

# SSAB divests Ruukki Construction's business operations in Russia

**SSAB has agreed to divest Ruukki Construction's business operations in Russia (OOO Ruukki Rus) to Open Joint Stock Company Salavatneftemash. The transaction is expected to complete in Q4 2018 and is subject to the approval of the Russian competition authority. The transaction excludes the right to the Ruukki brand.**

"Our strategy is to achieve profitable growth in the product businesses, Residential Roofing and Building Components, and to grow market share in our current main market areas. In the project business, Building Systems, we want to further improve profitability by developing our project and product portfolio. We have been exploring opportunities to discontinue Ruukki Construction's local business operations in Russia. Our business in Russia has decreased and the outlook is fairly unclear. Having found a suitable buyer, we can now go ahead with the transaction. The Russian business is completely independent and the transaction will therefore have no implications for our operations in other countries," says **Sami Eronen**, President of Ruukki Construction.

The buyer is the Russian company OOO Salavatneftemash.

Ruukki's business operations in Russia now being divested had sales of approximately SEK 400 million in 2017. This compares to Ruukki Construction's total sales of around SEK 5.8 billion during the same period. The divestment will have no significant impact on Ruukki Construction's earnings.

Ruukki Construction's business operations in Russia largely consist of building frame and envelope structures. Logistics, agricultural, industrial and commercial construction are Ruukki Construction's most important customer segments in Russia. The transaction now being completed excludes residential roofing products. However, in the same context Ruukki Construction will withdraw from the local roofing business operations in Russia.

Ruukki Construction's business operations in Russia employ a total of some 630 people. Except for around 45 employees in the roofing business, the employees will transfer under the transaction. The production facilities being transferred in the transaction are located in Obninsk and Balabanova in the Kaluga region. Ruukki Construction has a total of around 2,500 employees.

**For further information, please contact:**

Viktoria Karsberg, Head of Corporate Identity and Group Communications,  
Viktoria.karsberg@ssab.com, phone: +46 722 33 52 88

SSAB is a Nordic and US-based steel company. SSAB offers value added products and services developed in close cooperation with its customers to create a stronger, lighter and more sustainable world. SSAB has employees in over 50 countries. SSAB has production facilities in Sweden, Finland and the US. SSAB is listed on Nasdaq Stockholm and has a secondary listing on Nasdaq Helsinki. [www.ssab.com](http://www.ssab.com).

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