BE GROUP

BE Group AB (publ)

Interim report January-June 2010

Malmö, July 15 2010

Increased sales and improved result for BE Group

SECOND QUARTER 2010

- Net sales rose 31 percent compared with the preceding year, amounting to SEK 1,399 M (1,071). Shipped tonnage rose by 25 percent.
- The operating result improved to SEK 86 M (loss 96) as a consequence of higher prices, increased tonnage and inventory gains of SEK 40 M (losses 91).
- Underlying EBITA[1)] rose to SEK 47 M (loss 4) and the underlying EBITA margin to 3.4 percent (negative).
- Earnings per share[2)] were SEK 0.92 (loss 1.49) and underlying earnings per share[2)] were SEK 0.31 (loss 0.09).
- During the second quarter, BE Group signed a new three-year credit agreement. The total credit facility amounts to SEK 1,300 M, including guarantee facilities.

THE FIRST SIX MONTHS OF 2010

- Net sales amounted to SEK 2,473 M (2,380), with shipped tonnage rising by 12 percent.
- The operating result improved to SEK 58 M (loss 189) and underlying EBITA[1)] to SEK 39 M (2).
- Earnings per share[2)] declined to a loss of SEK 0.42 (loss 3.37) and underlying earnings per share[2)] to SEK 0.08 (loss 0.51).

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

Compared with the year-earlier period, global production of crude steel continued to rise during the second quarter of the year. According to the latest statistics for the period up to and including May 2010 from the World Steel Association (WSA), global steel production amounted to 586 million tonnes – 30 percent higher than in the year-earlier period. China, which accounts for nearly 46 percent of total production, showed a 24 percent production increase during the period. In the EU, production rose by 46 percent over the same period.

Capacity utilization in global steel production has continued to rise, amounting to 82 percent in May, which can be compared to 67 percent during the corresponding month in 2009.

Sales in the European steel distribution sector rose in the first quarter but declined in April and May. As a consequence, total inventory levels have risen somewhat over the same period in terms of inventory days.

The trend in BE Group's largest markets has been stronger than in the rest of Europe. The increased demand noted at the end of the first quarter continued during the second quarter. In Sweden, deliveries to the construction industry rose in line with the normal seasonal pattern and as a consequence of construction projects that had been delayed by the severe winter. Demand from the engineering sector maintained a higher level in both Sweden and Finland compared with the immediately preceding quarters. All in all, the Group's shipped tonnage for the second quarter was 25 percent higher than in the year-earlier period and 16 percent higher than in the first quarter of 2010.

Outlook

In its latest forecast for 2010 (from April), the WSA expects a recovery in apparent consumption (that is, consumption including inventory build-up among manufacturers and distributors) in the global market of 11 percent. This should be compared with a decline of seven percent in 2009. In the EU, the increase in 2010 is expected to be 14 percent, compared with a decline of 35 percent in 2009. For 2011 an increase of five percent is forecast for the global market.

BE Group assess that purchasing prices, and consequently also sales prices, will remain largely unchanged early in the third quarter of the year compared with the levels in June. That is if the product and channel mix remain unchanged. The trend during the third quarter of the year is seasonally affected by the vacation period. Thereafter, BE Group expects continued improvement in demand on the basis of ongoing discussions with customers. BE Group will also benefit from increased demand as customers build up their inventories, however this has generally not yet been noted.

BE Group is continuing its strategy to increase the service share of its sales long-term and to increase sales to customers with operations in several of the Group's markets. This entails continued investment in production service to be able to generate added value for both the Group and its customers.

Combined with these forward looking initiatives, several activities are in progress aimed at achieving continued profitable growth.

Development in April-June

Group

Net sales rose 31 percent compared with the preceding year, amounting to SEK 1,399 M (1,071). Shipped tonnage totaled 132 thousand tonnes, which was 25 percent higher than in the year-earlier period. The average sales price of SEK 10.58 per kg (10.15) was four percent higher than in the year-earlier period. Net sales were also affected by a negative currency effect of five percentage points. The Group's average sales price rose 12 percent compared with the first quarter of 2010.

Consolidated gross profit amounted to SEK 249 M (71), resulting in a gross margin of 17.8 percent (6.6). Profits were affected favorably by inventory gains of SEK 40 M (losses 91). The underlying gross margin strengthened to 15.0 percent (14.5).

EBITA improved and amounted to a profit of SEK 87 M (loss 95). Underlying EBITA amounted to SEK 47 M (loss 4). Profits were affected positively by higher sales prices and increased demand. Fixed costs have been reduced following adjustments implemented in 2009. The development for variable costs largely followed the volume trend for the quarter. The EBITA margin amounted to 6.2 percent (negative) and the underlying EBITA margin was 3.4 percent (negative).

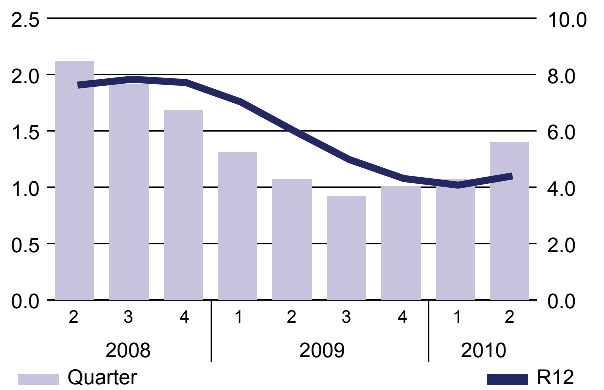
Business areas

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.

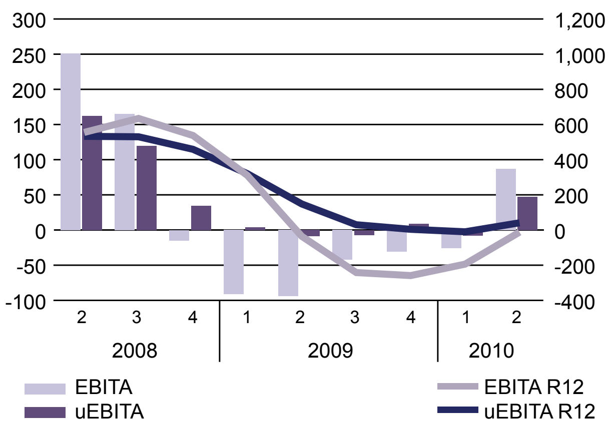
Net sales and earnings trend

(SEK M)	Outcome Apr-Jun
Net sales 2009	**1,071**
Net sales 2010	**1,399**
Operating loss 2009	**-96**
Reversal of amortization of intangible assets	1
EBITA 2009	**-95**
Inventory losses	91
Underlying EBITA 2009	**-4**
Tonnage-, price-, mix- and gross margin	55
Changes in overhead costs, etc.	-4
Underlying EBITA 2010	**47**
Inventory gains	40
EBITA 2010	**87**
Less amortization of intangible assets	-1
Operating profit 2010	**86**

Net sales (SEK Bn)
Quarter and rolling 12 months



EBITA (SEK M)
Quarter and rolling 12 months



Business area Sweden

In Sweden, demand maintained the higher lever noted since the end of the first quarter. In the second quarter, an increase was noted in deliveries to the construction industry, in line with the normal seasonal pattern and as a consequence of construction projects having been delayed by the severe winter. Demand from the engineering sector remained at a steady level during the quarter. Net sales rose 22 percent compared with the year-earlier period, from SEK 554 M to SEK 673 M. This is a consequence of a 18 percent increase in tonnage and an increase in sales prices of four percent. Compared with the first quarter of 2010, sales prices rose nine percent and tonnage 20 percent.

EBITA improved to SEK 40 M (loss 17). The improvement is mainly related to higher sales prices, increased tonnage and inventory gains, which amounted to SEK 17 M (losses 24) for the quarter. Adjusted for these inventory gains, underlying EBITA amounted to SEK 23 M (7).

During the quarter the implementation of a group-wide business system has continued, which has had some negative effect on the results.

Business area Finland

Following a strong development towards the the end of the first quarter, demand continues to improve in the second quarter. This was primarily a consequence of a higher level of activity in the Finnish engineering sector. Total tonnage rose by 19 percent in relation to the first quarter of 2010.

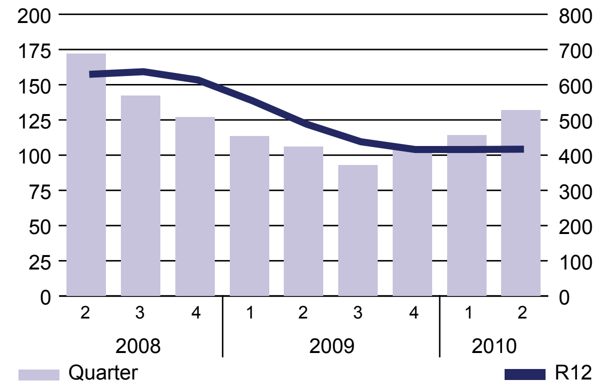
Net sales rose 41 percent compared with the preceding year, amounting to SEK 507 M (360). The increase is mainly due to a 38 percent increase in tonnage and higher sales prices. Measured in EUR, these rose by 13 percent compared with the second quarter of 2009 and by 15 percent compared with the first quarter of 2010. Net sales were also affected by a negative currency effect of ten percentage points.

EBITA rose to SEK 48 M (loss 40) and underlying EBITA to SEK 33 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 15 M (losses 39).

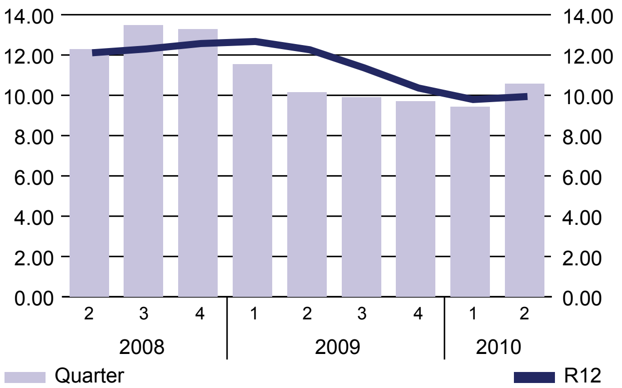
CEE business area

During the quarter, the markets in Central and Eastern Europe continued to show a recovery and the business area's shipped tonnage rose by 33 percent compared with the year-earlier period. Compared with the first quarter of 2010, tonnage rose by four percent.

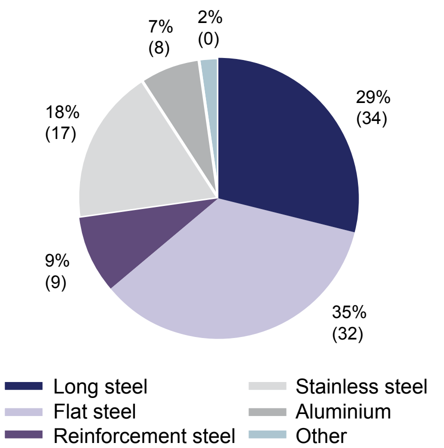
Tonnage (tonnes, thousands)
Quarter and rolling 12 months



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



Main products' share of total sales
(Apr-Jun 2010)



As a consequence of the increased tonnage and nine percent higher sales prices, the business area's net sales rose 40 percent to SEK 254 M (181). Currency effects had a negative effect on sales of six percentage points.

The profit level improved as a consequence of the stronger market situation and the implemented efficiency enhancement measures generating positive effects. All in all, EBITA for the period improved to SEK 9 M (loss 33). Inventory gains for the period amounted to SEK 8 M (losses 28). Underlying EBITA increased to SEK 1 M (loss 5).

Credit risks and the availability of liquidity among customers continue to be a limiting factor for the business area's growth, mainly in Central Europe.

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 second quarter, OEM customers accounted for the largest share of sales, 53 percent; project customers for 23 percent; pre-processing companies for 15 percent; and retailers for nine percent.

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 second quarter, shipments from Group facilities accounted for 79 percent (84), which is broken down as follows: inventory sales 53 percentage points (53) and service sales 26 percentage points (31). The increase in the direct sales channel from 16 to 21 percent is mainly attributable to the relatively higher share of direct transactions in the Swedish operations.

Sales trend in commercial steel

Net sales of commercial steel rose 27 percent to SEK 1,018 M (801). Tonnage also rose 27 percent, since the average price per kg remained unchanged. Compared with the preceding quarter, the sales price rose 12 percent. Overall, commercial steel accounted for 73 percent (75) 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 31 percent and amounted to SEK 245 M (187). The proportion of net sales represented by stainless steel remained largely unchanged at 18 percent (17). Sold tonnage was up 11 percent and the average sales price was up 19 percent on the year-earlier period.

Net financial items and tax

The Group's net financial items for the second quarter amounted to an expense of SEK 27 M (income 3), of which the net interest expense accounted for SEK 8 M (6). On an annual basis, this corresponds to 3.8 percent (2.3) of net interest-bearing liabilities, which averaged SEK 823 M (961) during the quarter. Net financial items for the quarter were also impacted by negative exchange rate differences of SEK 9 M (positive 9) and other expenses amounting to SEK 10 M caused by factors including the implemented refinancing program.

The tax expense for the quarter amounted to SEK 13 M (income 19), equivalent to 21 percent (21) of earnings before tax.

Cash flow

Cash flow for the quarter, before changes in net debt, was negative in the amount of SEK 30 M (positive 92). Cash flow from operating activities was negative in the amount of SEK 20 M (positive 90). Working capital rose and had a negative effect on cash flow for the quarter in the amount of SEK 86 M (positive 190). The development in 2009 was caused by the sizeable decline in demand.

Cash flow from investing activities was a negative SEK 10 M (positive 2). Cash flow from financing activities was SEK 3 M (negative 79). The comparison figure for 2009 included an amortization of SEK 20 M on financial liabilities and a dividend of SEK 50 M.

Capital, investments and return

Consolidated working capital amounted to SEK 557 M (732) at the end of the period. Working capital tied-up improved further in comparison with previous quarters, amounting to nine percent (20).

Of the investments of SEK 10 M (12) made during the quarter, SEK 6 M involved investments in intangible assets in connection with the development of the Group's IT platform. Other investments primarily involve production equipment in Finland for SEK 3 M.

Average operating capital (exclusive intangible assets) declined by SEK 315 M to SEK 888 M (1,203), due to reasons including lower working capital. This resulted in an improvement in return to 39 percent (negative).

Financial position and liquidity

During the quarter, BE Group signed a new three-year credit agreement with Skandinaviska Enskilda Banken and Svenska Handelsbanken. The total credit facility amounts to SEK 1,300 M, including guarantee facilities, and matures in May 2013. The new facility entails improved terms for BE Group and was employed during the quarter to refinance existing credit facilities.

At the end of the period, consolidated cash and equivalents were SEK 105 M (93). At the end of the first six months of the year, the Group had unutilized credit facilities totaling SEK 340 M.

Consolidated interest-bearing net debt amounted to SEK 832 M (940) at the end of the period. BE Group's total credit facilities amounted to SEK 1,266 M. The maturity date for 95 percent of the credit facility is May 2013.

At the end of the period, consolidated equity totaled SEK 797 M (882), while the net debt/equity ratio amounted to 104 percent (107).

Development in January-June

Group

Compared with the preceding year, consolidated net sales rose four percent in the first six months of the year, amounting to SEK 2,473 M (2,380). Shipped tonnage rose 12 percent while the average sales price per kg declined by eight percent, amounting to SEK 10.05 (10.87), of which five percentage points were attributable to negative currency effects. Consolidated gross profit rose to SEK 380 M (151), corresponding to a gross margin of 15.4 percent (6.3). Profits were affected favorably by inventory gains of SEK 22 M (losses 188). The underlying gross margin was 14.5 percent (13.9).

EBITA rose to SEK 61 M (loss 186) and underlying EBITA to SEK 39 M (2). The improvement in profit is mainly attributable to the higher tonnage. The EBITA margin improved to 2.5 percent (negative), while the underlying EBITA margin was 1.6 percent (0.1).

Business areas

Business area Sweden

The Swedish business area reported sales of SEK 1,184 M (1,154) – an increase of three percent that was mainly attributable to a ten percent increase in tonnage. EBITA amounted to SEK 35 M (loss 36) and underlying EBITA to a profit of SEK 23 M (13).

Business area Finland

Sales for the Finnish business area rose by three percent to SEK 893 M (868). EBITA improved to SEK 46 M (loss 82) and underlying EBITA amounted to SEK 43 M (8). The improvement in profit is primarily attributable to a 15 percent increase in tonnage.

CEE business area
Sales for the CEE business area rose to SEK 458 M (401) – an increase of 14 percent. The increase in tonnage amounted to 22 percent. EBITA improved to a loss of SEK 2 M (loss 61) and underlying EBITA improved to a loss of SEK 9 M (loss 12).

Net sales and earnings trend, first half-year

(SEK M)	Outcome Jan-Jun
Net sales 2009	**2,380**
Net sales 2010	**2,473**
Operating loss 2009	**-189**
Reversal of amortization of intangible assets	3
EBITA 2009	**-186**
Inventory losses	188
Underlying EBITA 2009	**2**
Tonnage-, price-, mix- and gross margin	28
Changes in overhead costs, etc.	9
Underlying EBITA 2010	**39**
Inventory gains	22
EBITA 2010	**61**
Less amortization of intangible assets	-3
Operating profit 2010	**58**

Net financial items and tax
The Group's net financial items for the first half of 2010 amounted to an expense of SEK 31 M (24), of which the net interest expense accounted for SEK 18 M (16). On an annual basis, this corresponds to 4.6 percent (3.4) of net interest-bearing liabilities, which averaged SEK 808 M (976) during the first six months. Net financial items were negatively impacted by other financial expenses of SEK 10 M.

The tax expense for the first six months amounted to SEK 6 M (income 45), equivalent to 23.7 percent (21.0) of earnings before tax. Profit after tax was SEK 21 M (loss 168).

Cash flow
During the first half of the year, cash flow before changes in net debt was negative in the amount of SEK 90 M (positive 110). Cash flow from operating activities was negative in the amount of SEK 72 M (positive 117). The negative cash flow is mainly a consequence of increased business volumes.

Cash flow from investing activities was a negative SEK 18 M (negative 7). Cash flow from financing activities was SEK 5 M (negative 148). The comparison figure includes amortization of financial liabilities and dividends paid.

Organization, structure and employees
The number of employees has declined to 873 compared with 884 at the beginning of the year and 895 on the corresponding date in 2009. The average number of employees during the period amounted to 886 (957).

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 21 M (26) during the period and derived from intra-Group services. The operating loss amounted to SEK 21 M (10).

Net financial items amounted to SEK 9 million (220). The comparison figure includes dividends received from subsidiaries amounting to SEK 235 M. The loss before tax amounted to SEK 12 M (profit 210) and the loss after tax amounted to SEK 9 M (profit 216).

The Parent Company invested SEK 13 M (7) in intangible assets during the period. At the end of the period, the Parent Company's cash and equivalents were SEK 67 M (52).

Financial targets
BE Group has five financial business targets that are measured over a 12-month rolling period. The financial targets are based on underlying earnings and return measurements to clearly illustrate the performance of the operational business. Underlying earnings comprise recognized profit/loss adjusted for nonrecurring items and inventory gains/losses (see definitions on page 18). BE Group applies an internal calculation model.

The outcomes for growth, profitability and return are measured over an economic cycle, while the capital structure targets relate to a normal situation. The considerable decline in the economy that began towards the end of 2008 led to only the target for the

Financial targets	Target	Outcome Rolling 12
Underlying sales growth	>5%	negative
Underlying EBITA margin	>6%	0.9%
Underlying return on operating capital	>40%	4.3%
Net debt/equity	<125%	104%
Net debt/underlying EBITDA (multiple)	<3	9.3

net debt/equity ratio being achieved during the most recent 12-month period.

The Group's financial targets are subject to review during the year. As a consequence of the implemented refinancing program, the target for net debt in relation to total equity has been adjusted to a maximum of 125 percent, compared to the earlier 150 percent.

Significant events after the end of the period

No significant events have taken place between the balance sheet date and the publication of this report.

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.

Significant risks and uncertainties

BE Group is exposed to business and financial risks in its daily operations. Fluctuations in steel prices, exchange rates and interest rates comprise risk factors that affect the Group's financial performance 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.

2010 Annual General Meeting

At BE Group AB's Annual General Meeting of April 27, 2010, Carl-Erik Ridderstråle (Chairman), Roger Bergqvist, Cecilia Edström, Roger Johansson, Joakim Karlsson, Lars Olof Nilsson and Lars Spongberg were re-elected as Board Directors. Marita Jaatinen was elected as a new Director.

The Annual General Meeting approved the Board of Director's proposal to not pay any dividend.

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 Scheme 2010"), corresponding to 1.20 percent of the total number of shares and votes in the company.

The Meeting authorized the Board to make decisions on the acquisition and transfer of treasury shares, enabling the Board to adjust the company's capital structure and to facilitate the financing of future company acquisitions. The total number of shares acquired and held by the company, including those acquired under current share savings plans may not, at any time, exceed 10 percent of the total number of BE Group shares.

Additional information on the Board members, the Annual General Meeting and the decisions is available from the company's website.

Capital markets day

In May 2010, BE Group held a capital markets day in Stockholm attended by 40 professional investors, analysts and media representatives.

Accounting principles

The interim report was prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act.

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.

A description of the new principles is provided in the 2009 Annual Report. 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.

Future reporting dates

During 2010, BE Group AB (publ) intends to publish financial information for 2010 on the following dates:

- The Interim Report for January-September will be published on October 22, 2010
- The Year-end Report for 2010 will be published on February 9, 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

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, July 15, 2010
BE Group AB (publ)

Carl-Erik Ridderstråle
Chairman

Roger Bergqvist
Director

Cecilia Edström
Director

Marita Jaatinen
Director

Roger Johansson
Director

Joakim Karlsson
Director

Lars Olof Nilsson
Director

Lars Spongberg
Director

Thomas Berg
Employee Representative

Kerry Johansson
Employee Representative

Lars Bergström
President and CEO

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

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. The information was released for publication on July 15, 2010, 11.00 am CET.

Question concerning this report may be directed to:

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Condensed consolidated income statement

(SEK M)	Note	2010 Apr-Jun	2009 Apr-Jun	2010 Jan-Jun	2009 Jan-Jun	2009 Full-year	Rolling 12 months
Net sales		1,399	1,071	2,473	2,380	4,308	4,401
Cost of goods sold		-1,150	-1,000	-2,093	-2,229	-3,941	-3,805
Gross profit		**249**	**71**	**380**	**151**	**367**	**596**
Selling expenses		-126	-129	-248	-263	-497	-482
Administrative expenses		-42	-36	-80	-73	-132	-139
Other operating revenue and expenses	**1**	1	0	1	-2	1	4
Participation in earnings in joint venture		4	-2	5	-2	-5	2
Operating profit/loss		**86**	**-96**	**58**	**-189**	**-266**	**-19**
Financial items		-27	3	-31	-24	-56	-63
Profit/loss before tax		**59**	**-93**	**27**	**-213**	**-322**	**-82**
Tax		-13	19	-6	45	73	22
Profit/loss for the period		**46**	**-74**	**21**	**-168**	**-249**	**-60**
Amortization of intangible assets		1	1	3	3	7	7
Depreciation of tangible assets		12	13	24	25	50	49
Earnings per share		0.92	-1.49	0.42	-3.37	-5.00	-1.21
Earnings per share after dilution		0.92	-1.49	0.42	-3.37	-5.00	-1.20

Consolidated statement of comprehensive income

(SEK M)	2010 Apr-Jun	2009 Apr-Jun	2010 Jan-Jun	2009 Jan-Jun	2009 Full-year	Rolling 12 months
Profit/loss for the period	**46**	**-74**	**21**	**-168**	**-249**	**-60**
Other comprehensive income						
Translation differences	-23	-5	-52	-2	-20	-70
Hedging of net investments in foreign subsidiaries	16	-2	37	1	20	56
Tax attributable to items in other comprehensive income	-3	1	-8	0	-5	-13
Total other comprehensive income	**-10**	**-6**	**-23**	**-1**	**-5**	**-27**
Comprehensive income for the period	**36**	**-80**	**-2**	**-169**	**-254**	**-87**

Note 1 Non-recurring items*

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

* Recognised in Other operating revenue and expenses

Condensed consolidated balance sheet

(SEK M)	2010 30 Jun	2009 30 Jun	2009 31 Dec
Goodwill	633	651	647
Other intangible assets	80	56	72
Tangible assets	286	340	321
Participations in joint venture	124	122	119
Financial assets	2	3	2
Deferred tax assets	36	38	46
Total non-current assets	**1,161**	**1,210**	**1,207**
Inventories	676	741	604
Accounts receivables	709	600	435
Other receivables	82	82	68
Cash and equivalents	105	93	197
Total current assets	**1,572**	**1,516**	**1,304**
Total assets	**2,733**	**2,726**	**2,511**
Equity	**797**	**882**	**798**
Non-current interest-bearing liabilities	874	948	892
Provisions	16	10	15
Deferred tax liability	55	71	53
Total non-current liabilities	**945**	**1,029**	**960**
Current interest-bearing liabilities	66	88	84
Account payable, trade	716	488	512
Other current liabilities	194	203	134
Other current provisions	15	36	23
Total current liabilities	**991**	**815**	**753**
Total equity and liabilities	**2,733**	**2,726**	**2,511**

Condensed consolidated cash-flow statement

(SEK M)	2010 Apr-Jun	2009 Apr-Jun	2010 Jan-Jun	2009 Jan-Jun	2009 Full-year	Rolling 12 months
Profit/loss before tax	59	-93	27	-213	-322	-82
Adjustment for non-cash items	14	3	20	24	49	45
Income tax paid	-7	-10	-14	10	10	-14
Change in working capital	-86	190	-105	296	545	144
Cash flow from operating activities	**-20**	**90**	**-72**	**117**	**282**	**93**
Investments in intangible assets	-6	-7	-13	-12	-29	-30
Investments in tangible assets	-4	-5	-5	-9	-29	-25
Acquisitions of subsidiaries	-	0	-	0	0	-
Other cash flow from investing activities	0	14	0	14	16	2
Cash flow before change in net debt	**-30**	**92**	**-90**	**110**	**240**	**40**
Cash flow from financing activities	3	-79	5	-148	-177	-24
Cash flow for the period	**-27**	**13**	**-85**	**-38**	**63**	**16**
Exchange-rate difference in cash and equivalents	-3	2	-7	6	9	-4
Change in cash and equivalents	**-30**	**15**	**-92**	**-32**	**72**	**12**

Condensed statement of changes in equity

(SEK M)	2010 Apr-Jun	2009 Apr-Jun	2010 Jan-Jun	2009 Jan-Jun	2009 Full-year	Rolling 12 months
Equity at beginning of period	**760**	**1,015**	**798**	**1,103**	**1,103**	**882**
Effect of changed accounting principles	-	-	-	-	-	-
Adjusted equity at beginning of period	**760**	**1,015**	**798**	**1,103**	**1,103**	**882**
Comprehensive income for the period	36	-80	-2	-169	-254	-87
Dividend	-	-50	-	-50	-50	0
Acquisition/sales of treasury shares	-	-	0	-	-	0
Share Savings Scheme	1	-3	1	-2	-1	2
Equity at end of period	**797**	**882**	**797**	**882**	**798**	**797**

Segment reporting*

Net sales per segment

(SEK M)	2010 Apr-Jun	2009 Apr-Jun	2010 Jan-Jun	2009 Jan-Jun	2009 Full-year	Rolling 12 months
Sweden	**673**	**554**	**1,184**	**1,154**	**2,120**	**2,150**
- External	*660*	*544*	*1,159*	*1,135*	*2,084*	*2,108*
- Internal	*13*	*10*	*25*	*19*	*36*	*42*
Finland	**507**	**360**	**893**	**868**	**1,491**	**1,516**
- External	*493*	*355*	*871*	*857*	*1,465*	*1,479*
- Internal	*14*	*5*	*22*	*11*	*26*	*37*
CEE	**254**	**181**	**458**	**401**	**782**	**839**
- External	*246*	*172*	*443*	*388*	*759*	*814*
- Internal	*8*	*9*	*15*	*13*	*23*	*25*
Parent Company and consolidated items	-35	-24	-62	-43	-85	-104
Group	**1,399**	**1,071**	**2,473**	**2,380**	**4,308**	**4,401**

Shipped tonnage per segment (thousands of tonnes)

(SEK M)	2010 Apr-Jun	2009 Apr-Jun	2010 Jan-Jun	2009 Jan-Jun	2009 Full-year	Rolling 12 months
Sweden	58	49	106	96	183	193
Finland	45	33	83	73	130	140
CEE	33	25	65	53	110	122
Parent Company and consolidated items	-4	-1	-8	-3	-7	-12
Group	**132**	**106**	**246**	**219**	**416**	**443**

EBITA per segment

(SEK M)	2010 Apr-Jun	2009 Apr-Jun	2010 Jan-Jun	2009 Jan-Jun	2009 Full-year	Rolling 12 months
Sweden	40	-17	35	-36	-23	48
Finland	48	-40	46	-82	-111	17
CEE	9	-33	-2	-61	-113	-54
Parent Company and consolidated items	-10	-5	-18	-7	-12	-23
Group	**87**	**-95**	**61**	**-186**	**-259**	**-12**

EBITA margin per segment

(SEK M)	2010 Apr-Jun	2009 Apr-Jun	2010 Jan-Jun	2009 Jan-Jun	2009 Full-year	Rolling 12 months
Sweden	6.0%	-3.1%	3.0%	-3.1%	-1.1%	2.3%
Finland	9.5%	-11.0%	5.2%	-9.4%	-7.5%	1.1%
CEE	3.4%	-18.3%	-0.5%	-15.1%	-14.5%	-6.4%
Group	**6.2%**	**-8.9%**	**2.5%**	**-7.8%**	**-6.0%**	**-0.3%**

*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 Apr-Jun	2009 Apr-Jun	2010 Jan-Jun	2009 Jan-Jun	2009 Full-year	Rolling 12 months
Sweden	23	7	23	13	49	59
Finland	33	-1	43	8	6	41
CEE	1	-5	-9	-12	-39	-36
Parent Company and consolidated items	-10	-5	-18	-7	-12	-23
Group	**47**	**-4**	**39**	**2**	**4**	**41**

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 Apr-Jun	2009 Apr-Jun	2010 Jan-Jun	2009 Jan-Jun	2009 Full-year	Rolling 12 months
Sweden	3.4%	1.3%	1.9%	1.1%	2.3%	2.7%
Finland	6.5%	-0.3%	4.8%	1.0%	0.4%	2.7%
CEE	0.5%	-3.0%	-2.0%	-3.1%	-5.0%	-4.3%
Group	**3.4%**	**-0.4%**	**1.6%**	**0.1%**	**0.1%**	**0.9%**

Depreciation per segment

(SEK M)	2010 Apr-Jun	2009 Apr-Jun	2010 Jan-Jun	2009 Jan-Jun	2009 Full-year	Rolling 12 months
Sweden	4	5	9	9	19	19
Finland	6	6	12	12	24	24
CEE	3	3	6	7	14	13
Parent Company and consolidated items	0	0	0	0	0	0
Group	**13**	**14**	**27**	**28**	**57**	**56**

Investments in tangible and intangible assets per segment

(SEK M)	2010 Apr-Jun	2009 Apr-Jun	2010 Jan-Jun	2009 Jan-Jun	2009 Full-year	Rolling 12 months
Sweden	1	0	1	4	6	3
Finland	3	4	4	4	20	20
CEE	0	2	0	2	3	1
Parent Company and consolidated items	6	6	13	11	29	31
Group	**10**	**12**	**18**	**21**	**58**	**55**

Key data

(SEK M unless otherwise stated)	2010 Apr-Jun	2009 Apr-Jun	2010 Jan-Jun	2009 Jan-Jun	2009 Full-year	Rolling 12 months
Earnings measurements						
EBITA	87	-95	61	-186	-259	-12
Margin measurements						
Gross margin	17.8%	6.6%	15.4%	6.3%	8.5%	13.5%
EBITA margin	6.2%	-8.9%	2.5%	-7.8%	-6.0%	-0.3%
Operating margin	6.2%	-8.9%	2.3%	-8.0%	-6.2%	-0.4%
Capital structure						
Net debt	832	940	832	940	777	832
Net debt/equity ratio	104.4%	106.6%	104.4%	106.6%	97.4%	104.4%
Equity/assets ratio	29.2%	32.4%	29.2%	32.4%	31.8%	29.2%
Working capital (average)	515	834	497	905	751	560
Operating capital (average)	1,602	1,909	1,593	1,975	1,834	1,654
Operating capital (excluding intangible assets) (average)	888	1,203	877	1,272	1,125	940
Working capital tied-up	9.2%	19.5%	10.0%	19.0%	17.4%	12.7%
Return						
Return on operating capital	21.6%	-20.1%	7.3%	-19.2%	-14.5%	-1.2%
Return on operating capital (excluding intangible assets)	39.3%	-31.7%	13.9%	-29.3%	-23.0%	-1.3%
Return on equity	23.4%	-31.2%	5.4%	-33.5%	-26.9%	-7.4%
Per share data						
Earnings per share (SEK)	0.92	-1.49	0.42	-3.37	-5.00	-1.21
Earnings per share after dilution (SEK)	0.92	-1.49	0.42	-3.37	-5.00	-1.20
Equity per share (SEK)	16.02	17.73	16.02	17.73	16.05	16.02
Cash flow from operating activities per share (SEK)	-0.39	1.79	-1.45	2.35	5.67	1.87
Shares outstanding at period end (thousands)	49,749	49,736	49,749	49,736	49,736	49,749
Average number of shares (thousands)	49,749	49,736	49,744	49,736	49,736	49,740
Diluted average number of shares (thousands)	49,786	49,740	49,784	49,739	49,749	49,781
Other						
Average number of employees	887	917	886	957	912	887

Supplementary disclosures

(SEK M)	2010 Apr-Jun	2009 Apr-Jun	2010 Jan-Jun	2009 Jan-Jun	2009 Full-year	Rolling 12 months
Growth						
Sales growth	30.6%	-49.4%	3.9%	-42.1%	-44.1%	-26.4%
- organic tonnage growth	25.3%	-38.3%	11.8%	-39.0%	-32.3%	-9.5%
- price and mix changes	10.1%	-16.8%	-3.2%	-8.9%	-15.9%	-15.4%
- currency effects	-4.8%	7.2%	-4.7%	7.2%	4.8%	-1.7%
- acquisitions	-	1.7%	-	2.7%	1.5%	0.1%
- divested operations	-	-3.2%	-	-4.1%	-2.2%	-
Adjusted earnings measurements						
Underlying EBITA	47	-4	39	2	4	41
Adjusted margin measurements						
Underlying gross margin	15.0%	14.5%	14.5%	13.9%	14.1%	14.4%
Underlying EBITA margin	3.4%	-0.4%	1.6%	0.1%	0.1%	0.9%
Adjusted return						
Underlying return on operating capital (excluding intangible assets)	21.3%	-1.3%	8.8%	0.3%	0.3%	4.3%
Adjusted per share data						
Underlying earnings per share (SEK)	0.31	-0.09	0.08	-0.51	-0.99	-0.40
Underlying earnings per share after dilution (SEK)	0.31	-0.09	0.08	-0.51	-0.99	-0.40
Adjusted capital structure						
Net debt/underlying EBITDA (multiple)	-	-	-	-	14.5	9.3
Other						
Inventory gains and losses	40	-91	22	-188	-255	-45
Shipped tonnage (thousands of tonnes)	132	106	246	219	416	443
Average sales prices (SEK/kg)	10.58	10.15	10.05	10.87	10.36	9.94

Condensed Parent Company income statement

(SEK M)	2010 Apr-Jun	2009 Apr-Jun	2010 Jan-Jun	2009 Jan-Jun	2009 Full-year	Rolling 12 months
Net sales	10	13	21	26	50	45
Administrative expenses	-21	-19	-42	-36	-68	-74
Other operating revenue and expenses	-	-	-	-	2	2
Operating profit/loss	**-11**	**-6**	**-21**	**-10**	**-16**	**-27**
Financial items	-9	1	9	220	226	15
Profit/loss before tax	**-20**	**-5**	**-12**	**210**	**210**	**-12**
Tax	5	1	3	6	7	4
Profit/loss for the period	**-15**	**-4**	**-9**	**216**	**217**	**-8**

Condensed Parent Company balance sheet

(SEK M)	2010 30 Jun	2009 30 Jun	2009 31 Dec
Intangible assets	59	29	46
Tangible assets	0	1	1
Financial assets	1,332	1,258	1,333
Interest-bearing receivables, Group companies	75	62	84
Deferred tax assets	3	6	0
Total non-current assets	**1,469**	**1,356**	**1,464**
Current interest-bearing receivables, Group companies	293	521	323
Receivables, Group companies	28	23	64
Other operating receivables	26	37	36
Cash and equivalents	67	52	140
Total current assets	**414**	**633**	**563**
Total assets	**1,883**	**1,989**	**2,027**
Equity	**909**	**896**	**917**
Non-current interest-bearing liabilities	859	931	877
Provisions	0	0	0
Total non-current liabilities	**859**	**931**	**877**
Current interest-bearing liabilities	0	29	28
Current interest-bearing liabilities, Group companies	73	73	159
Accounts payable, trade	6	3	9
Liabilities to Group companies	22	40	24
Other current liabilities	14	17	13
Total current liabilities	**115**	**162**	**233**
Total equity and liabilities	**1,883**	**1,989**	**2,027**
Pledged assets	**1,321**	**1,261**	**1,250**
Contingent liabilities	**114**	**2**	**34**

Key data - multi-quarter summary

(SEK M unless otherwise stated)	2010 Apr-Jun	2010 Jan-Mar	2009 Oct-Dec	2009 Jul-Sep	2009 Apr-Jun	2009 Jan-Mar	2008 Oct-Dec	2008 Jul-Sep	2008 Apr-Jun
Net sales	1,399	1,074	1,011	917	1,071	1,309	1,683	1,919	2,116
Earnings measurements									
EBITA	87	-26	-31	-42	-95	-91	-15	165	251
Underlying EBITA	47	-8	9	-7	-4	6	35	119	162
Margin measurements									
EBITA margin	6.2%	-2.4%	-3.1%	-4.6%	-8.9%	-6.9%	-0.9%	8.6%	11.9%
Underlying EBITA margin	3.4%	-0.8%	0.8%	-0.8%	-0.4%	0.4%	2.1%	6.2%	7.7%
Capital structure									
Net debt	832	814	777	836	940	982	1,006	1,064	694
Net debt/equity ratio	104.4%	107.1%	97.4%	100.4%	106.6%	96.7%	91.2%	96.9%	71.3%
Equity/assets ratio	29.2%	29.2%	31.8%	31.1%	32.4%	33.3%	32.3%	29.9%	29.2%
Operating capital (excluding intangible assets) (average)	888	857	906	1,036	1,203	1,351	1,449	1,274	1,011
Working capital tied-up	9.2%	10.9%	12.8%	17.8%	19.5%	18.9%	16.1%	12.4%	9.3%
Return									
Return on operating capital (excluding intangible assets)	39.3%	-7.0%	-13.9%	-16.4%	-31.7%	-27.0%	-4.1%	51.8%	99.4%
Underlying return on operating capital (excluding intangible assets)	21.3%	-3.8%	3.8%	-2.7%	-1.3%	1.7%	9.5%	37.4%	64.1%
Return on equity	23.4%	-12.8%	-17.3%	-21.4%	-31.2%	-35.4%	-10.5%	43.7%	83.6%
Per share data									
Earnings per share (SEK)	0.92	-0.50	-0.71	-0.92	-1.49	-1.88	-0.58	2.27	4.01
Underlying earnings per share (SEK)	0.31	-0.23	-0.09	-0.92	-0.09	-0.42	0.15	1.32	2.72
Equity per share (SEK)	16.02	15.28	16.05	16.74	17.73	20.40	22.17	22.04	19.51
Cash flow from operating activities per share (SEK)	-0.39	-1.05	1.41	1.91	1.80	0.55	3.09	-2.43	2.63
Other									
Average number of employees	887	882	882	888	917	989	1,042	1,031	1,011
Inventory gains and losses	40	-18	-32	-35	-91	-97	-32	46	39
Shipped tonnage (thousands of tonnes)	132	114	104	93	106	113	127	142	172
Average sales prices (SEK/kg)	10.58	9.44	9.70	9.91	10.15	11.54	13.27	13.49	12.29

Definitions of key data

SUPPLEMENTARY DISCLOSURES

Growth	
Sales growth	Change from the preceding period as a percentage of net sales.
Adjusted growth	
Underlying sales growth	Change in net sales from operations since the comparative period, measured as a percentage and adjusted for changes in market prices and currency effects.
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 exceptional 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 exceptional 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.