

Operating profit for the second quarter amounted to SEK 1.1 bn. Despite improved production stability, a turbulent external environment with falling iron ore prices and a weakened US dollar have had a substantial impact on earnings.

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# Interim Report

Second quarter 2025  
April–June

Q2

- **The production volume** for the second quarter was 5.8 (5.3) Mt. Production in the second quarter has remained stable, with fewer disruption than in the same period last year.
- **The delivery volume** was 6.1 (6.4) Mt, with pellets accounting for 85 (87) percent.
- **Operating profit** for the second quarter was MSEK 1,074 (2,666). The lower earnings are mainly a combination of lower iron ore prices and a stronger Swedish krona compared to the US dollar.

- **The average global spot price<sup>1)</sup>** for iron ore products in the second quarter was around USD 14 per tonne lower than in the same period last year at USD 98 (112) per tonne, which was USD 6 per tonne lower than in the first quarter of 2025. The price at the end of the second quarter was USD 94 per tonne. Quoted pellet premiums were just over USD 7 per tonne lower than in the same period last year.
- **Operating cash flow** for the second quarter was mainly affected by the lower earnings and amounted to MSEK 800 (1,505).
- **The return on equity** was 10.9 (16.3) percent.
- **The net debt/equity ratio** was -14.8 (-18.3) percent.

<sup>1)</sup> Platts IODEX 62% Fe CFR North China.

MSEK	Note	Q2 2025	Q2 2024	Q1–Q2 2025	Q1–Q2 2024	Full year 2024
Net sales	3, 4	7,820	9,851	17,442	15,322	33,146
Operating profit/loss		1,074	2,666	4,711	4,036	8,722
Net financial income/expense		777	800	643	1,613	2,229
Profit/loss before tax		1,851	3,466	5,355	5,649	10,951
<b>Profit/loss for the period</b>		<b>1,524</b>	<b>2,845</b>	<b>4,300</b>	<b>4,588</b>	<b>8,773</b>
Costs for urban transformation provisions		-77	-63	-207	-120	-313
Depreciation		-789	-723	-1,531	-1,455	-3,023
Expenditures, urban transformation		-303	-295	-644	-878	-1,743
Capital expenditure on property, plant and equipment		-1,252	-1,484	-2,712	-2,166	-5,408
Operating cash flow		800	1,505	1,877	41	1,740
Deliveries of iron ore products, Mt		6.1	6.4	12.6	9.3	21.9
Proportion of pellets, %		85	87	88	90	87
Production of iron ore products, Mt		5.8	5.3	12.5	12.0	22.7
Return on equity, %	8			10.9	16.3	11.0
Net debt/equity ratio, %	8			-14.8	-18.3	-15.5

**1.1** SEK bn  
Operating profit/loss

**5.8** Mt  
Produced during the quarter

**6.1** Mt  
Delivered during the quarter

# Group

## Net sales and operating profit

Analysis of change in operating profit, MSEK	Q2	Q1–Q2
<b>Operating profit 2024</b>	<b>2,666</b>	<b>4,036</b>
Iron ore prices incl. hedging	-983	-2,052
Currency effect, iron ore incl. hedging of accounts receivable	-728	-709
Volume and mix, iron ore	-173	2,515
Volume, price and currency, industrial minerals	57	41
Costs for urban transformation provisions	-14	-87
Depreciation	-67	-77
Other income and expenses	316	1,044
<b>Operating profit 2025</b>	<b>1,074</b>	<b>4,711</b>

Sales for the second quarter totalled MSEK 7,820 (9,851). The lower sales figure is mainly attributable to lower iron ore prices and a stronger Swedish krona compared to the US dollar. The average global spot price<sup>1)</sup> for iron ore products in the second quarter was USD 98 (112) per tonne. Premiums for highly upgraded products were nearly USD 7 per tonne lower than in the same quarter last year. Operating profit for the quarter amounted to MSEK 1,074 (2,666), mainly impacted by the lower sales. Lower costs as a result of more consistent production with fewer disruptions in combination with lower electricity prices had a positive impact on earnings compared with the same period last year.

Sales for the first half of the year amounted to MSEK 17,442 (15,322), with lower iron ore prices and a stronger Swedish krona being offset by higher delivery volumes. Deliveries in the first half of 2024 were significantly affected by the derailments on the Iron Ore Line at the beginning of the year. Operating profit for the first half of the year was MSEK 4,711 (4,036). Lower electricity prices, cost-saving measures and lower costs linked to more stable production had a positive impact in the first half of the year compared with the same period in the previous year. The first half of 2024 was negatively impacted by increased costs associated with the derailments on the Iron Ore Line and significant production disruptions in our plants.

<sup>1)</sup> Platts IODEX 62% Fe CFR North China.

## Cash flow

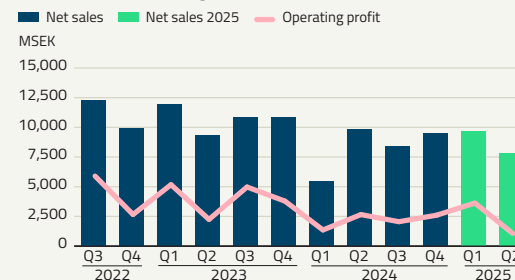
MSEK	Q2 2025	Q2 2024	Q1–Q2 2025	Q1–Q2 2024	Full year 2024
Operating profit <sup>2)</sup>	1,325	3,207	4,707	4,571	10,536
Expenditure on urban transformation	-303	-295	-644	-878	-1,743
Change in working capital	1,042	59	483	-1,510	-1,662
Capital expenditures (net)	-1,251	-1,447	-2,656	-2,025	-5,233
Acquisition of subsidiaries	–	–	–	–	–
Acquisition/divestment of financial assets	-13	-19	-13	-117	-158
<b>Operating cash flow</b>	<b>800</b>	<b>1,505</b>	<b>1,877</b>	<b>41</b>	<b>1,740</b>

<sup>2)</sup> Operating profit adjusted for non-cash items and before costs for urban transformation provisions.

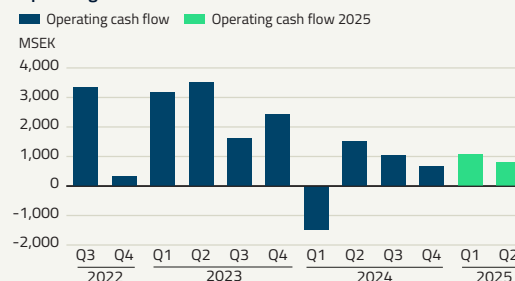
Operating cash flow for the second quarter was mainly affected by the lower profit and amounted to MSEK 800 (1,505).

Operating cash flow for the first half of the year was MSEK 1,877 (41). The previous year's cash flow was negatively affected by a build-up of inventories due to the derailments on the Iron Ore Line.

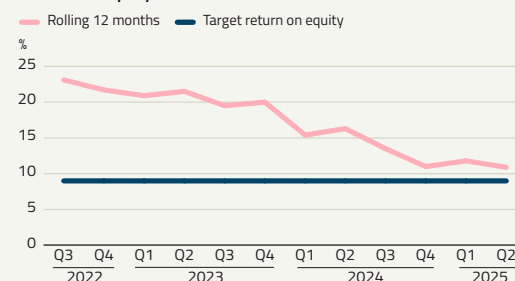
## Net sales and operating profit



## Operating cash flow



## Return on equity



## Net financial income/expense and net financial indebtedness

Net financial income/expense for the second quarter amounted to MSEK 777 (800) and net financial indebtedness totalled -14.8 (-18.3) percent.

LKAB has undrawn committed credit facilities of SEK 5 billion maturing in the third quarter of 2028.

## Events during the quarter

During the second quarter the Swedish Accident Investigation Authority issued a final report concluding that formation of a crack in a wheel flange caused the major derailment on the Iron Ore Line in December 2023. The damage to the wheel is very unusual and was likely caused by a combination of unfavourable and interacting factors. The Authority notes that the wheel complied with applicable requirements and standards, that no deviations in maintenance were identified and that no deficiencies have been identified in the manufacture of the wheel or the composition of the material.

In June, LKAB signed an agreement with Kiruna Municipality that provides the Municipality with more than 600 MSEK in compensation for the areas that are being phased out within the urban transformation and where new infrastructure and green spaces need to be established. Earlier in the quarter

an agreement was also signed with Gällivare Municipality concerning additional personnel costs based on a cooperation agreement from 2012. The newly signed agreement includes compensation of 60 MSEK.

In April the Swedish National Audit Office published its report on the audit that was started in 2024. The report notes that LKAB essentially acted in a businesslike manner, progressively developed in-depth calculations and that the assumptions were in line with external assessors. The audit shows that LKAB did not commit to any decisions in advance but instead continuously evaluated the conditions based on technical developments, market demand and financial costings.

## Events after the end of the reporting period

During July, the Board of Directors appointed Johan Menckel as the new CEO and Group CEO of LKAB, with the position commencing during the first half of 2026.

## Outlook for 2025

During last year extensive efforts were made to remedy deficiencies and improve the quality of our plants, which has meant more stable production.

With all affected plants back in production, the expectation for 2025 is continued stable operation and normal production capacity.

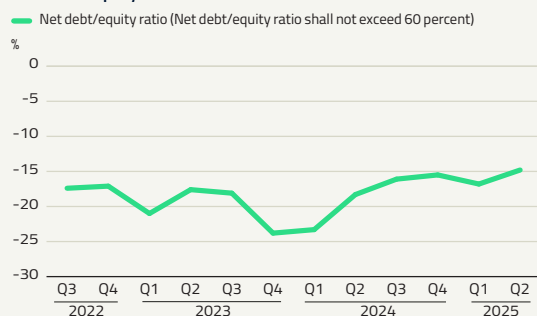
In 2025 the price of iron ore has been at a lower level than in recent years. Despite a weaker market, demand for LKAB's iron ore products has been stable, albeit at a somewhat lower level than in previous years. The market is volatile and difficult to assess, and there is considerable uncertainty concerning global economic development and its impact on the iron ore industry. Trade policy tensions and the announced U.S. tariffs are contributing to uncertainty regarding future market developments.

The majority of LKAB's sales are made in US dollars and the value of the US dollar has weakened significantly during the first half of the year; its development going forward is uncertain and difficult to predict.

LKAB is continuing efforts to strengthen our competitiveness and be able to supply our customers with the raw materials for fossil-free steel. These efforts continue to involve various challenges such as permitting issues, energy supply, capacity on the Iron Ore Line and prevailing external conditions.

For more information on the latest events visit [lkab.com/en/news](https://lkab.com/en/news).

## Net debt/equity ratio



## Risks and risk management

Access to land is a strategically critical issue for securing current production and ongoing urban transformation, and is essential for implementing LKAB's strategy. Dialogue on land issues is ongoing with affected parties. Clear regulations and uniform application of these is essential to mutual trust between LKAB, authorities and other stakeholders.

Unpredictability and inefficiency in permitting processes represent serious risks to our continued operations. LKAB is dependent in several ways on permits and other decisions by authorities. It is vital that processes for environmental permits, concessions and planning matters are efficient, predictable and legally sound in order to be able to plan and drive our business forward.

LKAB operates in a capital-intensive industry with a planning horizon that extends across several decades, and must therefore not only consider risks and opportunities for the business as it is today but also act to adapt to new future conditions. The global climate threat means the iron and steel industry needs to change fundamentally. Managing both risks and opportunities from a climate perspective is important for securing LKAB's resilience and adaptability.

Significant changes in iron ore supply and demand are a strategic market risk. One scenario where this could take place is the transition to carbon-free processes and products that the iron and steel industry is facing. The changes required to create carbon-free processes and products must take place in a coordinated manner throughout the value chain. The transformation will also require significant investments. Combined with hard-pressed profit margins, this entails a risk that steelmaking will move outside Europe or that steelmaking with iron ore will be rejected.

Capacity on the Iron Ore Line continues to be one of LKAB's biggest challenges for ensuring both current and future delivery volumes. Unless sufficient capacity can be ensured, there is a risk that LKAB will be forced to shut down parts of the business. The financial effects of restricting production by shutting down a pelletising plant, for example, would be significant.

For further information concerning risks, please refer to LKAB's Annual and Sustainability Report for 2024.

# Sustainable development

## Strategic goals for sustainable value creation

MSEK	Q2 2025	Full year 2024	Goal 2026	Goal 2030
<b>Stable and efficient operations<sup>1)</sup></b>				
Net debt/equity ratio, %	-14.8	-15.5	<60	<60
Return on equity <sup>2)</sup> , %	10.9	11.0	>9	>9
Dividend, %	–	50	40–60	40–60
<b>Climate-efficient sustainable transformation</b>				
Energy consumption <sup>2)</sup> , kWh/t FP	173	176	162	154
Carbon emissions <sup>2)</sup> , kt	610	600	608	536
Biodiversity <sup>3)</sup>	–	–	–	–
<b>Safe, healthy and stimulating workplace</b>				
Lost-time accidents <sup>2,4)</sup> , per million hrs	4.6	4.9	4.0	2.0
Long-term sickness absence <sup>2)</sup> , %	0.7	0.7	0.8	0.8
Women in the total workforce, %	29	29	30	– <sup>5)</sup>
Women in management positions, %	33	31	30	– <sup>5)</sup>

<sup>1)</sup> The current financial targets were established by the general meeting held in October 2021.

<sup>2)</sup> For rolling 12 months. <sup>3)</sup> For a description of the goals and status see the section Biodiversity below and the analysis on the right. <sup>4)</sup> Lost-time injuries per million hours worked for the Group, including suppliers.

<sup>5)</sup> The goal for 2030 is to achieve a 60/40 gender balance in management teams.

For more information on the strategic goals for sustainable value creation see LKAB's Annual and Sustainability Report 2024, page 7.

## Carbon emissions and energy consumption

The goal for carbon dioxide is to reduce emissions in line with the Paris Agreement to well below 2 °C. The target for 2030 is a 25 percent decrease in LKAB's carbon emissions (Scope 1–2) compared with 2020 and for our customers' carbon emissions to decrease by 2 Mt (Scope 3). The interim goal for 2026 is to reduce LKAB's emissions by 15 percent.

The goal for energy is to reduce energy consumption by 10 percent by 2030 and by 5 percent by 2026 compared with 2021. Energy intensity is calculated based on energy consumption for the entire Group in relation to iron ore products produced.

Energy consumption in kWh per tonne of finished product amounted to 173 (176) kWh per tonne of finished product for the rolling 12 months. More stable and higher production combined with increased sales of waste heat and lower use of oil had a positive effect.

Carbon emissions were affected by the higher production volume and amounted to 610 (600) kt for the rolling 12 months. Mild weather during the first half of the year, however, reduced the need for heating from space heaters and boiler systems.

Efforts to create better structure in health and safety efforts and an improved safety culture have continued during the quarter, focusing on the design of the group-wide activities that are to be implemented over the next two years. Activities include training for managers and employees in visible leadership and risk awareness respectively. The accident rate at the end of the second quarter was 4.6 for the rolling 12 months, compared with 4.9 at the turn of the year.

Women made up 29 (29) percent of the workforce and 33 (31) percent of management at the end of the quarter.

Efforts to increase biodiversity are divided into four levels. During the quarter efforts at the first two levels have continued, while clear steps have been taken towards level three – implementing and following up actions and diversity plans. The quarter has been characterised by a shift from planning structure to more systematic follow-up and concretisation of the higher target levels, which strengthens the basis for continued progress towards the goal of increased biodiversity by 2030.

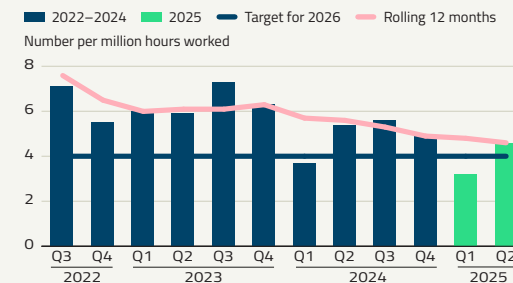
## Biodiversity

The strategic goals for 2022–2030 include the goal of a biodiversity net gain.

Biodiversity refers to the variety of nature, including plants, fungi and animals along with their different habitats, both on land and in water.

LKAB is following Svemin's biodiversity roadmap with the objective that by 2030 the Group will contribute to a biodiversity net gain in the regions where we operate. The interim goal for 2026 is for LKAB to have established a systematic approach to working for a biodiversity net gain.

## Accidents



## Energy consumption



## CO<sub>2</sub> emissions





### Strategic sustainable development

LKAB's strategy and transformation plan aims to achieve carbon-free products and processes in the Group's own operations by 2045. The strategy aims to gradually strengthen the company's long-term position and competitiveness through increased production volumes, the development of new products and higher value-added through, for example, the production of carbon-free sponge iron. This is a process that will take place over many years, involving various development projects and strategic initiatives that will be gradually integrated into the operations when the conditions are right.

Predictable and stable permitting processes are essential for our continued operations and for the implementation of our strategy. During the quarter it was announced that the environmental permit process for LKAB's operations in Malmberget is entering the concluding phase, which is the main hearing. The aim of the permit review is to secure the mining operations in Gällivare and begin the company's transformation plans. The application includes both continued and expanded mining and processing activities, the establishment of a demonstration plant for the production of fossil-free sponge iron and an apatite plant for extraction of phosphorus and rare earth elements.

The work environment, safety and well-being are key focus areas in the long-term strategy, where we work continuously to reinforce the safety culture and reduce the accident rate. Among other things, during the quarter LKAB has initiated a training initiative focusing on visible leadership and increased risk awareness. At the same time, we work continuously on further actions and initiatives for a safe, healthy and balanced workplace that promotes diversity, well-being, engagement and innovation. By working for an inclusive culture and ensuring equal development opportunities for all employees, LKAB is laying the foundation for long-term sustainable development and competitiveness.



# Market development

## The steel and iron ore market

### The global steel and iron ore industry

Increased trade policy tensions have characterised industrial development in many markets during the second quarter. The announcement of the broad US tariffs and the subsequent tariff suspension have created uncertainties in the mature economies. Despite the turbulence, global industrial production is assessed to have increased somewhat at the end of the quarter. This upturn is driven, among other things, by China, where industrial activity has increased somewhat more than expected. Industrial production in the eurozone was lower than in the previous quarter but with a wide spread between the countries. Despite some indications of a stabilisation at the end of the quarter, industry continued to show signs of downturn.

Global production of crude steel is estimated to have decreased by just over 3 percent compared with the second quarter last year. Production in both China and Europe, as well as in the USA and the Middle East decreased. The underlying demand for steel in China is estimated to have fallen, in part related to lower investments in the property sector,, but increased steel exports have nevertheless

kept the production volumes in China at a relatively high level. The European steel market has been affected by both low domestic demand and the US steel tariffs, which limit the conditions for export to the US market. European steel producers also continue to be negatively affected by high energy prices.

Steel prices in Europe, which increased in the first quarter, have declined in the second quarter and at the end of the period were down to the same levels as at the beginning of the year. Steel prices in the US, which saw a sharp rise in the first quarter as a result of re-imposed US steel tariffs, have rebounded somewhat from the price peak in March, but are still at a stable higher level than before the policy changes. Despite intensive negotiations, at the end of the quarter the EU had not succeeded in reaching an agreement with the US on reduced tariff levels. The broad US tariffs continue to create uncertainty regarding market developments.

The price of iron ore has fallen during the quarter to levels below USD 100 per tonne. Supply and deliveries of iron ore have been robust, which in combination with lower steel production contributed to lower price levels. The premium for DR pellets as well as the premium for high iron content have decreased compared with the previous quarter, reflecting a market situation

where in times of uncertainty steel producers focus on cost-effectiveness, which reduces the demand for high-grade iron ore.

### Development of iron ore price

The spot price for fines, IODEX 62% Fe, averaged USD 98 (112) per tonne in the second quarter after having varied between USD 93 and USD 104. The price has fallen since the first quarter, when the average was USD 104 per tonne, and is the lowest average price for a quarter since the second quarter of 2020.

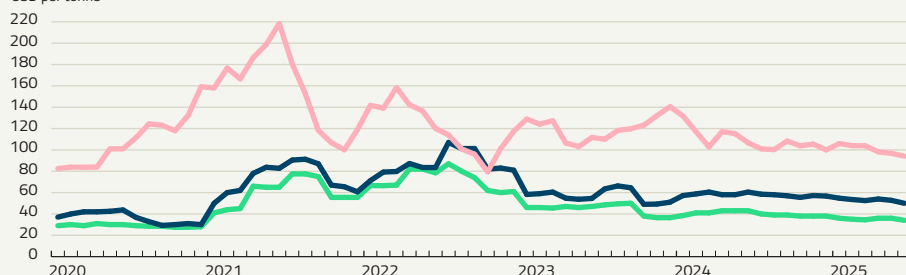
In the second quarter the US dollar weakened against the Swedish krona by almost 10 percent compared with the first quarter, and for the first time since the second quarter of 2022 the USD/SEK exchange rate was below 10 on a quarterly basis. Compared with the same period last year, the dollar is nearly 10 percent weaker.

The quoted premium for blast furnace pellets has been stable, while the premium for DR pellets has decreased somewhat from the previous quarter. The average level of the blast furnace premium was USD 35 (43) per tonne in the second quarter, the same level as in the first quarter. The premium for DR pellets averaged USD 52 (59) per tonne compared with USD 54 in the first quarter.

### Development of the spot price for iron ore and quoted pellet premiums

1 January 2020 – 30 June 2025

USD per tonne

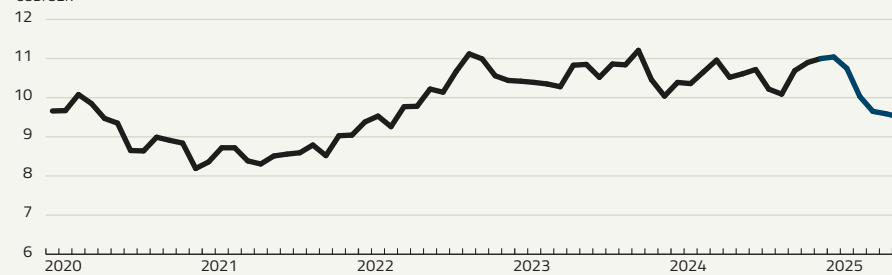


Source: PLATTS

### Changes in the dollar exchange rate

1 January 2020 – 30 June 2025

USD/SEK



Source: The Riksbank

# Iron Ore business area

The Iron Ore business area includes mines and processing plants in Kiruna, Svappavaara and Malmberget/Gällivare, as well as rail freight services and the ports in Narvik and Luleå.

## Operations summary

MSEK	Note	Q2 2025	Q2 2024	Q1–Q2 2025	Q1–Q2 2024	Full year 2024
Net sales	3,4	6,714	9,092	15,324	13,854	30,103
Operating profit/loss		890	2,725	4,345	4,336	9,268
Costs for urban transformation provisions		-77	-63	-207	-120	-313
Capital expenditure on property, plant and equipment		-1,061	-1,295	-2,128	-1,842	-4,404
Depreciation		-675	-617	-1,312	-1,250	-2,610
Deliveries of iron ore products, Mt		6.1	6.4	12.6	9.3	21.9
Proportion of pellets, %		85	87	88	90	87
Production of iron ore products, Mt		5.8	5.3	12.5	12.0	22.7

Production has continued to be more stable and with fewer disruptions following the extensive efforts made in 2024 to remedy deficiencies and improve the quality of the plants. The production volume for the second quarter was 5.8 (5.3) Mt. The delivery volume for the second quarter was 6.1 (6.4) Mt, with pellets accounting for 85 (87) percent.

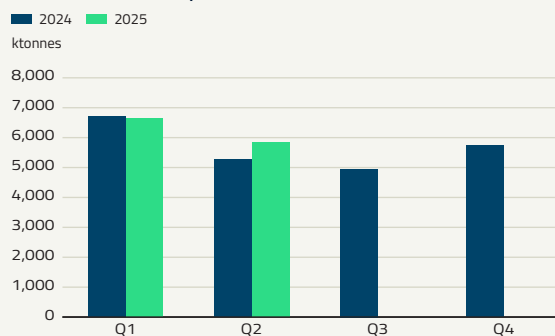
Sales for the second quarter decreased, mainly as a result of lower iron ore prices in combination with a stronger Swedish krona, and amounted to MSEK 6,714 (9,092). Operating profit was mainly affected by the lower sales figure and amounted to MSEK 890 (2,725). Lower costs as a result of more stable production and lower electricity prices had a positive impact on earnings compared with the same period last year. In the second quarter of 2024 LKAB

received insurance compensation for loss of revenue due to the derailments on the Iron Ore Line.

The delivery volume for the first half of the year was 12.6 (9.3) Mt. Deliveries in 2024 were significantly affected by the derailments on the Iron Ore Line at the beginning of the year. The production volume for the first half of the year was 12.5 (12.0) Mt.

Sales for the first half of the year amounted to MSEK 15,324 (13,854), with lower iron ore prices and a stronger Swedish krona being offset by higher delivery volumes. Operating profit was mainly affected by the lower sales figure and amounted to MSEK 4,345 (4,336). Lower costs associated with more stable production, lower electricity prices and cost-saving measures have had a positive impact in the first half of the year compared with the same period last year. Profits in 2024 were impacted by increased costs associated with the derailments on the Iron Ore Line and significant production disruptions.

## Production of iron ore products



## FACTS

**The Iron Ore business area** mines and processes iron ore products in Kiruna, Svappavaara and Malmberget/Gällivare.

**In Kiruna, mining takes place in an underground mine** with a current main haulage level 1,365 metres below ground. The ore is processed above ground in three concentrating and pelletising plants.

**In Svappavaara ore is mined** in the Leveäniemi open-pit mine. The ore is processed in a concentrating and pelletising plant in Svappavaara.

**Gällivare's underground mine** consists of around 20 orebodies, of which around 10 are currently mined. The ore is processed above ground in two concentrating and pelletising plants.

**The Iron Ore business area** produces various types of pellets as well as fines for steelmaking.

**The iron ore products are transported** along the Iron Ore Line to the ports of Narvik and Luleå, from where they are exported.



# Special Products business area

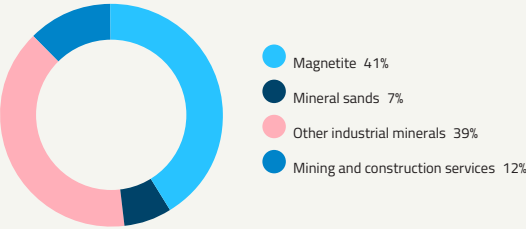
The Special Products business area develops products and services for markets involving industrial minerals, water-powered drilling technology, engineering services, and mining and construction contracts. The Special Products business area is also a strategic supplier within the Group.

## Operations summary

MSEK	Note	Q2 2025	Q2 2024	Q1–Q2 2025	Q1–Q2 2024	Full year 2024
Net sales	3,4	1,873	1,691	3,233	3,130	6,303
Operating profit/loss		200	172	255	282	504
Capital expenditure on prop- erty, plant and equipment		-126	-87	-275	-134	-332
Depreciation		-78	-75	-156	-147	-304

### Sales by product area and service area

Percentage of external sales (MSEK)  
January – June 2025



Net sales for the second quarter amounted to MSEK 1,873 (1,691), which is 11 percent higher than in the same period last year. The improvement is mainly attributable to higher sales of magnetite to the offshore industry during the quarter. The increase is offset by lower internal sales to the mining operations, with some major assignments having been completed in 2024. Operating profit for the quarter was mainly affected by the increased sales and amounted to MSEK 200 (172).

Net sales for the first half of the year amounted to MSEK 3,233 (3,130), which is an increase of 3 percent. A sharp increase in sales of magnetite to the offshore industry as well as higher internal sales of products are partly offset by significantly lower sales of rockwork services following the completion of some major assignments in 2024. Operating profit for January–June totalled MSEK 255 (282). The decrease is mainly due to lower sales of rockwork services.

The construction of a research and development centre and a demonstration plant for the processing of phosphorus and rare earth elements in Luleå affects investments for the quarter and the year, which are increasing in comparison with the previous year.



## FACTS

The **Special Products business area** covers LKAB Minerals, LKAB Wassara, LKAB Berg & Betong, LKAB Kimit, LKAB Mekaniska and Bergteamet.

**LKAB Minerals** is active in the industrial minerals market, with a leading position in areas such as construction, plastics, paint, agriculture and the chemicals industry. It offers a broad portfolio of products that includes minerals from its own deposits, such as magnetite; recycled products, e.g. from blast furnace slag and other industries; as well as other minerals that it sources and processes. The business has sales offices and production units in Europe, the US and Asia.

**LKAB Wassara** develops and manufactures water-powered precision drilling systems for mining, construction and exploration drilling along with dam construction and geothermal energy. Customers are located throughout the world.

**LKAB Berg & Betong and Bergteamet** are leading providers of full service solutions for the mining and construction industries. LKAB Berg & Betong is also the world’s largest producer of sprayed concrete.

**LKAB Kimit** supplies explosives to the mining and construction industries.

**LKAB Mekaniska** is a quality-conscious engineering company offering services throughout the supply chain, from planning and design to final inspection.



## Other segments

Other segments includes Group functions such as HR, sustainability, communications, finance, strategic R&D and digitalisation. Other segments also covers financial operations, including transactions and the results of financial hedging for foreign currencies.

### Operations summary

MSEK	Note	Q2 2025	Q2 2024	Q1–Q2 2025	Q1–Q2 2024	Full year 2024
Net sales excl. hedging		31	27	64	59	129
Net sales hedging		223	47	449	-64	-125
Total net sales	3,4	254	74	513	-5	4
<b>Operating profit/loss</b>		<b>5</b>	<b>-156</b>	<b>52</b>	<b>-494</b>	<b>-940</b>
Capital expenditure on property, plant and equipment		-65	-102	-310	-190	-672
Depreciation		-37	-31	-63	-58	-113

Operating profit for the second quarter was MSEK 5 (-156) and for the first half of the year MSEK 52 (-494). The improved profit is mainly attributable to currency hedging of outstanding accounts receivable.

## Parent Company

The Parent Company LKAB consists of the Iron Ore business area and the group-wide functions reported under Other segments. The Parent Company includes the majority of LKAB's operating activities as well as the Group's financial activities.

### Operations summary

MSEK	Note	Q2 2025	Q2 2024	Q1–Q2 2025	Q1–Q2 2024	Full year 2024
Net sales		6,961	9,164	15,834	13,850	30,081
<b>Operating profit/loss</b>		<b>818</b>	<b>2,491</b>	<b>4,256</b>	<b>3,751</b>	<b>8,064</b>
Costs for urban transformation provisions		-77	-63	-207	-120	-313
Capital expenditure on property, plant and equipment		-1,035	-1,373	-2,159	-1,967	-4,806
Depreciation		-610	-545	-1,171	-1,102	-2,315
Deliveries of iron ore, Mt		6.1	6.4	12.6	9.3	21.9
Production of iron ore, Mt		5.8	5.3	12.5	12.0	22.7

# Signatures

This report was not subject to review by the company's auditors.

The Board of Directors and CEO give an assurance that this interim report for the first half of the year provides a true and fair representation of the development of the Group's and the Parent Company's operations, position and earnings, and describes the significant risks and uncertainties faced by the Parent Company and the companies making up the Group.

Luleå, 14 August 2025  
Luossavaara-Kiirunavaara AB (publ)

Anders Borg  
Chairman of the Board

Carina Andersson  
Board member

Alrik Danielsson  
Board member

Catrin Fransson  
Board member

Eva Hamilton  
Board member

Bjarne Moltke Hansen  
Board member

Kerstin Konradsson  
Board member

Lotta Mellström  
Board member

Per-Olof Wedin  
Board member

Anders Elenius  
Employee representative

Tomas Larsson  
Employee representative

Stefan Tallfjärd  
Employee representative

Jan Moström  
President and CEO



## Financial information

### Interim Report Q3 2025

22 October 2025

### Interim Report Q4 2025

(Year-end Report)

February 2026

### Interim Report Q1 2026

April 2026

Reports are available at [www.lkab.com/en/](http://www.lkab.com/en/)

Any questions concerning the Interim Report may be directed to Jan Moström, President and CEO. Interviews can be booked through Mikko Viitala, press contact LKAB, +46 (0)70 309 81 63, [mikko.viitala@lkab.com](mailto:mikko.viitala@lkab.com) or LKAB's press hotline, +46 (0)771 76 00 10, [press@lkab.com](mailto:press@lkab.com).

# Group

## Consolidated income statement

MSEK	Note	Q2 2025	Q2 2024	Q1–Q2 2025	Q1–Q2 2024	Full year 2024
Net sales	3, 4	7,820	9,851	17,442	15,322	33,146
Cost of goods sold		-6,183	-6,952	-11,601	-10,461	-22,503
<b>Gross profit/loss</b>		<b>1,637</b>	<b>2,899</b>	<b>5,841</b>	<b>4,861</b>	<b>10,643</b>
Selling expenses		-73	-89	-162	-137	-439
Administrative expenses		-238	-228	-500	-416	-868
Research and development expenses		-216	-374	-447	-660	-1,260
Other operating income		89	574	214	687	1,179
Other operating expenses		-118	-109	-225	-272	-488
Share of profit of joint ventures		-7	-7	-10	-27	-45
<b>Operating profit/loss</b>	<b>3</b>	<b>1,074</b>	<b>2,666</b>	<b>4,711</b>	<b>4,036</b>	<b>8,722</b>
Financial income		880	1,053	906	1,850	2,549
Financial expense		-103	-253	-263	-237	-320
<b>Net financial income/expense</b>		<b>777</b>	<b>800</b>	<b>643</b>	<b>1,613</b>	<b>2,229</b>
<b>Profit/loss before tax</b>		<b>1,851</b>	<b>3,466</b>	<b>5,355</b>	<b>5,649</b>	<b>10,951</b>
Tax		-327	-621	-1,055	-1,061	-2,178
<b>Profit/loss for the period</b>		<b>1,524</b>	<b>2,845</b>	<b>4,300</b>	<b>4,588</b>	<b>8,773</b>
Profit for the period attributable to:						
Parent company shareholders		1,525	2,839	4,301	4,578	8,764
Non-controlling interests		-1	6	-1	10	9
Earnings per share before and after dilution (SEK)		2,179	4,056	6,144	6,540	12,519
Number of shares		700,000	700,000	700,000	700,000	700,000

## Statement of comprehensive income

MSEK	Note	Q2 2025	Q2 2024	Q1–Q2 2025	Q1–Q2 2024	Full year 2024
<b>Profit/loss for the period</b>		<b>1,524</b>	<b>2,845</b>	<b>4,300</b>	<b>4,588</b>	<b>8,773</b>
Other comprehensive income for the period						
Items that will not be reclassified to profit/loss for the year						
Remeasurement of defined-benefit pension plans		-96	-66	15	209	207
Tax attributable to actuarial gains and losses		20	14	-3	-43	-43
Changes for the year in the fair value of equity instruments measured at fair value through other comprehensive income		-551	-2,265	1,289	-2,047	-3,513
		<b>-627</b>	<b>-2,317</b>	<b>1,301</b>	<b>-1,881</b>	<b>-3,349</b>
Items that have been or may subsequently be reclassified to profit or loss						
Exchange differences arising on translation of foreign operations for the period		-16	109	-158	204	115
Remeasurement relating to high inflation		-	-	-	-5	6
Changes in fair value of cash flow hedges for the period		46	-4	43	-5	-3
Changes in fair value of cash flow hedges reclassified to profit or loss		0	0	3	-3	-2
Tax attributable to components of cash flow hedges		-10	1	-9	2	1
		<b>20</b>	<b>106</b>	<b>-121</b>	<b>193</b>	<b>117</b>
<b>Other comprehensive income for the period</b>		<b>-607</b>	<b>-2,211</b>	<b>1,180</b>	<b>-1,688</b>	<b>-3,232</b>
<b>Comprehensive income for the period</b>		<b>917</b>	<b>634</b>	<b>5,480</b>	<b>2,900</b>	<b>5,541</b>
Comprehensive income for the year attributable to:						
Parent company shareholders		919	628	5,481	2,890	5,532
Non-controlling interests		-2	6	-1	10	9

# Group

## Statement of financial position

MSEK	Note	30 Jun 2025	30 Jun 2024	31 Dec 2024
Assets				
Non-current assets				
Intangible assets		2,316	2,441	2,423
Property, plant and equipment for operations		39,136	36,381	38,048
Property, plant and equipment for urban transformation		14,094	10,712	14,370
Interests in associates and joint ventures		780	758	777
Financial investments	5	6,526	6,720	5,237
Non-current receivables		2	2	2
Deferred tax assets		2	5	2
<b>Total non-current assets</b>		<b>62,856</b>	<b>57,019</b>	<b>60,859</b>
Current assets				
Inventories		8,316	8,493	8,193
Accounts receivable		3,190	3,192	3,653
Prepaid expenses and accrued income		441	599	807
Other current receivables		1,689	1,982	2,709
Current investments	5	24,040	28,812	25,823
Cash and cash equivalents		3,409	1,349	4,816
<b>Total current assets</b>		<b>41,085</b>	<b>44,427</b>	<b>46,001</b>
<b>Total assets</b>		<b>103,941</b>	<b>101,446</b>	<b>106,860</b>

MSEK	Note	30 Jun 2025	30 Jun 2024	31 Dec 2024
Equity and liabilities				
Equity				
Share capital		700	700	700
Reserves		2,667	3,053	1,500
Profit brought forward including profit for the year		76,438	72,348	76,531
<b>Equity attributable to Parent Company shareholders</b>		<b>79,805</b>	<b>76,101</b>	<b>78,731</b>
Non-controlling interests		63	64	64
<b>Total equity</b>		<b>79,868</b>	<b>76,165</b>	<b>78,795</b>
Non-current liabilities				
Non-current interest-bearing liabilities		276	456	282
Other non-current liabilities		56	56	56
Provisions for pensions and similar commitments		698	896	765
Provisions for urban transformation, long-term portion		10,427	8,827	11,273
Other provisions		1,661	1,722	1,639
Deferred tax liabilities		1,565	1,995	1,604
<b>Total non-current liabilities</b>		<b>14,683</b>	<b>13,952</b>	<b>15,619</b>
Current liabilities				
Current interest-bearing liabilities		77	2,658	2,086
Trade payables		2,358	3,495	2,724
Tax liabilities		211	27	1,013
Other current liabilities		576	316	379
Accrued expenses and deferred income		2,436	1,745	2,923
Provisions for urban transformation, short-term portion		2,817	2,143	2,683
Other provisions		915	945	638
<b>Total current liabilities</b>		<b>9,390</b>	<b>11,329</b>	<b>12,446</b>
<b>Total liabilities</b>		<b>24,073</b>	<b>25,281</b>	<b>28,065</b>
<b>Total equity and liabilities</b>		<b>103,941</b>	<b>101,446</b>	<b>106,860</b>

# Group

## Statement of changes in equity

2024 MSEK	Equity attributable to Parent Company shareholders						Non-controlling interests	Total equity
	Share capital	Translation reserve	Fair value reserve	Hedging reserve incl. hedging cost reserve	Retained earnings incl. profit/loss for the year	Total		
Opening equity 1 Jan 2024	700	-195	5,100	2	75,199	80,807	54	80,861
Profit/loss for the year	–	–	–	–	8,764	8,764	9	8,773
Other comprehensive income for the year	–	110	-3513	-4	175	-3,232	–	-3,232
Comprehensive income for the year	–	110	-3,513	-4	8,939	5,532	9	5,541
Dividend	–	–	–	–	-7,607	-7,607	–	-7,607
Closing equity 31 Dec 2024	700	-85	1,587	-2	76,531	78,732	63	78,795

2024 MSEK	Equity attributable to Parent Company shareholders						Non-controlling interests	Total equity
	Share capital	Translation reserve	Fair value reserve	Hedging reserve incl. hedging cost reserve	Retained earnings incl. profit/loss for the year	Total		
Opening equity 1 Jan 2024	700	-195	5,100	2	75,199	80,807	54	80,861
Profit/loss for the year	–	–	–	–	4,578	4,578	10	4,588
Other comprehensive income for the year	–	199	-2,047	-6.3	177.21	-1,677	–	-1,677
Comprehensive income for the year	–	199	-2,047	-6.3	4,755	2,901	10	2,911
Dividend	–	–	–	–	-7,607	-7,607	–	-7,607
Closing equity 30 Jun 2024	700	4	3,053	-4	72,348	76,101	64	76,165

2025 MSEK	Equity attributable to Parent Company shareholders						Non-controlling interests	Total equity
	Share capital	Translation reserve	Fair value reserve	Hedging reserve incl. hedging cost reserve	Retained earnings incl. profit/loss for the year	Total		
Opening equity 1 Jan 2025	700	-85	1,587	-2	76,531	78,732	64	78,795
Profit/loss for the year	–	–	–	–	4,301	4,301	-1	4,300
Other comprehensive income for the year	–	-158	1,289	36	13	1,180	–	1,180
Comprehensive income for the year	–	-158	1,289	36	4,314	5,481	-1	5,480
Dividend	–	–	–	–	-4,407	-4,407	–	-4,407
Closing equity 30 Jun 2025	700	-243	2,876	34	76,438	79,805	63	79,868



# Group

## Consolidated statement of cash flows

MSEK	Q2 2025	Q2 2024	Q1–Q2 2025	Q1–Q2 2024	Full year 2024
Operating activities					
Profit/loss before tax	1,851	3,466	5,355	5,649	10,951
Adjustment for items not included in cash flow	391	414	1,253	654	1,675
Income tax paid	-917	-666	-1,901	-1,725	-2,079
Expenditures, urban transformation	-303	-295	-644	-878	-1,743
Expenditures, other provisions	0	-7	-1	-7	-11
<b>Cash flow from operating activities before changes in working capital</b>	<b>1,022</b>	<b>2,912</b>	<b>4,062</b>	<b>3,693</b>	<b>8,793</b>
Cash flow from changes in working capital					
Increase (-)/Decrease (+) in inventories	-336	680	-122	-1,739	-1,439
Increase (-)/Decrease (+) in operating receivables	672	-1,194	1,048	277	-319
Increase (+)/Decrease (-) in operating liabilities	706	573	-443	-48	96
<b>Change in working capital</b>	<b>1,042</b>	<b>59</b>	<b>483</b>	<b>-1,510</b>	<b>-1,662</b>
<b>Cash flow from operating activities</b>	<b>2,064</b>	<b>2,971</b>	<b>4,545</b>	<b>2,183</b>	<b>7,131</b>
Investing activities					
Acquisition of property, plant and equipment	-1,252	-1,484	-2,712	-2,166	-5,408
Government investment grants	-	16	-	86	112
Disposal of property, plant and equipment	1	21	56	55	63
Acquisition of other financial assets – operating	-13	-19	-13	-117	-158
Disposal/acquisition (net) of current investments	2,356	4,499	3,199	3,812	6,330
<b>Cash flow from investing activities</b>	<b>1,092</b>	<b>3,033</b>	<b>531</b>	<b>1,670</b>	<b>939</b>
Financing activities					
Repurchase agreements	-	577	-	577	-
Repayments	-	1	-2,001	-12	-146
Repayment of lease liabilities	-24	-25	-49	-49	-97
Dividend paid to Parent Company shareholder	-4,400	-7,600	-4,400	-7,600	-7,600
Dividend paid to non-controlling interests	-7	-7	-7	-7	-7
<b>Cash flow from financing activities</b>	<b>-4,431</b>	<b>-7,054</b>	<b>-6,457</b>	<b>-7,091</b>	<b>-7,850</b>
<b>Cash flow for the period</b>	<b>-1,275</b>	<b>-1,050</b>	<b>-1,380</b>	<b>-3,238</b>	<b>220</b>

MSEK	Q2 2025	Q2 2024	Q1–Q2 2025	Q1–Q2 2024	Full year 2024
Cash and cash equivalents at start of period	4,692	2,403	4,816	4,572	4,572
Exchange difference in cash and cash equivalents	-8	-4	-27	15	24
Cash and cash equivalents at end of period	3,409	1,349	3,409	1,349	4,816
<b>Change in cash and cash equivalents</b>	<b>-1,275</b>	<b>-1,050</b>	<b>-1,380</b>	<b>-3,238</b>	<b>220</b>
Sub-components of cash and cash equivalents					
Cash and bank balances			3,006	1,349	4,068
Current investments (maturity <90 days)			403	0	748
<b>Cash and cash equivalents</b>			<b>3,409</b>	<b>1,349</b>	<b>4,816</b>
<b>Consolidated operating cash flow</b>					
<b>Cash flow from operating activities</b>	<b>2,064</b>	<b>2,971</b>	<b>4,545</b>	<b>2,183</b>	<b>7,131</b>
Acquisition of property, plant and equipment	-1,252	-1,484	-2,712	-2,166	-5,408
Government investment grants	-	16	-	86	112
Disposal of property, plant and equipment	1	21	56	55	63
Acquisition of other financial assets – operating	-13	-19	-13	-117	-158
<b>Operating cash flow (excluding current investments)</b>	<b>800</b>	<b>1,505</b>	<b>1,877</b>	<b>41</b>	<b>1,740</b>
Disposal/acquisition (net) of current investments	2,356	4,499	3,199	3,812	6,330
<b>Cash flow after investing activities</b>	<b>3,156</b>	<b>6,004</b>	<b>5,076</b>	<b>3,853</b>	<b>8,070</b>
Cash flow from financing activities	-4,431	-7,054	-6,457	-7,091	-7,850
<b>Cash flow for the period</b>	<b>-1,275</b>	<b>-1,050</b>	<b>1,380</b>	<b>-3,238</b>	<b>220</b>

# Parent Company

## Income statement

MSEK	Note	Q2 2025	Q2 2024	Q1–Q2 2025	Q1–Q2 2024	Full year 2024
Net sales		6,961	9,164	15,834	13,850	30,081
Cost of goods sold		-5,734	-6,587	-10,743	-9,585	-20,649
<b>Gross profit/loss</b>		<b>1,227</b>	<b>2,577</b>	<b>5,091</b>	<b>4,265</b>	<b>9,432</b>
Selling expenses		-48	-54	-106	-61	-300
Administrative expenses		-163	-152	-332	-272	-566
Research and development expenses		-197	-333	-410	-610	-1,172
Other operating income		13	474	30	497	755
Other operating expenses		-14	-21	-17	-68	-85
<b>Operating profit/loss</b>		<b>818</b>	<b>2,491</b>	<b>4,256</b>	<b>3,751</b>	<b>8,064</b>
<b>Earnings from financial items:</b>		<b>591</b>	<b>789</b>	<b>1,225</b>	<b>922</b>	<b>3,251</b>
<b>Profit/loss after financial items</b>		<b>1,409</b>	<b>3,280</b>	<b>5,481</b>	<b>4,673</b>	<b>11,315</b>
Appropriations		–	–	–	–	408
<b>Profit/loss before tax</b>		<b>1,409</b>	<b>3,280</b>	<b>5,481</b>	<b>4,673</b>	<b>11,723</b>
Tax		-228	-572	-1,067	-847	-2,380
<b>Comprehensive income for the year<sup>1)</sup></b>		<b>1,181</b>	<b>2,708</b>	<b>4,414</b>	<b>3,826</b>	<b>9,343</b>

<sup>1)</sup> Profit/loss for the period corresponds to comprehensive income for the period.

## Balance sheet

MSEK	Note	30 Jun 2025	30 Jun 2024	31 Dec 2024
<b>Assets</b>				
<b>Non-current assets</b>				
Intangible assets		1,209	1,221	1,209
Property, plant and equipment for operations		33,174	30,666	32,253
Property, plant and equipment for urban transformation		14,094	10,712	14,370
<b>Financial assets</b>				
Interests in subsidiaries		3,321	2,921	3,321
Interests in associates and jointly controlled entities		810	1,159	797
Receivables from Group companies		2,226	2,275	2,360
Other non-current securities		3,227	3,227	3,227
Other non-current receivables		72	86	72
Deferred tax asset		760	886	760
<b>Total financial assets</b>		<b>10,416</b>	<b>10,554</b>	<b>10,537</b>
<b>Total non-current assets</b>		<b>58,893</b>	<b>53,153</b>	<b>58,369</b>
<b>Current assets</b>				
Inventories		7,236	7,525	7,129
<b>Current receivables</b>				
Accounts receivable		2,300	2,342	3,043
Receivables from Group companies		1,117	865	783
Other current receivables		1,419	1,808	2,567
Prepaid expenses and accrued income		346	532	732
<b>Total current receivables</b>		<b>5,182</b>	<b>5,547</b>	<b>7,125</b>
Current investments		24,192	25,927	25,872
Cash and bank balances		2,579	988	3,696
<b>Total current assets</b>		<b>39,189</b>	<b>39,987</b>	<b>43,822</b>
<b>Total assets</b>		<b>98,082</b>	<b>93,140</b>	<b>102,191</b>

# Parent Company

## Balance sheet

MSEK	Note	30 Jun 2025	30 Jun 2024	31 Dec 2024
Equity and liabilities				
<b>Equity</b>				
Restricted equity				
Share capital		700	700	700
Statutory reserve		697	697	697
Non-restricted equity				
Profit/loss brought forward		61,167	56,224	56,224
Profit/loss for the period		4,414	3,826	9,343
<b>Total equity</b>		<b>66,979</b>	<b>61,447</b>	<b>66,964</b>
Untaxed reserves		10,145	10,277	10,145
Provisions				
Provisions, urban transformation		10,427	8,827	11,273
Other provisions		1,535	1,705	1,532
<b>Total provisions</b>		<b>11,962</b>	<b>10,532</b>	<b>12,805</b>

MSEK	Note	30 Jun 2025	30 Jun 2024	31 Dec 2024
Non-current liabilities				
Other non-current liabilities		–	24	–
<b>Total non-current liabilities</b>		<b>–</b>	<b>24</b>	<b>–</b>
Current liabilities				
Bond loans		–	1,998	2,000
Liabilities to credit institutions		–	578	–
Trade payables		1,780	2,827	2,137
Liabilities to Group companies		898	1,003	1,151
Current tax liabilities		199	–	973
Other current liabilities		437	147	215
Accrued expenses and deferred income		1,949	1,218	2,480
Provisions for urban transformation		2,817	2,143	2,683
Other provisions		916	946	638
<b>Total current liabilities</b>		<b>8,996</b>	<b>10,860</b>	<b>12,277</b>
<b>Total equity and liabilities</b>		<b>98,082</b>	<b>93,140</b>	<b>102,191</b>

## Employees

MSEK	Q2 2025	Q2 2024	Full year 2024
Average number of employees	4,854	4,866	4,707
– of which women	1,364	1,324	1,289
– of which men	3,490	3,542	3,418

# Notes

## Note 1 Accounting policies

This interim report was prepared in accordance with IAS 34, Interim Financial Reporting, and applicable regulations in the Annual Accounts Act. Disclosures in accordance with IAS 34 are provided both in notes and elsewhere in the interim report. The Parent Company's financial statements are prepared in accordance with the Swedish Annual Accounts Act and the Swedish Corporate Reporting Board's recommendation RFR 2, Accounting for Legal Entities.

All amounts are presented in SEK millions (MSEK) unless otherwise indicated. Rounding differences may occur. The English version of LKAB's interim report is a translation of the Swedish original version. In case of discrepancies, the Swedish version shall prevail.

The accounting policies and calculation methods applied in this interim report conform to the accounting policies applied in the preparation of the 2024 annual accounts including the consolidated accounts. For further information concerning the Group's accounting policies, refer to LKAB's Annual and Sustainability Report for 2024. New and amended standards and interpretations from the IASB are not assessed to have any material impact on the consolidated financial statements.

## Note 3 Segment reporting

Segment information is provided on pages 7–9 of the interim report.

### The segments in summary

MSEK	Iron Ore business area		Special Products business area		Other segments		Group-related adjustments and eliminations		Group	
	Q1–Q2 2025	Q1–Q2 2024	Q1–Q2 2025	Q1–Q2 2024	Q1–Q2 2025	Q1–Q2 2024	Q1–Q2 2025	Q1–Q2 2024	Q1–Q2 2025	Q1–Q2 2024
External income	14,913	13,520	2,072	1,857	457	-55	–	–	17,442	15,322
Internal income	411	334	1,161	1,273	56	50	-1,628	-1,657	0	0
<b>Total income</b>	<b>15,324</b>	<b>13,854</b>	<b>3,233</b>	<b>3,130</b>	<b>513</b>	<b>-5</b>	<b>-1,628</b>	<b>-1,657</b>	<b>17,442</b>	<b>15,322</b>
Cost of goods sold	-9,854	-8,697	-2,728	-2,582	-661	-733	1,642	1,552	-11,601	-10,460
<b>Gross profit/loss</b>	<b>5,470</b>	<b>5,157</b>	<b>505</b>	<b>548</b>	<b>-148</b>	<b>-738</b>	<b>14</b>	<b>-105</b>	<b>5,841</b>	<b>4,862</b>
<b>Operating profit/loss</b>	<b>4,345</b>	<b>4,336</b>	<b>255</b>	<b>282</b>	<b>52</b>	<b>-494</b>	<b>60</b>	<b>-88</b>	<b>4,711</b>	<b>4,036</b>
Net financial income/expense									643	1,613
<b>Profit/loss before tax</b>									<b>5,355</b>	<b>5,649</b>

## Note 4 Revenue breakdown

Revenue from contracts with customers for the segments is reported below broken down by product/service area and region. The table also includes a reconciliation between the revenue breakdown and total external income according to Note 3.

Group	Iron Ore business area		Special Products business area		Other segments		Group	
MSEK	Q1-Q2 2025	Q1-Q2 2024	Q1-Q2 2025	Q1-Q2 2024	Q1-Q2 2025	Q1-Q2 2024	Q1-Q2 2025	Q1-Q2 2024
Product/service area								
Pellets	13,660	12,560	–	–	–	–	13,660	12,560
Fines	1,047	722	–	–	–	–	1,047	722
Magnetite	–	–	855	559	–	–	855	559
Mineral sands	–	–	148	95	–	–	148	95
Other industrial minerals	–	–	818	865	–	–	818	865
Mining and construction services	–	–	251	338	–	–	251	338
Other	206	238	–	–	8	9	214	247
<b>Total</b>	<b>14,913</b>	<b>13,520</b>	<b>2,072</b>	<b>1,857</b>	<b>8</b>	<b>9</b>	<b>16,993</b>	<b>15,386</b>
Region								
Europe	9,950	9,256	1,325	1,385	8	9	11,283	10,650
MENA	4,584	3,239	14	101	–	–	4,598	3,340
Rest of World	379	1,025	733	371	–	–	1,112	1,396
<b>Total</b>	<b>14,913</b>	<b>13,520</b>	<b>2,072</b>	<b>1,857</b>	<b>8</b>	<b>9</b>	<b>16,993</b>	<b>15,386</b>
Revenue from contracts with customers	14,913	13,520	2,072	1,857	8	9	16,993	15,386
Other income – financing activities	–	–	–	–	449	-64	449	-64
<b>Total external income</b>	<b>14,913</b>	<b>13,520</b>	<b>2,072</b>	<b>1,857</b>	<b>457</b>	<b>-55</b>	<b>17,442</b>	<b>15,322</b>

## Note 5 Disclosures regarding financial instruments

The table below shows the financial instruments measured at fair value in the statement of financial position.

### Group 30 Jun 2025

MSEK	Level 1	Level 2	Level 3	Total
Shares, financial investments	6,096	7	–	6,103
Share-based instruments, current investments	–	2,352	–	2,352
Interest-bearing instruments, current investments	–	21,688	–	21,688
Derivatives	–	103	–	103
<b>Total</b>	<b>6,096</b>	<b>24,150</b>	<b>–</b>	<b>30,246</b>

### Group 30 Jun 2024

MSEK	Level 1	Level 2	Level 3	Total
Shares, financial investments	6,272	7	–	6,279
Share-based instruments, current investments	–	10,633	–	10,633
Interest-bearing instruments, current investments	–	18,180	–	18,180
Derivatives	–	-16	–	-16
<b>Total</b>	<b>6,272</b>	<b>28,803</b>	<b>–</b>	<b>35,075</b>

### Fair value measurement

The following summarises the methods and assumptions mainly used in determining the fair value of financial instruments reported in the table above. Disclosures relating to fair value measurement are based on a fair value hierarchy with three levels.

Level 1 means quoted prices in an active market, such as stock market listings. Level 2 means observable market data other than quoted prices, either direct (such as quoted prices) or indirect (derived from quoted prices). Level 3 means the fair value is determined using inputs that are not based on directly observable market data.

The measurement of fair value for current investments is based mainly on Level 2 inputs. The value of interest-bearing instruments is calculated using data from the interest-bearing securities market, obtained from Bloomberg. Share-based instruments are measured using inputs from the stock market or received directly from brokers. Fair values for derivatives are calculated based on official listings from Bloomberg with the exception of derivatives relating to the commodities portfolio, which are based on quoted market prices.

### Fair value of other assets and liabilities

The carrying amount of other financial assets and liabilities is estimated to be a reasonable approximation of fair value.



## Note 6 Pledged assets and contingent liabilities, Parent Company

The segments in summary MSEK	30 Jun 2025	30 Jun 2024	31 Dec 2024
<i>As pledged assets for own liabilities and provisions</i>			
Company-owned endowment insurance	70	84	70
Cash deposits	120	116	120
Collateral provided, derivatives	0	208	176
<b>Total pledged assets</b>	<b>190</b>	<b>408</b>	<b>366</b>

Contingent liabilities MSEK	30 Jun 2025	30 Jun 2024	31 Dec 2024
Guarantees, FPG/PRI	25	24	24
Guarantees, GP plan	3	3	3
Guarantees, Swedish Tax Agency	63	63	63
Guarantees, Vattenfall	157	157	157
Guarantees, other	21	–	21
Surety given for subsidiaries	134	147	150
Collateral, remediation	245	250	2
Other surety	3	10	247
<b>Total contingent liabilities</b>	<b>651</b>	<b>654</b>	<b>667</b>

## Note 7 Events after the end of the reporting period

During July, the Board of Directors appointed Johan Menckel as the new CEO and Group CEO of LKAB, with the position commencing during the first half of 2026.

## Note 8 Key ratios – disclosures

### Alternative performance measures

The company also presents certain non-IFRS financial benchmarks and key ratios in the interim report.

The management considers this supplementary information to be important if readers of this report are to obtain an understanding of the company's financial position and performance.

#### Definitions

Return on equity	Profit after tax, rolling 12 months, as a percentage of average equity.
Operating cash flow	Cash flow from operating activities and investing activities, excluding current investments.
Net financial indebtedness	Interest-bearing liabilities less interest-bearing assets.
Net debt/equity ratio	Net financial indebtedness divided by equity.

### Operating cash flow

A reconciliation of operating cash flow can be found in the section *Consolidated statement of cash flows*.

Net financial indebtedness MSEK	30 Jun 2025	30 Jun 2024	31 Dec 2024
Loans payable	354	3,114	2,368
Provisions for pensions	698	896	765
Provisions, urban transformation	13,244	10,970	13,956
Provisions, remediation	1,757	1,720	1,734
Less:			
Cash and cash equivalents	-3,409	-1,349	-4,816
Current investments	-24,040	-28,812	-25,823
Financial investments	-423	-441	-424
<b>Net financial indebtedness</b>	<b>-11,819</b>	<b>-13,902</b>	<b>-12,240</b>

Net debt/equity ratio MSEK	30 Jun 2025	30 Jun 2024	31 Dec 2024
Net financial indebtedness	-11,819	-13,902	-12,240
Equity	79,868	76,165	78,795
<b>Net debt/equity ratio, %</b>	<b>-14.8</b>	<b>-18.3</b>	<b>-15.5</b>

Return on equity MSEK	30 Jun 2025	30 Jun 2024	31 Dec 2024
Profit/loss after tax R12	8,486	12,220	8,773
Average equity	78,016	74,801	79,828
<b>Return on equity, %</b>	<b>10.9</b>	<b>16.3</b>	<b>11.0</b>

## Note 9 Quarterly data for the Group

MSEK	Note	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
Net sales		7,820	9,622	9,451	8,373	9,851	5,471	10,798	10,819
Operating profit/loss		1,074	3,638	2,619	2,067	2,666	1,370	3,800	4,987
Net financial income/expense		777	-134	17	599	800	813	986	65
Profit/loss before tax		1,851	3,504	2,636	2,666	3,466	2,183	4,786	5,052
<b>Profit/loss for the period</b>		<b>1,524</b>	<b>2,776</b>	<b>2,069</b>	<b>2,116</b>	<b>2,845</b>	<b>1,743</b>	<b>3,632</b>	<b>4,001</b>
Costs for urban transformation provisions		-77	-130	-66	-127	-63	-57	-56	-221
Depreciation		-789	-741	-852	-716	-723	-732	-749	-733
Expenditures, urban transformation		-303	-340	-369	-497	-295	-583	-314	-545
Investments in property, plant and equipment		-1,252	-1,460	-1,849	-1,393	-1,484	-682	-1,571	-1,244
Operating cash flow		800	1,076	653	1,045	1,505	-1,464	2,412	1,608
Deliveries of iron ore products, Mt		6.1	6.5	6.7	5.9	6.4	3.0	6.5	6.3
Proportion of pellets, %		85	91	87	85	87	95	82	82
Production of iron ore products, Mt		5.8	6.6	5.7	4.9	5.3	6.7	7.0	7.0
Return on equity <sup>1)</sup> , %	8	10.9	11.8	11.0	13.5	16.3	15.4	20.0	19.5
Net debt/equity ratio <sup>1)</sup> , %	8	-14.8	-16.8	-15.5	-16.1	-18.3	-23.3	-23.8	-18.1

<sup>1)</sup> Rolling 12 months.