell by 3 percent compared with the preceding year, amounting to SEK 1,003 M (1,032). Shipped tonnage decreased by 4 percent.
- The operating result improved to SEK 12 M (loss 17) and the underlying operating result improved to SEK 16 M (14).
- In the first quarter, a rights issue with preferential rights for existing shareholders was completed. The rights issue was oversubscribed by 70 percent and raised SEK 154 M for BE Group after transaction costs. In addition, BE Group signed a new three year credit agreement with a total facility of SEK 1,250 M.

The President and CEO of BE Group, Kimmo Väkiparta, comments on the report:

“The first quarter of 2014 offered no surprises. The improvement in demand that we foresaw in late 2013 began to appear towards the end of the quarter, and both net sales and shipped tonnage are relatively stable. It is also positive that shipments from our own facilities have increased.

On the cost side, it is clear that our efforts have been successful. The cutbacks in the labor force have now reached their full impact on earnings, and together with other structural measures, this is having an effect on competitiveness and margins. At the same time, an oversubscribed rights issue and the new credit facility are contributing to a stronger financial position.

The combination of positive signals regarding demand and a competitive cost structure gives us a favorable leverage going forward. Our position as solutions-focused and independent steel service company with a broad offering of value-adding services is appreciated by both customers and suppliers.

Signals among customers indicate improving demand in 2014, and we therefore expect continued recovery in demand compared with the first quarter. The indications from the Swedish market are particularly positive. Here we also see interesting opportunities for new business due to upcoming structural changes in the sector.”



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Today, at 08:30 a.m. CET, Kimmo Väkiparta and Torbjörn Clementz will comment on development at a conference with market analysts and the press. 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://www.media-server.com/m/p/wqqj3enm>

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

Sweden: +46 (0)8 505 56 474

UK: +44 (0)203 364 53 74

US: +1 855 753 22 30

The information disclosed here 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. This information was submitted for publication on April 25, 2014 at 07.30 a.m. CET.

*BE Group, listed on the NASDAQ OMX 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 2013, the Group reported sales of SEK 4.0 Bn. BE Group has approximately 800 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)*