

REPORT FOR THE FIRST QUARTER OF  
2016



*Improved result and  
higher shipments*

April 22, 2016

**SSAB**

# Report for the first quarter of 2016

## The quarter

- Sales were SEK 12,964 (15,468) million
- Operating profit, before depreciation/amortization, excluding items affecting comparability, was SEK 744 (1,501) million
- Operating profit/loss, excluding items affecting comparability, was SEK -190 (564) million
- Profit/loss after financial items, excluding items affecting comparability, was SEK -344 (350) million
- Earnings per share were SEK -0.24 (0.52)
- Items affecting comparability had an impact of SEK -2 (-31) million on the result after tax
- Operating cash flow was SEK 77 (784) million and net cash flow was SEK -244 (511) million
- The Board of Directors has announced a proposal of a preferential rights issue for existing shareholders of around SEK 5 billion. SSAB's two largest shareholders, Industrivärden and Solidium, have undertaken to subscribe for their pro rata shares. A standby underwriting commitment has been issued by four banks for the remaining amount

## Key numbers

SEK millions	2016 Q 1	2015 Q 1	2015 Q 4	2015 Full year
Sales	12,964	15,468	12,499	56,864
Operating profit before depreciation/amortization, EBITDA 1)	744	1,501	157	3,655
Operating profit/loss 1)	-190	564	-802	-128
Profit/loss after financial items 1)	-344	350	-1,051	-1,051
Profit/loss after tax 1)	-131	314	-606	-400
Earnings per share (SEK)	-0,24	0,52	-1,23	-0,93
Operating cash flow	77	784	1,788	3,874
Net debt/equity ratio (%)	53	55	52	52

1) Excluding items affecting comparability. See page 5 for figures.

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

## Comments by the CEO

SSAB posted an operating loss, excluding items affecting profitability, of SEK 190 million for the first quarter of 2016, an improvement of SEK 612 million compared with the fourth quarter of 2015. This improvement was mostly driven by higher volumes, lower maintenance costs and positive synergy impacts, but was negatively impacted by lower average prices. Increased sales during the quarter resulted in increased working capital, which led to slightly negative net cash flow.

Shipments during the first quarter improved compared to the very weak trend during the fourth quarter. This was mostly because apparent demand during the first quarter was aligned with real demand. After a weak start to the quarter, steel prices have risen both in Europe and in North America, albeit from a very low level. We expect stable underlying demand in the company's main markets and slightly higher prices during the second quarter.

Today, we have announced our intention to strengthen the balance sheet through a rights issue of SEK 5 billion in class B shares. SSAB's two largest shareholders, Industrivärden and Solidium, have undertaken to subscribe for their pro rata shares of the rights issue. For the remaining amount, four banks have issued a standby underwriting commitment. In addition, Swedbank Robur and LKAB have expressed their support and their intention to vote in favour of the rights issue. Subject to the rights issue, SSAB has a refinancing package in place which gives significantly lower level of loans maturing during the next 3-5 years and extended duration of credit facilities. SSAB targets a reduction of the net debt by SEK 10 billion by the end of 2017, through the rights issue, divestment of non-core assets and through cash flow from operations.

SSAB are once again increasing our objective in the various ongoing cost savings programs, where synergies from the acquisition of Rautaruukki account for the largest share. Our new target is to have reduced the cost level by SEK 2.8 billion, an increase of SEK 300 million, on an annual basis during 2017 compared to the cost level at the time of the acquisition of Rautaruukki.

The measures taken will enable us to secure SSAB's long-term possibilities to continue to develop our activities to achieve our goals. A strongly improved financial position will mean we are well placed to take advantage of the opportunities in the market while driving growth in our well-defined focus areas. At the same time, we are well prepared to sustain periods of low demand. SSAB has excellent opportunities to achieve our ambition of industry leading profitability through our unique position in high-strength steels and through our strong home market positions.

Sustainability is an area that is becoming increasingly important. SSAB currently already has highly carbon-dioxide-efficient production, but we have now set our sights even higher. SSAB, LKAB and Vattenfall have initiated a project to study the possibilities of a steelmaking process completely free of carbon-dioxide emissions. Sweden is uniquely placed to be able to achieve the vision of carbon-dioxide-free rolling production as a part of efforts to combat climate warming.

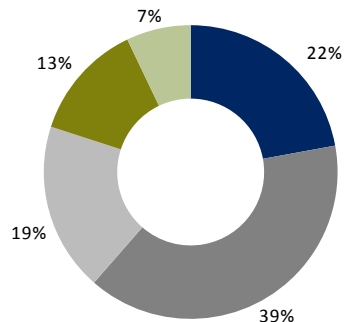
### Sales per business segment

SEK millions	2016 Q 1	2015 Q 1	2015 Q 4	2015 Full year
SSAB Special Steels	3,132	3,620	2,942	14,382
SSAB Europe	6,040	6,835	5,620	25,517
SSAB Americas	2,428	3,508	2,321	11,936
Tibnor	1,707	2,075	1,596	7,163
Ruukki Construction	928	1,147	1,243	5,374
Other	-1,271	-1,717	-1,223	-7,508
<b>Total</b>	<b>12,964</b>	<b>15,468</b>	<b>12,499</b>	<b>56,864</b>

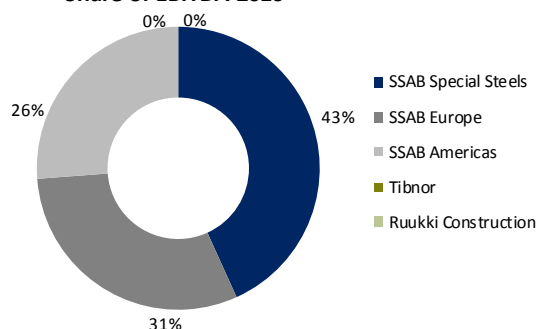
### Operating profit/loss before depreciation/amortization (EBITDA) per business segment, excluding items affecting comparability

SEK millions	2016 Q 1	2015 Q 1	2015 Q 4	2015 Full year
SSAB Special Steels	345	388	1	1,213
SSAB Europe	244	677	114	1,286
SSAB Americas	209	453	42	1,043
Tibnor	4	48	-28	65
Ruukki Construction	-10	-19	64	208
Other	-48	-46	-36	-160
<b>Total</b>	<b>744</b>	<b>1,501</b>	<b>157</b>	<b>3,655</b>

Share of external sales 2016



Share of EBITDA 2016



## The market

According to the World Steel Association (WSA), global crude steel production for the first three months of 2016 was 386 (400) million tonnes, down just under 4% compared with the same period in 2015. Chinese crude steel production was 3% lower compared with the same period. Rolling production during the first three months of the year was down by 7% in the EU-28 but down by 1% only in North America.

Demand during the first quarter improved both in North America and Europe compared to the fourth quarter, when prices were falling and customers destocked to take advantage of lower prices. However, during the first quarter apparent demand corresponded to underlying demand. Inventory levels at distributors and other customers are considered to be in balance or possibly somewhat lower than normal. No significant restocking took place during the first quarter. Demand in China and Russia remained weak and both countries have continued to export a large part of their excess production to outside the local markets.

During the first quarter, the EU took a decision to impose import duties on imports of cold-rolled material from Russia and China, and to begin a study to impose import duties on imports of hot-rolled products from the same countries. Since the end of the first quarter, a number of steelmakers, including SSAB, have filed for duties on imports of heavy plate to the USA from 12 countries. During the quarter, China has announced a goal to close production capacity of 100-150 million tonnes by the end of 2020.

In North America, market prices for heavy plate fell sharply throughout 2015, but began to rise during the first quarter of 2016. Prices increased, especially toward the end of the quarter following the announcement of a number of price increases by the largest producers. In Europe, market prices for both strip and heavy plate were at historically low levels at the start of 2016, but rose sharply during the second half of the first quarter driven by stable demand, somewhat lower imports and increased prices of raw materials. Also in China, market prices for both strip and heavy plate rose noticeably during the second half of the first quarter.

## Raw materials

SSAB sources most of its iron ore from LKAB in Sweden, but also some from Severstal in Russia. The agreement with LKAB was valid from April 1, 2015 until March 31, 2016 and prices were fixed quarterly. Negotiations on a new agreement are ongoing. The agreement with Severstal runs from October 1, 2015 until September 30, 2018 and prices are fixed monthly. For first quarter shipments this year, pellet prices were unchanged both in terms of USD and SEK compared with the fourth quarter of 2015. SSAB's price for pellets during the first quarter of 2016 was 17% lower in USD and 14% lower in SEK than during the first quarter of 2015.

SSAB sources coking coal from Australia, the USA, Canada and Russia. Price agreements for Australian, Canadian and Russian coal are entered into monthly, whereas price agreement for most US coal is entered into quarterly. The average price during the first quarter was down 10% in terms of both USD and SEK compared with the fourth quarter of 2015. SSAB's price for coal during the first quarter of 2016 was 30% lower in USD and 28% lower in SEK than during the first quarter of 2015.

The US operations regularly purchase scrap metal as a raw material for their production. Spot prices for scrap metal increased sharply during the first quarter of 2016. Spot prices were 36% higher than at the turn of 2015/2016 but 3% lower than at the end of the first quarter 2015.

## Outlook

In North America, underlying demand for heavy plate at end customers and distributors is expected to be relatively unchanged during the second quarter. Destocking seen at distributors throughout 2015 should have ended. Also in Europe, demand will be stable during the second quarter, especially in Western Europe, whereas development in Eastern Europe and Russia is expected to remain weak. Import duties already decided or being considered is expected to have an impact on import volumes to North America and Europe. This will increase SSAB's possibilities to increase sales of its products on the home markets. It is thought the underlying demand for high-strength steels will be relatively unchanged during the second quarter. Overall, SSAB's shipments during the second quarter of 2016 are expected to be somewhat higher than during the first quarter.

A number of maintenance outages are planned for 2016. The table below shows the estimated direct maintenance cost, excluding the cost of lower capacity utilization (under absorption) and any lost margins. Part of the maintenance outage planned earlier in Mobile, USA was completed at a cost of SEK 20 million during the first

quarter. It is planned to carry out the remainder during the second quarter of 2016 and during 2017. According to the table below, the costs are estimated to amount to SEK 550 million regarding Q2-Q4, 2016.

#### Major, planned maintenance outages 2016

SEK millions	2016 Q 1	2016 Q 2	2016 Q 3	2016 Q 4
SSAB Special Steels				130
SSAB Europe			200	
SSAB Americas	20	20		200
<b>Total</b>	<b>20</b>	<b>20</b>	<b>200</b>	<b>330</b>

Total capital expenditure during 2016 is expected to be significantly lower than in 2015. Capital expenditure in 2015 was SEK 2.6 billion, whereas during 2016 it is expected to be SEK 1.5 billion. Capital expenditure during the first quarter of 2016 was SEK 314 million, including acquisitions of businesses and operations. The average long-term capital expenditure level is estimated at approximately SEK 2 billion a year, which is below the annual depreciation level on tangible fixed assets of approximately SEK 2.9 billion (total depreciation/amortization amounts to SEK 3.8 billion). The investments in the future is estimated to be lower than the depreciation level due to that SSAB has closed production lines, coordinated production in the Nordic countries and that a major strategic investment program was carried out between 2010 and 2012.

### Synergies and other cost savings measures

Synergies of around SEK 350 (100) million were achieved during the first quarter of 2016. Net after non-recurring costs, this had a positive impact of around SEK 347 (85) million on the operating result. At the end of the first quarter, the annual run rate amounted to SEK 1.5 billion. The table below shows the synergies achieved during the quarter and the annual run rate to date.

#### Achievement of synergies

SEK millions	2016 Q 1	2015 Q 1	2015 Full year
Sustainable annual run rate at the end of the period	1,500	450	1,100
Synergies, gross before non-recurring costs	350	100	625
Synergies, net after non-recurring costs	347	85	490

Compared with the turn of 2015/2016, the number of permanent employees has decreased by 288 persons, from 16,045 to 15,757.

### Items affecting comparability

During the first quarter of 2016, items affecting comparability had an impact of SEK -2 (-31) million on earnings after tax. The restructuring costs of Tibnor, relating to the ongoing synergy program, impacted negatively on earnings for the quarter.

#### Specification of items affecting comparability

SEK millions	2016 Q 1	2015 Q 1	2015 Full year
<b>Operating expenses</b>			
Write-down of assets, eastern Europe	-	-	-15
Write-down/gains & losses, assets held for sale	-	-11	-16
Restructuring related to synergies	-3	-16	-135
Costs related to Ruukki Construction savings program	-	-	-47
Gain, sale of real estate	-	-	122
Other	-	-3	-23
<b>Effect on operating profit/loss</b>	<b>-3</b>	<b>-30</b>	<b>-114</b>
<b>Financial costs</b>			
Transaction tax (Finnish standard rate tax on acquisitions of shares)	-	-5	-5
<b>Effect on profit after financial items</b>	<b>-3</b>	<b>-35</b>	<b>-119</b>
<b>Taxes</b>			
Tax effects	1	4	15
<b>Effect on profit/loss after tax</b>	<b>-2</b>	<b>-31</b>	<b>-104</b>

## SSAB Group

### Development during the first quarter

#### Shipments and production

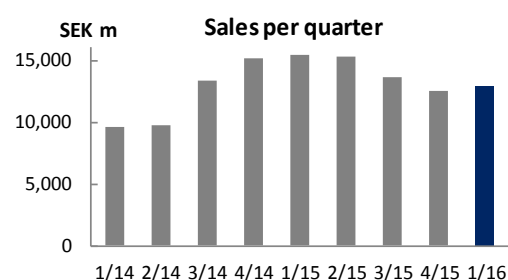
SSAB's shipments during the first quarter of 2016 were 1,677 (1,711) thousand tonnes, down 2% compared with the first quarter of 2015 and up 15% compared with the fourth quarter of 2015.

Crude steel production was down 4% compared with the first quarter of 2015 and up 11% compared with the fourth quarter of 2015. Rolling production was at the same level compared with the first quarter of 2015 and up 12% compared with the fourth quarter of 2015.

#### Sales

Sales for the first quarter were down 16% compared with the first quarter of 2015 and amounted to SEK 12,964 (15,468) million. Lower prices had a negative impact of 11 percentage points, a weaker product mix had a negative impact of 3 percentage points and lower volumes had a negative impact of 2 percentage points.

Compared with the fourth quarter of 2015, sales were up 4%. Higher volumes had a positive impact of 15 percentage points, whereas lower prices had a negative impact of 4 percentage points and a weaker product mix had a negative impact of 7 percentage points.



#### Earnings

Excluding items affecting comparability, operating profit/loss for the first quarter was SEK -190 (564) million, down SEK 754 million compared with the first quarter of 2015. Lower prices (SEK 1,900m), lower volumes (SEK 250m), lower capacity utilization (SEK 140m) and currency effects (SEK 100m) impacted negatively on earnings, whereas lower variable costs (SEK 1,240m) and lower fixed costs (SEK 340m) impacted positively on earnings.

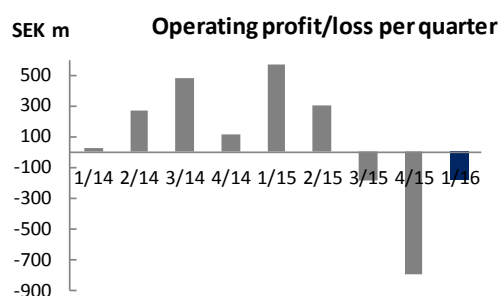
Compared with the fourth quarter of 2015, earnings were up by SEK 612 million. Higher volumes (SEK 460m), better capacity utilization (SEK 230m), lower variable costs (SEK 220m) and lower fixed costs (SEK 125m) impacted positively on earnings, whereas lower prices (SEK 390m) impacted on earnings negatively.

Excluding items affecting comparability, financial items for the fourth quarter were SEK -154 (-214) million and the result after financial items was SEK -344 (350) million.

See page 5 for information about items affecting comparability.

#### Profit/loss after tax and earnings per share

Profit/loss after tax (attributable to shareholders) for the first quarter was SEK -134 (284) million, equating to SEK -0.24 (0.52) per share. Tax for the first quarter was SEK 214 (-32) million.



## Cash flow, financing and liquidity

Operating cash flow for the first quarter was SEK 77 (784) million. The quarter was positively affected by cash flow from earnings before depreciation and amortization, but was negatively impacted by a build up of working capital and an increase in accounts receivable due to higher sales.

Net cash flow was SEK -244 (511) million. Net cash flow was affected, among other things, by payments for strategic expenditures, including acquisitions of businesses and operations, of SEK 95 (199) million (total capital expenditure was SEK 314 (495) million). Net debt increased by SEK 57 million during the first quarter and at 31 March amounted to SEK 23,213 million. The net debt/equity ratio was 53% (55%).

### Operating cash flow and net debt

	2016	2015	2015
SEK millions	Q 1	Q 1	Full year
Operating profit before depreciation/amortization	741	1,472	3,593
Change in working capital	-476	-436	1,987
Maintenance expenditures	-219	-296	-1,891
Other	31	44	185
<b>Operating cash flow</b>	<b>77</b>	<b>784</b>	<b>3,874</b>
Financial items	-178	-109	-796
Taxes	-48	-131	-276
<b>Cash flow from current operations</b>	<b>-149</b>	<b>544</b>	<b>2,802</b>
Strategic capital expenditures in plants and machinery	-88	-196	-655
Acquisitions of shares and operations	-7	-3	-36
Divestments of shares and operations	-	166	172
<b>Cash flow before dividend</b>	<b>-244</b>	<b>511</b>	<b>2,283</b>
Dividend to the Parent Company's shareholders	-	-	-
<b>Net cash flow</b>	<b>-244</b>	<b>511</b>	<b>2,283</b>
<b>Net debt at beginning of period</b>	<b>-23,156</b>	<b>-24,674</b>	<b>-24,674</b>
Net cash flow	-244	511	2,283
Revaluation of liabilities against equity 1)	352	-1,228	-719
Other 2)	-165	-243	-46
<b>Net debt at end of period</b>	<b>-23,213</b>	<b>-25,634</b>	<b>-23,156</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 instruments in foreign currency.

At March 31, the term to maturity of the loan portfolio averaged 4.4 (4.0) years, with an average fixed interest period of 0.9 (1.1) years.

Cash and cash equivalents were SEK 2,629 (1,848) million and non-utilized credit facilities were SEK 8,362 (8,605) million, which combined corresponds to 20% of sales over a rolling 12-month period.

### Return on capital employed/equity

Return of capital employed before tax and return on equity after tax for the most recent 12-month period amounted to -1% and -2% respectively, whereas the figures for the full year 2015 were 0% and -1% respectively.

### Equity

With earnings of SEK -134 million and other comprehensive income (mostly consisting of translation differences) of SEK -482 million, shareholders' equity in the company was SEK 43,777 (46,223) million, equating to SEK 79.70 (84.16) per share.



## Information about the business segments

The information in the tables below excludes items affecting comparability and the depreciation/amortization on surplus values on tangible and intangible assets relating to the acquisitions of IPSCO and Rautaruukki. See page 19 for more information about the business segments.

### SSAB Special Steels

#### Key numbers

	2016	2015	2015	2015
SEK millions	Q 1	Q 1	Q 4	Full year
Sales	<b>3,132</b>	3,620	2,942	14,382
Operating profit before depreciation/amortization, EBITDA	<b>345</b>	388	1	1,213
Operating profit/loss 1)	<b>202</b>	252	-134	662
Operating cash flow	<b>-496</b>	-53	11	1,394
Number of employees at end of period	<b>2,801</b>	2,999	2,904	2,904

1) Excluding depreciation/amortization on surplus values on intangible and intangible assets related to the acquisition of Rautaruukki.

The quarter saw positive demand from a number of segments with demand from the Heavy Transport and Construction Machinery segments showing best development, whereas demand from the Mining segment remained weak.

External shipments of steel during the first quarter were down 1% compared with the first quarter of 2015, but were up 27% compared with the fourth quarter of 2015. External shipments were 256 (259) thousand tonnes.

Crude steel production was down 38% compared with the first quarter of 2015, when the smaller blast furnace in Oxelösund was brought into use during the major part of 2015 to ensure slab supplies during re-lining of the blast furnace in Luleå. Crude steel production was down 4% compared with the fourth quarter of 2015.

Rolling production was up 9% compared with the first quarter of 2015 and up 26% compared with the fourth quarter 2015. The increase compared with the fourth quarter of 2015 was primarily because the maintenance outage in Oxelösund was carried out during the fourth quarter.

Sales for the first quarter of 2016 were SEK 3,132 (3,620) million, down 13% compared with the first quarter of 2015. A weaker product mix and a lower internal sales of slabs had a negative impact of 6 percentage points, lower prices had a negative impact of 3 percentage points, currency effects had a negative impact of 3 percentage points and lower volumes had a negative impact of 1 percentage point.

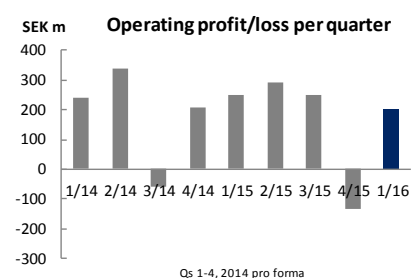
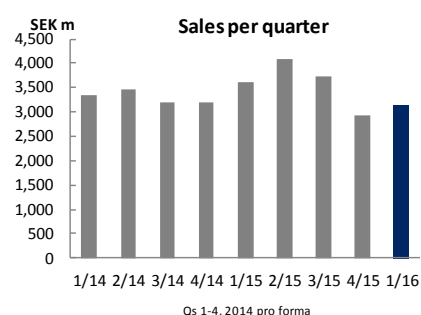
Compared with the fourth quarter of 2015, sales were up 6%. Higher volumes had a positive impact of 27 percentage points, whereas lower internal sales (mostly slabs) had a negative impact of 9 percentage points, a weaker product mix had a negative impact of 8 percentage points, lower prices had a negative impact of 2 percentage points and currency effects had a negative impact of 2 percentage points.

Excluding items affecting comparability, operating profit for the first quarter was SEK 202 (252) million, down SEK 50 million. This was primarily due to lower prices, the impact of which was partly offset by lower variable and fixed costs.

Compared with the fourth quarter of 2015, earnings were up SEK 336 million. This was primarily due to higher volumes, lower variable costs and better capacity utilization, which were counteracted by lower prices.

Operating cash flow during the first quarter was SEK -496 (-53) million. Cash flow was impacted negatively primarily because of an increase in accounts receivable due to higher sales and lower accounts payable.

Capital expenditure payments during the first quarter were SEK 42 (44) million, of which SEK 2 (4) million were strategic investments.





## SSAB Europe

### Key numbers

SEK millions	2016 Q 1	2015 Q 1	2015 Q 4	2015 Full year
Sales	6,040	6,835	5,620	25,517
Operating profit before depreciation/amortization, EBITDA	244	677	114	1,286
Operating profit/loss 1)	-118	312	-253	-175
Operating cash flow	495	417	1,178	363
Number of employees at end of period	7,057	7,283	7,147	7,147

1) Excluding depreciation/amortization on surplus values on intangible and intangible assets related to the acquisition of Rautaruukki.

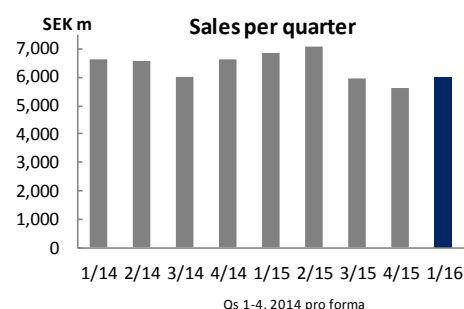
Demand from the Heavy Transport and Automotive segments was good during the first quarter. Demand from Steel Service Centers increased during the quarter.

External shipments of steel during the first quarter were down 3% compared with the first quarter of 2015, but up 15% compared with the fourth quarter of 2015. External shipments were 946 (976) thousand tonnes.

Crude steel production was down 2% compared with the first quarter of 2015, but up 5% compared with the fourth quarter. Rolling production was down 5% compared with the first quarter of 2015, but up 6% compared with the fourth quarter of 2015.

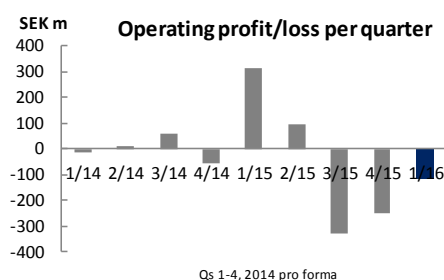
Sales for the first quarter of 2016 were SEK 6,040 (6,835) million, down 12% compared with the first quarter prior year. Lower prices had a negative impact of 9 percentage points and lower volumes had a negative impact of 3 percentage points.

Compared with the fourth quarter of 2015, sales were up 7%. Higher volumes had a positive impact of 15 percentage points, whereas lower prices and currency effects had a negative impact of 8 percentage points.



Excluding items affecting profitability, operating profit/loss for the first quarter was SEK -118 (312) million, down SEK 430 million. Lower earnings were primarily due to lower prices, lower volumes and negative currency effects, the impact of which was, partly offset by lower variable and fixed costs.

Compared with the fourth quarter of 2015, earnings were up SEK 135 million. This was primarily due to higher volumes and better capacity utilization, which were counteracted by lower prices.



Operating cash flow during the first quarter was SEK 495 (417) million. Cash flow was positively impacted by lower working capital, which was primarily due to lower inventory levels.

Capital expenditure costs during the first quarter were SEK 139 (361) million, of which SEK 37 (160) million were strategic investments, including acquisitions of businesses and operations.

## SSAB Americas

### Key numbers

	2016 Q 1	2015 Q 1	2015 Q 4	2015 Full year
SEK millions				
Sales	2,428	3,508	2,321	11,936
Operating profit before depreciation/amortization, EBITDA	209	453	42	1,043
Operating profit/loss 1)	55	296	-100	428
Operating cash flow	90	323	265	1,763
Number of employees at end of period	1,248	1,269	1,240	1,240

1) Excluding depreciation/amortization on surplus values on intangible and intangible assets related to the acquisition of IPSCO.

Demand grew, primarily from the Energy segment and from Steel Service Centers, whereas demand from the Heavy Transport segment continued to decrease during the first quarter.

External shipments of steel during the first quarter were unchanged compared with the first quarter of 2015, but up 9% compared with the fourth quarter of 2015. External shipments were 475 (476) thousand tonnes.

Crude steel production was up 11% compared with the first quarter of 2015 and up 30% compared with the fourth quarter of 2015. Rolling production was up 11% compared with the first quarter of 2015 and up 23% compared with the fourth quarter of 2015.

Sales for the first quarter of 2016 were SEK 2,428 (3,508) million, down 31% compared with the first quarter of 2015. Lower prices had a negative impact of 30 percentage points and a weaker product mix had a negative impact of 1 percentage point.

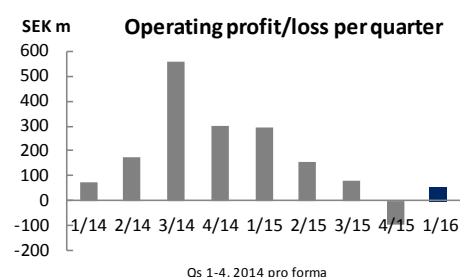
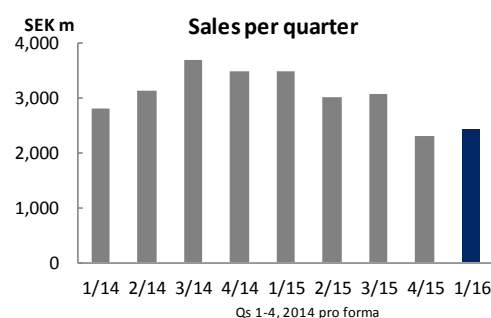
Compared with the fourth quarter of 2015, sales were up 5%. Higher volumes had a positive impact of 9 percentage points and improved product mix had a positive impact of 2 percentage points, whereas lower prices had a negative impact of 6 percentage points.

Excluding items affecting comparability, operating profit for the first quarter was SEK 55 (296) million, down SEK 241 million. Earnings were down primarily due to lower prices, the impact of which was partly offset by lower variable and fixed costs.

Compared with the fourth quarter of 2015, earnings were up SEK 155 million. Earnings were up primarily due to lower variable costs, higher volumes and better capacity utilization, which were counteracted by lower prices.

Operating cash flow during the first quarter was SEK 90 (323) million. Cash flow was positively affected by cash flow from earnings before depreciation and amortization, but counteracted by higher working capital primarily due to higher stocks.

Capital expenditure payments during the first quarter were SEK 77 (50) million, of which SEK 18 (15) million were strategic investments.



## Tibnor

### Key numbers

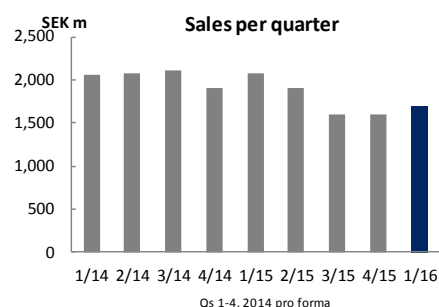
SEK millions	2016 Q 1	2015 Q 1	2015 Q 4	2015 Full year
Sales	1,707	2,075	1,596	7,163
Operating profit before depreciation/amortization, EBITDA	4	48	-28	65
Operating profit/loss 1)	-17	29	-47	-10
Operating cash flow	70	145	255	375
Number of employees at end of period	1,189	1,238	1,208	1,208

1) Excluding depreciation/amortization on surplus values on intangible and intangible assets related to the acquisition of Rautaruukki.

Total shipments during the first quarter were up 11% compared with the fourth quarter of 2015 and were unchanged compared with the first quarter of 2015. During the quarter, shipments rose in a number of segments, with Long Products and Heavy Plate showing the highest growth.

Sales for the first quarter of 2016 were down 18% compared with the first quarter of 2015 and amounted to SEK 1,707 (2,075) million. Lower sales were primarily due to lower volumes relating to the divestment of the Finnish operations during the first quarter of 2015.

Sales were up 7% compared with the fourth quarter of 2015. This was primarily due to higher volumes.

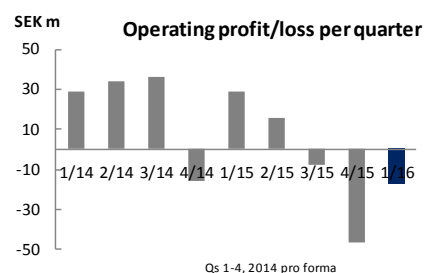


Excluding items affecting profitability, operating profit/loss for the first quarter was SEK -17 (29) million, down SEK 46 million compared with the first quarter of 2015. Earnings were down primarily due to lower prices and lower margins, the impact of which was partly offset by lower fixed costs.

Compared with the fourth quarter of 2015, earnings were up SEK 30 million. This was primarily due to better gross margins and higher volumes.

Operating cash flow during the first quarter was SEK 70 (145) million. Cash flow was positively affected by lower working capital, which was primarily due to lower inventories.

Capital expenditure payments during the first quarter were SEK 5 (5) million, of which SEK 0 (2) million were strategic investments.



## Ruukki Construction

### Key numbers

SEK millions	2016 Q 1	2015 Q 1	2015 Q 4	2015 Full year
Sales	928	1,147	1,243	5,374
Operating profit before depreciation/amortization, EBITDA	-10	-19	64	208
Operating profit/loss 1)	-48	-62	3	18
Operating cash flow	-32	-28	170	168
Number of employees at end of period	2,817	3,164	2,979	2,979

1) Excluding depreciation/amortization on surplus values on intangible and intangible assets related to the acquisition of Rautaruukki.

Demand within the building sector declined seasonally during the first quarter, primarily in the Roofing and Building Components segments, and geographically in Russia.

Sales for the first quarter of 2016 were down 19% compared with the first quarter of 2015 and amounted to SEK 928 (1,147) million. Sales were down primarily because of lower sales in the Building Components and Building Systems segment and in Russia.

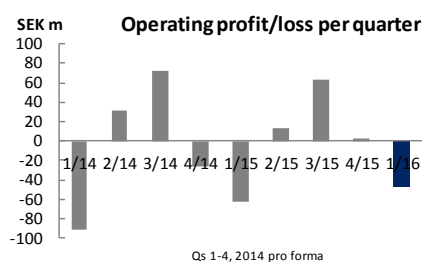
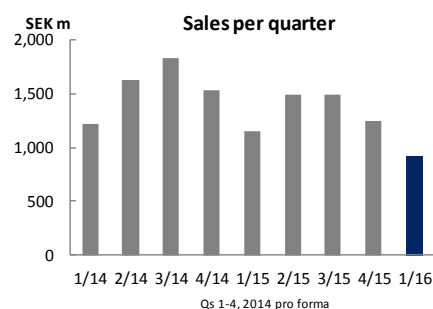
Compared with the fourth quarter of 2015, sales were down 25%. This was primarily due to seasonally lower sales.

Excluding items affecting profitability, operating loss for the first quarter was SEK 48 (62) million, an improvement of SEK 14 million. Higher earnings were primarily due to lower fixed costs, which were partly counteracted by lower volumes.

Compared to the fourth quarter of 2015, earnings were down SEK 51 million. This was primarily due to seasonally lower volumes, the impact of which was partly offset by lower fixed costs.

Operating cash flow during the first quarter was SEK -32 (-28) million. Cash flow was negatively affected by higher working capital, which was primarily due to higher inventories and accounts receivable.

Capital expenditure payments during the first quarter were SEK 40 (34) million, of which SEK 39 (18) million were strategic investments, including acquisitions of businesses and operations.



## Sustainability

On April 4, an announcement was made that SSAB, LKAB and Vattenfall have initiated a project to solve the carbon dioxide emission issue in the Swedish steel industry. Together, the three companies have started work to develop a steelmaking process that emits water and not carbon dioxide.

Visit [www.ssab.com](http://www.ssab.com) for more information about sustainability at SSAB.

## Risks and uncertainty factors

For information regarding material risks and uncertainty factors, reference is made to the detailed description in the Annual Report 2015. No material new or changed risks and uncertainty factors have otherwise been identified during the quarter.

## Accounting principles

This 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 ensuing references to Chapter 9 of the Swedish Annual Accounts Act. The accounts of the parent company have been prepared in compliance with RFR 2 and the Swedish Annual Accounts Act.

No material changes in accounting principles have taken place since the Annual Report 2015.

As of January 1, 2016, the parent company, SSAB AB, has changed the principle applying to the accounting of hedges of net investments in foreign operations. The change in accounting principle was made to harmonize accounting with tax legislation. From January 2016 onwards, changes in hedges of net investments will be accounted for in the parent directly in the income statement instead of in the statement of comprehensive income as earlier. See page 22 for the impact of the change in accounting principle. This change does not apply to the consolidated accounts.

## Subsequent events since the end of the reporting period

The annual general meeting took place on April 7 and elected Marika Fredriksson as a new director. Kim Gran had declined re-election and stood down from the Board. The annual general meeting resolved not to pay a dividend for the financial year 2015.

The negotiations SSAB initiated during the first quarter to reduce its workforce in its Nordic operations were completed at the beginning of April with regard to Finnish operations. The negotiations resulted in the loss of 47 permanent office employees in Finland.

The Board of Directors has announced a proposal to strengthen the balance sheet through a preferential rights issue of around SEK 5 billion in class B shares. SSAB's two largest shareholders, Industrivärden and Solidium, have undertaken to subscribe for their pro rata shares of the rights issue. For the remaining amount, four banks have issued a standby underwriting commitment. In addition, Swedbank Robur and LKAB have expressed their support and their intention to vote in favour of the rights issue. Subject to the rights issue, SSAB has a refinancing package in place which gives significantly lower maturities during the next 3-5 years and extended duration of credit reserves.

## Review

This interim report has been reviewed by the auditors.

Stockholm, April 21, 2016

Martin Lindqvist  
President & CEO

## Review report

We have reviewed this interim report for SSAB AB (publ) for the period 1 January to 31 March 2016. The Board of Directors and the CEO are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, April 21, 2016  
PricewaterhouseCoopers AB

Magnus Svensson Henryson  
Authorized public accountant

## Financial reports in accordance with IFRS – the Group

### Consolidated income statement

SEK millions	2016 Q 1	2015 Q 1	2015 Full year
Sales 1)	12,964	15,468	56,864
Cost of goods sold 1)	-12,127	-13,687	-52,552
<b>Gross profit 1)</b>	<b>837</b>	1,781	4,312
Selling and administrative costs 1)	-1,083	-1,255	-4,636
Other operating income and expenses 2)	39	-5	36
Affiliated companies, profit after tax	14	13	45
<b>Operating profit/loss</b>	<b>-193</b>	534	-243
Financial income	23	21	50
Financial expenses	-177	-240	-978
<b>Profit/loss for the period after financial items</b>	<b>-347</b>	315	-1,171
Tax	214	-32	666
<b>Profit/loss for the period</b>	<b>-133</b>	283	-505
Of which attributable to:			
- Parent Company's shareholders	-134	284	-508
- Non-controlling interest	1	-1	3

### Key numbers

	2016 Q 1	2015 Q 1	2015 Full year
Operating margin (%)	-1	3	0
Earnings per share (SEK) 3)	-0.24	0.52	-0.93
Equity per share (SEK)	79.70	84.16	80.82
Net debt/equity ratio (%)	53	55	52
Average number of shares during the period (millions)	549.2	549.2	549.2
Number of shares at end of period (millions)	549.2	549.2	549.2
Number of employees at end of period	15,757	16,566	16,045

1) The result for the quarter include primarily currency effects on operating receivables/liabilities of SEK 2 (-18) million.

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



## Consolidated statement of comprehensive income

SEK millions	2016 Q 1	2015 Q 1	2015 Full year
<b>Profit/loss for the period after tax</b>	<b>-133</b>	283	-505
<i>Other comprehensive income</i>			
<u>Items that may be subsequently reclassified to the income statement</u>			
Translation differences for the period	-704	2,993	1,470
Cash flow hedges	-9	109	7
Hedging of currency risks in foreign operations 1)	352	-1,228	-719
Share in other comprehensive income of affiliated companies and joint ventures	0	1	1
Tax attributable to items that may be subsequently reclassified to the income statement	-74	246	155
Total items that may be subsequently reclassified to the income statement	-435	2,121	914
<u>Items that will not be reclassified to the income statement</u>			
Remeasurements of the net defined benefit liability	-59	-	192
Tax attributable to items that will not be reclassified to the income statement	12	-	-39
Total items that will not be reclassified to the income statement	-47	-	153
<b>Total other comprehensive income for the period, net after tax</b>	<b>-482</b>	2,121	1,067
<b>Total comprehensive income for the period</b>	<b>-615</b>	2,404	562
Of which attributable to:			
- Parent Company's shareholders	-616	2,406	560
- Non-controlling interest	1	-2	2

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

## Consolidated statement for changes in equity

SEK millions	Equity attributable to the Parent Company's shareholders					Non-controlling interest	Total equity
	Share capital	Other contributed funds	Reserves	Retained earnings	Total equity		
Equity, December 31, 2014	4,833	22,343	442	16,199	43,817	62	43,879
<u>Changes Jan 1 - March 31, 2015</u>							
Total comprehensive income for the period			2,122	284	2,406	-2	2,404
Equity, March 31, 2015	4,833	22,343	2,564	16,483	46,223	60	46,283
<u>Changes April 1 - Dec 31, 2016</u>							
Comprehensive income for the period			-1,207	-639	-1,846	4	-1,842
Acquisition non-controlling interest				16	16	-16	-
Equity, December 31, 2015	4,833	22,343	1,357	15,860	44,393	48	44,441
<u>Changes Jan 1 - March 31, 2016</u>							
Comprehensive income for the period			-435	-181	-616	1	-615
<b>Equity, March 31, 2016</b>	<b>4,833</b>	<b>22,343</b>	<b>922</b>	<b>15,679</b>	<b>43,777</b>	<b>49</b>	<b>43,826</b>

There are 549,245,511 shares with a quotient value of SEK 8.80.

## Consolidated balance sheet

SEK millions	March 31 2016	March 31 2015	Dec 31 2015
<b>Assets</b>			
Goodwill	27,208	28,682	27,871
Other intangible assets	3,061	3,967	3,290
Tangible fixed assets	25,955	27,109	26,276
Participations in affiliated companies	568	543	546
Financial assets 1)	500	468	506
Deferred tax receivables 2)	1,508	1,715	1,492
<b>Total fixed assets</b>	<b>58,800</b>	<b>62,484</b>	<b>59,981</b>
Inventories	12,385	14,356	12,691
Accounts receivable	6,949	8,287	6,048
Current tax receivables	436	745	400
Other current receivables 1)	2,698	4,344	3,327
Cash and cash equivalents	2,629	1,848	2,711
<b>Total current assets</b>	<b>25,097</b>	<b>29,580</b>	<b>25,177</b>
<b>Total assets</b>	<b>83,897</b>	<b>92,064</b>	<b>85,158</b>
<b>Equity and liabilities</b>			
Equity for shareholders in the Company	43,777	46,223	44,393
Non-controlling interest	49	60	48
<b>Total equity</b>	<b>43,826</b>	<b>46,283</b>	<b>44,441</b>
Deferred tax liabilities	2,177	3,063	2,334
Other long-term provisions	620	787	574
Long-term non-interest bearing liabilities 2)	566	609	555
Long-term interest-bearing liabilities	21,050	21,188	20,746
<b>Total long-term liabilities</b>	<b>24,413</b>	<b>25,647</b>	<b>24,209</b>
Short-term interest-bearing liabilities	5,984	8,024	6,365
Accounts payable	5,773	6,932	6,334
Current tax liabilities	95	617	93
Other current liabilities	3,806	4,561	3,716
<b>Total current liabilities</b>	<b>15,658</b>	<b>20,134</b>	<b>16,508</b>
<b>Total equity and liabilities</b>	<b>83,897</b>	<b>92,064</b>	<b>85,158</b>
Pledged assets	1,923	2,829	1,736
Contingent liabilities	2,430	2,106	2,548

1) Other current receivables comprise short-term bank deposits (escrow agreement) in the amount of SEK 1,347 (2,771) million.

2) Of the Deferred tax receivable, SEK 258 (322) 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 Long-term non-interest bearing liabilities.

## Valuation of assets and liabilities

Financial assets and liabilities in the balance sheet are valued based on their classification at acquisition value or fair value. Both interest rate derivatives and currency derivatives are valued at fair value. In the balance sheet item "Other current receivables" derivatives are valued at a total of SEK 281 (396) million and in the balance sheet item "Other current liabilities" derivatives are valued at a total of SEK 421 (932) million. In the balance sheet item "Long-term non-interest bearing liabilities", derivatives are included valued at a total of SEK 147 (101) million.

Other financial assets and liabilities in the balance sheet are reported at acquisition value. In the case of valuation at fair value, the loans at fixed interest reported in the balance sheet item "Long-term interest-bearing liabilities" would fall below the reported amount by SEK 115 (-387) million; however, since the loans will be held until maturity, this does not affect the reported value.

### Assessment of the fair value of financial instruments

Classification takes place hierarchically on three different levels based on the input data used in valuing instruments. On level 1, listed prices on an active market are used, e.g. stock exchange prices. On level 2, observable market data regarding assets and liabilities other than listed prices are used, e.g. interest rates and return curves. On level 3, the fair value is determined based on a valuation technique which is based on assumptions which are not based on prices or observable data.

The fair value valuation of the financial assets in SSAB is based on data in accordance with level 2 (with the exception of electricity derivatives, where the fair value is based on listed market prices, and which are therefore classified on level 1). Own credit risk is not taken into account since the impact is marginal.

## Cash flow

SEK millions	2016 Q 1	2015 Q 1	2015 Full year
Operating profit/loss	-193	534	-243
Adjustment for depreciation and impairment	934	938	3,836
Adjustment for other non-cash items	20	35	-64
Received and paid interest	-178	-109	-796
Tax paid	-48	-131	-276
Change in working capital	-476	-436	1,987
<b>Cash flow from operating activities</b>	<b>59</b>	<b>831</b>	<b>4,444</b>
Capital expenditure payments in plants and machinery	-307	-494	-2,546
Acquisitions, shares and operations	-7	-3	-36
Divested shares and operations	-	166	172
Other investing activities	11	12	249
<b>Cash flow from investing activities</b>	<b>-303</b>	<b>-319</b>	<b>-2,161</b>
Change in loans	410	-2,023	-3,451
Change in financial investments	327	12	957
Other financing activities	-608	244	-66
<b>Cash flow from financing activities</b>	<b>129</b>	<b>-1,767</b>	<b>-2,560</b>
<b>Cash flow for the period</b>	<b>-115</b>	<b>-1,255</b>	<b>-277</b>
Cash and cash equivalents at beginning of period	2,711	3,014	3,014
Exchange rate difference in cash and cash equivalents	33	89	-26
<b>Cash and cash equivalents at end of period</b>	<b>2,629</b>	<b>1,848</b>	<b>2,711</b>

## Information about the business segments

SSAB is organized into five business segments; the three steel divisions SSAB Special Steels, SSAB Europe and SSAB Americas as well as Tibnor and Ruukki Construction.

### SSAB Special Steels

SSAB Special Steels has global responsibility for the marketing and sales of all SSAB's quenched and tempered steels (Q&T) and hot-rolled, advanced high-strength steels with yield strengths of 700 MPa and above. SSAB Special Steels is responsible for steel and plate production in Oxelösund (Sweden), and for sales of the above products produced in Mobile (USA), Raahe (Finland) and Borlänge (Sweden). When SSAB Special Steels sells steels made by another division, the revenue is reported by SSAB Special Steels and the accounts are settled between the divisions at the cost of goods sold.

### SSAB Europe

SSAB Europe has responsibility for strip, plate and tubular products in Europe, and global profit responsibility for the Automotive segment (cold-rolled strip). SSAB Europe is responsible for steel and plate production in Raahe and Hämeenlinna (Finland), and in Luleå and Borlänge (Sweden).

### SSAB Americas

SSAB Americas has profit responsibility for heavy plate in North America, and for steel and plate production in Montpelier and Mobile, USA.

### Tibnor

Tibnor is the Group's distributor of a full range of steel and non-ferrous metals in the Nordic region and Baltics. Tibnor buys and sells materials produced both by SSAB and other suppliers.

### Ruukki Construction

Ruukki Construction is responsible for the sales and production of energy-efficient building and construction solutions, with a focus on northern and eastern Europe. Ruukki Construction includes Plannja.

## Financial information per quarter

The financial information for 2014 are pro forma as if SSAB had owned Rautaruukki since January 1, 2013. The information in the tables below is reported excluding items affecting comparability.

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

SEK millions	Pro forma				1/15	2/15	3/15	4/15	1/16
	1/14	2/14	3/14	4/14					
Sales	14,598	15,208	15,039	15,267	15,468	15,303	13,594	12,499	12,964
Operating expenses	-13,728	-13,979	-13,794	-14,188	-13,979	-14,077	-12,845	-12,352	-12,234
Depreciation/amortization 1)	-843	-841	-837	-892	-938	-944	-942	-960	-934
Affiliated companies	7	1	1	-14	13	19	2	11	14
Financial items	-305	-259	-148	-210	-214	-213	-247	-249	-154
<b>Result before tax</b>	<b>-271</b>	<b>130</b>	<b>261</b>	<b>-37</b>	<b>350</b>	<b>88</b>	<b>-438</b>	<b>-1,051</b>	<b>-344</b>

1) Pro forma, excluding depreciation/amortization on surplus values on intangible and tangible fixed assets related to the acquisition of Rautaruukki. For depreciation and amortization, see table Operating profit/loss per quarter and business segment, excluding items affecting comparability below.

### Sales per quarter and business segments

SEK millions	Pro forma				1/15	2/15	3/15	4/15	1/16
	1/14	2/14	3/14	4/14					
SSAB Special Steels	3,348	3,477	3,203	3,198	3,620	4,077	3,743	2,942	3,132
SSAB Europe	6,649	6,568	6,006	6,634	6,835	7,097	5,965	5,620	6,040
SSAB Americas	2,831	3,152	3,716	3,508	3,508	3,027	3,080	2,321	2,428
Tibnor	2,055	2,077	2,109	1,910	2,075	1,899	1,593	1,596	1,707
Ruukki Construction	1,224	1,625	1,836	1,532	1,147	1,488	1,496	1,243	928
Other	-1,509	-1,691	-1,831	-1,515	-1,717	-2,285	-2,283	-1,223	-1,271
<b>Total</b>	<b>14,598</b>	<b>15,208</b>	<b>15,039</b>	<b>15,267</b>	<b>15,468</b>	<b>15,303</b>	<b>13,594</b>	<b>12,499</b>	<b>12,964</b>

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

SEK millions	Pro forma				1/15	2/15	3/15	4/15	1/16
	1/14	2/14	3/14	4/14					
SSAB Special Steels	377	471	72	345	388	433	391	1	345
SSAB Europe	364	383	408	369	677	459	36	114	244
SSAB Americas	194	299	689	438	453	313	235	42	209
Tibnor	51	57	59	6	48	36	9	-28	4
Ruukki Construction	-37	88	138	-4	-19	57	106	64	-10
Other	-72	-68	-119	-89	-46	-52	-26	-36	-48
<b>Total</b>	<b>877</b>	<b>1,230</b>	<b>1,247</b>	<b>1,065</b>	<b>1,501</b>	<b>1,246</b>	<b>751</b>	<b>157</b>	<b>744</b>

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

SEK millions	Pro forma				1/15	2/15	3/15	4/15	1/16
	1/14	2/14	3/14	4/14					
SSAB Special Steels	242	338	-61	207	252	293	251	-134	202
SSAB Europe	-16	10	61	-54	312	94	-328	-253	-118
SSAB Americas	74	176	558	299	296	154	78	-100	55
Tibnor	29	34	36	-16	29	16	-8	-47	-17
Ruukki Construction	-92	32	72	-26	-62	13	64	3	-48
Depreciation on surplus values, IPSCO	-124	-125	-132	-140	-158	-159	-161	-179	-160
Depreciation on surplus values, Rautaruukki	-	-	-	-	-51	-50	-52	-52	-51
Other	-79	-76	-125	-97	-54	-60	-35	-40	-53
<b>Total</b>	<b>34</b>	<b>389</b>	<b>409</b>	<b>173</b>	<b>564</b>	<b>301</b>	<b>-191</b>	<b>-802</b>	<b>-190</b>

## Financial reports in accordance with IFRS – the Parent Company

### The Parent Company's income statement

SEK millions	2016 Q 1	2015 Q 1 1)	2015 Full year 1)
Gross profit	0	0	0
Administrative expenses	-55	-69	-280
Other operating income/expenses	17	18	83
<b>Operating profit/loss</b>	<b>-38</b>	<b>-51</b>	<b>-197</b>
Financial items	267	-486	641
<b>Profit/loss after financial items</b>	<b>229</b>	<b>-537</b>	<b>444</b>
Appropriations	-	-	1,111
Tax	-49	304	89
<b>Profit/loss after tax</b>	<b>180</b>	<b>-233</b>	<b>1,644</b>

1) The figures for 2015 have been adjusted due to change in accounting principles applying to the accounting of hedges of net investments in foreign operations.

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

SEK millions	2016 Q 1	2015 Q 1 1)	2015 Full year 1)
<b>Profit/loss after tax</b>	<b>180</b>	<b>-233</b>	<b>1,644</b>
<i>Other comprehensive income</i>			
<u>Items that may be classified to the income statement</u>			
Hedging of currency risks in foreign operations	-	-	-
Cash flow hedges	-20	-	-6
Tax attributable to other comprehensive income	4	-	1
Total items that will be reclassified to the income statement	-16	-	-5
<b>Other comprehensive income, net after tax</b>	<b>-16</b>	<b>-</b>	<b>-5</b>
<b>Total comprehensive income for the period</b>	<b>164</b>	<b>-233</b>	<b>1,639</b>

1) The figures for 2015 have been adjusted due to change in accounting principles applying to the accounting of hedges of net investments in foreign operations.

### The Parent Company's balance sheet

SEK millions	March 31 2015	March 31 2015	Dec 31 2014
<b>Assets</b>			
Fixed assets	57,402	56,082	57,245
Other current assets	14,319	15,059	15,922
Cash and cash equivalents	1,369	336	591
<b>Total assets</b>	<b>73,090</b>	<b>71,477</b>	<b>73,758</b>
<b>Equity and liabilities</b>			
Restricted equity	5,735	5,735	5,735
Unrestricted equity	40,356	38,318	40,192
<b>Total equity</b>	<b>46,091</b>	<b>44,053</b>	<b>45,927</b>
Untaxed reserves	-	-	-
Long-term liabilities and provisions	17,297	16,980	17,109
Current liabilities and provisions	9,702	10,444	10,722
<b>Total equity and liabilities</b>	<b>73,090</b>	<b>71,477</b>	<b>73,758</b>

## Change in accounting principle in SSAB AB

As of January 1, 2016, the parent company SSAB AB has changed the principle applying to the accounting of hedges of net investments in foreign operations. The change in accounting principle was made to harmonize accounting with tax legislation. The table below shows the impacts of this change.

### Parent company's income statement, impacts of change in accounting principle

SEK millions	2015 Q 1	Adjustment changed accounting principle	Adjusted 2015, Q 1	2015 Full year	Adjustment changed accounting principle	Adjusted 2015, Full year
Gross profit	0	0	0	0	0	0
Administrative expenses	-69	-	-69	-280	-	-280
Other operating income/expenses	18	-	18	83	-	83
<b>Operating profit/loss</b>	-51	-	-51	-197	-	-197
Dividend	-	-	-	-	-	-
Financial items	742	-1,228	-486	1,358	-717	641
<b>Profit/loss after financial items</b>	691	-1,228	-537	1,161	-717	444
Appropriations	-	-	-	1,111	-	1,111
Tax	34	270	304	-69	158	89
<b>Profit/loss after tax</b>	725	-958	-233	2,203	-559	1,644

### Parent company's statement of other comprehensive income, impact of change in accounting principle

SEK millions	2015 Q 1	Adjustment changed accounting principle	Adjusted 2015, Q 1	2015 Full year	Adjustment changed accounting principle	Adjusted 2015, Full year
<b>Profit/loss after tax</b>	725	-958	-233	2,203	-559	1,644
<i>Other comprehensive income</i>						
<u>Items that may be classified to the income statement</u>						
Hedging of currency risks in foreign operations	-1,228	1,228	-	-717	717	-
Cash flow hedges	-	-	-	-6	-	-6
Tax attributable to other comprehensive income	270	-270	-	159	-158	1
Total items that will be reclassified to the income statement	-958	958	-	-564	559	-5
<b>Other comprehensive income, net after tax</b>	-958	958	-	-564	559	-5
<b>Total comprehensive income for the period</b>	-233	-	-233	1,639	-	1,639



**Production and shipments**

Thousand tonnes	Pro forma								
	1/14	2/14	3/14	4/14	1/15	2/15	3/15	4/15	1/16
<b>Crude steel production</b>									
- SSAB Special Steels	245	288	170	278	354	380	401	226	218
- SSAB Europe	1,149	1,139	1,119	1,163	1,186	1,038	716	1,110	1,166
- SSAB Americas	625	595	687	613	555	546	607	474	617
<b>- Total</b>	<b>2,019</b>	<b>2,022</b>	<b>1,976</b>	<b>2,054</b>	<b>2,095</b>	<b>1,964</b>	<b>1,724</b>	<b>1,810</b>	<b>2,001</b>
<b>Rolling production</b>									
- SSAB Special Steels	138	134	105	136	119	141	142	103	130
- SSAB Europe	1,103	1,127	967	1,049	1,154	1,135	952	1,040	1,101
- SSAB Americas	583	572	648	563	518	521	559	469	576
<b>- Total</b>	<b>1,824</b>	<b>1,833</b>	<b>1,720</b>	<b>1,748</b>	<b>1,791</b>	<b>1,798</b>	<b>1,653</b>	<b>1,612</b>	<b>1,807</b>
<b>Steel shipments</b>									
- SSAB Special Steels	291	295	244	235	259	260	216	202	256
- SSAB Europe	957	916	829	913	976	991	823	823	946
- SSAB Americas	496	522	559	488	476	471	505	435	475
<b>- Total</b>	<b>1,744</b>	<b>1,732</b>	<b>1,632</b>	<b>1,636</b>	<b>1,711</b>	<b>1,722</b>	<b>1,544</b>	<b>1,460</b>	<b>1,677</b>

**Note:**

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

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**The Half-year report 2016:**

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The logo for SSAB, consisting of the letters 'SSAB' in a bold, blue, sans-serif font. The letter 'A' is stylized with a small triangle pointing to the right.

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