

## **BE Group Year-End Report 2018 – Improved result and cash flow during the fourth quarter, the Board of Directors proposes dividend of SEK 1.75 per share**

### **Fourth quarter**

- Net sales increased by 5% to SEK 1,154 M (1,095).
- The underlying operating result increased to SEK 17 M (9).
- The operating result increased to SEK 22 M (5), including items affecting comparability of SEK 4 M (-10).
- Result after tax increased to SEK 11 M (-5).
- Cash flow from operating activities increased to SEK 80 M (10).
- Earnings per share increased to SEK 0.83 (-0.40).

### **Statement from the CEO**

The business continued to deliver growth and improved profitability in the fourth quarter. Net sales increased by 5 percent and the result improved significantly, mainly driven by tonnage growth and improved profitability in the production businesses in Sweden and Poland and despite temporarily increased production and material cost in the Finnish business. The distribution businesses in our main markets are doing better and we see that our focus on improvement activities is having an effect.

The steel prices stabilized in line with the previous quarter which resulted in lower inventory gains compared to last year. Altogether, the operating result increased and it was positive that the cash flow from operating activities recovered as expected after the relatively weak development in the first three quarters. As a result, the balance sheet is increasingly stronger and the net debt/equity ratio has decreased to 49 percent (60).

### *Tonnage and sales growth*

Demand in our main markets remains satisfying. During the quarter, we had tonnage growth in business area Sweden & Poland while Finland & Baltics was in line with last year.

For the full-year, we have seen a similar trend where growth primarily comes from business area Sweden & Poland while Finland & Baltics remains at the same level as in 2017. For the full year, the Group shows a total sales growth of 10 percent.

### *Outlook*

Demand in the next quarter is expected to remain strong in the company's main markets while steel prices stay on the same level as those seen in the fourth quarter. Continued cost control and improvement measures are expected to continue to strengthen the Group's profitability.

*Anders Martinsson, President and CEO*



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On January 31, 2019, at 9:00 am, Anders Martinsson and Daniel Fäldt will comment on developments in a press and analyst conference. 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. Please be certain to copy the full link.

<https://edge.media-server.com/m6/p/vo9hdpy8>

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

Sweden:	+46 8 505 564 74
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*BE Group, which is listed on the Nasdaq Stockholm exchange, is a trading and service company in steel, stainless steel and aluminium. BE Group offers efficient distribution and value-adding production services to customers primarily in the construction and engineering sectors. In 2018, the Group reported sales of SEK 4.8 billion. BE Group has approximately 670 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).*