



## Report for the first quarter of 2012

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## The quarter

- Sales were largely unchanged and amounted to SEK 11,023 (11,056) million
- Operating profit of SEK 479 (621) million
- Profit after financial items of SEK 329 (509) million
- Earnings per share of SEK 0.87 (1.16)
- Operating cash flow improved to SEK 1,887 (242) million and cash flow from current operations to SEK 1,684 (-89) million
- Shipments of niche products now account for 39 (37)% of steel shipments

## Key numbers

SEK millions	2012 Q 1	2011 Q 1	Apr 11- Mar 12	2011 Full year
Sales	11,023	11,056	44,607	44,640
Operating profit before depreciation/amortization	1,108	1,193	4,772	4,857
Operating profit	479	621	2,370	2,512
Profit after financial items	329	509	1,818	1,998
Profit after tax	281	391	1,450	1,560
Earnings per share (SEK)	0.87	1.16	4.52	4.82
Operating cash flow	1,887	242	4,466	2,821
Return on equity after tax (%)	-	-	5	5
Net debt/equity ratio (%)	57	61	57	60
Equity ratio incl. non-controlling interests (%)	49	48	49	49

*(In the report, amounts in brackets refer to the corresponding period of last year. The comparison period has been adjusted as a consequence of changed accounting principles; for details, see page 12).*

## Comments by the CEO

As expected, the first quarter of 2012 was characterized by a degree of inventory replenishment in the market, at the same time as spot market prices increased. However, as far as SSAB was concerned, quarterly prices during the first quarter were lower compared with the fourth quarter 2011 due to the fact that many of our sales agreements were signed at the end of 2011, at a time when there was clear pressure on prices.

Demand improved during the first quarter, with Material Handling and large construction equipment within Construction Machinery being the strongest segments, together with large parts of the energy sector in North America.

Our efforts to optimize working capital are continuing to show results, and we were able to report an operating cash flow of SEK 1.9 billion for the first quarter. The cost efficiency program initiated within the EMEA business area is proceeding according to plan, and among other things approximately 200 white collar positions will be phased out.

During the quarter, we resumed operation of our larger blast furnace in Oxelösund, at the same time as we are now making preparations for suspension of production at the smaller blast furnace. A gas pipe breakdown at the plant in Oxelösund resulted in a 10-day outage in production, with approximately 10 thousand tonnes of production loss. It has been possible to make up for some of the loss in production, and a full assessment of the effect can be made during the second quarter.

Prospects for the future indicate a continuation of the recovery in North America, while developments in Europe are uncertain. Despite signs of a lower degree of growth rate in China, we see continued great opportunities for our products, both there as well as in the rest of Asia. As a consequence of the price rises we witnessed on the spot market during the first quarter, we anticipate some price increases, especially within EMEA, during the second quarter.

During the second quarter, we will also experience the impact on earnings of the 12 percent reduction in iron ore prices which entered into effect for deliveries for the first quarter. No iron ore price

agreement has yet been signed for the second quarter and onwards. So far this year, spot prices for coal have remained stable at levels which are more than 10 percent lower than the levels at which we purchased coal in the autumn of 2011, while spot prices for scrap metal in North America fell by approximately five percent during the quarter.

Our major capital expenditure projects aimed at further strengthening our position on the quenched steels market have now begun to be brought into commission. Through these projects, we will be able to expand our customer offering of our unique range of quenched steels. The investments will enable us to achieve our goal that high strength steels will account for 50% of our shipments in 2015. It also means that capital expenditures this year will be significantly lower than last year, which will contribute to achieving our ambition of further reducing the net debt/equity ratio.

#### Sales per business area

	2012 Q 1	2011 Q 1	Apr 11- Mar 12	2011 Full year
SEK millions				
SSAB EMEA	5,780	6,071	23,477	23,768
SSAB Americas	4,609	3,984	17,724	17,099
SSAB APAC	585	690	2,706	2,811
Tibnor	1,771	1,951	7,064	7,244
Other	-1,722	-1,640	-6,364	-6,282
<b>Total</b>	<b>11,023</b>	<b>11,056</b>	<b>44,607</b>	<b>44,640</b>

#### Operating profit per business area

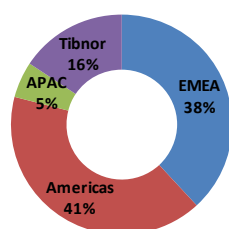
	2012 Q 1	2011 Q 1	Apr 11- Mar 12	2011 Full year
SEK millions				
SSAB EMEA	-124	236	289	649
SSAB Americas	670	383	2,396	2,109
SSAB APAC	65	102	287	324
Tibnor	105	128	231	254
Depreciation/amortization on surplus values 1)	-197	-189	-766	-758
Other	-40	-39	-67	-66
<b>Total</b>	<b>479</b>	<b>621</b>	<b>2,370</b>	<b>2,512</b>

#### Operating margin per business area

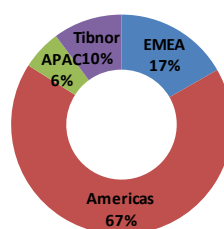
	2012 Q 1	2011 Q 1	Apr 11- Mar 12	2011 Full year
%				
SSAB EMEA	-2.1	3.9	1.2	2.7
SSAB Americas	14.5	9.6	13.5	12.3
SSAB APAC	11.1	14.8	10.6	11.5
Tibnor	5.9	6.6	3.3	3.5
<b>Total</b>	<b>4.3</b>	<b>5.6</b>	<b>5.3</b>	<b>5.6</b>

1) Depreciation and amortization on surplus values on intangible and tangible fixed assets related to the acquisition of IPSCO.

Share of external sales 2012



Share of EBITDA 2012



## The market

According to the World Steel Association (WSA), global crude steel production during the first quarter amounted to 377 (373) million tonnes, an increase of 1% compared with the same period of 2011. China accounted for 46 (46)% of the global crude steel production.

A degree of inventory replenishment at customers took place during the first quarter following the pronounced destocking that occurred during the fourth quarter of 2011. Our assessment is that the customers' inventories are now at a normal level relative to their sales. Demand strengthened during the first quarter, with Material Handling and large construction equipment within Construction Machinery being the strongest segments, along with large parts of the energy sector in North America.

Spot market prices for hot rolled strip and plate products in northern Europe rose during the first quarter, after having declined during most of 2011. In China, prices of both strip and plate products rose during the first quarter. In North America, market prices for plate products rose at the beginning of the first quarter but, following a degree of price pressure from imported steel, subsequently fell back to approximately the same level as during the final quarter of last year.

## Raw materials

The price agreement for iron ore deliveries during the first quarter of 2012 was signed at the beginning of the year and entailed a reduction of 12% in USD compared with the price for deliveries during the fourth quarter of 2011. The price reduction will impact on earnings during the second quarter. No new price agreement has yet been signed regarding iron ore deliveries for the second quarter and onwards.

SSAB purchases approximately 60% of its annual coal requirements from Australia, and the remainder from the US. Price agreements for Australian coal are currently entered into on a monthly basis. Due to the winter inventories, no coal was delivered during the first quarter, but spot prices during the quarter were stable on levels which were more than 10% lower than in the autumn of 2011. Coal purchases from the US take place under annual agreements. Agreements for approximately 75% of SSAB's American coal purchases for 2012 have been signed at prices which are more than 30% lower than the price in 2011. The full impact on earnings of the lower coal prices will not be felt until the third quarter of 2012.

The American operations regularly purchase scrap metal as a raw material for their production. Spot prices for scrap metal in North America fell by approximately 5% between the beginning of the year and the end of March.

## Prospects

During the first quarter, the capital expenditure project in Borlänge, Sweden was brought into commission, thereby increasing quenched steel capacity by 300 thousand tonnes. The investment in the new quenching line in Mobile, USA, with a capacity for 200 thousand tonnes of quenched steel, will be brought into commission during the second quarter. These capital expenditure projects will enable SSAB to increase quenched steel volumes gradually during the year, and thus make the target of niche products accounting for 50% of volumes in 2015 possible to reach.

The recovery in North America is expected to continue during the second quarter, while developments in Europe are more difficult to assess due to the sovereign debt crisis. Demand in Asia is expected to remain stable.

Production will be regularly adjusted to prevailing demand. During the first quarter, the larger blast furnace in Oxelösund, which has been out of operation since the summer of 2011, was started up again, while the smaller blast furnace is planned to be idled at the beginning of May. Production at the North American plants is expected to continue on a normal level.

Due to the announced price increases on as yet non-contracted shipments, SSAB's prices are expected to increase somewhat compared with the previous quarter (especially within EMEA).

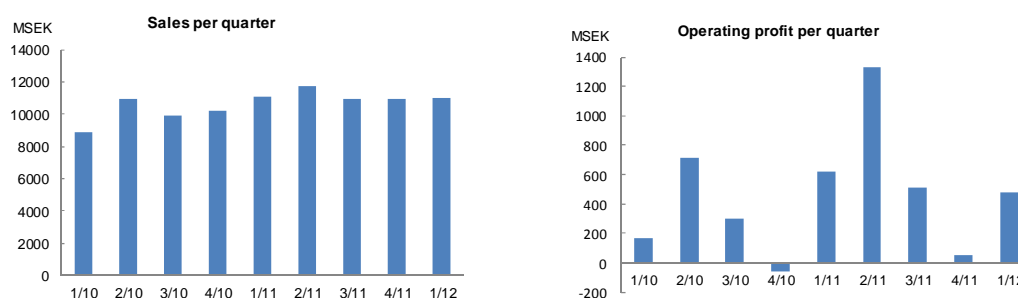
## The Group

### Development during the first quarter

#### Shipments and production

SSAB's shipments during the first quarter increased by 8% compared with the fourth quarter of 2011, but were 6% lower than in the first quarter of 2011. Shipments amounted to 1,174 (1,251) thousand tonnes. Shipments of niche products increased by 17% compared with the fourth quarter of 2011 and were on the same level as in the first quarter of 2011. All in all, during the first quarter of 2012 niche products accounted for 39 (37)% of total shipments.

Crude steel production fell by 7% and steel production by 9% compared with the first quarter of 2011, but was 12% and 9% higher respectively than in the fourth quarter of 2011.



#### Sales

Sales during the first quarter amounted to SEK 11,023 (11,056) million. Higher prices accounted for a positive effect of 2 percentage points, an improved mix and currency effects accounted for 5 percentage points, while lower volumes accounted for a negative effect of 7 percentage points compared with the first quarter 2011.

#### Earnings

Operating profit for the first quarter weakened by SEK 142 million compared with the first quarter of last year and amounted to SEK 479 (621) million.

#### Changes in operating profit between the first quarter of 2012 and 2011 (SEK millions)

Steel operations	
- Higher prices	270
- Lower volumes	-140
- Lower capacity utilization (under-absorption)	-200
- Lower variable production costs	30
- Sales of byproducts	-85
Tibnor	
- Lower volumes, changed mix and margins	-41
Fixed costs	0
Other	24
<b>Change in operating profit</b>	<b>-142</b>

Financial items for the first quarter were SEK -150 (-112) million and profit after financial items was SEK 329 (509) million.

**Profit after tax and earnings per share**

Profit after tax (attributable to the shareholders) for the first quarter was SEK 281 (377) million or SEK 0.87 (1.16) per share. Tax for the first quarter was SEK -48 (-118) million.

**Financing and liquidity**

The operating cash flow for the first quarter was SEK 1,887 (242) million. The cash flow was positively affected by operating profit and lower working capital, primarily due to reduced inventories.

**Operating cash flow**

SEK millions	2012 Q 1	2011 Q 1	Apr 11- Mar 12	2011 Full year
Operating profit before amortization/depreciation	1,108	1,193	4,772	4,857
Change in working capital	952	-793	918	-827
Maintenance expenditures	-164	-150	-1,293	-1,279
Other	-9	-8	69	70
<b>Operating cash flow</b>	<b>1,887</b>	<b>242</b>	<b>4,466</b>	<b>2,821</b>

Net cash flow amounted to SEK 1,450 (-484) million. Net cash flow was affected by, among other things, capital expenditure payments of SEK 429 (500) million (of which strategic capital expenditures of SEK 265 (350) million). Net debt fell by SEK 1,778 million during the first quarter and, as per March 31, amounted to SEK 16,697 (17,365) million. The net debt/equity ratio declined by three percentage points compared with the preceding quarter and was 57%.

**Operating cash flow per business area**

SEK millions	2012 Q 1	2011 Q 1	Apr 11- Mar 12	2011 Full year
SSAB EMEA	1,198	210	2,249	1,261
SSAB Americas	699	65	1,930	1,296
SSAB APAC	-79	-93	38	24
Tibnor	95	79	372	356
Other	-26	-19	-123	-116
<b>Operating cash flow</b>	<b>1,887</b>	<b>242</b>	<b>4,466</b>	<b>2,821</b>
Financial items	-104	-106	-479	-481
Taxes	-99	-225	-14	-140
<b>Cash flow from current operations</b>	<b>1,684</b>	<b>-89</b>	<b>3,973</b>	<b>2,200</b>
Strategic capital expenditures	-265	-350	-1,747	-1,832
Acquisitions of businesses and operations	-	-	-99	-99
Divested businesses and operations	31	-	31	-
<b>Cash flow before dividend and financing</b>	<b>1,450</b>	<b>-439</b>	<b>2,158</b>	<b>269</b>
Dividend to the Parent Company's shareholders	-	-	-648	-648
Dividend to minority in Tibnor	-	-45	-	-45
Acquisition of minority in Tibnor	-	0	-393	-393
<b>Net cash flow</b>	<b>1,450</b>	<b>-484</b>	<b>1,117</b>	<b>-817</b>
<b>Net debt at beginning of period</b>	<b>-18,475</b>	<b>-17,589</b>	<b>-17,365</b>	<b>-17,589</b>
Net cash flow	1,450	-484	1,117	-817
Revaluation of liabilities against equity 1)	457	826	-524	-155
Currency effects 2)	-129	-118	75	86
<b>Net debt at end of period</b>	<b>-16,697</b>	<b>-17,365</b>	<b>-16,697</b>	<b>-18,475</b>

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

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

As per March 31, the term to maturity on the total loan portfolio averaged 5.3 (3.1) years, with an average fixed interest period of 1.2 (0.7) years. Of the loan portfolio of SEK 18,479 (19,249) million, SEK 917 (2,045) million comprised short-term commercial paper including day loans and SEK 17,562 (17,204) million comprised long-term financing with an average term to maturity of 5.6 (3.3) years.

#### **The Group's liquidity preparedness**

	<b>2012</b>	2011
SEK millions	<b>Q 1</b>	Q 1
Cash and cash equivalents	<b>1,670</b>	1,129
Committed long-term credit facilities	<b>11,406</b>	11,423
<b>Liquidity preparedness</b>	<b>13,076</b>	12,552
<i>- as a percentage of annual sales (rolling 12 months)</i>	<b>29%</b>	30%
Less commercial paper	<b>-917</b>	-2,045
<b>Liquidity preparedness excluding commercial paper</b>	<b>12,159</b>	10,507
<i>- as percentage of annual sales (rolling 12 months)</i>	<b>27%</b>	25%

In April 2012, the term to maturity was extended in one of our committed credit facilities at the same time as we reduced the amount somewhat.

#### **Return on capital employed/equity**

The return on capital employed before tax and return on equity after tax for the most recent twelve-month period were both 5%, which are the same levels as for the full year of 2011.

#### **Equity**

Following the addition of profit for the year of SEK 281 million attributable to the Company's shareholders and other comprehensive income of SEK -961 million (primarily comprising translation differences), and after deduction of decided upon dividends of SEK 648 million, the shareholders' equity in the Company amounted to SEK 29,440 (28,482) million, corresponding to SEK 90.88 (87.93) per share.

#### **Dividends**

At the Annual General Meeting held on March 26, 2012, a resolution was adopted to issue a dividend of SEK 2.00 (2.00) per share, totaling SEK 648 (648) million. The dividend was disbursed on April 3, and is thus reported at the end of the quarter as a debt.

#### **Capital expenditures**

Capital expenditures during the first quarter amounted to SEK 429 (500) million, of which SEK 265 (350) million involved strategic capital expenditure projects. No business acquisitions took place during the quarter.

**SSAB EMEA**

	<b>2012</b>	2011	<b>Apr 11-</b>	2011
SEK millions	<b>Q 1</b>	Q 1	<b>Mar 12</b>	Full year
Sales	<b>5,780</b>	6,071	<b>23,477</b>	23,768
Operating profit	<b>-124</b>	236	<b>289</b>	649
Operating cash flow	<b>1,198</b>	210	<b>2,249</b>	1,261
Number of employees at end of period	<b>6,676</b>	6,621	<b>6,676</b>	6,742

The first quarter was characterized by a wait-and-see approach from most customers. However, demand from the Construction Machinery segment remained stable, and parts of Heavy Transport also demonstrated continued good demand.

Steel shipments increased by 12% compared with the fourth quarter of 2011 but declined by 11% compared with the first quarter of 2011, and amounted to SEK 511 (571) thousand tonnes. Shipments of niche products increased by 19% compared with the fourth quarter but declined by 3% compared with the first quarter of 2011, and amounted to 227 (233) thousand tonnes. Shipments of niche products thereby accounted for 44 (41)% of total shipments.

Price agreements signed during the fourth quarter of 2011 had a negative impact on prices during the first quarter of 2012. See the table below.

Due to continued curtailed production, crude steel production fell by 12% compared with the first quarter of 2011. In March, the larger blast furnace in Oxelösund, which has been out of operation since the summer of 2011, was started up again, while the smaller furnace is planned to be idled at the beginning of May. Steel production fell by 17% compared with the same period of 2011. At the end of March, a gas pipe breakdown at the plant in Oxelösund resulted in a 10-day outage in production.

Sales declined by 5% compared with the first quarter of 2011 and amounted to SEK 5,780 (6,071) million. An improved product mix accounted for a positive effect of 4 percentage points, while lower volumes accounted for a negative effect of 7 percentage points, and lower prices and currency effects for a negative effect of 2 percentage points.

Operating profit for the quarter was SEK -124 (236) million, which is SEK 360 million lower than in the first quarter of 2011. The weaker result is primarily due to lower capacity utilization, lower prices and lower volumes.

Operating cash flow during the first quarter was SEK 1,198 (210) million. Cash flow was positively affected by lower working capital, primarily due to lower inventories.

Capital expenditures during the quarter amounted to SEK 187 (270) million, of which SEK 52 (154) million involved strategic capital expenditures. The project for the production of quenched steels at the plant in Borlänge was brought into commission during the first quarter of 2012.

<b>Price analysis</b>	Standard	Niche
<b>quarter 4/11 to 1/12</b>	steels	steels
Price change, local currency	-5%	-5%
Changed product mix	1%	1%
Exchange rate movements	-1%	-2%
Net price change	-5%	-6%



**SSAB Americas**

	<b>2012</b>	2011	<b>Apr 11-</b>	2011
SEK millions	<b>Q 1</b>	Q 1	<b>Mar 12</b>	Full year
Sales	<b>4,609</b>	3,984	<b>17,724</b>	17,099
Operating profit 1)	<b>670</b>	383	<b>2,396</b>	2,109
Operating cash flow	<b>699</b>	65	<b>1,930</b>	1,296
Number of employees at end of period	<b>1,363</b>	1,244	<b>1,363</b>	1,338

1) Excluding depreciation and amortization on surplus values on intangible and tangible fixed assets.

Demand during the first quarter remained good from most segments - the mining industry within the Material Handling segment, from parts of Construction Machinery, as well as from the Energy segment. Automotive also demonstrated continued good demand.

Steel shipments were 7% higher than in the fourth quarter of 2011 but on the same level as in the first quarter of 2011, and amounted to 622 (623) thousand tonnes. Shipments of niche products were 29% higher than in the fourth quarter and 14% higher than in the first quarter of 2011. Shipments of niche products amounted to 193 (170) thousand tonnes and thereby accounted for 31 (27)% of total shipments during the first quarter.

Prices for both standard steels and niche steels increased somewhat in USD compared with the fourth quarter of 2011. See the table below.

Both crude steel production and steel production were at the same levels as in the first quarter of 2011.

Sales during the first quarter increased by 16% compared with the first quarter of 2011, and amounted to SEK 4,609 (3,984) million. Higher prices accounted for a positive effect of 9 percentage points, an improved product mix for a positive effect of 2 percentage points, and volume and currency effects accounted for a positive effect of 5 percentage points.

Operating profit for the quarter was SEK 670 (383) million, an improvement of SEK 287 million. Higher prices and the impact of the maintenance outage last year were the primary explanations for the improved result.

The operating cash flow during the first quarter was SEK 699 (65) million. Cash flow was negatively affected by a slight increase in working capital.

Capital expenditures during the quarter amounted to SEK 213 (232) million, of which SEK 192 (201) million involved strategic capital expenditure projects. The largest ongoing project comprises the construction of a second quenching line in Mobile, Alabama in order to increase quenched steel production capacity by approximately 200 thousand tonnes. The quenching line is expected to be brought into full commission during the second quarter of 2012.

<b>Price analysis</b>	Standard	Niche
<b>quarter 4/11 to 1/12</b>	steels	steels
Price change, local currency	1%	1%
Changed product mix	1%	-2%
Exchange rate movements	0%	0%
Net price change in USD	2%	-1%

**SSAB APAC**

	<b>2012</b>	2011	<b>Apr 11-</b>	2011
SEK millions	<b>Q 1</b>	Q 1	<b>Mar 12</b>	Full year
Sales	<b>585</b>	690	<b>2,706</b>	2,811
Operating profit	<b>65</b>	102	<b>287</b>	324
Operating cash flow	<b>-79</b>	-93	<b>38</b>	24
Number of employees at end of period	<b>182</b>	118	<b>182</b>	171

During the first quarter, underlying demand (especially for quenched steels), remained good in China and Australia, but shipments declined due to inventory reductions at customers, primarily within the Automotive segment and the mobile crane industry within Construction Machinery. Demand remained strong within the Materials Handling segment and from manufacturers of large construction equipment within Construction Machinery.

Shipments of niche products fell by 25% compared with the fourth quarter of 2011 and by 30% compared with the first quarter of 2011. Shipments of niche products amounted to 39 (56) thousand tonnes and accounted for 95 (98)% of total shipments.

Niche steel prices in local currencies increased by 2% compared with the fourth quarter of 2011. See the table below.

Sales declined by 15% compared with the first quarter of 2011 and amounted to SEK 585 (690) million. Higher prices accounted for a positive effect of 2 percentage points, an improved product mix for a positive effect of 7 percentage points, and currency effects for a positive effect of 4 percentage points, while lower volumes accounted for a negative effect of 28 percentage points.

Operating profit for the quarter was SEK 37 million lower at SEK 65 (102) million. The weaker result was primarily due to lower volumes.

The operating cash flow for the first quarter was SEK -79 (-93) million. Cash flow was negatively affected by increased inventories.

Capital expenditures during the quarter amounted to SEK 22 (23) million, of which SEK 21 (23) million involved strategic capital expenditures. The largest ongoing project comprises the finishing line in Kunshan, China. Testing of the line – which has capacity for cutting to size, blasting and organic coating – began during the first quarter. It is expected to be brought into full commission during the second quarter of 2012. The investment also includes a research and development center which will focus on processing and applications development of high strength steels.

<b>Price analysis</b>	Niche
<b>quarter 4/11 to 1/12</b>	steels
Price change, local currency	2%
Changed product mix	6%
Exchange rate movements	0%
<b>Net price change</b>	<b>8%</b>

**Tibnor**

	<b>2012</b>	2011	<b>Apr 11-</b>	2011
SEK millions	<b>Q 1</b>	Q 1	<b>Mar 12</b>	Full year
Sales	<b>1,771</b>	1,951	<b>7,064</b>	7,244
Operating profit	<b>105</b>	128	<b>231</b>	254
Operating cash flow	<b>95</b>	79	<b>372</b>	356
Number of employees at end of period	<b>777</b>	780	<b>777</b>	798

Total shipments during the first quarter increased by 8% compared with the fourth quarter of 2011, but were 6% lower than in the first quarter of 2011. Tibnor's shipments of strip products increased compared with the fourth quarter of last year but declined compared with the first quarter of 2011.

Sales were 9% lower than in the first quarter of 2011 and amounted to SEK 1,771 (1,951) million. The decrease is due to lower prices (negative effect of 3 percentage points) and lower volumes (negative effect of 6 percentage points).

Operating profit for the first quarter was SEK 23 million lower at SEK 105 (128) million. Profit was affected by a write-down of inventories in the amount of SEK -4 (-) million.

The operating cash flow during the first quarter was SEK 95 (79) million. Cash flow was negatively affected by an increase in accounts receivable.

### **Risks and uncertainties**

For information regarding material risks and uncertainty factors, reference is made to the detailed description in the 2011 Annual Report. No material new or changed risks and uncertainty factors were identified during the quarter.

### **Accounting principles**

This quarterly report has been prepared in accordance with IAS 34.

The accounting principles are based on International Financial Reporting Standards as adopted by the EU and consequential references to Chapter 9 of the Annual Accounts Act. The accounts of the Parent Company have been prepared in accordance with RFR 2 and the Annual Accounts Act.

During 2011, the Group changed accounting principles and, for details, reference is made to the 2011 Annual Report. The most important effects on reporting for the first quarter of 2011 are that Operating profit is positively affected in the amount of SEK 5 million; Profit for the period after tax is negatively affected by SEK 13 million; and Total comprehensive income is negatively affected by SEK 9 million. In the balance sheet as per March 31, 2011, Shareholders' equity was reduced by SEK 64 million, while Long-term, deferred income increased by SEK 64 million.

No material changes in accounting principles have taken place since the results for 2011.

### **Review report**

This quarterly report has not been reviewed by the auditors.

Stockholm, April 26, 2012



Martin Lindqvist  
President and CEO

**Consolidated income statement**

	2012	2011	Apr 11-	2011
SEK millions	Q 1	Q 1	Mar 12	Full year
Sales	11,023	11,056	44,607	44,640
Cost of goods sold	-9,852	-9,717	-39,994	-39,859
<b>Gross profit</b>	<b>1,171</b>	1,339	<b>4,613</b>	4,781
Selling and administrative expenses	-686	-693	-2,919	-2,926
Other operating income and expenses	-13	-30	630	613
Affiliated companies, profit after tax	7	5	46	44
<b>Operating profit</b>	<b>479</b>	621	<b>2,370</b>	2,512
Financial income	10	5	40	35
Financial expenses	-160	-117	-592	-549
<b>Profit for the period after financial items</b>	<b>329</b>	509	<b>1,818</b>	1,998
Tax	-48	-118	-368	-438
<b>Profit for the period after tax</b>	<b>281</b>	391	<b>1,450</b>	1,560
Of which attributable to:				
- the Parent Company's shareholders	281	377	1,464	1,560
- non-controlling interests	-	14	-14	-

<b>Key numbers</b>	2012	2011	Apr 11-	2011
	Q 1	Q 1	Mar 12	Full year
Operating margin (%)	4	6	5	6
Return on capital employed before tax (%)	-	-	5	5
Return on equity after tax (%)	-	-	5	5
Earnings per share (SEK) 1)	0.87	1.16	4.52	4.82
Equity per share (SEK)	90.88	87.93	90.88	94.98
Equity ratio including non-controlling interests (%)	49	48	49	49
Net debt/equity ratio (%)	57	61	57	60
Average number of shares during the period (millions)	323.9	323.9	323.9	323.9
Number of shares at end of period (millions)	323.9	323.9	323.9	323.9
Number of employees at end of period	9,057	8,814	9,057	9,107

1) There are no outstanding share instruments, and thus no dilution is relevant.

**Consolidated statement of comprehensive income**

SEK millions	2012 Q 1	2011 Q 1	Apr 11- Mar 12	2011 Full year
<b>Profit for the period after tax</b>	<b>281</b>	391	<b>1,450</b>	1,560
<i>Other comprehensive income</i>				
Translation differences for the period	<b>-1,327</b>	-2,312	<b>1,467</b>	482
Cash flow hedges	<b>37</b>	-31	<b>-34</b>	-102
Hedging of currency risks in foreign operations	<b>457</b>	826	<b>-524</b>	-155
Actuarial profits and losses, pensions	-	-	<b>-2</b>	-2
Share in other comprehensive income of affiliated companies and joint ventures	<b>2</b>	0	<b>-16</b>	-18
Tax attributable to other comprehensive income	<b>-130</b>	-209	<b>148</b>	69
<b>Other comprehensive income for the period, net after tax</b>	<b>-961</b>	-1,726	<b>1,039</b>	274
<b>Total comprehensive income for the period</b>	<b>-680</b>	-1,335	<b>2,489</b>	1,834
Of which attributable to:				
- Parent Company's shareholders	<b>-680</b>	-1,347	<b>2,501</b>	1,834
- non-controlling interests	-	12	<b>-12</b>	-

**Consolidated statement of changes in equity**

SEK millions	Equity attributable to the Parent Company's shareholders						Non-controlling interests	Total equity
	Share capital	Other contributed funds	Reserves	Retained earnings	Total			
Equity, December 31, 2010	2,851	9,944	-2,041	19,075	29,829	191	30,020	
<u>Changes Jan 1 - Mar 31, 2011</u>								
Comprehensive income for the period			-1,724	377	-1 347	12	-1,335	
Dividend to non-controlling interests						-45	-45	
Equity, March 31, 2011	2,851	9,944	-3,765	19,452	28,482	158	28,640	
<u>Changes Apr 1 - Dec 31, 2011</u>								
Comprehensive income for the period			1,999	1,182	3,181	-12	3,169	
Acquisition of non-controlling interests 1)			-3	-244	-247	-146	-393	
Dividend				-648	-648		-648	
Equity, December 31, 2011	2,851	9,944	-1,769	19,742	30,768	-	30,768	
<u>Changes Jan 1 - Mar 31, 2012</u>								
Comprehensive income for the period			-961	281	-680		-680	
Dividend 2)				-648	-648		-648	
<b>Equity, March 31, 2012</b>	<b>2,851</b>	<b>9,944</b>	<b>-2,730</b>	<b>19,375</b>	<b>29,440</b>	<b>-</b>	<b>29,440</b>	

There are 323,934,775 shares with a quotient value of SEK 8.80.

1) The minority stake in Tibnor was acquired in May 2011.

2) Decided dividend; disbursed on April 3, 2012.

**Consolidated balance sheet**

SEK millions	31 Mar 2012	31 Mar 2011	31 Dec 2011
<b>Assets</b>			
Goodwill	18,122	17,219	18,911
Other intangible assets	3,304	3,809	3,638
Tangible fixed assets	18,315	16,639	18,693
Participations in affiliated companies	354	393	349
Financial assets	75	71	106
Deferred tax receivables 1)	783	152	702
<b>Total fixed assets</b>	<b>40,953</b>	<b>38,283</b>	<b>42,399</b>
Inventories	10,919	11,042	11,687
Accounts receivable	5,861	6,281	5,734
Current tax receivables	238	649	381
Other current receivables	998	1,718	1,590
Cash and cash equivalents	1,670	1,129	1,648
<b>Total current assets</b>	<b>19,686</b>	<b>20,819</b>	<b>21,040</b>
<b>Total assets</b>	<b>60,639</b>	<b>59,102</b>	<b>63,439</b>
<b>Equity and liabilities</b>			
Equity for shareholders in the company	29,440	28,482	30,768
Non-controlling interests	0	158	0
<b>Total equity</b>	<b>29,440</b>	<b>28,640</b>	<b>30,768</b>
Deferred tax liabilities	4,788	4,763	4,919
Other long-term provisions	297	256	298
Deferred income 1)	512	64	543
Long-term interest-bearing liabilities	14,078	16,082	16,940
<b>Total long-term liabilities</b>	<b>19,675</b>	<b>21,165</b>	<b>22,700</b>
Current interest-bearing liabilities	4,401	3,167	3,607
Current tax liabilities	247	187	188
Accounts payable	4,067	3,871	4,296
Other current liabilities	2,809	2,072	1,880
<b>Total current liabilities</b>	<b>11,524</b>	<b>9,297</b>	<b>9,971</b>
<b>Total equity and liabilities</b>	<b>60,639</b>	<b>59,102</b>	<b>63,439</b>

1) Of the deferred tax receivable, SEK 512 (64) million constitutes a valuation of the future tax credits regarding investments in Alabama, USA. Since the credits have not yet been booked as income, a corresponding liability has been booked as a Long-term, deferred income.

**Cash flow**

	2012	2011	Apr 11-	2011
SEK millions	Q 1	Q 1	Mar 12	Full year
Operating profit/loss	479	621	2,370	2,512
Amortization/depreciation and write-downs	629	572	2,402	2,345
Adjustment for other non-cash items	-5	-9	103	99
Received and paid interest	-104	-107	-478	-481
Tax paid	-99	-224	-15	-140
Change in working capital	952	-793	918	-827
<b>Cash flow from operating activities</b>	<b>1,852</b>	<b>60</b>	<b>5,300</b>	<b>3,508</b>
Capital expenditure payments	-429	-500	-3,040	-3,111
Acquisitions of businesses and operations	-	-	-99	-99
Divested businesses and operations 1)	31	-	31	-
Other investing activities	-4	1	-34	-29
<b>Cash flow from investing activities</b>	<b>-402</b>	<b>-499</b>	<b>-3,142</b>	<b>-3,239</b>
Dividend	-	-	-648	-648
Change in loans	-1,697	232	-1,411	518
Change in financial investments	187	103	595	511
Acquisition of non-controlling interests 2)	-	-	-393	-393
Other financing activities	91	-62	233	80
<b>Cash flow from financing activities</b>	<b>-1,419</b>	<b>273</b>	<b>-1,624</b>	<b>68</b>
<b>Cash flow for the period</b>	<b>31</b>	<b>-166</b>	<b>534</b>	<b>337</b>
Cash and cash equivalents at beginning of period	1,648	1,314	1,129	1,314
Translation differences in cash and cash equivalents	-9	-19	7	-3
<b>Cash and cash equivalents at end of period</b>	<b>1,670</b>	<b>1,129</b>	<b>1,670</b>	<b>1,648</b>

1) In 2012, Plannja's panel manufacturing unit was divested.

2) The minority stake in Tibnor was acquired in May 2011.



**The business areas' sales, earnings and return on capital employed**

	Sales				Sales, external		Operating profit/loss		Return on capital employed (%) 3)	
	2012 Q 1	2011 Q 1	Change in % in % 2)		2012 Q 1	2011 Q 1	2012 Q 1	2011 Q 1	Apr 11- Mar 12	2011 Full year
SEK millions										
SSAB EMEA	<b>5,780</b>	6,071	-5%	-4%	<b>4,203</b>	4,541	<b>-124</b>	236	<b>2</b>	4
SSAB Americas	<b>4,609</b>	3,984	16%	12%	<b>4,511</b>	3,933	<b>670</b>	383	<b>30</b>	27
SSAB APAC	<b>585</b>	690	-15%	-19%	<b>585</b>	690	<b>65</b>	102	<b>23</b>	29
Tibnor	<b>1,771</b>	1,951	-9%	-9%	<b>1,724</b>	1,892	<b>105</b>	128	<b>13</b>	14
Amortization on surplus values 1)							<b>-197</b>	-189		
Other	<b>-1,722</b>	-1,640					<b>-40</b>	-39	-	-
<b>Total</b>	<b>11,023</b>	11,056	0%	-2%	<b>11,023</b>	11,056	<b>479</b>	621	<b>5</b>	5

1) Depreciation and amortization on surplus values on intangible and tangible fixed assets related to the acquisition of IPSCO.

2) Adjusted for changes in exchange rates.

3) SSAB Americas' return is calculated excluding surplus values. Inclusive of surplus values, the returns are 6% and 5% respectively.

**The Group's results per quarter**

SEK millions	1/10	2/10	3/10	4/10	1/11	2/11	3/11	4/11	1/12
Sales	8,865	10,911	9,902	10,205	11,056	11,769	10,917	10,898	11,023
Operating expenses	-8,089	-9,594	-8,997	-9,677	-9,868	-9,900	-9,826	-10,233	-9,922
Depreciation	-611	-630	-618	-592	-572	-561	-585	-627	-629
Affiliated companies	7	29	12	9	5	23	4	12	7
Financial items	-85	-84	-138	-95	-112	-144	-110	-148	-150
<b>Profit/loss after financial items</b>	<b>87</b>	<b>632</b>	<b>161</b>	<b>-150</b>	<b>509</b>	<b>1,187</b>	<b>400</b>	<b>-98</b>	<b>329</b>

**Sales per quarter and business area**

SEK millions	1/10	2/10	3/10	4/10	1/11	2/11	3/11	4/11	1/12
SSAB EMEA	4,836	5,678	5,194	5,720	6,071	6,386	5,491	5,820	5,780
SSAB Americas	3,142	4,037	3,794	3,608	3,984	4,403	4,505	4,207	4,609
SSAB APAC	589	688	531	518	690	788	625	708	585
Tibnor	1,474	1,834	1,587	1,801	1,951	1,957	1,637	1,699	1,771
Other	-1,176	-1,326	-1,204	-1,442	-1,640	-1,765	-1,341	-1,536	-1,722
<b>Sales</b>	<b>8,865</b>	<b>10,911</b>	<b>9,902</b>	<b>10,205</b>	<b>11,056</b>	<b>11,769</b>	<b>10,917</b>	<b>10,898</b>	<b>11,023</b>

**Operating profit/loss per quarter and business area**

SEK millions	1/10	2/10	3/10	4/10	1/11	2/11	3/11	4/11	1/12
SSAB EMEA	214	338	-109	-70	236	664	-3	-248	-124
SSAB Americas	137	342	455	235	383	651	661	414	670
SSAB APAC	10	96	109	17	102	67	59	96	65
Tibnor	79	188	136	18	128	99	12	15	105
Amortization on surplus values 1)	-223	-233	-212	-202	-189	-183	-189	-197	-197
Other	-46	-15	-79	-53	-39	32	-29	-30	-40
<b>Operating profit/loss</b>	<b>171</b>	<b>716</b>	<b>300</b>	<b>-55</b>	<b>621</b>	<b>1,330</b>	<b>511</b>	<b>50</b>	<b>479</b>

1) ) Depreciation and amortization on surplus values on intangible and tangible fixed assets related to the acquisition of IPSCO.

**The Parent Company's income statement**

SEK millions	2012 Q 1	2011 Q 1	Apr 11- Mar 12	2011 Full year
Gross profit	0	0	0	0
Administrative expenses	-57	-53	-223	-219
Other operating income/expenses	22	20	376	374
<b>Operating profit/loss</b>	<b>-35</b>	<b>-33</b>	<b>153</b>	<b>155</b>
Dividend from subsidiaries	180	255	191	266
Financial items	-76	-22	-77	-23
<b>Profit after financial items</b>	<b>69</b>	<b>200</b>	<b>267</b>	<b>398</b>
Appropriations	0	0	33	33
Tax	28	13	-25	-40
<b>Profit after tax</b>	<b>97</b>	<b>213</b>	<b>275</b>	<b>391</b>

**The Parent Company's statement of comprehensive income**

SEK millions	2012 Q 1	2011 Q 1	Apr 11- Mar 12	2011 Full year
<b>Profit after tax</b>	<b>97</b>	<b>213</b>	<b>275</b>	<b>391</b>
<i>Other comprehensive income</i>				
Hedging of currency risks in foreign operations	457	826	-524	-155
Cash flow hedges	17	0	4	-13
Tax attributable to other comprehensive income	-125	-217	136	44
<b>Other comprehensive income, net after tax</b>	<b>349</b>	<b>609</b>	<b>-384</b>	<b>-124</b>
<b>Total comprehensive income for the year</b>	<b>446</b>	<b>822</b>	<b>-109</b>	<b>267</b>

**The Parent Company's balance sheet**

SEK millions	31 Mar 2012	31 Mar 2011	31 Dec 2011
<b>Assets</b>			
Fixed assets	39,278	38,829	39,282
Other current assets	12,352	13,047	14,463
Cash and cash equivalents	1,202	674	999
<b>Total assets</b>	<b>52,832</b>	<b>52,550</b>	<b>54,744</b>
<b>Equity and liabilities</b>			
Restricted equity	3,753	3,753	3,753
Unrestricted equity	26,652	28,056	26,853
<b>Total equity</b>	<b>30,405</b>	<b>31,809</b>	<b>30,606</b>
Untaxed reserves	661	694	661
Long-term liabilities and provisions	12,441	15,956	15,138
Current liabilities and provisions	9,325	4,091	8,339
<b>Total equity and liabilities</b>	<b>52,832</b>	<b>52,550</b>	<b>54,744</b>

**Production and shipments**

<b>Thousand tonnes</b>	1/10	2/10	3/10	4/10	1/11	2/11	3/11	4/11	1/12
<b>Crude steel production</b>									
- SSAB EMEA	874	941	739	864	943	957	612	741	832
- SSAB Americas	585	599	583	567	631	624	607	556	624
-Total	1,459	1,540	1,322	1,431	1,574	1,581	1,219	1,297	1,456
<b>Steel production 1)</b>									
- SSAB EMEA	738	764	505	713	765	755	506	591	638
- SSAB Americas	558	553	545	553	592	579	563	537	591
-Total	1,296	1,317	1,050	1,266	1,357	1,334	1,069	1,128	1,229
<b>Steel shipments</b>									
- SSAB EMEA	547	600	401	486	571	556	418	455	511
- SSAB Americas	565	610	583	598	623	628	612	579	622
- SSAB APAC	70	58	44	44	57	64	46	52	41
-Total	1,182	1,268	1,028	1,128	1,251	1,248	1,076	1,086	1,174
<b>of which niche products</b>									
- SSAB EMEA	170	205	161	197	233	244	187	190	227
- SSAB Americas	126	130	134	172	170	154	171	150	193
- SSAB APAC	44	57	44	44	56	61	45	52	39
-Total niche products	340	392	339	413	459	459	403	392	459

1) Including subcontract rolling.

**Note:**

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

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**Half-yearly report, 2012:**

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