

SSAB

Results for 2009

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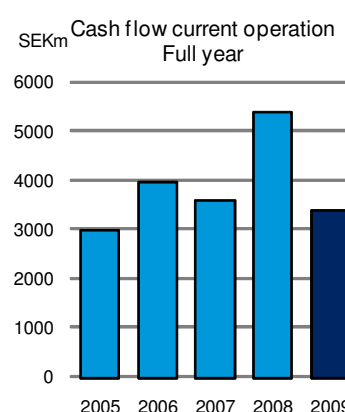
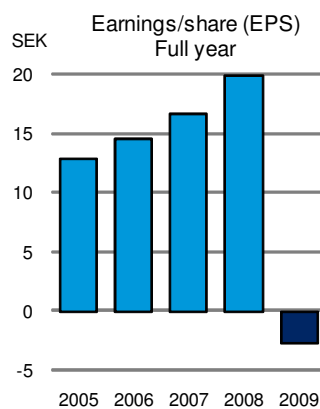
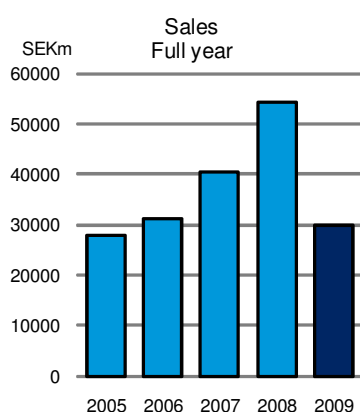
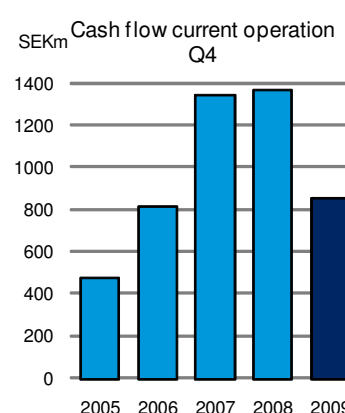
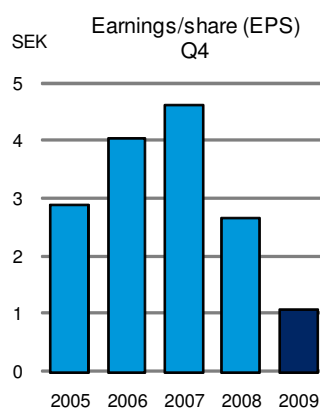
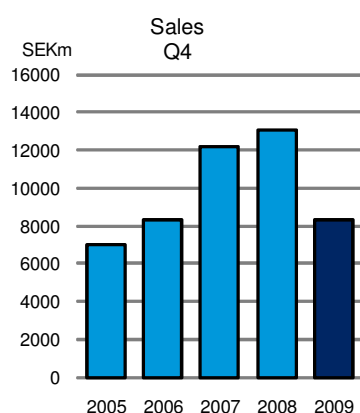
The quarter (Unless otherwise stated, the report relates to the continuing operations, i.e. excluding the tubular business)

- Sales declined by 37% to SEK 8,284 (13,063) million
- Operating profit of SEK 430 (979) million
- Profit after financial items of SEK 348 (841) million
- Profit after tax of SEK 350 (833) million, entailing earnings per share of SEK 1.09 (2.66)
- Operating cash flow of SEK 799 (2,415) million and cash flow from current operations of SEK 856 (1,366) million
- Net debt/equity ratio declined during the quarter from 52% to 49%

The full year (Unless otherwise stated, the report relates to the continuing operations, i.e. excluding the tubular business)

- Sales declined by 45% to SEK 29,838 (54,329) million
- Operating profit of SEK -1,592 (9,516) million
- Profit after financial items of SEK -2,061 (8,953) million
- Profit after tax of SEK -879 (6,508) million, entailing earnings per share of SEK -2.69 (19.90)
- Operating cash flow of SEK 4,868 (9,085) million and cash flow from current operations of SEK 3,387 (5,387) million
- Negative return on capital employed and on equity (last year 17% and 22% respectively)
- A dividend is proposed of SEK 1.00 (4.00) per share, equal to SEK 324 (1,296) million

(In the report, amounts within brackets refer to the same period last year.)



Comments by the CEO

As we had previously announced, the fourth quarter was significantly better than the preceding quarter, supported by higher volumes, although almost half of the earnings for the quarter are due to items of a more temporary nature. The increased volumes are due in part to the fact that inventory liquidation at our customers has now ended, and in part to a certain upturn in demand. Prices continued to experience downward pressure during the fourth quarter.

The full year 2009 closed with an operating loss of SEK 1.6 billion. In response to the economic downturn which affected all of our markets and segments, we introduced a cost reduction program which helped to reduce our fixed costs during the year by 19% or SEK 1.5 billion. In 2010, there is expected to be a sustainable saving of approximately SEK 1 billion. The operating cash flow amounted to SEK 4,868 million, primarily due to a reduction in working capital in all divisions.

Gradually during the second half of the year, all blast furnaces in Sweden were restarted and thus our plants in both Sweden and the United States are now almost at full operation. In light of the improved market conditions, we have decided to resume the work on the investment program that we presented in the autumn of 2008. This primarily means that we are continuing with the construction of the new quenching line in Mobile, Alabama in order to considerably increase our quenched steel production capacity. We will also complete the investment to enable production of quenched steel at our plant in Borlänge. Thus, of the original SEK 5.3 billion, projects of approximately SEK 1.5 billion have not yet been started. In light of the resumed projects, total capital expenditure payments in 2010 are expected to amount to almost SEK 3 billion, of which SEK 1.8 billion relate to strategic investments.

During the first quarter we expect our volumes to increase, but prices will be lower than during the fourth quarter. Production will be slightly below the normal level including a scheduled maintenance outage at our plant in Montpelier, Iowa. The outage will affect earnings by approximately SEK 250 million, of which just over half will be incurred in the first quarter. No new iron ore and coal agreements have been signed so far, but the market's assessment is that the prices will increase. However, over time we expect to be able to compensate for the higher raw material prices in light of the improving market conditions. Since our inventory levels of iron ore are low, the anticipated price increase will affect earnings for the first quarter, while an increase in the price of coal will impact earnings towards the end of the second quarter. The increasing price trend for scrap metal has thus far carried over into 2010. Changes in scrap prices have a relatively quick impact on earnings due to a high rate of inventory turnover.

It now appears that the bottom of the recession has been reached, but it is still difficult to assess the strength of the recovery.

Consolidated income statement

	2009	2008	2009	2008
SEK millions	Q 4	Q 4	Full year	Full year
Sales	8,284	13,063	29,838	54,329
Operating profit	430	979	-1,592	9,516
<i>Of which operating profit per business area</i>				
- SSAB Strip Products	-48	302	-1,637	3,324
- SSAB Plate	173	540	-73	3,154
- SSAB North America 1)	204	789	-271	2,951
- Tibnor	-6	-219	-38	634
- Provisions, cost reduction program 2)	76	-498	76	-498
Other 3)	31	65	351	-49
	430	979	-1,592	9,516
Financial items	-82	-138	-469	-563
Earnings after financial items	348	841	-2,061	8,953
Tax	2	-8	1,182	-2,445
Earnings after tax for continuing operations	350	833	-879	6,508
Earnings after tax for discontinued operations 4)	-131	70	-131	490
Earnings for the period after tax	219	903	-1,010	6,998
Key ratios				
Return on capital employed before tax (%)	-	-	neg	17
Return on equity after tax (%)	-	-	neg	22
Earnings per share (SEK)	0.68	2.88	-3.09	21.41
of which for continuing operations (SEK)	1.09	2.66	-2.69	19.90
Goodwill (SEK millions)	19,701	21,105	19,701	21,105
Equity (SEK millions)	31,002	35,193	31,002	35,193
Net debt (SEK millions)	15,314	16,992	15,314	16,992
Net debt/equity ratio (%)	49	48	49	48

1) SSAB North America's operating profit during the year has been impacted by SEK 942 (745) million in amortization of surplus values on intangible and tangible fixed assets, of which SEK 209 (237) million in the fourth quarter.

2) The provisions at the end of 2008 are reported as a joint item for the entire Group. The allocation between the divisions is SEK 200 million for SSAB Strip Products, SEK 125 million for SSAB Plate, SEK 0 million for SSAB North America, SEK 34 million for Tibnor and SEK 139 million for Other, as well as an unallocated portion of SEK 77 million. SEK 76 million of the reserve was dissolved in the fourth quarter of 2009.

3) Profit includes a profit of SEK 313 (240) million on sales of emission rights, allocated as SEK 13 (-) million to SSAB Strip Products and SEK 300 (240) million to Other. During the fourth quarter, sales of emission rights amounted to SEK - (240) million.

4) The discontinued operations relate to the tubular business in North America which was divested in 2008. The cost for the year of SEK 131 million is a provision in respect of warranty obligations to the buyer. For details regarding the divested operations, see the Annual Report for 2008.

The market

Underlying demand in Europe and the US remained weak during the fourth quarter of 2009 but, due to the strong inventory liquidation period earlier in the year, demand for steel products increased in Europe and the United States due to the end of the destocking. In Asia, demand remained strong and China accounted for 47 (38)% of global production of crude steel.

Changes in crude steel production	Q409 vs Q309	Q409 vs Q408	2009 vs 2008
Europe	12%	10%	-27%
North America	10%	17%	-34%
China	-5%	35%	13%
The world	2%	22%	-8%

Source: The World Steel Association

European distributors' inventories of steel products remained on low levels. According to statistics from the Metals Service Center Institute, seasonally adjusted inventories at Steel Service Centers in the US in December decreased to 2.7 months of current consumption levels.

SSAB's market

Due to stronger demand, SSAB's deliveries during the fourth quarter increased by 33% compared with the third quarter and were unchanged compared with the fourth quarter of 2008. SSAB Strip Products' prices in local currencies fell during the quarter by 1%, while SSAB Plate's quenched steel prices declined by 5%. SSAB North America's prices fell by 1%.

In light of the gradually improving market conditions, the third blast furnace was started up towards the end of the quarter, and all three of the Company's blast furnaces are now in operation.

Outlook for 2010

Demand is expected to strengthen somewhat during the first quarter of 2010. In the US, prices during the first quarter are expected to be lower, primarily as a consequence of mix changes. In Europe and Asia, it is anticipated that general pressure on prices during the fourth quarter of 2009 will lead to lower prices during the first quarter.

The degree of utilization at SSAB's production lines has gradually increased but is estimated to be somewhat lower than normal during the first quarter. The full impact of the cost reduction program will be realized during 2010, in line with the fourth quarter of 2009.

At the steel works in Montpelier, Iowa, a scheduled maintenance outage will take place for three weeks commencing the third week in March. The outage is estimated to impact earnings by approximately SEK 250 million, of which just over half is expected to be incurred during the first quarter. Major maintenance outages of this type normally take place every two to three years at each plant in the United States.

New price agreements for iron ore and coal have not yet been signed. Spot prices for both ore and coal have increased in excess of the levels in the 2009 agreements and the market expects both ore and coal prices in USD to increase compared with the 2009 agreements. However, over time the higher raw material prices are expected to be compensated by the improving market conditions. Coal agreements will impact earnings towards the end of the second quarter, whereas iron ore agreements will impact earnings during the first quarter.

The price of scrap metal has been volatile during the year, but has been on the rise from April onwards. The increasing price trend has thus far carried over into 2010 and at the end of January prices are approximately 17% above the level at the end of December 2009. Changes in scrap prices have a relatively quick impact on earnings due to a high rate of inventory turnover.

The Group

Sales during the quarter amounted to SEK 8,284 (13,063) million, a decrease of SEK 4,779 million or 37%. Lower prices accounted for a negative effect of 27 percentage points, a weaker product mix for a negative effect of 11 percentage points, while currency effects accounted for a positive effect of 1 percentage point.

Sales for the full year amounted to SEK 29,838 (54,329) million, a decline of SEK 24,491 million or 45%. Lower volumes accounted for a negative effect of 39 percentage points, lower prices for a negative effect of 10 percentage points, a weaker product mix for a negative effect of 1 percentage point, while currency effects accounted for a positive effect of 5 percentage points.

Operating profit during the quarter fell by SEK 549 million compared with the fourth quarter of 2008 and amounted to SEK 430 (979) million. Lower prices were only partly offset by lower variable and fixed production costs. Operating profit during the fourth quarter has been positively impacted by almost SEK 200 million, primarily through reversal of reserves for the cost reduction program and a reduced need for reserves for bad debt losses, obsolescence and costs for under-utilized subcontractor agreements.

Operating profit for the full year was down SEK 11,108 million and amounted to SEK -1,592 (9,516) million. The profit analysis is set forth in the table below.

Change in operating profit between 2009 and 2008 (SEK millions)	
Steel operations	
- Lower prices	-4 120
- Lower volumes	-7 220
- Higher variable production costs	-340
Tibnor	
- Lower volumes, change mix and margins	-780
Lower fixed costs	+1 552
Lower sales of by-products and slabs	-655
Higher provisions for anticipated bad debt losses	-31
Costs for under-utilized subcontractor agreements	-103
Non-recurring insurance indemnification, preceding year	-114
Sold emission rights	+73
Reserve for cost reduction program 2008	+574
Other	+56
Change in operating profit	-11 108

Operating profit for the full year was negatively impacted by write-downs of the finished goods inventories in the steel operations and Tibnor by SEK 445 (489) million and coke inventories by SEK 316 (-) million. Fixed costs declined by SEK 1,552 million, of which just over SEK 750 million relates to the ongoing cost reduction program, and which is expected to generate sustainable savings. Costs for anticipated bad debt losses increased and amounted to SEK 88 (57) million. Due to weaker demand, it is believed that some agreements with subcontractors will not be utilized and the resulting costs have impacted earnings by SEK 103 million. Due to a weak Swedish krona, sales have been positively impacted by approx. SEK 2.5 billion while operating expenses have been negatively impacted by approximately SEK 1.6 billion compared with 2008.

Financial items for the quarter amounted to SEK -82 (-138) million. The improvement compared with the corresponding quarter of 2008 is largely due to lower interest expenses.

Financial items for the full year amounted to SEK -469 (-563) million. Financial items for 2008 included SEK +146 million with respect to the interest compensation included in the indemnification relating to an older blast furnace breakdown.

Earnings for the quarter after financial items were SEK 348 (841) million, a decline of SEK 493 million.

Earnings for the full year after financial items were SEK -2,061 (8,953) million, a decline of SEK 11,014 million.

Tax

Tax for the quarter amounted to SEK +2 (-8) million and, for the full year, to SEK +1,182 (-2,445) million. The effective tax rate was +57 (-27)%. Tax for the full year was positively impacted by 9 percentage points as a consequence of changes in the calculated tax rate, primarily due to a reappraisal of the deferred tax liability from the acquisition of SSAB North America and to lower tax rates on positive earnings and higher tax rates on negative earnings in foreign subsidiaries totaling 22 percentage points.

Profit and earnings per share

Earnings after tax (attributable to the shareholders) for the continuing operations for the quarter amounted to SEK 352 (862) million, or SEK 1.09 (2.66) per share. In total for the full year, the corresponding results were SEK -871 (6,445) million or SEK -2.69 (19.90) per share. Including the divested operations, earnings for the quarter amounted to SEK 221 (932) million and, for the full year, to SEK -1,002 (6,935) million or SEK 0.68 (2.28) and SEK -3.09 (21.41) per share respectively.

Financing and liquidity

The operating cash flow during the quarter remained positive at SEK 799 (2,415) million, primarily as a consequence of a positive cash flow from the business operations. The cash flow during the quarter before financing amounted to SEK 646 (1,104) million. Net debt decreased by SEK 348 million from the end of the third quarter and the net debt/equity ratio declined from 52% to 49%.

For the full year, the operating cash flow amounted to SEK 4,868 (9,085) million, primarily as a consequence of a reduction in working capital in all divisions totaling SEK 5,135 million. Excluding currency effects, inventories declined by SEK 4,532 million and accounts receivable by SEK 984 million, this was offset by a reduction in accounts payable of SEK 268 million. The cash flow from current operations amounted to SEK 3,387 (5,387) million. Cash flow has been negatively affected by expenditures of just over SEK 380 million in respect of the ongoing cost reduction program.

Operating cash flow/change in net debt

	2009	2008	2009	2008
SEK millions	Q 4	Q 4	Full year	Full year
SSAB Strip Products	32	372	1,006	2,692
SSAB Plate	358	251	1,312	1,818
SSAB North America	242	1,470	1,376	4,139
Tubular business (up to date of divestment)	0	0	0	-160
Tibnor	162	95	725	677
Other	5	227	449	-81
Operating cash flow	799	2,415	4,868	9,085
Financial items 1)	-96	-340	-538	-1,132
Taxes 2)	153	-709	-943	-2,566
Cash flow from current operations	856	1,366	3,387	5,387
Acquisition of companies and operations	0	0	0	-10
Strategic investments	-210	-332	-944	-770
Divestment of businesses and operations 3)	0	70	31	24,918
Cash flow before dividend and financing	646	1,104	2,474	29,525
Dividend	0	0	-1,296	-1,620
Net debt in divested companies	0	0	0	817
Currency translation, etc. 4)	-298	-2,422	500	-2,071
Change, net debt (increase-/decrease+)	348	-1,318	1,678	26,651

1) Financial items consist primarily of paid interest, while reappraisals of financial instruments and currency differences are reported in the financing activities.

2) 'Taxes' means tax paid during the period.

3) Divested companies and operations during the year refers to SSAB Laminated Steel (lamination of steel and aluminum sheet), while for 2008 it refers to the North American tubular business.

4) Most of the currency translation comprised reappraisals of liabilities against equity for hedging foreign operations.

Cash flow before financing and dividend amounted to SEK 2,474 (29,525) million and, together with positive translation effects on the debts of SEK 500 (-2,071) million, meant that the net debt during the year declined by SEK 1,678 million, after the dividend of SEK 1,296 (1,620) million. Thus, on December 31, the net debt amounted to SEK 15,314 (16,992) million. Equity (including the minority share) declined during the year by SEK 4,191 million, from SEK 35,193 million to SEK 31,002 million. The net debt/equity ratio was 49 (48)%.

During the fourth quarter, bond loans of SEK 3.5 billion were issued, and were used in partial repayment of bank loans. These measures resulted in a more evenly-spread debt maturity structure on the loan portfolio and an extension of the average term to maturity by approximately 6 months. The average term to maturity at December 31 was 3.5 (4.1) years, with an average fixed interest period of 0.9 (0.8) years. Of the loan portfolio of SEK 18,876 (19,704) million, short-term commercial paper accounted for SEK 2,601 (1,339) million.

The Group's liquidity preparedness consisting of cash and cash equivalents and non-utilized binding credit facilities, but excluding short-term commercial paper of SEK 2,601 (1,339) million, at December 31 amounted

to SEK 16,249 (8,431) million, equal to 54 (16)% of annual sales. Including the short-term commercial paper, liquidity preparedness amounted to approximately 63 (18)% of annual sales.

Return on capital employed/equity

The return on capital employed before tax and return on equity after tax were negative for 2009. For 2008, the corresponding figures were 17% and 22% respectively.

Equity

Following deduction for the year's losses attributable to the Company's shareholders of SEK -1,002 million, other comprehensive income (primarily comprising translation differences) of SEK -1,855 million, and after payment of the year's dividend of SEK 1,296 million (SEK 4.00/share), the shareholders' equity in the Company amounted to SEK 30,841 (34,994) million, equal to SEK 95.21 (108.64) per share.

Capital expenditures

During the year, decisions were made regarding new capital expenditures totaling SEK 572 (7,314) million, of which SEK 0 (5,483) million involved strategic investments. Capital expenditure payments for the entire operations amounted to SEK 1,912 (2,606) million, of which SEK 944 (770) million related to strategic investments. Project planning regarding the major strategic investments is underway, but the pace of the investments has been reduced and is being regularly reviewed. Thus far, decisions have been made to continue on a somewhat smaller scale with the investment program presented in the autumn of 2008. Accordingly, the construction of a quenching line in Mobile, Alabama will continue to be implemented in a somewhat scaled down form, which will result in an increase of approximately 200 thousand tonnes in quenched steel production capacity. In addition, the investment to render possible production of quenched steel at the plant in Borlänge will be implemented, which will allow for an initial sales volume of 300 thousand tonnes of quenched steel. Both investments amount to approximately SEK 3.6 billion, of which approximately SEK 0.5 billion was paid in 2008-2009. Of outstanding projects totaling SEK 1.7 billion of the original SEK 5.3 billion that were announced during the fall, 2008, projects of approximately SEK 1.5 billion have not yet been started. The Board has also decided on an investment of just over SEK 300 million in a finishing line in Kunshan, China. The line will have capacity for formatting, blasting and organic coating and is expected to be commissioned in the middle of 2011.

Cost reduction program

As a consequence of the severe decline on the steel market and the uncertain prospects for 2009, at the beginning of December 2008 the Board decided on a cost reduction program aimed at reducing operating costs by at least SEK 1 billion annually. A reserve of SEK 498 million for the cost of this program was incurred in 2008. In 2009, implementation of the program has, in all major aspects, proceeded somewhat quicker than originally estimated and the obligation is now estimated at SEK 422 million. During the fourth quarter, SEK 76 million of the reserve has been reversed. The savings are estimated to have generated a positive effect of just over SEK 750 million in 2009 and, commencing 2010, it is estimated that the sustainable yearly cost reduction will amount to at least SEK 1 billion.

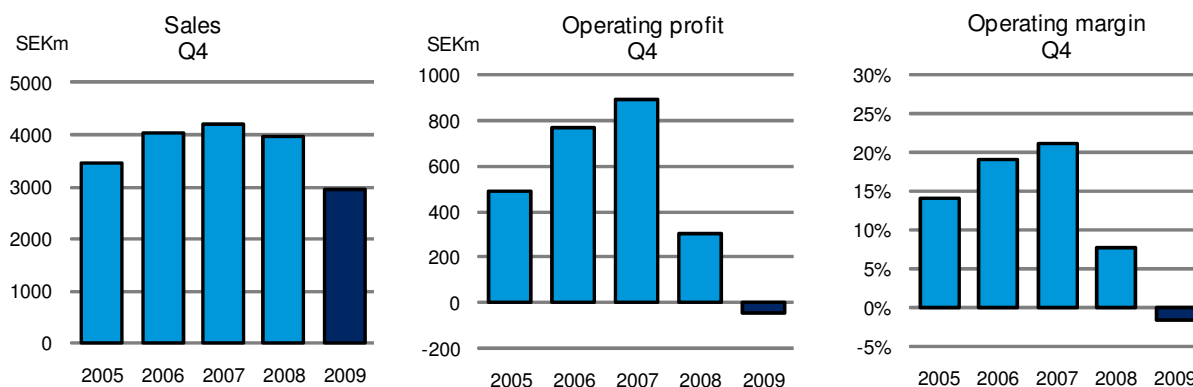
Divestment of the North American tubular business

The tubular business was sold on June 12, 2008 for a purchase price of USD 4,038.5 million. In the income statement for 2008, the items relating to the discontinued operations were removed from the income statement and reported net on a separate line, "Earnings after tax for discontinued operations". There are warranty obligations to the buyer relating to the period prior to the divestment. In connection with the divestment, a provision was made for this type of cost. In connection with the accounts for 2009, a renewed estimate has been made and an increase of the provision by SEK 131 million was made and reported for the year as "Earnings after tax for discontinued operations".

Business areas

Agreements on new coal prices were reached during the second quarter and entailed price decreases in USD of 47%, i.e. a price decrease in SEK of approximately 35%. The coal agreements entered into effect on April 1 but, due to existing stocks and the slow pace of production, the new price impacted earnings only towards the end of 2009. Agreements on the new price for iron ore pellets were reached during the third quarter and entailed price decreases in USD of 48%, i.e. a price decrease in SEK of approximately 36%. The iron ore agreements entered into force at the beginning of 2009 but, due to existing stocks, the new price impacted earnings only towards the end of the second quarter.

SSAB Strip Products



Prices in local currencies for the division's deliveries of strip products declined during the fourth quarter by 1% compared with the third quarter. After changes in product mix (-10 percentage points) and currency (-1 percentage point), the price decrease was 11%. Prices in Swedish kronor for advanced high-strength steels (AHSS) fell by 4%.

Deliveries of strip products increased by 4% compared with the fourth quarter of 2008 and reached 472 (456) thousand tonnes. Of these deliveries, AHSS accounted for 130 (195) thousand tonnes. In total for the year, deliveries of strip products amounted to 1,400 (2,335) thousand tonnes, of which AHSS accounted for 410 (857) thousand tonnes. AHSS deliveries thereby accounted for 29 (37)% of total deliveries.

Apart from a few minor disruptions, production at the blast furnace in Luleå was back to a normal level. Crude steel production during the fourth quarter was 571 (470) thousand tonnes. Production of flat products amounted to 542 (450) thousand tonnes. In total for the year, crude steel production amounted to 1,471 (2,279) thousand tonnes and steel products production to 1,457 (2,362) thousand tonnes.

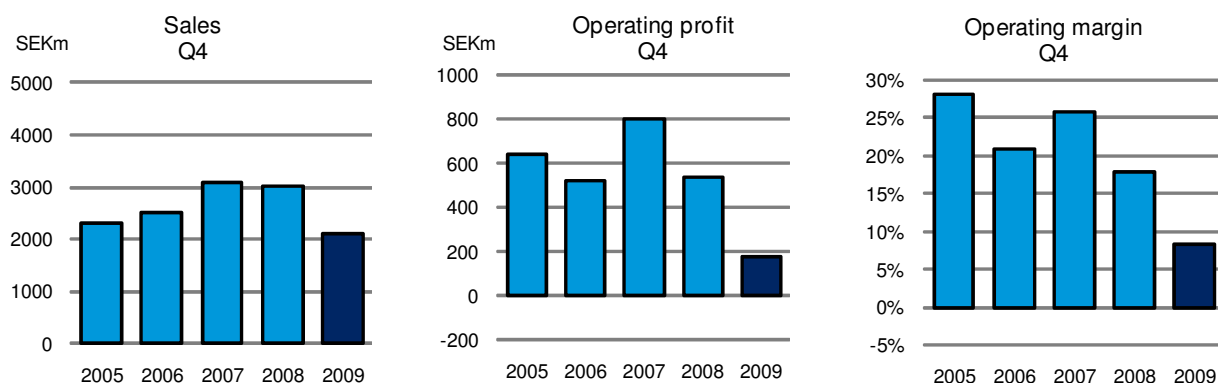
Sales declined by 25% compared with the fourth quarter of 2008 and amounted to SEK 2,966 (3,962) million. In total, sales for the year amounted to SEK 10,091 (17,981) million.

Lower average prices compared with the fourth quarter of 2008 were offset only partly by lower variable production costs and fixed costs, and consequently operating profit for the quarter was SEK -48 (302) million, while profit before depreciation was SEK 119 (459) million. In total, operating profit for the year was SEK -1,637 (3,324) million, while profit before depreciation was SEK -1,016 (3,902) million. Profit includes write-down of inventories by SEK 200 (-) million. Profit for 2008 included non-recurring items of SEK +114 million.

The operating cash flow during the fourth quarter was SEK 32 (372) million. In total for the year, negative earnings were offset by a reduction in working capital of SEK 2,666 million, and consequently the operating cash flow was SEK 1,006 (2,692) million.

During the year, decisions were made regarding new capital expenditures totaling SEK 153 (2,189) million. Total capital expenditure payments during the year amounted to SEK 900 (1,127) million, of which SEK 377 (431) million related to strategic investments.

SSAB Plate



Prices in local currencies of the division's deliveries of quenched steel fell by 5% during the fourth quarter compared with prices during the third quarter. After changes in product mix (+2 percentage points) and currency (-1 percentage points), the price decrease was 4%.

Demand for quenched steel remained weak during the fourth quarter but a degree of improvement is discernible in certain markets and for certain products. Deliveries of quenched steels fell by 35% compared with the fourth quarter of 2008 and amounted to 83 (128) thousand tonnes. In total for the year, deliveries of quenched steel amounted to 304 (585) thousand tonnes and constituted 88 (94)% of total plate deliveries.

After restart of the second blast furnace in Oxelösund during the fourth quarter, crude steel production approached normal levels towards the end of the quarter. Due to a number of disruptions in connection with the return to normal production, crude steel production during the fourth quarter amounted to 173 (312) thousand tonnes. Plate production during the quarter amounted to 110 (162) thousand tonnes. In total, crude steel production for the year amounted to 416 (1,337) thousand tonnes, and plate production to 293 (640) thousand tonnes.

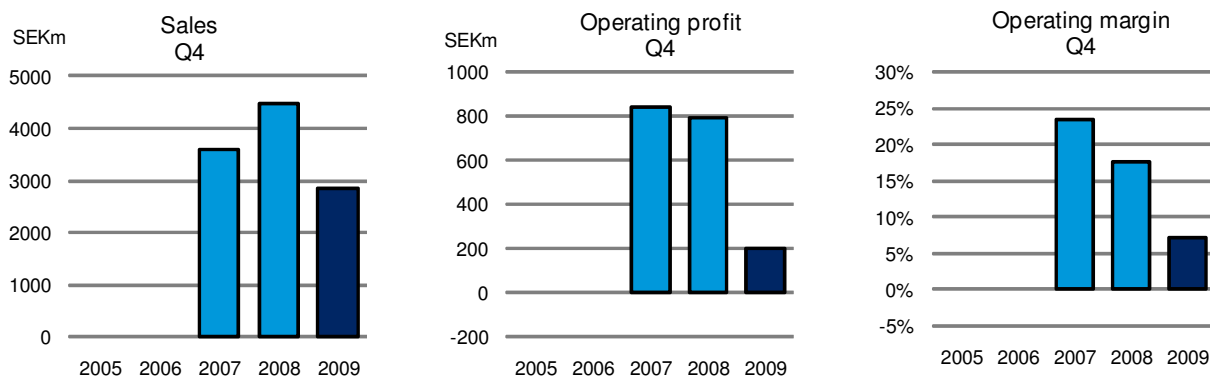
At SEK 2,098 (3,016) million, sales were 30% lower than in the fourth quarter of 2008. Total sales for the year amounted to SEK 7,634 (13,237) million.

The lower delivery volumes together with lower average prices compared with the fourth quarter of 2008 were only partly offset by lower variable production costs and fixed costs, and consequently operating profit for the quarter was SEK 173 (540) million, while profit before depreciation was SEK 288 (642) million. In total, operating profit for the year amounted to SEK -73 (3,154) million, while profit before depreciation was SEK 360 (3,520) million. Profit includes write-down of inventories of SEK 287 (127) million.

The operating cash flow during the fourth quarter was SEK 358 (251) million. In total for the year, positive earnings before depreciation and a reduction in working capital by SEK 1,246 million resulted in an operating cash flow of SEK 1,312 (1,818) million.

During the year, decisions were made on new capital expenditures totaling SEK 344 (1,884) million, of which almost SEK 200 million relate to an environmental investment in a new hood and filter plant at the coking plant in Oxelösund, which will appreciably reduce dust emissions. Total capital expenditure payments during the year amounted to SEK 554 (659) million, of which SEK 368 (339) million related to strategic investments.

SSAB North America



Prices in USD for the division's plate deliveries declined by 1% during the fourth quarter compared with prices in the third quarter, but increased by 5% when positive mix effects of 6 percentage points are included.

Demand strengthened also during the fourth quarter and plate deliveries were 12% higher than in the third quarter of the year and up 3% from the fourth quarter of 2008, amounting to 530 (516) thousand tonnes. Deliveries of niche products were more than double the volumes in the fourth quarter of 2008 and reached 177 (85) thousand tonnes. Approximately one-half of the increase was the result of the bringing forward of a large project order. In total, plate deliveries for the year amounted to 1,551 (2,446) thousand tonnes, of which 327 (327) thousand tonnes were niche products. Deliveries of niche products thus represented 21 (13)% of deliveries.

Crude steel production during the quarter was 594 (501) thousand tonnes, while plate production amounted to 564 (491) thousand tonnes. In total, crude steel production for the year amounted to 1,666 (2,458) thousand tonnes and plate production to 1,563 (2,345) thousand tonnes.

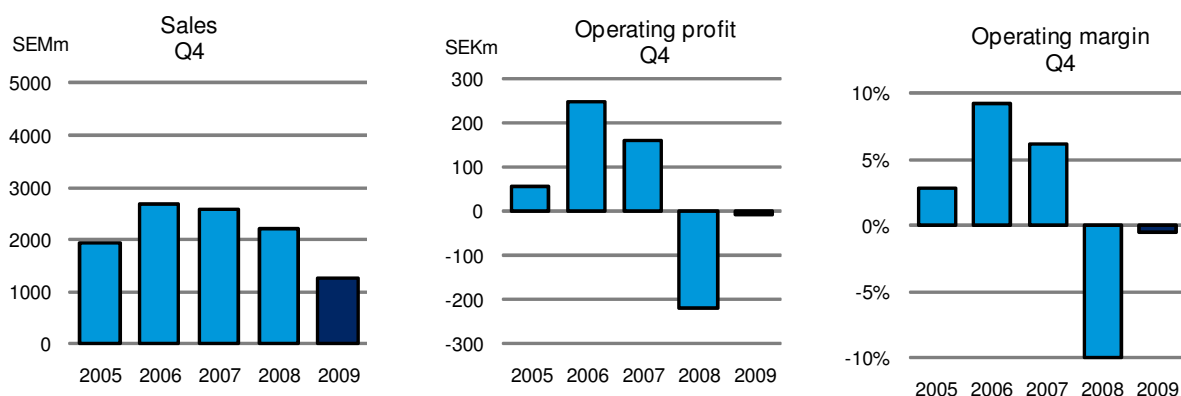
Sales during the fourth quarter fell by 36% compared with the fourth quarter of 2008 and amounted to SEK 2,850 (4,483) million. In total, sales for the year were SEK 8,799 (16,745) million.

Lower average prices compared with the fourth quarter of 2008 were only partially offset by lower variable production costs and, consequently, the operating profit for the quarter was SEK 204 (789) million, while profit before depreciation was SEK 510 (1,124) million. In total for the year, operating earnings amounted to SEK -271 (2,951) million, while profit before depreciation was SEK 1,090 (4,072) million. The profit includes write-down of inventories of SEK 142 (112) million.

Operating cash flow during the fourth quarter was SEK 242 (1,470) million. In total for the year, positive earnings before depreciation and a reduction in working capital of SEK 271 million resulted in an operating cash flow of SEK 1,376 (4,139) million.

During the year, decisions were made on new capital expenditures totaling SEK 33 (3,167) million. The total capital expenditure payments during the year amounted to SEK 295 (676) million, of which SEK 199 (338) million related to strategic investments.

Tibnor



The pace of deliveries remained slow during the fourth quarter and total deliveries for the year were 45% below 2008.

Sales fell by 42% compared with the fourth quarter of 2008 to SEK 1,267 (2,187) million. In total, sales for the year were SEK 5,286 (10,562) million.

Due to lower delivery volumes, the operating profit for the quarter was SEK -6 (-219) million, while profit before depreciation was SEK 9 (-203) million. The fourth quarter result includes a negative effect of inventory appraisals of SEK 9 (250) million. In total for the year, operating profit amounted to SEK -38 (634) million, while profit before depreciation was SEK 22 (692) million. Profit for the year includes a negative effect of inventory appraisal of SEK 132 (250) million.

The operating cash flow during the fourth quarter was SEK 162 (95) million. In total for the year, positive earnings before depreciation and a reduction in working capital of SEK 742 million resulted in an operating cash flow of SEK 725 (677) million.

Environmental issues during the quarter

As of January 1, 2010 SSAB has signed on to the UN Global Compact. This is the world's largest voluntary association of responsible enterprises where companies undertake to realize and integrate principles regarding human rights, labor standards, the environment and anti-corruption. SSAB was awarded 4 out of a possible 5 stars in Folksam's climate index for 2009. The index is based on the international CDP (Carbon Disclosure Project) questionnaire, with SSAB climbing to the top 20 list in the Nordic report and reaching 19th place among 200 questioned companies.

New organization

In order to better support SSAB's strategy and secure the strong position in Europe and America while at the same time exploiting development potential in Asia, commencing January 1, 2010 a new organization was established comprising three geographic business areas. The business areas are SSAB EMEA (Europe, the Middle East and Africa); SSAB Americas (North and Latin America) and SSAB APAC (Asia, Australia and New Zealand). The new business structure replaces the Divisions, i.e. SSAB Strip Products, SSAB Plate and SSAB North America.

Pro forma for 2009, sales and deliveries broken down by the new business areas would have been as follows:

	External sales in SEK billion	Deliveries in thousand tonnes (steel operations)		
		Quenched steels	AHSS	Ordinary steels
SSAB EMEA	12.4	167	282	1,026
SSAB Americas	10.7	108	376	1,230
SSAB APAC	1.6	62	46	1
Tibnor	5.1	-	-	-
Total	29.8	337	704	2,257

Dividend

The board proposes to the Annual General Meeting a dividend of SEK 1.00 (4.00) per share, equal to SEK 324 (1,296) million.

Annual General Meeting

The Annual General Meeting will be held on March 26 in Stockholm. It is expected that the annual report will be distributed during the week beginning March 8 and will be available the same week at the Company's head office and on the website www.ssab.com.

Notice to attend the Annual General Meeting can be made commencing February 19, 2010 up to and including 12 noon on March 22, 2010. Notice may be given via SSAB's website or by telephone on +46 8-4545760.

Accounting principles

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

Commencing January 1, 2009, in accordance with revised IAS 1, Presentation of Financial Statements, in addition to the income statement there is also a statement of comprehensive income. The comprehensive income consists of revenues and expenses from transactions previously reported directly in equity, for example cash flow hedging, hedging of net investments and translation differences. SSAB has chosen to present the Group's comprehensive income divided into two reports, an income statement and a statement of other comprehensive income.

The new standard for Operating Segments, IFRS 8, has been applied commencing 1 January 2009, but management's follow-up of the Group's results and financial position are the same as the previous segment breakdown, and thus this standard has no effect on the financial statements.

SSAB has chosen to apply the revised recommendation IAS 23, Borrowing Costs, already from October 1, 2008. Thus, borrowing costs on major investments commenced not earlier than October 1, 2008 have been capitalized as a part of the investment. According to the Company's definition, the investments in respect of which borrowing costs are capitalized must amount to at least SEK 500 million and be expected to take at least twelve months to completion. The borrowing costs which were capitalized during the fourth quarter of 2008 amounted to SEK 1 million and, for the full year of 2009, to SEK 8 million.

Accounting standards and applications implemented during the year have otherwise had no impact on the Group's results and financial position. The accounting principles are otherwise unchanged compared with the annual accounts for 2008 and are based on International Financial Reporting Standards as adopted by the EU and the consequential references to Chapter 9 of the Annual Accounts Act. The accounts of the Parent Company have been prepared in accordance with RFR 2.2 and the Annual Accounts Act.

Risks and uncertainty

The dramatic events on the global financial markets and their negative impact on the global economy have led to increased risks and increased general uncertainty.

The resulting main risks and uncertainty factors encountered by the Group relate to the impact of the macro-economy on demand, existing financing and possibilities for future financing, as well as changes in value of fixed assets and operating assets.

Weak demand leads to a low rate of inventory turnover, which increases the risk of physical obsolescence in inventories within the steel divisions.

For further information regarding significant risks and uncertainty factors, see the detailed description in the Annual Report for 2009.

Review report

These results have not been reviewed by the auditors.

Stockholm, February 9, 2010



Olof Faxander
President and CEO

Sensitivity analysis

The approximate effect in 2009 on profit after financial items and earnings per share of changes in significant factors is shown in the sensitivity analysis below.

	Change, %	Effect on profit, SEK millions	Effect on earnings per share, SEK 3)
Steel prices – steel operations	10	2,250	5.10
Volumes – steel operations	10	400	0.90
Iron ore prices 1)	10	170	0.40
Coal prices 1)	10	270	0.60
Scrap metal prices	10	310	0.70
Interest rates	1 percentage point	130	0.30
Krona index 2)	5	390	0.90

1) Prices are established in annual agreements.

2) Calculated based on SSAB's exposure without hedging. If the krona is weakened, this has a positive effect.

3) Calculated based on a tax rate of 26.3%.

Production and deliveries

Thousand tonnes	1/07	2/07	3/07	4/07	1/08	2/08	3/08	4/08	1/09	2/09	3/09	4/09
Crude steel production												
- SSAB Strip Products	580	581	539	604	607	586	616	470	342	358	200	571
- SSAB Plate	456	449	316	432	420	382	223	312	150	60	33	173
- SSAB North America	<u>560</u>	<u>647</u>	<u>687</u>	<u>689</u>	<u>679</u>	<u>685</u>	<u>593</u>	<u>501</u>	<u>280</u>	<u>278</u>	<u>514</u>	<u>594</u>
- Total	1,596	1,677	1,542	1,725	1,706	1,653	1,432	1,283	772	696	747	1,338
Steel production 1)												
- SSAB Strip Products	727	686	548	692	718	651	543	450	283	399	233	542
- SSAB Plate	163	158	129	179	171	182	125	162	89	42	52	110
- SSAB North America	<u>505</u>	<u>595</u>	<u>647</u>	<u>638</u>	<u>637</u>	<u>649</u>	<u>568</u>	<u>491</u>	<u>260</u>	<u>262</u>	<u>477</u>	<u>564</u>
- Total	1,395	1,439	1,324	1,509	1,526	1,482	1,236	1,103	632	703	762	1,216
Steel deliveries												
- SSAB Strip Products	665	656	530	600	695	643	540	456	308	332	288	472
- SSAB Plate	165	151	137	156	168	180	143	132	105	69	70	103
- SSAB North America	<u>575</u>	<u>598</u>	<u>647</u>	<u>685</u>	<u>679</u>	<u>655</u>	<u>596</u>	<u>516</u>	<u>265</u>	<u>284</u>	<u>472</u>	<u>530</u>
- Total	1,405	1,405	1,314	1,441	1,542	1,478	1,279	1,104	678	685	830	1,105
of which												
- AHSS, Strip Products 2)	212	213	189	203	233	228	201	195	96	95	89	130
- Quenched steels, Plate	145	137	129	146	156	166	136	128	99	62	60	83
- AHSS, North America 2)	26	23	49	62	60	41	70	71	24	26	80	164
- Quenched steels, North America	<u>10</u>	<u>18</u>	<u>20</u>	<u>20</u>	<u>23</u>	<u>23</u>	<u>25</u>	<u>14</u>	<u>4</u>	<u>5</u>	<u>11</u>	<u>13</u>
- Total core niche products	393	391	387	431	472	458	432	408	223	188	240	390

1) Including subcontract rolling.

2) Advanced high strength steels.

Report for the first quarter 2010 will be published on May 4, 2010.

SSAB AB (publ)

Reg. no. 556016-3429

Consolidated income statement

SEK millions	2009 Q 4	2008 Q 4	2009 Full year	2008 Full year
Sales	8,284	13,063	29,838	54,329
Costs of goods sold	-7,276	-11,351	-29,020	-42,197
Gross profit	1,008	1,712	818	12,132
Selling and administrative costs	-696	-966	-3,052	-3,344
Other operating income and expenses 1)	110	235	635	633
Affiliated companies, profit after tax	8	-2	7	95
Operating profit	430	979	-1,592	9,516
Financial income	3	91	50	403
Financial expenses	-85	-229	-519	-966
Earnings for the period after financial items	348	841	-2,061	8,953
Tax	2	-8	1,182	-2,445
Earnings for the period after tax for continuing operations	350	833	-879	6,508
Earnings for the period after tax for discontinued operations 2)	-131	70	-131	490
Earnings for the period after tax	219	903	-1,010	6,998
Of which attributable to:				
- the parent company's shareholders	221	932	-1,002	6,935
- minority interests	-2	-29	-8	63
Key ratios				
Return on capital employed before tax (%)	-	-	neg	17
Return on equity after tax (%)	-	-	neg	22
Earnings per share (SEK) 3)	0.68	2.88	-3.09	21.41
- of which continuing operations (SEK) 3)	1.09	2.66	-2.69	19.90
Equity per share (SEK)	95.21	108.64	95.21	108.64
Equity ratio including minority (%)	51	51	51	51
Net debt/equity ratio (%)	49	48	49	48
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
Average number of employees	-	-	8,334	9,172

1) The results for the quarter include primarily exchange rate profits/losses on operating receivables/liabilities of SEK 80 (525) million, the cost reduction program of SEK 76 (-498) million and sales of emission rights of SEK - (240) million.

2) 'Discontinued operations' means the tubular business in North America divested in 2008. The cost for the year of SEK 131 million is a provision in respect of warranty obligations to the buyer. For details regarding the discontinued operations, see the Annual Report for 2008.

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

Consolidated statement of comprehensive income

SEK millions	2009 Q 4	2008 Q 4	2009 Full year	2008 Full year
Profit/loss for the period after tax	219	903	-1,010	6,998
<i>Other comprehensive income</i>				
Translation differences for the period	950	3 342	-2,219	3,555
Cash flow hedging	17	0	-2	0
Hedging of currency risks in foreign operations	-301	-3 903	475	-3,746
Share in other comprehensive income of affiliated companies and joint ventures	9	0	16	0
Tax attributable to other comprehensive income	74	1 028	-125	984
Other comprehensive income for the period, net after tax	749	467	-1,855	793
Total comprehensive income for the period	968	1 370	-2,865	7,791
Of which attributable to:				
- parent company's shareholders	970	1 396	-2,857	7,724
- minority interest	-2	-26	-8	67

Consolidated statement of changes in equity

SEK millions	Equity attributable to the parent company's shareholders						Total equity
	Share capital	Other contributed funds	Reserves	Retained earnings	Total	Minority	
Equity, December 31, 2007	2,851	9,944	150	15,945	28,890	229	29,119
Changes Jan 1 – Dec 31, 2008							
Comprehensive income for the period			789	6,935	7,724	67	7,791
Dividend				-1,620	-1,620	-97	-1,717
Equity, December 31, 2008	2,851	9,944	939	21,260	34,994	199	35,193
Changes Jan 1 – Dec 31, 2009							
Comprehensive income for the period			-1,855	-1,002	-2,857	-8	-2,865
Dividend				-1,296	-1,296	-30	-1,326
Equity, December 31, 2009	2,851	9,944	-916	18,962	30,841	161	31,002

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

The Group's balance sheet

SEK millions	31 Dec 2009	31 Dec 2008
Assets		
Goodwill	19,701	21,105
Other intangible assets	5,374	6,663
Tangible fixed assets	17,137	17,584
Participations in affiliated companies	348	373
Financial assets	55	119
Deferred tax receivables	164	245
Total fixed assets	42,779	46,089
Inventories	8,221	12,924
Accounts receivable	4,435	5,921
Current tax receivables	667	154
Other current receivables	665	1,454
Cash and cash equivalents	3,652	2,713
Total current assets	17,640	23,166
Total assets	60,419	69,255
Equity and liabilities		
Equity for shareholders in the company	30,841	34,994
Minority shares	161	199
Total equity	31,002	35,193
Deferred tax liabilities	5,283	6,279
Other long-term provisions	550	504
Long-term interest-bearing liabilities	14,878	18,064
Total long-term liabilities	20,711	24,847
Current interest-bearing liabilities	3,998	1,640
Current tax liabilities	96	868
Accounts payable	3,063	3,831
Other current liabilities	1,549	2,876
Total current liabilities	8,706	9,215
Total equity and liabilities	60,419	69,255

Cash flow (entire business)

SEK millions	2009 Q 4	2008 Q 4	2009 Full year	2008 Full year
Profit from operations 1)	936	1,294	-990	9,820
Change in working capital	121	499	5,135	-2,759
Cash flow from operations	1,057	1,793	4,145	7,061
Capital expenditure payments	-420	-788	-1,912	-2,606
Divested companies and businesses 2)	0	70	31	24,918
Other investing activities	9	27	210	151
Cash flow from investing activities	-411	-691	-1,671	22,463
Dividend	0	0	-1,296	-1,620
Other financing activities 3)	-2,633	1,140	-239	-26,898
Cash flow from financing activities	-2,633	1,140	-1,535	-28,518
Change in cash and cash equivalents	-1,987	2,242	939	1,006

1) After financial items and paid tax.

2) Divested companies and businesses for the year relates to SSAB Laminated Steel (lamination of steel and aluminum sheet), while for 2008 it relates to the North American tubular business.

3) Including translation differences on cash and cash equivalents.

The divisions' /subsidiaries' sales, profits and return on capital employed

SEK millions	Sales				Operating profit		Return on capital employed (%)	
	2009	2008	Change in %	Change in % 3)	2009	2008	2009	2008
	Full year	Full year			Full year	Full year	Full year	Full year
SSAB Strip Products	10,091	17,981	-44%	-47%	-1,637	3,324	neg	39
SSAB Plate	7,634	13,237	-42%	-47%	-73	3,154	neg	40
SSAB North America 1)	8,799	16,745	-47%	-57%	-271	2,951	neg	10
Tibnor	5,286	10,562	-50%	-50%	-38	634	neg	31
Other subsidiaries	1,633	2,171			-32	68	-	-
Parent Company 2)	-	-			-43	2,232	-	-
Parent Company's affiliated companies	-	-			5	84	-	-
Provision for cost reduction program					76	-498		
Other Group adjustments	-3,605	-6,367			421	-2,433	-	-
Total	29,838	54,329	-45%	-50%	-1,592	9,516	neg	17

1) SSAB North America's operating profit during the year was impacted by SEK 942 (745) million in amortization of surplus values on intangible and tangible assets, of which SEK 209 (237) million in the fourth quarter.

2) The Parent Company's profit includes a profit of SEK 300 (240) million on sales of emission rights. In 2008, the Parent Company's profit included the sale of the tubular business.

3) Adjusted for changes in exchange rates.

Results per quarter

SEK millions	1/07	2/07	3/07	4/07	1/08	2/08	3/08	4/08	1/09	2/09	3/09	4/09
Sales	8,780	9,099	10,358	12,204	12,910	14,957	13,399	13,063	8,035	6,583	6,936	8,284
Operating ex- penses	-6,420	-7,043	-8,454	-9,091	-9,656	-11,384	-10,243	-11,461	-7,499	-6,911	-7,269	-7,252
Depreciation	-253	-259	-543	-555	-524	-470	-549	-621	-652	-633	-611	-610
Affiliated com- panies	29	36	19	16	18	46	33	-2	-18	9	8	8
Financial items	2	15	-495	-481	-376	-143	94	-138	-81	-144	-162	-82
Profit after financial items	2,138	1,848	885	2,093	2,372	3,006	2,734	841	-215	-1,096	-1,098	348

Sales per quarter and division/subsidiary

SEK millions	1/07	2/07	3/07	4/07	1/08	2/08	3/08	4/08	1/09	2/09	3/09	4/09
SSAB Strip Products	4,389	4,563	3,756	4,210	4,614	4,875	4,530	3,962	2,644	2,455	2,026	2,966
SSAB Plate	2,856	2,895	2,443	3,101	3,494	3,732	2,995	3,016	2,364	1,610	1,562	2,098
SSAB North America	-	-	2,510	3,597	3,357	4,661	4,244	4,483	1,930	1,519	2,500	2,850
Tibnor	2,774	2,769	2,283	2,587	2,820	3,066	2,489	2,187	1,578	1,319	1,122	1,267
Other	555	803	759	522	480	588	625	478	339	466	463	365
Group adjustments	-1,794	-1,931	-1,393	-1,813	-1,855	-1,965	-1,484	-1,063	-820	-786	-737	-1,262
Sales	8,780	9,099	10,358	12,204	12,910	14,957	13,399	13,063	8,035	6,583	6,936	8,284

Operating profit per quarter/subsidiary

SEK millions	1/07	2/07	3/07	4/07	1/08	2/08	3/08	4/08	1/09	2/09	3/09	4/09
SSAB Strip Products	1,023	879	682	888	1,039	903	1,080	302	-366	-493	-730	-48
SSAB Plate	782	593	499	802	991	1,033	590	540	364	-216	-394	173
SSAB North America			543	840	494	841	827	789	-243	-366	134	204
Tibnor	267	291	159	160	256	343	254	-219	-82	-12	62	-6
Cost reduction program								-498	0			76
Write-down, surplus value on inventory			-559	-11	0	0	0	0	0	0	0	0
Other, incl. Parent Company	64	70	56	-105	-32	29	-111	65	193	135	-8	31
Operating profit	2,136	1,833	1,380	2,574	2,748	3,149	2,640	979	-134	-952	-936	430

The Parent Company's income statement

SEK millions	2009 Q 4	2008 Q 4	2009 Full year	2008 Full year
Gross profit	0	0	0	0
Administrative expenses	-12	-70	-165	-265
Other operating income and expenses 1)	-94	680	122	2,497
Operating profit	-106	610	-43	2,232
Dividend from subsidiaries	0	3,959	431	4,770
Financial items	-32	192	-256	651
Profit after financial items	-138	4,761	132	7,653
Appropriations	0	-644	5	-644
Tax	9	78	11	-65
Profit/loss after tax	-129	4,195	148	6,944

The Parent Company's balance sheet

SEK millions	31 Dec 2009	31 Dec 2008
Assets		
Tangible assets	4	6
Financial assets	36,758	36,758
Long-term receivables from subsidiaries	23	32
Deferred tax receivables	1	1
Total fixed assets	36,786	36,797
Current receivables from subsidiaries	10,027	13,218
Other current interest-bearing receivables	-	-
Current tax receivables	1	-
Other current receivables	81	767
Cash and cash equivalents	2,184	2,219
Total current assets	12,293	16,204
Total assets	49,079	53,001
Equity and liabilities		
Share capital	2,851	2,851
Statutory reserves	902	902
Retained earnings	25,380	19,706
Profit for the year	148	6,944
Total equity	29,281	30,403
Untaxed reserves	652	657
Total untaxed reserves	652	657
Pension provisions	5	5
Other long-term provisions	355	224
Long-term liabilities to subsidiaries	1	1
Long-term interest-bearing liabilities	14,596	18,023
Total long-term liabilities and provisions	14,957	18,253
Current liabilities to subsidiaries	1,237	1,372
Current interest-bearing liabilities	2,863	1,482
Current tax liabilities	-	548
Accounts payable	9	31
Other current liabilities	80	255
Total current liabilities	4,189	3,688
Total equity and liabilities	49,079	53,001

1) 'Other operating income' includes profit of SEK 300 (240) million on sales of emission rights. 2008 also includes profit upon the sale of the tubular business.



SSAB AB (publ)

Box 70, SE-101 21 Stockholm, Sweden

Telephone +46-8-45 45 700. Telefax +46-8-45 45 725

Street address: Klarabergsviadukten 70 D6, Stockholm

E-mail: info@ssab.com

www.ssab.com