

# HALF-YEAR REPORT 2017



Continued earnings  
improvement

July 20, 2017

**SSAB**

# Half-year report 2017

## The quarter

- Sales were SEK 17,115 (14,471) million
- Operating profit before depreciation/amortization was SEK 2,167 (1,509) million
- Operating profit was SEK 1,205 (592) million
- The result after financial items was SEK 914 (349) million
- Earnings per share were SEK 0.86 (0.53)
- Operating cash flow was SEK 1,069 (1,151) million
- Net debt/equity ratio was 30% (37%)

## Key numbers

SEK millions	2017 Q 2	2016 Q 2	2017 Q 1	2017 Qs 1-2	2016 Qs 1-2	2016 Full year
Sales	17,115	14,471	15,739	32,854	27,435	55,354
Operating profit before depreciation/amortization, EBITDA	2,167	1,509	1,627	3,794	2,250	4,951
Operating profit/loss	1,205	592	702	1,907	399	1,213
Profit/loss after financial items	914	349	449	1,363	2	324
Profit/loss after tax	885	412	502	1,387	279	943
Earnings per share (SEK) 1)	0.86	0.53	0.49	1.34	0.36	1.04
Operating cash flow	1,069	1,151	876	1,945	1,228	3,207
Net debt/equity ratio (%)	30	37	32	30	37	34

1) Earnings per share for 2016 have been adjusted to reflect the bonus issue element in the rights issue completed during the second quarter of 2016.

(In the report, the figures in parentheses refer to the corresponding period for the previous year.)

## Comments by the CEO

SSAB's operating profit increased to SEK 1,205 million for the second quarter of 2017. The improvement compared with the previous quarter was driven primarily by higher realized prices in SSAB Europe and SSAB Americas. SSAB Special Steels contributed to improved earnings through better capacity utilization and increased shipments, but this was partly offset by production disruptions at the steel mill in Oxelösund.

SSAB Special Steels' shipments continue to grow driven by customer demand for increasingly lighter and stronger products. Demand was good in most segments during the second quarter and the outlook ahead is considered to be stable.

SSAB Europe had a strong quarter, with good underlying demand. Realized prices improved and growth within the Automotive segment remained high. Market prices of steel and raw materials weakened during the quarter. Continued good demand is expected during the third quarter.

In North America, the realized prices for SSAB Americas increased during the quarter, which resulted in improved margins. The costs of the planned maintenance outage in Mobile impacted negatively on earnings and also resulted in somewhat lower shipments compared to previous quarter, while the underlying demand was relatively stable.

SSAB's target to reduce net debt by SEK 10 billion between the end of the first quarter of 2016 and the end of 2017 is progressing according to plan. Net cash flow during the quarter was SEK 597 million. An additional SEK 1.7 billion will be achieved during the second half of the year, which is planned to be realized through cash generated from operations and structural reduction in working capital.

We have now entered the next phase in our "Taking the Lead" strategy, having last year created a platform for profitable growth. We have set clear targets for 2020 for our growth initiatives for high-strength steels and service. Development during the second quarter is well in line with our long-term goals. Another focus area is to constantly drive efficiency through continuous improvements in all our operations. Our goal is industry-leading profitability.

HYBRIT, our long-term initiative for a sustainable fossil-free steel industry, received financial support during the first quarter from the Swedish Energy Agency and during the second quarter we set up a joint venture with LKAB and Vattenfall to take the project forward.

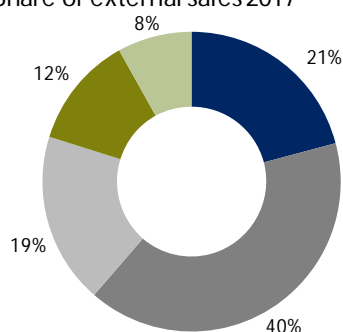
#### Sales per business segment

SEK millions	2017 Q 2	2016 Q 2	2017 Q 1	2017 Qs 1-2	2016 Qs 1-2	2016 Full year
SSAB Special Steels	4,133	3,398	3,925	8,058	6,530	12,582
SSAB Europe	8,378	6,668	7,657	16,035	12,708	25,831
SSAB Americas	3,138	2,841	3,019	6,157	5,269	10,639
Tibnor	2,057	1,820	2,019	4,076	3,527	6,879
Ruukki Construction	1,531	1,444	1,131	2,662	2,372	5,304
Other, incl. Group adjustments	-2,122	-1,700	-2,012	-4,134	-2,971	-5,881
<b>Total</b>	<b>17,115</b>	<b>14,471</b>	<b>15,739</b>	<b>32,854</b>	<b>27,435</b>	<b>55,354</b>

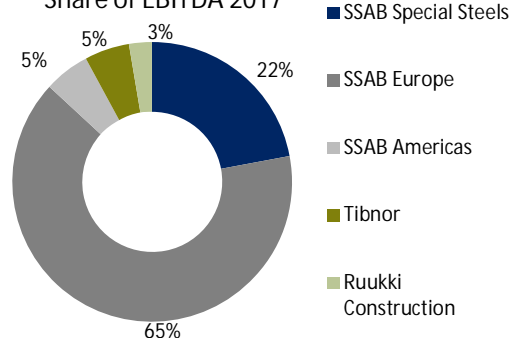
#### Operating profit/loss before depreciation/amortization (EBITDA) per business segment

SEK millions	2017 Q 2	2016 Q 2	2017 Q 1	2017 Qs 1-2	2016 Qs 1-2	2016 Full year
SSAB Special Steels	495	410	377	872	755	1,453
SSAB Europe	1,381	679	1,182	2,563	923	2,458
SSAB Americas	201	309	8	209	518	737
Tibnor	88	60	118	206	61	191
Ruukki Construction	97	114	8	105	104	322
Other	-95	-63	-66	-161	-111	-210
<b>Total</b>	<b>2,167</b>	<b>1,509</b>	<b>1,627</b>	<b>3,794</b>	<b>2,250</b>	<b>4,951</b>

Share of external sales 2017



Share of EBITDA 2017



## The market

According to the World Steel Association (WSA), global crude steel production for the first five months of 2017 was 695 (664) million tonnes, up 4.7% compared with the same period in 2016. Chinese steel production increased by 4.4%. In the EU-28, steel production rose by just over 4%, whereas production in North America was up by just under 4% during the same period.

In North America, demand was relatively good during the second quarter. There was an uncertainty in the US market with regard to the possible impacts from the Section 232 steel investigation, which could result in further import duties on steel on the grounds of USA security. In North America, inventory levels at distributors continue to be somewhat low. In Europe, good demand continued during the second quarter driven by a general recovery in the European economy. Import volumes increased during the quarter in Europe and inventory levels at distributors are considered to be somewhat high.

In North America, market prices for heavy plate fell somewhat during the quarter after having shown a strong rise during the first quarter. In Europe, market prices for heavy plate rose initially during the quarter before falling. Market prices for strip decreased in Europe during the quarter. In China, prices for strip and heavy plate fell earlier in the second quarter, before rising during the second half of the quarter.

## Raw materials

SSAB sources its iron ore from LKAB in Sweden and from Severstal in Russia. The agreement with LKAB runs from April 1, 2017 until March 31, 2018 and prices are fixed monthly. The agreement with Severstal runs from October 1, 2015 until September 30, 2018 and prices are fixed monthly. SSAB's buying prices for pellets were on average 42% higher in terms of USD and 53% higher in SEK compared with the second quarter of 2016. Average prices for pellets during the second quarter of 2017 were 3% higher in terms of USD and 1% higher in SEK compared with the first quarter of 2017.

SSAB sources coking coal from Australia, the USA, Canada and Russia. Price agreements for Australian, Canadian and Russian coal are entered into monthly, whereas price agreement for most USA coal is entered into quarterly. SSAB's buying prices during the second quarter of 2017 were on average 138% higher in terms of USD and 154% higher in SEK compared with the second quarter of 2016. Coal prices during the second quarter were 11% higher in terms of USD and 9% higher in SEK compared with the first quarter of 2017.

The US operations regularly purchase scrap metal as a raw material for their production. Spot prices for scrap metal were 19% higher in terms of USD at the end of the second quarter of 2017 compared with the end of the second quarter of 2016, but 2% lower compared with the end of the first quarter of 2017.

## Outlook

In North America, demand for heavy plate is anticipated to be relatively stable during the third quarter, with some seasonal slowdown. In Europe, demand is expected to be good during the third quarter, however with the normal seasonal slowdown. It is expected that the underlying demand for high-strength steel will continue to show positive development during the third quarter. Overall, SSAB's shipments are expected to follow the normal seasonal pattern during the third quarter and to be somewhat lower than during the second quarter. It is anticipated that overall the realized prices by SSAB during the third quarter will be relatively unchanged compared with prior quarter.

Both SSAB Special Steels and SSAB Europe will carry out planned maintenance outages during the third quarter. These outages are expected to have a total impact of SEK 350 million (excluding lost margins) on earnings. The table below shows all planned maintenance outages during 2017 and the impact of the estimated direct maintenance cost and the cost of lower capacity utilization (under absorption), but excluding lost margins.

### Major maintenance outages in 2017

	2017 Q 1	2017 Q 2	2017 Q 3	2017 Q 4	2017 Full year
SEK millions					
SSAB Special Steels			230		230
SSAB Europe	20	50	120	170	360
SSAB Americas	160	230			390
Total	180	280	350	170	980

## SSAB Group

### Half-year summary

#### Shipments and production

SSAB's steel shipments during the first half of 2017 were 3,492 (3,493) thousand tonnes, unchanged compared with the first half of 2016.

Crude steel production during the first half of 2017 was at the same level as during the first half of 2016.

#### Sales

Sales for the first half of 2017 were SEK 32,854 (27,435) million, up 20% compared with the first half of 2016.

#### Earnings

Operating profit for the first half of 2017 was SEK 1,907 (399) million, up SEK 1,508 million compared with the first half of 2016.

Financial items for the first half of 2017 were SEK -544 (-397) million and the result after financial items was SEK 1,363 (2) million.

#### Profit after tax and earnings per share

Profit after tax (attributable to shareholders) for the first half of 2017 was SEK 1,383 (276) million, equating to SEK 1.34 (0.36) per share. Tax for the first half of the year was positive at SEK 24 (277) million.

#### Cash flow, financing and liquidity

Operating cash flow for the first half of 2017 was 1,945 (1,228) million. Cash flow was positively impacted primarily by operating profit.

Net cash flow was SEK 1,186 (5,326) million. Net cash flow was affected, among other things, by payments for strategic expenditures, including acquisitions of operations and businesses of SEK 95 (178) million (total capital expenditure was SEK 552 (660) million. (During 2016, cash flow was impacted by proceeds of SEK 4,911 million from the new issue.) Net debt decreased by SEK 2 149 million during the first half year and at June 30, 2017 amounted to SEK 15,738 million. The net debt/equity ratio was 30% (37%).

The term to maturity of the total loan portfolio at June 30 averaged 5.2 (5.2) years, with an average fixed interest period of 0.8 (0.9) years.

Cash and cash equivalents were SEK 3,687 (4,554) million and non-utilized credit facilities were SEK 7,807 (8,545) million, which combined corresponds to 19% (22%) of rolling 12 months' sales.

#### Return on capital employed/equity

Return on capital employed before tax and return on equity after tax for the most recent 12-month period were both 4%, whereas figures for the whole of 2016 were both 2%.

#### Equity

With earnings of SEK 1,383 million and other comprehensive income (mostly consisting of translation differences) of SEK -1,631 million, shareholders' equity in the company was SEK 52,642 (50,305) million, equating to SEK 51.12 (48.85) per share.

## Development during the second quarter

### Shipments and production

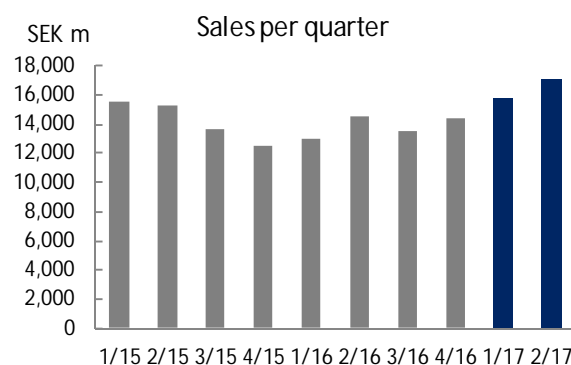
SSAB's steel shipments during the second quarter were 1,747 (1,816) thousand tonnes, down 4% compared with the second quarter of 2016 and at the same level as during the first quarter of 2017.

Crude steel production was down 2% compared with the second quarter of 2016, but up 1% compared with the first quarter of 2017. Rolling production was at the same level as during the second quarter of 2016 and up 1% compared with the first quarter of 2017.

### Sales

Sales for the second quarter of 2017 were SEK 17,115 (14,471) million, up 18% compared with the second quarter of 2016. Higher prices had a positive impact of 13 percentage points, currency effects had a positive impact of 5 percentage points, other sales had a positive impact of 3 percentage points and a better product mix had a positive impact of 1 percentage point, whereas lower volumes had a negative impact of 4 percentage points.

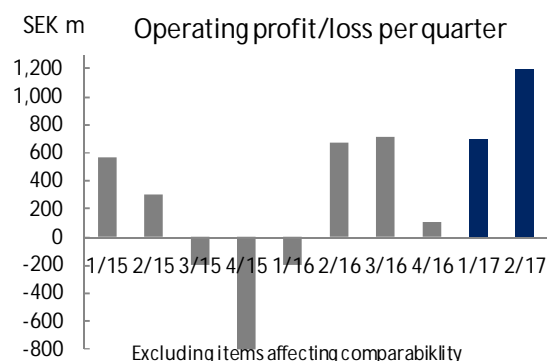
Compared with the first quarter of 2017, sales were up 9%. Higher prices had a positive impact of 5 percentage points, other sales had a positive impact of 3 percentage points and a better product mix had a positive impact of 1 percentage point.



### Earnings

Operating profit for the second quarter of 2017 was SEK 1,205 (592) million, up SEK 613 million compared with the second quarter of 2016. Improved earnings were primarily due to higher prices (SEK 1,900m), currency effects (SEK 85m) and better capacity utilization (SEK 60m), whereas higher variable costs (primarily raw material costs) (SEK 1,300m) and lower volumes (SEK 120m) had a negative impact on earnings.

Compared with the first quarter of 2017, earnings were up SEK 503 million. Improved earnings were primarily due to higher prices (SEK 800m), better capacity utilization (SEK 150m), higher volumes (incl. Ruukki Construction), better product mix (SEK 120m) and currency effects (SEK 90m), whereas higher variable costs (SEK 490m) and fixed costs (SEK 185m) had a negative impact on earnings.



Financial items for the second quarter were SEK -291 (-243) million and the result after financial items was SEK 914 (349) million.

### Profit after tax and earnings per share

Profit after tax (attributable to shareholders) for the second quarter was SEK 883 (410) million, equating to SEK 0.86 (0.53) per share. Tax for the second quarter was SEK -29 (63) million.



## Cash flow, financing and liquidity

Operating cash flow for the second quarter was SEK 1,069 (1,151) million. Cash flow was positively impacted primarily by operating profit, whereas it was impacted negatively by higher working capital primarily due to higher accounts receivable as a result of higher sales, and higher inventories.

Net cash flow was SEK 597 (5,570) million. Net cash flow was affected, among other things, by payments for strategic expenditures, including acquisitions of operations and businesses, of SEK 51 (83) million (total capital expenditure was SEK 293 (346) million). (Net cash flow for the second quarter of 2016 was impacted by proceeds of SEK 4,911 million from the rights issue). Net debt decreased by SEK 1,292 million during the second quarter and at June 30 was SEK 15,738 million. The net debt/equity ratio was 30% (37%).

### Operating cash flow and net debt

SEK millions	2017 Q 2	2016 Q 2	2017 Qs 1-2	2016 Qs 1-2	2016 Full year
Operating profit before depreciation/amortization	2,167	1,509	3,794	2,250	4,951
Change in working capital	-869	-66	-1,395	-542	-661
Maintenance expenditures	-242	-263	-457	-482	-1,053
Other	13	-29	3	2	-30
Operating cash flow	1,069	1,151	1,945	1,228	3,207
Financial items	-344	-359	-566	-537	-994
Taxes	-73	-50	-94	-98	80
Cash flow from current operations	652	742	1,285	593	2,293
Strategic capital expenditures in plants and machinery	-40	-69	-84	-157	-273
Acquisitions of shares and operations	-11	-14	-11	-21	-46
Cash flow before dividend	601	659	1,190	415	1,974
Dividend to the Parent Company's shareholders	-	-	-	-	-
Rights issue	-	4,911	-	4,911	4,907
Dividend to non-controlling interest	-4	-	-4	-	-6
Net cash flow	597	5,570	1,186	5,326	6,875
Net debt at beginning of period	-17,030	-23,213	-17,887	-23,156	-23,156
Net cash flow	597	5,570	1,186	5,326	6,875
Revaluation of liabilities against equity 1)	657	-671	903	-319	-1,342
Other 2)	38	-125	60	-290	-264
Net debt at end of period	-15,738	-18,439	-15,738	-18,439	-17,887

1) Revaluation of hedging of currency risks in foreign operations.

2) Mainly consisting of cash flow effects on derivative instruments and revaluation of other financial instruments in foreign currency.

## Information about business segments

The information in the tables below excludes the depreciation/amortization on surplus values on tangible and intangible assets relating to the acquisitions of IPSCO and Rautaruukki. See page 21 for more information about the business segments.

### SSAB Special Steels

#### Key numbers

	2017	2016	2017	2017	2016	2016
SEK millions	Q 2	Q 2	Q 1	Qs 1-2	Qs 1-2	Full year
Sales	4,133	3,398	3,925	8,058	6,530	12,582
Operating profit before depreciation/amortization, EBITDA	495	410	377	872	755	1,453
Operating profit/loss	362	276	243	605	478	902
Operating cash flow	156	626	56	212	130	437
Number of employees at end of period	2,748	2,876	2,769	2,748	2,876	2,772

Demand grew during the second quarter of 2017 primarily from the Construction Machinery and Heavy Transport segments.

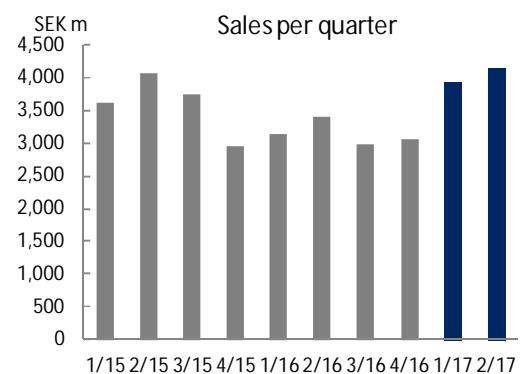
External shipments of steel during the second quarter of 2017 were up 10% compared with the second quarter of 2016 and 10% compared with the first quarter of 2017. External shipments were 304 (277) thousand tonnes.

Crude steel production was down 20% compared with the second quarter of 2016 primarily because of an unplanned two-week outage at the steel mill in Oxelösund. Compared with the first quarter of 2017, crude steel production was down 14%.

Rolling production was up 7% compared with the second quarter of 2016 and 77% compared with the first quarter of 2017. The first quarter of 2017 was impacted negatively by the production breakdown in Oxelösund, which occurred towards the end of the fourth quarter of 2016. Rolling production was again running at full capacity at the beginning of February.

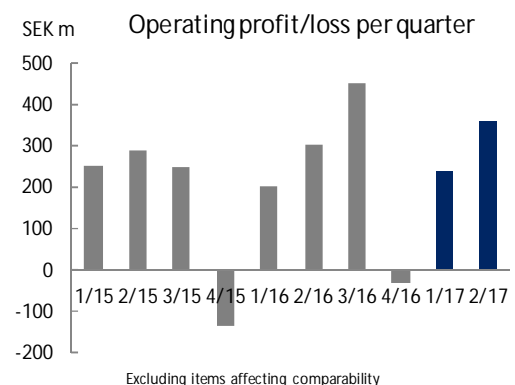
Sales for the second quarter of 2017 were SEK 4,133 (3,398) million, up 22% compared with the second quarter of 2016. Higher volumes had a positive impact of 10 percentage points, other sales had a positive impact of 6 percentage points, currency effects had a positive impact of 5 percentage points and higher prices had a positive effect on 1 percentage point.

Compared with the first quarter of 2017, sales were up 5%. Higher volumes had a positive impact of 10 percentage points and a better product mix had a positive impact of 1 percentage point, whereas lower other sales had a negative impact of 6 percentage points.



Operating profit for the second quarter of 2017 was SEK 362 (276) million, up SEK 86 million compared with the second quarter of 2016. Improved earnings were primarily due to higher prices, higher volumes and lower fixed costs, the impact of which was counteracted by higher variable costs.

Compared with the first quarter of 2017, earnings were up SEK 119 million. This was primarily due to better capacity utilization, higher volumes and higher prices, the impact of which was counteracted by higher variable costs and seasonally higher fixed costs.





The first insurance compensation of SEK 50 million for the production breakdown at Oxelösund was received during the second quarter. However, this positive impact was counteracted by higher costs, such as increased transport of material from the USA to Europe, as a result of the breakdown.

Operating cash flow during the second quarter was SEK 156 (626) million. Cash flow during the second quarter of 2017 was impacted positively by operating profit. However, the impact of this was counteracted by higher working capital as a result of higher stocks and accounts receivable.

Capital expenditure payments during the second quarter were SEK 59 (84) million, of which SEK 2 (9) million were strategic investments.

## SSAB Europe

### Key numbers

SEK millions	2017 Q 2	2016 Q 2	2017 Q 1	2017 Qs 1-2	2016 Qs 1-2	2016 Full year
Sales	8,378	6,668	7,657	16,035	12,708	25,831
Operating profit before depreciation/amortization, EBITDA	1,381	679	1,182	2,563	923	2,458
Operating profit/loss 1)	1,022	317	826	1,848	199	1,000
Operating cash flow	807	653	481	1,288	1,148	2,113
Number of employees at end of period	6,813	6,950	6,826	6,813	6,950	6,851

1) Excluding depreciation/amortization on surplus values on tangible and intangible assets related to the acquisition of Rautaruukki. Depreciation/amortization on surplus values was SEK 54 (51) million during the second quarter.

Demand during the second quarter of 2017 increased somewhat compared to the first quarter. Demand increased primarily from the Construction Material and Automotive segments.

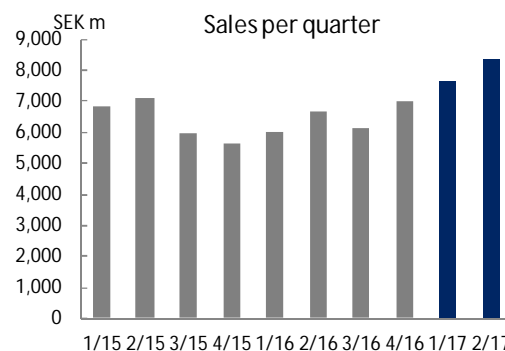
External shipments of steel during the second quarter were down 2% compared with the second quarter of 2016, but up 1% compared with the first quarter of 2017. External shipments were 991 (1,013) thousand tonnes.

Crude steel production was 4% higher compared with the second quarter of 2016 and 2% higher compared with the first quarter of 2017.

Rolling production was up 2% compared with the second quarter of 2016, but down 4% compared with the first quarter of 2017.

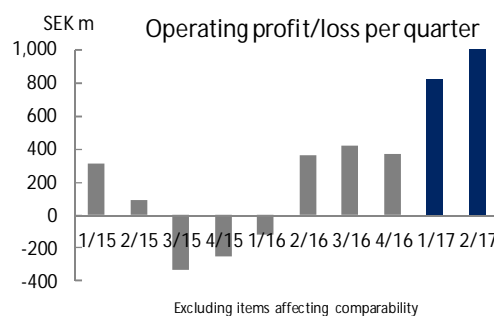
Sales for the second quarter of 2017 were SEK 8,378 (6,668) million, up 26% compared with the second quarter of 2016. Higher prices had a positive impact of 23 percentage points, currency effects had a positive impact of 4 percentage points, other sales had a positive impact of 1 percentage point, whereas lower volumes had a negative impact of 2 percentage points.

Compared with the first quarter of 2017, sales were up 9%. Higher prices had a positive impact of 6 percentage points and higher volumes, other sales and currency effects each had a positive impact of 1 percentage point.



Operating profit for the second quarter of 2017 was SEK 1,022 (317) million, up SEK 705 million compared with the second quarter of 2016. Improved earnings were primarily due to higher prices, positive currency effects and better capacity utilization, the impact of which was counteracted by higher variable costs and lower volumes.

Compared with the first quarter of 2017, earnings were SEK 196 million higher. This was primarily due to higher prices and positive currency effects, the impact of which was counteracted by higher variable costs.



Operating cash flow during the second quarter was SEK 807 (653) million. Cash flow during the second quarter was impacted positively by operating profit, but negatively by higher working capital primarily due to higher accounts receivable and higher stocks.

Capital expenditure payments during the second quarter were SEK 129 (143) million, of which SEK 11 (24) million were strategic investments.

## SSAB Americas

### Key numbers

SEK millions	2017 Q 2	2016 Q 2	2017 Q 1	2017 Qs 1-2	2016 Qs 1-2	2016 Full year
Sales	3,138	2,841	3,019	6,157	5,269	10,639
Operating profit before depreciation/amortization, EBITDA	201	309	8	209	518	737
Operating profit/loss 1)	39	162	-157	-118	217	110
Operating cash flow	-56	-54	243	187	36	426
Number of employees at end of period	1,222	1,232	1,222	1,222	1,232	1,222

1) Excluding depreciation/amortization on surplus values on tangible and intangible assets related to the acquisition of IPSCO. Depreciation/amortization on surplus values was SEK 194 (157) million during the second quarter.

Demand during the second quarter of 2017 was stable, although Steel Service Centers were cautious with their buying.

External shipments of steel during the second quarter were down 14% compared with the second quarter of 2016 and down 7% compared with the first quarter of 2017. This was mainly due to the planned maintenance outage in Mobile, which primarily impacted the second quarter of 2017. External shipments were 452 (526) thousand tonnes.

Crude steel production was down 3% compared with the second quarter of 2016, but up 6% compared with the first quarter of 2017.

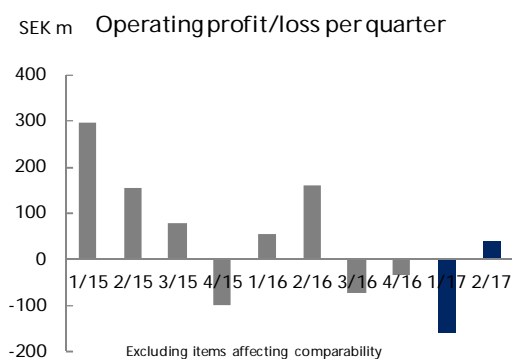
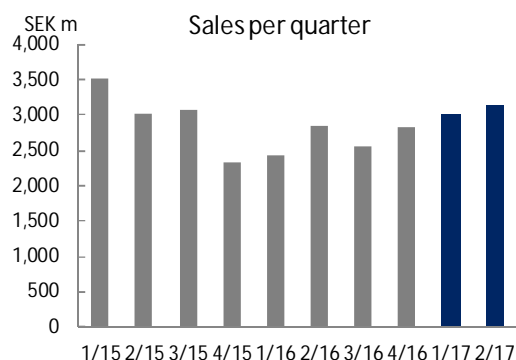
Rolling production was down 5% compared with the second quarter of 2016, but rose somewhat and was 1% higher compared with the first quarter of 2017.

Sales for the second quarter of 2017 were SEK 3,138 (2,841) million, up 10% compared with the second quarter of 2016. Higher prices had a positive impact of 15 percentage points, currency effects had a positive impact of 7 percentage points and other sales had a positive impact of 2 percentage points, whereas lower volumes had a negative impact of 14 percentage points.

Compared with the first quarter of 2017, sales were 4% higher. Higher prices had a positive impact of 11 percentage points and other sales had a positive impact of 2 percentage points, whereas lower volumes had a negative impact of 7 percentage points and currency effects had a negative impact of 2 percentage points.

Operating profit for the second quarter of 2017 was SEK 39 (162) million, down SEK 123 million compared with the second quarter of 2016. Earnings were down primarily due to higher variable costs (raw material and the Mobile maintenance outage) and lower volumes, the impact of which was partly offset by higher prices.

Compared with the first quarter of 2017, earnings were up SEK 196 million. Higher earnings were primarily due to higher prices, the impact of which was counteracted by higher variable costs and lower volumes.



Operating cash flow during the second quarter was SEK -56 (-54) million. Cash flow during the quarter was impacted primarily by higher working capital with higher stocks.

Capital expenditure payments during the second quarter were SEK 52 (58) million, of which SEK 2 (10) million were strategic investments.

## Tibnor

### Key numbers

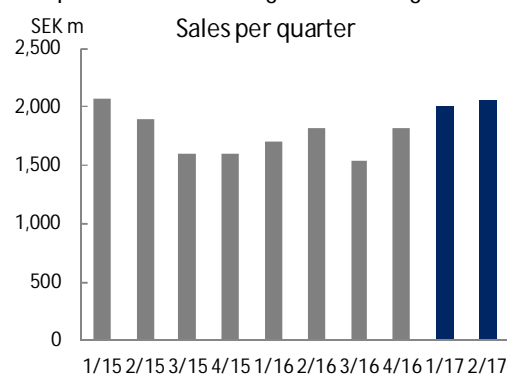
SEK millions	2017 Q 2	2016 Q 2	2017 Q 1	2017 Qs 1-2	2016 Qs 1-2	2016 Full year
Sales	2,057	1,820	2,019	4,076	3,527	6,879
Operating profit before depreciation/amortization, EBITDA	88	60	118	206	61	191
Operating profit/loss 1)	67	39	99	166	19	106
Operating cash flow	175	-22	156	331	48	191
Number of employees at end of period	1,111	1,178	1,128	1,111	1,178	1,137

1) Excluding depreciation/amortization on surplus values on tangible and intangible assets related to the acquisition of Rautaruukki. Depreciation/amortization on surplus values was SEK 6 (6) million during the second quarter.

Total shipments during the second quarter of 2017 were at the same level as for the first quarter. Compared with the second quarter of 2016, shipments were down 4%, primarily in the Strip Products and Long Products segments.

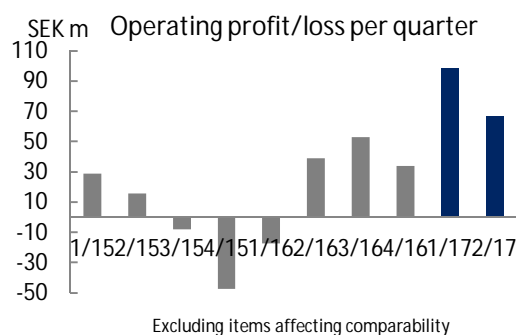
Sales for the second quarter of 2017 were SEK 2,057 (1,820) million, up 13% compared with the second quarter of 2016. Higher sales were primarily due to higher prices.

Compared with the first quarter of 2017, sales were up 2%. This was primarily due to higher prices.



Operating profit for the second quarter of 2017 was SEK 67 (39) million, up SEK 28 million compared with the second quarter of 2016. Improved earnings were primarily due to improved margins resulting from higher prices.

Compared to the first quarter of 2017, earnings were down SEK 32 million. Weaker earnings were primarily due to lower margins.



Operating cash flow during the second quarter of 2017 was SEK 175 (-22) million. Cash flow during the second quarter of 2017 was impacted positively by operating profit and lower working capital.

Capital expenditure payments during the second quarter were SEK 23 (16) million, of which SEK 13 (4) million were strategic investments.

## Ruukki Construction

### Key numbers

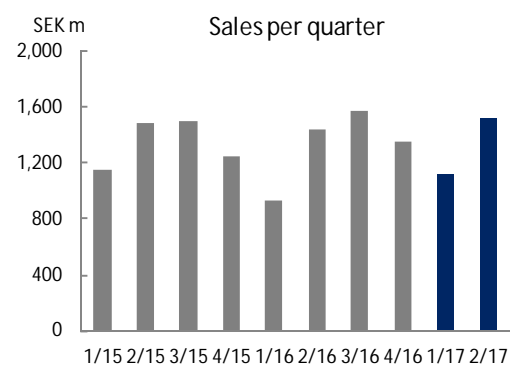
SEK millions	2017 Q 2	2016 Q 2	2017 Q 1	2017 Qs 1-2	2016 Qs 1-2	2016 Full year
Sales	1,531	1,444	1,131	2,662	2,372	5,304
Operating profit before depreciation/amortization, EBITDA	97	114	8	105	104	322
Operating profit/loss 1)	63	75	-29	34	27	171
Operating cash flow	-27	68	36	9	36	243
Number of employees at end of period	2,568	2,722	2,568	2,568	2,722	2,543

1) Excluding depreciation/amortization on surplus values on tangible and intangible assets related to the acquisition of Rautaruukki. Depreciation/amortization on surplus values was SEK -7 (-7) million during the second quarter.

During the second quarter of 2017, demand increased seasonally in the construction sector. Demand was good on most markets, with the exception of Russia.

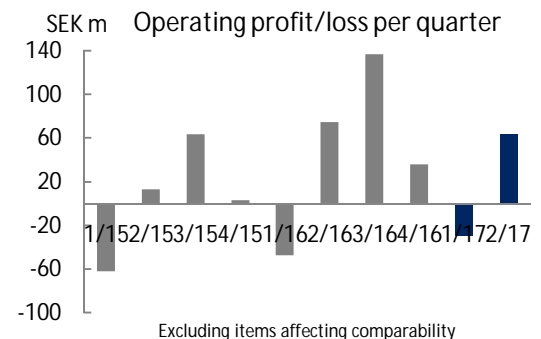
Sales for the second quarter of 2017 were SEK 1,531 (1,444) million, up 6% compared with the second quarter of 2016. This was primarily due to higher sales in the Building Components segment.

Compared with the first quarter of 2017, sales were up 35%. This was primarily due to seasonally higher sales in the construction sector and primarily in the Building Components segment.



Operating profit for the second quarter of 2017 was SEK 63 (75) million, down SEK 12 million compared with the second quarter of 2016. This was primarily due to lower margins, the impact of which was partly offset by higher volumes.

Compared with the first quarter of 2017, earnings were up SEK 92 million. This was primarily due to seasonally higher volumes and better capacity utilization, the impact of this was counteracted by higher fixed costs.



Operating cash flow for the second quarter was SEK -27 (68) million. Cash flow during the second quarter was impacted positively by operating profit, but counteracted by higher working capital with higher accounts receivable.

Capital expenditure payments during the second quarter were SEK 13 (38) million, of which SEK 11 (36) million were strategic investments.

## Sustainability

In the end of June, SSAB, LKAB and Vattenfall set up a joint venture to continue to take the HYBRIT initiative forward. The three companies each own a third of the joint venture, which will work on finding a steel manufacturing process that does not emit carbon dioxide.

## Risks and uncertainty factors

For information regarding material risks and uncertainty factors, reference is made to the detailed description in the annual report. No material new or changed risks and uncertainty factors have been identified during the quarter.

## Accounting principles

This half-year report has been prepared in accordance with IAS 34.

The accounting principles are based on International Financial Reporting Standards as adopted by the EU and ensuing references to Chapter 9 of the Swedish Annual Accounts Act. The accounts of the parent company have been prepared in compliance with RFR 2 and the Swedish Annual Accounts Act.

No material changes in accounting principles have taken place since the Annual Report for 2016.

### IFRS 15, Revenue from contract with customers

This standard applies commencing from January 1, 2018. The Group will apply this from January 1, 2018, but will restate the financial reports for 2017 in accordance with IFRS 15.

As at June 30, 2017, no quantitative estimates or calculations have been made. SSAB has focused on identifying the Group's sales models.

### IFRS 9, Financial instruments

This standard applies commencing from January 1, 2018. SSAB will apply IFRS 9 from January 1, 2018, but will restate the financial reports for 2017 in accordance with IFRS 9.

As at June 30, 2017, no quantitative estimates or calculations have been made.

## Affirmation

The Board of Directors and the President & CEO affirm that this half-year report provides a fair and true view of the operations, financial position and earnings of the Parent Company and Group, and describes the material risks and uncertainties facing the Parent Company and the Group.

Stockholm, July 19, 2017

Bengt Kjell  
Chairman

Sture Bergvall  
Director

Petra Einarsson  
Director

Marika Fredriksson  
Director

Tomas Karlsson  
Director

Pasi Laine  
Director

Matti Lievonon  
Director

Annika Lundius  
Director

Patrick Sjöholm  
Director

John Tulloch  
Director

Lars Westerberg  
Director

Martin Lindqvist  
President & CEO

## Review report

We have reviewed this interim report for the period 1 January to 30 June 2016 for SSAB AB (publ). The board of directors and the CEO are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

Stockholm, July 19, 2017  
PricewaterhouseCoopers

Magnus Svensson Henryson  
Authorized public accountant



## Financial reports in accordance with IFRS – the Group

## Consolidated income statement

SEK millions	2017 Q 2	2016 Q 2	2017 Qs 1-2	2016 Qs 1-2	2016 Full year
Sales	17,115	14,471	32,854	27,435	55,354
Cost of goods sold	-14,897	-12,925	-28,943	-25,052	-50,240
Gross profit	2,218	1,546	3,911	2,383	5,114
Selling and administrative costs	-1,111	-1,065	-2,188	-2,148	-4,169
Other operating income and expenses 1)	81	93	150	132	212
Affiliated companies, profit after tax	17	18	34	32	56
Operating profit/loss	1,205	592	1,907	399	1,213
Financial income	62	14	163	37	80
Financial expenses	-353	-257	-707	-434	-969
Profit/loss for the period after financial items	914	349	1,363	2	324
Tax	-29	63	24	277	619
Profit/loss for the period	885	412	1,387	279	943
Of which attributable to:					
- Parent Company's shareholders	883	410	1,383	276	937
- Non-controlling interest	2	2	4	3	6

## Key numbers

	2017 Q 2	2016 Q 2	2017 Qs 1-2	2016 Qs 1-2	2016 Full year
Operating margin (%)	7	4	6	1	2
Earnings per share (SEK) 2)	0.86	0.53	1.34	0.36	1.04
Equity per share (SEK)	51.12	48.85	51.12	48.85	51.36
Net debt/equity ratio (%)	30	37	30	37	34
Average number of shares during the period (millions)	1,029.8	549.2	1,029.8	549.2	794.8
Adjusted average number of shares during the period (millions) 2)	1,029.8	773.8	1,029.8	769.4	900.3
Number of shares at end of period (millions) 3)	1,029.8	1,029.8	1,029.8	1,029.8	1,029.8
Number of employees at end of period	14,947	15,414	14,947	15,414	14,980

1) The result for the quarter includes primarily currency effects on operating receivables/liabilities of SEK -35 (60) million.

2) Average number of shares and earnings per share has been adjusted based on the bonus issue element in the rights issue. There are no outstanding share instruments, and thus no dilution is relevant.

3) Subsequent to the rights issue completed on June 27, 2016, the number of shares is 1,029,835,326.

## Consolidated statement of comprehensive income

SEK millions	2017 Q 2	2016 Q 2	2017 Qs 1-2	2016 Qs 1-2	2016 Full year
Profit/loss for the period after tax	885	412	1,387	279	943
<i>Other comprehensive income</i>					
<u>Items that may be subsequently reclassified to the income statement</u>					
Translation differences for the period	-1,721	1,672	-2,284	968	3,462
Cash flow hedges	-7	114	-82	105	291
Hedging of currency risks in foreign operations 1)	657	-671	903	-319	-1,342
Share in other comprehensive income of affiliated companies and joint ventures	0	0	0	0	0
Tax attributable to items that may be subsequently reclassified to the income statement	-143	125	-182	51	237
Total items that may be subsequently reclassified to the income statement	-1,214	1,240	-1,645	805	2,648
<u>Items that will not be reclassified to the income statement</u>					
Remeasurements of the net defined benefit liability	22	-41	17	-100	12
Tax attributable to items that will not be reclassified to the income statement	-4	9	-3	21	-5
Total items that will not be reclassified to the income statement	18	-32	14	-79	7
Total other comprehensive income for the period, net after tax	-1,196	1,208	-1,631	726	2,655
Total comprehensive income for the period	-311	1,620	-244	1,005	3,598
Of which attributable to:					
- Parent Company's shareholders	-313	1,617	-249	1,001	3,591
- Non-controlling interest	2	3	5	4	7

1) Hedging is structured such that the net/equity ratio is unchanged in the event of changed exchange rates.

## Consolidated statement of changes in equity

SEK millions	Equity attributable to the Parent Company's shareholders						Non-controlling interest	Total equity
	Share capital	Other contributed funds	Reserves	Retained earnings	Total equity			
Equity, December 31, 2015	4,833	22,343	1,357	15,860	44,393	48		44,441
<u>Changes Jan 1 - June 30, 2016</u>								
Total comprehensive income for the period			804	197	1,001	4		1,005
Rights issue	4,229	678			4,907			4,907
Equity, June 30, 2016	9,062	23,021	2,161	16,057	50,301	52		50,353
<u>Changes July 1 - Dec. 31, 2016</u>								
Total comprehensive income for the period			1,843	747	2,590	3		2,593
Dividend, non-controlling interest						-6		-6
Equity, December 31, 2016	9,062	23,021	4,004	16,804	52,891	49		52,940
<u>Changes Jan 1 - June 30, 2017</u>								
Total comprehensive income for the period			-1,645	1,396	-249	5		-244
Dividend, non-controlling interest						-3		-3
Equity, June 30, 2017	9,062	23,021	2,359	18,200	52,642	51		52,693

There are 1,029,835,326 shares with a quotient value of SEK 8.80.

## Consolidated balance sheet

SEK millions	2017 June 30	2016 June 30	2016 Dec. 31
<i>Assets</i>			
Goodwill	28,275	28,241	29,909
Other intangible assets	2,267	2,959	2,704
Tangible fixed assets	24,423	26,046	25,866
Participations in affiliated companies	636	601	628
Financial assets	343	462	308
Deferred tax receivables 2)	515	1,698	1,054
Total fixed assets	56,459	60,007	60,469
Inventories	16,445	12,664	15,001
Accounts receivable	8,532	7,698	7,118
Current tax receivables	430	439	474
Other current receivables 1)	4,220	2,433	3,972
Cash and cash equivalents	3,687	4,554	3,879
Total current assets	33,314	27,788	30,444
Total assets	89,773	87,795	90,913
<i>Equity and liabilities</i>			
Equity for shareholders in the Company	52,642	50,305	52,891
Non-controlling interest	51	52	49
Total equity	52,693	50,357	52,940
Deferred tax liabilities	687	2,155	1,321
Other long-term provisions	524	671	529
Long-term non-interest bearing liabilities 2)	370	546	448
Long-term interest-bearing liabilities	15,377	20,581	18,751
Total long-term liabilities	16,958	23,953	21,049
Short-term interest-bearing liabilities	6,460	2,983	4,497
Accounts payable	9,514	6,191	8,224
Current tax liabilities	190	70	41
Other current liabilities	3,958	4,241	4,162
Total current liabilities	20,122	13,485	16,924
Total equity and liabilities	89,773	87,795	90,913
Pledged assets	2,533	1,198	1,871
Contingent liabilities	3,285	2,550	2,705

1) Other current receivables comprise short-term bank deposits (escrow agreement) in the amount of SEK 2 465 (1,138) million.

2) Of the Deferred tax receivable, SEK 204 (267) million constitutes a valuation of the future tax credits regarding investments in Alabama, USA. Since the credits have not yet been booked as income, a corresponding liability has been booked as Long-term non-interest bearing liabilities.

## Valuation of assets and liabilities

Financial assets and liabilities in the balance sheet are valued based on their classification at acquisition value or fair value. Both interest rate derivatives and currency derivatives are valued at fair value. In the balance sheet item "Other current receivables" derivatives are valued at a total of SEK 209 (160) million and in the balance sheet item "Other current liabilities" derivatives are valued at a total of SEK 520 (546) million. In the balance sheet item "Financial assets" derivatives are valued at a total of SEK 20 (-) million and in the balance sheet item "Long-term non-interest bearing liabilities", derivatives are included valued at a total of SEK 50 (96) million.

Other financial assets and liabilities in the balance sheet are reported at acquisition value. In the case of valuation at fair value, the loans at fixed interest reported in the balance sheet item "Long-term interest-bearing liabilities" (including short-term part) would exceed the reported amount by SEK 158 (19) million. However, since the loans will be held until maturity, this does not affect the reported value.

### Assessment of the fair value of financial instruments

Classification takes place hierarchically on three different levels based on the input data used in valuing instruments. On level 1, listed prices on an active market are used, e.g. stock exchange prices. On level 2, observable market data regarding assets and liabilities other than listed prices are used, e.g. interest rates and return curves. On level 3, the fair value is determined based on a valuation technique which is based on assumptions which are not based on prices or observable data.

The fair value valuation of the financial assets in SSAB is based on data in accordance with level 2 (with the exception of electricity derivatives, where the fair value is based on listed market prices, and which are therefore classified on level 1).

## Cash flow

SEK millions	2017 Q 2	2016 Q 2	2017 Qs 1-2	2016 Qs 1-2	2016 Full year
Operating profit/loss	1,205	592	1,907	399	1,213
Adjustment for depreciation and impairment	962	917	1,887	1,851	3,738
Adjustment for other non-cash items	-23	-30	-39	-10	-79
Received and paid interest	-344	-359	-566	-537	-994
Tax paid	-73	-50	-94	-98	80
Change in working capital	-869	-66	-1,395	-542	-661
Cash flow from operating activities	858	1,004	1,700	1,063	3,297
Capital expenditure payments in plants and machinery	-282	-332	-541	-639	-1,326
Acquisitions, shares and operations	-11	-14	-11	-21	-46
Other investing activities	36	1	42	12	49
Cash flow from investing activities	-257	-345	-510	-648	-1,323
Dividend, non-controlling interest	-4	-	-4	-	-6
Rights issue	-	4,911	-	4,911	4,907
Change in loans	-620	-4,265	-931	-3,855	-5,270
Change in financial investments	840	279	-18	606	-141
Other financing activities	-461	280	-407	-328	-422
Cash flow from financing activities	-245	1,205	-1,360	1,334	-932
Cash flow for the period	356	1,864	-170	1,749	1,042
Cash and cash equivalents at beginning of period	3,371	2,629	3,879	2,711	2,711
Exchange rate difference in cash and cash equivalents	-40	61	-22	94	126
Cash and cash equivalents at end of period	3,687	4,554	3,687	4,554	3,879

## Relevant reconciliations of non-IFRS-based performance measures

Besides the definitions below, definitions of the non-IFRS-based performance measures below can be found in the Annual Report.

### Operating profit before depreciation/amortization, EBITDA

SEK millions	2017 Q 2	2016 Q 2	2017 Qs 1-2	2016 Qs 1-2	2016 Full year
Operating profit/loss	1,205	592	1,907	399	1,213
Depreciation & impairment	962	917	1,887	1,851	3,738
Operating profit before depreciation/amortization, EBITDA	2,167	1,509	3,794	2,250	4,951

### Operating profit before depreciation/amortization, EBITDA, excluding items affecting comparability

SEK millions	2017 Q 2	2016 Q 2	2017 Qs 1-2	2016 Qs 1-2	2016 Full year
Operating profit before depreciation/amortization, EBITDA	2,167	1,509	3,794	2,250	4,951
Items affecting comparability 1)	-	76	-	79	79
Operating profit before depreciation/amortization, EBITDA, excluding items affecting comparability	2,167	1,585	3,794	2,329	5,030

### Specification of items affecting comparability

SEK millions	2017 Q 2	2016 Q 2	2017 Qs 1-2	2016 Qs 1-2	2016 Full year
<u>Operating expenses</u>					
Restructuring related to synergies	-	-76	-	-79	-79
Effect on operating profit/loss	-	-76	-	-79	-79
<u>Financial costs</u>					
Financial items	-	-	-	-	-1
Effect on profit after financial items	-	-76	-	-79	-79
<u>Taxes</u>					
Tax effects	-	16	-	17	17
Effect on profit/loss after tax	-	-60	-	-62	-62

### Items affecting comparability in the operating profit/loss, per quarter and business segment

SEK millions	1/15	2/15	3/15	4/15	1/16	2/16	3/16	4/16	1/17	2/17
SSAB Special Steels	-	-	-	-	-	-27	-	-	-	-
SSAB Europe	-2	-2	-	-95	-	-49	-	-	-	-
SSAB Americas	-	-	-	-	-	-	-	-	-	-
Tibnor	-20	-4	-	112	-3	-	-	-	-	-
Ruukki Construction	-2	-4	-	-93	-	-	-	-	-	-
Other	-6	1	-	-	-	-	-	-	-	-
Total	-30	-9	-	-76	-3	-76	-	-	-	-

## Return on capital employed before tax, rolling 12 months

SEK millions	July 16- June 17	July 15- June 16	2016 Full year
Operating profit/loss	2,720	-670	1,213
Financial income	207	54	80
Total	2,927	-616	1,293
Average capital employed	76,420	73,595	74,564
Return on capital employed before tax, %	4%	-1%	2%

## Return on equity after tax, rolling 12 months

SEK millions	July 16- June 17	July 15- June 16	2016 Full year
Profit/loss for the period, after tax	2,052	943	943
Average equity	52,600	48,822	48,822
Return on equity after tax, %	4%	2%	2%

## Operating cash flow

SEK millions	2017 Q 2	2016 Q 2	2017 Qs 1-2	2016 Qs 1-2	2016 Full year
Cash flow from operating activities	858	1,004	1,700	1,063	3,297
Reversal received and paid interests	344	359	566	537	994
Reversal tax paid	73	50	94	98	-80
Maintenance expenditures 1)	-242	-263	-457	-482	-1,053
Other investing activities 2)	36	1	42	12	49
Operating cash flow	1,069	1,151	1,945	1,228	3,207

1) See the definition of Maintenance capital expenditures in the Annual Report.

2) Other investing activities primarily refer to cash flow from long-term receivables and investments.

## Net debt

SEK millions	2017 31 Dec.	2016 31 Dec.	2016 31 Dec.
Interest-bearing assets 1)	6,768	6,126	6,312
Interest-bearing liabilities 2)	22,506	24,565	24,199
Net debt	15,738	18,439	17,887

1) Interest-bearing assets primarily refer to long-term and current interest-bearing receivables and investments, together with derivatives and cash and cash equivalents.

2) Interest-bearing liabilities primarily consist of long-term and current interest-bearing debt, pension liability and derivatives.



## Information about business segments

SSAB has been organized into five reportable business segments with a clear profit responsibility. The business segments consist of the three steel divisions: SSAB Special Steels, SSAB Europe and SSAB Americas as well as the fully owned subsidiaries Tibnor and Ruukki Construction. Tibnor and Ruukki Construction are operated as independent subsidiaries.

### SSAB Special Steels

SSAB Special Steels has global responsibility for the marketing and sales of all SSAB's quenched and tempered steels (Q&T) and hot-rolled, advanced high-strength steels with yield strengths of 700 MPa and above. SSAB Special Steels is responsible for steel and rolling production in Oxelösund (Sweden), and for sales of the above products produced in Mobile (USA), Raahe (Finland) and Borlänge (Sweden). When SSAB Special Steels sells steels made by another division, the revenue is reported by SSAB Special Steels and the accounts are settled between the divisions at the cost of goods sold.

### SSAB Europe

SSAB Europe has responsibility for strip, plate and tubular products in Europe, and global profit responsibility for the Automotive segment (cold-rolled strip). SSAB Europe is responsible for steel and plate production in Raahe and Hämeenlinna (Finland), and in Luleå and Borlänge (Sweden).

### SSAB Americas

SSAB Americas has profit responsibility for heavy plate in North America, and for steel and plate production in Montpelier and Mobile, USA.

### Tibnor

Tibnor is the Group's distributor of a full range of steel and non-ferrous metals in the Nordic region and Baltics. Tibnor buys and sells materials produced both by SSAB and other suppliers.

### Ruukki Construction

Ruukki Construction is responsible for the sales and production of energy-efficient building and construction solutions, with a focus on northern and eastern Europe. Ruukki Construction includes Plannja.

## Financial information per quarter

The information in the tables below is reported excluding items affecting comparability. See the table on page 19 for items affecting comparability.

### The Group's result per quarter, excluding items affecting comparability

SEK millions	1/15	2/15	3/15	4/15	1/16	2/16	3/16	4/16	1/17	2/17
Sales	15,468	15,303	13,594	12,499	12,964	14,471	13,477	14,442	15,739	17,115
Operating expenses	-13,979	-14,077	-12,845	-12,352	-12,234	-12,904	-11,852	-13,390	-14,128	-14,966
Depreciation/amortization 1)	-938	-944	-942	-960	-934	-917	-928	-959	-926	-961
Affiliated companies	13	19	2	11	14	18	10	14	17	17
Financial items	-214	-213	-247	-249	-154	-243	-246	-246	-253	-291
Result before tax	350	88	-438	-1,051	-344	425	461	-139	449	914

1) For depreciation and amortization, see table Operating profit/loss per quarter and business segment, excluding items affecting comparability below.

### Sales per quarter and business segment

SEK millions	1/15	2/15	3/15	4/15	1/16	2/16	3/16	4/16	1/17	2/17
SSAB Special Steels	3,620	4,077	3,743	2,942	3,132	3,398	2,986	3,066	3,925	4,133
SSAB Europe	6,835	7,097	5,965	5,620	6,040	6,668	6,122	7,001	7,657	8,378
SSAB Americas	3,508	3,027	3,080	2,321	2,428	2,841	2,545	2,825	3,019	3,138
Tibnor	2,075	1,899	1,593	1,596	1,707	1,820	1,539	1,813	2,019	2,057
Ruukki Construction	1,147	1,488	1,496	1,243	928	1,444	1,579	1,353	1,131	1,531
Other	0	1	1	1	5	3	1	5	0	1
Group adjustments	-1,717	-2,286	-2,284	-1,224	-1,276	-1,703	-1,295	-1,621	-2,012	-2,123
Total	15,468	15,303	13,594	12,499	12,964	14,471	13,477	14,442	15,739	17,115

### Operating profit/loss before depreciation/amortization, EBITDA, per quarter and business segment, excluding items affecting comparability

SEK millions	1/15	2/15	3/15	4/15	1/16	2/16	3/16	4/16	1/17	2/17
SSAB Special Steels	388	433	391	1	345	437	587	111	377	495
SSAB Europe	677	459	36	114	244	728	789	746	1,182	1,381
SSAB Americas	453	313	235	42	209	309	83	136	8	201
Tibnor	48	36	9	-28	4	60	73	57	118	88
Ruukki Construction	-19	57	106	64	-10	114	173	45	8	97
Other	-46	-52	-26	-36	-48	-63	-70	-29	-66	-95
Total	1,501	1,246	751	157	744	1,585	1,635	1,066	1,627	2,167

### Operating profit/loss per quarter and business segment, excluding items affecting comparability

SEK millions	1/15	2/15	3/15	4/15	1/16	2/16	3/16	4/16	1/17	2/17
SSAB Special Steels	252	293	251	-134	202	303	453	-29	243	362
SSAB Europe	312	94	-328	-253	-118	366	426	376	826	1,022
SSAB Americas	296	154	78	-100	55	162	-73	-34	-157	39
Tibnor	29	16	-8	-47	-17	39	53	33	99	67
Ruukki Construction	-62	13	64	3	-48	75	137	7	-29	63
Depreciation on surplus values, IPSCO	-158	-159	-161	-179	-160	-157	-160	-159	-157	-194
Depreciation on surplus values, Rautaruukki	-51	-50	-52	-52	-51	-50	-53	-54	-51	-53
Other	-54	-60	-35	-40	-53	-70	-76	-33	-72	-101
Total	564	301	-191	-802	-190	668	707	107	702	1,205

## Financial reports in accordance with IFRS – the Parent Company

## The Parent Company's income statement

SEK millions	2017 Q 2	2016 Q 2	2017 Qs 1-2	2016 Qs 1-2	2016 Full year
Gross profit	0	0	0	0	0
Selling and administrative costs	-91	-86	-171	-141	-261
Other operating income/expenses	32	35	65	52	103
Operating profit/loss	-59	-51	-106	-89	-158
Financial items 1)	984	-133	1,075	134	8,410
Profit/loss after financial items	925	-184	969	45	8,252
Appropriations	-	-	-	-	1,100
Tax	-88	200	-98	151	211
Profit/loss after tax	837	16	871	196	9,563

1) During the second quarter of 2017, SSAB Finance Brussels distributed SEK 5.6 billion to the Parent Company, subsequent to which the shares in SSAB Finance Brussels were written down.

## The Parent Company's statement of comprehensive income

SEK millions	2017 Q 2	2016 Q 2	2017 Qs 1-2	2016 Qs 1-2	2016 Full year
Profit/loss after tax	837	16	871	196	9,563
<i>Other comprehensive income</i>					
<u>Items that may be classified to the income statement</u>					
Cash flow hedges	1	-6	1	-26	3
Tax attributable to other comprehensive income	0	1	0	5	-1
Total items that will be reclassified to the income statement	1	-5	1	-21	2
Other comprehensive income, net after tax	1	-5	1	-21	2
Total comprehensive income for the period	838	11	872	175	9,565

## The Parent Company's balance sheet

SEK millions	2017 June 30	2016 June 30	2016 Dec. 31
<i>Assets</i>			
Fixed assets	66,315	61,310	34,512
Other current assets	16,461	10,136	49,810
Cash and cash equivalents	2,591	3,095	2,238
Total assets	85,367	74,541	86,560
<i>Equity and liabilities</i>			
Restricted equity	9,964	9,964	9,964
Unrestricted equity	51,308	41,049	50,436
Total equity	61,272	51,013	60,400
Untaxed reserves	-	-	-
Long-term liabilities and provisions	11,778	16,825	15,019
Current liabilities and provisions	12,317	6,703	11,141
Total equity and liabilities	85,367	74,541	86,560

## Production and shipments

Thousand tonnes	1/15	2/15	3/15	4/15	1/16	2/16	3/16	4/16	1/17	2/17
Crude steel production										
- SSAB Special Steels	354	380	401	226	218	288	291	178	265	229
- SSAB Europe	1,186	1,038	716	1,110	1,166	1,146	1,143	1,226	1,168	1,196
- SSAB Americas	555	546	607	474	617	623	533	558	569	602
- Total	2,095	1,964	1,724	1,810	2,001	2,058	1,967	1,962	2,002	2,027
Rolling production										
- SSAB Special Steels	119	141	142	103	130	137	146	85	83	147
- SSAB Europe	1,154	1,135	952	1,040	1,101	1,183	1,068	1,109	1,253	1,203
- SSAB Americas	518	521	559	469	576	584	493	544	545	553
- Total	1,791	1,798	1,653	1,612	1,807	1,904	1,707	1,738	1,881	1,903
Steel shipments										
- SSAB Special Steels	259	260	216	202	256	277	242	233	277	304
- SSAB Europe	976	991	823	823	946	1,013	863	898	982	991
- SSAB Americas	476	471	505	435	475	526	421	502	486	452
- Total	1,711	1,722	1,544	1,460	1,677	1,816	1,526	1,633	1,745	1,747

## Note:

This report has been published in Swedish and English. In the event of any differences between the English translation and the Swedish original, the Swedish Report shall prevail.

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*Report for the third quarter of 2017:*

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