

# INTERIM REPORT

JANUARY – JUNE 2022



Record result for all business segments

July 22, 2022

**SSAB**

# Interim Report January - June 2022

## The second quarter

- Revenue was SEK 35,516 (23,673) million
- Operating profit, excluding items affecting comparability, was SEK 10,395 (4,083) million
- Earnings per share were SEK 7.79 (3.13)
- Net cash was SEK 7,163 (net debt SEK 6,461) million
- Transformation to fossil-free steel production on plan

## Key figures

SEK millions	2022 Q2	2021 Q2	2022 Q1	2022 Jan-Jun	2021 Jan-Jun	2021 Full-year
Revenue	35,516	23,673	31,575	67,091	43,334	95,891
EBITDA 1)	11,241	4,899	9,198	20,439	7,759	22,094
Operating profit/loss 1)	10,395	4,083	8,377	18,773	6,076	18,837
Profit/loss after financial items	10,254	3,981	7,790	18,044	5,869	18,416
Profit/loss after tax	8,023	3,221	6,016	14,039	4,732	14,673
Earnings per share (SEK)	7.79	3.13	5.84	13.63	4.59	14.24
Operating cash flow	7,124	3,910	4,918	12,042	5,339	15,296
Net debt (+) / Net cash (-)	-7,163	6,461	-5,667	-7,163	6,461	-2,346
Net debt/equity ratio (%)	-8	11	-7	-8	11	-3

<sup>1)</sup> Excluding items affecting comparability. For further information see page 26.

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

## Comments by the CEO – record result for all business segments

**SSAB's operating profit exceeded SEK 10 billion for the first time for a single quarter and amounted to SEK 10.4 (4.1) billion. All business segments posted strong results, driven by a combination of high steel prices and solid internal performance. Cash flow generation was strong. SSAB strengthens its position as the leader in the green transition in the steel industry and continues to deliver pilot volumes for a number of selected partnership projects. During the second quarter, the world's first construction machine built using SSAB fossil-free steel was delivered by Volvo.**

SSAB Special Steels reached a new record for shipments and operating profit increased to SEK 2,392 (1,175) million. The operating margin rose to 26.6% (20.1%). High-strength steel is SSAB's primary area of growth and it supports our customers' ambitions to improve productivity and sustainability performance in machinery and other equipment. SSAB Europe's operating profit for the second quarter increased to SEK 4,070 (1,512) million and the operating margin rose to 28.3% (14.8%). SSAB Americas' operating profit increased to SEK 3,512 (1,084) million and the operating margin rose to 39.7% (22.5%).

Higher steel prices were an important factor behind the improved results, in combination with stable production and continued good cost control. Safety performance continued to improve and Lost Time Injury Frequency (LTIF) decreased to 1.56 (2.30).

In conjunction with the invasion of Ukraine, SSAB stopped sales to Russia and Belarus as well as discontinued new purchases of ore and coal from Russia. Ruukki Construction has minor operations in Ukraine and these could be partly re-started during the second quarter.

The market outlook is uncertain, due to rising inflation, component shortages and bottlenecks in logistics chains, among other things. There are also risks for disruptions relating to sanctions and other fallout from the war in Ukraine.

Customer demand for fossil-free steel continues to increase. During the quarter, Volvo Construction Equipment delivered the world's first construction machine built of SSAB fossil-free steel and during the third quarter of 2022, Volvo Trucks will start small-scale introduction of fossil-free steel in heavy-duty electric trucks. SSAB also began collaboration with Alfa Laval on the world's first heat exchanger to be made using fossil-free steel, with the first unit planned for 2023. The second quarter saw the inauguration of HYBRIT's pilot facility for hydrogen gas storage, the first of its kind, in Svartöberget, Luleå. Work on the feasibility studies for SSAB's planned mini-mills in Luleå and Raahe is

proceeding towards the goal of fossil-free production at around 2030, but the transition requires sufficient availability of fossil-free electricity in the right place at the right time.

## Outlook for the third quarter of 2022

The market outlook is uncertain against a background of rising inflation, a shortage of components and the risks of continued fallout from the war in Ukraine. The market in Europe is expected to be characterized by a seasonal slowdown, whereas the heavy plate market in North America is assessed to be relatively stable.

Compared with the second quarter of 2022, SSAB Special Steels, shipments are assessed to be somewhat lower. Realized prices are assessed to be stable.

SSAB Europe is assessed to have lower shipments against a background of seasonality and planned maintenance outage. Realized prices are expected to be significantly lower during the third quarter, compared to the high level seen in the prior quarter.

SSAB Americas' shipments are assessed to be significantly lower as a result of the planned maintenance outage. Prices are expected to be lower.

Raw material costs will rise for SSAB Special Steels and SSAB Europe during the third quarter, compared to the second quarter of 2022, largely because of coal purchases (primarily PCI coal) at exceptionally high prices at the end of the first quarter.

### Outlook for steel divisions

	Q3 2022 vs. Q2 2022	
	Shipments	Realized prices
SSAB Special Steels	Somewhat lower	Stable
SSAB Europe	Lower	Significantly lower
SSAB Americas	Significantly lower	Lower

Definitions: Significantly lower (>10 %), Lower (5-10 %), Somewhat lower (0-5 %), Stable (~0 %), Somewhat higher (0-5 %), Higher (5-10 %), Significantly higher (>10 %)

## Major planned maintenance outages 2022

The Group's total maintenance costs for the full year 2022 are expected to be SEK 1,210 million, compared with the earlier forecast of SEK 1,120 million. The increase is primarily due to price increases. SSAB Americas has brought forward the annual planned maintenance outage from October to September. SSAB Europe has postponed some of the maintenance to the fourth quarter. The table below shows the expected costs of major planned maintenance outages for 2022 and the costs of outages completed during 2021. The figures include the impact of the direct maintenance cost and the cost of lower capacity utilization (underabsorption), but exclude lost margins.

### Expected maintenance costs for 2022

SEK millions	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	Q1	Q1	Q2	Q2	Q3	Q3	Q4	Q4	Full-year	Full-year
SSAB Special Steels	0	0	0	0	60	440	380	150	440	590
SSAB Europe	0	0	0	0	155	270	245	160	400	430
SSAB Americas	0	0	0	0	370	0	0	250	370	250
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>585</b>	<b>710</b>	<b>625</b>	<b>560</b>	<b>1,210</b>	<b>1,270</b>

## The market during the second quarter

Global demand for high-strength steel was good in most markets during the quarter.

European market prices for steel rose sharply during the first quarter in conjunction with Russia's invasion of Ukraine, but dropped back during the second quarter. The fall was primarily seen in strip prices, which were lower at the end of the second quarter than before the invasion. The price of heavy plate in North America decreased somewhat but continued to be at a high level during the second quarter.

In China, market prices for strip and heavy plate fell during the second quarter of 2022.

Demand in Europe weakened during the quarter and the market was characterized by caution. In North America, demand for heavy plate was good in most customer segments. Inventories at North American distributors were still low.

## SSAB Group – First half year of 2022

### Revenue and operating profit

Revenue for the first half of 2022 was SEK 67,091 (43,334) million, up 55% compared to the first half of 2021.

Operating profit was SEK 18,773 (6,076) million, up SEK 12,697 million compared to the first half of 2021. All business segments contributed to the improvement.

### Revenue and operating profit/loss by business segment

SEK millions	Revenue			Operating profit/loss 1)		
	2022 Jan-Jun	2021 Jan-Jun	Change	2022 Jan-Jun	2021 Jan-Jun	Change
SSAB Special Steels	16 893	10 967	5 926	4 495	2 089	2 406
SSAB Europe	27 014	19 075	7 939	7 319	2 270	5 049
SSAB Americas	16 307	8 466	7 841	6 504	1 342	5 163
Tibnor	9 246	5 870	3 376	1 031	667	363
Ruukki Construction	3 607	2 715	892	375	210	165
Other	-	-	-	-896	-338	-557
Depr. surplus values	-	-	-	-56	-164	108
Group adjustments	-5 976	-3 760	-2 216	-	-	-
<b>Total</b>	<b>67 091</b>	<b>43 334</b>	<b>23 757</b>	<b>18 773</b>	<b>6 076</b>	<b>12 697</b>

1) Excluding items affecting comparability, items affecting comparability was SEK 221 (-) million during the first half of 2022. For further information see page 26.

### Profit for the period and earnings per share

Profit for the period (attributable to shareholders in the parent company) for the first half of 2022 was SEK 14,035 (4,726) million, equating to SEK 13.63 (4.59) per share. Tax was SEK -4,005 (-1,137) million.

### Cash flow, financing and liquidity

Operating cash flow for the first half of 2022 increased to SEK 12,042 (5,339) million, primarily due to higher operating profit.

Net cash flow, after dividends of SEK 5,406 (-) million, amounted to SEK 2,346 (4,229) million. Net cash at June 30, 2022 was SEK 7,163 (-6,461) million.

The term to maturity of the total loan portfolio at June 30, 2022 averaged 6.2 (6.1) years, with an average fixed interest period of 1.1 (1.2) years.

Cash and cash equivalents were SEK 16,204 (8,058) million and non-utilized credit facilities were SEK 9,976 (8,519) million, which combined corresponds to 22% (22%) of rolling 12-month revenue.

### Return on capital employed

Return on capital employed before tax for the last 12 months was 39% and return on equity after tax was 32%, whereas the figures for the full year of 2021 were 27% and 23% respectively.

## Equity

With earnings of SEK 14,035 (4,726) million and other comprehensive income (mostly consisting of translation differences) of SEK 9,772 (1,752) million, the parent company's shareholders' equity amounted to SEK 91,918 (60,392) million, equating to 89.25 (58.64) per share.

## SSAB Group – Second quarter of 2022

### Revenue and operating profit

Revenue for the second quarter of 2022 was SEK 35,516 (23,673) million, up 50% compared to the second quarter of 2021. The increase was mainly due to higher steel prices. Compared with the first quarter of 2022, revenue was up 12%.

Operating profit, excluding items affecting comparability, was SEK 10,395 (4,083) million. The increase was mainly explained by higher prices. All business segments improved earnings. Compared to the first quarter of 2022, operating profit was up SEK 2,018 million.

### Revenue and operating profit/loss by business segment

SEK millions	Revenue			Operating profit/loss		
	2022 Q2	2021 Q2	2022 Q1	2022 Q2	2021 Q2	2022 Q1
SSAB Special Steels	8,985	5,845	7,907	2,392	1,175	2,104
SSAB Europe	14,357	10,246	12,657	4,070	1,512	3,250
SSAB Americas	8,842	4,822	7,465	3,512	1,084	2,992
Tibnor	4,783	3,214	4,463	613	449	418
Ruukki Construction	2,020	1,593	1,588	212	162	163
Other	-	-	-	-374	-218	-522
Depr. surplus values	-	-	-	-29	-81	-28
Group adjustments	-3,472	-2,047	-2,504	-	-	-
<b>Total</b>	<b>35,516</b>	<b>23,673</b>	<b>31,575</b>	<b>10,395</b>	<b>4,083</b>	<b>8,377</b>

Operating profit of 2021 for SSAB Special Steels and SSAB Americas has been restated taking into account the reorganization of Mobile, see page 9 for details.

### Analysis of total change in revenue and operating profit/loss

	Revenue			Operating profit/loss	
	Change vs Q2 2021 %	Change vs Q1 2022 %		Change vs Q2 2021 SEK m	Change vs Q1 2022 SEK m
Volume	-8	3	Price and product mix	12,540	2,930
Price	41	6	Volume	-540	370
Product mix	1	-	Variable costs	-4,150	-740
Currency effects	11	2	Fixed costs	-1,090	-850
Other sales	5	1	Currency effects	-140	-140
			Capacity utilization	-370	180
			Other	62	268
<b>Total</b>	<b>50</b>	<b>12</b>	<b>Total</b>	<b>6,312</b>	<b>2,018</b>

## Leading sustainability performance

SSAB's goal is to become the world's safest steel company and to achieve zero accidents and work-related injuries and illnesses. The lost time injury frequency resulting in an absence of at least one day (LTIF) was 1.56 (2.30) on a rolling 12 months basis. For the first half of 2022, it was 1.14 (1.50). Total recordable injury frequency (TRIF) was 8.94 (8.90) on a rolling 12 months basis.

Direct emissions (Scope 1) increased, partly as a result of the unplanned outage in Raahe during the first quarter. Indirect emissions (Scope 2) decreased, among other things through increased use of renewable energy at the installation in Montpelier.

### Key sustainability figures – rolling 12 months

	2022	2021	2022	2021
	Q2	Q2	Q1	Full-year
<b>Safety</b>				
Lost time injury frequency (LTIF) 1)	1.56	2.30	1.60	1.80
Total number of injuries (LTI) 2)	43	60	43	47
<b>Environment</b>				
Energy consumption, GWh 3)	9,125	9,312	9,264	9,409
Energy intensity, kWh/tonnes crude steel	1,194	1,172	1,184	1,150
CO <sub>2</sub> e-emissions (Scope 1), thousand tonnes 4)	10,088	9,374	10,393	9,917
Indirect CO <sub>2</sub> e-emissions (Scope 2), thousand tonnes 5)	958	1,110	990	1,070
CO <sub>2</sub> e-intensity, tonnes of CO <sub>2</sub> e/tonnes crude steel 6)	1.44	1.30	1.45	1.34

1) Number of accidents resulting in an absence of more than one day per million working hours (LTIF, Lost Time Injury Frequency), own employees and contractors.

2) Number of accidents resulting in an absence of more than one day (LTIs, Lost Time Injuries), including contractors.

3) Total energy consumption (electricity, purchased fuels and purchased heat).

4) Direct emissions from production (Scope 1).

5) Indirect emissions from the generation of purchased electricity, heating and steam (Scope 2).

6) Includes Scope 1 and Scope 2.

## Raw materials

SSAB sources iron ore primarily from LKAB in Sweden and prices vary depending on the market index. SSAB sources coking coal from Australia, the USA and Canada, usually on annual supply contracts with monthly price fixing to market terms. SSAB's mills in the USA use recycled steel material and source scrap metal on the spot market. During the first quarter of 2022, SSAB ceased new purchases of iron ore and coal from Russia.

The table below shows SSAB's purchase prices. The purchase prices of iron ore affects the result after a lag of around one quarter, while coking coal has a lag of around one and a half quarters. Scrap purchase prices have a lag of around one month.

### Change in SSAB's average purchase prices, second quarter of 2022

% change	Q2 2021		Q1 2022	
	USD	SEK	USD	SEK
Iron ore	-10%	6%	16%	22%
Coking coal	282%	349%	42%	49%
Scrap metal	12%	31%	2%	7%

## Production and shipments

Production and shipments were down compared with the second quarter last year. This was primarily explained by the lower slab inventories and prolonged start-up phase, following the outage of one of the blast furnaces in Raahe during the first-quarter. Production and shipments increased during the second quarter compared to the prior quarter, which was when the unplanned outage in Raahe occurred.

### Production and shipments

	2022 Q2	2021 Q2	2022 Q1	2022 Jan-Jun	2021 Jan-Jun	2021 Full-year
<b>Thousand tonnes</b>						
Crude steel production	1,985	2,168	1,751	3,736	4,271	8,179
Rolling production	1,835	2,050	1,716	3,551	3,984	7,568
Steel shipments	1,711	1,861	1,664	3,375	3,698	6,921

## Earnings after tax and earnings per share

The result after tax (attributable to shareholders in the parent company) was SEK 8,021 (3,219) million for the second quarter, equating to SEK 7.79 (3.13) per share. Tax was SEK -2,232 (-760) million.

## Cash flow

Operating cash flow for the second quarter amounted to SEK 7,124 (3,910) million. Compared to the second quarter of 2021, cash flow was impacted primarily by higher operating profit, which was partly counteracted by higher working capital as a result of higher sales prices.

Net cash flow, after dividends of 5,406 (0) million, amounted to SEK -593 (3,024) million. Net cash at June 30, 2022 was SEK 7,163 (-6,461) million.

## Capital expenditure

Capital expenditure, including acquisitions and divestments of operations, totaled SEK 1,055 (640) million during the second quarter. Strategic investments were SEK 478 (203) million. The increase compared to the second quarter of 2021 is primarily related to the strategic investments in Mobile to increase capacity of high-strength steel and in Oxelösund for the conversion to fossil-free steelmaking. The sum of maintenance and strategic expenditure is expected to be around SEK 5 billion for the full-year of 2022 (unchanged). The corresponding capital expenditure for 2021 was SEK 2.9 billion.

**Operating cash flow and net debt**

	2022	2021	2022	2021	2021
SEK millions	Q2	Q2	Jan-Jun	Jan-Jun	Full-year
Operating profit before depreciation/amortization	11,234	4,899	20,230	7,759	22,094
Change in working capital	-3,396	-586	-7,800	-1,766	-5,485
Maintenance expenditures	-429	-359	-700	-569	-2,053
Other	-286	-43	313	-84	741
<b>Operating cash flow</b>	<b>7,124</b>	<b>3,910</b>	<b>12,042</b>	<b>5,339</b>	<b>15,296</b>
Financial items	-42	-113	-57	-176	-373
Taxes	-1,636	-359	-2,990	-390	-1,357
<b>Cash flow from current operations</b>	<b>5,446</b>	<b>3,438</b>	<b>8,995</b>	<b>4,773</b>	<b>13,566</b>
Strategic expenditures in plants and machinery	-478	-203	-817	-308	-835
Acquisitions of shares and operations	-148	-79	-419	-103	-130
Divestments of shares and operations	-	-	-	-	-
<b>Cash flow before dividend</b>	<b>4,820</b>	<b>3,157</b>	<b>7,759</b>	<b>4,362</b>	<b>12,602</b>
Dividend, Parent company's shareholders	-5,406	-	-5,406	-	-
Dividend, non-controlling interest	-7	-7	-7	-7	-9
Acquisitions of shares, non-controlling interest	-	-127	-	-127	-157
<b>Net cash flow</b>	<b>-593</b>	<b>3,024</b>	<b>2,346</b>	<b>4,229</b>	<b>12,436</b>
<b>Net cash (+) / Net debt (-) at beginning of period</b>	<b>5,667</b>	<b>-8,896</b>	<b>2,346</b>	<b>-10,278</b>	<b>-10,278</b>
Net cash flow	-593	3,024	2,346	4,229	12,436
Other 1)	2,090	-589	2,472	-412	188
<b>Net cash (+) / Net debt (-) at the end of period</b>	<b>7,163</b>	<b>-6,461</b>	<b>7,163</b>	<b>-6,461</b>	<b>2,346</b>

1) Mainly valuation changes of derivatives and revaluations of other financial assets and liabilities in foreign currencies



## Business segments – Second quarter of 2022

The information in the tables below excludes the depreciation/amortization on surplus values on tangible and intangible assets relating to the acquisitions of IPSCO during 2007 and Rautaruukki during 2014 and excludes items affecting comparability. For more information about the business segments, see page 22.

### SSAB Special Steels

#### Second quarter in brief

- Shipments rose 2% to record 396 (388) thousand tonnes
- Good demand, stable production and higher prices
- Operating profit rose to SEK 2,392 (1,175) millions

#### Key figures

	2022	2021	2022	2022	2021	2021
SEK millions	Q2	Q2	Q1	Jan-Jun	Jan-Jun	Full-year
Revenue	8,985	5,845	7,907	16,893	10,967	23,510
Operating profit before depr./amort., EBITDA	2,648	1,390	2,350	4,997	2,579	5,567
Operating profit	2,392	1,175	2,104	4,495	2,089	4,624
Operating cash flow	643	617	2,084	2,727	1,430	3,916
Number of employees at end of period	4,022	3,893	3,972	4,022	3,893	3,922

Operating profit excludes depreciation/amortization on surplus values on tangible and intangible assets related to the acquisition of IPSCO. Depreciation/amortization on surplus values during the second quarter was SEK 19 (16) million. From the third quarter of 2021 onwards, the steel mill in Mobile has been part of SSAB Special Steels and the reference figures have been restated accordingly.

Thousand tonnes						
Crude steel production	634	649	630	1,264	1,298	2,312
Rolling production	460	466	419	879	921	1,667
Shipments	396	388	381	778	764	1,462

The figures for the first half of 2021 have been restated to reflect the new setup involving Mobile.

#### Market trend

Most customer segments showed good demand during the quarter. The Material Handling segment, which includes mining related equipment, together with Lifting in the Construction Machinery customer segment, saw strong development. A certain slowdown was seen in Heavy Transport.

#### Development compared to Q2/21

SSAB Special Steels had stable production during the second quarter of 2022. Shipments of high-strength steel reached a new record of 396 (388) thousand tonnes. Revenue was up 54% compared to the second quarter of 2021 and amounted to SEK 8,985 (5,845) million. Higher prices had a positive impact of 41 percentage points and higher shipments 2 percentage points. Currency effects had a positive impact of 10 percentage points and other revenue contributed with 1 percentage point.

Operating profit was SEK 2,392 (1,175) million, up SEK 1,217 million compared to the second quarter of 2021. Primarily higher prices had a positive impact, whereas higher raw material costs had a somewhat negative impact.

#### Development compared to Q1/22

Rolling production improved compared to the first quarter and shipments increased. Compared to the first quarter of 2022, revenue increased by 14%. Higher prices and shipments contributed with 6 and 4 percentage points respectively. Currency effects had a positive impact of 3 percentage points and other revenue 1 percentage point.

Operating profit was SEK 288 million higher, primarily due to higher prices and better shipments.

## Cash flow and capital expenditure

Operating cash flow during the second quarter of 2022 was SEK 643 (617) million. Higher earnings were counteracted by higher working capital.

Capital expenditure during the second quarter was SEK 490 (234) million, of which SEK 377 (123) million were strategic investments.

## SSAB Europe

### Second quarter in brief

- Shipments decreased by 14% to 838 (980) thousand tonnes
- Higher prices
- Operating profit increased to SEK 4,070 (1,512) million

### Key figures

SEK millions	2022 Q2	2021 Q2	2022 Q1	2022 Jan-Jun	2021 Jan-Jun	2021 Full-year
Revenue	14,357	10,246	12,657	27,014	19,075	42,311
Operating profit before depr./amort., EBITDA	4,476	1,900	3,650	8,126	3,039	9,640
Operating profit	4,070	1,512	3,250	7,319	2,270	8,095
Operating cash flow	2,433	2,280	2,243	4,676	2,526	5,893
Number of employees at end of period	6,700	6,637	6,687	6,700	6,637	6,705

Excluding depreciation/amortization on surplus values on tangible and intangible assets related to the acquisition of Rautaruukki.  
Depreciation/amortization on surplus values was SEK 1 (58) million during the second quarter.

Thousand tonnes	2022 Q2	2021 Q2	2022 Q1	2022 Jan-Jun	2021 Jan-Jun	2021 Full-year
Crude steel production	1,049	1,204	889	1,938	2,362	4,635
Rolling production	1,093	1,290	1,065	2,158	2,497	4,741
Shipments	838	980	844	1,683	1,960	3,588

Production figures include high-strength steel made for SSAB Special Steels. These volumes are not included in SSAB Europe's shipments.

### Market trend

The market generally showed caution, especially during the latter part of the quarter, which was seen in Steel Service Centers, among others. Shipments in the Automotive segment increased somewhat compared to the prior quarter, but demand continues to be affected by a shortage of components. Demand in the Construction segment saw a seasonal improvement compared with the first quarter, but this was less marked than normal. A weaker trend was also seen in Construction Machinery. The Energy segment remained strong, which was positive for heavy plate demand.

### Development compared to Q2/21

Production and shipments were lower compared to the second quarter of 2021. The lower volumes were attributable, among other things, to prolonged start-up phase, following the unplanned outage of one of the blast furnaces in Raahe during the first quarter of 2022. Revenue was up 40% compared with the second quarter of 2021 and amounted to SEK 14,357 (10,246) million. Higher prices contributed with 46 percentage points and positive currency effects with 4 percentage points. Other revenue had a positive impact of 4 percentage points. Lower shipments impacted negatively with 14 percentage points.

Operating profit for the second quarter of 2022 was SEK 4,070 (1,512) million, up SEK 2,558 million compared with the same quarter in 2021. Higher prices were the main driver behind the uplift in earnings, which was partly counteracted by higher raw material costs. Lower shipments and weaker capacity utilization had a negative impact.

## Development compared to Q1/22

Crude steel production improved compared to the prior quarter, when the outage in Raahe occurred, whereas shipments were stable. Compared with the first quarter of 2022, revenue was up 13%. Higher prices contributed with 9 percentage points. A better product mix contributed with 1 percentage point and other revenue had a positive impact of 4 percentage points. Lower shipments reduced revenue by 1 percentage point.

Compared to the first quarter of 2022, earnings were up SEK 820 million. The increase was due to higher prices and better capacity utilization. The first quarter was affected by the costs of the unplanned outage in Raahe.

## Cash flow and capital expenditure

Operating cash flow during the second quarter of 2022 was SEK 2,433 (2,280) million. Compared to the second quarter of 2021, cash flow was positively impacted by higher earnings, which were partly counteracted by higher tied-up working capital. Working capital was released during the second quarter of 2021.

Capital expenditure during the second quarter was SEK 300 (233) million, of which SEK 55 (47) million were strategic investments.

## SSAB Americas

### Second quarter in brief

- Shipments decreased by 4% to 476 (494) thousand tonnes
- Operating profit increased to SEK 3,512 (1,084) million, primarily due to higher prices

### Key figures

	2022	2021	2022	2022	2021	2021
SEK millions	Q2	Q2	Q1	Jan-Jun	Jan-Jun	Full-year
Revenue	8,842	4,822	7,465	16,307	8,466	20,680
Operating profit before depr./amort., EBITDA	3,563	1,126	3,041	6,603	1,428	5,587
Operating profit	3,512	1,084	2,992	6,504	1,342	5,412
Operating cash flow	3,833	843	1,717	5,551	896	4,922
Number of employees at end of period	645	633	646	645	633	644

Operating profit excludes depreciation/amortization on surplus values on tangible and intangible assets related to the acquisition of IPSCO. Depreciation/amortization on surplus values was SEK 1 (1) million during the second quarter. From the third quarter of 2021 onwards, the steel mill in Mobile has no longer been part of SSAB Americas' organization and the reference figures have been restated accordingly to reflect this.

Thousand tonnes						
Crude steel production	303	315	232	534	612	1,233
Rolling production	282	294	233	514	566	1,160
Shipments	476	494	438	914	974	1,871

Shipment figures include heavy plate made at SSAB Special Steels' steel mill in Mobile but sold by SSAB Americas. From the third quarter of 2021 onwards, the steel mill in Mobile is no longer part of SSAB Americas' organization and the reference figures have been restated accordingly to reflect this.

### Market trend

Shipments increased compared to the prior quarter within the Construction (mostly bridge construction), Energy and Construction Machinery customer segments. A certain uncertainty was seen on the market because of rising inflation and continued issues with component supplies.

### Development compared to Q2/21

Production and shipments were somewhat lower compared to the second quarter of 2021. Revenue was up 83% compared with the second quarter of 2021 and amounted to SEK 8,842 (4,822) million. Higher prices had a positive impact of 57 percentage points. Currency effects had a positive impact of 26 percentage points and a better product

mix contributed with 1 percentage point. Lower shipments decreased revenue by 4 percentage points. Other revenue contributed with 3 percentage points.

Operating profit for the second quarter of 2022 was SEK 3,512 (1,084) million, an improvement by SEK 2,428 million. The upturn was primarily explained by higher prices, which were to some extent counteracted by higher scrap and alloy prices.

### Development compared to Q1/22

Production and shipments improved compared to the first quarter. Compared to the first quarter of 2022, revenue was up 18%. Higher shipments had a positive impact of 9 percentage points, higher prices 3 percentage points and currency effects had a positive impact of 6 percentage points.

Compared to the first quarter of 2022, operating profit increased by SEK 520 million. The increase was mainly explained by higher prices and higher shipments.

### Cash flow and capital expenditure

Operating cash flow during the second quarter of 2022 was SEK 3,833 (843) million. Compared to the second quarter of 2021, cash flow was impacted positively by higher earnings.

Capital expenditure during the second quarter was SEK 46 (31) million, of which SEK 5 (-) million were strategic investments.

## Tibnor

### Second quarter in brief

- Operating profit increased to SEK 613 (449) million
- Higher prices

### Key figures

	2022	2021	2022	2022	2021	2021
SEK millions	Q2	Q2	Q1	Jan-Jun	Jan-Jun	Full-year
Revenue	4,783	3,214	4,463	9,246	5,870	12,377
Operating profit before depr./amort., EBITDA	653	486	457	1,110	738	1,680
Operating profit	613	449	418	1,031	667	1,533
Operating cash flow	248	137	-500	-252	425	500
Shipments, thousand tonnes	229	242	251	481	478	869
Number of employees at end of period	1,058	990	1,024	1,058	990	1,007

Excluding depreciation/amortization on surplus values on tangible and intangible assets related to the acquisition of Rautaruukki. Depreciation/amortization on surplus values was SEK 4 (6) million during the second quarter.

### Market trend

Demand was strong at the start of the second quarter as customers wanted to ensure availability and build up inventories following Russia's invasion of Ukraine. Then the market took on a wait-and-see sentiment with expectations of continued falling prices. Rising inflation and higher interest rates also had a certain dampening effect.

### Development compared to Q2/21

Revenue was up 49% compared with the second quarter of 2021 and amounted to SEK 4,783 (3,214) million, driven by higher prices.

Operating profit was up SEK 164 million compared with the same period a year earlier and amounted to SEK 613 (449) million. Higher prices was the main contributor to the improvement.

## Development compared to Q1/22

Revenue was up 7% compared to the first quarter of 2022.

Compared to the first quarter of 2022, earnings were up by SEK 195 million. Higher earnings were primarily attributable to better prices and inventory gains, whereas lower shipments had a somewhat negative effect.

## Cash flow and capital expenditure

Operating cash flow during the second quarter of 2022 was SEK 248 (147) million. Compared to the second quarter of 2021, cash flow was positively impacted by higher earnings.

Capital expenditure during the second quarter was SEK 167 (17) million, of which SEK 9 (7) million were strategic investments. During the quarter, Tibnor acquired the Finnish company TM Rauta Oy, which has an annual turnover of around SEK 200 million and had 19 employees at the time of acquisition.

## Ruukki Construction

### Second quarter in brief

- Operating profit increased to SEK 212 (162) million
- A more hesitant market

### Key figures

	2022	2021	2022	2022	2021	2021
SEK millions	Q2	Q2	Q1	Jan-Jun	Jan-Jun	Full-year
Revenue	2,020	1,593	1,588	3,607	2,715	5,999
Operating profit before depr./amort., EBITDA	263	202	209	472	289	762
Operating profit	212	162	163	375	210	599
Operating cash flow	41	233	6	47	242	466
Number of employees at end of period	1,468	1,368	1,462	1,468	1,368	1,403

Excluding depreciation/amortization on surplus values on tangible and intangible assets related to the acquisition of. Depreciation/amortization on surplus values was SEK 3 (-1) million during the second quarter.

### Market trend

Demand was seasonally stronger compared to the first quarter of 2022. However, the upturn was less pronounced than normal, especially within Roofing.

### Development compared to Q2/21

Revenue was up 27% compared to the second quarter of 2021 and amounted to SEK 2,020 (1,593) million, driven primarily by higher prices.

Operating profit for the second quarter of 2022 increased to SEK 212 (162) million, the improvement was primarily attributable to higher margins.

### Development compared to Q1/22

Compared to the first quarter of 2022, revenue was up 27%, driven by seasonality.

Compared to the first quarter of 2022, earnings were up SEK 49 million. The increase was explained by seasonally higher volumes.

## Cash flow and capital expenditure

Operating cash flow during the second quarter was SEK 41 (233) million. Compared to the second quarter of 2021, cash flow was impacted negatively by a build-up of working capital. Capital expenditure during the second quarter was SEK 41 (41) million, of which SEK 31 (26) million were strategic investments.

## Risks and uncertainty factors

SSAB has a 50% holding in Oxelösunds Hamn AB. A legal process has been underway since 2017, when Swedish Customs has imposed specific purchase taxes and VAT on imports to a value of around SEK 268 million. In April 2022, the Supreme Administrative Court ruled not to grant a leave of appeal and accordingly the Swedish Customs decision to impose the said taxes remains in force. Oxelösunds Hamn AB has applied to the Swedish Customs for remission, however, such application has been denied. Further, Oxelösunds Hamn AB has appealed the decision by the Swedish Customs to deny remission to the Swedish Government, no decision has yet been received. As a result of the above, SSAB booked a short-term provision of SEK 268 million in the first quarter of 2022, which has been paid during the second quarter of 2022.

The Russian invasion of Ukraine in February 2022 entails, among other things, the risk of disruptions in supply chains and/or higher purchase prices, including energy, as well as the risk of a general downturn in the economy. Russia and Ukraine normally export steel, slabs and various raw materials to Europe and other markets.

For information regarding other material risks and uncertainty factors, reference is made to the detailed description in the Annual Report 2021.

## Accounting principles

This interim report has been prepared in compliance 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 2021.

During the second quarter of 2022, Türkiye was classified as a hyperinflationary economy. In accordance with IAS 29, SSAB's subsidiaries in Türkiye have been reported in the Group's consolidated financial statements after revaluation for hyperinflation. The index used is the consumer price index with a base period January 2003. Monetary net loss has been reported as financial expenses in the consolidated statement of profit and loss and amounted SEK 36 million.

## Annual general meeting and dividend

The annual general meeting, held on April 6, 2022, adopted the Board of Director's proposal to pay a dividend of SEK 5.25 per share and a total of around SEK 5.4 billion was paid out to shareholders.

Bernard Fontana and Mikael Mäkinen were elected as new board members. Board member, Pasi Laine, resigned at the Annual General Meeting. For more information about the new board members go to [www.ssab.com](http://www.ssab.com).

## Affirmation

The Board of Directors and the President and 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 the Group, and describes the material risks and uncertainties facing the Parent Company and the Group.

Stockholm, July 22 2022

Lennart Evrell  
Chairman

Bo Annvik  
Director

Petra Einarsson  
Director

Bernard Fontana  
Director

Marie Grönborg  
Director

Mikael Henriksson  
Director

Sven-Erik Rosén  
Director

Mikael Mäkinen  
Director

Maija Strandberg  
Director

Tomas Westman  
Director

Martin Lindqvist  
President and CEO

## Review report

### Introduction

We have reviewed the condensed interim report for SSAB AB as at June 30, 2022 and for the six months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report 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.

### Scope of review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 *Review of Interim Financial Statements 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 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.

### Conclusion

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 in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Stockholm, July 22, 2022

Ernst & Young AB

Rickard Andersson

Authorized Public Accountant



## Financial reports – The Group

The figures in the tables have been rounded, which might affect aggregates

### Consolidated statement of profit and loss

SEK millions	2022 Q2	2021 Q2	2022 Jan-Jun	2021 Jan-Jun	2021 Full-year
Revenue	35,516	23,673	67,091	43,334	95,891
Cost of goods sold	-23,538	-18,512	-45,375	-35,203	-72,425
<b>Gross profit/loss</b>	<b>11,978</b>	<b>5,161</b>	<b>21,716</b>	<b>8,131</b>	<b>23,466</b>
Selling and administrative costs	-1,601	-1,130	-2,884	-2,177	-4,620
Other operating income and expenses	1	48	-297	98	13
Affiliated companies, profit/loss after tax	12	4	17	23	-22
<b>Operating profit/loss</b>	<b>10,390</b>	<b>4,083</b>	<b>18,552</b>	<b>6,076</b>	<b>18,837</b>
Financial income	1,479	284	2,361	784	2,095
Financial expenses	-1,615	-385	-2,869	-991	-2,516
<b>Profit/loss for the period after financial items</b>	<b>10,254</b>	<b>3,981</b>	<b>18,044</b>	<b>5,869</b>	<b>18,416</b>
Tax	-2,232	-760	-4,005	-1,137	-3,743
<b>Profit/loss for the period</b>	<b>8,023</b>	<b>3,221</b>	<b>14,039</b>	<b>4,732</b>	<b>14,673</b>
Of which attributable to:					
- Parent Company's shareholders	8,021	3,219	14,035	4,726	14,662
- Non-controlling interest	2	3	5	6	11

### Consolidated statement of comprehensive income

SEK millions	2022 Q2	2021 Q2	2022 Jan-Jun	2021 Jan-Jun	2021 Full-year
<b>Profit/loss for the period after tax</b>	<b>8,023</b>	<b>3,221</b>	<b>14,039</b>	<b>4,732</b>	<b>14,673</b>
<i>Other comprehensive income</i>					
<b>Items that may be subsequently reclassified to the income statement</b>					
Translation differences for the period	6,966	-1,224	8,576	1,751	4,745
Translation differences due to hyperinflation after tax	32	-	32	-	-
Cash flow hedges	871	103	1,271	132	348
Hedging of currency risks in foreign operations 1)	-	82	-	-200	-218
Tax attributable to items that may be subsequently reclassified to the income statement	-173	-38	-254	15	-25
<b>Total items that may be subsequently reclassified to the income statement</b>	<b>7,696</b>	<b>-1,077</b>	<b>9,625</b>	<b>1,697</b>	<b>4,850</b>
<b>Items that will not be reclassified to the income statement</b>					
Remeasurements of the net defined benefit liability	124	23	186	73	71
Tax attributable to items that will not be reclassified to the income statement	-25	-5	-37	-15	-12
<b>Total items that will not be reclassified to the income statement</b>	<b>99</b>	<b>18</b>	<b>149</b>	<b>58</b>	<b>59</b>
<b>Total other comprehensive income for the period, net after tax</b>	<b>7,795</b>	<b>-1,059</b>	<b>9,774</b>	<b>1,755</b>	<b>4,909</b>
<b>Total comprehensive income for the period</b>	<b>15,817</b>	<b>2,163</b>	<b>23,813</b>	<b>6,488</b>	<b>19,581</b>
Of which attributable to:					
- Parent Company's shareholders	15,815	2,160	23,807	6,478	19,568
- Non-controlling interest	2	3	6	10	13

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

## Consolidated statement of financial position

	2022	2021	2021
SEK millions	June 30	June 30	Dec 31
<b>Assets</b>			
Intangible assets	35,350	29,872	31,455
Tangible fixed assets	24,465	21,834	23,044
Right of use assets	2,421	2,668	2,457
Financial assets	2,442	1,461	1,559
Deferred tax receivables	555	205	309
<b>Total fixed assets</b>	<b>65,233</b>	<b>56,039</b>	<b>58,824</b>
Inventories	35,951	19,654	25,599
Accounts receivable	17,357	10,842	10,870
Current tax receivables	765	442	452
Other current receivables 1)	3,813	2,199	2,479
Cash and cash equivalents	16,204	8,058	13,796
<b>Total current assets</b>	<b>74,091</b>	<b>41,195</b>	<b>53,195</b>
<b>Total assets</b>	<b>139,324</b>	<b>97,234</b>	<b>112,019</b>
<b>Equity and liabilities</b>			
Equity for the shareholders in the Parent Company	91,918	60,392	73,477
Non-controlling interest	52	55	31
<b>Total equity</b>	<b>91,971</b>	<b>60,447</b>	<b>73,508</b>
Deferred tax liabilities	2,186	552	1,476
Other long-term provisions	528	540	632
Long-term non-interest bearing liabilities	221	259	218
Long-term interest-bearing liabilities	7,873	9,286	8,492
Lease liability	1,895	2,085	1,920
<b>Total long-term liabilities and provisions</b>	<b>12,704</b>	<b>12,723</b>	<b>12,736</b>
Short-term interest-bearing liabilities	328	3,073	1,430
Lease liability	690	699	670
Accounts payable	23,380	14,280	16,219
Current tax liabilities	2,935	789	1,662
Other current liabilities and provisions	7,317	5,223	5,795
<b>Total current liabilities and provisions</b>	<b>34,649</b>	<b>24,064</b>	<b>25,774</b>
<b>Total equity and liabilities</b>	<b>139,324</b>	<b>97,234</b>	<b>112,019</b>
Pledged assets	1,087	911	1,024
Contingent liabilities	4,252	2,538	3,640

1) Other current receivables comprise short-term bank deposits (escrow agreement) in the amount of SEK 1,057 (851) million.

## 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			
<b>Total equity, Dec 31, 2020</b>	<b>9,063</b>	<b>23,022</b>	<b>1,247</b>	<b>20,655</b>	<b>53,987</b>	<b>109</b>	<b>54,096</b>	
<b>Changes Jan 1 - June 30, 2021</b>								
Total comprehensive income for the period			1,694	4,784	6,478	10	6,488	
Result from transaction with owners of non-controlling interest				-72	-72	-58	-130	
Dividend, non-controlling interest						-6	-6	
<b>Total equity, June 30, 2021</b>	<b>9,063</b>	<b>23,022</b>	<b>2,941</b>	<b>25,367</b>	<b>60,392</b>	<b>55</b>	<b>60,447</b>	
<b>Changes July 1 - Dec 31, 2021</b>								
Total comprehensive income for the period			3,154	9,937	13,091	3	13,094	
Result from transaction with owners of non-controlling interest				-6	-6	-18	-24	
Dividend, non-controlling interest						-9	-9	
<b>Total equity, Dec 31, 2021</b>	<b>9,063</b>	<b>23,022</b>	<b>6,095</b>	<b>35,298</b>	<b>73,477</b>	<b>31</b>	<b>73,508</b>	
<b>Changes Jan 1 - June 30, 2022</b>								
Total comprehensive income for the period			9,593	14,214	23,807	6	23,813	
Non-controlling interest through business acquisition						22	22	
Result from transaction with owners of non-controlling interest				42	42		42	
Dividend, Parent company shareholders				-5,406	-5,406		-5,406	
Dividend, non-controlling interest						-7	-7	
<b>Total equity, June 30, 2022</b>	<b>9,063</b>	<b>23,022</b>	<b>15,688</b>	<b>44,147</b>	<b>91,918</b>	<b>52</b>	<b>91,971</b>	

## Valuation of financial 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 as well as electricity derivatives are valued at fair value. In the balance sheet item "Other current receivables" derivatives are valued at a total of SEK 1,525 (214) million and in the balance sheet item "Other current liabilities" derivatives are valued at a total of SEK 88 (80) million. In the balance sheet item "Financial assets" derivatives are valued at a total of SEK 1,128 (22) million and in the balance sheet item "Long-term non-interest bearing liabilities", derivatives are included valued at a total of SEK 1 (18) million.

Other financial assets and liabilities in the balance sheet are reported at acquisition value. A write-down of the investment in Voimaosakeyhtiö SF (Fennovoima power plant) of SEK 272 million was made during the first quarter of 2022. The investment is reported in the balance sheet item "Financial assets" at a total value of SEK 0 million at June 30, 2022. In the case of valuation at fair value, the loans reported in the balance sheet item "Long-term interest-bearing liabilities" (including the short-term part) would exceed the reported amount by SEK 19 (-144) 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.

**Consolidated statement of cash flows, in summary.**

SEK millions	2022 Q2	2021 Q2	2022 Jan-Jun	2021 Jan-Jun	2021 Full-year
<b>BUSINESS OPERATIONS</b>					
<i>Profit from operating activities</i>					
Operating profit/loss	10 390	4 083	18 552	6 076	18 837
<i>Reversal of non-cash items:</i>					
-Depreciation, amortization and write-down of fixed assets	845	816	1 678	1 683	3 257
-Other non-cash items	-329	-62	-56	-122	-6
Received and paid interest	-42	-113	-57	-176	-373
Tax paid	-1 636	-359	-2 990	-390	-1 357
Change in working capital	-3 396	-586	-7 800	-1 766	-5 485
<b>Cash flow from operating activities</b>	<b>5 832</b>	<b>3 779</b>	<b>9 327</b>	<b>5 305</b>	<b>14 873</b>
<b>INVESTING ACTIVITIES</b>					
Investments in intangible and tangible fixed assets	-907	-561	-1 702	-878	-3 382
Sales of plant and machinery	37	17	512	35	1 235
Acquisitions, shares and operations	-117	-79	-379	-103	-130
Divested shares and operations	-	-	-	-	-
Other investing activities	5	2	42	3	5
<b>Cash flow from investing activities</b>	<b>-981</b>	<b>-621</b>	<b>-1 527</b>	<b>-943</b>	<b>-2 271</b>
<b>FINANCING ACTIVITIES</b>					
Dividend, Parent company's shareholders	-5 406	0	-5 406	-	-
Dividend, non-controlling interest	-7	-7	-7	-7	-9
Change in loans	-2 059	-106	-2 236	-2 859	-5 674
Change in financial investments	-122	22	187	32	-133
Acquisitions shares, non-controlling interest	-	-127	-	-127	-157
Other financing	3 389	-519	4 179	-191	944
<b>Cash flow from financing activities</b>	<b>-4 205</b>	<b>-736</b>	<b>-3 285</b>	<b>-3 151</b>	<b>-5 029</b>
<b>CASH AND CASH EQUIVALENTS</b>					
Cash and cash equivalents at beginning of period	17 348	5 507	13 796	7 051	7 051
Cash flow for the period	645	2 421	4 515	1 211	7 572
Translation differences, cash and cash equivalents	-1 790	130	-2 108	-203	-827
<b>CASH AND CASH EQUIVALENTS, END OF PERIOD</b>	<b>16 204</b>	<b>8 058</b>	<b>16 204</b>	<b>8 058</b>	<b>13 796</b>
Contracted, non-utilized overdraft facilities	9 976	8 519	9 976	8 519	8 605
<b>Disposable cash and cash equivalents (incl. non-utilized overdraft facilities)</b>	<b>26 180</b>	<b>16 577</b>	<b>26 180</b>	<b>16 577</b>	<b>22 401</b>

**Key figures**

	2022 Q2	2021 Q2	2022 Jan-Jun	2021 Jan-Jun	2021 Full-year
Operating margin (%)	29	17	28	14	20
Earnings per share (SEK)	7.79	3.13	13.63	4.59	14.24
Equity per share (SEK)	89.26	58.64	89.26	58.64	71.35
Net debt/equity ratio (%)	-8	11	-8	11	-3
Equity ratio (%)	66	62	66	62	66
Adjusted average number of shares during the period (millions)	1,029.8	1,029.8	1,029.8	1,029.8	1,029.8
Number of shares at end of period (millions)	1,029.8	1,029.8	1,029.8	1,029.8	1,029.8
Number of employees at end of period	14,472	14,043	14,472	14,043	14,235

## Financial reports – The Parent Company

### Parent Company's statement of profit and loss, in summary

SEK millions	2022 Q2	2021 Q2	2022 Jan-Jun	2021 Jan-Jun	2021 Full-year
Gross profit	-	-	-	-	-
Selling and administrative costs	-109	-110	-216	-218	-464
Other operating income/expenses	59	55	120	108	248
<b>Operating loss</b>	<b>-50</b>	<b>-55</b>	<b>-96</b>	<b>-109</b>	<b>-216</b>
Financial items	-46	97	-69	-184	-225
<b>Profit/loss after financial items</b>	<b>-96</b>	<b>42</b>	<b>-165</b>	<b>-293</b>	<b>-441</b>
Appropriations	-	-150	-	-150	833
<b>Profit before tax</b>	<b>-96</b>	<b>-108</b>	<b>-165</b>	<b>-443</b>	<b>392</b>
Tax	20	15	34	84	-140
<b>Profit after tax</b>	<b>-76</b>	<b>-93</b>	<b>-131</b>	<b>-359</b>	<b>252</b>

### Parent company's statement of comprehensive income

SEK millions	2022 Q2	2021 Q2	2022 Jan-Jun	2021 Jan-Jun	2021 Full-year
<b>Profit after tax</b>	<b>-76</b>	<b>-93</b>	<b>-131</b>	<b>-359</b>	<b>252</b>
<i>Other comprehensive income</i>					
<b>Items that may be classified to the income statement</b>					
Cash flow hedges	43	3	104	6	22
Tax attributable to other comprehensive income	-9	-1	-21	-1	-5
<b>Total items that will be reclassified to the income statement</b>	<b>34</b>	<b>2</b>	<b>83</b>	<b>5</b>	<b>18</b>
<b>Other comprehensive income, net after tax</b>	<b>34</b>	<b>2</b>	<b>83</b>	<b>5</b>	<b>18</b>
<b>Total comprehensive income for the period</b>	<b>-42</b>	<b>-91</b>	<b>-48</b>	<b>-354</b>	<b>269</b>

### Parent Company's statement of financial position, in summary

SEK millions	2022 June 30	2021 June 30	2021 Dec 31
<b>Assets</b>			
Fixed assets	73,958	75,022	72,358
Other current assets	8,781	6,652	8,728
Cash and cash equivalents	14,102	6,497	12,031
<b>Total assets</b>	<b>96,841</b>	<b>88,170</b>	<b>93,117</b>
<b>Equity and liabilities</b>			
Restricted equity	9,964	9,964	9,964
Unrestricted equity	48,761	53,592	54,216
<b>Total equity</b>	<b>58,725</b>	<b>63,556</b>	<b>64,180</b>
Long-term liabilities and provisions	6,512	7,276	6,605
Current liabilities and provisions	31,604	17,338	22,332
<b>Total equity and liabilities</b>	<b>96,841</b>	<b>88,170</b>	<b>93,117</b>

## Information about the 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 (AHSS) with yield strengths of 690 MPa and above. SSAB Special Steels is responsible for steel and rolling production in Oxelösund (Sweden) and Mobile (USA), as well as for sales of the aforementioned products made in 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, 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.

## Specification of external revenue

The following table describes external revenue by business segments broken down by geographical areas.

### Revenue by business segments, January - June

External revenue Jan-Jun 2022	Business segments					Total
	SSAB Special Steels	SSAB Europe	SSAB Americas	Tibnor	Ruukki Construction	
<b>SEK millions</b>						
<b>Geographical areas</b>						
Sweden	433	5,518	-	3,258	953	10,161
Finland	223	3,536	-	1,618	908	6,284
Denmark	162	1,162	-	2,190	114	3,628
Germany	1,080	1,580	-	37	8	2,705
Poland	755	1,501	-	24	522	2,803
Italy	994	1,500	-	0	-	2,495
Other EU-27	2,157	3,851	71	474	669	7,221
Great Britain	388	654	-	-	1	1,043
Norway	43	595	-	1,498	387	2,522
Other Europe	1,100	488	-	33	32	1,654
USA	3,565	637	14,768	0	2	18,972
Canada	1,117	3	1,116	-	3	2,239
Rest of the world	4,343	762	246	13	1	5,365
<b>Total</b>	<b>16,359</b>	<b>21,785</b>	<b>16,201</b>	<b>9,145</b>	<b>3,601</b>	<b>67,091</b>
<b>Product area</b>						
Steel products	16,001	20,096	16,202	-	-	52,298
Trading operations	-	-	-	9,145	-	9,145
Ruukki Construction operations	0	-	-	-	3,601	3,602
Slabs, by-products and scrap	200	1,605	-	-	-	1,805
Other	157	84	-1	-	-	241
<b>Total</b>	<b>16,359</b>	<b>21,785</b>	<b>16,201</b>	<b>9,145</b>	<b>3,601</b>	<b>67,091</b>

External revenue Jan-Jun 2021	Business segments					Totalt
	SSAB Special Steels	SSAB Europe	SSAB Americas	Tibnor	Ruukki Construction	
<b>SEK millions</b>						
<b>Geographical areas</b>						
Sweden	214	4,047	-	2,205	666	7,132
Finland	85	2,435	-	978	702	4,200
Denmark	117	761	-	1,366	80	2,324
Germany	619	1,245	-	26	1	1,889
Poland	409	1,032	-	19	469	1,930
Italy	479	1,120	-	0	-	1,600
Other EU-27	1,658	2,831	48	337	464	5,339
Great Britain	230	698	-	-	0	928
Norway	33	321	-	843	261	1,457
Other Europe	775	388	-	12	64	1,239
USA	5,001	531	4,242	0	0	9,774
Canada	712	1	903	-	3	1,619
Rest of the world	322	341	3,232	7	2	3,905
<b>Total</b>	<b>10,653</b>	<b>15,751</b>	<b>8,426</b>	<b>5,793</b>	<b>2,712</b>	<b>43,334</b>
<b>Product area</b>						
Steel products	10,336	14,603	8,426	-	-	33,365
Trading operations	-	-	-	5,793	-	5,793
Ruukki Construction operations	-	-	-	-	2,712	2,712
Slabs, by-products and scrap	136	1,112	-	-	-	1,248
Other	181	35	-0	-	-	216
<b>Total</b>	<b>10,653</b>	<b>15,751</b>	<b>8,426</b>	<b>5,793</b>	<b>2,712</b>	<b>43,334</b>

## External revenue by business segments, the second quarter

External revenue Q2 2022	Business segments					Total
	SSAB Special Steels	SSAB Europe	SSAB Americas	Tibnor	Ruukki Construction	
<b>SEK millions</b>						
<b>Geographical areas</b>						
Sweden	201	2,887	-	1,657	537	5,282
Finland	124	1,917	-	850	507	3,398
Denmark	88	598	-	1,140	65	1,890
Germany	525	777	-	22	5	1,329
Poland	388	737	-	11	281	1,417
Italy	461	684	-	0	-	1,145
Other EU-27	1,151	2,043	44	227	387	3,852
Great Britain	212	322	-	-	1	535
Norway	17	331	-	797	210	1,357
Other Europe	532	206	-	16	17	772
USA	2,041	424	7,979	-	1	10,445
Canada	606	-6	656	-	3	1,259
Rest of the world	2,343	387	96	8	1	2,835
<b>Total</b>	<b>8,689</b>	<b>11,309</b>	<b>8,775</b>	<b>4,728</b>	<b>2,016</b>	<b>35,516</b>
<b>Product area</b>						
Steel products	8,496	10,407	8,775	-	-	27,677
Trading operations	-	-	-	4,728	-	4,728
Ruukki Construction operations	0	-	-	-	2,016	2,016
Slabs, by-products and scrap	120	861	-	-	-	981
Other	73	41	-0	-	-	113
<b>Total</b>	<b>8,689</b>	<b>11,309</b>	<b>8,775</b>	<b>4,728</b>	<b>2,016</b>	<b>35,516</b>

External revenue Q2 2021	Business segments					Totalt
	SSAB Special Steels	SSAB Europe	SSAB Americas	Tibnor	Ruukki Construction	
<b>SEK millions</b>						
<b>Geographical areas</b>						
Sweden	117	2,166	-	1,201	374	3,857
Finland	-17	1,352	-	538	421	2,294
Denmark	68	427	-	740	46	1,280
Germany	296	693	-	15	0	1,004
Poland	192	570	-	14	276	1,052
Italy	187	662	-	0	-	849
Other EU-27	936	1,418	34	188	279	2,855
Great Britain	109	371	-	-	0	480
Norway	12	177	-	469	150	809
Other Europe	405	201	-	6	41	653
USA	2,796	291	2,431	0	0	5,519
Canada	393	1	514	-	2	910
Rest of the world	187	107	1,811	5	2	2,111
<b>Total</b>	<b>5,680</b>	<b>8,435</b>	<b>4,790</b>	<b>3,177</b>	<b>1,591</b>	<b>23,673</b>
<b>Product area</b>						
Steel products	5,510	7,795	4,791	-	-	18,095
Trading operations	-	-	-	3,177	-	3,177
Ruukki Construction operations	-	-	-	-	1,591	1,591
Slabs, by-products and scrap	74	623	-	-	-	697
Other	96	17	-	-	-	113
<b>Total</b>	<b>5,680</b>	<b>8,435</b>	<b>4,790</b>	<b>3,177</b>	<b>1,591</b>	<b>23,673</b>



## Alternative performance measures

SSAB has applied the guidelines issued by ESMA (European Securities and Markets Authority) on alternative performance measures (AFMs). These performance measures are not defined in accordance with IFRS, but provide complementary information to investors and company management about the company's financial position and development. Besides the definitions below, further definitions can be found in the Annual Report.

### Operating profit/loss before depreciation/amortization, EBITDA

	2022	2021	2022	2021	2021
SEK millions	Q2	Q2	Jan-Jun	Jan-Jun	Full-year
Operating profit/loss	10,390	4,083	18,552	6,076	18,837
Depreciation and impairment	845	816	1,678	1,683	3,257
<b>Operating profit/loss before depreciation/amortization, EBITDA</b>	<b>11,234</b>	<b>4,899</b>	<b>20,230</b>	<b>7,759</b>	<b>22,094</b>

### Operating profit/loss before depreciation/amortization, EBITDA, excl. items affecting comparability

	2022	2021	2022	2021	2021
SEK millions	Q2	Q2	Jan-Jun	Jan-Jun	Full-year
Operating profit/loss before depreciation, EBITDA	11,234	4,899	20,230	7,759	22,094
Items affecting comparability	6	-	209	-	-
<b>Operating profit before depreciation/amortization, EBITDA, excl items affecting comparability</b>	<b>11,241</b>	<b>4,899</b>	<b>20,439</b>	<b>7,759</b>	<b>22,094</b>

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

	Jul 21- Jun 22	Jul 20- Jun 21	2021 Full-year
SEK millions			
Operating profit/loss	31,314	6,076	18,837
Financial income	3,672	784	2,095
<b>Total</b>	<b>34,986</b>	<b>6,860</b>	<b>20,932</b>
Average capital employed	88,796	74,972	77,975
<b>Return on capital employed before tax, %</b>	<b>39%</b>	<b>9%</b>	<b>27%</b>

### Return on equity after tax, rolling 12 months

	Jul 21- Jun 22	Jul 20- Jun 21	2021 Full-year
SEK millions			
Profit/loss for the period, after tax	23,980	4,732	14,673
Average equity	75,337	56,931	62,586
<b>Return on equity after tax, %</b>	<b>32%</b>	<b>8%</b>	<b>23%</b>

## Operating cash flow

	2022	2021	2022	2021	2021
SEK millions	Q2	Q2	Jan-Jun	Jan-Jun	Full-year
Cash flow from operating activities	5,832	3,779	9,327	5,304	14,873
Reversal received and paid interests	42	113	57	176	373
Reversal tax paid	1,636	359	2,990	390	1,357
Maintenance expenditures 1)	-429	-359	-700	-569	-2,053
Other investing activities 2)	43	19	369	38	746
<b>Operating cash flow</b>	<b>7,124</b>	<b>3,910</b>	<b>12,042</b>	<b>5,339</b>	<b>15,296</b>

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 and purchase of emission allowances.

## Net debt

	2022	2021	2021
SEK millions	June 30	June 30	Dec 31
Interest-bearing assets 1)	18,353	9,175	15,337
Interest-bearing liabilities 2)	11,189	15,636	12,991
<b>Net debt (+) / Net cash (-)</b>	<b>-7,163</b>	<b>6,461</b>	<b>-2,346</b>

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.

## Items affecting comparability

	2022	2021	2022	2021	2021
SEK millions	Q2	Q2	Jan-Jun	Jan-Jun	Full-year
<u>Operating expenses</u>					
Write-down assets Russia	2	-	-156	-	-
Write-down assets Ukraine	-8	-	-65	-	-
<b>Total effect on operating profit</b>	<b>-6</b>	<b>-</b>	<b>-221</b>	<b>-</b>	<b>-</b>
<u>Financial items</u>					
Write-down investment in Fennovoima (Voimaosakeyhtiö SF)	0	-	-272	-	-
<b>Total effect on profit after financial items</b>	<b>-6</b>	<b>-</b>	<b>-492</b>	<b>-</b>	<b>-</b>
Taxes	-11	-	-14	-	-
<b>Total effect on profit after tax</b>	<b>-16</b>	<b>-</b>	<b>-506</b>	<b>-</b>	<b>-</b>

During the second quarter of 2022, an additional SEK 26 million was provided for related to Russia and Ukraine, which was offset by reversals of provisions in the first quarter of SEK 20 million. Deferred tax expense of SEK 11 million refers to write-down of deferred tax asset in Russia during the second quarter of 2022.

## Financial information, per quarter

Since July 1, 2021, the steel mill in Mobile in the USA has been part of SSAB Special Steels. To reflect the organizational change, SSAB has restated the historical figures as if the new set-up had taken place on December 31, 2018. These amounts have been restated applying the Group's accounting principles. The new set-up has had no impact on the Group's total financial reports, only on the information about the business segments SSAB Special Steels and SSAB Americas. For further details, go to [www.ssab.com](http://www.ssab.com).

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

SEK millions	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22
Revenue	18,772	15,155	14,481	16,988	19,661	23,673	25,220	27,337	31,575	35,516
Operating expenses	-17,500	-14,442	-14,543	-15,544	-16,820	-18,779	-18,642	-19,534	-22,381	-24,289
Depreciation/amort.	-942	-956	-907	-885	-867	-815	-784	-791	-821	-844
Affiliated companies	13	-7	-5	-2	19	4	5	-51	4	12
Financial items	-123	-114	-102	-138	-106	-101	-111	-103	-101	-136
<b>Result before tax</b>	<b>221</b>	<b>-365</b>	<b>-1,075</b>	<b>418</b>	<b>1,887</b>	<b>3,981</b>	<b>5,689</b>	<b>6,859</b>	<b>8,276</b>	<b>10,260</b>

### Revenue per quarter and business segment

SEK millions	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22
SSAB Special Steels	4,553	3,997	3,581	4,070	5,122	5,845	5,994	6,549	7,907	8,985
SSAB Europe	8,139	6,189	6,153	7,472	8,829	10,246	10,789	12,446	12,657	14,357
SSAB Americas	3,871	3,211	2,709	3,448	3,644	4,822	6,061	6,153	7,465	8,842
Tibnor	2,421	2,037	1,752	2,031	2,656	3,214	3,063	3,443	4,463	4,783
Ruukki Construction	1,480	1,439	1,391	1,206	1,122	1,593	1,766	1,518	1,588	2,020
Other	-	-	-	-	-	-	-	-	-	-
Group adjustments	-1,691	-1,718	-1,105	-1,239	-1,713	-2,047	-2,453	-2,773	-2,504	-3,472
<b>Total</b>	<b>18,772</b>	<b>15,155</b>	<b>14,481</b>	<b>16,988</b>	<b>19,661</b>	<b>23,673</b>	<b>25,220</b>	<b>27,337</b>	<b>31,575</b>	<b>35,516</b>

Historical figures have been restated due to the reorganization of Mobile in the third quarter of 2021.

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

SEK millions	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22
SSAB Special Steels	738	758	313	794	1,189	1,390	1,210	1,777	2,350	2,648
SSAB Europe	413	-133	-221	496	1,139	1,900	2,912	3,690	3,650	4,476
SSAB Americas	169	59	-348	57	301	1,126	1,926	2,235	3,041	3,563
Tibnor	50	65	42	83	252	486	552	390	457	653
Ruukki Construction	55	128	185	116	87	202	270	202	209	263
Other	-140	-172	-37	-106	-108	-206	-288	-540	-508	-361
<b>Total</b>	<b>1,286</b>	<b>705</b>	<b>-66</b>	<b>1,439</b>	<b>2,860</b>	<b>4,899</b>	<b>6,582</b>	<b>7,753</b>	<b>9,198</b>	<b>11,241</b>

Historical figures have been restated due to the reorganization of Mobile in the third quarter of 2021.

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

SEK millions	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22
SSAB Special Steels	450	469	34	518	914	1,175	995	1,540	2,104	2,392
SSAB Europe	0	-566	-631	83	758	1,512	2,524	3,301	3,250	4,070
SSAB Americas	115	6	-395	18	258	1,084	1,882	2,188	2,992	3,512
Tibnor	12	29	6	48	218	449	515	351	418	613
Ruukki Construction	11	86	145	72	48	162	229	161	163	212
Depr. surplus val, IPSCO	-25	-20	-16	-18	-19	-17	-17	-18	-19	-20
Depr. surplus val, Rautaruukki	-66	-69	-66	-66	-63	-64	-28	-8	-9	-9
Other	-153	-186	-50	-100	-120	-218	-300	-552	-522	-374
<b>Total</b>	<b>343</b>	<b>-251</b>	<b>-973</b>	<b>557</b>	<b>1,993</b>	<b>4,083</b>	<b>5,800</b>	<b>6,961</b>	<b>8,377</b>	<b>10,395</b>

Historical figures have been restated due to the reorganization of Mobile in the third quarter of 2021.

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

SEK millions	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22
SSAB Special Steels	-	-	-	-	-	-	-	-	-141	-5
SSAB Europe	-	-	-	-	-	-	-	-	-25	-1
SSAB Americas	-	-	-	-	-	-	-	-	-	-
Tibnor	-	-	-	-	-	-	-	-	-	-
Ruukki Construction	-	-	-	-	-	-	-	-	-49	-
Other	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-	-	<b>-215</b>	<b>-6</b>

## Production and shipments

Thousand tonnes	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22
<b>Crude steel production</b>										
SSAB Special Steels	639	608	415	645	648	649	469	545	630	634
SSAB Europe	1,130	872	837	1,207	1,157	1,204	1,080	1,193	889	1,049
SSAB Americas	312	299	267	304	297	315	293	328	232	303
<b>Total</b>	<b>2,081</b>	<b>1,779</b>	<b>1,519</b>	<b>2,156</b>	<b>2,103</b>	<b>2,168</b>	<b>1,842</b>	<b>2,066</b>	<b>1,751</b>	<b>1,985</b>
<b>Rolling production</b>										
SSAB Special Steels	465	455	336	430	456	466	395	351	419	460
SSAB Europe	1,190	836	864	1,220	1,207	1,290	1,081	1,163	1,065	1,093
SSAB Americas	300	282	238	321	272	294	291	303	233	282
<b>Total</b>	<b>1,955</b>	<b>1,573</b>	<b>1,438</b>	<b>1,970</b>	<b>1,935</b>	<b>2,050</b>	<b>1,766</b>	<b>1,818</b>	<b>1,716</b>	<b>1,835</b>
<b>Steel shipments</b>										
SSAB Special Steels	305	266	259	297	376	388	348	350	381	396
SSAB Europe	955	695	751	913	980	980	795	832	844	838
SSAB Americas	527	460	462	569	480	494	484	413	438	476
<b>Total</b>	<b>1,787</b>	<b>1,422</b>	<b>1,472</b>	<b>1,779</b>	<b>1,837</b>	<b>1,861</b>	<b>1,627</b>	<b>1,595</b>	<b>1,664</b>	<b>1,711</b>

Historical figures for crude steel production and rolling production have been restated due to the reorganization of Mobile in the third quarter of 2021.

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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**Interim report for January-September 2022**

*The interim report for the third quarter of 2022 will be published on October 25, 2022.*



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