

BE Q1 2017



Interim report BE Group AB (publ) 2017 | Malmö, April 27, 2017

Significantly improved result

FIRST QUARTER 2017

- Net sales rose 16 percent to SEK 1,138 M (978).
- Tonnage excluding operations under restructuring increased by 9 percent.
- The operating result improved to SEK 46 M (-45)
- The underlying operating result improved to SEK 30 M (9).
- The profit after tax was SEK 34 M (-53).
- Cash flow from operating activities was SEK 37 M (51).
- Earnings per share amounted to SEK 2.58 (-4.07).

Results overview

	2017 Jan-Mar	2016 Jan-Mar	Change
Tonnage, thousands of tonnes	98	103	-5
Net sales, SEK M	1,138	978	160
Underlying operating result, SEK M	30	9	21
Operating result, SEK M	46	-45	91
Profit/loss for the period, SEK M	34	-53	87
Earnings per share, SEK ¹⁾	2.58	-4.07	6.65
Cash flow from operating activities, SEK M	37	51	-14

¹⁾ Based on the average number of shares.

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 2016, the Group reported sales of SEK 3.9 billion. BE Group has approximately 700 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.

Statement from the CEO

During the first quarter of 2017, we could see the effects of both rising prices and underlying margin improvements. This has had a positive effect on sales, while a higher underlying gross margin has improved the underlying operating result to SEK 30 M (9). Gradually rising prices have provided favorable inventory effects in the form of inventory gains of SEK 16 M (-9) during the quarter, improving the operating result significantly to SEK 46 M (-45). Eliminated for non-recurring items of SEK -45 M last year, result improvement was SEK 46 M.

Market demand has increased, leading to tonnage growth in both Business Area Sweden & Poland, where shipped tonnage rose by 7 percent compared with last year, and Business Area Finland & Baltics, with a volume growth of as much as 11 percent. The tonnage has also been impacted positively by an increased number of tradingdays (3 pcs) compared with last year.

The positive result and good control of working capital has resulted in favorable cash flow. Over the quarter, operating activities generated positive cash flow of SEK 37 M (51), bringing the corresponding figure for the past 12 months to SEK 64 M. This means that the

Company's net debt continues to decline and that the Company's financing costs are reduced.

Structural and organizational change

The structural process for the discontinuation of unprofitable units in the Czech Republic and Slovakia that began last year has essentially been completed. The sale of a property in Ostrava is primarily what remains.

During the quarter, Daniel Fäldt assumed the position as the Group's CFO.

Outlook

Prices now appear to have stabilized after the sharp rise towards the end of last year and in the first quarter of 2017. At the same time, the assessment is that market demand will remain good. The process of restructuring and improvement within the framework of the new organization is expected to progress as planned and gradually improve the Group's result compared with last year.

Anders Martinsson, President and CEO

Bridge 2016-2017 operating result SEK M

	Q1	Q2	Q3	Q4
Operating result 2016	-45	31	26	4
Reversal of inventory gains (-)/losses (+)	9	-10	-16	-11
Non-recurring items	45	-	-	-
Underlying operating result 2016	9	21	10	-7
Change in sales	23	-	-	-
Change in underlying gross margin	5	-	-	-
Change in overhead costs	-7	-	-	-
Underlying operating result 2017	30	-	-	-
Reversal of inventory gains (+)/losses (-)	16	-	-	-
Non-recurring items	-	-	-	-
Operating result 2017	46	-	-	-

Comments on the report

First quarter

Compared with last year, consolidated net sales rose by 16 percent over the period, amounting to SEK 1,138 M (978). Excluding operations under restructuring, sales rose by 24 percent. The increase is explained by tonnage rising by 9 percent and by positive price and mix effects of 15 percentage points. The positive price effect is due to significantly higher steel prices compared with the preceding year.

Gross profit amounted to SEK 174 M (127), with a gross margin of 15.3 percent (13.0). The operating result was SEK 46 M (-45), corresponding to an operating margin of 4.0 percent (-4.6). Adjusted for inventory gains of SEK 16 M (-9) and, last year, non-recurring items of SEK -45 M, the underlying operating result rose to SEK 30 M (9). The underlying operating margin for the period amounted to 2.6 percent (1.0).

The higher underlying result is primarily attributable to tonnage growth in our principal markets, favorable price and mix effects, as well as costs being under control.

Business Area Sweden & Poland

The business area includes the Group's operations in Sweden, consisting of the companies BE Group Sweden, BE Produktion Eskilstuna and Lecor Stålteknik as well as the Polish operations, BE Group Poland.

First quarter

Net sales rose by 23 percent in the first quarter compared with last year, amounting to SEK 592 M (482). The operating result was SEK 20 M (2) and, adjusted for inventory gains and losses of SEK 9 M (-2) and, last year, non-recurring items of SEK -3 M, the underlying operating result was SEK 11 M (7).

The Distribution business in Sweden increased tonnage in comparison with the same period last year, and showed a significantly improved underlying operating result. Business unit Production Sweden & Poland showed a weaker result despite an increase in sales. The problems with the results were mainly linked to BE Group Produktion Eskilstuna and Lecor Stålteknik. However, for both units the results for the quarter were somewhat better than in the most recent quarter. The combined operating result for BE Group Produktion Eskilstuna and Lecor Stålteknik amounted to SEK -11 M (-4) for the quarter. A number of measures have been taken to reverse the negative trend.

The Group's underlying operating result and sales growth per quarter



Business area Sweden & Poland, underlying operating result and sales growth per quarter



The Group's gross profit and gross margin per quarter



Business Area Finland & Baltics

The business area comprises the Group's operations in Finland and the three Baltic countries.

First quarter

In comparison with the first quarter last year, net sales were 25 percent higher and amounted to SEK 539 M (430). The operating result improved to SEK 34 M (5) and, adjusted for inventory gains and losses of SEK 7 M (-5) and non-recurring items of SEK -2 M last year, the underlying operating result improved to SEK 27 M (12). Tonnage increased by 11 percent compared with the previous year, which in combination with 12 percent higher average prices and a positive currency effect of 2 percent, contributed to the increased sales. Expenses have increased as a result of increased sales and also from currency effects when converting to Swedish kronor. The positive steel price trend led to inventory gains during the year, which further improved the operating result.

Business area Finland & Baltics, underlying operating result and sales growth per quarter



Parent Company and consolidated items

Parent Company and consolidated items comprise the Parent Company, Group eliminations and those parts of the Group's operations that are undergoing restructuring: BE Group Czech Republic, BE Group Slovakia and RTS Estonia.

The restructuring, on which the Board of BE Group decided in the first quarter of 2016, is proceeding. The sale of the company's property in the Czech Republic remains and the formal liquidation of the Slovakian company is in progress.

In total, operations under restructuring had sales of SEK 12 M (73) during the first quarter with an operating result of SEK -2 M (-46). Last year's operating result was impacted by non-recurring items of SEK -40 M. The underlying operating result amounted to SEK -2 M (-4).

In the Parent Company BE Group AB (publ), first-quarter sales, which consist of intra-Group services, amounted to SEK 6 M (7). The operating result amounted to SEK -6 M (-6).

Net financial items for the year amounted to SEK -2 M (5). The result before tax amounted to SEK -8 M (-1) and the result after tax was SEK -6 M (2). Investments in

the Parent Company amounted to SEK 0 M (0). The Parent Company's cash and equivalents amounted to SEK 18 M (45).

Net financial items and tax

Consolidated net financial items for the first quarter amounted to an expense of SEK -5 M (-8), of which net interest accounted for SEK -4 M (-5). On an annual basis, the Group's net interest expense was 3.25 percent (3.36) of the average interest-bearing net debt.

The tax for the first quarter amounted to SEK -7 M (0). The result after tax improved to SEK 34 M (-53) for the first quarter.

Cash flow

Consolidated working capital at the end of the period amounted to SEK 502 M (464) and average working capital tied-up for the first quarter was 11.1 percent (12.6). Cash flow from operating activities amounted to SEK 37 M (51). The positive cash flow was largely generated from the operating activities' results. The increased working capital is primarily a result of higher inventories due to steel price increases.

Cash flow from investment activities amounted to SEK -4 M (-2) for the first quarter. Accordingly, cash flow after investments was SEK 33 M (49).

The Group's cash flow from operating activities, SEK M



Financial position and liquidity

At the end of the period, consolidated cash and equivalents, including overdraft facilities, amounted to SEK 134 M (163) and consolidated interest-bearing net debt amounted to SEK 528 M (565). The Group has, during the year, amortized SEK 17 M on external interest-bearing debt.

At the end of the period, equity amounted to SEK 804 M (734) and the net debt/equity ratio was 66 percent (77).

Organization, structure and employees

The number of employees decreased to 705 compared with 755 at the corresponding time last year. The decrease is due to the restructuring implemented last year. The average number of employees during the year amounted to 708 (765).

Significant events after the end of the period

After the end of the period, an extension of the Company's existing credit agreement was signed with Skandinaviska Enskilda Banken and Svenska Handelsbanken. The total facility amounts to SEK 800 M, including guarantee facilities, and is valid until March 2019, with an option to extend by an additional year.

No other significant events occurred after the end of the period.

Related party transactions

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

In 2015, the CEO acquired 60,000 put options from Traction. The options were valued according to an established model and were acquired at market price. The options matures at the end of June 2017 and presents an opportunity to sell the equivalent number of shares at a price of 28.40 SEK per share. So far, no options have been exercised. BE Group is in no way a party to the agreement.

Annual General Meeting 2017

The Annual General Meeting of BE Group will be held on April 27, 2017, at 15:00 p.m. CET in Malmö, Sweden. Further information is published on the company's website.

Proposed dividend

The Board of Directors proposes that no dividend be paid for the 2016 financial year.

Proposed composition of the Board

The Nominating Committee has proposed re-election of Board members Charlotte Hansson, Lars Olof Nilsson, Petter Stillström, Jörgen Zahlin, Esa Niemi and Mikael Sjölund.

It is proposed that Petter Stillström be re-elected as Chairman.

Proposal for election of auditors

Based on the recommendation of the Audit Committee, the Nominating Committee proposes the re-election of the auditing firm ÖhrlingsPricewaterhouseCoopers AB as the Company's auditor.

Question concerning this report may be directed to:

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This report has not been reviewed by the company's auditors.

This information is information that BE Group AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication through the agency of the contact persons set out above at 7.45 am CET on April 27, 2017.

Significant risks and uncertainties

The financial risk exposure is explained in the 2016 Annual Report, which was published in March 2017. No new significant risks or uncertainties have arisen since that date.

Accounting principles

The interim report was prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The Parent Company's interim report was prepared in compliance with the Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities.

Refer to the 2016 Annual Report for details of the Group's accounting principles and definitions of certain terms. The principles applied are unchanged in relation to the Annual Report. In other regards, the new standards and interpretations that have entered force from the financial year 2017 have not had any major impact on the financial reporting.

For the new accounting standards (IFRS 9 and IFRS 15) that are to take effect on January 1, 2018, the Group will complete the preliminary studies in the third quarter of 2017. The Group cannot currently estimate the effect of the new rules on the financial statements.

Future reporting dates

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

- The Interim Report for January-June will be published on July 20, 2017.
- The Interim Report for January-September will be published on October 24, 2017.
- The Year-end Report for 2017 will be published in February 2018.

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

Malmö, 27 April 2017
BE Group AB (publ)

Anders Martinsson
President and CEO

Condensed consolidated income statement

(SEK M)	Note	2017 Jan-Mar	2016 Jan-Mar	2016 Full-year	Rolling 12 months
Net sales		1,138	978	3,870	4,030
Cost of goods sold	1	-964	-851	-3,309	-3,422
Gross profit		174	127	561	608
Selling expenses	1	-104	-100	-395	-399
Administrative expenses	1	-30	-27	-111	-114
Other operating income and expenses	2	1	-45	-47	-1
Participation in joint venture		5	0	8	13
Operating profit/loss		46	-45	16	107
Financial items		-5	-8	-27	-24
Profit/loss before tax		41	-53	-11	83
Tax		-7	0	-9	-16
Profit/loss for the period		34	-53	-20	67
Earnings per share ¹⁾		2.58	-4.07	-1.56	5.09
Earnings per share after dilution ¹⁾		2.58	-4.07	-1.56	5.09

¹⁾ Refers to the average number of shares. A 1:20 reverse share split was carried out in May 2016. Comparative figures have, therefore, been restated.

Consolidated statement of comprehensive income

(SEK M)	2017 Jan-Mar	2016 Jan-Mar	2016 Full-year	Rolling 12 months
Profit/loss for the period	34	-53	-20	67
Other comprehensive income				
Items that have, or may be, reclassified to profit/loss for the period				
Translation differences	-2	5	20	13
Hedging of net investments in foreign subsidiaries	1	-4	-18	-13
Tax attributable to items in other comprehensive income	0	1	4	3
Total other comprehensive income	-1	2	6	3
Comprehensive income for the period	33	-51	-14	70

Condensed consolidated balance sheet

(SEK M)	Note	2017 31 Mar	2016 31 Mar	2016 31 Dec
Goodwill		562	559	562
Other intangible assets		17	25	18
Tangible assets		149	187	156
Investment in joint venture		92	79	87
Financial assets		0	0	0
Deferred tax assets		56	45	51
Total non-current assets		876	895	874
Inventories		575	535	527
Accounts receivables		610	469	442
Other receivables		50	59	49
Cash and equivalents		34	63	27
Total current assets		1,269	1,126	1,045
Total assets	3	2,145	2,021	1,919
Equity		804	734	771
Non-current interest-bearing liabilities		508	567	527
Provisions		0	0	0
Deferred tax liability		43	42	43
Total non-current liabilities		551	609	570
Current interest-bearing liabilities		54	61	63
Accounts payables		551	444	375
Other current liabilities		182	155	136
Other current provisions		3	18	4
Total current liabilities		790	678	578
Total equity and liabilities	3	2,145	2,021	1,919
Contingent liabilities		15	19	17

Condensed consolidated cash-flow statement ¹⁾

(SEK M)	2017 Jan-Mar	2016 Jan-Mar	2016 Full-year	Rolling 12 months
Operating result	46	-45	16	107
Adjustment for non-cash items	11	56	60	15
- of which, amortization/depreciation	18	38	64	44
- other items	-7	18	-4	-29
interest paid/received	-5	-7	-23	-21
Income tax paid	-2	-2	-9	-9
Change in working capital	-13	49	34	-28
Cash flow from operating activities	37	51	78	64
Investments in intangible assets	0	0	-2	-2
Investments in tangible assets	-4	-2	-8	-10
Other cash flow from investing activities	0	0	0	0
Cash flow after investments	33	49	68	52
Cash flow from financing activities	-26	-18	-74	-82
Cash flow for the period	7	31	-6	-30
Exchange-rate difference in cash and equivalents	0	-1	0	1
Change in cash and equivalents	7	30	-6	-29

¹⁾ The structure of the consolidated cash flow statement has been changed. Effective from January 1, 2017 the cash flow statement is based on the Operating result instead of Result before tax as previously. Comparative figures have, therefore, been restated.

Condensed statement of changes in equity

(SEK M)	2017 Jan-Mar	2016 Jan-Mar	2016 Full-year	Rolling 12 months
Equity at beginning of period	771	785	785	734
Comprehensive income for the period	33	-51	-14	70
Equity at end of period	804	734	771	804

Notes

Note 1 Amortizations and depreciations

(SEK M)	2017 Jan-Mar	2016 Jan-Mar	2016 Full-year	Rolling 12 months
Amortization of intangible assets	2	3	10	9
Depreciation of tangible assets	10	10	40	40
Total amortizations and depreciations	12	13	50	49

Note 2 Non-recurring items

(SEK M)	2017 Jan-Mar	2016 Jan-Mar	2016 Full-year	Rolling 12 months
Restructuring expenses	-	-11	-11	-
Write-down of assets	-	-34	-34	-
Total non-recurring items	-	-45	-45	-

Note 3 Valuation of financial assets and liabilities

In all material respects fair value coincides with the carrying amount in the balance sheet for financial assets and liabilities.

The assessment of the fair value of the financial assets has been carried out in accordance with level 2 as defined by

IFRS 7.27 A, with the exception of cash and equivalents, which are valued in accordance with level 1. For additional information, see Note 31 in the 2016 Annual Report. No material changes have taken place in relation to the valuation as per December 31.

Segment reporting ¹⁾

Net sales per segment

(SEK M)	2017 Jan-Mar	2016 Jan-Mar	2016 Full-year	Rolling 12 months
Sweden & Poland	592	482	1,941	2,051
Finland & Baltics	539	430	1,794	1,903
Parent Company and consolidated items	7	66	135	76
Group	1,138	978	3,870	4,030

Shipped tonnage per segment (thousands of tonnes)

	2017 Jan-Mar	2016 Jan-Mar	2016 Full-year	Rolling 12 months
Sweden & Poland	46	43	166	169
Finland & Baltics	52	47	185	190
Parent Company and consolidated items	0	13	23	10
Group	98	103	374	369

Operating profit/loss (EBIT) per segment

(SEK M)	2017 Jan-Mar	2016 Jan-Mar	2016 Full-year	Rolling 12 months
Sweden & Poland	20	2	25	43
Finland & Baltics	34	5	68	97
Parent Company and consolidated items	-8	-52	-77	-33
Group	46	-45	16	107

Operating margin per segment

	2017 Jan-Mar	2016 Jan-Mar	2016 Full-year	Rolling 12 months
Sweden & Poland	3.4%	0.5%	1.3%	2.1%
Finland & Baltics	6.3%	1.3%	3.8%	5.1%
Parent Company and consolidated items	neg	neg	neg	neg
Group	4.0%	-4.6%	0.4%	2.6%

¹⁾ A new organizational structure was introduced in April 2016. Comparative figures have therefore been restated.

Segment reporting ¹⁾

Underlying operating profit/loss (uEBIT) per segment ²⁾

(SEK M)	2017 Jan-Mar	2016 Jan-Mar	2016 Full-year	Rolling 12 months
Sweden & Poland	11	7	14	18
Finland & Baltics	27	12	54	69
Parent Company and consolidated items	-8	-10	-35	-33
Group	30	9	33	54

²⁾ 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 acquisition value and the cost of goods sold at replacement cost. The Group's internal model is used to calculate inventory gains and losses and has not been subject for review by the Group's auditor.

Underlying operating margin per segment ³⁾

	2017 Jan-Mar	2016 Jan-Mar	2016 Full-year	Rolling 12 months
Sweden & Poland	1.9%	1.4%	0.7%	0.9%
Finland & Baltics	5.0%	2.8%	3.0%	3.6%
Parent Company and consolidated items	neg	neg	neg	neg
Group	2.6%	1.0%	0.9%	1.3%

³⁾ Underlying operating result (uEBIT) as a percentage of net sales.

Depreciation per segment

(SEK M)	2017 Jan-Mar	2016 Jan-Mar	2016 Full-year	Rolling 12 months
Sweden & Poland	6	6	22	22
Finland & Baltics	4	4	17	17
Parent Company and consolidated items	2	3	11	10
Group	12	13	50	49

Investments in tangible and intangible assets per segment

(SEK M)	2017 Jan-Mar	2016 Jan-Mar	2016 Full-year	Rolling 12 months
Sweden & Poland	2	1	6	7
Finland & Baltics	2	1	3	4
Parent Company and consolidated items	0	0	1	1
Group	4	2	10	12

¹⁾ A new organizational structure was introduced in April 2016. Comparative figures have therefore been restated.

Key data

(SEK M unless otherwise stated)	2017 Jan-Mar	2016 Jan-Mar	2016 Full-year	Rolling 12 months
Net sales	1,138	978	3,870	4,030
Earnings measurements				
Gross profit/loss	174	127	561	608
Underlying gross profit/loss	163	136	536	563
Operating profit/loss (EBIT)	46	-45	16	107
Underlying operating result (uEBIT)	30	9	33	54
Margin measurements				
Gross margin	15.3%	13.0%	14.5%	15.1%
Underlying gross margin	14.3%	13.9%	13.9%	14.0%
Operating margin	4.0%	-4.6%	0.4%	2.6%
Underlying operating margin	2.6%	1.0%	0.9%	1.3%
Capital structure				
Net debt	528	565	562	528
Net debt/equity ratio	66%	77%	73%	66%
Working capital at end of period	502	464	506	502
Working capital (average)	504	495	488	484
Capital employed (average)	1,364	1,395	1,383	1,371
Working capital tied-up	11.1%	12.6%	12.6%	12.0%
Return				
Return on capital employed	13.4%	-12.8%	1.2%	7.8%
Per share data ²⁾				
Earnings per share (SEK) ¹⁾	2.58	-4.07	-1.56	5.09
Earnings per share after dilution (SEK) ¹⁾	2.58	-4.07	-1.56	5.09
Equity per share (SEK)	61.93	56.54	59.41	61.93
Cash flow from operating activities per share (SEK) ¹⁾	2.81	3.92	6.02	4.88
Shares outstanding at period end (thousands)	12,983	12,983	12,983	12,983
Number of shares (thousands) before and after dilution ¹⁾	12,983	12,983	12,983	12,983
Growth				
Sales growth	16%	-11%	-7%	0%
– of which organic tonnage growth	-5%	-5%	-8%	-8%
– of which price and mix changes	20%	-6%	0%	7%
– of which currency effects	1%	0%	1%	1%
Other				
Average number of employees	708	765	739	726
Inventory gains and losses	16	-9	28	53
Shipped tonnage (thousands of tonnes)	98	103	374	369

¹⁾ Refers to average number of shares.

²⁾ A 1:20 reverse share split was carried out in May 2016. Comparative figures for 2016 and 2015 have been restated for this.

Condensed parent company income statement

(SEK M)	2017 Jan-Mar	2016 Jan-Mar	2016 Full-year	Rolling 12 months
Net sales	6	7	25	24
Administrative expenses	-12	-12	-51	-51
Other operating income and expenses	0	-1	0	1
Operating profit/loss	-6	-6	-26	-26
Financial items	-2	5	-50	-57
Profit/loss after financial items	-8	-1	-76	-83
Appropriations	-	-	9	9
Profit/loss before tax	-8	-1	-67	-74
Tax	2	3	10	9
Profit/loss for the period, or comprehensive income for the period	-6	2	-57	-65

Condensed parent company balance sheet

(SEK M)	2017 31 Mar	2016 31 Mar	2016 31 Dec
Intangible assets	13	19	15
Tangible assets	0	0	0
Financial assets	1,086	1,113	1,084
Total non-current assets	1,099	1,132	1,099
Current receivables	154	133	206
Cash and equivalents	18	45	9
Total current assets	172	178	215
Total assets	1,271	1,310	1,314
Equity	552	617	558
Non-current liabilities	497	551	515
Current liabilities	222	142	241
Total equity and liabilities	1,271	1,310	1,314
Pledged assets	1,165	1,158	1,166
Contingent liabilities	39	64	52

Key data – multi-quarter summary

(SEK M unless otherwise stated)	2017 Jan-Mar	2016 Oct-Dec	2016 Jul-Sep	2016 Apr-Jun	2016 Jan-Mar	2015 Oct-Dec	2015 Jul-Sep	2015 Apr-Jun	2015 Jan-Mar
Net sales	1,138	953	892	1,047	978	981	966	1,104	1,104
Earnings measurements									
Gross profit/loss	174	133	138	163	127	112	124	144	144
Underlying gross profit/loss	163	124	123	153	136	117	128	145	146
Operating profit/loss (EBIT)	46	4	26	31	-45	-17	-117	10	10
Underlying operating result (uEBIT)	30	-7	10	21	9	-12	10	12	12
Margin measurements									
Gross margin	15.3%	14.0%	15.4%	15.5%	13.0%	11.4%	12.9%	13.1%	13.0%
Underlying gross margin	14.3%	13.0%	13.8%	14.6%	13.9%	12.0%	13.2%	13.2%	13.2%
Operating margin	4.0%	0.4%	2.9%	2.9%	-4.6%	-1.7%	-12.1%	1.0%	0.9%
Underlying operating margin	2.6%	-0.7%	1.1%	2.0%	1.0%	-1.2%	1.0%	1.1%	1.1%
Capital structure									
Net debt	528	562	563	540	565	609	649	590	804
Net debt/equity ratio	66%	73%	73%	71%	77%	78%	80%	63%	113%
Working capital at end of period	502	506	493	454	464	525	575	512	486
Working capital (average)	504	499	473	459	495	551	544	499	456
Capital employed (average)	1,364	1,368	1,381	1,375	1,395	1,473	1,560	1,563	1,534
Working capital tied-up	11.1%	13.1%	13.3%	11.0%	12.6%	14.0%	14.1%	11.3%	10.3%
Return									
Return on capital employed	13.4%	1.2%	7.6%	9.0%	-12.8%	-4.6%	-30.1%	2.7%	2.5%
Per share data ²⁾									
Earnings per share (SEK) ¹⁾	2.58	-0.20	1.25	1.47	-4.07	-1.81	-10.23	-2.46	0.00
Earnings per share after dilution (SEK) ¹⁾	2.58	-0.20	1.25	1.47	-4.07	-1.81	-10.23	-2.46	0.00
Equity per share (SEK)	61.93	59.41	59.67	58.19	56.54	60.44	62.56	72.63	191.62
Cash flow from operating activities per share (SEK) ¹⁾	2.81	0.21	-0.89	2.76	3.91	-2.84	-3.65	-2.14	-14.66
Shares outstanding at period end (thousands)	12,983	12,983	12,983	12,983	12,983	12,983	12,983	12,983	3,709
Number of shares (thousands) before and after dilution ¹⁾	12,983	12,983	12,983	12,983	12,983	12,983	12,983	5,049	3,709
Growth									
Sales growth	16%	-3%	-8%	-5%	-11%	-3%	-3%	-1%	2%
– of which organic tonnage growth	-5%	-13%	-13%	-3%	-5%	1%	-3%	-1%	-1%
– of which price and mix changes	20%	8%	5%	-2%	-6%	-4%	-1%	-1%	0%
– of which currency effects	1%	2%	0%	0%	0%	0%	1%	1%	3%
Other									
Average number of employees	708	715	729	747	765	776	770	762	764
Inventory gains and losses	16	11	16	10	-9	-5	-3	-2	-2
Shipped tonnage (thousands of tonnes)	98	85	81	105	103	97	93	108	108

¹⁾ Refers to average number of shares.

²⁾ A reverse share split 1:20 was carried out in May 2016. Comparative figures for 2016 and 2015 have been restated for this.

Alternative performance measures

The Group uses a number of alternative performance measures in its report. The alternative performance measures that BE Group considers significant are the following:

Underlying operating result (uEBIT)

(SEK M)	2017 Jan-Mar	2016 Jan-Mar	2016 Full-year
Operating result	46	-45	16
Deduction inventory gains	-16	-	-28
Additions inventory losses	-	9	-
Adjustment for non-recurring items	-	45	45
Group	30	9	33

Net debt

(SEK M)	2017 Jan-Mar	2016 Jan-Mar	2016 Full-year
Non-current interest-bearing liabilities	508	567	527
Current interest-bearing liabilities	54	61	63
Deduction financial assets	0	0	0
Deduction cash and equivalents	-34	-63	-27
Rounding	-	-	-1
Group	528	565	562

Net debt/equity ratio is calculated as net debt divided by equity.

Working capital

(SEK M)	2017 Jan-Mar	2016 Jan-Mar	2016 Full-year
Inventories	575	535	527
Accounts receivable	610	469	442
Other receivables	50	59	49
Deduction accounts payable	-551	-444	-375
Deduction other current liabilities	-182	-155	-136
Rounding	-	-	-1
Group	502	464	506

Average working capital is an average for each period based on quarterly data.

Capital employed

(SEK M)	2017 Jan-Mar	2016 Jan-Mar	2016 Full-year
Equity	804	734	771
Non-current interest-bearing liabilities	508	567	527
Current interest-bearing liabilities	54	61	63
Rounding	1	1	-
Group	1,367	1,363	1,361

Average capital employed is an average for each period based on quarterly data.

Definitions of key data

Adjusted results measurements

Underlying gross profit/loss	The underlying gross profit/loss is the reported gross profit adjusted for inventory gains and losses (deductions for gains and additions for losses).
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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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Adjusted margin measurements

Underlying gross margin	Underlying gross profit/loss as a percentage of net sales.
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Underlying operating margin	Underlying operating profit/loss (uEBIT) as a percentage of net sales.
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Capital structure

Net debt	Interest-bearing liabilities less cash and equivalents and financial assets.
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Net debt/equity ratio	Net debt divided by equity.
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Working capital	Inventories and current receivables less current liabilities, excluding provisions and interest-bearing liabilities.
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Working capital (average)	Inventories and current receivables less current liabilities, excluding provisions and interest-bearing liabilities. This measure represents an average for each period based on quarterly data.
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Capital employed	Equity plus interest-bearing liabilities.
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Capital employed (average)	Equity plus interest-bearing liabilities. This measure represents an average for each period based on quarterly data.
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Working capital tied-up	Average working capital, as a percentage of annually adjusted net sales.
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Return on capital

Return on capital employed	Annually adjusted operating result, as a percentage of average capital employed.
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Per share data

Earnings per share	Profit/loss for the period divided by the average number of shares outstanding during the period.
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Equity per share	Equity divided by the number of shares outstanding at the end of the period.
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Cash flow per share from operating activities	Cash flow from operating activities divided by the average number of shares for the period.
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Shares outstanding at the end of the period	Shares outstanding at the end of the period adjusted for rights issues and share splits.
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Average number of shares	Weighted average number of shares outstanding during the period, adjusted for rights issued and share splits.
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Growth

Sales growth	Change in net sales from the preceding period in percent.
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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 2016 annual report for other definitions of key data.