

BE Q3

Interim report
BE Group AB (publ)
January – September 2013
Malmö, October 22, 2013



THIRD QUARTER 2013

- Net sales fell by 10 percent compared with the year-earlier period, amounting to SEK 916 M (1,020). Shipped tonnage decreased by 6 percent.
- The operating result rose to SEK 13 M (6) and the underlying operating result¹⁾ rose to SEK 18 M (15).
- Profit after tax for the continuing operations was SEK 1 M (loss 5) and the loss from discontinued operations²⁾ was SEK 2 M (85).
- Earnings per share³⁾ amounted to a negative SEK 0.02 (1.83).
- To streamline operations and generate increased market focus towards the core operations in Sweden and Finland, a change in the organization of the Group was implemented during the quarter.
- New Manager for Business Area Sweden.
- The Board of Directors will recommend a rights issue of approx. SEK 150 M.

THE FIRST NINE MONTHS OF 2013

- Net sales fell by 16 percent compared with the year-earlier period, amounting to SEK 3,037 M (3,636). Shipped tonnage decreased by 11 percent.
- The operating result amounted to SEK 1 M (68) and the underlying operating result¹⁾ to SEK 40 M (82).
- The loss after tax for the continuing operations was SEK 30 M (profit 27) and the loss from discontinued operations²⁾ was SEK 6 M (98).
- Earnings per share³⁾ amounted to a negative SEK 0.73 (1.44).

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

2) Refers to operations in Czech republic, which is being divested.

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

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 2012, the Group reported sales of SEK 4.6 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.

Developments in the third quarter of 2013

New Group organization

During the quarter, BE Group implemented a change in the organization of the Group. The change entailed Business Area CEE being discontinued. The operations in Poland, Czech Republic and Slovakia are being brought together with the Swedish companies Lecor Stålteknik and BE Group Produktion Eskilstuna within Other Units. The Swedish companies were formerly part of Business Area Sweden. The Group's operations in the Baltic States are now part of Business Area Finland.

The purpose of the organizational change is to streamline operations and increase market focus on core operations in Sweden and Finland.

The new Group organization is reflected in this interim report. Where applicable, the financial statistics for the past two years have been recalculated to reflect this change.

In connection with the change, Kalle Björklund, the former Marketing Manager within BE Group Sweden, was appointed Manager for Business Area Sweden. The former Business Area Manager for CEE, Nikolai Makarov, transferred to a newly established Group-wide role responsible for Operations Development, including operational responsibility for the operations in the Czech Republic, Slovakia and Poland.

Group

Net sales fell by 10 percent compared with the preceding year, amounting to SEK 916 M (1,020). The decline is due to a decrease in shipped tonnage

of 6 percentage points and negative price and mix effects amounting to 6 percentage points, which were to a certain extent offset by positive currency effects of 2 percentage points.

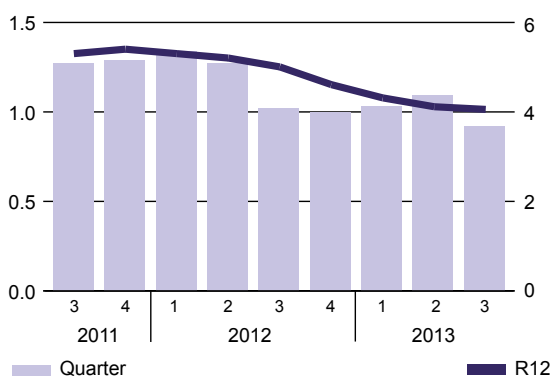
Consolidated gross profit amounted to SEK 121 M (128), with a gross margin of 13.2 percent (12.6). The operating result rose to SEK 13 M (6). Adjusted for inventory losses of SEK 5 M (9), the underlying operating result increased to SEK 18 M (15), despite lower tonnage. The improvement in earnings is attributable to the strengthened gross margin and lower costs.

The operating margin rose to 1.4 percent (0.6) and the underlying operating margin rose to 2.0 percent (1.5).

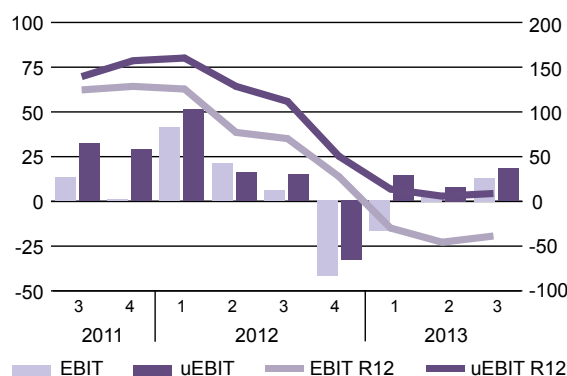
The measures, that were initiated at the beginning of the year, will result in a reduction in the Group's personnel by approximately 140 full time positions in Sweden and Finland. Combined, the measures will, as previously communicated, result in an annual cost reduction of about SEK 65 M, and the savings will reach their full pace during the second quarter 2014. The previously communicated staff reductions in the Czech operations will be concluded in the fourth quarter. The non-recurring costs totaling SEK 30 M were charged against the first quarter, with SEK 1 M being attributable to the Czech operations.

The transfer of the Chinese subsidiary BE Group (Shanghai) Steel Trading was completed in the third quarter. The final purchase consideration amounted to SEK 10 M and resulted in a capital gain of SEK 1 M.

Net sales, SEK Bn
Quarter and rolling 12 months



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



NET SALES AND EARNINGS TREND IN THE THIRD QUARTER

(SEK M)

Net sales 2012	1,020
Net sales 2013	916
Operating result 2012	6
Inventory losses	9
Underlying operating result 2012	15
Tonnage-, price- and mix effects	-25
Improved gross margin effect	13
Changes in overheads, etc.	15
Underlying operating result 2013	18
Inventory losses	-5
Operating result 2013	13

Sales by sales channel

BE Group's sales are conducted through three channels: inventory sales, production service sales and direct sales. Of total net sales for the third quarter, shipments from Group facilities accounted for 85 percent (82), which is broken down as follows: inventory sales 49 percentage points (50) and production service sales 36 percentage points (32).

Sales trend by product area

Net sales of commercial steel fell 11 percent to SEK 661 M (743). Shipped tonnage decreased by 6 percent. Overall, commercial steel accounted for 73 percent (73) of BE Group's net sales. The sales price for

commercial steel (excluding currency effects) decreased by 7 percent compared with the year-earlier period. Compared with the second quarter of 2013, the sales price (excluding currency effects) fell by 3 percent.

BE Group's sales of stainless steel declined by 13 percent and amounted to SEK 147 M (169). Shipped tonnage decreased by 2 percent. Overall, stainless steel accounted for 16 percent (17) of net sales. The sales price for stainless steel (excluding currency effects) decreased by 13 percent compared with the year-earlier period. Compared with the second quarter of 2013, the sales price (excluding currency effects) fell by 5 percent.

Sales by customer segment

In the third quarter, OEM customers and their partners accounted for the largest share of sales, 48 percent (44); project customers for 21 percent (27); pre-processing companies for 20 percent (18); and retailers for 11 percent (11). The shift from project customers to OEM customers is primarily attributable to a changed customer mix in the Swedish market.

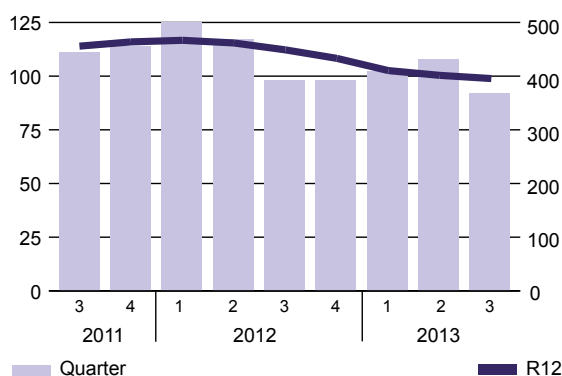
Business areas

Business Area Sweden

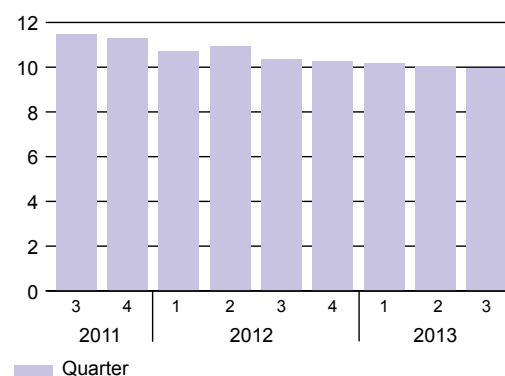
The new Group organization entails the operations in Lecor Stålteknik and BE Group Produktion Eskilstuna no longer being included in Business Area Sweden but reporting instead within Other Units.

Following the vacation period, demand in the business area was stabilized at largely the same level as in the second quarter, both from industrial

**Tonnage, thousands of tonnes
Quarter and rolling 12 months**



**Average sales prices, SEK/kg
Quarter**



and construction customers. The seasonal decline during the first half of the quarter was somewhat longer than normal.

Net sales fell by 18 percent compared with the year-earlier period, amounting to SEK 415 M (506). Shipped tonnage decreased by 16 percent. The average sales price fell by 1 percent compared with the year-earlier period and was 1 percent higher than in the second quarter of 2013.

The operating result improved to SEK 13 M (11). Adjusted for inventory losses, the underlying operating result was SEK 14 M (15). Lower costs have to a large extent compensated the lower tonnage. An increased proportion of sales from Group facilities has affected the gross margin positively.

Business Area Finland

Following the change in Group organization, Business Area Finland now also includes the operations in the Baltic States.

Compared with the second quarter of 2013, a slight improvement in demand from engineering customers was noted. This applies to both the Finnish and Baltic operations. Compared with the year-earlier period, the business area's net sales fell by 7 percent to SEK 382 M (411). Shipped tonnage was at a level comparable to that in the year-earlier period. The sales price (excluding currency effects) decreased by 9 percent compared with the year-earlier quarter and by 2 percent compared with the second quarter of 2013.

The operating result declined to SEK 5 M (10) and, adjusted for inventory losses, the underlying operating result was SEK 8 M (14). The weakening in the result was a consequence of the lower sales, which were, to a certain extent, offset by lower overheads.

Other Units

Other Units brings together the operations in Poland, Czech Republic and Slovakia, as well as the Swedish companies Lecor Stålteknik and BE Group Produktion Eskilstuna with its subsidiary in Estonia. The Czech operations are reported as discontinued operations.

Compared with the preceding year, Other Units' combined net sales rose 24 percent, amounting to SEK 141 M (114). The operating result improved and amounted to a loss of SEK 4 M (9). The better result is primarily attributable to the efficiency improvements implemented by the Group. The negative result is largely attributable to BE Group Produktion.

Czech Republic

Following the decision in the third quarter of 2012 to initiate a sale of these operations, the Czech operations are reported separately in the consolidated income statement and balance sheet. To date, efforts to sell the operations have not resulted in a purchase consideration of a level that is acceptable to BE Group. The sale process will continue and it is not currently possible to provide a concrete detailed plan for the implementation of the process. Additional structural changes and efficiency improvements have been conducted with the purpose of improving the results of the operations. In the third quarter, the results after tax continued to improve and amounted to a loss of SEK 2 M (85). In the preceding year, the value of the Czech operations was written down by SEK 82 M.

Net financial items and tax

Consolidated net financial items for the third quarter amounted to an expense of SEK 11 M (11), of which the net interest expense accounted for SEK 10 M (8). On an annual basis, consolidated net interest, including portions in the discontinued operations, corresponded to 4.7 percent (4.1) of interest-bearing net debt.

The tax expense for the quarter amounted to SEK 1 M (0).

Cash flow

Cash flow after investments was a negative SEK 41 M (16). Cash flow from operating activities weakened to a negative SEK 34 M (7), primarily due to increased working capital. Cash flow from investing activities was a negative SEK 7 M (9).

Capital, investments and return

At the end of the period, consolidated working capital amounted to SEK 411 M (446) and operating capital tied up was 11 percent (12).

The investments during the quarter of SEK 13 M (12) are primarily attributable to production equipment for the Finnish operations.

Financial position and liquidity

At the end of the period, consolidated cash and equivalents were SEK 28 M (24) and consolidated interest-bearing net debt, including the discontinued operations, amounted to SEK 884 M (851).

At the end of the period, equity totaled SEK 636 M (708), while the debt/equity ratio was 139 percent (120).

Development in the first nine months of 2013 Group

Net sales fell by 16 percent compared with the year-earlier period, amounting to SEK 3,037 M (3,636). The decline is due to a decrease in shipped tonnage of 11 percentage points and negative price and mix effects amounting to 5 percentage points.

Operating profit fell to SEK 1 M (68). Adjusted for inventory losses of SEK 10 M (14) and non-recurring items amounting to a negative SEK 29 M (-), the underlying operating result was SEK 40 M (82). The weakening in results is attributable to lower sales, which has to a certain extent been offset by lower costs.

The operating margin amounted to 0.0 percent (1.9) and the underlying operating margin was 1.3 percent (2.3).

NET SALES AND EARNINGS TREND IN THE FIRST NINE MONTHS

(SEK M)

Net sales 2012	3,636
Net sales 2013	3,037
Operating result 2012	68
Inventory losses	14
Underlying operating result 2012	82
Tonnage-, price and mix effects	-140
Improved gross margin effect	50
Changes in overheads, etc.	48
Underlying operating result 2013	40
Inventory losses	-10
Non-recurring items	-29
Operating result 2013	1

Business areas

Business Area Sweden

The business area reported sales of SEK 1,444 M (1,800) – a decrease of 20 percent, compared with the year-earlier period, which was mainly attributable to an 18 percent decline in shipped tonnage. The operating result amounted to SEK 18 M (54) and the underlying operating result, adjusted for inventory losses and non-recurring items, to SEK 37 M (55). The weakening in results is primarily attributable to lower sales, which has to a certain extent been offset by a lower level of overhead costs.

Business Area Finland

Compared with the year-earlier period, the business area's sales fell 18 percent and amounted to SEK 1,238 M (1,504). Shipped tonnage decreased by 9 percent. The operating result weakened to SEK 17 M (55) and the underlying operating result, adjusted for inventory losses and non-recurring items, was SEK 27 M (69). The weakening in the result was primarily a consequence of the lower sales, which were, to a certain extent, offset by a lower level of overhead costs.

Other Units

Other Units' net sales rose by 10 percent compared with the year-earlier period, amounting to SEK 421 M (382). The operating result improved and amounted to a loss of SEK 16 M (22). The negative result is mainly attributable to too low levels of utilization at the production units in Sweden and Poland.

Net financial items and tax

The Group's net financial items for the reporting period amounted to an expense of SEK 37 M (31), of which the net interest expense accounted for SEK 28 M (24). On an annual basis, consolidated net interest, including portions in the discontinued operations, corresponded to 4.7 percent (4.4) of interest-bearing net debt.

Tax income for the reporting period amounted to SEK 6 M (expenditure 10).

Cash flow

Cash flow after investments was a negative SEK 101 M (81). Cash flow from operating activities weakened to a negative SEK 72 M (38), primarily due to increased working capital. Cash flow from investing activities was a negative SEK 29 M (43).

Organization, structure and employees

The number of employees decreased to 826 compared with 904 at the start of the year and 894 at the corresponding time last year. The average number of employees during the period amounted to 865 (908). The decline from the start of the year is attributable to the personnel reductions that have been implemented.

Contingent liabilities

The Group's contingent liabilities amounted to SEK 24 M (112), unchanged since the start of the year.

Outlook

Based on signals from customers, we expect that demand in the fourth quarter, up until the seasonal downturn towards the end of the year, will remain at largely the level that was established following the vacation period. Signals from customers are currently positive with regard to the demand trend for 2014.

Prices for the Group's products are expected to rise somewhat in the fourth quarter due to higher steel prices.

The Group's competitiveness will continue to improve following the implemented efficiency enhancements, entailing a leverage effect on earnings capacity in an improved economic situation.

Parent Company

Sales for the Parent Company, BE Group AB (publ), amounted to SEK 43 M (43) during the period and derived from intra-Group services. The operating loss amounted to SEK 10 M (25).

Net financial items were negative in the amount of SEK 6 M (161). Figures for 2012 were negatively impacted by impairments of SEK 187 M recognized in the value of shares in the Czech subsidiaries. The loss before tax amounted to SEK 16 M (186) and the loss after tax was SEK 6 M (178).

The Parent Company invested SEK 1 M (12) in intangible assets during the period. At the end of the period, the Parent Company's cash and equivalents were SEK 0 M (0).

Recommendation of a rights issue

The Board of Directors will recommend an extraordinary shareholders meeting a rights issue of approx. SEK 150 M. The rights issue will be fully guaranteed and will be concluded latest during the first quarter 2014.

No other significant events have taken place after the end of the period.

Related-party transactions and significant changes in ownership

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

Nominating Committee

In accordance with the company's procedures, a Nominating Committee has been appointed. The Nominating Committee consists of Bengt Stillström (Traction), Jan Andersson (Swedbank Robur), Ricard Wennerklint (IF Skadeförsäkring) and Anders Ullberg, Chairman of BE Group AB, who is also the convener for the Nominating Committee.

2014 Annual General Meeting

The Annual General Meeting of BE Group will be held on April 25, 2014, at 3.00 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 represent 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 2012 Annual Report, which was published in March 2013. 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 has been 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 2012 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. In other regards, the new standards and interpretations that have entered force effective from the 2013 financial year have had no material effect on the financial reporting.

Future reporting dates

During 2014, BE Group AB (publ) intends to publish financial information on the following dates:

- The Year-end Report for 2013 will be published on February 5, 2014.
- The 2013 Annual Report will be available at the end of March 2014.
- The Interim Report for January-March 2014 will be published on April 25, 2014.
- The 2014 AGM will be held on April 25.

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

The Board of Directors and the President provide their assurance that this interim report provides an accurate overview of the operations, position and earnings of the Group and the Parent Company, and that it also describes the principal risks and sources of uncertainty faced by the Parent Company and its subsidiaries.

Malmö, October 22, 2013

BE Group AB (publ)



Kimmo Väkiparta

President and CEO

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

Questions concerning this report may be directed to:

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This year-end report presents information 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 October 22, 2013 at 7.45 a.m. CET

Condensed consolidated income statement

(SEK M)	Note	2013 Jul-Sep	2012 Jul-Sep	2013 Jan-Sep	2012 Jan-Sep	2012 Full-year	Rolling 12 months
Net sales		916	1,020	3,037	3,636	4,634	4,035
Cost of goods sold	1	-795	-892	-2,633	-3,146	-4,037	-3,524
Gross profit		121	128	404	490	597	511
Selling expenses	1	-89	-95	-302	-324	-433	-411
Administrative expenses	1	-20	-26	-74	-101	-139	-112
Other operating income and expenses	2	1	-1	-28	1	0	-29
Participation in joint venture		0	0	1	2	1	0
Operating profit/loss		13	6	1	68	26	-41
Financial items		-11	-11	-37	-31	-39	-45
Profit/loss before tax		2	-5	-36	37	-13	-86
Tax		-1	0	6	-10	1	17
Profit/loss from continuing operations		1	-5	-30	27	-12	-69
Profit/loss from discontinued operations	3	-2	-85	-6	-98	-99	-7
Profit/loss for the period		-1	-90	-36	-71	-111	-76
Earnings per share		-0.02	-1.83	-0.73	-1.44	-2.25	-1.54
Earnings per share after dilution		-0.02	-1.83	-0.73	-1.44	-2.25	-1.54

Consolidated statement of comprehensive income

(SEK M)	2013 Jul-Sep	2012 Jul-Sep	2013 Jan-Sep	2012 Jan-Sep	2012 Full-year	Rolling 12 months
Profit/loss for the period	-1	-90	-36	-71	-111	-76
Other comprehensive income						
Items that have, or may be, reclassified to profit/loss for the period						
Translation differences	-4	-17	2	-28	-17	13
Hedging of net investments in foreign subsidiaries	2	12	-1	20	13	-8
Tax attributable to items in other comprehensive income	0	-3	0	-5	-3	2
Items that will not be reclassified to profit/loss for the period	-	-	-	-	-	-
Total other comprehensive income	-2	-8	1	-13	-7	7
Comprehensive income for the period	-3	-98	-35	-84	-118	-69

Condensed consolidated balance sheet

(SEK M)	Note	2013 30 Sep	2012 30 Sep	2012 31 Dec
Goodwill		607	605	607
Other intangible assets		65	77	76
Tangible assets		226	221	222
Investment in joint venture		126	127	126
Financial assets		1	2	2
Deferred tax assets		27	14	14
Total non-current assets		1,052	1,046	1,047
Inventories		502	575	509
Accounts receivables		534	586	382
Other receivables		59	65	59
Cash and equivalents		28	24	89
Assets held for sale		2	2	2
Assets of disposal group	4	168	189	203
Total current assets		1,293	1,441	1,244
Total assets	5	2,345	2,487	2,291
Equity		636	708	673
Non-current interest-bearing liabilities		851	832	832
Provisions		0	0	1
Deferred tax liability		50	57	49
Total non-current liabilities		901	889	882
Current interest-bearing liabilities		17	3	2
Accounts payables		525	608	493
Other current liabilities		158	172	132
Other current provisions		11	5	4
Liabilities of disposal group	4	97	102	105
Total current liabilities		808	890	736
Total equity and liabilities	5	2,345	2,487	2,291

Condensed consolidated cash-flow statement

(SEK M)	Note	2013 Jul-Sep	2012 Jul-Sep	2013 Jan-Sep	2012 Jan-Sep	2012 Full-year	Rolling 12 months
Profit/loss before tax ¹⁾		0	-90	-42	-64	-117	-95
Adjustment for non-cash items		6	95	48	119	135	64
Income tax paid		1	-5	-10	0	4	-6
Change in working capital		-41	-7	-68	-93	37	62
Cash flow from operating activities		-34	-7	-72	-38	59	25
Investments in intangible assets		0	-4	-1	-13	-17	-5
Investments in tangible assets		-12	-6	-35	-31	-45	-49
Divestment of subsidiary		5	-	5	-	-	-
Other cash flow from investing activities		0	1	2	1	3	4
Cash flow after investments		-41	-16	-101	-81	0	-20
Cash flow from financing activities		19	-2	26	-27	-37	16
Cash flow for the period		-22	-18	-75	-108	-37	-4
Exchange-rate difference in cash and equivalents		0	0	-1	-1	-1	-1
Cash flow after exchange-rate difference in cash and equivalents		-22	-18	-76	-109	-38	-5
Change in cash and equivalents included in the disposal group	4	7	-13	15	-13	-19	9
Change in cash and equivalents		-15	-31	-61	-122	-57	4

¹⁾ Profit/loss before tax from both continuing and discontinued operations.

Condensed statement of changes in equity

(SEK M)	2013 Jul-Sep	2012 Jul-Sep	2013 Jan-Sep	2012 Jan-Sep	2012 Full-year	Rolling 12 months
Equity at beginning of period	639	808	673	805	805	708
Effect of changed accounting principles	-	-	-	-	-	-
Adjusted equity at beginning of period	639	808	673	805	805	708
Comprehensive income for the period	-3	-98	-35	-84	-118	-69
Dividend	-	-	-	-12	-12	-
Acquisition/sales of treasury shares	0	0	0	0	0	0
Share Savings Scheme	0	-2	-2	-1	-2	-3
Equity at end of period	636	708	636	708	673	636

Notes

Note 1 Amortizations and depreciations

(SEK M)	2013 Jul-Sep	2012 Jul-Sep	2013 Jan-Sep	2012 Jan-Sep	2012 Full-year	Rolling 12 months
Amortization of intangible assets	4	4	12	11	16	17
Depreciation of tangible assets	10	10	31	31	41	41
Total amortizations and depreciations	14	14	43	42	57	58

Note 2 Non-recurring items

(SEK M)	2013 Jul-Sep	2012 Jul-Sep	2013 Jan-Sep	2012 Jan-Sep	2012 Full-year	Rolling 12 months
Costs for profitability improvement measures	-	-	-29	-	-	-29
Total non-recurring items	-	-	-29	-	-	-29

Note 3 Discontinued operations

(SEK M)	2013 Jul-Sep	2012 Jul-Sep	2013 Jan-Sep	2012 Jan-Sep	2012 Full-year	Rolling 12 months
Net sales	97	83	279	260	349	368
Operating costs	-98	-86	-284	-279	-371	-376
Profit/loss before tax	-1	-3	-5	-19	-22	-8
Income tax attributable to ordinary activities in discontinued operations	-1	0	-1	3	5	1
Loss recognised on the measurement to fair value less costs to sell	-	-82	-	-82	-82	-
Profit/loss from discontinued operations	-2	-85	-6	-98	-99	-7

Note 4 Assets and liabilities of disposal group

(SEK M)	2013 30 Sep	2012 30 Sep	2012 31 Dec
Goodwill and other intangible assets	9	7	9
Tangible assets	71	70	72
Deferred tax assets	10	9	10
Operating assets	74	90	93
Cash and equivalents	4	13	19
Total assets of disposal group	168	189	203
Provisions	0	1	1
Interest-bearing liabilities	49	55	55
Operating liabilities	48	46	49
Total liabilities of disposal group	97	102	105
Cumulative translation reserve of disposal group recognised in other comprehensive income	-13	-10	-9

Note 5 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 2012 Annual Report. No material changes have taken place in relation to the valuation as per December 31.

Segment reporting

Net sales per segment

(SEK M)	2013 Jul-Sep	2012 Jul-Sep	2013 Jan-Sep	2012 Jan-Sep	2012 Full-year	Rolling 12 months
Sweden	415	506	1,444	1,800	2,313	1,957
- External	400	496	1,397	1,763	2,259	1,893
- Internal	15	10	47	37	54	64
Finland	382	411	1,238	1,504	1,881	1,615
- External	381	408	1,231	1,484	1,861	1,608
- Internal	1	3	7	20	20	7
Other units	141	114	421	382	509	548
- External	135	113	405	379	504	530
- Internal	6	1	16	3	5	18
Parent Company and consolidated items	-22	-11	-66	-50	-69	-85
Group	916	1,020	3,037	3,636	4,634	4,035

Shipped tonnage per segment (thousands of tonnes)

	2013 Jul-Sep	2012 Jul-Sep	2013 Jan-Sep	2012 Jan-Sep	2012 Full-year	Rolling 12 months
Sweden	38	45	129	157	205	177
Finland	40	40	129	142	179	166
Other units	17	14	51	47	62	66
Parent Company and consolidated items	-3	-1	-7	-6	-8	-9
Group	92	98	302	340	438	400

Operating profit/loss (EBIT) per segment

(SEK M)	2013 Jul-Sep	2012 Jul-Sep	2013 Jan-Sep	2012 Jan-Sep	2012 Full-year	Rolling 12 months
Sweden	13	11	18	54	51	15
Finland	5	10	17	55	41	3
Other units	-4	-9	-16	-22	-40	-34
Parent Company and consolidated items	-1	-6	-18	-19	-26	-25
Group	13	6	1	68	26	-41

Operating margin per segment

	2013 Jul-Sep	2012 Jul-Sep	2013 Jan-Sep	2012 Jan-Sep	2012 Full-year	Rolling 12 months
Sweden	3.1%	2.2%	1.3%	3.0%	2.2%	0.8%
Finland	1.3%	2.4%	1.3%	3.7%	2.2%	0.2%
Other units	-3.1%	-8.1%	-3.9%	-5.9%	-7.8%	-6.1%
Group	1.4%	0.6%	0.0%	1.9%	0.6%	-1.0%

Segment reporting

Underlying operating profit/loss (uEBIT) per segment¹⁾

(SEK M)	2013 Jul-Sep	2012 Jul-Sep	2013 Jan-Sep	2012 Jan-Sep	2012 Full-year	Rolling 12 months
Sweden	14	15	37	55	57	39
Finland	8	14	27	69	58	16
Other units	-4	-8	-16	-23	-40	-33
Parent Company and consolidated items	0	-6	-8	-19	-26	-15
Group	18	15	40	82	49	7

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 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

	2013 Jul-Sep	2012 Jul-Sep	2013 Jan-Sep	2012 Jan-Sep	2012 Full-year	Rolling 12 months
Sweden	3.5%	3.1%	2.6%	3.1%	2.5%	2.0%
Finland	2.2%	3.5%	2.2%	4.6%	3.1%	1.0%
Other units	-3.0%	-7.3%	-3.7%	-6.1%	-7.9%	-5.9%
Group	2.0%	1.5%	1.3%	2.3%	1.1%	0.2%

Depreciation per segment

(SEK M)	2013 Jul-Sep	2012 Jul-Sep	2013 Jan-Sep	2012 Jan-Sep	2012 Full-year	Rolling 12 months
Sweden	4	4	12	11	15	16
Finland	4	4	13	13	18	18
Other units	2	2	7	7	9	9
Parent Company and consolidated items	4	4	11	11	15	15
Group	14	14	43	42	57	58

Investments in tangible and intangible assets per segment

(SEK M)	2013 Jul-Sep	2012 Jul-Sep	2013 Jan-Sep	2012 Jan-Sep	2012 Full-year	Rolling 12 months
Sweden	1	5	6	6	10	10
Finland	11	1	17	15	18	20
Other units	1	2	13	10	15	18
Parent Company and consolidated items	0	4	1	13	15	3
Group	13	12	37	44	58	51

Key data

(SEK M unless otherwise stated)	2013 Jul-Sep	2012 Jul-Sep	2013 Jan-Sep	2012 Jan-Sep	2012 Full-year	Rolling 12 months
Earnings measurements						
Operating profit/loss (EBIT)	13	6	1	68	26	-41
Margin measurements						
Gross margin	13.2%	12.6%	13.3%	13.5%	12.9%	12.7%
Operating margin	1.4%	0.6%	0.0%	1.9%	0.6%	-1.0%
Capital structure						
Net debt ¹⁾	884	851	884	851	779	884
Net debt/equity ratio	139%	120%	139%	120%	116%	139%
Equity/assets ratio	27%	28%	27%	28%	29%	27%
Working capital (average)	400	470	376	461	433	390
Capital employed (average)	1,595	1,677	1,578	1,704	1,675	1,591
Operating capital (excluding intangible assets) (average)	709	810	680	815	779	693
Working capital tied-up	11%	12%	9%	10%	9%	10%
Return						
Return on capital employed	3.3%	1.5%	0.1%	5.5%	1.8%	-2.5%
Return on operating capital (excluding intangible assets)	9.7%	4.8%	2.6%	13.0%	5.4%	-3.5%
Return on equity	0.2%	-2.9%	-6.2%	4.6%	-1.5%	-10.4%
Per share data						
Earnings per share (SEK)	-0.02	-1.83	-0.73	-1.44	-2.25	-1.54
Earnings per share after dilution (SEK)	-0.02	-1.83	-0.73	-1.44	-2.25	-1.54
Equity per share (SEK)	12.87	14.32	12.87	14.32	13.63	12.87
Cash flow from operating activities per share (SEK)	-0.69	-0.13	-1.45	-0.76	1.19	0.50
Shares outstanding at period end (thousands)	49,438	49,409	49,438	49,409	49,409	49,438
Average number of shares (thousands)	49,438	49,409	49,431	49,402	49,404	49,426
Diluted average number of shares (thousands)	49,438	49,409	49,446	49,419	49,429	49,441
Other						
Average number of employees	842	895	865	908	907	896

¹⁾ Including cash and equivalents, and interest-bearing receivables/liabilities included in the disposal group.

Supplementary disclosures

(SEK M unless otherwise stated)	2013 Jul-Sep	2012 Jul-Sep	2013 Jan-Sep	2012 Jan-Sep	2012 Full-year	Rolling 12 months
Sales by main products						
Long steel	258	292	865	1,026	1,300	1,139
Flat steel	339	337	1,126	1,228	1,551	1,449
Reinforcement steel	64	114	224	407	525	342
<i>Total commercial steel</i>	661	743	2,215	2,661	3,376	2,930
Stainless steel	147	169	494	610	781	665
Aluminium	41	49	136	176	223	183
Other	67	59	192	189	254	257
Total sales	916	1,020	3,037	3,636	4,634	4,035
Growth						
Sales growth	-10%	-20%	-16%	-11%	-14%	-18%
– organic tonnage growth	-6%	-11%	-11%	-4%	-6%	-12%
– price and mix changes	-6%	-5%	-5%	-6%	-6%	-5%
– currency effects	2%	-4%	0%	-1%	-2%	-1%
Adjusted earnings measurements						
Underlying operating profit/loss (uEBIT)	18	15	40	82	49	7
Underlying EBITA	22	19	52	93	65	24
Adjusted margin measurements						
Underlying gross margin	13.7%	13.4%	13.6%	13.8%	13.3%	13.1%
Underlying operating margin	2.0%	1.5%	1.3%	2.3%	1.1%	0.2%
Underlying EBITA margin	2.4%	1.8%	1.7%	2.6%	1.4%	0.6%
Adjusted return						
Underlying return on operating capital (excluding intangible assets)	12.3%	9.3%	10.3%	15.3%	8.3%	3.5%
Adjusted per share data						
Underlying earnings per share (SEK)	0.08	0.29	0.13	0.76	0.12	-0.51
Underlying earnings per share after dilution (SEK)	0.08	0.29	0.13	0.76	0.12	-0.51
Adjusted capital structure						
Net debt/underlying EBITDA (multiple)	-	-	-	-	7,3	13,5
Other						
Inventory gains and losses	-5	-9	-10	-14	-23	-19
Shipped tonnage (thousands of tonnes)	92	98	302	340	438	400
Average sales prices (SEK/kg)	9.93	10.36	10.05	10.69	10.59	10.10

Condensed parent company income statement

(SEK M)	2013 Jul-Sep	2012 Jul-Sep	2013 Jan-Sep	2012 Jan-Sep	2012 Full-year	Rolling 12 months
Net sales	14	14	43	43	58	58
Administrative expenses	-16	-20	-53	-67	-90	-76
Other operating income and expenses	0	-1	0	-1	-1	0
Operating profit/loss	-2	-7	-10	-25	-33	-18
Financial items	-7	-184	-6	-161	-181	-26
Profit/loss before tax	-9	-191	-16	-186	-214	-44
Tax	2	0	10	8	0	2
Profit/loss for the period	-7	-191	-6	-178	-214	-42

Statement of comprehensive income – parent company

(SEK M)	2013 Jul-Sep	2012 Jul-Sep	2013 Jan-Sep	2012 Jan-Sep	2012 Full-year	Rolling 12 months
Profit/loss for the period	-7	-191	-6	-178	-214	-42
Other comprehensive income	-	-	-	-	-	-
Comprehensive income for the period	-7	-191	-6	-178	-214	-42

Condensed parent company balance sheet

(SEK M)	2013 30 Sep	2012 30 Sep	2012 31 Dec
Intangible assets	61	72	71
Tangible assets	0	0	0
Financial assets	1,225	1,216	1,191
Total non-current assets	1,286	1,288	1,262
Current receivables	284	373	396
Cash and equivalents	0	0	52
Total current assets	284	373	448
Total assets	1,570	1,661	1,710
Equity	590	634	598
Non-current liabilities	826	818	818
Current liabilities	154	209	294
Total equity and liabilities	1,570	1,661	1,710
Pledged assets	1,303	1,297	1,301
Contingent liabilities	107	34	36

Key data – multi-quarter summary

(SEK M unless otherwise stated)	2013 Jul-Sep	2013 Apr-Jun	2013 Jan-Mar	2012 Okt-Dec	2012 Jul-Sep	2012 Apr-Jun	2012 Jan-Mar	2011 Okt-Dec	2011 Jul-Sep
Net sales	916	1,089	1,032	998	1,020	1,273	1,343	1,288	1,268
Earnings measurements									
Operating profit/loss (EBIT)	13	5	-17	-42	6	21	41	1	13
Underlying operating profit/loss (uEBIT)	18	8	14	-33	15	16	51	29	32
Underlying EBITA	22	12	18	-28	19	20	55	33	37
Margin measurements									
Operating margin	1.4%	0.5%	-1.7%	-4.2%	0.6%	1.7%	3.1%	0.1%	1.0%
Underlying operating margin	2.0%	0.8%	1.4%	-3.3%	1.5%	1.2%	3.8%	2.2%	2.5%
Underlying EBITA margin	2.4%	1.1%	1.8%	-2.8%	1.8%	1.6%	4.1%	2.6%	2.9%
Capital structure									
Net debt	884	844	822	779	851	844	806	773	924
Net debt/equity ratio	139%	132%	128%	116%	120%	105%	98%	96%	108%
Equity/assets ratio	27%	27%	27%	29%	28%	31%	29%	31%	29%
Capital employed (average)	1,595	1,575	1,562	1,602	1,677	1,723	1,731	1,766	1,809
Operating capital (excluding intangible assets) (average)	709	677	650	689	810	860	821	897	964
Working capital tied-up	11%	9%	9%	10%	12%	10%	8%	10%	12%
Return									
Return on capital employed	3.3%	1.4%	-4.4%	-10.3%	1.5%	5.1%	9.7%	0.4%	3.1%
Return on operating capital (excluding intangible assets)	9.7%	5.5%	-8.2%	-22.0%	4.8%	11.6%	21.9%	2.2%	7.2%
Underlying return on operating capital (excluding intangible assets)	12.3%	7.3%	11.2%	-16.7%	9.3%	9.2%	26.9%	15.3%	14.9%
Return on equity	0.2%	-4.4%	-14.4%	-22.3%	-2.9%	3.8%	12.0%	-7.2%	-0.6%
Per share data									
Earnings per share (SEK)	-0.02	-0.16	-0.54	-0.81	-1.83	0.01	0.38	-0.74	-0.20
Underlying earnings per share (SEK)	0.08	-0.10	0.15	-0.64	0.29	-0.07	0.54	-0.28	0.08
Equity per share (SEK)	12.87	12.93	12.96	13.63	14.32	16.36	16.68	16.31	17.30
Cash flow from operating activities per share (SEK)	-0.69	0.17	-0.92	1.95	-0.13	-0.33	-0.30	3.27	-1.04
Other									
Average number of employees	842	864	887	899	895	907	921	949	962
Inventory gains and losses	-5	-3	-2	-9	-9	5	-10	-23	-19
Shipped tonnage (thousands of tonnes)	92	108	102	98	98	117	125	114	111
Average sales prices (SEK/kg)	9.93	10.04	10.15	10.25	10.36	10.94	10.71	11.31	11.48

Definitions of key data

SUPPLEMENTARY DISCLOSURES

Growth	
Sales growth	Change in net sales from the preceding period in percent.
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).
Underlying EBITA	EBITA before non-recurring items adjusted for inventory gains and losses (deductions for gains and additions for losses).
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).
Underlying operating margin	Underlying operating profit/loss (uEBIT) as a percentage of net sales.
Underlying EBITA margin	Underlying EBITA as a percentage of net sales.
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.
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.
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.
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 result before depreciation and amortization.
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.

Please refer to the 2012 annual report for other definitions of key data.