SSAB

Report for the first quarter of 2008

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The Quarter [Unless otherwise stated, the report relates to continuing operations, i.e. excluding the tubular business,]*

- Sales increased by 47% to SEK 12,910 (8,780) million, of which the North America division accounted for SEK 3,357 (0) million
- Profit after financial items amounted to SEK 2,372 (2,138) million, an increase by 11%
- Profit after tax amounted to SEK 1,701 (1,544) million, an increase by 10%, entailing earnings per share of SEK 5.17 (5.35)
- An agreement on the sale of IPSCO Tubular for USD 4,025 million was signed on March 14; accordingly, the business is classified as discontinued operations and is reported in this report separately from the continuing operations.

CEO's comments

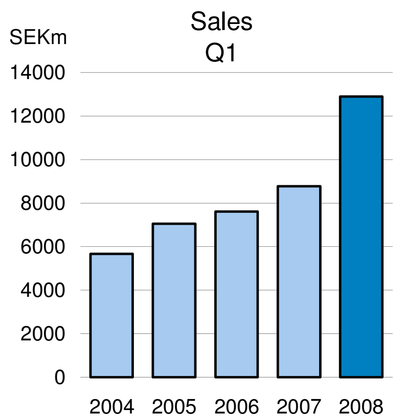
SSAB is able to report a strong first quarter for the results as well as the cash flow. The increased iron ore prices have not fully impacted the results during the quarter since we partially produced and delivered from our stocks. The price increases during the first quarter have largely been able to offset the increased iron ore costs incurred by the Group during this period. The scrap metal prices increased and had an almost immediate impact on the costs for the North America Division, which could not be fully off-set by price increases during the quarter.

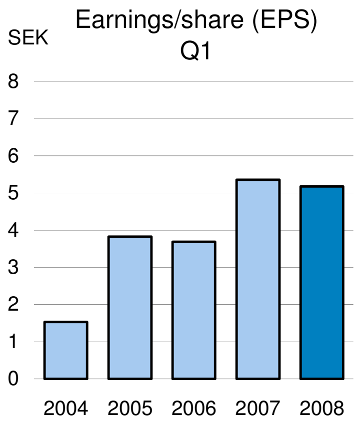
The largest event during the quarter was the sale of the tubular business within IPSCO. We obtained what was, for SSAB, an advantageous price notwithstanding a turbulent financial market. We have thereby secured increased financial flexibility to continue to expand within our niches and expand on new markets. The synergies identified at the time of the acquisition of IPSCO are maintained in the steel operations. The sale is expected to be completed during the second quarter and is conditional on governmental authority approval. Until then, the tubular business is reported as a discontinued operation.

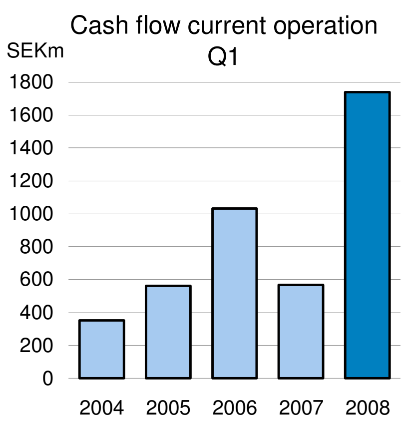
The year has begun well. Based on what we see today, we anticipate continued strong demand during the remainder of the year. The full impact of the heavy price increases for coal will not be felt until the third quarter and our ambition is to gradually during the year compensate for these price increases as well as the price increases of iron ore and scrap metal.

Olof Faxander

President and CEO







*) Discontinued operations have been removed from the income statements and are reported solely as profit after tax for the discontinued operations. The profit of the discontinued operations has been affected by interest expenses corresponding to the net purchase price to be received in conjunction with the sale. In the balance sheet, however, pursuant to IFRS rules these liabilities must be reported as attributable to the continuing operations until they are actually repaid.

Consolidated Income Statement

SEK million	**2008 Q 1**	2007 Q 1	**April 07- March 08**	2007 Full year
Sales	**12,910**	8,780	**44,571**	40,441
Operating profit	**2,748**	2,136	**8,535**	7,923
Of which operating profit per business area				
- Strip Products division	**1,039**	1,023	**3,488**	3,472
- Plate Division	**991**	782	**2,885**	2,676
- North America Division (formerly IPSCO Steel) 1)	**494**	0	**1,877**	1,383
- Tibnor	**256**	267	**866**	877
- Write-off, North America Division's surplus values, inventories 2)	**0**	0	**-570**	-570
- Other	**-32**	64	**-11**	85
	2,748	2,136	**8,535**	7,923
Financial items 3)	**-376**	2	**-1,337**	-959
Profit after financial items	**2,372**	2,138	**7,198**	6,964
Tax	**-671**	-594	**-2,006**	-1,929
Profit after tax for continuing operations	**1,701**	1,544	**5,192**	5,035
Profit after tax for discontinued operations	**-190**	0	**-567**	-377
Total profit after tax	**1,511**	1,544	**4,625**	4,658
Key ratios				
Return on capital employed before tax (%) 4)	**-**	-	**16**	18
Return on equity after tax (%) 4)	**-**	-	**19**	22
Earnings per share (SEK) 5)	**4.58**	5.35	**14.75**	15.36
- of which for continuing operations (SEK)	**5.17**	5.35	**16.60**	16.63
Goodwill (SEK millions)	**13,863**	0	**13,863**	27,252
Equity (SEK millions)	**28,557**	15,884	**28,557**	29,119
Net debt (SEK millions) 6)	**39,111**	316	**39,111**	43,643
Net debt/equity ratio (%) 7)	**137**	2	**137**	150

The North America Division is included in the Group since July 18, 2007. During the quarter, the surplus values from the acquisition of IPSCO have been adjusted, which has also affected the result reported for 2007.

1) *The North America Division's operating profit during the first quarter of 2008 has been affected by SEK 179 million in amortization of allocated surplus values on intangible and tangible fixed assets. In 2007, these amortizations amounted to SEK 449 million.*
2) *The surplus value on the North America Division's inventories in conjunction with the acquisition amounted to SEK 570 million and have affected, in their entirety, the result during 2007.*
3) *Non-recurring costs for financing the North America Division are included in the amount of SEK -401 million for the full year of 2007.*
4) *Return on capital employed and on equity is calculated on the entire operations.*
5) *Earnings per share have been adjusted due to the bonus issue element in the new issue.*
6) *Net debt has been calculated in accordance with a new definition which, among other things, entails that current tax receivables and tax liabilities are no longer included in net debt. The sale of the tubular business is estimated to result in a reduction of the net debt by a little more than SEK 23 billion.*
7) *The net debt/equity ratio pro forma, after the sale of the tubular business, would have amounted to approximately 55%.*

The Quarter

- Sales during the quarter amounted to SEK 12,910 (8,780) million, of which the North America Division contributed with SEK 3,357 million
- Operating profit amounted to SEK 2,748 (2,136) million, of which the North America Division contributed with SEK 494 million
- Profit after financial items amounted to SEK 2,372 (2,138) million, an increase by 11%
- Profit after tax amounted to SEK 1,701 (1,544) million, an increase by 10%, entailing earnings per share of SEK 5.17 (5.35)
- Cash flow for the entire operations for the quarter, amounted to SEK 1,739 (567) million.
- Return on capital employed for the most recent twelve-month period was 16 (18)% and return on equity was 19 (22)%
- The net debt/equity ratio was 137%. At the end of 2007, the net debt/equity ratio was 150%. Pro forma, after the sale of the tubular business, it would have amounted to approximately 55%

The Market

Demand for the Group's core niche products remains strong. During the quarter, total deliveries of advanced high-strength steel (AHSS) increased by 23% compared with last year. Deliveries of quenched steel continued to be restricted by available production capacity but, thanks to the ongoing investment program, it was possible to increase total production capacity by 16% compared with last year.

In North America, the market for heavy plate remains strong and availability of material has declined, with falling inventory levels as a consequence.

Demand for strip products in the Nordic region remained strong during the first quarter and inventory levels are once again down to normal levels.

In its most recent forecast which was issued in April, the International Iron and Steel Institute (IISI) makes the assessment that global steel consumption will increase by almost 7% in 2008, which is in line with the rate of increase demonstrated in 2007.

Steel consumption in China is expected to increase by almost 12%, while the increase in Europe is estimated at barely 2%. In North America, consumption is expected to increase by 2%, after having declined in 2007.

The order situation continues to be strong among SSAB's customers. Within infrastructure-related industry and equipment for the mining industry as well as heavy transports, the investment level remains high.

The Group

Sales increased by SEK 4,130 million to SEK 12,910 (8,780) million. Of the increase, SEK 3,357 million (38 percentage points) comprised additional sales through the acquisition of the North America Division. Higher prices accounted for 4 percentage points while an improved product mix and increased volumes accounted for 5 percentage points of the increase.

Operating profit increased by SEK 612 million to SEK 2,748 (2,136) million, an increase of 29%. Including non-recurring items, profit amounted to SEK 2,748 (2,118) million, of which the "old SSAB" contributed SEK 2,254 (2,118) million, while the North America Division contributed SEK 494 million.

The profit analysis is shown in the table below.

Change in operating profit between the first quarter of 2008 and 2007 (SEK millions)	
Steel operations	
- Improved gross margins	+105
- Higher volumes, core niche products	+110
North America Division	
- Operating profit (of which amortizaton of surplus values –179)	+494
Tibnor	
- High volumes/change, mix and margins	+15
Fixed costs	-115
Affiliated companies	-16
Other	+19
Change in operating profit	**+612**

The fixed costs increased as a consequence of higher maintenance costs and increased personnel costs, primarily through staffing of the lines brought into commission in 2008.

Financial items increased as a consequence of the financing of the acquisition of the North America Division and amounted to SEK -376 (2).

Profit after financial items increased by SEK 234 million to SEK 2,372 (2,138) million, an increase of 11%. Excluding non-recurring items, profit amounted to SEK 2,372 (2,120) million.

Profit after tax amounted to SEK 1,701 (1,514) million. Profit after tax including discontinued operations, SEK -190 million, amounted to SEK 1,511 million, equal to SEK 4.58 (5.35) per share. For the continuing operations, earnings per share were SEK 5.17.

Financing and liquidity

The cash flow from current operations consists of cash flow after financial items and paid tax, changes in working capital as well as regular maintenance investments. During the first quarter, the cash flow from current operations for the entire operations amounted to SEK 1,739 (567) million.

Operational cash flow

SEK millions	2008 Q 1	2007 Q 1	April 07- March 08	2007 Full year
Strip Products	**1,049**	648	**2,942**	2,541
Plate	**641**	655	**2,196**	2,210
IPSCO 1)	**1,317**	0	**3,849**	2,532
Tibnor	**105**	79	**536**	510
Other	**-322**	-111	**-323**	-112
Operational cash flow	**2,790**	1,271	**9,200**	7,681
Financial items 2)	**-526**	52	**-1,897**	-1,319
Taxes 3)	**-525**	-756	**-2,557**	-2,788
Cash flow from current operations	**1,739**	567	**4,746**	3,574
Acquisition of companies and operations 4)	**0**	0	**-50,601**	-50,601
Expansion investments	**-72**	-264	**-1,442**	-1,634
Divestment of businesses and operations	**0**	26	**130**	156
Cash flow before dividend and financing	**1,667**	329	**-47,167**	-48,505
Dividend/redemption	**0**	0	**-1,166**	-1,166
New issue	**0**	0	**9,962**	9,962
Assumed net debt, acquired companies	**0**	0	**-5,336**	-5,336
Currency translation, etc.	**2,865**	-1,232	**4,912**	815
Change, net loan debt	**4,532**	-903	**-38,795**	-44,230

1) For the entire operation.
2) Financial items consist of paid interest, while revaluations of derivative instruments and exchange rate differences are reported in the financing activities.
3) Taxes relate to tax paid during the period.
4) IPSCO was acquired on July 18, 2007 for SEK 50,516 million, excluding assumed liabilities, while Steinwalls Plåt AB was acquired in April 2007 for SEK 85 million.
5) Divested companies and operations in 2007 relate to a number of property companies within Tibnor.
The cash flow presentation has been adjusted so that the cash flow from current operations is now affected by paid interest and taxes during the period. Comparison figures have been recalculated.

Net debt at the end of the quarter amounted to SEK 39,111 (316) million, equal to a net debt/equity ratio of 137 (2)%. The net debt/equity ratio at the turn of the year was 150%. Pro forma, after the sale of the tubular business, the net debt would have been a little less than SEK 16 billion and the net debt/equity ratio amounted to approximately 55%.

Divestment of the North American tubular business

On March 14, an agreement was signed with Evraz regarding the sale of SSAB's North America tubular business, IPSCO Tubular, for USD 4,025 million on a debt-free basis. IPSCO Tubular was included as a part of SSAB's acquisition of IPSCO in 2007 and had, pro forma for the full year of 2007, sales of USD 2.4 billion and a profit before depreciation of USD 0.4 billion. The transaction is expected to be completed during the second quarter of 2008 and is conditional on governmental authority approval. Commencing March 14, IPSCO Tubular is reported as a discontinued operation. Commencing that date, depreciation no longer takes place on the assets included in the discontinued operations. In the income statement, those items which, for the first quarter of 2008, the full-year of 2007, and rolling twelve months April 2007 to March 2008, related to the discontinued operations have been removed from the income statement and reported net on a separate line, "Result after tax for discontinued operations". Accordingly, the items in the income statement otherwise exclude IPSCO Tubular. In the balance sheet, the assets and liabilities in the discontinued operations are reported on a separate line. Since the business is being sold debt-free, no loan liabilities will be eliminated in the transaction. Since the purchase price will be used to reduce indebtedness, in order to provide a clearer view of the results of the continuing operations, an interest expense corresponding to the net purchase price which is expected to be received upon the sale has affected the discontinued operations.

The agreement between SSAB and Evraz comprises the sale of 12 pipe mills, steel mills in Regina and Koppel, which supply the tubular business, as well as related scrap metal plants. IPSCO Tubular has approximately 3,250 employees. The steel operations will be conducted as a separate division within SSAB, the North America Division. The sale ensures that SSAB can focus on its core business of being a world-leading niche producer of high-strength steels. The sale is not expected to generate any gains or losses.

Adjustment of surplus values

At the time it was acquired, IPSCO had booked assets of SEK 28.7 billion as well as current and long-term liabilities of SEK 12.6 billion, i.e. booked net assets of SEK 16.1 billion. The purchase price including acquisition costs exceeded the net assets by SEK 34.5 billion. SEK 1.0 billion was allocated to surplus values in inventories while provisionally SEK 5.0 billion was allocated to tangible fixed assets, SEK 6.6 billion to intangible fixed assets and SEK -4.4 billion to deferred tax liabilities, after which the remaining SEK 26.3 billion was reported as goodwill.

The surplus value in inventories affected the result for the third quarter of 2007, while the provisional surplus values on machinery and equipment as well as customer relations are assessed as having a useful life of 10 years. A more detailed review has been carried out, whereupon the fair values of different categories of assets as well as the average amortization periods have been adjusted somewhat. The adjusted values are set forth in the presentation attached to this report. Since the adjustment is effective retroactively from the date of the acquisition, this entails that the reported values for 2007 have been changed. Seen in total, this entails that the result after tax for the entire operations was SEK 27 million lower due to the adjustment of write-offs, but also due to the fact that the booked deferred tax liability on the surplus values was revalued due to a change in the tax rate in Canada from 33 to 30% at the turn of the year. The income statements and balance sheets for 2007 have been adjusted for this. The amortization of the adjusted surplus values during the first quarter for the continuing operations amounted to SEK 179 million.

Non-recurring Items

No non-recurring items have arisen during the first quarter. During the first quarter of last year, Tibnor sold a property which generated a capital gain of SEK 18 million and which is included in the line, "Other operating income and expenses".

Non-recurring items

SEK millions	**Q 1 2008**	Q 1 2007	**April 07 - March 08**	2007 Full year
Effect on profit				
Non-recurring expenses, surplus value, inventories	**-**	-	**-570**	-570
Capital gain upon sale of property company	**-**	18	**79**	97
Effect on operating profit	**-**	18	**-491**	-473
Non-recurring expenses, financing, IPSCO	**-**	-	**-401**	-401
Redemption of financial lease in IPSCO	**-**	-	**-111**	-111
Effect on profit after financial items	**-**	18	**-1,003**	-985

Return on capital employed/equity

Including discontinued operations, return on capital employed before tax for the most recent twelve-month period was 16%, and return on equity after tax was 19%. For the full year of 2007, the corresponding figures were 18% and 22% respectively.

Shareholders' equity

The dividend resolved upon by the Annual General Meeting entails that SEK 1,620 million (SEK 5.00/share) was paid to the shareholders at the beginning of April. The dividend was booked as a liability in the quarterly accounts. After the dividend to the shareholders, with the addition of profit for the quarter, SEK 1,483 million, and after translation differences in equity of SEK -355 million, shareholders' equity in the Company at the end of the quarter amounted to SEK 28,398 (15,724) million, corresponding to SEK 87.67 (60.67) per share.

Capital expenditures

During the first quarter, decisions were taken regarding new capital expenditures totaling SEK 826 (591) million, of which SEK 0 (124) million relates to expansion investments. Investment expenditures, for the full operation, amounted to SEK 631 (422) million, of which SEK 71 (264) million relate to expansion investments.

Taxes

The tax expense for the quarter amounted to SEK 617 (594) million and the effective tax rate was 28 (28)%.

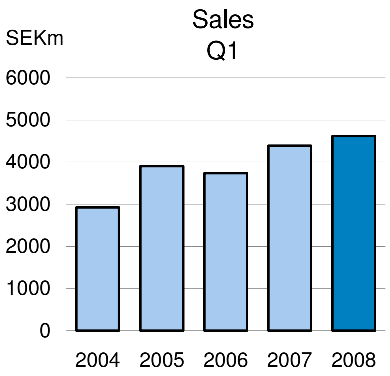
Business areas

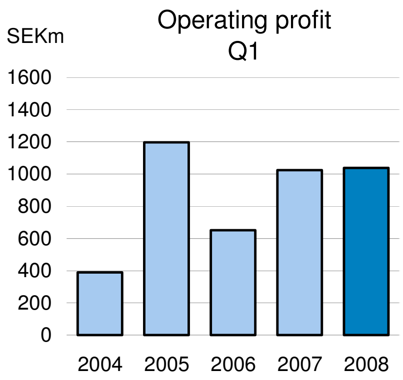
The steel operations jointly

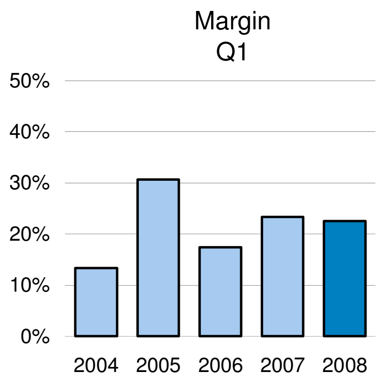
The price for iron ore was established at the beginning of April and entailed a price increase in USD of 87%. Iron ore deliveries have been hedged and a weaker dollar compared with last year meant that the iron ore price in Swedish kronor increased by 60%. Iron ore agreements enter into force at the beginning of the year but, due to held stocks of raw materials, slabs and finished products, the full impact on earnings was not felt until the end of the quarter. As regards coal, agreements have been entered corresponding to approximately 30% of the annual volume, entailing a price increase in USD of almost 30% and, in SEK, of just over 15%. Agreements for the remaining approx. 70% remain to be signed. All coal agreements enter into force on April 1 but, due to existing stocks, the full impact on earnings will not be felt until the third quarter.

Scrap metal is an important raw material for the North American operations and is purchased regularly on the market. During the first quarter, the cost for scrap metal per tonne of produced steel increased by 20% compared with the fourth quarter of last year.

Strip Products Division







The prices for advanced high-strength steel (AHSS) increased by 4% during the first quarter compared with the fourth quarter of last year. Due to an unfavorable mix, however, average prices for ordinary strip fell, and thus strip product prices in total were 2% lower than in the preceding quarter.

Sales increased by 4% compared with the first quarter of last year and amounted to SEK 4,614 (4,389) million.

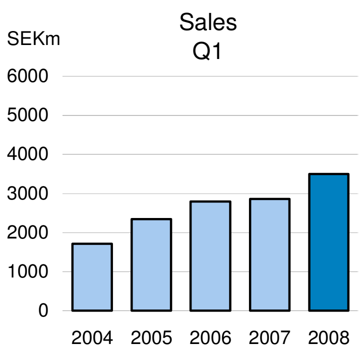
Operating profit for the quarter increased by SEK 16 million and reached to SEK 1,039 (1,023) million.

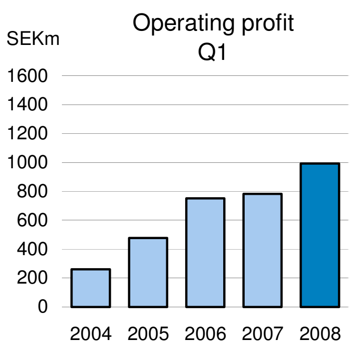
Deliveries of strip products during the quarter amounted to 695 (665) thousand tonnes. Of this, deliveries of advanced high-strength steel (AHSS) accounted for 233 (212) thousand tonnes, which was 10% higher than during the first quarter of last year. Deliveries of AHSS thus constituted 34 (32)% of total strip product deliveries.

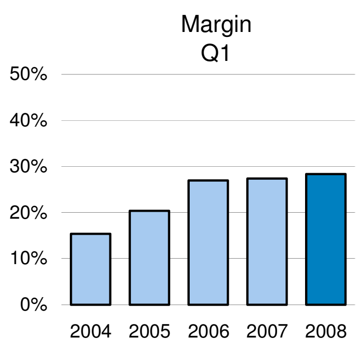
Crude steel production remained at a stable, high level during the quarter and amounted to 607 (580) thousand tonnes. A number of minor disruptions in the hot rolling strip mill entailed that strip production amounted to 718 (727) thousand tonnes.

During the quarter, decisions were taken regarding new capital expenditures totaling SEK 319 (283) million. The total investment expenditures during the quarter amounted to SEK 163 million, of which SEK 34 million related to expansion investments.

Plate Division







The prices of quenched steels increased during the quarter by 3% compared with the prices during the fourth quarter of last year.

Demand remained strong and deliveries increased by 8% compared with the first quarter of last year, and reached 156 (145) thousand tonnes, constituting 93 (88)% of total heavy plate deliveries.

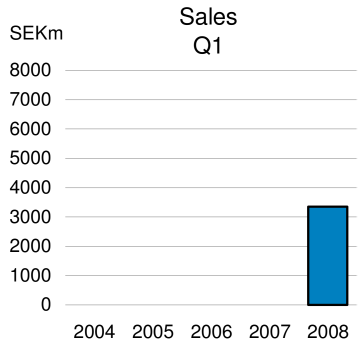
Sales increased by 22% compared with the first quarter of last year and amounted to SEK 3,494 (2,856) million.

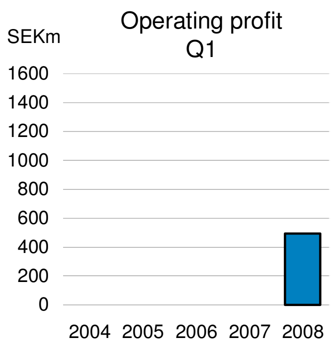
Operating profit for the quarter improved by SEK 209 million to SEK 991 (782) million. Higher prices and an improved mix compensated for higher costs.

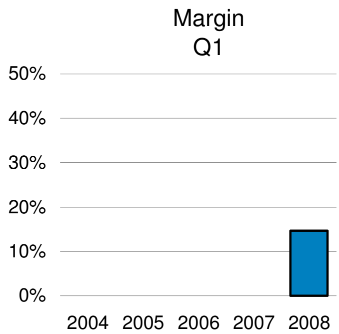
As a result of number of minor disruptions in the steel mill, crude steel production during the quarter amounted to 420 (456) thousand tonnes. Plate production in the four-high rolling mill during the quarter amounted to 154 (149) thousand tonnes and, together with subcontracted rolling, total plate production reached 171 (163) thousand tonnes.

During the quarter, decisions were taken on new capital expenditures totaling SEK 425 (167) million. The largest ongoing investment involves SEK 770 million in expansion investments within quenched steels. Among other things, a new quenching line for thick plate is being constructed in Oxelösund. Implementation is taking place gradually during 2007-2009 and will increase quenched steel production capacity to 700 thousand tonnes. Another major investment involves SEK 225 million in increased capacity for after-treatment of crude steel in Oxelösund. The plant will be brought into commission gradually during the spring and summer. The total capital expenditure payments during the quarter amounted to SEK 156 million, of which SEK 37 million relates to expansion investments.

North America Division







IPSCO has been included as a division in SSAB since its acquisition on July 18, 2007. With the sale of IPSCO Tubular, the remaining operations will change name to North America Division. The Division will consist of the two steel mills in Mobile (Alabama) and Montpelier (Iowa), as well as four cutting lines in Surrey, St. Paul, Houston and Toronto. The two steel mills have annual total capacity in excess of 2.5 million tonnes of crude steel.

Demand for plate products from end users has remained strong. Deliveries of plate increased by 16% compared with the first quarter of last year and amounted to 695 (599) thousand tonnes. Deliveries of quenched steels and AHSS increased by 135% each compared with the first quarter of last year and amounted to 23 (10) thousand tonnes and 60 (26) thousand tonnes respectively.

Steel prices increased during the quarter by 3% compared with the prices during the fourth quarter of last year. Steel production during the quarter reached 637 (505) thousand tonnes. The increase is due to higher capacity at the steel mill in Mobile and on an extended maintenance stop during the first quarter last year.

The North America Division's sales during the quarter were UDS 534 million.

Before Group amortization of surplus values, the operating profit for the quarter was USD 107 million, compared with USD 126 million for the fourth quarter of last year. Somewhat higher prices were unable to compensate for higher scrap metal prices and lower deliveries.

During the quarter, decisions were taken regarding new capital expenditures totaling SEK 40 million.

The total capital expenditure payments during the quarter amounted to SEK 44 million.

Tibnor

The sales trend remained strong during the quarter on most of the geographic markets on which Tibnor operates. The rate of deliveries during the quarter remained at a high level and deliveries were 2% higher than in the first quarter of last year.

Sales increased by 2% compared with the first quarter of last year and amounted to SEK 2,820 (2,774) million.

Operating profit declined by 4% to SEK 256 (267) million compared with the first quarter of last year, when two property companies were sold at a capital gain of SEK 18 million.

Events Since the End of the Quarter

According to a judgment issued by the Svea Court of Appeal at the end of January 2008, SSAB has been awarded further insurance compensation of approximately SEK 160 million plus interest and compensation for litigation costs in respect of a blast furnace breakdown which occurred at the Strip Products Division's plant in Luleå in 1997. Including interest which has accrued thus far, the awarded compensation totals approximately SEK 300 million, excluding compensation for litigation costs. As a consequence of the breakdown, approximately SEK 110 million has previously been paid out in insurance indemnification, in addition to the above-stated compensation. However, the opposing party has sought leave to appeal to the Supreme Court and, pending a decision on this matter, no effect on earnings has been booked. If the judgment becomes final, this will entail a positive effect on profit for SSAB of approximately SEK 250 million.

Since the end of the quarter, refinancing has taken place of the outstanding USD 1,250 million of the bridging financing on the original USD 8,050 million which was taken up in connection with the acquisition of IPSCO. The refinancing has resulted in longer terms until maturity and lower interest expenses. Accordingly, the entire original bridge financing has now been replaced or repaid.

Prospects for the Remainder of the Year

The steel operations' volumes of the core niche products, quenched steels as well as extra and ultra high-strength steel, are expected to continue to increase during 2008. During 2008, further quenched steel capacity will be brought into operation in Oxelösund and, in the hot rolling strip mill in Borlänge a new coiler has been brought into operation which further expands the product program within the most demanding AHSS range.

Coal agreements have been signed for approximately 30% of annual volumes. These agreements entail, in principle, increased prices in USD of almost 30% and, due to a weaker USD, in Swedish kronor, of just over 15%. It is believed, however, that the remaining coal agreements will be concluded at significantly higher prices. Price agreements for iron ore deliveries in 2008 have been signed with LKAB and entail a price increase in USD of 87%. The agreements have been hedged and, due to the weaker USD, the price increase in Swedish kronor is approximately 60%. Scrap metal is purchased at spot price that continues to be volatile. Thus far in 2008, the scrap metal price has been at a significantly higher level than at the beginning of 2007.

The coal agreements will impact on earnings commencing the third quarter.

Prices of steel will rise during the second quarter driven by the severe increases in the price of raw materials. As things appear at present, we foresee continued strong demand for the remainder of the year. The full impact of the heavy increases in the price of coal will not be felt until the third quarter and our ambition is to gradually during the year compensate for this price increase as well as the price increases of iron ore and scrap metal.

Accounting Principles

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

In conjunction with the annual accounts for 2007, the reporting of participating interests in affiliated companies was changed so that the result is reported on a line net after tax and the tax item thus no longer contains any tax cost with respect to affiliated companies. Adjustment has been made in the comparison figures for the first quarter of 2007.

The accounting principles are otherwise unchanged since the annual accounts for 2007 and are based on International Financial Reporting Standards as adopted by the EU. Reporting standards and applications introduced during the year have had no effect on the Group's results and financial position. The accounts of the parent company have been prepared in accordance with RFR 2.1.

Risks and Uncertainty Factors

With the divestment of IPSCO Tubular, and through the reduction in the net debt which will then take place, the Group's exposure to interest rate changes will decline.

The divestment of IPSCO Tubular entails that the Group's flows in USD and CAD will decline.

For further information concerning material risks and uncertainty factors, reference is made to the detailed description in the Annual Report for 2007.

Audit report

These results have not been reviewed by the auditors. The auditors review the report for January-June.

The Half-Yearly Report for 2008
will be published on July 24, 2008.

SSAB Svenskt Stål AB (publ)
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Sensitivity Analysis

The approximate full-year effect, after the divestment of IPSCO Tubular, on profit after financial items and earnings per share of changes in significant factors is shown in the sensitivity analysis below.

	Change, %	Effect on earnings, MSEK	Effect on earnings per share, MSEK
Steel prices – steel operations	10	3,800	8.45
Volume – steel operations	10	1,270	2.85
Iron ore prices	10	335	0.75
Coal, coke prices	10	250	0.55
Scrap metal prices	10	450	1.00
Interest rates	1%-pts	180	0.40
Krona index	5	175	0.40

Production and deliveries

Thousand tonnes	1/06	2/06	3/06	4/06	1/07	2/07	3/07	4/07	1/08
Crude steel production									
- Strip Products	563	554	487	602	580	581	539	604	607
- Plate	461	437	291	341	456	449	316	432	420
- North America					560	647	687	689	679
- Total	1,024	991	778	943	1,596	1,677	1,542	1,725	1,706
Steel production									
- Strip Products	710	733	539	678	727	686	548	692	718
- Plate	156	158	120	152	149	146	123	159	154
- North America					505	595	647	638	637
- Total	866	891	659	830	1,381	1,427	1,318	1,489	1,509
Steel deliveries									
- Strip Products	646	679	525	624	665	656	530	600	695
- Plate	169	162	127	164	165	151	137	156	168
- North America					599	612	669	692	695
- Total	815	841	652	788	1,429	1,419	1,366	1,448	1,558
of which									
- AHSS , Strip Products 1)	170	195	154	180	212	213	189	203	233
- Quenched steels, Plate	134	133	111	132	145	137	129	146	156
- AHSS, North America 2)					26	23	49	62	60
- Quenched steels, North America					10	18	20	20	23
- Total core niche products	304	328	265	312	393	391	387	431	472

1) Advanced high-strength steel.
2) Advanced high-strength steel, North America.

Acquisition of IPSCO

Following a detailed analysis of the fair values of the assets and liabilities acquired on July 18, 2007, the following adjustments have been made to fair value.

SEK millions	Reported value in IPSCO	Preliminary fair value adjustment	Preliminary fair value in the Group	Revised fair value	Revised fair value in the Group
Intangible assets	8,658	2,454	11,112	8,368	17,044
Tangible fixed assets	8,974	4,988	13,962	3,338	12,282
Financial fixed assets	826		826		826
Current assets	10,252	1,020	11,272	1,020	11,272
Deferred tax and other provisions	-3,589	-4,430	-8,019	-6,159	-9,544
Long-term liabilities	-5,160		-5,160		-5,352
Current liabilities	-3,879		-3,879		-3,879
Identifiable net assets	16,082	4,032	20,114	6,567	22,649
Goodwill			30,402		27,867
Purchase price paid 1)			50,516		50,516

1) Total purchase price paid amounted to USD 7,596 million, including directly attributable costs of USD 40 million.
As a result of adjusted values and changed useful life periods, amortization of surplus values has increased by SEK 284 million for entire IPSCO 2007.

Consolidated Income Statement

SEM millions	2008 Q 1	2007 Q 1	April 07- March 08	2007 Full year
Continuing operations				
Sales	12,910	8,780	44,571	40,441
Costs of goods sold 1)	-9,147	-6,102	-32,951	-29,906
Gross profit	3,763	2,678	11,620	10,535
Selling and administrative costs	-859	-576	-3,169	-2,886
Other operating income and expenses	-174	5	-5	174
Affiliated companies, profit after tax 2)	18	29	89	100
Operating profit	2,748	2,136	8,535	7,923
Financial income	34	25	258	249
Financial expenses	-410	-23	-1,595	-1,208
Profit after financial items	2,372	2,138	7,198	6,964
Tax	-671	-594	-2,006	-1,929
Profit after tax for continuing operations	1,701	1,544	5,192	5,035
Profit after tax for discontinued operations	-190	0	-567	-377
Total profit after tax	1,511	1,544	4,625	4,658
Of which attributable to:				
- the parent company's shareholders	1,483	1,514	4,529	4,560
- minority interests	28	30	96	98
Key ratios				
Return on capital employed before tax (%)	-	-	16	18
Return on equity after tax (%)	-	-	19	22
Earnings per share (SEK) 3)	4.58	5.35	14.75	15.36
- of which continuing operations (SEK) 3)	5.17	5.35	16.60	16.63
Equity per share (SEK)	87.67	60.67	87.67	89.19
Equity ratio including minority (%)	33	66	33	32
Net debt ratio (%)	137	2	137	150
Average number of shares during the period (millions)	323.9	283.2	307.0	296.9
Number of shares at end of period (millions) 4)	323.9	259.1	323.9	323.9
Average number of employees 5)	-	-	8,858	9,663

1) The item includes non-recurring costs on surplus values of inventories of SEK -570 for the full year of 2007. These costs are reported as costs of goods sold.
2) The principles for reporting the share of profit of affiliated companies have been revised so that the share of profit is now reported after tax. The share of tax from affiliated companies was previously reported among interest expenses. Comparison figures for this report have been recalculated.
3) Earnings per share have been adjusted due to the bonus issue element in the new issue carried out in August 2007.
4) There are no outstanding share instruments, and thus no dilution is relevant.
5) The average number of employees includes the North America Division, with 744 employees, commencing the date of the acquisition. A rolling annual figure would provide an average number of employees of 1,050 and, for the entire SSAB, 9,164.

Consolidated Balance Sheet

SEK millions	**31 March 2008**	31 March 2007	31 Dec 2007
Assets			
Goodwill	**13,863**	-	27,252
Other intangible assets	**6,498**	10	15,856
Tangible fixed assets	**15,149**	8,125	21,358
Participations in affiliated companies	**365**	,324	353
Financial fixed assets	**169**	14	273
Deferred taxes	**198**	71	1,025
Total fixed assets	**36,242**	8,544	66,117
Inventories	**10,151**	7,071	14,072
Accounts receivable	**7,601**	5,842	8,268
Current tax receivables	**0**	36	246
Other current interest-bearing receivables	**0**	495	0
Other current receivables	**2,073**	499	1,296
Cash and cash equivalents	**1,166**	1,693	1,707
Total current assets in continuing operations	**20,991**	15,636	25,589
Assets in discontinued operations 1)	**29,690**	-	-
Total current assets	**50,681**	15,636	25,589
Total assets	**86,923**	24,180	91,706
Equity and liabilities			
Equity for shareholders in the company	**28,398**	15,724	28,890
Minority shares	**159**	160	229
Total equity	**28,557**	15,884	29,119
Deferred tax liabilities	**5,162**	1,330	9,540
Other long-term provisions	**150**	154	473
Long-term interest-bearing liabilities 2)	**34,471**	848	39,825
Total long-term liabilities	**39,783**	2,332	49,838
Current interest-bearing liabilities 2)	**5,144**	338	4,998
Current tax liabilities	**435**	255	40
Accounts payable	**3,400**	2,338	4,740
Other current liabilities	**4,335**	3,033	2,971
Total current liabilities in continuing operations	**13,314**	5,964	12,749
Liabilities in discontinued operations 1)	**5,269**	-	-
Total current liabilities	**18,583**	5,964	12,749
Total equity and liabilities	**86,923**	24,180	91,706

1) The items for discontinued operations include the balance sheet items which will disappear as a direct consequence of the divestment. (For more details, see separate specification in this report). Since the divestment takes place without any interest-bearing liabilities being transferred, no such liabilities are included in these items. The intention is, however, that payment received upon the sale will be used to repay loans.

2) Is estimated to be reduced by a little more than SEK 23 billion after the sale of the tubular business.

Consolidated Changes in Equity

SEK millions	Share capital	Other contrib-uted funds	Translation reserve	Retained earnings	Total	Minority	Total equity
Equity, December 31, 2006	2,280	553	-49	12,551	15,335	216	15,551
Changes Jan 1 – March 31, 2007							
Translation difference			41		41	1	42
Profit for the period				1,514	1,514	30	1,544
New issue					0		0
Dividend				-1,166	-1,166	-87	-1,253
Equity, March 31, 2007	2,280	553	-8	12,899	15,724	160	15,884
Changes April 1 – December 31, 2007							
Translation difference			158		158	1	159
Profit for the period				3,046	3,046	68	3,114
New issue 1)	571	9,391		0	9,962		9,962
Dividend				0	0	0	0
Equity, Dec 31, 2007	2,851	9,944	150	15,945	28,890	229	29,119
Changes Jan 1 – March 31, 2008							
Translation difference			-355		-355		-355
Profit for the period				1,483	1,483	28	1,511
New issue 1)				-1,620	-1,620	-98	-1,718
Equity, March 31, 2008	2,851	9,944	-205	15,808	28,398	159	28,557

1) The new issue in August 2007 resulted in 64.8 million new shares and increased the share capital by SEK 571 million. The share premium in the issue increased other contributed funds by SEK 9,391 million, after deduction of issue costs of SEK 80 million. After the new issue, there are thus 323,934,755 shares with a quotient value of SEK 8.80.

Cash Flow

SEK millions	**2008 Q 1**	2007 Q 1	**April 07- March 08**	2007 Full year
Profit from operations	**2,731**	1,569	**6,558**	5,396
Change in working capital	**-541**	-823	**-433**	-715
Cash flow from operations	**2,190**	746	**6,125**	4,681
Investing activities	**-521**	-418	**-57,619**	-57,516
Divested companies and operations 1)	**0**	26	**130**	156
Cash flow from investing activities	**-521**	-392	**-57,489**	-57,360
Dividend/redemption to shareholders	**0**	0	**-1,166**	-1,166
New issue	**0**	0	**9,962**	9,962
Other financing activities	**-2,210**	-34	**42,041**	44,217
Cash flow from financing activities	**-2,210**	-34	**50,837**	53,013
Change in cash and cash equivalents	**-541**	320	**-527**	334

1) Divested companies in 2007 relate to a number of small property companies within Tibnor.

The Divisions'/Subsidiaries' Sales, Profits and Return on Capital Employed

	Sales		Operating profit		Return on capital employed (%) 2)	
	2008	2007	**2008**	2007	**April 07-**	2007
SEK millions	**Q 1**	Q 1	**Q 1**	Q 1	**March 08**	Full year
Strip Products	**4,614**	4,389	**1,039**	1,023	**40**	44
Plate	**3,494**	2,856	**991**	782	**42**	41
North America 1)	**3,357**	0	**494**	0	**8 (18)**	8 (20)
Tibnor	**2,820**	2,774	**256**	267	**44**	46
Other subsidiaries	**480**	555	**-17**	18	**-**	-
Parent company	**-**	-	**-59**	6	**-**	-
Parent company's affiliated companies	**-**	-	**14**	27	**-**	-
Other Group adjustments	**-1,855**	-1,794	**30**	13	**-**	-
Total continuing operations	**12,910**	8,780	**2,748**	2,136	**16**	18

1) The North America Division's sales and operating profit relate to the continuing operations.

2) Return on capital employed for entire IPSCO has been calculated by converting the results for the holding period, 8.5 months, to annual figures and comparing this with the average capital employed July 07 – March 08. Return on capital employed for IPSCO without surplus values from the acquisition is reported in brackets. Return on capital employed is otherwise calculated on the results for the entire operations for the most recent twelve months in relation to the average capital employed for the most recent twelve months.

Results per Quarter

SEK millions	1/06	2/06	3/06	4/06	1/07	2/07	3/07	4/07	1/08
Sales	7,622	8,096	7,020	8,316	8,780	9,099	13,686	16,086	12,910
Operating expenses	-5,895	-6,169	-5,697	-6,515	-6,420	-7,043	-11,766	-12,415	-9,479
Depreciation	-232	-235	-239	-257	-253	-259	-691	-843	-701
Affiliated companies	44	30	31	31	29	36	19	16	18
Financial items	1	-5	-8	10	2	15	-758	-921	-376
Profit after financial items	1,540	1,717	1,107	1,585	2,138	1,848	490	1,923	2,372

The first quarter of 2008 is reported excluding IPSCO Tubular, while the third and fourth quarters of 2007 have not been adjusted.

Operating Profit per Quarter and Division/Subsidiary

SEK millions	1/06	2/06	3/06	4/06	1/07	2/07	3/07	4/07	1/08
Strip Products Division	650	832	551	766	1,023	879	682	888	1,039
Plate Division	752	656	302	521	782	593	499	802	991
North America Division							880	1,090	494
Tibnor	141	186	202	247	267	291	159	160	256
Write-off, surplus value, inventories							-1,010	-9	0
Other, incl. parent company	-4	49	59	41	64	70	38	-87	-32
Operating profit	1,539	1,723	1,114	1,575	2,136	1,833	1,248	2,844	2,748

The first quarter of 2008 is reported excluding IPSCO Tubular, while the third and fourth quarters of 2007 have not been adjusted.

Specification of Discontinued Operations

Income Statement

SEK millions	2008 Q 1	2007 Q 1	2007 July 18-Dec 31
Sales	**4,064**	-	7,210
Operating expenses	**-3,802**	-	-7,356
Operating profit	**262**	-	-146
Financial items 1)	**-277**	-	-703
Profit after financial items	**-15**	-	-849
Tax 2)	**-5**	-	472
Profit after tax	**-20**	-	-377
Profit upon valuation to fair value	**0**	-	0
Tax effect of valuation to fair value 3)	**-170**	-	0
Total profit after tax	**-190**	-	-377

1) The financial items include an estimated interest expense on the loans which will be repaid in connection with the divestment.
2) Tax 2007 is positively affected by a reduced tax rate in Canada, entailing a revaluation of deferred tax liability by SEK +147 million.
3) In conjunction with the divestment of IPSCO Tubular, it will no longer be possible to utilize loss carried-forwards, entailing a tax burden in connection with the divestment.

Cash Flow

SEK millions	2008 Q 1	2007 Q 1	2007 July 18-Dec 31
Cash flow from operations	**440**	-	1,400
Cash flow from investing activities	**-176**	-	-710
Cash flow from financing activities	**-264**	-	-690
Total cash flow	**0**	-	0

Balance Sheet

SEK millions	31 March 2008
Assets	
Goodwill	**11,130**
Other intangible assets	**7,666**
Tangible fixed assets	**5,324**
Financial fixed assets	**349**
Total fixed assets	**24,469**
Inventories	**3,609**
Accounts receivable	**1,340**
Cash and cash equivalents	**272**
Total fixed assets	**0**
Total assets	**5,221**
	29,690
Liabilities	
Deferred tax liabilities and provisions	**3,675**
Long-term interest-bearing liabilities	**0**
Total long-term liabilities	**3,675**
Current interest-bearing liabilities	**0**
Accounts payable	**998**
Other current liabilities	**596**
Total current liabilities	**1,594**
Total liabilities	**5,269**

The Parent Company's Results

SEK millions	2008 Q 1	2007 Q 1	April 07- March 08	2007 Full year
Gross profit	**0**	0	**0**	0
Administrative expenses	**-59**	-32	**-194**	-167
Other operating income	**0**	38	**1**	39
Operating profit	**-59**	6	**-193**	-128
Dividend from subsidiaries	**705**	494	**4,826**	4,615
Financial items	**-87**	35	**-68**	54
Profit after financial items	**559**	535	**4,565**	4,541
Appropriations	**0**	0	**-13**	-13
Tax	**41**	0	**84**	43
Profit after tax	**600**	535	**4,636**	4,571

Parent Company's Balance Sheet

SEK millions	31 March 2008	31 March 2007	31 Dec 2007
Assets			
Tangible fixed assets	**7**	1	8
Financial fixed assets	**12,990**	2,308	12,488
Long-term receivables from subsidiaries	**29,227**	50	31,710
Deferred tax receivables	**1**	1	1
Total fixed assets	**42,235**	2,360	44,207
Current receivables from subsidiaries	**10,568**	8,721	13,238
Other current interest-bearing receivables	**-**	-	-
Other current receivables	**1,686**	602	179
Cash and cash equivalents	**668**	1,401	1,470
Total fixed assets	**12,922**	10,724	14,887
Total assets	**55,147**	13,084	59,094
Equity and liabilities			
Share capital	**2,851**	2,281	2,851
Statutory reserves	**902**	902	902
Retained earnings	**19,439**	6,003	15,767
Profit for the year	**600**	535	4,571
Total equity	**23,792**	9,721	24,091
Untaxed reserves	**13**	0	13
Total untaxed reserves	**13**	0	13
Pension provisions	**6**	6	6
Long-term liabilities to subsidiaries	**1**	1	1
Long-term interest-bearing liabilities	**23,763**	800	28,285
Total long-term liabilities and provisions	**23,770**	807	28,292
Current liabilities to subsidiaries	**391**	927	1,321
Current interest-bearing liabilities	**6,873**	1,470	4,870
Current tax liabilities	**1**	2	10
Current liabilities	**10**	1	25
Other current liabilities	**297**	156	472
Total current liabilities	**7,572**	2,556	6,698
Total equity and liabilities	**55,147**	13,084	59,094

The parent company reports a profit after tax of SEK 600 million for the first quarter, of which SEK 705 million consists of dividends from subsidiaries. In April, a dividend was paid to the Company's shareholders of SEK 1,620 million (SEK 5.00/share). In the accounts for the quarter, the dividend is reported as a liability.

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