

HALF-YEAR REPORT
2015



*Strong cash flow
despite somewhat
lower result in Q 2*

July 22, 2015

SSAB

Half-year report 2015

The quarter

- Sales were SEK 15,303 (9,717) million
- Operating profit, excluding items affecting comparability, was SEK 301 (267) million
- The profit after financial items, excluding items affecting comparability, was SEK 88 (80) million
- Earnings per share were SEK 0.31 (0.41)
- Items affecting comparability had an impact of SEK -8 (-6) million on profit after tax
- Operating cash flow was SEK 1,462 (528) million
- Currency effects impacted sales positively with over SEK 1.1 billion compared with pro forma 2014, while operating profit was impacted positively with around SEK 70 million

Key numbers

	2015	2014	2014	2015	2014	2014	2014
	Q 2	Q 2, pro forma	Q2	Qs 1-2	Qs 1-2, pro forma	Qs 1-2	Full year
SEK millions							
Sales	15,303	15,208	9,717	30,771	29,806	19,238	47,752
Operating profit before depreciation/amortization, EBITDA 1)	1,246	1,230	823	2,747	2,107	1,405	3,695
Operating profit 1, 2)	301	389	267	865	423	293	894
Profit/loss after financial items 1, 2)	88	130	80	438	-141	-55	242
Profit/loss after tax 1, 2)	177	169	141	491	-19	92	384
Earnings per share (SEK)	0.31	-	0.41	0.82	-	0.26	-3.33
Operating cash flow	1,462	-	528	2,246	-	253	1,737
Net debt/equity ratio (%)	53	-	54	53	-	54	56

1) Excluding items affecting comparability. For numbers, see page 5.

2) In the pro forma numbers for the second quarter 2015, depreciation and amortization on surplus values related to the acquisition of Rautaruukki is not included. In the second quarter 2015, these amounted to SEK 50 million. Rautaruukki is included in the SSAB Group since July 29, 2014.

(In the report, amounts in brackets refer to the corresponding period of last year.)

Comments by the CEO

SSAB's operating profit for the second quarter of 2015 was SEK 301 million (excluding items affecting comparability), down by SEK 263 million compared with the first quarter of 2015 and at the same level as the second quarter last year. Lower earnings compared to the first quarter are primarily due to lower prices for heavy plate in North America and costs incurred by relining of the blast furnace in Luleå. Production difficulties experienced by the Swedish mills during the quarter impacted negatively on second-quarter shipments. Actions have been taken to address these problems and we expect to be able to return to normal deliveries during the third quarter. Cash flow remained strong and was SEK 1,462 (528) million, which was largely driven by lower working capital despite a certain build-up of slab inventories ahead of the relining work in Luleå which began on June 1. The blast furnace is expected to be back in operation in early September.

In North America, the quarter was marked by continued destocking at distributors, which resulted in heavy pressure on prices. High import volumes of heavy plate during 2014 and the first half of 2015 have impacted negatively on the situation in North America. In the Nordic region and rest of Europe, demand for standard steel showed some growth, albeit from low levels. However, prices have shown a slightly downward trend. Global demand for high-strength steel continued to be at a low level during the second quarter and some pressure on prices was noted.

Work on achieving synergies from the acquisition of Rautaruukki is progressing according to plan. During the second quarter, we achieved synergies of SEK 125 million and at the end of the second quarter; the annual run rate amounted to around SEK 525 million. As we announced earlier, we will achieve the full run rate of SEK 1.4 billion in synergies on an annual basis from the second half of 2016 onwards.

During the second quarter, we launched a number of concrete sustainability targets which, among other things, mean we will cut carbon dioxide emissions, use less energy sourced externally and further improve the monitoring of our suppliers' sustainability work. We will also increase the share of renewable energy we consume since we have taken the decision that at least 50% of the electricity we purchase externally in the Nordic region must be derived from wind and hydro power.

Sales per division

	2015	2014	2015	2014	2014
SEK millions	Q 2	Q 2 1)	Qs 1-2	Qs 1-2 1)	Full year 1)
SSAB Special Steels	4,077	3,477	7,697	6,825	13,226
SSAB Europe	7,097	6,568	13,932	13,217	25,857
SSAB Americas	3,027	3,152	6,535	5,983	13,207
Tibnor	1,899	2,077	3,974	4,132	8,151
Ruukki Construction	1,488	1,625	2,635	2,849	6,217
Other	-2,285	-1,691	-4,002	-3,200	-6,546
Total	15,303	15,208	30,771	29,806	60,112

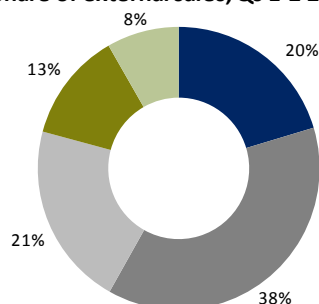
1) Pro forma figures are presented as if SSAB had owned Rautaruukki the whole year 2014.

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

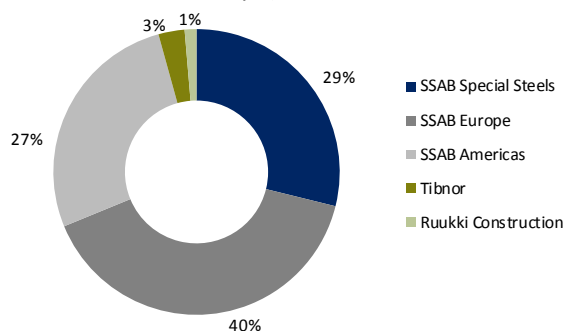
	2015	2014	2015	2014	2014
SEK millions	Q 2	Q 2 1)	Qs 1-2	Qs 1-2 1)	Full year 1)
SSAB Special Steels	433	471	821	848	1,265
SSAB Europe	459	383	1,136	747	1,524
SSAB Americas	313	299	766	493	1,620
Tibnor	36	57	84	108	173
Ruukki Construction	57	88	38	51	185
Other	-52	-68	-98	-140	-348
Total	1,246	1,230	2,747	2,107	4,419

1) Pro forma figures are presented as if SSAB had owned Rautaruukki the whole year 2014.

Share of external sales, Qs 1-2 2015



Share of EBITDA, Qs 1-2 2015



The market

According to the World Steel Association (WSA), global crude steel production for the first half of the year was 813 (827) million tonnes, down by just under 2% compared with the same period last year. Chinese crude steel production, which was earlier the driver of global growth, was down by just under 1% compared with the first half of 2014. In the EU28, production was up by 0.5%, whereas production in North America decreased sharply by just under 7%. Capacity utilization for the global steel industry during the first half of the year was around 72%. The corresponding figure for the EU28 was 76% and for North America 69%.

The North American steel market continued to be relatively weak during the second quarter. This was driven by continued destocking at distributors and high import volumes. Import volumes were down somewhat during the second quarter, but still at a high level historically. The underlying demand from end-customers in North America was stable. Demand in Europe remained relatively unchanged during the second quarter. The Nordic region and rest of western Europe showed some growth, whereas uncertainty persists in parts of eastern Europe. Inventory levels at distributors and end-customers in Europe are considered to be in balance. The steel market in Asia, and especially in China, further deteriorated during the quarter and the Chinese market shows no signs of recovery.

In North America, market prices for heavy plate have been falling since October last year and the sharp decline in prices continued into the start of the second quarter before leveling out. Prices were stable for the remainder of the quarter. In Europe, market prices for strip and heavy plate showed a slight downward trend during the quarter. In China, market prices for strip fell sharply towards the end of the quarter, whereas prices for heavy plate were down, but not by as much.

Raw materials

SSAB sources most of its iron ore from LKAB in Sweden, but also some from Severstal in Russia. During the second quarter of 2015, SSAB signed a price agreement with LKAB for supplies of iron ore. This agreement is valid from April 1, 2015 until March 31, 2016, with prices being set quarterly. Discussions are under way regarding a new agreement with Severstal. For shipments during the second quarter this year, pellet prices were down 8% in USD and 5% in SEK compared with the first quarter.

SSAB sources coking coal from Australia, the USA, Canada and Russia. Price agreements for Australian, Canadian and Russian coal are entered into monthly, whereas the price agreement for most US coal is entered into quarterly. The average price during the second quarter of 2015 was down 13% in USD and 13% in SEK compared with the first quarter.

The American operations regularly purchase scrap as a raw material for their production. Spot prices for scrap metal rose during the second quarter. At the end of the second quarter 2015, spot prices were 8% higher than at the end of the first quarter, but 24% lower than prices at the end of the second quarter last year.

Outlook

In North America, the destocking seen at distributors during the first half of the year is expected to spill over into the third quarter. Underlying demand from end-customers is considered to be relatively good, but to reflect a certain seasonal downturn. In Europe, demand is expected to remain stable, but with a seasonal downturn. No major changes in inventories are anticipated at distributors or end-customers. Demand for high-strength steels is expected to be unchanged during the third quarter. Overall, SSAB's shipment volumes during the third quarter are expected to be somewhat lower than during the second quarter.

The relining of the blast furnace in Luleå began on June 1 and will continue until the end of August. A majority of the estimated SEK 150-200 million cost of this project will impact on the result for the third quarter. To ensure continued plate shipments during the relining, the smaller blast furnace in Oxelösund was brought back into use during the first quarter and will remain in production for much of the third quarter. The slab inventory built up earlier will be reduced during the third quarter. The usual maintenance outages will take place in Borlänge, Raahé and Hämeenlinna during the summer and the costs arising from these outages are expected to have an adverse impact of around SEK 200 million on third quarter results. The maintenance outage in Oxelösund has been pushed back to November to be better aligned to customer demand.

Synergies

Integration of Rautaruukki is progressing to plan. As part of this plan, further workforce reductions in Luleå, Raahe, Hämeenlinna and Virsbo were announced during the second quarter. These reductions equate to the loss of around 400 full-time jobs and will be completed by no later than mid-2016. Synergies of around SEK 125 million were achieved during the second quarter of 2015. Net after non-recurring costs, this had an impact of around SEK 120 million on operating profit.

The table below shows the synergies achieved during the quarter and the annual run rate achieved to date.

Realization of synergies

	2015	2015	2015
SEK millions	Q 1	Q 2	Qs 1-2
Sustainable annual run rate at the end of the period	450	525	525
Synergies, gross before non-recurring costs	100	125	225
Synergies, net after non-recurring costs	85	120	205

Items affecting comparability

During the second quarter of 2015, items affecting comparability had a negative impact of SEK 8 million on profit after tax. These items mainly relate to restructuring costs and final adjustment of the result following the divestment of the assets required by the European commission for approval of the combination of SSAB and Rautaruukki in 2014.

Specification of items affecting comparability

	2015	2014	2015	2014	2014
SEK millions	Q 2	Q2	Qs 1-2	Qs 1-2	Full year
Operating expenses					
Acquisition costs and reorganization	-	-7	-	-7	-135
Write-down, goodwill	-	-	-	-	-291
Write-down of assets, eastern Europe	-	-	-	-	-131
Write-down/gains & losses, assets held for sale	-5	-	-16	-	-123
Write-down, Fortaco	-	-	-	-	-98
One-off depreciation on surplus values in inventory and order book	-	-	-	-	-186
Restructuring related to synergies	-4	-	-20	-	-
Other	-	-	-3	-	-37
Effect on operating profit/loss	-9	-7	-39	-7	-1,001
Financial costs					
Write-down, shareholder loan to Fortaco	-	-	-	-	-601
Transaction tax (Finnish standard rate tax on acquisitions of shares)	-	-	-5	-	-168
Other financial expenses (primarily bridge financing)	-	-	-	-	-61
Effect on profit after financial items	-9	-7	-44	-7	-1,831
Taxes					
Tax on surplus values, inventory and order book	-	-	-	-	37
Other tax effects	1	1	5	1	16
Effect on profit/loss after tax	-8	-6	-39	-6	-1,778

SSAB Group

Rautaruukki is included in the SSAB Group since July 29, 2014

Half-year summary

Shipments and production

SSAB's shipments during the first half of the year were 3,433 (2,316) thousand tonnes, up 48% compared with the first half of 2014.

Crude steel production was up 43% and steel production was up 44% compared with the first half of 2014.

Sales

Sales for the first half of the year were SEK 30,771 (19,238) million, up 60% compared with the first half of 2014.

Earnings

Excluding items affecting comparability, operating profit for the first half of the year was SEK 865 (293) million, an improvement of SEK 572 million compared with the first half of 2014.

Excluding items of comparability, financial items for the first half of the year were SEK -427 (-348) million and the result after financial items was SEK 438 (-55) million.

See page 5 for information about items affecting comparability.

Profit after tax and earnings per share

Profit after tax (attributable to shareholders) for the first half of the year was SEK 451 (83) million, equating to SEK 0.82 (0.26) per share. Tax for the first half of the year was SEK 58 (148) million.

Financing and liquidity

Operating cash flow for the first half of the year was SEK 2,246 (253) million. Cash flow was positively impacted by operating profit and lower working capital, primarily due to lower inventory levels.

Net cash flow was SEK 1,246 (-79) million. Net cash flow was affected, among other things, by payments on strategic capital expenditures, including acquisitions of shares and operations, of SEK 426 (84) million (total capital expenditure was SEK 1,213 (490) million). Net debt decreased by SEK 656 million during the first half of the year and at June 30 amounted to SEK 24,018 million. The net debt/equity ratio was 53% compared with 56% at year-end 2014.

At June 30, the term to maturity of the loan portfolio averaged 4.2 (4.3) years, with an averaged fixed interest period of 1.1 (1.3) years.

Cash and cash equivalents were SEK 2,275 (7,465) million and non-utilized credit facilities were SEK 8,545 (7,266) million.

Return on capital employed/equity

Return on capital employed before tax and return on equity after tax for the most recent 12-month period amounted to 1% and -2% respectively, whereas the figures for the full year 2014 were 0% and -4% respectively.

Equity

With earnings of SEK 451 million and other comprehensive income (mostly consisting of translation differences) of SEK 957 million, shareholders' equity in the company was SEK 45,241 (28,149) million, equating to SEK 82.37 (86.90) per share.

Capital expenditure

Capital expenditure payments during the first half of the year were SEK 1,213 (490) million, of which SEK 426 (84) million were strategic investments, including acquisitions.

Development during the second quarter

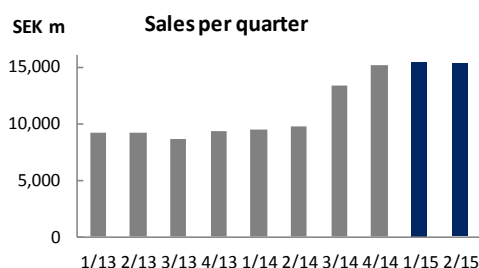
Shipments and production

SSAB's shipments during the second quarter of 2015 were 1,722 (1,138) thousand tonnes, up 1% compared with the first quarter and up 51% compared with the second quarter of 2014.

Crude steel production was down 6% compared with the first quarter of 2015, but up 37% compared with the second quarter last year. Steel production was at the same level as the first quarter of 2015, but up 45% compared with the second quarter last year.

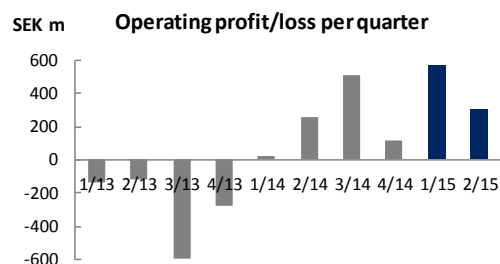
Sales

Sales for the second quarter were SEK 15,303 (9,717) million, up 57% compared with the second quarter last year, but down 1% compared with the first quarter of 2015. An improved product mix had a positive impact of 4 percentage points, currency effects had a positive impact of 3 percentage points and higher volumes had a positive effect of 1 percentage point, whereas lower prices had a negative impact of 9 percentage points.



Earnings

Excluding items affecting comparability, operating profit for the second quarter was SEK 301 (267) million, an improvement of SEK 34 million compared with the second quarter last year. Compared with the first quarter of 2015, earnings were down by SEK 263 million. Lower variable costs (SEK 250m) and higher volumes (SEK 140m) impacted positively on earnings, whereas lower prices (SEK 620m) and higher fixed costs (SEK 85m, mostly relating to the relining in Luleå) impacted negatively on earnings.



Excluding items of comparability, financial items for the second quarter were SEK -213 (-187) million and the result after financial items was SEK 88 (80) million.

See page 5 for information about items affecting comparability.

Profit after tax and earnings per share

Profit after tax (attributable to shareholders) for the second quarter was SEK 167 (133) million, equating to SEK 0.31 (0.41) per share. Tax for the second quarter was SEK 90 (62) million.

Financing and liquidity

Operating cash flow for the second quarter was SEK 1,462 (528) million. Cash flow was positively impacted by operating profit and lower working capital, primarily resulting from lower inventories.

Net cash flow was SEK 735 (209) million. Net cash flow was affected, among other things, by payments on strategic expenditures, including acquisitions of shares and operations, of SEK 227 (46) million (total capital expenditure was SEK 718 (286) million). Net debt decreased by SEK 1,616 million during the second quarter and at June 30 amounted to SEK 24,018 million. The net debt/equity ratio was 53% (54%).

Operational cash flow and net debt

SEK millions	2015 Q 2	2014 Q2	2015 Qs 1-2	2014 Qs 1-2	2014 Full year
Operating profit before depreciation/amortization	1,236	816	2,708	1,398	3,305
Change in working capital	632	-43	196	-775	-560
Maintenance expenditures	-491	-240	-787	-406	-1,341
Other	85	-5	129	36	333
Operating cash flow	1,462	528	2,246	253	1,737
Financial items	-292	-139	-401	-251	-1,013
Taxes	-204	-134	-335	3	-251
Cash flow from current operations	966	255	1,510	5	473
Strategic capital expenditures in plants and machinery	-194	-46	-390	-84	-331
Acquisitions of shares and operations	-33	-	-36	-	-48
Divestments of shares and operations	-4	-	162	-	-
Cash flow before dividend and financing	735	209	1,246	-79	94
Dividend to the Parent Company's shareholders	-	-	-	-	-
Net cash flow	735	209	1,246	-79	94
Net debt at beginning of period	-25,634	-15,144	-24,674	-14,833	-14,833
Net cash flow	735	209	1,246	-79	94
Acquired net debt, including cash	-	-	-	-	-6,393
Revaluation of liabilities against equity 1)	720	-395	-508	-433	-2,233
Other 2)	161	135	-82	150	-1,309
Net debt at end of period	-24,018	-15,195	-24,018	-15,195	-24,674

1) Revaluation of hedging of currency risks in foreign operations.

2) Mainly consisting of cash flow effects on derivative instruments and revaluation of other financial instruments in foreign currency.

Information about the divisions (pro forma)

Information for the reference period 2014 is based on pro forma figures as if SSAB had owned Rautaruukki during the whole of 2014. The information in the tables below excludes items affecting comparability and the depreciation and amortization on surplus values on tangible and intangible assets relating to the acquisitions of IPSCO and Rautaruukki.

SSAB Special Steels

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

Key numbers

	2015	2014	2015	2014	2014
	Q 2	Q2	Qs 1-2	Qs 1-2	Full year
SEK millions					
Sales	4,077	3,477	7,697	6,825	13,226
Operating profit before depreciation/amortization, EBITDA	433	471	821	848	1,265
Operating profit 1)	293	338	545	580	726
Number of employees at end of period	2,965	-	2,965	-	2,976

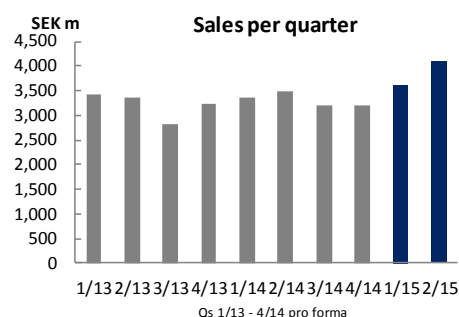
1) Excluding depreciation/amortization on surplus values on intangible and tangible fixed assets related to the acquisition of Rautaruukki.

The Heavy Transport segment showed strong development during the quarter, whereas demand from the Mining segment continued to be at a low level.

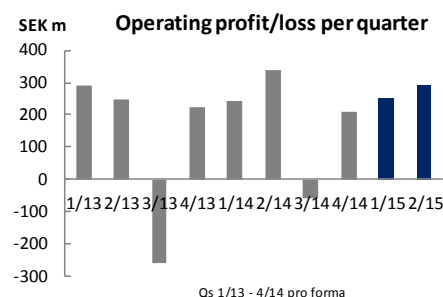
External shipments of steel during the second quarter were unchanged compared with the first quarter of 2015, but down 12% compared with the second quarter last year. External shipments were 260 (295) thousand tonnes.

Crude steel production during the second quarter of 2015 was up 7% compared with the first quarter and was up 32% compared with the second quarter last year. This was due to the smaller blast furnace in Oxelösund being brought back into use. Steel production was up 18% compared with the first quarter of 2015 and up 5% compared with the second quarter last year.

Sales for the second quarter were SEK 4,077 (3,477) million, up 17% compared with the second quarter of 2014. Currency effects had a positive impact of 14 percentage points, increased internal sales of slabs had a positive impact of 13 percentage points and improved prices/product mix had a positive impact of 2 percentage points, whereas lower volumes had a negative impact of 12 percentage points. Compared with the first quarter of 2015, sales were up 13%. This was primarily due to increased internal sales of slabs.



Excluding items affecting comparability, operating profit for the second quarter was SEK 293 (338) million, down SEK 45 million. Lower earnings were mainly due to lower prices and lower volumes, but were nevertheless offset by improved capacity utilization driven by increased slab production. Compared to the first quarter of 2015, earnings were up by SEK 41 million. This was primarily due to improved capacity utilization and lower operating costs.



Capital expenditure payments during the second quarter were SEK 51 (94) million, of which SEK 4 (18) million were strategic investments.

SSAB Europe

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

Key numbers

SEK millions	2015 Q 2	2014 Q2	2015 Qs 1-2	2014 Qs 1-2	2014 Full year
Sales	7,097	6,568	13,932	13,217	25,857
Operating profit before depreciation/amortization, EBITDA	459	383	1,136	747	1,524
Operating profit/loss 1)	94	10	406	-6	1
Number of employees at end of period	7,249	-	7,249	-	7,291

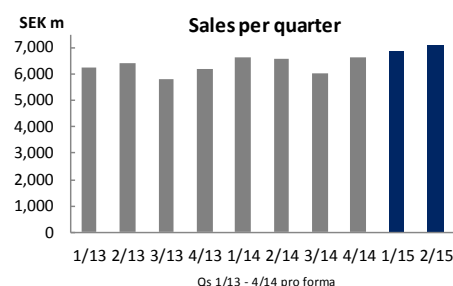
1) Excluding depreciation/amortization on surplus values on intangible and tangible fixed assets related to the acquisition of Rautaruukki.

Demand from the Heavy Transport and Automotive segments was strong during the second quarter, whereas demand from the Construction Material segment was weak (adjusted for seasonal variations).

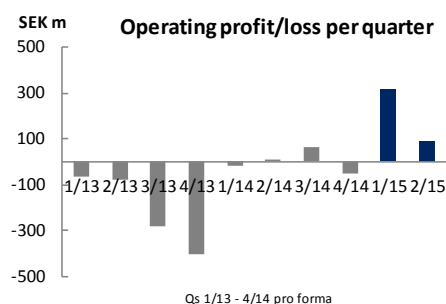
External shipments of steel during the second quarter of 2015 were up 2% compared with the first quarter and were up 8% compared with the second quarter last year. External shipments were 991 (916) thousand tonnes.

Crude steel production was down 12% compared with the first quarter of 2015 and was down 9% compared with the second quarter last year owing to the blast furnace in Luleå being taken out of use from June 1, 2015. Steel production was down 2% compared with the first quarter of 2015, but was up 1% compared with the second quarter last year.

Sales for the second quarter were SEK 7,097 (6,568) million, up 8% compared with the second quarter of 2014. Higher volumes had a positive impact of 8 percentage points, currency effects had a positive impact of 5 percentage points and an improved product mix had a positive impact of 1 percentage point. Lower prices had a negative impact of 6 percentage points. Sales were up 4% compared to the first quarter of 2015. This was mainly due to higher volumes and positive currency effects.



Excluding items affecting comparability, operating profit for the second quarter was SEK 94 (10) million, up SEK 84 million. This improvement was mainly due to higher volumes and lower costs, but was counteracted by lower prices. Compared to the first quarter of 2015, earnings were down by SEK 218 million. This was primarily due to lower capacity utilization due to the relining in Luleå.



Capital expenditure payments during the second quarter were SEK 527 (292) million, of which SEK 160 (37) million were strategic investments, including acquisitions of business and operations.

SSAB Americas

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

Key numbers

	2015 Q 2	2014 Q2	2015 Qs 1-2	2014 Qs 1-2	2014 Full year
SEK millions					
Sales	3,027	3,152	6,535	5,983	13,207
Operating profit before depreciation/amortization, EBITDA	313	299	766	493	1,620
Operating profit 1)	154	176	450	250	1,107
Number of employees at end of period	1,266	-	1,266	-	1,277

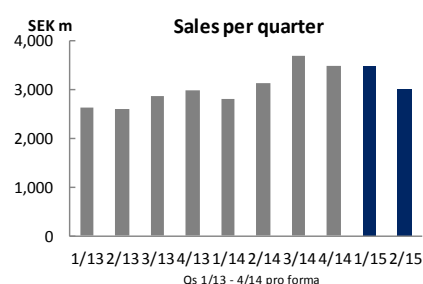
1) Excluding depreciation/amortization on surplus values on intangible and tangible fixed assets related to the acquisition of IPSCO.

Demand from the Heavy Transport segment continued to be good during the quarter, whereas demand from Steel Service Centers was weak due to continued destocking.

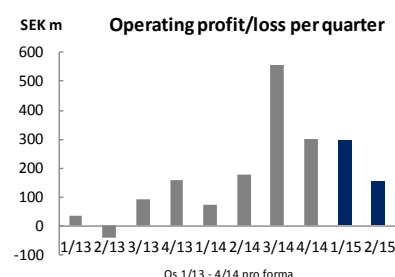
External shipments of steel during the second quarter of 2015 were down 1% compared with the first quarter 2015 and were down 10% compared with the second quarter last year. External shipments were 471 (522) thousand tonnes.

Crude steel production was down 2% compared with the first quarter of 2015 and was down 8% compared with the second quarter last year. Steel production was up 1% compared with the first quarter of 2015, but was down 9% compared with the second quarter last year. Production was down compared with the second quarter of 2014 as a result of alignment to prevailing market conditions.

Sales for the second quarter were SEK 3,027 (3,152) million, down 4% compared to the second quarter of 2014. Currency effects had a positive impact of 22 percentage points, whereas lower prices had a negative impact of 16 percentage points and lower volumes a negative impact of 10 percentage points. Sales were down 14% compared with the first quarter of 2015. This was primarily due to lower prices.



Excluding items affecting comparability, operating profit for the second quarter was SEK 154 (176) million, down by SEK 22 million. Earnings were down mainly due to lower prices and volumes, although this was largely offset by lower operating costs. Compared with the first quarter of 2015, earnings were down by SEK 142 million. This was primarily due to lower prices, partly offset by lower operating costs.



Capital expenditure payments during the second quarter were SEK 68 (67) million, of which SEK 27 (22) million were strategic investments.

Tibnor

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

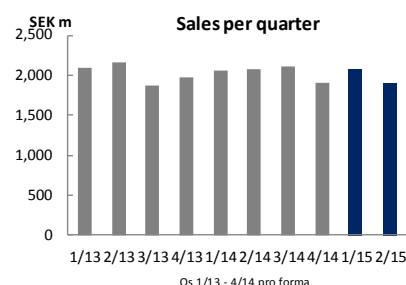
Key numbers

SEK millions	2015 Q 2	2014 Q2	2015 Qs 1-2	2014 Qs 1-2	2014 Full year
Sales	1,899	2,077	3,974	4,132	8,151
Operating profit before depreciation/amortization, EBITDA	36	57	84	108	173
Operating profit 1)	16	34	45	63	83
Number of employees at end of period	1,234	-	1,234	-	1,281

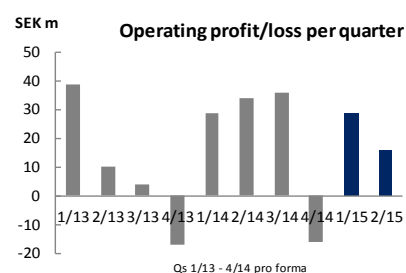
1) Excluding depreciation/amortization on surplus values on intangible and tangible fixed assets related to the acquisition of Rautaruukki.

Total shipments (adjusted for the divested Finnish operations during 2015 which was conditional for the EU's approval for the acquisition of Rautaruukki) during the second quarter of 2015 were up 1% compared with the first quarter and up 2% compared with the second quarter last year. Shipments increased mostly in Sweden and Denmark and within the Stainless Steel and Rebar Products segments.

Sales for the second quarter were SEK 1,899 (2,077) million, down 9% compared to the second quarter of 2014. Compared with the first quarter of 2015, sales were down 8%. Sales were down primarily due to the divestment of the Finnish operations during 2015.



Excluding items affecting comparability, operating profit for the second quarter was SEK 16 (34) million, down by SEK 18 million. Earnings were down mainly due to lower prices/mix. Compared with the first quarter of 2015, earnings were down by SEK 13 million. This, too, was primarily due to lower prices/mix.



Capital expenditure payments during the second quarter were SEK 13 (8) million, of which SEK 1 (2) million were strategic investments.

Ruukki Construction

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

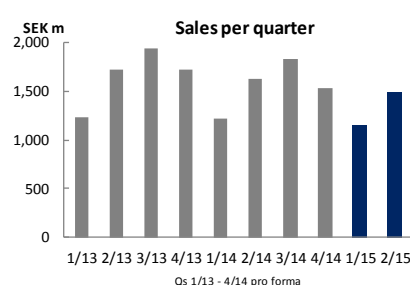
Key numbers

	2015 Q 2	2014 Q2	2015 Qs 1-2	2014 Qs 1-2	2014 Full year
SEK millions					
Sales	1,488	1,625	2,635	2,849	6,217
Operating profit before depreciation/amortization, EBITDA	57	88	38	51	185
Operating profit/loss 1)	13	32	-49	-60	-14
Number of employees at end of period	3,104	-	3,104	-	3,303

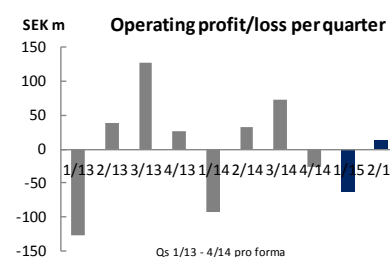
1) Excluding depreciation/amortization on surplus values on intangible and tangible fixed assets related to the acquisition of Rautaruukki.

Demand within the building sector grew seasonally during the second quarter. Demand was up primarily in Sweden and Poland, whereas the market in Finland showed weaker development. Demand in Russia and Ukraine remained weak.

Sales for the second quarter were SEK 1,488 (1,625) million, down 8% compared with the second quarter of 2014. This was primarily due to lower sales in Russia, Ukraine and Romania. Compared with the first quarter of 2015, sales were up 30% primarily due to seasonal variations.



Excluding items affecting comparability, operating profit for the second quarter was SEK 13 (32) million, down by SEK 19 million. This decrease was primarily due to lower volumes and was partly offset by lower fixed costs. Compared with the first quarter of 2015, earnings improved by SEK 75 million. This was mainly due to improved seasonal demand.



Capital expenditure payments during the second quarter were SEK 16 (21) million, of which SEK 1 (8) million were strategic investments.

Sustainability

New sustainability strategy

To increase its focus on sustainability, SSAB launched a new sustainability strategy and targets during the second quarter 2015. The environmental and energy targets will be achieved by the end of 2019 and they are the following:

- A lasting reduction of 200,000 tonnes in CO₂ emissions
- A lasting reduction of 300 GWh (both electricity and fuel) in purchased energy
- A lasting improvement in residual utilization by 30,000 tonnes (either by increasing internal re-cycling of material or by selling by-products externally), and thus reducing the amount of material being sent to landfills

For other sustainability targets and more information, visit SSAB's website at www.ssab.com.

Purchases of renewable energy

SSAB's aim is for a significant share of the electricity it buys from external supplies to come from renewable energy sources. Consequently, SSAB has decided to buy "guarantees of origin" (GoO) regarding renewable energy for the share of energy it buys externally in the Nordic countries. The GoO means that at least 50% of the electricity SSAB buys on the Nordic electricity market is derived from renewable energies of which a minimum of 30% is hydroelectricity and a minimum of 20% is wind power.

SSAB is dependent on a steady supply of electricity at competitive prices throughout the year. This is why SSAB considers that in the foreseeable future nuclear power will be needed on the Nordic electricity market. It is because of this that SSAB has a 3% shareholding in the Fennovoima project in Finland which plans to build a nuclear power plant in northern Finland.

Change in top management at Ruukki Construction

Jarmo Tonteri was appointed interim Head of the Ruukki Construction division of SSAB as of July 1, 2015. Jarmo Tonteri reports to the Board of Directors of Ruukki Construction Oy and to the President and CEO of SSAB, Martin Lindqvist.

Risks and uncertainties

For information about material risks and uncertainty factors, reference is made to the details provided in the Annual Report. No material new or changed risks and uncertainty factors have otherwise been identified during the quarter.

Accounting principles

This interim report has been prepared in compliance with IAS 34.

The accounting principles are based on International Financial Reporting Standards as adopted by the EU and ensuing references to Chapter 9 of the Swedish Annual Accounts Act. The accounts of the Parent company have been prepared in compliance with RFR 2 and the Swedish Annual Accounts Act.

No material changes in accounting principles have taken place since the Annual Report for 2014.

Affirmation

The Board of Directors and the President & CEO affirm that this interim report provides a fair and true view of the operations, financial position and earnings of the Company and Group, and describes the material risks and uncertainties facing the Company and the Group.

Stockholm, July 21, 2015

Bengt Kjell
Chairman

Petra Einarsson
Director

Kim Gran
Director

Peter Holmér
Director

Tomas Jansson
Director

Tomas Karlsson
Director

Matti Lievonen
Director

Annika Lundius
Director

John Tulloch
Director

Lars Westerberg
Director

Martin Lindqvist
President & CEO

Review report

We have reviewed this interim report for the period 1 January to 30 June 2015 for SSAB (publ). The board of directors and the CEO are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

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

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

Stockholm, July 21, 2015

PricewaterhouseCoopers AB

Magnus Svensson Henryson
Authorized public accountant

Financial reports in accordance with IFRS

Rautaruukki has been consolidated in the SSAB Group since July 29, 2014.

Consolidated income statement

	2015	2014	2015	2014	2014
SEK millions	Q 2	Q2	Qs 1-2	Qs 1-2	Full year
Sales 1)	15,303	9,717	30,771	19,238	47,752
Cost of goods sold 1)	-13,815	-8,845	-27,502	-17,698	-44,428
Gross profit 1)	1,488	872	3,269	1,540	3,324
Selling and administrative costs 1)	-1,210	-733	-2,465	-1,427	-3,728
Other operating income and expenses	-5	114	-10	160	296
Affiliated companies, profit after tax	19	7	32	13	1
Operating profit/loss	292	260	826	286	-107
Financial income	11	21	32	35	202
Financial expenses	-224	-208	-464	-383	-1,684
Profit/loss for the period after financial items	79	73	394	-62	-1,589
Tax	90	62	58	148	195
Profit/loss for the period	169	135	452	86	-1,394
Of which attributable to:					
- Parent Company's shareholders	167	133	451	83	-1,399
- Non-controlling interest	2	2	1	3	5

Key numbers

	2015	2014	2015	2014	2014
	Q 2	Q2	Qs 1-2	Qs 1-2	Full year
Operating margin (%)	2	3	3	1	0
Earnings per share (SEK) 2)	0.31	0.41	0.82	0.26	-3.33
Equity per share (SEK)	82.37	86.90	82.37	86.90	79.78
Net debt/equity ratio (%)	53	54	53	54	56
Average number of shares during the period (millions)	549.2	323.9	549.2	323.9	419.6
Number of shares at end of period (millions)	549.2	323.9	549.2	323.9	549.2
Number of employees at end of period	16,385	8,702	16,385	8,702	16,887

1) In 2014, the method of reporting freights was changed. The numbers for the first quarter of 2014 have been restated.

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

Consolidated statement of comprehensive income

SEK millions	2015 Q 2	2014 Q2	2015 Qs 1-2	2014 Qs 1-2	2014 Full year
Profit/loss for the period after tax	169	135	452	86	-1,394
<i>Other comprehensive income</i>					
<u>Items that may be subsequently reclassified to the income statement</u>					
Translation differences for the period	-1,767	1,200	1,226	1,300	5,639
Cash flow hedges	-12	-49	97	-31	-79
Hedging of currency risks in foreign operations 1)	720	-395	-508	-433	-2,233
Share in other comprehensive income of affiliated companies and joint ventures	0	2	1	5	-1
Tax attributable to items that may be subsequently reclassified to the income statement	-155	97	91	101	507
Total items that may be subsequently reclassified to the income statement	-1,214	855	907	942	3,833
<u>Items that will not be reclassified to the income statement</u>					
Remeasurements of the net defined benefit liability	63	-	63	-4	-159
Tax attributable to items that will not be reclassified to the income statement	-13	-	-13	0	37
Total items that will not be reclassified to the income statement	50	-	50	-4	-122
Total other comprehensive income for the period, net after tax	-1,164	855	957	938	3,711
Total comprehensive income for the period	-995	990	1,409	1,024	2,317
Of which attributable to:					
- Parent Company's shareholders	-982	990	1,424	1,023	2,310
- Non-controlling interest	-13	1	-15	1	7

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

Consolidated statement for changes in equity

SEK millions	Equity attributable to the Parent Company's shareholders						Non-controlling interest	Total equity
	Share capital	Other contributed funds	Reserves	Retained earnings	Total equity			
Equity, December 31, 2013	2,851	9,944	-3,389	17,720	27,126	23		27,149
<u>Changes Jan 1 - Mar 31, 2014</u>								
Comprehensive income for the period			944	79	1,023	1		1,024
Equity March 31, 2014	2,851	9,944	-2,445	17,799	28,149	24		28,173
<u>Changes Apr 1 - Dec 31, 2014</u>								
Comprehensive income for the period			2,887	-1,600	1,287	6		1,293
Non-controlling interest resulting from business acquisitions					-	32		32
New issue	1,982	12,399			14,381	-		14,381
Equity December 31, 2014	4,833	22,343	442	16,199	43,817	62		43,879
<u>Changes Jan 1 - June 30, 2015</u>								
Comprehensive income for the period			899	525	1,424	-15		1,409
Equity, June 30, 2015	4,833	22,343	1,341	16,724	45,241	47		45,288

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

Consolidated balance sheet

SEK millions	June 30 2015	June 30 2014	Dec 31 2014
Assets			
Goodwill	27,488	18,511	26,421
Other intangible assets	3,658	2,030	3,964
Tangible fixed assets	26,535	16,300	26,570
Participations in affiliated companies	534	297	531
Financial assets 1)	488	1,074	1,272
Deferred tax receivables 2)	1,556	938	1,441
Total fixed assets	60,259	39,150	60,199
Inventories	13,597	9,062	14,203
Accounts receivable	8,234	5,578	7,705
Current tax receivables	519	234	560
Other current receivables 1)	4,226	1,533	3,657
Cash and cash equivalents	2,275	7,465	3,014
Total current assets in continuing operations	28,851	23,872	29,139
Assets held for sale	-	-	389
Total current assets	28,851	23,872	29,528
Total assets	89,110	63,022	89,727
Equity and liabilities			
Equity for shareholders in the Company	45,241	28,149	43,817
Non-controlling interest	47	24	62
Total equity	45,288	28,173	43,879
Deferred tax liabilities	2,921	2,891	2,984
Other long-term provisions	716	279	780
Long-term non-interest bearing liabilities 2)	581	388	586
Long-term interest-bearing liabilities	22,250	21,021	21,171
Total long-term liabilities	26,468	24,579	25,521
Short-term interest-bearing liabilities	6,339	3,446	8,496
Accounts payable	6,888	4,498	7,000
Current tax liabilities	204	177	447
Other current liabilities	3,923	2,149	4,215
Total current liabilities in continuing operations	17,354	10,270	20,158
Liabilities held for sale	-	-	169
Total current liabilities	17,354	10,270	20,327
Total equity and liabilities	89,110	63,022	89,727
Pledged assets	2,693	2,492	2,905
Contingent liabilities	2,047	639	3,790

1) Financial assets include long-term bank deposits (escrow agreement) in the amount of SEK 0 (1,011) million. Other current receivables comprise short-term bank deposits (escrow agreement) in the amount of SEK 2 635 (809) million.

2) Of the Deferred tax receivable, SEK 301 (388) million constitutes a valuation of the future tax credits regarding investments in Alabama, USA. Since the credits have not yet been booked as income, a corresponding liability has been booked as Long-term non-interest bearing liabilities.

Valuation of assets and liabilities

Financial assets and liabilities in the balance sheet are valued based on their classification at acquisition value or fair value. Both interest rate derivatives and currency derivatives are valued at fair value. In the balance sheet item "Other current receivables" derivatives are valued at a total of SEK 314 (82) million and in the balance sheet item "Other current liabilities" derivatives are valued at a total of SEK 450 (185) million. In the balance sheet item "Long-term non-interest bearing liabilities", derivatives are included valued at a total of SEK 96 (-) million.

Other financial assets and liabilities in the balance sheet are reported at acquisition value. In the case of valuation at fair value, the loans at fixed interest reported in the balance sheet item "Long-term interest-bearing liabilities" would exceed the reported amount by SEK 363 (253) million; however, since the loans will be held until maturity, this does not affect the reported value.

Assessment of the fair value of financial instruments

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

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

Cash flow

SEK millions	2015 Q 2	2014 Q2	2015 Qs 1-2	2014 Qs 1-2	2014 Full year
Operating profit/loss	292	260	826	286	-107
Adjustment for depreciation and impairment	944	556	1,882	1,112	3,412
Adjustment for other non-cash items	35	5	70	15	256
Received and paid interest	-292	-139	-401	-251	-1,013
Tax paid	-204	-134	-335	3	-251
Change in working capital	632	-43	196	-775	-560
Cash flow from operating activities	1,407	505	2,238	390	1,737
Capital expenditure payments in plants and machinery	-683	-287	-1,177	-491	-1,672
Acquisitions, shares and operations	-33	-	-36	-	331
Divested shares and operations	-4	-	162	-	-
Other investing activities	47	-10	59	21	73
Cash flow from investing activities	-673	-297	-992	-470	-1,268
Change in loans	295	3,815	-1,728	5,435	1,497
Change in financial investments	-10	644	2	-57	-1,155
Other financing activities	-524	65	-280	-2	-147
Cash flow from financing activities	-239	4,524	-2,006	5,376	195
Cash flow for the period	495	4,732	-760	5,296	664
Cash and cash equivalents at beginning of period	1,848	2,689	3,014	2,124	2,124
Exchange rate difference in cash and cash equivalents	-68	44	21	45	226
Cash and cash equivalents at end of period	2,275	7,465	2,275	7,465	3,014

The Parent Company's income statement

	2015	2014	2015	2014	2014
SEK millions	Q 2	Q2	Qs 1-2	Qs 1-2	Full year
Gross profit	0	0	0	0	0
Administrative expenses	-72	-84	-141	-145	-386
Other operating income/expenses	25	58	43	76	154
Operating loss	-47	-26	-98	-69	-232
Financial items	-118	601	624	501	-449
Profit/loss after financial items	-165	575	526	432	-681
Appropriations	-	-	-	-	1,605
Tax	44	38	78	69	-218
Profit/loss after tax	-121	613	604	501	706

The Parent Company's statement of comprehensive income

	2015	2014	2015	2014	2014
SEK millions	Q 2	Q2	Qs 1-2	Qs 1-2	Full year
Profit/loss after tax	-121	613	604	501	706
<i>Other comprehensive income</i>					
<u>Items that may be classified to the income statement</u>					
Hedging of currency risks in foreign operations	720	-395	-508	-433	-2,233
Cash flow hedges	0	-2	0	-4	28
Tax attributable to other comprehensive income	-158	87	112	96	485
Total items that will be reclassified to the income statement	562	-310	-396	-341	-1,720
Other comprehensive income, net after tax	562	-310	-396	-341	-1,720
Total comprehensive income for the period	441	303	208	160	-1,014

The Parent Company's balance sheet

	June 30 2015	June 30 2014	Dec 31 2014
SEK millions			
Assets			
Fixed assets	55,958	41,308	56,598
Other current assets	15,891	11,830	16,767
Cash and cash equivalents	585	6,706	1,104
Total assets	72,434	59,844	74,469
Equity and liabilities			
Restricted equity	5,735	3,753	5,735
Unrestricted equity	38,759	27,325	38,551
Total equity	44,494	31,078	44,286
Untaxed reserves	-	43	0
Long-term liabilities and provisions	18,216	19,252	17,222
Current liabilities and provisions	9,724	9,471	12,961
Total equity and liabilities	72,434	59,844	74,469

Financial information, per quarter

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

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

SEK millions	Pro forma								1/15	2/15
	1/13	2/13	3/13	4/13	1/14	2/14	3/14	4/14		
Sales	14,114	14,557	13,800	14,542	14,598	15,208	15,039	15,267	15,468	15,303
Operating expenses	-13,276	-13,663	-13,434	-13,912	-13,728	-13,979	-13,794	-14,188	-13,979	-14,077
Depreciation/amortization 1)	-933	-935	-878	-858	-843	-841	-837	-892	-938	-944
Affiliated companies	-6	7	-9	-6	7	1	1	-14	13	19
Financial items	-208	-247	-227	-238	-305	-259	-148	-210	-214	-213
Total	-309	-281	-748	-472	-271	130	261	-37	350	88

1) Pro forma, excluding depreciation/amortization on surplus values on intangible and tangible fixed assets related to the acquisition of Rautaruukki. In the second quarter of 2015, depreciation/amortization on surplus values related to the acquisition of Rautaruukki is included with SEK 50 million.

Sales per quarter and division

SEK millions	Pro forma								1/15	2/15
	1/13	2/13	3/13	4/13	1/14	2/14	3/14	4/14		
SSAB Special Steels	3,430	3,355	2,819	3,243	3,348	3,477	3,203	3,198	3,620	4,077
SSAB Europe	6,262	6,409	5,796	6,199	6,649	6,568	6,006	6,634	6,835	7,097
SSAB Americas	2,647	2,606	2,873	3,004	2,831	3,152	3,716	3,508	3,508	3,027
Tibnor	2,098	2,157	1,871	1,968	2,055	2,077	2,109	1,910	2,075	1,899
Ruukki Construction	1,229	1,731	1,941	1,730	1,224	1,625	1,836	1,532	1,147	1,488
Other	-1,552	-1,701	-1,500	-1,602	-1,509	-1,691	-1,831	-1,515	-1,717	-2,285
Total	14,114	14,557	13,800	14,542	14,598	15,208	15,039	15,267	15,468	15,303

Operating profit before depreciation/amortization, EBITDA, per quarter and division, excluding items affecting comparability

SEK millions	Pro forma								1/15	2/15
	1/13	2/13	3/13	4/13	1/14	2/14	3/14	4/14		
SSAB Special Steels	429	383	-125	364	377	471	72	345	388	433
SSAB Europe	318	311	104	-21	364	383	408	369	677	459
SSAB Americas	149	76	209	276	194	299	689	438	453	313
Tibnor	62	32	26	5	51	57	59	6	48	36
Ruukki Construction	-64	96	187	96	-37	88	138	-4	-19	57
Other	-62	3	-44	-96	-72	-68	-119	-89	-46	-52
Total	832	901	357	624	877	1,230	1,247	1,065	1,501	1,246

Operating profit/loss per quarter and division, excluding items affecting comparability

SEK millions	Pro forma								1/15	2/15
	1/13	2/13	3/13	4/13	1/14	2/14	3/14	4/14		
SSAB Special Steels	292	246	-262	225	242	338	-61	207	252	293
SSAB Europe	-62	-78	-280	-402	-16	10	61	-54	312	94
SSAB Americas	33	-40	90	158	74	176	558	299	296	154
Tibnor	39	10	4	-17	29	34	36	-16	29	16
Ruukki Construction	-128	39	128	27	-92	32	72	-26	-62	13
Depreciation on surplus values, IPSCO	-201	-206	-151	-123	-124	-125	-132	-140	-158	-159
Depreciation on surplus values, Rautaruukki	-	-	-	-	-	-	-	-	-51	-50
Other	-74	-5	-50	-102	-79	-76	-125	-97	-54	-60
Total	-101	-34	-521	-234	34	389	409	173	564	301

Production and shipments

Thousand tonnes	Pro forma								1/15	2/15
	1/13	2/13	3/13	4/13	1/14	2/14	3/14	4/14		
Crude steel production										
- SSAB Special Steels	243	259	168	284	245	288	170	278	354	380
- SSAB Europe	1,072	1,088	1,115	1,124	1,149	1,139	1,119	1,163	1,186	1,038
- SSAB Americas	610	583	632	647	625	595	687	613	555	546
- Total	1,925	1,930	1,914	2,055	2,019	2,022	1,976	2,054	2,095	1,964
Steel production										
- SSAB Special Steels	120	123	100	128	138	134	105	136	119	141
- SSAB Europe	1,050	1,060	937	1,093	1,103	1,127	967	1,049	1,154	1,135
- SSAB Americas	574	541	590	626	583	572	648	563	518	521
- Total	1,744	1,724	1,627	1,847	1,824	1,833	1,720	1,748	1,791	1,798
Steel shipments										
- SSAB Special Steels	274	285	239	257	291	295	244	235	259	260
- SSAB Europe	865	881	787	902	957	916	829	913	976	991
- SSAB Americas	494	466	530	558	496	522	559	488	476	471
- Total	1,633	1,632	1,555	1,717	1,744	1,732	1,632	1,636	1,711	1,722

Note:

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

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Report for the third quarter of 2015:

The report for the third quarter of 2015 will be published on October 22, 2015.



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