



BE GROUP

BE Group AB (publ)

Interim report January-September 2011

Malmö, October 27, 2011

THIRD QUARTER 2011

- Net sales rose by 12 percent compared with the year-earlier period, amounting to SEK 1,420 M (1,273). Shipped tonnage rose by 13 percent.
- The operating result decreased to SEK 4 M (48) as a consequence of higher costs, inventory losses and negative currency effects. The underlying operating result¹⁾ amounted to SEK 23 M (32).
- The loss after tax was SEK 10 M (profit 26).
- Earnings per share²⁾ amounted to a loss of SEK 0.20 (profit 0.52) and underlying earnings per share²⁾ to SEK 0.09 (0.29).
- Following the end of the reporting period, profitability improvement measures have been adopted for all business areas. These measures will entail annual cost savings in the region of SEK 50 M. The non-recurring costs are calculated at SEK 25 M and will be charged against earnings for the fourth quarter.

THE FIRST NINE MONTHS OF 2011

- Net sales amounted to SEK 4,536 M (3,746), with shipped tonnage rising by 14 percent.
- The operating result improved to SEK 115 M (106) and the underlying operating result¹⁾ improved to SEK 113 M (68).
- The result after tax amounted to SEK 57 M (47).
- Earnings per share²⁾ rose to SEK 1.15 (0.95) and underlying earnings per share²⁾ to SEK 1.14 (0.37).
- The acquisition of RTS Produktion and other investments have strengthened the production service offering.

¹⁾ Operating result (EBIT) before non-recurring items adjusted for inventory gains and losses.

²⁾ Earnings per share are both before and after dilution.

BE Group, listed on the Nasdaq OMX Stockholm, 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 aluminium applications. In 2010, the Group reported sales of SEK 5.1 Bn. BE Group has approximately 1,000 employees in ten countries, 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.

Market and business environment

In the third quarter, BE Group's market situation was pervaded by uncertainty regarding future economic and steel price trends. Overall, demand measured in tonnes developed positively in relation to the preceding year and also in comparison with the second quarter when adjusted for the seasonal vacation effect.

Demand from customers was affected by the uncertainty regarding the future economic trend and the trend in the price of steel. Compared with the situation a few years ago, the general market climate is pervaded by a greater degree of volatility, primarily the short-term nature of the pricing of steel.

Areas of strategic focus

BE Group continues to work intensively to increase, over the long term, the proportion of production services in its offering to customers. Conscious measures are taken to increase sales of production services to customers with operations in several of the Group's markets. For example, work is in progress to establish a new production service center in Trebaczew, Poland. Additional expansion of the facility in Lapua, Finland is also in progress. The new production facility for Lecor Stålteknik in Kungälv, Sweden has been brought into service in the beginning of the fourth quarter.

In addition, several activities are in progress throughout BE Group to improve business processes and raise the Group's efficiency and thus improve its margins and earnings.

Outlook

In the short-term perspective, demand in Sweden and CEE is expected to remain at the level established in the third quarter following the vacation period. In Finland, demand for advanced production services is expected to remain good. Given an unchanged product mix, average sales prices are currently expected to weaken further in the fourth quarter.

The profitability improvement measures that have been identified and initiated, combined with implemented investments in extended production service and acquisitions are expected to have a positive impact on BE Group's future earnings trend.

Developments in the third quarter of 2011 Group

Net sales rose by 12 percent compared with the year-earlier period, amounting to SEK 1,420 M (1,273). The improvement is due to an increase in tonnage of 13 percentage points and an acquisition effect of 3 percentage points. Price and mix effects impacted net sales negatively by 3 percentage points, while currency effects had a negative impact of 1 percentage point.

The average sales price was 2 percent lower than in the year-earlier period and 3 percent lower than in the second quarter of 2011. Adjusted for currency effects, the decrease was 1 percent and 4 percent respectively.

Consolidated gross profit amounted to SEK 164 M (183), resulting in a gross margin of 11.5 percent (14.4). The operating result weakened to SEK 4 M (48) as a consequence of higher costs resulting from extended production capacity, inventory losses and negative currency effects. Adjusted for inventory losses of SEK 19 M (gains 16), the underlying operating result amounted to SEK 23 M (32).

Overly optimistic market assessments earlier during the year resulted in inventory levels that were too high during the summer. During the quarter, measures were implemented to reduce inventories. The operating margin was 0.3 percent (3.8) and the underlying operating margin was 1.6 percent (2.6).

NET SALES AND EARNINGS TREND IN THE THIRD QUARTER (SEK M)

Net sales 2010	1,273
Net sales 2011	1,420
Operating result (EBIT) 2010	48
Inventory gains	-16
Underlying EBIT 2010	32
Tonnage-, price-, mix- and gross margin effect	10
Changes in overheads, etc.	-19
Underlying EBIT 2011	23
Inventory losses	-19
Operating result (EBIT) 2011	4

Given the uncertainty regarding the general economic trend and in order to adjust the cost level, a decision was made following the end of the reporting period to commence a number of profitability improvement measures. The program involves personnel cutbacks in Sweden, Finland, Poland and the Czech Republic, inventory consolidation and streamlining of the product range in the Czech Republic and centralization of production services in Poland. In Finland, negotiations

have commenced to enable temporary lay-offs in the event of further weakened demand. The personnel cutbacks will affect some 100 employees. The cost for these measures is expected to total SEK 25 M and will be charged against fourth quarter earnings. The measures will generate annual cost savings in the region of SEK 50 M.

Sales by sales channel

BE Group's sales are conducted through three sales channels: production sales, inventory sales and direct sales. Of total net sales for the third quarter, shipments from Group facilities accounted for 81 percent (80), which is broken down as follows: inventory sales 53 percentage points (55) and service sales 28 percentage points (25).

Sales trend in commercial steel

Net sales rose 11 percent to SEK 1,030 M (927). In terms of tonnage the increase was 15 percent. Overall, commercial steel accounted for 73 percent (73) of BE Group's net sales. The average sales price declined by 3 percent compared both with the year-earlier period and the immediately preceding quarter.

Sales trend in stainless steel

Compared with the year-earlier period, BE Group's sales of stainless steel rose 8 percent and amounted to SEK 247 M (228). The proportion of stainless steel declined somewhat and amounted to 17 percent (18) of total net sales. Over the quarter, the sales price for stainless steel rose by 5 percent compared with the year-earlier period and was 1 percent higher than in the preceding quarter.

Sales by customer categories

In the third quarter, OEM customers and their part-

ners accounted for the largest share of sales, 51 percent (54); project customers for 23 percent (22); pre-processing companies for 17 percent (14); and retailers for 9 percent (10).

Business areas

Business area Sweden

Demand improved during the quarter compared with recent quarters when the seasonal vacation effect is taken into account. This strengthening involved customers in both the engineering and construction sectors. Net sales rose by 14 percent to SEK 654 M (573) compared with the year-earlier period. Shipped tonnage rose by 9 percent and the average sales price rose by 5 percent compared with the year-earlier period. The sales price decreased by 2 percent compared with immediately preceding quarter. Sales from acquired units amounted to SEK 36 M.

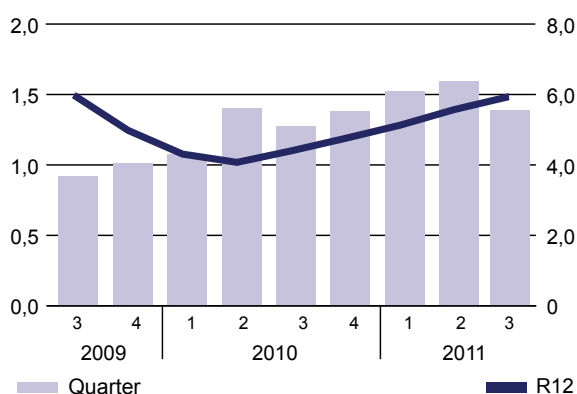
The operating result weakened to SEK 18 M (28) as a consequence of inventory losses, and the operating margin amounted to 2.7 percent (4.9). Adjusted for inventory losses of SEK 6 M (gains 10), the underlying operating result improved to SEK 24 M (18).

The integration of acquired companies Lecor Stålteknik and RTS Produktion continued according to plan during the quarter. Combined, these companies have contributed positively to the business area's earnings.

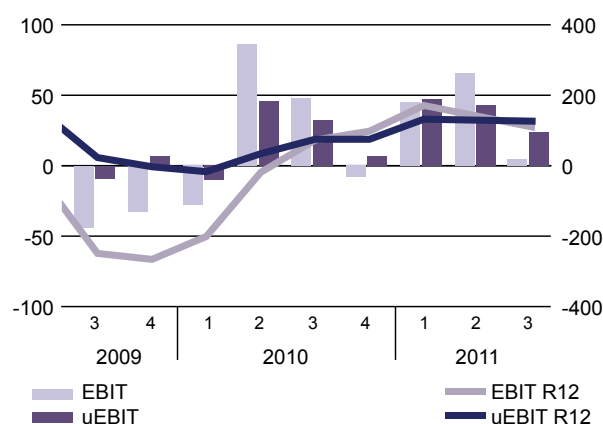
The SEK 39 M investment in a new production facility for Lecor Stålteknik, approved in 2010, was somewhat delayed and was brought into operation at the start of the fourth quarter.

As a proportion of total sales, production sales increased to 24 percent (18), primarily due to the acquired units.

Net sales, SEK Bn
Quarter and rolling 12 months



Operating result (EBIT), SEK M
Quarter and rolling 12 months



Business Area Finland

In Finland, the market situation was pervaded by caution. For BE Group, demand weakened somewhat in comparison with the level established before the summer. The decline was mainly noted in inventory sales, while demand for advanced production services from customers in the engineering sector was relatively stable over the quarter. Sales and earnings were affected negatively by price pressure caused by expectations of future declines in steel prices. Net sales amounted to SEK 481 M (474), an increase of 2 percent compared with the preceding year. Shipped tonnage rose by 2 percent. The average sales price in EUR rose by 2 percent compared with the year-earlier period and declined by 2 percent compared with the second quarter of 2011.

The operating result amounted to SEK 8 M (28), with a operating margin of 1.6 percent (6.0). The weakening in earnings is attributable to inventory losses and the fact that the extended production capacity have yet to achieve full impact on earnings. Adjusted for inventory losses of SEK 8 M (gains 8), the underlying operating result amounted to SEK 16 M (20).

Production sales as a proportion of total sales increased compared with the year-earlier period and amounted to 46 percent (43).

The investment of SEK 15 M in increased production capacity at the Lahti facility was brought into operation at full capacity in the third quarter. Additional expansion of the facility in Lapua, is also in progress. BE Group's investment in production equipment amounts to SEK 20 M and is mainly expected to burden the cashflow of the first quarter of 2012. Operations are scheduled to commence in the spring of 2012. The investment will further

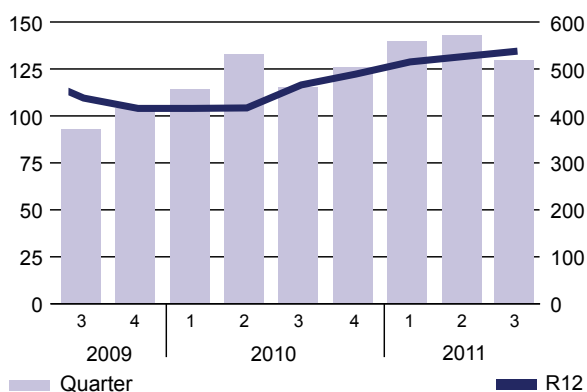
strengthen BE Group's capacity to offer advanced production service for engineering customers.

Business Area CEE

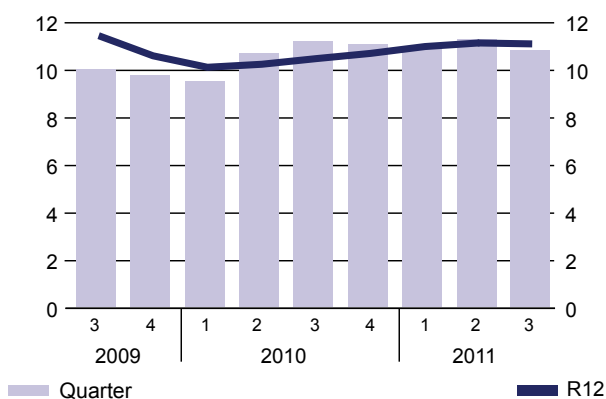
The markets in Central and Eastern Europe continued to show growth as a consequence of increased demand from customers in the engineering sector. Net sales rose 19 percent to SEK 316 M (265) compared with the year-earlier period, mainly as a consequence of a 29 percent increase in shipped tonnage. The average sales price was 8 percent lower compared the year-earlier period and 4 percent lower than in the second quarter of 2011.

The market situation in the Central European markets entailed price pressure during the quarter, which affected gross margin negatively. Given the uncertainty surrounding the economic trend, inventories were reduced following the vacation period, which affected the gross margin and thus burdened the results. Consequently, operating profit weakened and amounted to a loss of SEK 13 M (2). The weakening is attributable to a lower gross margin, higher inventory losses and negative currency exchange effects. With the purpose of improving the business area's profitability, a number of measures have been initiated in the Czech and Polish operations. These measures involve inventory consolidation and streamlining of the product range in the Czech Republic and centralization of production services in Poland. The latter involves the establishment of a new production center in Trebaczew. The increased capacity will mainly be used to meet existing demand from international customers. The total investment in production equipment amounts to SEK 15 M. By the end of the third quarter, SEK 8 M had been invested. Production is scheduled to commence in early 2012.

Tonnage, thousands of tonnes
Quarter and rolling 12 months



Average sales price, SEK/kg
Quarter and rolling 12 months



Adjusted for inventory losses of SEK 5 M (2), the underlying operating result was negative in the amount of SEK 8 M (0).

At the start of September, Nikolai Makarov took up the post as the new Business Area Manager.

Net financial items and tax

Consolidated net financial items for the third quarter amounted to an expense of SEK 13 M (13), of which the net interest expense accounted for SEK 10 M (8). On an annual basis, this corresponds to 4.8 percent (3.6) of net interest-bearing liabilities, which averaged SEK 888 M (854) during the quarter.

The tax expense for the quarter amounted to SEK 1 M (9), equivalent to -11 percent (26) of earnings before tax.

Cash flow

Cash flow before changes in net debt was negative in the amount of SEK 68 M (51). Cash flow from operating activities deteriorated to a negative SEK 52 M (44) due to the weakened earnings, which were not fully offset by the reduced build-up of working capital. Cash flow from investing activities amounted to a negative SEK 16 M (7), while cash flow from financing activities was negative in the amount of SEK 1 M (positive 2).

Capital, investments and return

Consolidated working capital amounted to SEK 628 M (632) at the end of the period. Working capital tied-up improved over the quarter, amounting to 11 percent (12).

Of the investments of SEK 19 M (8) made during the quarter, investments in intangible assets accounted for SEK 3 M (6) and involved the development of the Group's IT platform. Investments in tangible assets amounted to SEK 16 M (2) and involve Lecor Stålteknik's new production facility and production equipment in Finland and Poland.

The return on operating capital weakened to 1 percent (12) due to the weakened operating result.

Financial position and liquidity

Consolidated cash and equivalents were SEK 22 M (55) at the end of the period. At September 30, the Group had unutilized credit facilities totaling SEK 280 M (349).

Consolidated interest-bearing net debt amounted to SEK 924 M (876) at the end of the period. BE Group's total credit facilities amount to SEK 1,281 M. The maturity date for 94 percent of the credit facility is May 2013. At the end of the period, consolidated equity totaled SEK 858 M (812), while the net debt/equity ratio was 108 percent (108).

Development in the first nine months of 2011

Group

BE Group's net sales rose by 21 percent over the first nine months of the year to SEK 4,536 M (3,746). The improvement is due to an increase in tonnage of 14 percentage points, positive price and mix effects amounting to 7 percentage points and an acquisition effect of 3 percentage points. Currency effects impacted net sales negatively by 3 percentage points.

The operating result rose to SEK 115 M (106) and, adjusted for inventory gains of SEK 6 M (38) and costs for the closure of the Danish operations, the underlying operating result amounted to SEK 113 M (68). The improvement in profit is attributable to increased sales. The operating margin amounted to 2.5 percent (2.8) and the underlying operating margin improved to 2.5 percent (1.8).

NET SALES AND EARNINGS TREND IN THE FIRST NINE MONTHS OF THE YEAR

(SEK M)

Net sales 2010	3,746
Net sales 2011	4,536
Operating result (EBIT) 2010	106
Inventory gains	-38
Underlying EBIT 2010	68
Tonnage-, price-, mix- and gross margin effect	77
Changes in overheads, etc.	-32
Underlying EBIT 2011	113
Inventory gains	6
Total non-recurring items	-4
Operating result (EBIT) 2011	115

Business areas

Business area Sweden

Business Area Sweden reported sales of SEK 2,142 M (1,757) - an increase of 22 percent. Shipped tonnage rose by 9 percent. Acquired units accounted for 6 percentage points of the increase in sales. The operating result amounted to SEK 67 M (63) and the underlying operating result to SEK 69 M (41). Non-recurring costs for the closure of the Danish operations were charged against earnings for the period.

The Swedish metal processing group RTS, with operations in Eskilstuna, Sweden and Rapla, Estonia, as well as a smaller operation in Romania was acquired in the first quarter. The acquisition strengthens BE Group's production offering to major engineering customers. The operations were consolidated into BE Group as of the acquisition

date in February. The structure of the acquisition and the consideration transferred were disclosed in BE Group's interim report for the first quarter of 2011. The final measurement of the business combination is expected to be finalized during the fourth quarter.

Business Area Finland

Business Area Finland's sales rose by 17 percent to SEK 1,601 M (1,367). The operating result improved to SEK 85 M (74) and the underlying operating result improved to SEK 78 M (63). The improvement in results is primarily attributable to a 12 percent increase in tonnage.

Business Area CEE

Business Area CEE's sales rose by 23 percent to SEK 887 M (723). The increase in tonnage amounted to 20 percent. The operating result deteriorated to a negative SEK 9 M (7) and the underlying operating result improved to a negative SEK 6 M (12).

Net financial items and tax

The Group's net financial items for the reporting period amounted to an expense of SEK 31 M (43), of which the net interest expense accounted for SEK 28 M (26). On an annual basis, this corresponds to 4.4 percent (4.2) of net interest-bearing liabilities, which averaged SEK 850 M (825) during the period.

The tax expense for the reporting period amounted to SEK 27 M (16), equivalent to 32 percent (25) of earnings before tax. The high tax rate is attributable to the adjustment of previously capitalized tax-loss carryforwards.

Cash flow

During the reporting period, cash flow before changes in net debt was negative in the amount of SEK 57 M (140). Cash flow from operating activities was SEK 22 M (negative 115). The improvement in cash flow is attributable to a relatively lower increase in working capital.

Cash flow from investing activities amounted to a negative SEK 79 M (25) due to increased investment in tangible assets. Cash flow from financing activities was negative in the amount of SEK 1 M (positive 6).

Organization, structure and employees

The number of employees rose to 973 compared with 910 at the start of the year and 868 at the corresponding time last year. The average number of employees during the period amounted to 948 (882). The increase is primarily associated with the acquired companies.

Contingent liabilities

The Group's contingent liabilities amounted to SEK 87 M (146).

Parent Company

Sales for the Parent Company, BE Group AB (publ), amounted to SEK 41 M (35) during the period and derived from intra-Group services. The operating loss amounted to SEK 30 M (28). The loss before tax amounted to SEK 36 M (30) and the loss after tax amounted to SEK 20 M (26).

During the period, the Parent Company invested SEK 12 M (18) in intangible assets and SEK 17 M in shares in subsidiaries. At the end of the period, the Parent Company's cash and equivalents were SEK 41 M (11).

At the end of the quarter, BE Group AB (publ) held 409,862 treasury shares.

Significant events after the end of the period

After the end of the reporting period, a decision has been made to initiate a profitability enhancement program. For a more detailed description, see page 2.

Related party transactions

No transactions took place between BE Group and related parties that had a material impact on the Group's financial position and results.

Nominating Committee

In accordance with the company's principles, a Nominating Committee has been appointed with the Chairman of the Board as its convener. The members of the Nominating Committee are Petter Stillström (Traction), Jan Andersson (Swedbank Robur Fonder), Tomas Ramsälv (Odin Fonder), Thomas Ehlin (Nordeas fonder) and Anders Ullberg as the Chairman of BE Group AB.

2012 Annual General Meeting

The Annual General Meeting of BE Group will be held on Wednesday, April 25, 2012, at 4:00 p.m. in Malmö, Sweden. Further information is available on the company's website.

Significant risks and uncertainties

BE Group's profits and financial position are affected by a large number of factors. The principal risks and factors of uncertainty can be divided into sector and market risks, strategic and operational risks, and financial risks. Fluctuations in economic trends and steel prices, together with changes among suppliers, customers and personnel repre-

sent risk factors that affect the Group's financial performance and cash flow. The financial risks consist of currency, interest rate, refinancing and credit risks. The financial risk exposure is explained in the 2010 Annual Report published in March 2011. No new significant risks or uncertainties have arisen since that date in addition to what has been described in this report.

Share Savings Scheme

In accordance with the proposal by the Board of Directors, the Annual General Meeting adopted guidelines for the remuneration of senior executives in line with the guidelines adopted by the Annual General Meeting in 2010. The Meeting approved the Board's proposal for the introduction of a share savings scheme ("Share Savings Scheme 2011") encompassing at most 600,000 BE Group shares (including shares required to cover social security contributions), corresponding to 1.2 percent of the total number of shares and votes in the company.

Participation in Share Savings Scheme 2011 has been accepted by 22 employees. An amount of SEK 1 M associated with Share Savings Schemes 2009-2011 was charged against the result for the third quarter.

Accounting principles

The interim report is prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The Parent Company's financial statements are prepared in compliance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. Refer to the 2010 Annual Report for details of the Group's accounting principles and definitions of certain terms. The principles applied are unchanged in relation to those applied in the Annual Report. The new standards and interpretations that have entered force effective from the 2011 financial year have had no effect on the Group's financial reporting.

Future reporting dates

During 2012, BE Group AB (publ) intends to publish financial information on the following dates:

- The year-end report for 2011 will be published on February 7, 2012
- The 2011 Annual Report will be available at the end of March 2012.
- The interim report for January-March 2012 will be published on April 25, 2012.

Financial information is available in Swedish and English from BE Group's website and can be ordered by calling +46 (0)40 38 42 00 or e-mailing: info@begroup.com

Malmö, October 27, 2011

BE Group AB (publ)



Roger Johansson

President and CEO

This report has been reviewed by the company's auditors.

Questions concerning this report may be directed to:

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This interim report is such information that BE Group AB (publ) is required to publish 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 October 27, 2011 at 07.45 a.m. CET.

Auditor's Report on Review of Interim Financial Information

To the Board of Directors of BE Group AB (publ) Corp. Reg. No. 556578-4724

Introduction

We have reviewed the interim financial information (Interim Report) of BE Group AB (publ) as at September 30, 2011, and the nine-month period ending on that date. The Board of Directors and the CEO are responsible for the preparation and presentation of this Interim Report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this Interim Report based on our review.

Focus and scope of the review

We conducted our review in accordance with the Standard on Review Engagements (SÖG) 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has another focus and is substantially less in scope than an audit conducted in accordance with ISA and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Report is not prepared, in all material respects, for the Group in accordance with IAS 34 and the Annual Accounts Act and for the Parent Company in accordance with the Annual Accounts Act.

Malmö, October 27, 2011



KPMG AB

Eva Melzig Henriksson

Authorized Public Accountant

Condensed consolidated income statement

(SEK M)	Note	2011 Jul-Sep	2010 Jul-Sep	2011 Jan-Sep	2010 Jan-Sep	2010 Full-year	Rolling 12 months
Net sales		1,420	1,273	4,536	3,746	5,129	5,919
Cost of goods sold		-1,256	-1,090	-3,924	-3,182	-4,396	-5,138
Gross profit		164	183	612	564	733	781
Selling expenses		-118	-109	-374	-357	-495	-512
Administrative expenses		-39	-34	-124	-115	-155	-164
Other operating income and expenses	1	-3	3	-5	4	5	-4
Participation in joint venture		0	5	6	10	10	6
Operating profit/loss		4	48	115	106	98	107
Financial items		-13	-13	-31	-43	-56	-44
Profit/loss before tax		-9	35	84	63	42	63
Tax		-1	-9	-27	-16	-13	-24
Profit/loss for the period		-10	26	57	47	29	39
Amortization of intangible assets		5	5	15	8	12	19
Depreciation of tangible assets		11	11	33	35	47	45
Earnings per share		-0.20	0.52	1.15	0.95	0.58	0.78
Earnings per share after dilution		-0.20	0.52	1.15	0.95	0.58	0.78

Consolidated statement of comprehensive income

(SEK M)	2011 Jul-Sep	2010 Jul-Sep	2011 Jan-Sep	2010 Jan-Sep	2010 Full-year	Rolling 12 months
Profit/loss for the period	-10	26	57	47	29	39
Other comprehensive income						
Translation differences	4	-11	21	-63	-80	4
Hedging of net investments in foreign subsidiaries	-4	12	-16	49	61	-4
Tax attributable to items in other comprehensive income	1	-3	4	-11	-14	1
Total other comprehensive income	1	-2	9	-25	-33	1
Comprehensive income for the period	-9	24	66	22	-4	40

Note 1 Non-recurring items

(SEK M)	2011 Jul-Sep	2010 Jul-Sep	2011 Jan-Sep	2010 Jan-Sep	2010 Full-year	Rolling 12 months
Closure of the Danish operations	-	-	-4	-	-	-4
Total non-recurring items	-	-	-4	-	-	-4

Condensed consolidated balance sheet

(SEK M)	2011 30 Sep	2010 30 Sep	2010 31 Dec
Goodwill	703	630	692
Other intangible assets	81	81	81
Tangible assets	305	273	267
Investment in joint venture	125	129	129
Financial assets	2	2	2
Deferred tax assets	24	27	34
Total non-current assets	1,240	1,142	1,205
Inventories	803	726	683
Accounts receivables	766	728	575
Other receivables	101	81	87
Cash and equivalents	22	55	80
Assets held for sale	2	-	2
Total current assets	1,694	1,590	1,427
Total assets	2,934	2,732	2,632
Equity	858	812	787
Non-current interest-bearing liabilities	873	862	854
Provisions	16	16	16
Deferred tax liability	60	56	62
Total non-current liabilities	949	934	932
Current interest-bearing liabilities	75	71	71
Accounts payables	827	721	598
Other current liabilities	215	181	227
Other current provisions	10	13	17
Total current liabilities	1,127	986	913
Total equity and liabilities	2,934	2,732	2,632

Condensed consolidated cash-flow statement

(SEK M)	2011 Jul-Sep	2010 Jul-Sep	2011 Jan-Sep	2010 Jan-Sep	2010 Full-year	Rolling 12 months
Profit/loss before tax	-9	35	84	63	42	63
Adjustment for non-cash items	17	6	48	26	53	75
Income tax paid	-12	-8	-13	-22	-26	-17
Change in working capital	-48	-77	-97	-182	-126	-41
Cash flow from operating activities	-52	-44	22	-115	-57	80
Investments in intangible assets	-3	-6	-13	-19	-24	-18
Investments in tangible assets	-13	-2	-59	-7	-15	-67
Acquisitions of subsidiaries	-	-	-7	-	-16	-23
Other cash flow from investing activities	0	1	0	1	2	1
Cash flow before change in net debt	-68	-51	-57	-140	-110	-27
Cash flow from financing activities	-1	2	-1	6	4	-3
Cash flow for the period	-69	-49	-58	-134	-106	-30
Exchange-rate difference in cash and equivalents	-1	-1	0	-8	-11	-3
Change in cash and equivalents	-70	-50	-58	-142	-117	-33

Condensed statement of changes in equity

(SEK M)	2011 Jul-Sep	2010 Jul-Sep	2011 Jan-Sep	2010 Jan-Sep	2010 Full-year	Rolling 12 months
Equity at beginning of period	866	797	787	798	798	812
Effect of changed accounting principles	-	-	-	-	-	-
Adjusted equity at beginning of period	866	797	787	798	798	812
Comprehensive income for the period	-9	24	66	22	-4	40
Acquisition/sales of treasury shares	-	-10	2	-10	-10	2
Share Savings Scheme	1	1	3	2	3	4
Equity at end of period	858	812	858	812	787	858

Segment reporting

Net sales per segment

(SEK M)	2011 Jul-Sep	2010 Jul-Sep	2011 Jan-Sep	2010 Jan-Sep	2010 Full-year	Rolling 12 months
Sweden	654	573	2,142	1,757	2,425	2,810
- External	647	559	2,116	1,718	2,378	2,776
- Internal	7	14	26	39	47	34
Finland	481	474	1,601	1,367	1,846	2,080
- External	467	454	1,562	1,325	1,796	2,033
- Internal	14	20	39	42	50	47
CEE	316	265	887	723	981	1,145
- External	306	260	858	703	955	1,110
- Internal	10	5	29	20	26	35
Parent Company and consolidated items	-31	-39	-94	-101	-123	-116
Group	1,420	1,273	4,536	3,746	5,129	5,919

Shipped tonnage per segment (thousands of tonnes)

	2011 Jul-Sep	2010 Jul-Sep	2011 Jan-Sep	2010 Jan-Sep	2010 Full-year	Rolling 12 months
Sweden*	51	47	168	154	209	223
Finland	41	40	138	123	165	180
CEE	42	33	117	98	130	149
Parent Company and consolidated items	-3	-4	-9	-12	-15	-12
Group	131	116	414	363	489	540

* Previously reported tonnage in Sweden has, during the fourth quarter 2010, been adjusted due to an internal change of allocation principle. The effect for the third quarter 2010 is an increase of 1 (tonnes, thousands). Accumulated effect for the period January-September 2010 is an increase of 2 (tonnes, thousands).

Operating profit/loss (EBIT) per segment

(SEK M)	2011 Jul-Sep	2010 Jul-Sep	2011 Jan-Sep	2010 Jan-Sep	2010 Full-year	Rolling 12 months
Sweden	18	28	67	63	73	77
Finland	8	28	85	74	81	92
CEE	-13	-2	-9	-7	-22	-24
Parent Company and consolidated items	-9	-6	-28	-24	-34	-38
Group	4	48	115	106	98	107

Operating margin per segment

	2011 Jul-Sep	2010 Jul-Sep	2011 Jan-Sep	2010 Jan-Sep	2010 Full-year	Rolling 12 months
Sweden	2.7%	4.9%	3.1%	3.6%	3.0%	2.7%
Finland	1.6%	6.0%	5.3%	5.4%	4.4%	4.4%
CEE	-4.0%	-0.8%	-1.0%	-1.0%	-2.3%	-2.1%
Group	0.3%	3.8%	2.5%	2.8%	1.9%	1.8%

Segment reporting

Underlying operating profit/loss (uEBIT) per segment ¹⁾

(SEK M)	2011 Jul-Sep	2010 Jul-Sep	2011 Jan-Sep	2010 Jan-Sep	2010 Full-year	Rolling 12 months
Sweden	24	18	69	41	56	84
Finland	16	20	78	63	78	93
CEE	-8	0	-6	-12	-25	-19
Parent Company and consolidated items	-9	-6	-28	-24	-34	-38
Group	23	32	113	68	75	120

¹⁾ Operating profit/loss (EBIT) adjusted for inventory gains and losses and non-recurring items. Inventory gains and losses are the differences between the cost of goods sold at historical cost and the cost of goods sold valued at replacement cost. The company's internal model is used to calculate inventory gains and losses and has not been subject for review by the company's auditor.

Underlying operating margin per segment

	2011 Jul-Sep	2010 Jul-Sep	2011 Jan-Sep	2010 Jan-Sep	2010 Full-year	Rolling 12 months
Sweden	3.6%	3.2%	3.2%	2.3%	2.3%	3.0%
Finland	3.3%	4.3%	4.9%	4.6%	4.2%	4.5%
CEE	-2.4%	-0.1%	-0.6%	-1.6%	-2.5%	-1.6%
Group	1.6%	2.6%	2.5%	1.8%	1.5%	2.0%

Depreciation per segment

(SEK M)	2011 Jul-Sep	2010 Jul-Sep	2011 Jan-Sep	2010 Jan-Sep	2010 Full-year	Rolling 12 months
Sweden	4	5	13	14	18	17
Finland	6	5	16	17	22	21
CEE	2	3	8	9	12	11
Parent Company and consolidated items	4	3	11	3	7	15
Group	16	16	48	43	59	64

Investments in tangible and intangible assets per segment

(SEK M)	2011 Jul-Sep	2010 Jul-Sep	2011 Jan-Sep	2010 Jan-Sep	2010 Full-year	Rolling 12 months
Sweden	6	1	43	2	76	117
Finland	6	0	20	4	7	23
CEE	5	1	9	1	1	9
Parent Company and consolidated items	2	6	12	18	24	18
Group	19	8	84	25	108	167

Key data

(SEK M unless otherwise stated)	2011 Jul-Sep	2010 Jul-Sep	2011 Jan-Sep	2010 Jan-Sep	2010 Full-year	Rolling 12 months
Earnings measurements						
Operating profit/loss (EBIT)	4	48	115	106	98	107
Margin measurements						
Gross margin	11.5%	14.4%	13.5%	15.0%	14.3%	13.2%
Operating margin	0.3%	3.8%	2.5%	2.8%	1.9%	1.8%
Capital structure						
Net debt	924	876	924	876	842	924
Net debt/equity ratio	107.7%	107.9%	107.7%	107.9%	107.0%	107.7%
Equity/assets ratio	29.2%	29.7%	29.2%	29.7%	29.9%	29.2%
Working capital (average)	598	594	549	531	528	565
Operating capital (average)	1,748	1,660	1,679	1,617	1,619	1,681
Operating capital (excluding intangible assets) (average)	964	947	900	902	893	915
Working capital tied-up	10.5%	11.7%	9.1%	10.6%	10.3%	9.5%
Return						
Return on operating capital (%)	0.9%	11.6%	9.2%	8.8%	6.0%	6.4%
Return on operating capital (excluding intangible assets) (%)	3.7%	22.4%	19.2%	16.9%	12.4%	13.8%
Return on equity (%)	-4.7%	12.9%	9.1%	7.9%	3.7%	4.7%
Per share data						
Earnings per share (SEK)	-0.20	0.52	1.15	0.95	0.58	0.78
Earnings per share after dilution (SEK)	-0.20	0.52	1.15	0.95	0.58	0.78
Equity per share (SEK)	17.30	16.39	17.30	16.39	15.90	17.30
Cash flow from operating activities per share (SEK)	-1.04	-0.89	0.45	-2.32	-1.15	1.61
Shares outstanding at period end (thousands)	49,590	49,505	49,590	49,505	49,505	49,590
Average number of shares (thousands)	49,590	49,633	49,567	49,707	49,656	49,557
Diluted average number of shares (thousands)	49,597	49,673	49,581	49,750	49,704	49,572
Other						
Average number of employees	962	882	948	882	909	932

Supplementary disclosures

(SEK M unless otherwise stated)	2011 Jul-Sep	2010 Jul-Sep	2011 Jan-Sep	2010 Jan-Sep	2010 Full-year	Rolling 12 months
Sales by main products						
Long steel	392	368	1,271	1,084	1,478	1,665
Flat steel	498	452	1,620	1,332	1,829	2,117
Reinforcement steel	140	107	385	308	408	485
<i>Total commercial steel</i>	<i>1,030</i>	<i>927</i>	<i>3,276</i>	<i>2,724</i>	<i>3,715</i>	<i>4,267</i>
Stainless steel	247	228	788	674	887	1,001
Aluminium	77	82	248	249	352	351
Other ¹⁾	66	36	224	99	175	300
Total sales	1,420	1,273	4,536	3,746	5,129	5,919
¹⁾ Sales by acquired units are included under "Other"						
Growth						
Sales growth	12%	39%	21%	14%	19%	24%
- organic tonnage growth	13%	24%	14%	16%	17%	15%
- price and mix changes	-3%	20%	7%	3%	6%	9%
- currency effects	-1%	-5%	-3%	-5%	-5%	-3%
- acquisitions	3%	-	3%	-	1%	3%
Adjusted earnings measurements						
Underlying operating profit/loss (uEBIT)	23	32	113	68	75	120
Underlying EBITA	28	37	128	76	87	139
Adjusted margin measurements						
Underlying gross margin	12.7%	13.4%	13.3%	14.1%	13.9%	13.3%
Underlying operating margin	1.6%	2.6%	2.5%	1.8%	1.5%	2.0%
Underlying EBITA margin	1.9%	2.9%	2.8%	2.0%	1.7%	2.4%
Adjusted return						
Underlying return on operating capital (excluding intangible assets)	11.5%	15.8%	18.9%	11.2%	9.8%	15.2%
Adjusted per share data						
Underlying earnings per share (SEK)	0.09	0.29	1.14	0.37	0.26	1.03
Underlying earnings per share after dilution (SEK)	0.09	0.29	1.14	0.37	0.26	1.03
Adjusted capital structure						
Net debt/underlying EBITDA (multiple)	-	-	-	-	6.3	5.0
Other						
Inventory gains and losses	-19	16	6	38	23	-9
Shipped tonnage (thousands of tonnes)	131	116	414	363	489	540
Average sales prices (SEK/kg)	10.81	11.00	10.96	10.31	10.48	10.97

Condensed parent company income statement

(SEK M)	2011 Jul-Sep	2010 Jul-Sep	2011 Jan-Sep	2010 Jan-Sep	2010 Full-year	Rolling 12 months
Net sales	14	14	41	35	45	51
Administrative expenses	-23	-21	-71	-63	-84	-92
Operating profit/loss	-9	-7	-30	-28	-39	-41
Financial items	-13	-11	-6	-2	-44	-48
Profit/loss before tax	-22	-18	-36	-30	-83	-89
Tax	5	1	16	4	5	17
Profit/loss for the period	-17	-17	-20	-26	-78	-72

Statement of comprehensive income - parent company

(SEK M)	2011 Jul-Sep	2010 Jul-Sep	2011 Jan-Sep	2010 Jan-Sep	2010 Full-year	Rolling 12 months
Profit/loss for the period	-17	-17	-20	-26	-78	-72
Other comprehensive income	-	-	-	-	-	-
Comprehensive income for the period	-17	-17	-20	-26	-78	-72

Condensed parent company balance sheet

(SEK M)	2011 30 Sep	2010 30 Sep	2010 31 Dec
Intangible assets	65	61	64
Tangible assets	0	0	0
Financial assets	1,398	1,332	1,381
Interest-bearing receivables, Group companies	53	146	54
Deferred tax assets	-	0	0
Total non-current assets	1,516	1,539	1,499
Current interest-bearing receivables, Group companies	276	212	251
Receivables, Group companies	29	32	55
Other operating receivables	38	25	20
Cash and equivalents	41	11	25
Total current assets	384	280	351
Total assets	1,900	1,819	1,850
Equity	836	883	850
Non-current interest-bearing liabilities	856	848	837
Provisions	0	1	1
Total non-current liabilities	856	849	838
Current interest-bearing liabilities	70	0	-
Current interest-bearing liabilities, Group companies	101	48	69
Accounts payables	5	4	9
Liabilities to Group companies	18	23	19
Other current liabilities	14	12	65
Total current liabilities	208	87	162
Total equity and liabilities	1,900	1,819	1,850
Pledged assets	1,316	1,314	1,310
Contingent liabilities	106	103	95

Key data - multi-quarter summary

	2011	2011	2011	2010	2010	2010	2010	2009	2009
(SEK M unless otherwise stated)	Jul-Sep	Apr-Jul	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep
Net sales	1,420	1,597	1,519	1,383	1,273	1,399	1,074	1,011	917
Earnings measurements									
Operating profit/loss (EBIT)	4	66	45	-8	48	86	-28	-33	-44
Underlying operating profit/loss (uEBIT)	23	43	47	7	32	46	-10	7	-9
Underlying EBITA	28	49	51	11	37	47	-8	9	-7
Margin measurements									
Operating margin	0.3%	4.2%	2.9%	-0.6%	3.8%	6.2%	-2.6%	-3.3%	-4.8%
Underlying operating margin	1.6%	2.7%	3.1%	0.5%	2.5%	3.3%	-0.9%	0.7%	-1.0%
Underlying EBITA margin	1.9%	3.1%	3.3%	0.8%	2.9%	3.4%	-0.8%	0.8%	-0.8%
Capital structure									
Net debt	924	851	783	842	876	832	814	777	836
Net debt/equity ratio	107.7%	98.2%	96.5%	107.0%	107.9%	104.4%	107.1%	97.4%	100.4%
Equity/assets ratio	29.2%	29.1%	26.8%	29.9%	29.7%	29.2%	29.2%	31.8%	31.1%
Operating capital (excluding intangible assets) (average)	964	873	836	916	947	888	857	906	1,036
Working capital tied-up	10.5%	8.2%	8.2%	10.4%	11.7%	9.2%	10.9%	12.8%	17.8%
Return									
Return on operating capital (excluding intangible assets)	3.7%	33.1%	23.5%	-1.7%	22.4%	39.3%	-7.0%	-13.9%	-16.4%
Underlying return on operating capital (excluding intangible assets)	11.5%	22.7%	24.2%	5.0%	15.8%	21.3%	-3.8%	3.8%	-2.7%
Return on equity	-4.7%	21.0%	11.5%	-9.1%	12.9%	23.4%	-12.8%	-17.3%	-21.4%
Per share data									
Earnings per share (SEK)	-0.20	0.89	0.46	-0.37	0.52	0.92	-0.50	-0.71	-0.92
Underlying earnings per share (SEK)	0.09	0.55	0.50	-0.13	0.29	0.31	-0.23	-0.09	-0.92
Equity per share (SEK)	17.30	17.47	16.36	15.90	16.39	16.02	15.28	16.05	16.74
Cash flow from operating activities per share (SEK)	-1.04	-0.31	1.80	1.18	-0.89	-0.39	-1.05	1.41	1.91
Other									
Average number of employees	962	955	935	889	882	887	882	882	888
Inventory gains and losses	-19	23	2	-15	16	40	-18	-32	-35
Shipped tonnage (thousands of tonnes)	131	143	140	126	116	133	114	104	93
Average sales prices (SEK/kg)	10.81	11.20	10.86	10.98	11.00	10.49	9.44	9.70	9.91

Definitions of key data

SUPPLEMENTARY DISCLOSURES

Growth

Sales growth	Change from the preceding period as a percentage of net sales.
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Adjusted earnings measurements

Underlying operating profit/loss (uEBIT)	Operating profit/loss (EBIT) before non-recurring items adjusted for inventory gains and losses (deductions for gains and additions for losses).
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Underlying EBITA	EBITA before non-recurring items adjusted for inventory gains and losses (deductions for gains and additions for losses).
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Adjusted margin measurements

Underlying gross margin	Underlying gross profit as a percentage of net sales. The underlying gross profit is the reported gross profit adjusted for inventory gains and losses (deductions for gains and additions for losses) exclusive inventory gains and losses related to joint venture.
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Underlying operating margin	Underlying operating profit/loss (uEBIT) as a percentage of net sales.
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Underlying EBITA margin	Underlying EBITA as a percentage of net sales.
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Adjusted return

Underlying return on operating capital (excluding intangible assets)	Annualized underlying EBITA as a percentage of average operating capital excluding goodwill and other intangible assets. Underlying EBITA is EBITA before non-recurring items and adjusted for inventory gains and losses (deductions for gains and additions for losses). EBITA is operating profit before amortization of intangible assets.
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Adjusted per share data

Underlying earnings per share (SEK)	Profit for the period before non-recurring items adjusted for inventory gains and losses (deductions for gains and additions for losses) and including the tax effect of the adjustments divided by the average number of shares during the period.
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Underlying earnings per share after dilution (SEK)	Profit for the period before non-recurring items adjusted for inventory gains and losses (deductions for gains and additions for losses) and including the tax effect of the adjustments divided by the average number of shares after dilution during the period.
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Adjusted capital structure

Net debt/underlying EBITDA	Annualized net debt divided by underlying EBITDA. Underlying EBITDA is EBITDA before non-recurring items and adjusted for inventory gains and losses (deductions for gains and additions for losses). EBITDA is operating profit before depreciation and amortization.
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Other

Inventory gains and losses	The difference between the cost of goods sold at acquisition value and the cost of goods sold at replacement cost.
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Please refer to the 2010 annual report for other definitions of key data.