



## Results for the first quarter 2013

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April 25, 2013

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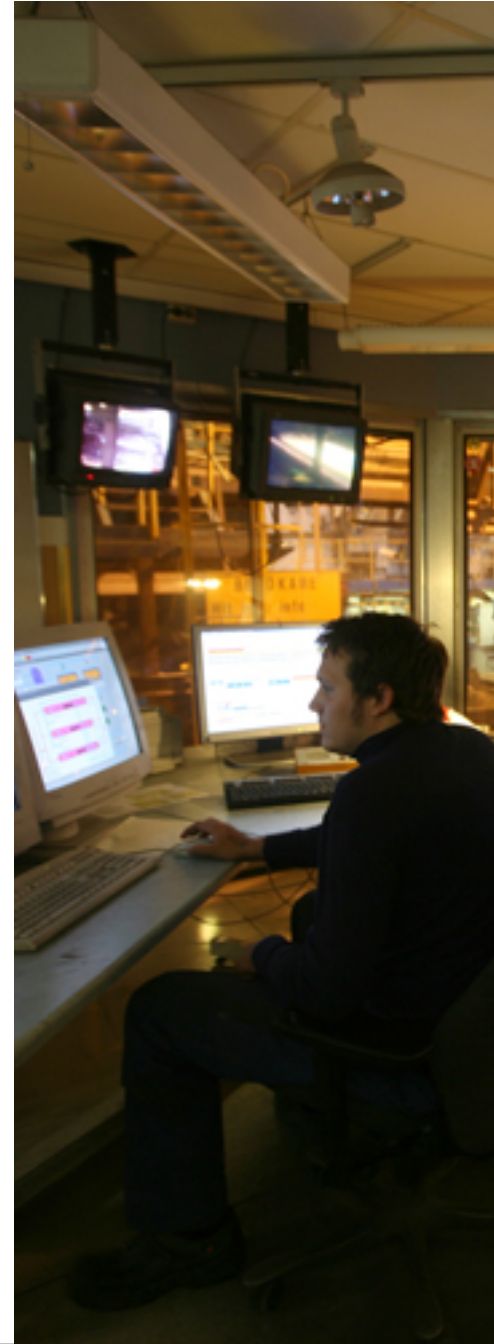
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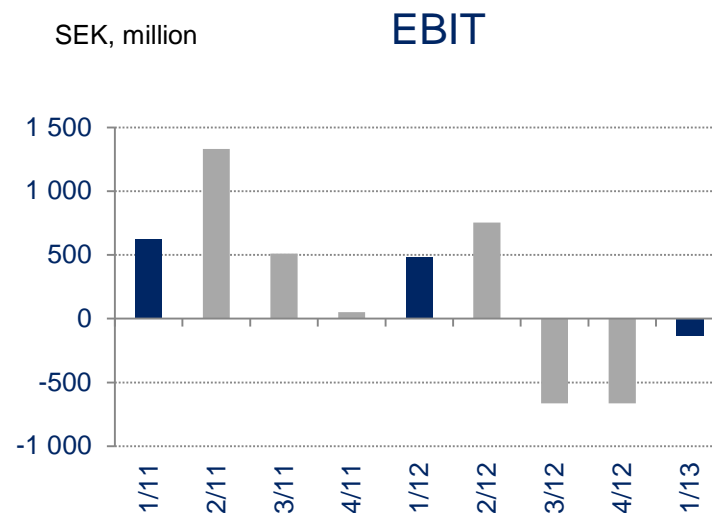
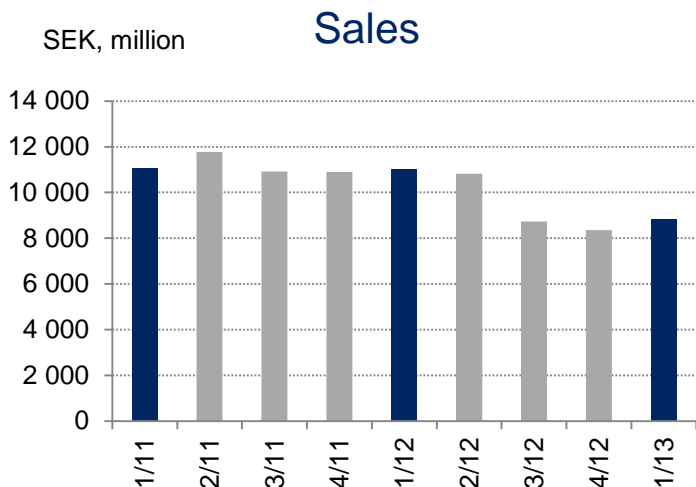
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# Highlights – Q1 2013

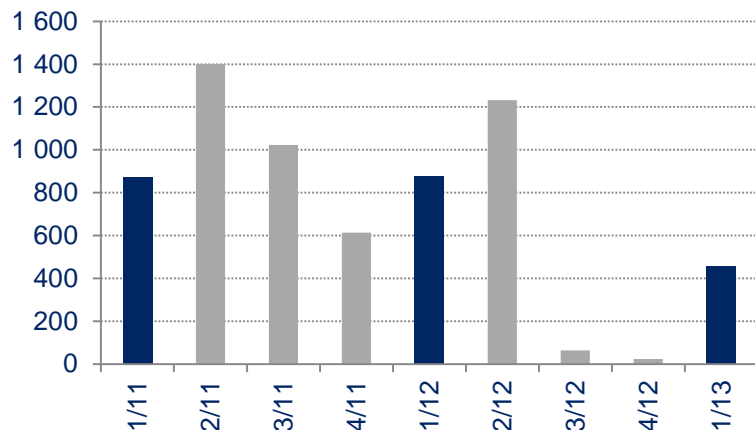
- ▶ SSAB's shipments increased 16% compared with Q4-12, mainly due to some restocking among customers
- ▶ In general, SSAB's contract steel prices were stable compared with Q4-12
- ▶ Lower costs for iron ore and coal in Q1-13 affected results positively
- ▶ EBIT loss of MSEK 136, improvement from Q4-12
- ▶ Actions completed of the efficiency program



# Group – Sales, EBIT, EBITDA/tonne



SEK EBITDA / tonne delivered steel\*



\* Reflecting the steel operations; EMEA, Americas, APAC

# Automotive and Energy brightest spots

## Heavy Transport



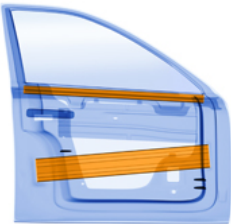
- ▶ Heavy Truck registration down in Europe, order intake seems to have recovered in Q1
- ▶ Tank railcar and tank barge business strong in the US

## Mining



- ▶ Coal related mining investments slow in east Australia and Indonesia
- ▶ Other regions stable, partly driven by investments and modernization of old mines

## Automotive



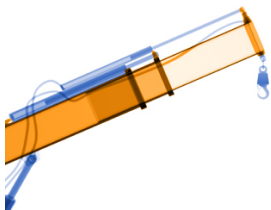
- ▶ US light vehicle sales up 6.3% in Q1-13 vs. Q1-12
- ▶ EU passenger car sales down 9.8% in Q1-13 vs. Q1-12
- ▶ Chinese passenger car sales up 17.2% Q1-13

## Energy



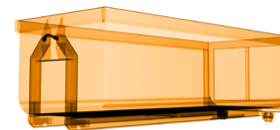
- ▶ Large multiple year line pipe projects being discussed
- ▶ Transmission tower business very solid

## Construction Equipment



- ▶ Construction market remains bleak in Europe
- ▶ Inventories remain high among Chinese lifting customers

## Service centers (US)

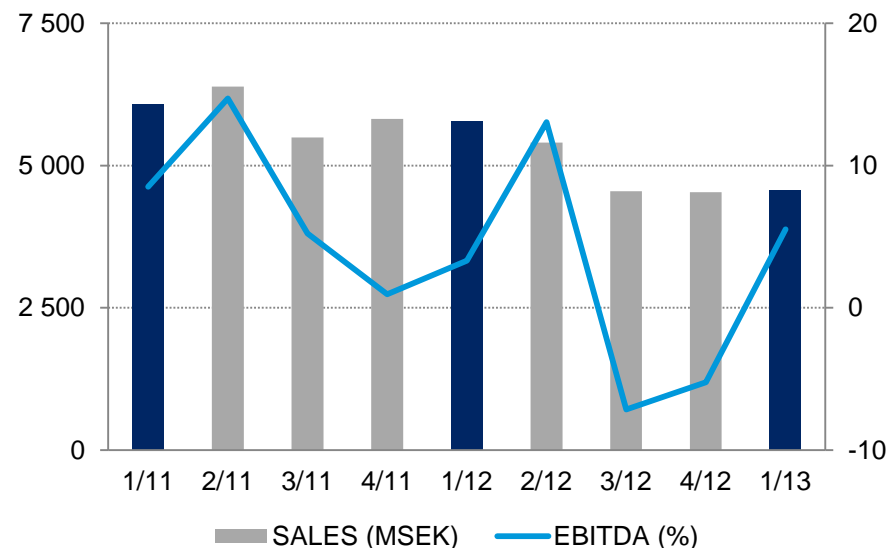


- ▶ Service centers business not improving, the sentiment remain cautious
- ▶ Continued pressure on Service centers resale price

# SSAB EMEA

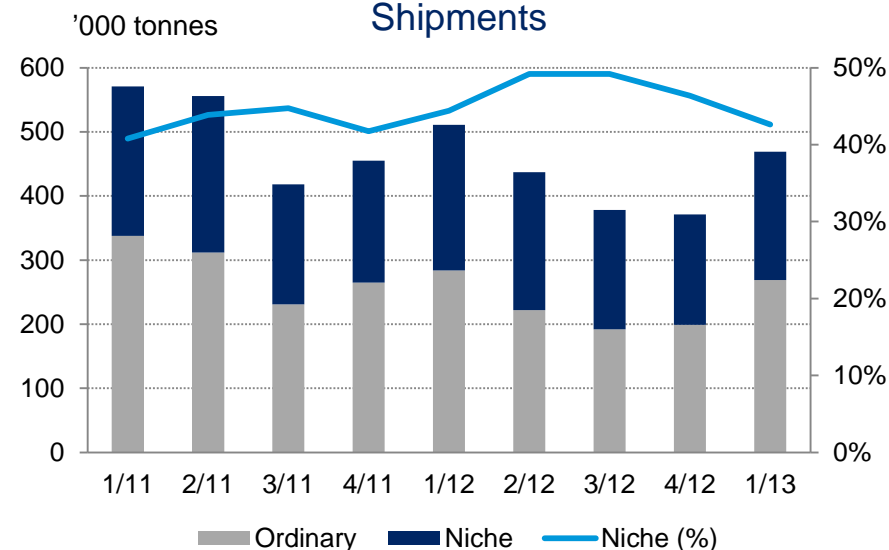
MSEK	Q1-13	Q1-12	Chge
Sales	4,573	5,780	-21%
EBITDA	252	192	31%
EBIT	-53	-124	n.m.
EBIT margin	-1.2%	-2.1%	

Sales & EBITDA margin



- ▶ Shipments were 26% higher vs. Q4-12, but 8% lower vs. Q1-12
- ▶ Local prices decreased 1% for niche steels, but increased 1% for standard steels vs. Q4-12
- ▶ Niche products were 43% (44% in Q1-12) of shipments
- ▶ Demand increased, driven mainly by some restocking in standard strip steel

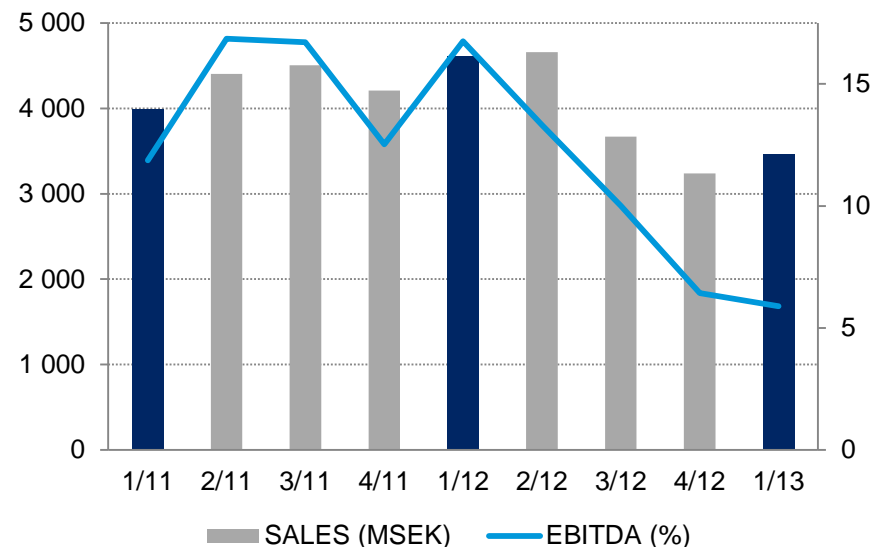
Shipments



# SSAB Americas

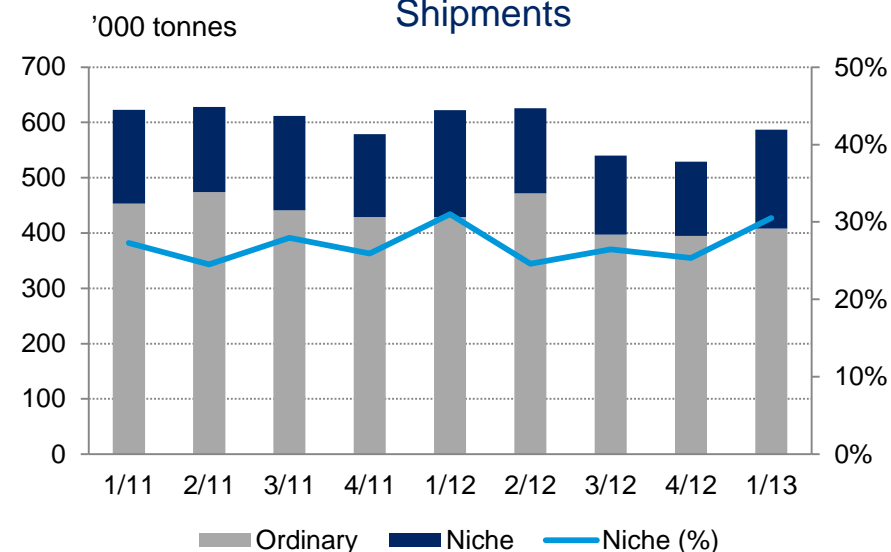
MSEK	Q1-13	Q1-12	Chge
Sales	3,460	4,609	-25%
EBITDA	204	772	-74%
EBIT	87	670	-87%
EBIT margin	2.5%	14.5%	

Sales & EBITDA margin



- ▶ Shipments were 11% higher vs. Q4-12, but 6% lower vs. Q1-12
- ▶ Local prices decreased 2% for niche steels and 1% for standard steels vs. Q4-12
- ▶ Niche products were 30% (31% in Q1-12) of shipments
- ▶ Planned outage in Montpelier in Q2-13, will affect earnings negatively by MSEK ~150
- ▶ Demand from the Energy and Heavy Transport segments increased, Construction Machinery still on a low level

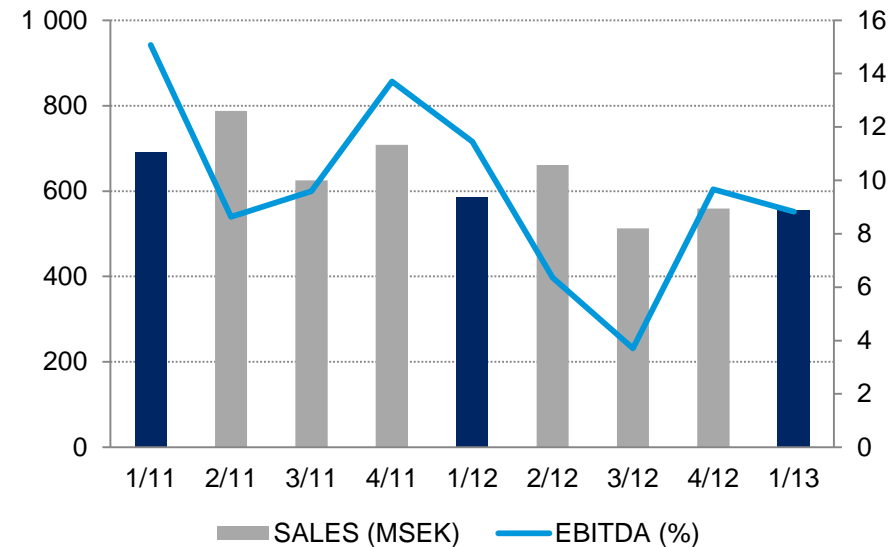
Shipments



# SSAB APAC

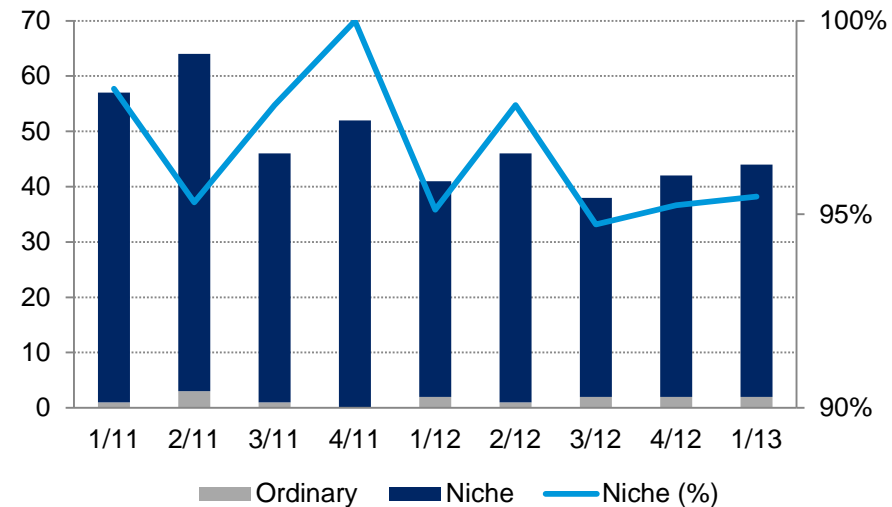
MSEK	Q1-13	Q1-12	Chge
Sales	555	585	-5%
EBITDA	49	67	-27%
EBIT	42	65	-35%
EBIT margin	7.6%	11.1%	

Sales & EBITDA margin



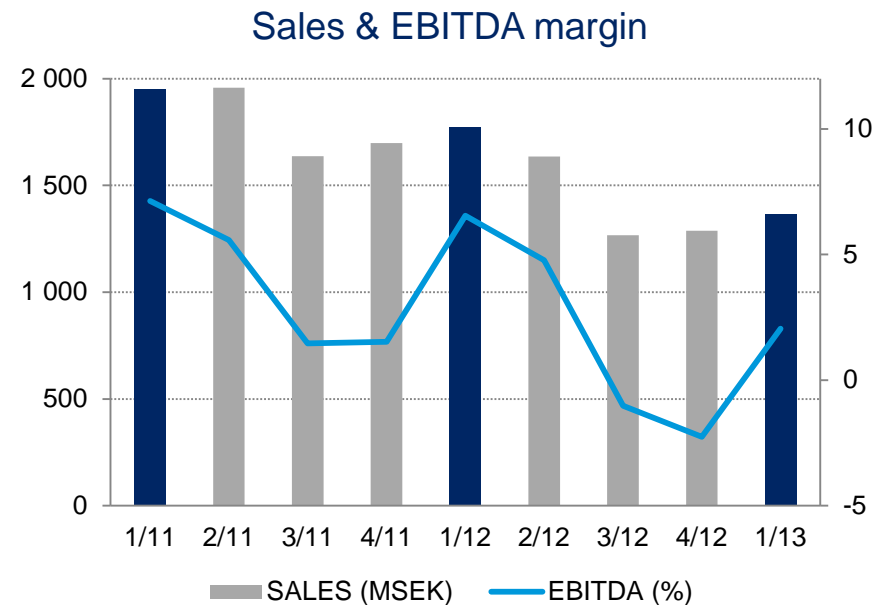
- ▶ Shipments of niche products were 5% higher vs. Q4-12, and 8% higher vs. Q1-12
- ▶ Local prices for niche steels were 3% lower vs. Q4-12
- ▶ Following a recovery in the beginning of the year, demand slowed in the latter part of the quarter
- ▶ Material Handling stable, demand from the mobile crane industry weakened

'000 tonnes Shipments



# Tibnor

MSEK	Q1-13	Q1-12	Chge
Sales	1,366	1,771	-23%
EBITDA	28	116	-76%
EBIT	15	105	-86%
EBIT margin	1.1%	5.9%	



- ▶ Shipments were 10% higher vs. Q4-12, but 18% lower vs. Q1-12
- ▶ Operating cash flow was MSEK 22 (95)
- ▶ Lower shipments in all product groups compared with Q1-12

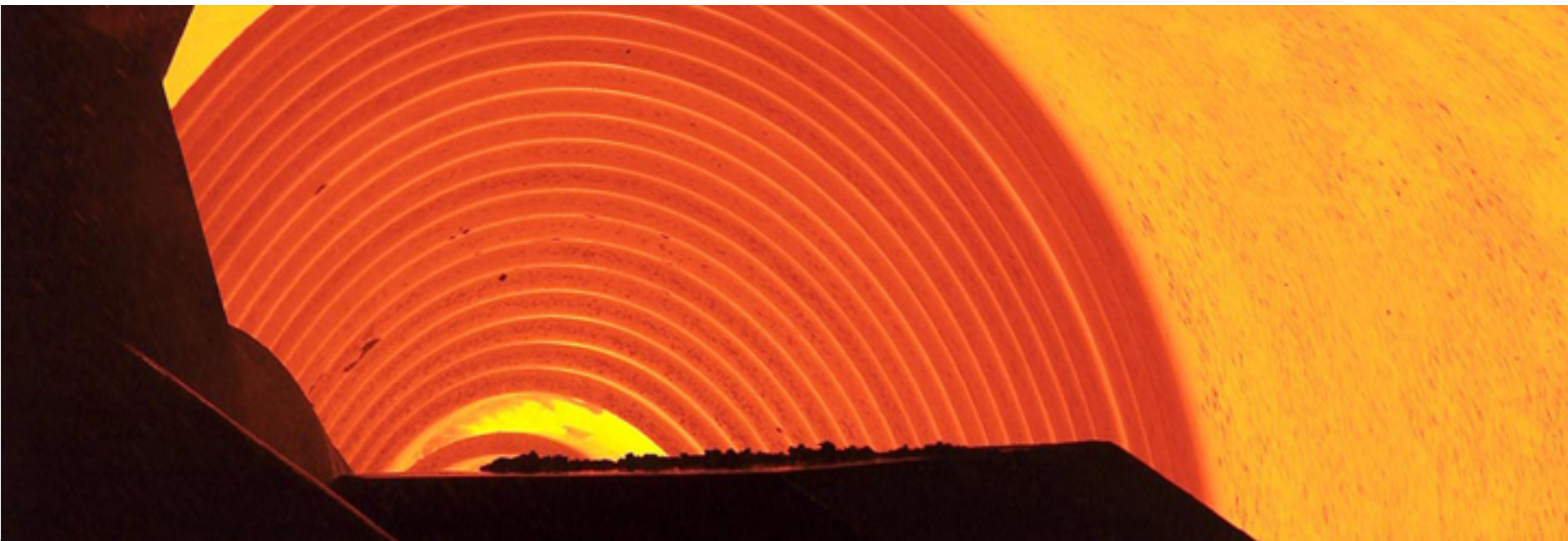
# Market environment and outlook

- ▶ WSA forecasts a 2.9% increase in global steel demand in 2013 – a slight revision downwards vs. the previous estimate
- ▶ Capacity utilization ~73% in European steel mills in February – increase from the Q4-12 level
- ▶ Inventories are now at normal levels following restocking among customers during Q1-13
- ▶ European strip spot prices have been under pressure from late March-April
- ▶ US plate prices bottomed out in Q1-13 and have since risen slightly



# Financials

Marco Wirén, CFO



# Financials Q1-13

- ▶ Sales was MSEK 8,833 (11,023)
- ▶ Operating result of MSEK -136 (479)
- ▶ Operating cash flow of MSEK 85 (1,887)
- ▶ Negative currency impact of MSEK 150 compared with Q1-12

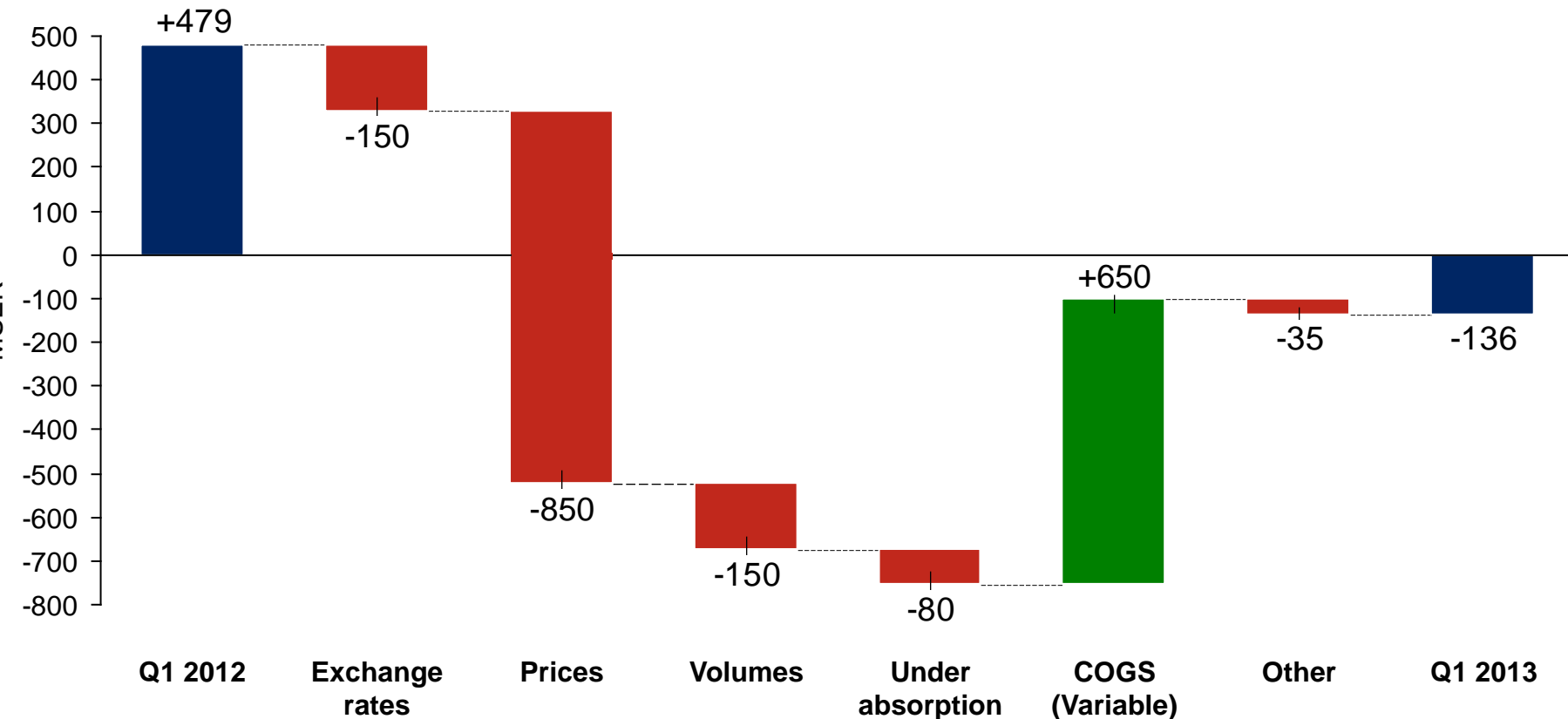


# Key Figures

SEK million (except for EPS and Dividend)	Q1-13	Q1-12	Apr-12 Mar-13	2012 Full year
Sales	<b>8,833</b>	11,023	<b>36,733</b>	<b>38,923</b>
Operating profit	<b>-136</b>	479	<b>-711</b>	<b>-96</b>
Pre-tax profit	<b>-278</b>	329	<b>-1,300</b>	<b>-693</b>
Net profit	<b>-137</b>	281	<b>-403</b>	<b>15</b>
Earnings per share, SEK	<b>0</b>	1	<b>-1</b>	<b>0</b>
Operating cash-flow	<b>85</b>	1,887	<b>3,127</b>	<b>4,929</b>
Debt/Equity, %	<b>55</b>	57	<b>55</b>	<b>54</b>
ROCE, %	-	-	<b>-1</b>	<b>0</b>
ROE, %	-	-	<b>-1</b>	<b>0</b>
Dividend, SEK	-	-	-	<b>1.00</b>

# Change in operating profit, Q1-13 vs. Q1-12

Change in operating profit, excluding non-recurring items, between the first quarters of 2013 and 2012 (SEK millions)



# Operating cash flow

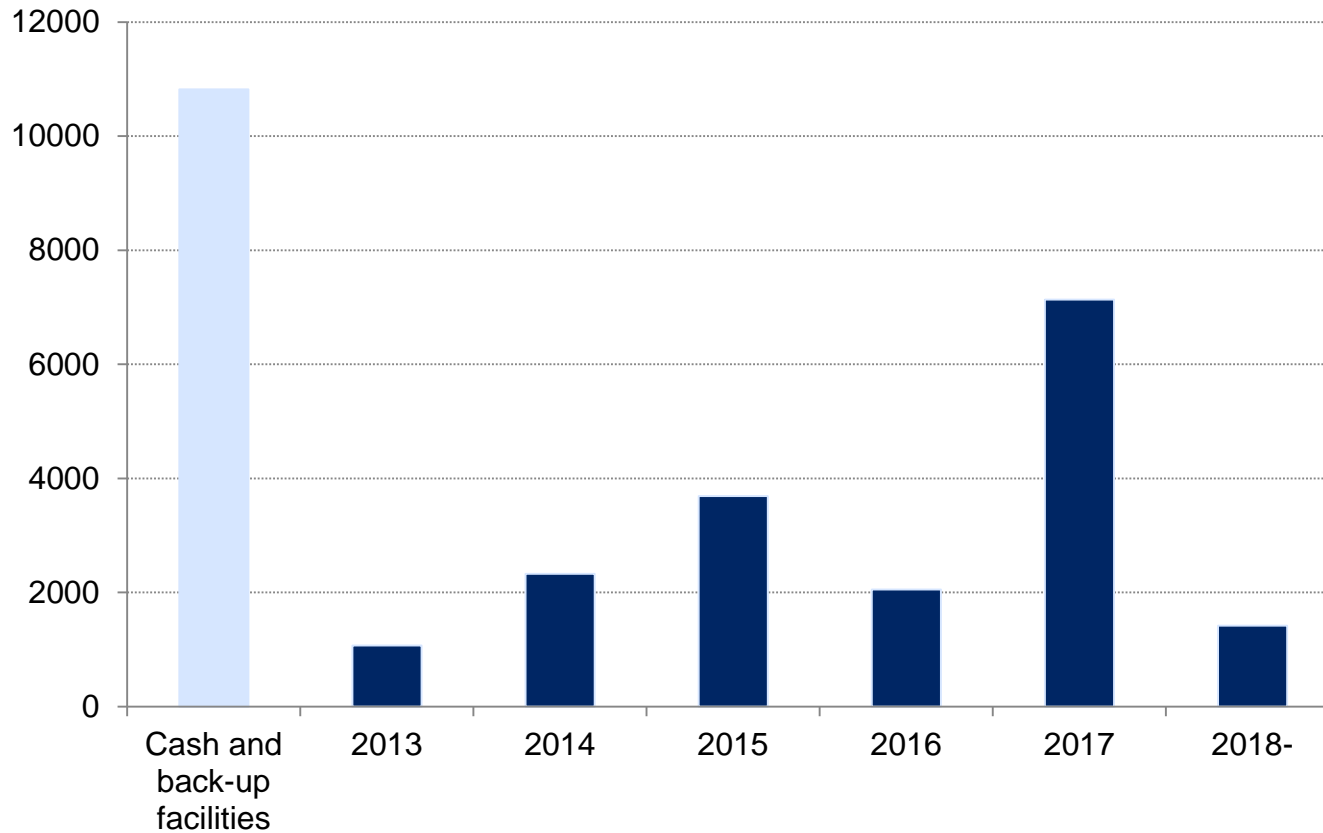
SEK millions	Q1-13	Q1-12	Apr-12 Mar-13	2012 Full year
SSAB EMEA	-115	1,198	947	2,260
SSAB Americas	155	699	1,846	2,390
SSAB APAC	45	-79	223	99
Tibnor	22	95	305	378
Other	-22	-26	-194	-198
<b>Operating cash flow</b>	<b>85</b>	<b>1,887</b>	<b>3,127</b>	<b>4,929</b>
Financial items	-104	-104	-572	-572
Taxes	-92	-99	-425	-432
<b>Cash flow from current operations</b>	<b>-111</b>	<b>1,684</b>	<b>2,130</b>	<b>3,925</b>
Strategic investments & acquisitions	-53	-265	-474	-686
Divestment of businesses and operations	-	31	-	31
<b>Cash flow before dividend and financing</b>	<b>-164</b>	<b>1,450</b>	<b>1,656</b>	<b>3,270</b>
Dividend to shareholders, holdings without controlling interest	-	-	-648	-648
<b>Net cash flow</b>	<b>-164</b>	<b>1,450</b>	<b>1,008</b>	<b>2,622</b>

# Financing & Liquidity – March 31

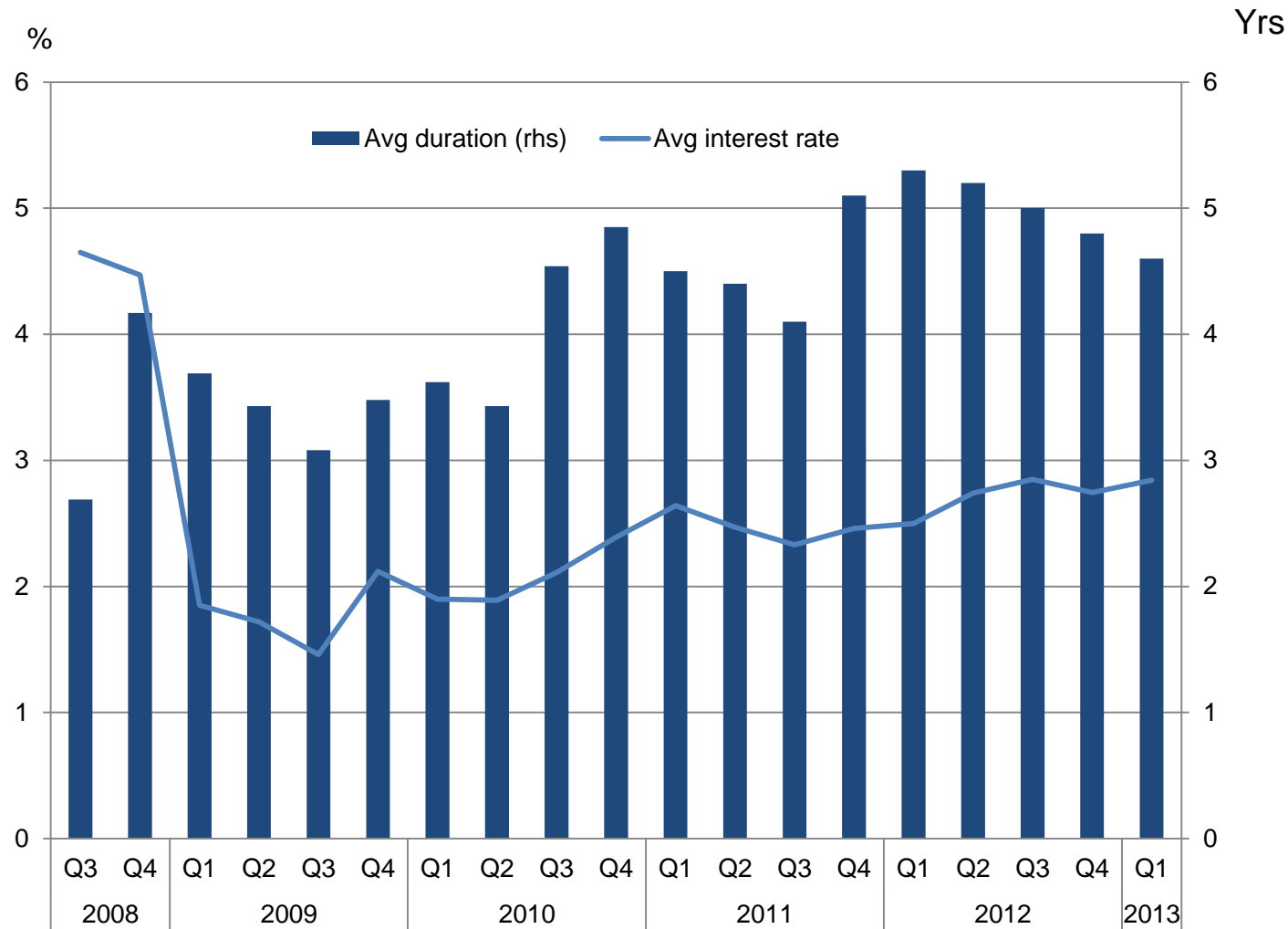
- ▶ The net gearing was 55% by end of Q1-13 (57% Q1-12)
- ▶ Net debt increased slightly to SEK 15.7bn from the previous quarter
- ▶ Liquidity preparedness as percentage of annual sales (rolling 12 mths) was 29% (incl. commercial paper)
- ▶ The average term on the loan portfolio at 4.6 years (5.3 in Q1-12) with an interest term of 1.1 years
- ▶ Commercial paper amounted to MSEK ~900

# Debt Maturity, March 31

SEK m



# Debt Cost and Duration



# Trends in raw material prices

- ▶ Iron ore prices in Q1-13 were on par with Q4-12 but 23% lower than in Q3-12
- ▶ No new price agreements have yet been signed, regarding iron ore deliveries as from Q2-13
- ▶ Coal procurement - Australia (monthly agreements); Prices in Q1-13 were 6% lower compared with Q4-12, which will start to impact earnings during Q2-13
- ▶ Coal procurement - US (yearly agreements); In Q1-13, the final deliveries were received under the 2012 price agreement. No new price agreement has yet been signed regarding deliveries as from Q2-13
- ▶ US scrap prices have been volatile - spot prices by end of Q1-13 were 5% higher vs. Q4-12, but 7% lower vs. Q1-12



## Martin Lindqvist, President & CEO



# Outlook

- ▶ Continued economic uncertainty in Europe
- ▶ Volumes expected to increase somewhat in Q2-13 vs. Q1-13
- ▶ SSAB Americas will be affected by outage in Montpelier in Q2-13; approx. MSEK 150
- ▶ Recently, strip steel spot prices in Europe have been under some pressure, US plate prices have recovered slightly
- ▶ Completion of the efficiency program within SSAB EMEA will gradually impact the result, with full impact from 2014



# Questions

- ▶ Please state your name and the company that you represent

