

Completion of Ruukki Construction's negotiations to reduce workforce in Finland

Employer-employee negotiations initiated in Finland in October to reduce the workforce in SSAB's Ruukki Construction division have now been completed. A total of 61 jobs will be lost as a result of the negotiations. Employer-employee negotiations initiated at the same time at SSAB Europe's production site in Raahe are still ongoing.

The employer-employee negotiations initiated in Finland in October affected most of Ruukki Construction's employees in Finland in production, sales and support functions, a total of 434 persons at several sites including Alajärvi, Espoo, Helsinki, Hämeenlinna, Kouvola, Kuopio, Oulainen, Oulu, Pietarsaari, Pori, Seinäjoki, Tampere, Turku, Vaasa, Vimpeli and Ylivieska. When the negotiations began, it was estimated that there was a need to reduce the workforce by a maximum of 85 persons. As a result of the negotiations, a total of 61 persons (22 front-line employees and 39 office employees) will lose their jobs. The plan is to implement most of workforce reductions during the first half of 2016. Some of the workforce reductions will be effected through natural attrition.

Ruukki Construction has launched a new cost-savings program across its business in all countries where it operates. The negotiations now completed are part of this program, which seeks to achieve a permanent cost impact on an annual basis of at least SEK 200 million in processing, administration, marketing and sales costs, with full impact from 2017 onwards. These costs savings will seek to ensure business profitability and improve operational efficiency. Divisionwide in different countries, there is a need to reduce the workforce by a total of approximately 300 persons. Ruukki Construction will consider additional structural changes to its operations during the second phase of the program if the market situation remains weak.

Ruukki Construction is responsible for the sales and production of energy-efficient building and construction solutions. Ruukki Construction also includes Plannja, which was earlier part of the SSAB EMEA business area.

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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 the Nasdaq OMX Nordic Exchange in Stockholm and has a secondary listing on the Nasdaq OMX in Helsinki. www.ssab.com.