BE GROUP

BE Group AB (publ)

Interim report January-September 2010

Malmö, October 22, 2010

Growth and improved result

THIRD QUARTER 2010

- Net sales amounted to SEK 1,273 M (917), which represents an increase of 39 percent. Shipped tonnage rose by 24 percent.
- The operating result improved to SEK 48 M (loss 44) as a consequence of increased tonnage, higher prices and inventory gains of SEK 16 M (losses 35). Profit after tax was SEK 26 M (loss 46).
- Underlying EBITA[1)] increased to SEK 37 M (loss 7) and the underlying EBITA margin to 2.9 percent (negative 0.8).
- Earnings per share[2)] rose to SEK 0.52 (loss 0.92) and underlying earnings per share[2)] to SEK 0.29 (loss 0.39).
- After the end of the quarter, BE Group acquired the Swedish steel construction company Lecor Stålteknik. The acquisition is in line with BE Group's strategy to strengthen and broaden its production service offering.

THE FIRST NINE MONTHS OF 2010

- Net sales rose 14 percent to SEK 3,746 M (3,297), with shipped tonnage rising 16 percent.
- The operating result improved to SEK 106 M (loss 233).
- Underlying EBITA[1)] amounted to SEK 76 M (loss 5) with a margin of 2.0 percent (negative 0.2).
- Earnings per share[2)] rose to SEK 0.95 (loss 4.31) and underlying earnings per share[2)] to SEK 0.37 (loss 0.90).

1) Definitions page 18.
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 2009, the company reported sales totalling SEK 4.3 billion. BE Group has less than 900 employees in nine countries in northern Europe, where Sweden and Finland are its largest markets. The head office is located in Malmö, Sweden. Read more about BE Group at www.begroup.com

Market and business environment

To date in 2010, global production of crude steel has risen in comparison with the preceding year. According to the latest statistics for the period up to and including August 2010 from the World Steel Association (WSA), global steel production amounted to 932 million tonnes – 22 percent higher than in the year-earlier period. China, which accounts for 46 percent of total production, showed a 15 percent production increase during the period. In the EU, production rose by 38 percent over the same period.

Sales in the European steel distribution sector rose in the first half of 2010 but, according to statistics for the period through August, declined during the summer months. Total inventory levels, in terms of inventory days, rose somewhat over the same period. To a certain extent, the increase is seasonal in nature.

Taking into account the seasonal effect of the vacation period in the third quarter, demand in BE Group's markets has largely remained at the level established in the second quarter. In the Swedish and Finnish markets, the higher level of activity has continued, primarily among larger engineering customers. Overall, the Group's shipped tonnage was 24 percent higher than in the corresponding quarter in 2009.

Outlook

In its latest forecast, published in October, the WSA expects a recovery in apparent consumption of steel (that is, usage plus inventory build-up among manufacturers and distributors) in the global market of 13 percent for the 2010 full-year. This represents an upward revision of previously published forecasts. Growth for the current year should be compared with a decline of seven percent in 2009. In the EU, the increase in 2010 is expected to be 19 percent, compared with a decline of 35 percent in 2009. The forecasted increase for 2010 is five percentage points higher than earlier forecasts. For 2011 an increase of slightly more than five percent is forecasted for the global market.

In BE Group's assessment, purchasing prices, and consequently sales prices, will decline somewhat in the fourth quarter. The longer-term price trend is dependent on general demand and production levels among steel producers. In the current market situation, price trends are difficult to assess.

Based on current and forecasted levels of activity among customers, BE Group expects continued improvement in demand. The Group will also benefit from any increased demand resulting from inventory build-up among customers, although such build-up has not yet been noted to any great extent.

Strategic focus areas

BE Group is continuing its long-term efforts to increase the service share of its sales. In line with this, the Swedish company Lecor Stålteknik was acquired at the beginning of October.

Measures are also being implemented to increase sales and the level of service to customers with operations in several of the Group's markets. This strategic focus entails continued investment to be able to generate increased added value both for the Group and its customers. In addition, several activities are in progress to enhance efficiency, including continued improvements in material flows and inventory control. This is intended to safeguard continued profitable growth with efficient use of capital.

Development in July-September

Group

Net sales rose by 39 percent compared with the year-earlier period, amounting to SEK 1,273 M (917). During the quarter, the vacation period had a negative seasonal impact on demand.

The increase is explained by shipped tonnage increasing by 24 percent, amounting to 115 thousands of tonnes (93) and a higher price level. The average sales price of SEK 11.09 per kg (9.91) was 12 percent (excluding currency effects 17 percent) higher than in the year-earlier period. The average sales price rose five percent compared with the second quarter of 2010.

Consolidated gross profit amounted to SEK 183 M (97) and underlying gross profit to SEK 170 M (129). The underlying gross margin declined to 13.4

Net sales and earnings trend

(SEK M)	Outcome Jul-Sep
Net sales 2009	**917**
Net sales 2010	**1,273**
Operating loss 2009	**-44**
Reversal of amortization of intangible assets	2
EBITA 2009	**-42**
Inventory losses	35
Underlying EBITA 2009	**-7**
Tonnage-, price-, mix- and gross margin	41
Changes in overhead costs, etc.	3
Underlying EBITA 2010	**37**
Inventory gains	16
EBITA 2010	**53**
Less amortization of intangible assets	-5
Operating profit 2010	**48**

percent (14.1), mainly due to increased sales in the direct sales channel in the Swedish operations, combined with an unfavorable product mix.

EBITA improved to SEK 53 M (loss 42). Adjusted for inventory gains of SEK 16 M (losses 35), underlying EBITA amounted to SEK 37 M (loss 7). The improvement in results is mainly attributable to the increase in shipped tonnage combined with higher sales prices. The EBITA margin was 4.2 percent (negative 4.6) and the underlying EBITA margin was 2.9 percent (negative 0.8).

Sales by distribution channel

BE Group's sales are conducted through three distribution channels: inventory sales, service sales and direct sales. Of total net sales for the third quarter, shipments from Group facilities accounted for 80 percent (82), which is broken down as follows: inventory sales 55 percentage points (55) and service sales 25 percentage points (27).

Sales trend in commercial steel

Net sales of commercial steel rose 41 percent to SEK 927 M (656). In terms of tonnage the increase was 26 percent. The average sales price per kg rose 13 percent. Compared with the preceding quarter, the sales price rose five percent. Overall, commercial steel accounted for 73 percent (72) of BE Group's net sales.

Sales trend in stainless steel

Compared with the year-earlier period, BE Group's sales of stainless steel in the period rose 26 percent and amounted to SEK 228 M (182). The proportion of net sales represented by stainless steel declined somewhat and amounted to 18 percent (20). Sold tonnage was up 10 percent and the average sales price was up 15 percent on the year-earlier period. Compared with the second quarter, the sales price rose six percent.

Sales by customer segment

Since the start of 2010, BE Group has followed up sales in accordance with a new customer segmentation. Four principal customer groups have been identified: project-based customers, OEMs and their partner suppliers, retailers and pre-processing companies.

In the third quarter, OEM customers accounted for the largest share of sales, 54 percent; project customers for 22 percent; pre-processing companies for 14 percent; and retailers for 10 percent.

Business areas

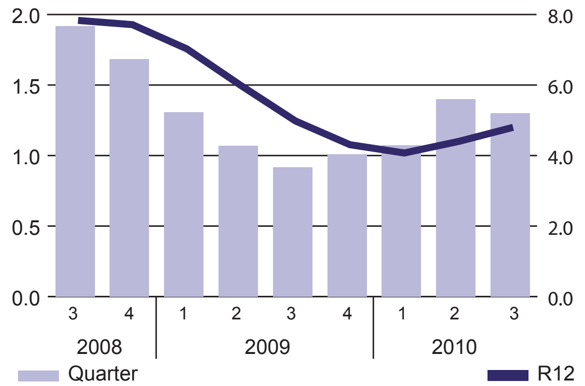
BE Group's operational structure has been changed, with the Danish operations now being reported within business area Sweden rather than CEE. This change was implemented as of January 1, 2010. The financial statistics for 2009 have therefore been recalculated to reflect this change and are available on the company's website.

Business area Sweden

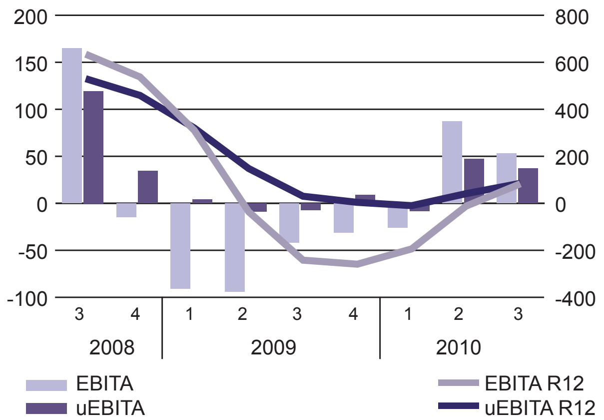
Given the seasonal effect of the vacation period, demand from the construction sector and major customers in the engineering sector has largely remained at the level established before the summer period for business area Sweden. The higher level of activity noted among major engineering customers over the past six-month period has not yet been observed among smaller engineering customers nor resulted in a general build-up of inventories.

The higher level of activity noted among major engineering customers over the past six-month

Net sales (SEK Bn)
Quarter and rolling 12 months



EBITA (SEK M)
Quarter and rolling 12 months



period has not yet been observed among smaller engineering customers nor resulted in a general build-up of inventories. Compared with the second quarter of 2010, the sales price rose seven percent.

EBITA improved to SEK 28 M (2). The improved result is related to a higher level of activity and price increases. The latter has resulted in inventory gains of SEK 10 M (losses 7) in the quarter.

A greater proportion of direct sales has resulted in lower margins. Adjusted for inventory gains, underlying EBITA amounted to SEK 18 M (9).

The thin plate processing joint venture with ArcelorMittal contributed SEK 6 M to the SEK 26 M improvement in result.

Business area Finland

In Finland, demand from the engineering sector remained at the level established in the second quarter and also reflected the normal seasonal effect of the vacation period.

Net sales rose by 60 percent compared with the year-earlier period, amounting to SEK 474 M (296). The increase is due to a 46 percent increase in tonnage and higher sales prices. Measured in EUR, these rose by 21 percent compared with the third quarter of 2009 and by nine percent compared with the second quarter of 2010. Net sales were affected by a negative currency effect of nine percentage points.

EBITA rose to SEK 29 M (loss 13) and underlying EBITA to SEK 21 M (loss 1). The improved result is attributable to the higher price level and increased tonnage. The price increase during the quarter resulted in inventory gains of SEK 8 M (losses 12).

Business area CEE

The markets in Central and Eastern Europe have continued to show a recovery and the business area's shipped tonnage rose by 18 percent compared with the year-earlier quarter. As a consequence of the increased tonnage and 22 percent (excluding currency effects 30 percent) higher average sales prices, the business area's net sales rose 44 percent to SEK 265 M (185).

All in all, EBITA for the period improved to a loss of SEK 1 M (loss 26). Taking inventory losses of SEK 2 M (16) for the quarter into account, underlying EBITA amounted to SEK 1 M (loss 10).

During the period, the logistics center established in Ostrava, in the Czech Republic, in 2009 continued to contribute to improved capital management in the business area. Credit risks and the availability of liquidity among customers continue to be a limiting factor to some extent for the business area's growth.

Net financial items and tax

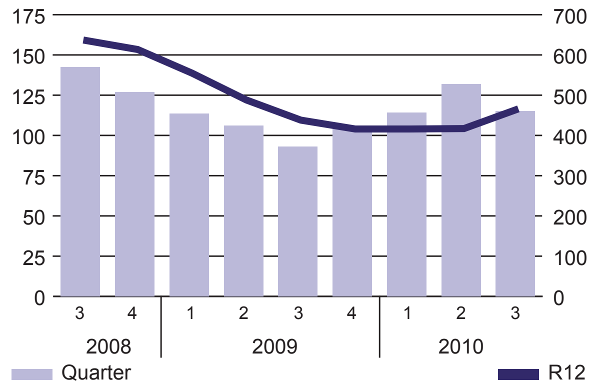
The Group's net financial items for the third quarter amounted to an expense of SEK 13 M (14), of which the net interest expense accounted for SEK 8 M (12). On an annual basis, this corresponds to 3.6 percent (5.6) of net interest-bearing liabilities, which averaged SEK 854 M (888) during the quarter. Net financial items were impacted negatively by exchange rate differences of SEK 3 M (0) and other expenses of SEK 2 M (2).

The tax expense for the quarter amounted to SEK 9 M (income 12), equivalent to 26 percent (21) of earnings before tax.

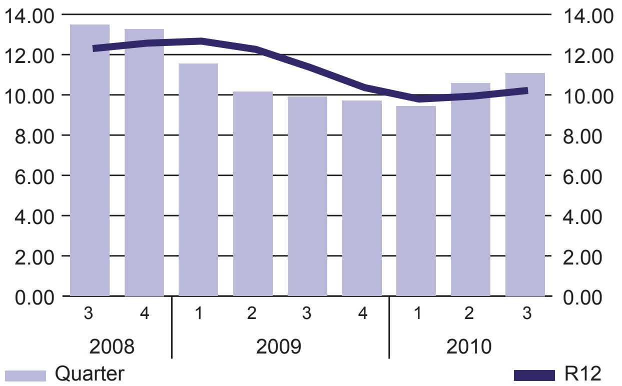
Cash flow

Cash flow for the third quarter, before changes in net debt, was negative in the amount of SEK 51 M (positive 78). Cash flow from operating activities was negative in the amount of SEK 44 M (positive 95). Working capital rose, mainly due to seasonal effects,

Tonnage (tonnes, thousands)
Quarter and rolling 12 months



Average sales price (SEK/kg)
Quarter and rolling 12 months



which had a negative effect of SEK 77 M (positive 141). The development in 2009 was caused by the sizeable decline in demand.

Cash flow from investing activities was a negative SEK 7 M (17). Cash flow from financing activities was SEK 2 M (negative 10).

Capital, investments and return

Consolidated working capital amounted to SEK 632 M (577) at the end of the period. Working capital tied-up improved to 12 percent (18) based on lower average working capital during the quarter. The worsening in working capital tied-up compared to the second quarter is attributable to seasonal effects.

Of the investments of SEK 8 M (17) made during the quarter, SEK 6 M involved investments in intangible assets in connection with the development of the Group's IT platform.

Average operating capital (excluding intangible assets) declined to SEK 947 M (1,036) compared with the year-earlier period, mainly due to lower working capital. This, in combination with improvement in EBITA, resulted in an improvement in return to 22 percent (negative).

Financial position and liquidity

At the end of the period, consolidated cash and equivalents were SEK 55 M (158). At September 30, the Group had unutilized credit facilities totaling SEK 349 M (219).

Consolidated interest-bearing net debt amounted to SEK 876 M (836) at the end of the period. BE Group's total credit facilities amounted to SEK 1,267 M. The maturity date for 95 percent of the credit facility is May 2013.

At the end of the period, consolidated equity totaled SEK 812 M (833), while the net debt/equity ratio amounted to 108 percent (100).

Development January-September

Group

Over the January-September reporting period, consolidated net sales rose 14 percent and amounted to SEK 3,746 M (3,297). Shipped tonnage rose 16 percent while the average sales price per kg declined by two percent, amounting to SEK 10.38 (10.59). Net sales were affected by a negative currency effect of five percentage points.

Consolidated gross profit rose to SEK 564 M (248), resulting in a gross margin of 15.0 percent (7.5). The underlying gross margin improved to 14.1 percent (13.9).

EBITA rose to SEK 114 M (loss 228) and underlying EBITA improved to SEK 76 M (loss 5). The improvement in profit is mainly attributable to higher tonnage and inventory gains of SEK 38 M (losses 223). The EBITA margin improved to 3.0 percent (negative), while the underlying EBITA margin was 2.0 percent (negative).

Net sales and earnings trend, first nine months

(SEK M)	Outcome Jan-Sep
Net sales 2009	**3,297**
Net sales 2010	**3,746**
Operating loss 2009	**-233**
Reversal of amortization of intangible assets	5
EBITA 2009	**-228**
Inventory losses	223
Underlying EBITA 2009	**-5**
Tonnage-, price-, mix- and gross margin	69
Changes in overhead costs, etc.	12
Underlying EBITA 2010	**76**
Inventory gains	38
EBITA 2010	**114**
Less amortization of intangible assets	-8
Operating profit 2010	**106**

Business areas

Business area Sweden

Business area Sweden reported sales of SEK 1,757 M (1,607) – an increase of nine percent mainly attributable to a 12 percent increase in tonnage. EBITA amounted to SEK 63 M (loss 34) and underlying EBITA to SEK 41 M (22).

Business area Finland

Sales for the Finnish business area rose by 17 percent to SEK 1,367 M (1,164). EBITA rose to SEK 75 M (loss 95). Underlying EBITA amounted to SEK 64 M (7). The improvement in result is primarily attributable to a 23 percent increase in tonnage.

Business area CEE

Sales for the CEE business area rose to SEK 723 M (586) – an increase of 23 percent. The increase in shipped tonnage amounted to 18 percent. EBITA improved to a loss of SEK 3 M (87) and underlying EBITA to a loss of SEK 8 M (22).

Net financial items and tax

The Group's net financial items for January-September 2010 amounted to an expense of SEK 43 M (38), of which the net interest expense accounted for SEK 26 M (29).

On an annual basis, this corresponds to 4.2 percent (4.1) of net interest-bearing liabilities, which averaged SEK 825 M (941) during the period. Net financial items were impacted negatively by exchange rate differences of SEK 4 M (6). Net financial items were also affected negatively by other financial expenses of SEK 13 M (3) mainly incurred through the refinancing completed in the second quarter of the year.

The tax expense for the first nine months amounted to SEK 16 M (income 57), equivalent to 25 percent (21) of earnings before tax. Profit after tax was SEK 63 M (loss 271).

Cash flow

During the first nine months of the year, cash flow before changes in net debt was negative in the amount of SEK 140 M (positive 188). Cash flow from operating activities was negative in the amount of SEK 115 M (positive 212). The weakening is mainly a consequence of increased business volumes.

Cash flow from investing activities was a negative SEK 25 M (24). Cash flow from financing activities was SEK 6 M (negative 158). The comparison figure includes amortization of financial liabilities and dividends paid.

Organization, structure and employees

The number of employees has declined to 868 compared with 884 at the beginning of the year and 880 on the corresponding date in 2009.

The average number of employees during the period amounted to 882 (938).

Contingent liabilities

The Group's contingent liabilities amounted to SEK 146 M, unchanged since December 2009.

Parent Company

Sales for the Parent Company, BE Group AB (publ) amounted to SEK 35 M (38) during the period and derived from intra-Group services. The operating loss amounted to SEK 28 M (16).

Net financial items were negative in the amount of SEK 2 million (positive 233). The comparison figure includes dividends received from subsidiaries amounting to SEK 235 M.

The loss before tax amounted to SEK 30 M (profit 217) and the loss after tax amounted to SEK 26 M (profit 222).

The Parent Company invested SEK 18 M (18) in intangible assets during the period. At the end of the period, the Parent Company's cash and equivalents were SEK 11 M (102).

Significant events after the end of the period

Acquisition of Lecor Stålteknik

In October, BE Group acquired all of the shares in steel construction company Lecor Stålteknik AB. The acquisition is in line with the strategy to strengthen and broaden the Group's production service offering and bolsters its position as a partner throughout the value chain with regard to steel and other metals

Lecor Stålteknik's sales for the most recent year of operations, which ended in June, amounted to SEK 146 M while the company's operating profit was SEK 13 M. The purchase consideration for the shares totals SEK 84 M, of which SEK 28 M was paid in connection with the transfer of operations, with the remainder being divided equally and paid in the first and third quarters of 2011 respectively. The company had a net cash position of SEK 12 M. The acquisition is being financed within BE Group's existing credit facilities.

The acquired operations are consolidated into BE Group as of the acquisition date and are expected to have an immidiate positive effect on BE Group's Business Area Sweden. A balance sheet is currently being prepared and analyzed in connection with the transfer and an account of the acquired assets and a preliminary distribution of surplus values will be provided in BE Group's year-end report.

Lecor Stålteknik's know-how in design, production, project management and technology strengthens BE Group's market position and the acquisition will create new opportunities for competitive deliveries of advanced steel structures. Customers include the Swedish Transport Administration and several construction and port companies.

Lecor Stålteknik's vision is to become Sweden's leading producer of prefabricated steel structures and the company is well-known for its quality and capacity to deliver. For example, the company has experience of prestigious projects such as the new Holmenkollen ski-jump in Norway and the Gamla Ullevi football stadium in Gothenburg, Sweden.

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 established principles of corporate governance, a Nominating Committee has been appointed with the Chairman of the Board as its convener. The members of the Committee are KG Lindvall (Swedbank Robur Funds), Tomas Ramsälv (Odin Funds), Thomas Ehlin (Nordea Funds), Anders Oscarsson (AMF Pension and AMF Funds) and Carl-Erik Ridderstråle, Chairman of BE Group AB.

Annual General Meeting 2011

The Annual General Meeting of BE Group will be held on Thursday, April 28, 2011, at 4:00 p.m. CET in Malmö, Sweden. Further information is available on the company's website.

Share Savings Scheme

In accordance with the proposal by the Board of Directors, the Meeting adopted guidelines for the remuneration of senior executives in line with the guidelines adopted by the Annual General Meeting in 2009. The Meeting also approved the Board's proposal for the introduction of a share savings plan encompassing at most 600,000 BE Group shares ("Share Savings Plan 2010"), corresponding to 1.20 percent of the total number of shares and votes in the company.

Participation in Share Savings Plan 2010 has been accepted by 29 employees. An amount of SEK 1 M associated with Share Savings Plans 2008-2010 was charged against the result for the third quarter.

To safeguard the supply of shares in accordance with Share Savings Plan 2010, BE Group repurchased 244,100 shares during the third quarter. BE Group's current holding of treasury shares amounts to 495,448 shares.

Significant risks and uncertainties

BE Group is exposed to business and financial risks in its operating activities. Fluctuations in steel prices, demand, and exchange and interest rates represent risk factors affecting the Group's results and cash flow.

BE Group is also exposed to refinancing and liquidity risks as well as credit and counterparty risks. The financial risk exposure is explained in the 2009 Annual Report published in March 2010. 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 financial statements are prepared in compliance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2.3 Accounting for Legal Entities.

Refer to the 2009 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 2010 financial year have had no effect on the Group's financial reporting, with the exception of the introduction of IFRS 3 Business Combinations. For the current report, this entails transaction costs being expensed and disclosure requirements being extended with regard to acquisitions made after the end of the reporting period.

For a description of other new standards and interpretations, please see the 2009 Annual Report.

Underlying earnings and return measurements are reported to clearly illustrate the performance of the operational business. Underlying earnings correspond to reported earnings after adjustment for non-recurring items and inventory gains/losses. BE Group applies an internal calculation model. The model has not been reviewed by the company's auditors.

Future reporting dates

For the 2010 year of operations, BE Group AB (publ) intends to publish financial information on the following dates:

- The Year-end Report for 2010 will be published on February 9, 2011.
- The 2010 Annual Report will be available at the end of March 2011.
- The Interim Report for January-March 2011 will be published on April 28, 2011.

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 22, 2010
BE Group AB (publ)

Lars Bergström
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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The information in this report is such that BE Group AB (publ) is required to disclose pursuant to the Swedish Securities Exchange and Clearing Operations Act and/or the Swedish Financial Instruments Trading Act. This information was submitted for publication on October 22, 2010 at 07.30 a.m. CET.

Report on Review of Interim Financial Information

To the Board of Directors of BE Group AB (publ)
Corporate number 556578-4724

Introduction

We have reviewed the condensed interim financial information (Interim Report) of BE Group AB (publ) as at September 30, 2010, and the nine month period then ended. 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 issue a report on the Interim Report based on our review.

Scope of 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 of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Swedish Standards on Auditing RS and other generally accepted auditing standards in Sweden and consequently does not enable us to obtain assurance that we would become 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 22, 2010

KPMG AB
Alf Svensson
Authorized Public Accountant

Condensed consolidated income statement

(SEK M)	Note	2010 Jul-Sep	2009 Jul-Sep	2010 Jan-Sep	2009 Jan-Sep	2009 Full-year	Rolling 12 months
Net sales		1,273	917	3,746	3,297	4,308	4,757
Cost of goods sold		-1,090	-820	-3,182	-3,049	-3,941	-4,074
Gross profit		**183**	**97**	**564**	**248**	**367**	**683**
Selling expenses		-109	-109	-357	-372	-497	-482
Administrative expenses		-34	-32	-115	-105	-132	-142
Other operating revenue and expenses	1	3	1	4	-1	1	6
Participation in joint venture		5	-1	10	-3	-5	8
Operating profit/loss		**48**	**-44**	**106**	**-233**	**-266**	**73**
Financial items		-13	-14	-43	-38	-56	-61
Profit/loss before tax		**35**	**-58**	**63**	**-271**	**-322**	**12**
Tax		-9	12	-16	57	73	0
Profit/loss for the period		**26**	**-46**	**47**	**-214**	**-249**	**12**
Amortization of intangible assets		5	2	8	5	7	10
Depreciation of tangible assets		11	12	35	37	50	48
Earnings per share		0.52	-0.92	0.95	-4.31	-5.00	0.24
Earnings per share after dilution		0.52	-0.92	0.95	-4.31	-5.00	0.24

Consolidated statement of comprehensive income

(SEK M)	2010 Jul-Sep	2009 Jul-Sep	2010 Jan-Sep	2009 Jan-Sep	2009 Full-year	Rolling 12 months
Profit/loss for the period	**26**	**-46**	**47**	**-214**	**-249**	**12**
Other comprehensive income						
Translation differences	-11	-21	-63	-23	-20	-60
Hedging of net investments in foreign subsidiaries	12	22	49	23	20	46
Tax attributable to items in other comprehensive income	-3	-5	-11	-5	-5	-11
Total other comprehensive income	**-2**	**-4**	**-25**	**-5**	**-5**	**-25**
Comprehensive income for the period	**24**	**-50**	**22**	**-219**	**-254**	**-13**

Note 1 Non-recurring items*

(SEK M)	2010 Jul-Sep	2009 Jul-Sep	2010 Jan-Sep	2009 Jan-Sep	2009 Full-year	Rolling 12 months
Non-recurring costs related to cost-savings programme	-	-	-	-	-8	-8
Total non-recurring items	**-**	**-**	**-**	**-**	**-8**	**-8**

* Recognised in Other operating revenue and expenses

Condensed consolidated balance sheet

(SEK M)	2010 30 Sep	2009 30 Sep	2009 31 Dec
Goodwill	630	649	647
Other intangible assets	81	63	72
Tangible assets	273	328	321
Investment in joint venture	129	121	119
Financial assets	2	3	2
Deferred tax assets	27	42	46
Total non-current assets	**1,142**	**1,206**	**1,207**
Inventories	726	628	604
Accounts receivables	728	603	435
Other receivables	81	79	68
Cash and equivalents	55	158	197
Total current assets	**1,590**	**1,468**	**1,304**
Total assets	**2,732**	**2,674**	**2,511**
Equity	**812**	**833**	**798**
Non-current interest-bearing liabilities	862	921	892
Provisions	16	10	15
Deferred tax liability	56	66	53
Total non-current liabilities	**934**	**997**	**960**
Current interest-bearing liabilities	71	77	84
Accounts payables, trade	721	553	512
Other current liabilities	181	180	134
Other current provisions	13	34	23
Total current liabilities	**986**	**844**	**753**
Total equity and liabilities	**2,732**	**2,674**	**2,511**

Condensed consolidated cash-flow statement

(SEK M)	2010 Jul-Sep	2009 Jul-Sep	2010 Jan-Sep	2009 Jan-Sep	2009 Full-year	Rolling 12 months
Profit/loss before tax	35	-58	63	-271	-322	12
Adjustment for non-cash items	6	13	26	37	49	38
Income tax paid	-8	-1	-22	9	10	-21
Change in working capital	-77	141	-182	437	545	-74
Cash flow from operating activities	**-44**	**95**	**-115**	**212**	**282**	**-45**
Investments in intangible assets	-6	-6	-19	-18	-29	-30
Investments in tangible assets	-2	-11	-7	-20	-29	-16
Acquisitions of subsidiaries	-	-	-	0	0	-
Other cash flow from investing activities	1	0	1	14	16	3
Cash flow before change in net debt	**-51**	**78**	**-140**	**188**	**240**	**-88**
Cash flow from financing activities	2	-10	6	-158	-177	-13
Cash flow for the period	**-49**	**68**	**-134**	**30**	**63**	**-101**
Exchange-rate difference in cash and equivalents	-1	-3	-8	3	9	-2
Change in cash and equivalents	**-50**	**65**	**-142**	**33**	**72**	**-103**

Condensed statement of changes in equity

(SEK M)	2010 Jul-Sep	2009 Jul-Sep	2010 Jan-Sep	2009 Jan-Sep	2009 Full-year	Rolling 12 months
Equity at beginning of period	**797**	**882**	**798**	**1,103**	**1,103**	**833**
Effect of changed accounting principles	-	-	-	-	-	-
Adjusted equity at beginning of period	**797**	**882**	**798**	**1,103**	**1,103**	**833**
Comprehensive income for the period	24	-50	22	-219	-254	-13
Dividend	-	-	-	-50	-50	0
Acquisition/sales of treasury shares	-10	-	-10	-	-	-10
Share Savings Scheme	1	1	2	-1	-1	2
Equity at end of period	**812**	**833**	**812**	**833**	**798**	**812**

Segment reporting*

Net sales per segment

(SEK M)	2010 Jul-Sep	2009 Jul-Sep	2010 Jan-Sep	2009 Jan-Sep	2009 Full-year	Rolling 12 months
Sweden	**573**	**453**	**1,757**	**1,607**	**2,120**	**2,270**
- External	559	446	*1,718*	*1,581*	*2,084*	*2,221*
- Internal	14	7	*39*	*26*	*36*	*49*
Finland	**474**	**296**	**1,367**	**1,164**	**1,491**	**1,694**
- External	454	290	*1,325*	*1,147*	*1,465*	*1,643*
- Internal	20	6	*42*	*17*	*26*	*51*
CEE	**265**	**185**	**723**	**586**	**782**	**919**
- External	260	181	*703*	*569*	*759*	*893*
- Internal	5	4	*20*	*17*	*23*	*26*
Parent Company and consolidated items	**-39**	**-17**	**-101**	**-60**	**-85**	**-126**
Group	**1,273**	**917**	**3,746**	**3,297**	**4,308**	**4,757**

Shipped tonnage per segment (thousands of ton)

(SEK M)	2010 Jul-Sep	2009 Jul-Sep	2010 Jan-Sep	2009 Jan-Sep	2009 Full-year	Rolling 12 months
Sweden	46	39	152	135	183	200
Finland	40	27	123	100	130	153
CEE	33	28	98	83	110	125
Parent Company and consolidated items	-4	-1	-12	-7	-7	-12
Group	**115**	**93**	**361**	**311**	**416**	**466**

EBITA per segment

(SEK M)	2010 Jul-Sep	2009 Jul-Sep	2010 Jan-Sep	2009 Jan-Sep	2009 Full-year	Rolling 12 months
Sweden	28	2	63	-34	-23	74
Finland	29	-13	75	-95	-111	59
CEE	-1	-26	-3	-87	-113	-29
Parent Company and consolidated items	-3	-5	-21	-12	-12	-21
Group	**53**	**-42**	**114**	**-228**	**-259**	**83**

EBITA margin per segment

(SEK M)	2010 Jul-Sep	2009 Jul-Sep	2010 Jan-Sep	2009 Jan-Sep	2009 Full-year	Rolling 12 months
Sweden	4.9%	0.5%	3.6%	-2.1%	-1.1%	3.2%
Finland	6.1%	-4.2%	5.5%	-8.1%	-7.5%	3.5%
CEE	-0.3%	-14.2%	-0.5%	-14.8%	-14.5%	-3.2%
Group	**4.2%**	**-4.6%**	**3.0%**	**-6.9%**	**-6.0%**	**1.7%**

* Effective as of 2010, the Danish operations are reported within Business Area Sweden rather than CEE. Consequently, segment data for 2009 have been recalculated.

Segment reporting

Underlying EBITA per segment[1)]

(SEK M)	2010 Jul-Sep	2009 Jul-Sep	2010 Jan-Sep	2009 Jan-Sep	2009 Full-year	Rolling 12 months
Sweden	18	9	41	22	49	68
Finland	21	-1	64	7	6	63
CEE	1	-10	-8	-22	-39	-25
Parent Company and consolidated items	-3	-5	-21	-12	-12	-21
Group	**37**	**-7**	**76**	**-5**	**4**	**85**

1) EBITA adjusted for inventory gains and losses and exceptional 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 companys auditor.

Underlying EBITA margin per segment

(SEK M)	2010 Jul-Sep	2009 Jul-Sep	2010 Jan-Sep	2009 Jan-Sep	2009 Full-year	Rolling 12 months
Sweden	3.2%	1.9%	2.3%	1.4%	2.3%	3.0%
Finland	4.4%	-0.4%	4.7%	0.6%	0.4%	3.7%
CEE	0.4%	-5.2%	-1.1%	-3.7%	-5.0%	-2.7%
Group	**2.9%**	**-0.8%**	**2.0%**	**-0.2%**	**0.1%**	**1.8%**

Depreciation per segment

(SEK M)	2010 Jul-Sep	2009 Jul-Sep	2010 Jan-Sep	2009 Jan-Sep	2009 Full-year	Rolling 12 months
Sweden	5	5	14	14	19	19
Finland	5	6	17	18	24	23
CEE	3	3	9	10	14	13
Parent Company and consolidated items	3	0	3	0	0	3
Group	**16**	**14**	**43**	**42**	**57**	**58**

Investments in tangible and intangible assets per segment

(SEK M)	2010 Jul-Sep	2009 Jul-Sep	2010 Jan-Sep	2009 Jan-Sep	2009 Full-year	Rolling 12 months
Sweden	1	2	2	6	6	2
Finland	0	8	4	12	20	12
CEE	1	0	1	2	3	2
Parent Company and consolidated items	6	7	18	18	29	29
Group	**8**	**17**	**25**	**38**	**58**	**45**

Key data

(SEK M unless otherwise stated)	2010 Jul-Sep	2009 Jul-Sep	2010 Jan-Sep	2009 Jan-Sep	2009 Full-year	Rolling 12 months
Earnings measurements						
EBITA	53	-42	114	-228	-259	83
Margin measurements						
Gross margin	14.4%	10.6%	15.0%	7.5%	8.5%	14.3%
EBITA margin	4.2%	-4.6%	3.0%	-6.9%	-6.0%	1.7%
Operating margin	3.8%	-4.8%	2.8%	-7.1%	-6.2%	1.5%
Capital structure						
Net debt	876	836	876	836	777	876
Net debt/equity ratio	107.9%	100.4%	107.9%	100.4%	97.4%	107.9%
Equity/assets ratio	29.7%	31.1%	29.7%	31.1%	31.8%	29.7%
Working capital (average)	594	655	531	823	751	540
Operating capital (average)	1,660	1,745	1,617	1,899	1,834	1,627
Operating capital (excluding intangible assets) (average)	947	1,036	902	1,193	1,125	913
Working capital tied-up	11.7%	17.8%	10.6%	18.7%	17.4%	11.4%
Return						
Return on operating capital (%)	11.6%	-10.1%	8.8%	-16.4%	-14.5%	4.5%
Return on operating capital (excluding intangible assets) (%)	22.4%	-16.4%	16.9%	-25.5%	-23.0%	9.1%
Return on equity (%)	12.9%	-21.4%	7.9%	-29.8%	-26.9%	1.5%
Per share data						
Earnings per share (SEK)	0.52	-0.92	0.95	-4.31	-5.00	0.24
Earnings per share after dilution (SEK)	0.52	-0.92	0.95	-4.31	-5.00	0.24
Equity per share (SEK)	16.39	16.74	16.39	16.74	16.05	16.39
Cash flow from operating activities per share (SEK)	-0.89	1.91	-2.32	4.25	5.67	-0.91
Shares outstanding at period end (thousands)	49,505	49,736	49,505	49,736	49,736	49,505
Average number of shares (thousands)	49,633	49,736	49,707	49,736	49,736	49,714
Diluted average number of shares (thousands)	49,673	49,746	49,750	49,744	49,749	49,759
Other						
Average number of employees	882	888	882	938	912	881

Supplementary disclosures

(SEK M)	2010 Jul-Sep	2009 Jul-Sep	2010 Jan-Sep	2009 Jan-Sep	2009 Full-year	Rolling 12 months
Sales by main products						
Long steel	368	283	1,084	1,089	1,404	1,399
Flat steel	452	298	1,332	1,111	1,441	1,662
Reinforcement steel	107	75	308	266	355	397
Total commercial steel	*927*	*656*	*2,724*	*2,466*	*3,200*	*3,458*
Stainless steel	228	182	674	579	768	863
Aluminium	82	74	249	238	315	326
Other	36	5	99	14	25	110
Total sales	**1,273**	**917**	**3,746**	**3,297**	**4,308**	**4,757**
Growth						
Sales growth	38.8%	-52.2%	13.6%	-45.3%	-44.1%	-4.5%
- organic tonnage growth	24.1%	-35.8%	15.9%	-36.2%	-32.3%	6.1%
- price and mix changes	19.8%	-21.9%	2.5%	-14.6%	-15.9%	-6.8%
- currency effects	-5.1%	5.1%	-4.7%	6.4%	4.8%	-3.8%
- acquisitions	-	0.4%	-	1.9%	1.5%	-
- divested operations	-	-	-	-2.8%	-2.2%	-
Adjusted earnings measurements						
Underlying EBITA	37	-7	76	-5	4	85
Adjusted margin measurements						
Underlying gross margin	13.4%	14.1%	14.1%	13.9%	14.1%	14.2%
Underlying EBITA margin	2.9%	-0.8%	2.0%	-0.2%	0.1%	1.8%
Adjusted return						
Underlying return on operating capital (excluding intangible assets)	15.8%	-2.7%	11.2%	-0.6%	0.3%	9.3%
Adjusted per share data						
Underlying earnings per share (SEK)	0.29	-0.39	0.37	-0.90	-0.99	0.29
Underlying earnings per share after dilution (SEK)	0.29	-0.39	0.37	-0.90	-0.99	0.29
Adjusted capital structure						
Net debt/underlying EBITDA (multiple)	-	-	-	-	14.5	6.6
Other						
Inventory gains and losses	16	-35	38	-223	-255	6
Shipped tonnage (thousands of tonnes)	115	93	361	311	416	466
Average sales prices (SEK/kg)	11.09	9.91	10.38	10.59	10.36	10.22

Condensed Parent Company income statement

(SEK M)	2010 Jul-Sep	2009 Jul-Sep	2010 Jan-Sep	2009 Jan-Sep	2009 Full-year	Rolling 12 months
Net sales	14	12	35	38	50	47
Administrative expenses	-21	-18	-63	-54	-68	-77
Other operating revenue and expenses	-	-	-	-	2	2
Operating profit/loss	**-7**	**-6**	**-28**	**-16**	**-16**	**-28**
Financial items	-11	13	-2	233	226	-9
Profit/loss before tax	**-18**	**7**	**-30**	**217**	**210**	**-37**
Tax	1	-1	4	5	7	6
Profit/loss for the period	**-17**	**6**	**-26**	**222**	**217**	**-31**

Condensed Parent Company balance sheet

(SEK M)	2010 30 Sep	2009 30 Sep	2009 31 Dec
Intangible assets	61	35	46
Tangible assets	0	1	1
Financial assets	1,332	1,259	1,333
Interest-bearing receivables, Group companies	146	84	84
Deferred tax assets	0	4	0
Total non-current assets	**1,539**	**1,383**	**1,464**
Current interest-bearing receivables, Group companies	212	465	323
Receivables, Group companies	32	29	64
Other operating receivables	25	45	36
Cash and equivalents	11	102	140
Total current assets	**280**	**641**	**563**
Total assets	**1,819**	**2,024**	**2,027**
Equity	**883**	**903**	**917**
Non-current interest-bearing liabilities	848	905	877
Provisions	1	0	0
Total non-current liabilities	**849**	**905**	**877**
Current interest-bearing liabilities	0	28	28
Current interest-bearing liabilities, Group companies	48	125	159
Accounts payables, trade	4	5	9
Liabilities to Group companies	23	41	24
Other current liabilities	12	17	13
Total current liabilities	**87**	**216**	**233**
Total equity and liabilities	**1,819**	**2,024**	**2,027**
Pledged assets	**1,314**	**1,247**	**1,250**
Contingent liabilities	**103**	**8**	**34**

Key data - multi-quarter summary

(SEK M unless otherwise stated)	2010 Jul-Sep	2010 Apr-Jun	2010 Jan-Mar	2009 Oct-Dec	2009 Jul-Sep	2009 Apr-Jun	2009 Jan-Mar	2008 Oct-Dec	2008 Jul-Sep
Net sales	1,273	1,399	1,074	1,011	917	1,071	1,309	1,683	1,919
Earnings measurements									
EBITA	53	87	-26	-31	-42	-95	-91	-15	165
Underlying EBITA	37	47	-8	9	-7	-4	6	35	119
Margin measurements									
EBITA margin	4.2%	6.2%	-2.4%	-3.1%	-4.6%	-8.9%	-6.9%	-0.9%	8.6%
Underlying EBITA margin	2.9%	3.4%	-0.8%	0.8%	-0.8%	-0.4%	0.4%	2.1%	6.2%
Capital structure									
Net debt	876	832	814	777	836	940	982	1,006	1,064
Net debt/equity ratio	107.9%	104.4%	107.1%	97.4%	100.4%	106.6%	96.7%	91.2%	96.9%
Equity/assets ratio	29.7%	29.2%	29.2%	31.8%	31.1%	32.4%	33.3%	32.3%	29.9%
Operating capital (excluding intangible assets) (average)	947	888	857	906	1,036	1,203	1,351	1,449	1,274
Working capital tied-up	11.7%	9.2%	10.9%	12.8%	17.8%	19.5%	18.9%	16.1%	12.4%
Return									
Return on operating capital (excluding intangible assets)	22.4%	39.3%	-7.0%	-13.9%	-16.4%	-31.7%	-27.0%	-4.1%	51.8%
Underlying return on operating capital (excluding intangible assets)	15.8%	21.3%	-3.8%	3.8%	-2.7%	-1.3%	1.7%	9.5%	37.4%
Return on equity	12.9%	23.4%	-12.8%	-17.3%	-21.4%	-31.2%	-35.4%	-10.5%	43.7%
Per share data									
Earnings per share (SEK)	0.52	0.92	-0.50	-0.71	-0.92	-1.49	-1.88	-0.58	2.27
Underlying earnings per share (SEK)	0.29	0.31	-0.23	-0.09	-0.92	-0.09	-0.42	0.15	1.32
Equity per share (SEK)	16.39	16.02	15.28	16.05	16.74	17.73	20.40	22.17	22.04
Cash flow from operating activities per share (SEK)	-0.89	-0.39	-1.05	1.41	1.91	1.80	0.55	3.09	-2.43
Other									
Average number of employees	882	887	882	882	888	917	989	1,042	1,031
Inventory gains and losses	16	40	-18	-32	-35	-91	-97	-32	46
Shipped tonnage (thousands of tonnes)	115	132	114	104	93	106	113	127	142
Average sales prices (SEK/kg)	11.09	10.58	9.44	9.70	9.91	10.15	11.54	13.27	13.49

Definitions of key data

SUPPLEMENTARY DISCLOSURES

Growth	
Sales growth	Change from the preceding period as a percentage of net sales.
Adjusted earnings measurements	
Underlying EBITA	EBITA before exceptional 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) exclusive inventory gains and losses related to joint venture.
Underlying EBITA margin	Underlying EBITA as a percentage of net sales. Underlying EBITA is EBITA before exceptional items and adjusted for inventory gains and losses (deductions for gains and additions for losses).
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 exceptional items and adjusted for profits and losses (deductions for profits and additions for losses). EBITA is operating profit before amortization of 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 exceptional items and adjusted for profits and losses (deductions for profits and additions for losses). EBITDA is operating profit 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 where the goods have been valued at replacement price.

Please refer to the 2009 annual report for other definitions of key data.