Financially stronger SSAB – Toward industry-leading profitability

Presentation of the Q1/2016 result and new financing package

Martin Lindqvist, President & CEO
Håkan Folin, CFO

April 22, 2016

Important information – forward-looking statements, etc.

The presentation contains certain forward-looking information that reflects SSAB's present view of future events as well as financial and operational development. Words such as "intend", "assess", "expect", "may", "plan", "believe", "estimate" and other expressions entailing indications or predictions of future development or trends, not based on historical facts, constitute forward-looking information. Forward-looking information is inherently associated with both known and unknown risks and uncertainties as it depends on future events and circumstances. Forward-looking information is not a guarantee of future results or development and actual outcomes may differ materially from the statements set forth in the forward-looking information.

The forward looking information contained in this presentation applies only as at the date of this presentation. SSAB does not undertake any obligation to publicity announce any update or change in the forward-looking information as a result of new information, future events or similar circumstances other than as required by applicable laws and regulation. This presentation contains unaudited non-IFRS financial measures, including EBITDA, EBIT, net debt and free cash flow. These non-IFRS financial measures should be considered in addition to, but not as substitutes for, the most directly comparable measures under generally accepted accounting principles.

This presentation is for information only and may not be published or distributed, in whole or in part, directly or indirectly, in Australia, Japan, Canada, the United States or any other jurisdiction where such publication or distribution would violate applicable laws or rules or would require additional documents to be completed or registered or require any measure to be undertaken, in addition to the requirements under Swedish, Finnish, Danish, British and Irish law. Investors shall subscribe for the shares only on the basis of the information provided in the offer documents and prospectus in respect of the rights issue. Offers will not be made directly or indirectly in any jurisdiction where either an offer or participation therein is prohibited by applicable law or where any rights issue offer document or registration or other requirements would apply in addition to those undertaken in Sweden, Finland, Denmark, the United Kingdom and Ireland. In particular, the rights issue offer is not being made, directly or indirectly, in or into, Australia, Japan, Canada or, subject to certain exceptions, the United States. The rights issue offer cannot be accepted from within Australia, Japan, Canada or, subject to certain exceptions, the United States.

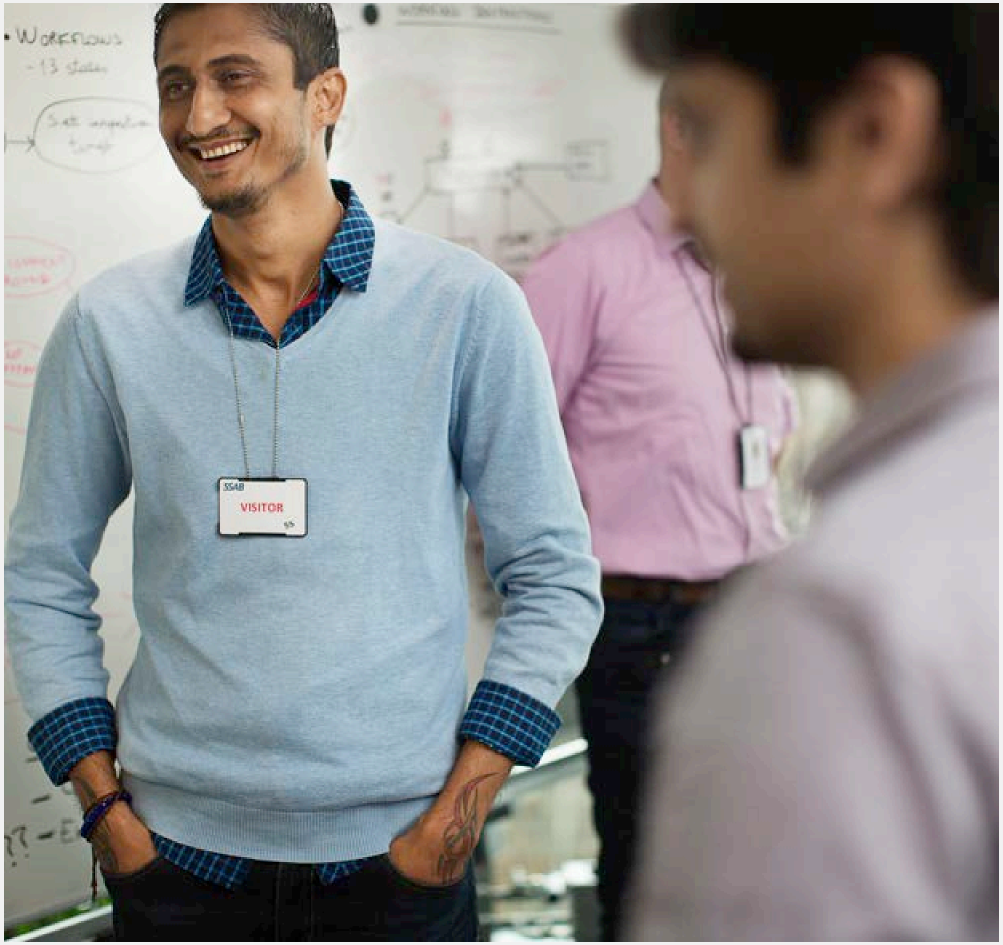
The material set forth herein is for informational purposes only and is not intended, and should not be construed, as an offer to sell, or as a solicitation of an offer to purchase, any subscription rights, paid subscribed shares or shares. The securities described herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or the laws of any state, and may not be offered, subscribed for, used, pledged, sold, resold, delivered or otherwise transferred within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state laws.

This presentation does not constitute a recommendation regarding the securities of SSAB.

SSAB

Agenda

- Q1/2016 in brief
- Financials
- Outlook
- Financing package to strengthen balance sheet
- Roadmap toward industry- leading profitability
- Q&A




A stronger SSAB
toward industry-
leading profitability

Q1/2016 in brief

Market situation in Q1
Positive development in main areas from low level

- Demand picked up both in Europe and North America vs. Q4/2015
  - Apparent demand was in line with real demand
- Raw material prices increased, which supported steel market prices
- Exports from China continued at a high level
- Additional anti-dumping investigations initiated

Several anti-dumping measures are being initiated in Europe and the US

	In place (examples)	Under preparation
Europe	▶ Cold-rolled stainless steel (China) ▶ Wire-rod (China) ▶ Electrical steel (China, CIS, Japan, USA)	▶ **Cold-rolled carbon steels** (China, Russia) – Preliminary decision on duties: 13-16% for China and 20%-26% for Russia ▶ **Hot-Rolled flat carbon steels** – coil and heavy plate
US	▶ **Hot-rolled sheet and coils** (China, Russia, India, Ukraine, Indonesia, Taiwan, Thailand) ▶ **Heavy plate** (China, India, Indonesia, Russia, Ukraine)	▶ **Hot-rolled sheet and coils** (Australia, Brazil, Japan, Korea, Netherlands, Turkey) ▶ Cold-rolled sheet and coils (Brazil, China, India, Japan, Korea, Russia, United Kingdom) ▶ **Heavy plate** (Austria, Belgium, Brazil, China, France, Germany, Italy, Japan, South Africa, South Korea, Turkey, Taiwan) – Announced on April 8

SSAB

Summary of Q1/2016

Substantial improvement compared with Q4/2015

- EBIT amounted to SEK -190m, up SEK 612m compared with Q4
  - Higher volumes
  - Lower maintenance costs
  - Positive synergy impacts
  - Lower average prices
- Synergies of SEK 350m were achieved
- Positive operating cash flow despite increased account receivables

Key figures

SEKm	Q1/2016	Q4/2015	Q1/2015
Sales	12,964	12,499	15,468
EBITDA[1]	744	157	1,501
EBIT[1]	-190	-802	564
Operating cash flow	77	1,788	784

1) Excluding items affecting comparability

SSAB

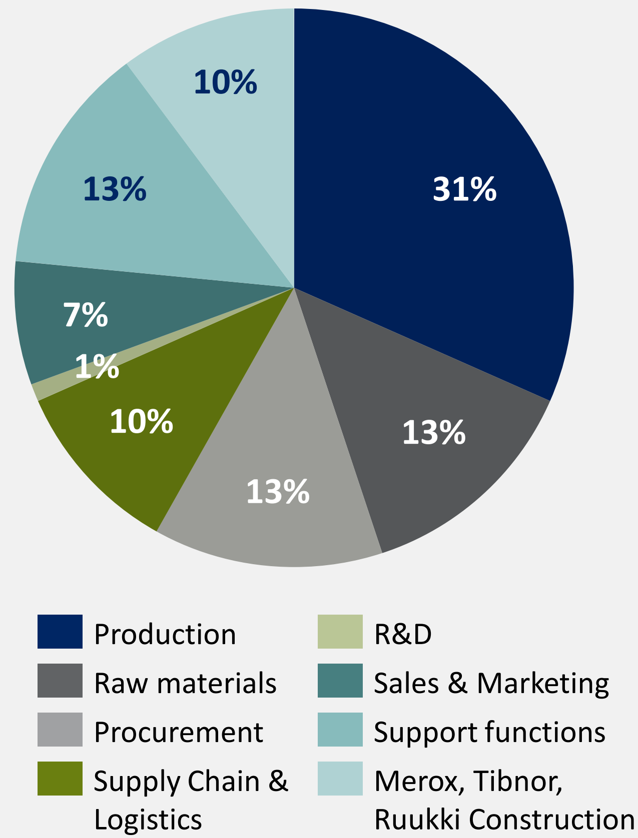
Continued good progress on synergy realization

Run-rate & P/L impact of cost synergies

SEKm	Q1/2016	FY 2015	Mid-2016
Run rate at the end of the period	**1,500**	1,100	1,800
Synergies, gross	**350**	625	

- ▶ Size of synergy program SEK 1.8bn
- ▶ P&L impact of synergies during Q1 approx. SEK 350m
- ▶ Run-rate SEK 1.5bn at the end of Q1
- ▶ Limited additional costs to achieve the synergies
- ▶ Synergies is part of the overall program to reduce costs by SEK 2.8bn (increased from SEK 2.5bn)

Distribution of cost synergies

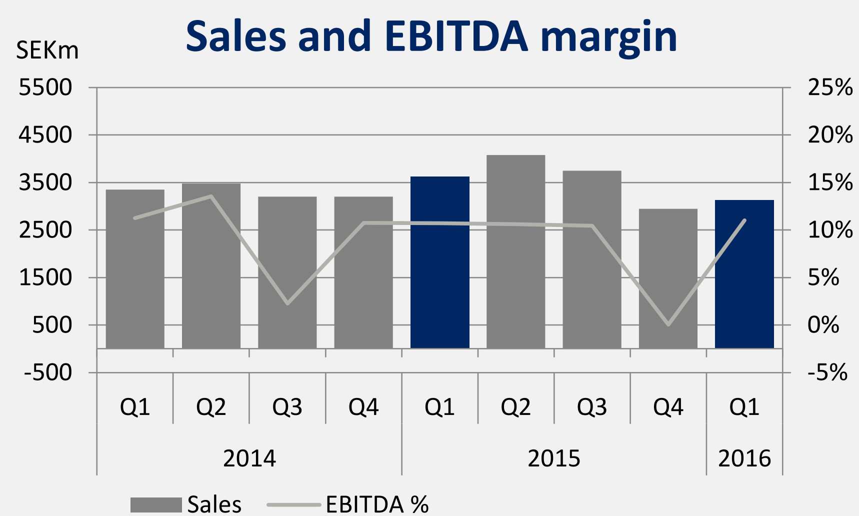


SSAB

SSAB Special Steels
Favorable demand situation compared to Q4/2015

- Good demand from Heavy Transport and Construction Machinery segments
- Shipments increased 27% from Q4 and were at last year's level
- Lower costs and higher volumes improved the result from Q4

SEKm	Q1/2016	Q4/2015	Q1/2015
Sales	3,132	2,942	3,620
EBITDA	345	1	388
EBIT[1]	202	-134	252
Shipments, ktonnes	256	202	259

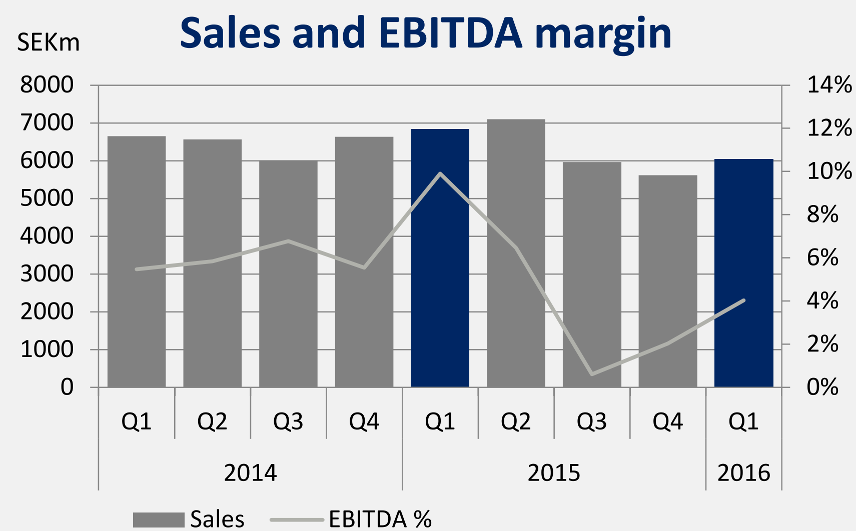


1) Excluding depreciation/amortization on surplus values on intangible and tangible fixed assets related to the acquisition of Rautaruukki

SSAB Europe
Low average prices but fair underlying demand

- Automotive and Heavy Transport segments remained strong in Q1
- Operating result improved from Q4 due to higher volumes and lower costs due to synergies
- Low average prices affected profits negatively
- Prices started to move upwards toward the end of Q1

SEKm	Q1/2016	Q4/2015	Q1/2015
Sales	6,040	5,620	6,835
EBITDA	244	114	677
EBIT[1]	-118	-253	312
Shipments, ktonnes	946	823	976

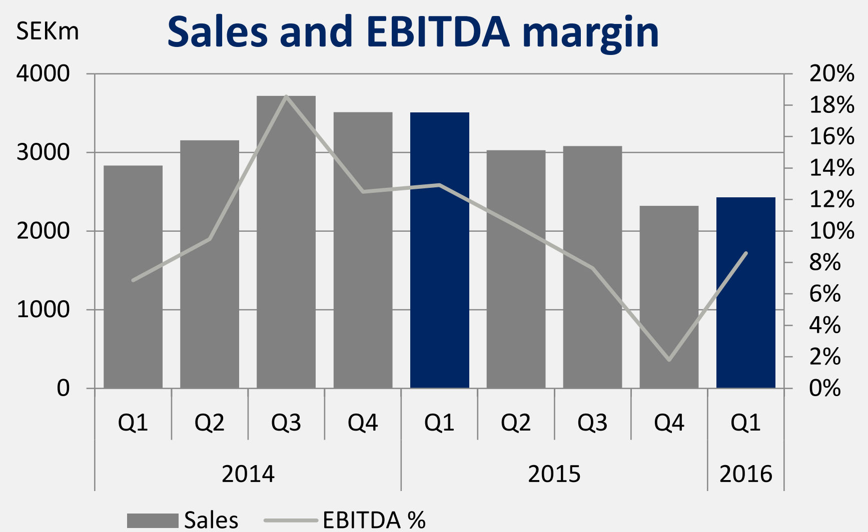


1) Excluding depreciation/amortization on surplus values on intangible and tangible fixed assets related to the acquisition of Rautaruukki

SSAB Americas
End of destocking has normalized apparent demand

- Steel Service Centers started to replenish and wind towers developed favorably, while railcar demand was slow
- Volumes up 9% vs. Q4/2015
- Lower average plate prices in Q1 but price increases under implementation
- Imports of plate continued at high level, new trade case announced on April 8

SEKm	Q1/2016	Q4/2015	Q1/2015
Sales	2,428	2,321	3,508
EBITDA	209	42	453
EBIT[1]	55	-100	296
Shipments, ktonnes	475	435	476



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

Financials

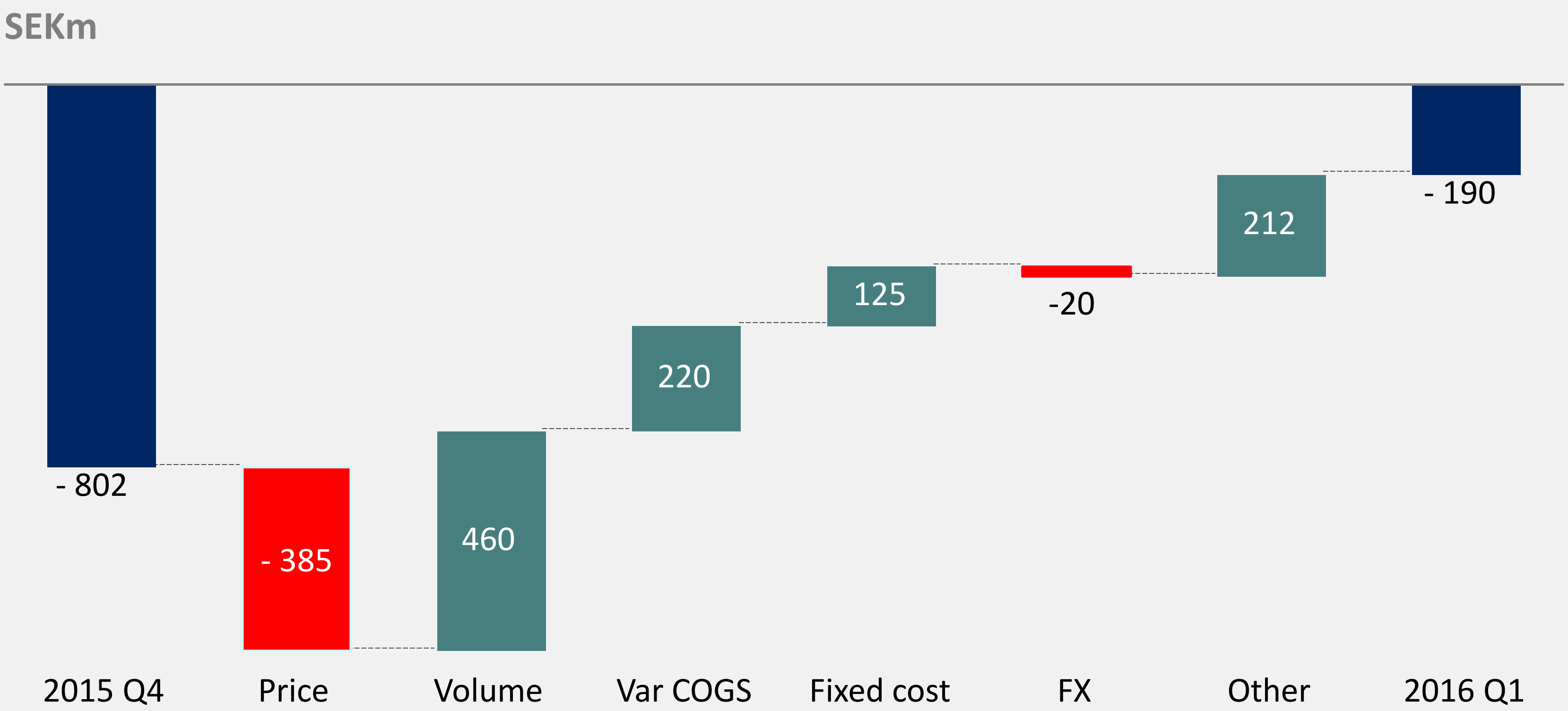
Key figures

SEKm (except for EPS)	Q1/2016	Q1/2015	Q4/2015
Sales	12,964	15,468	12,499
EBITDA[1]	744	1 501	157
Operating profit[1]	-190	564	-802
Pre-tax profit[1]	-344	350	-1,051
Net profit[1]	-131	314	-606
Earnings per share (EPS), SEK	-0.24	0.52	-1.23
Operating cash flow	77	784	1,788

1) Excluding items affecting comparability

SSAB

Change in operating profit
Q1/2016 vs. Q4/2015



Note: Excluding items affecting comparability

Slightly positive operating cash flow despite increased account receivables

SEKm	Q1/2016	Q4/2015	Q1/2015
Operating profit before depreciation/amortization	741	134	1 472
Change in working capital	-476	2,084	-436
Maintenance expenditure	-219	-495	-296
Other	31	65	44
Operating cash flow	77	1,788	784
Financial items	-178	-203	-109
Taxes	-48	34	-131
Cash flow from current operations	-149	1,619	544
Strategic capital expenditure in plant and machinery	-88	-148	-196
Acquisitions of shares and operations	-7	-	-3
Divestments of shares and operations	-	10	166
Net cash flow	-244	1,481	511

SSAB

Outlook

SSAB's outlook for Q2/2016

- In North America, real demand for plate is expected to be unchanged
  - Destocking should have ended at Steel Service Centers
- Demand expected to remain stable in Europe
- Trade barriers already decided or being considered are expected to have an impact on import volumes to North America and Europe
- Demand for high-strength steels is expected to be stable vs. Q1
- In total, SSAB's shipments and prices during Q2 are expected to be somewhat higher than during Q1

Financing package to strengthen the balance sheet

Background

Stronger SSAB – Toward industry-leading profitability

- SSAB operates in a volatile market
  - The financing package will significantly strengthen the balance sheet
- The financing package provided by shareholders and banks will secure refinancing needs during the next 3-5 years
- Full focus on delivering on the strategic roadmap
  - Grow in selective areas
  - Efficiency measures post successful SSAB/Ruukki integration
  - Market leadership in high-strength steels and home markets

Overview of actions
A SEK 10bn debt reduction and extended debt maturities

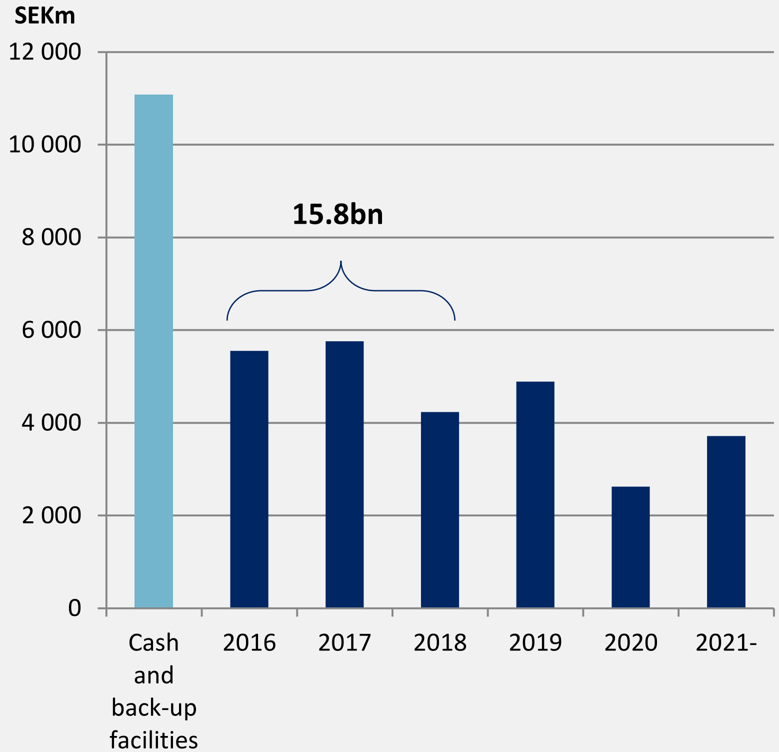
- SEK 5bn rights issue
  - Supported by main owners
  - Standby underwriting commitment
- Additional SEK 5bn in debt reduction by year-end 2017
  - Divestment of non-core assets
  - Own cash-flow generation
- Comprehensive refinancing
  - Extended debt maturities
  - New long term back-up facility in place

Will take down net debt/equity ratio to ~30% by end 2017 and take away material financing needs during coming years

SSAB

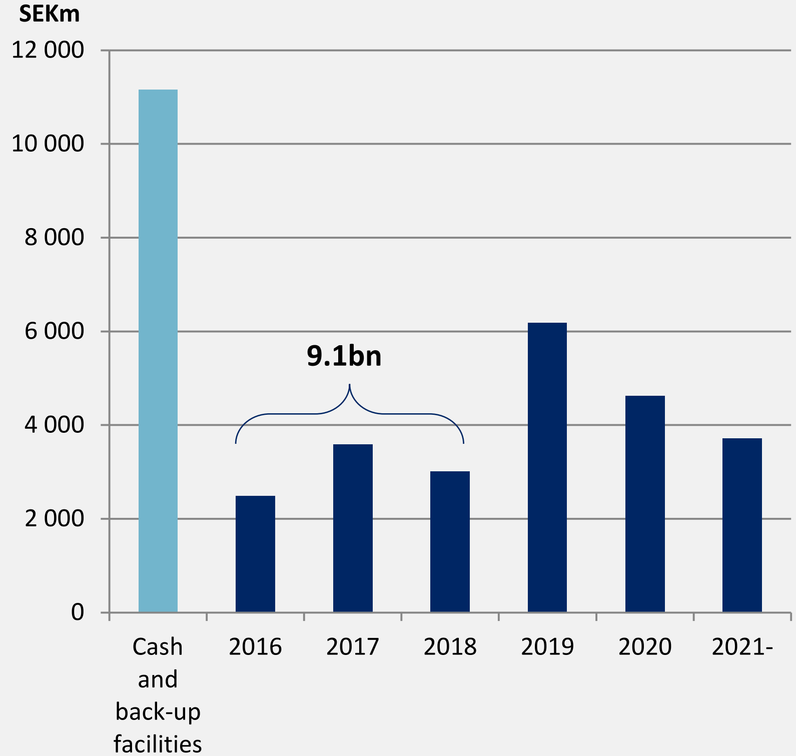
Debt maturity profile

Q1/2016



- **Average duration 4.3 years**
- **Buffer ratio 20% (incl. CPs) and 14% (excl. CPs)**
- **Net gearing 53%**

Q1 Pro forma after refinancing



- **Average duration 5.1 years**
- **Buffer ratio 20% (incl. CPs) and 17% (excl. CPs)**
- **Net gearing 38%**

Indicative rights issue terms

Rights issue	
Structure	• Preferential subscription rights for existing shareholders
Share class and offer size	• Class B shares of approx. SEK 5bn
Terms	• Issue price and subscription ratio to be determined upon EGM
Distribution	• Public offer in Denmark, Finland, Ireland, Sweden and UK
Use of proceeds	• Strengthen financial structure and liquidity
Subscription undertaking and underwriting	• Industrivärden and Solidium to participate pro-rata in the rights issue • Remainder covered by standby underwriting commitment from the Global Coordinators
Timetable	• May 24: Terms announced • May 27: EGM • June 3-17: Subscription period • On or around June 27: Announcement of final subscription result
Syndicate	• Global Coordinators: Crédit Agricole CIB, Handelsbanken, Nordea, Swedbank

Road-map toward industry-leading profitability

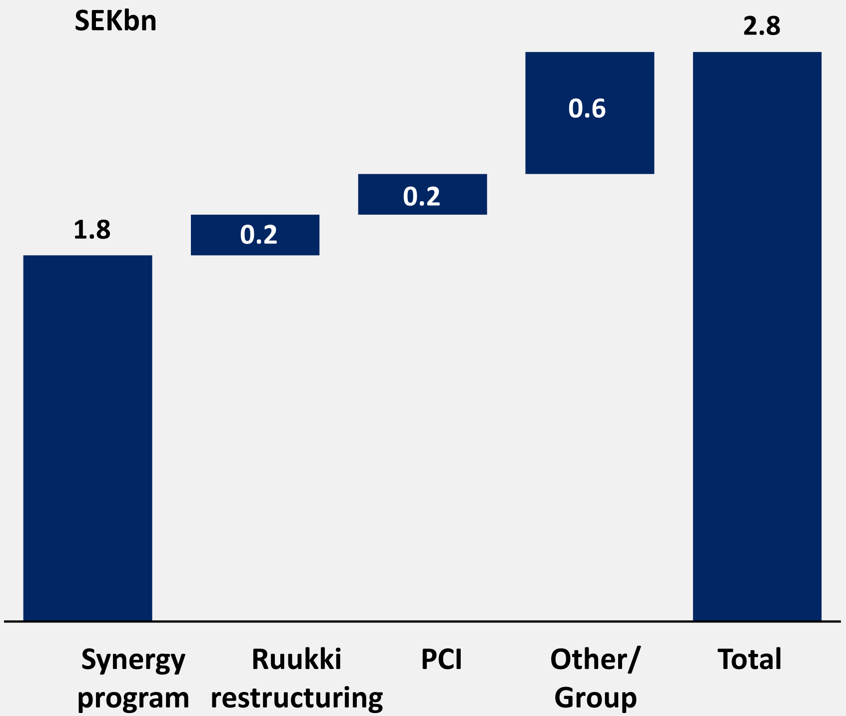
SSAB will structurally reduce costs of SEK 2.8bn*

Raised target for total cost savings from SEK 2.5bn

Ongoing cost reduction initiatives

- Finalize synergy program
- Ruukki Construction turnaround program
- Selected efficiency investments
- Lowering cost position for Special Steels products
- Downsizing of corporate functions
- Continuous improvement system
  - SSAB ONE

Cost savings and synergies of SEK 2.8bn*



*Since completion of the Ruukki acquisition (2014)

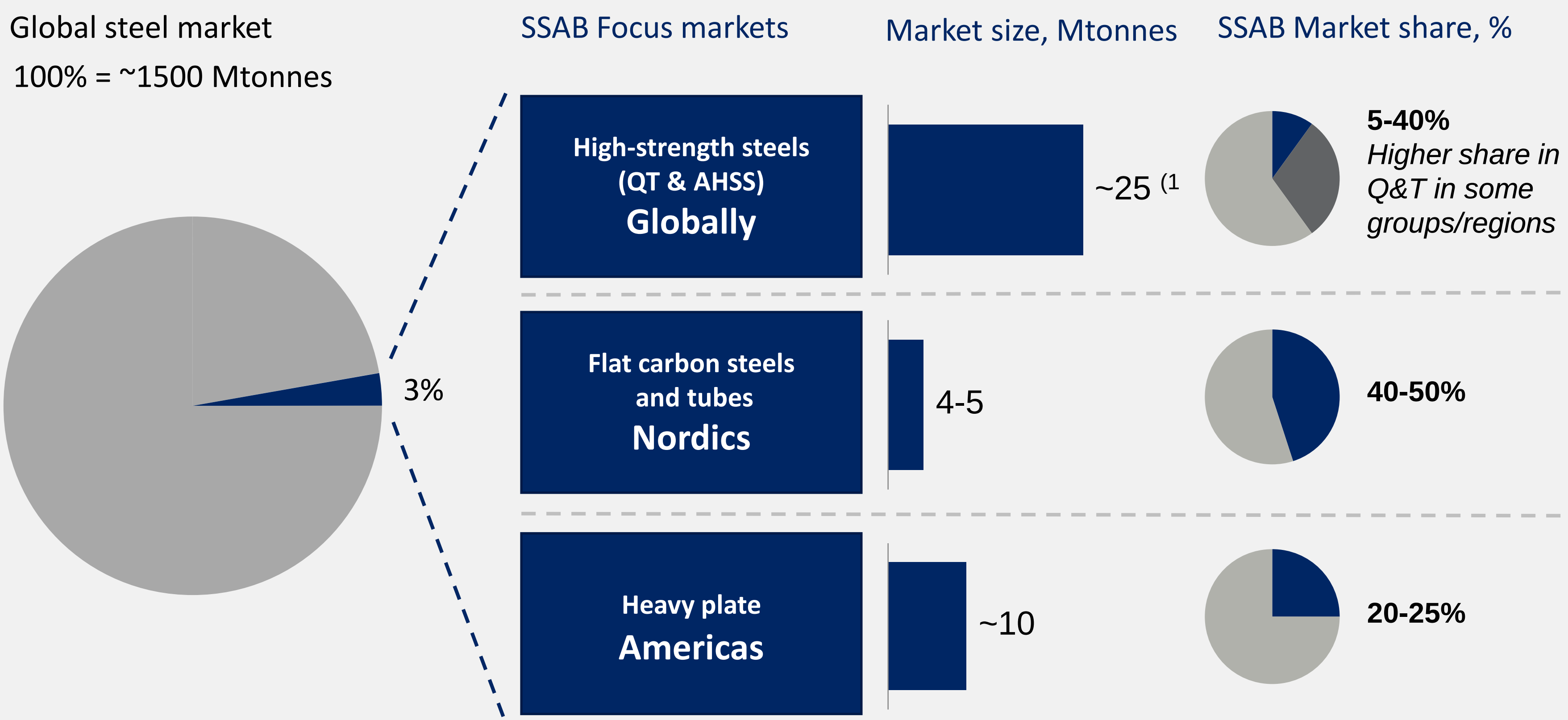
Opportunities to improve free cash flow

- Lower costs
  - Synergies and other savings will help to improve EBITDA
- CAPEX (total)
  - CAPEX for 2016 is expected to be SEK 1.5bn
  - CAPEX level for the coming years is estimated at ~SEK 2.0bn a year
  - To be compared with the D&A of ~SEK 3.8bn
- Potential to further reduce working capital
- Lower net debt will decrease financial expenses

FCF and divestments of non-core assets will enable debt reduction by SEK 5bn by year-end 2017

SSAB

Market leader in defined areas with unique strengths



1) Q&T steels, strip steels ≥700 Mpa

SSAB Special Steels
Growth and services in focus

- Accelerate growth through innovation, product and application development
- Increased focus on value-added services and the after-market business to drive sales
  - Hardox Wearparts worldwide network: Ambition to double the number of centers over the next two years and significantly increase volumes
  - Shape concept with engineering and processing services
- Geographical expansion mainly in emerging markets
  - Asia, Latin America, Middle East and Africa

SSAB Special Steels will grow considerably faster compared to the overall steel market in coming years

SSAB

SSAB Europe
Profitability over volumes

- Synergies and cost reductions will structurally reduce the cost level by > SEK 1.5bn in 2017
- Shift in product-mix by growing sales of premium products
- Intention to grow sales of premium products outside the Nordics, including our global sales of AHSS to Automotive
- SSAB has maintained market shares in the Nordics since the combination and aims to increase market shares going forward

Example of premium products with growth potential

- Automotive AHSS
- Boron Steels
- Laser Steels
- Weathering Steels
- Green Coat family and RWS products

SSAB

SSAB Americas
Develop market-leading position

- Starting point
  - Market leader in the US, focusing on commercial and normalized plate
  - Leading quality and cost position with the most modern plate production assets
  - Balanced mix between service centers and end customers (~50/50) in attractive market segments
- Positioned to benefit from US recovery and potential anti-dumping measures
- Strategic direction and growth levers
  - Grow in “white spots” in domestic US market and in Canada and Mexico
  - Debottleneck project will allow organic growth in undersupplied market
  - Continued efforts to reduce costs and improve raw material mix

The goal is to maintain and develop the leading position on the heavy plate market in North America and capture some of the expected market growth

SSAB

SSAB is in the forefront of sustainability

Sustainable production

- Among the most efficient blast furnaces in the world in terms of CO_2 emissions
- Nearly 100% scrap-based production in the US

Sustainable offering

- High-strength and wear steels reduce the environmental footprint through
  - Better energy and material efficiency
  - Strength and durability for the applications in which they are used

Upgrading a timber trailer with high-strength steels

- **37% weight reduction** compared to using conventional steel
- **25 tonnes less CO_2** emissions during vehicle's life time

SSAB, LKAB and Vattenfall are determined to solve the CO_2 problem in steel making long-term with the hydrogen iron making technology

SSAB


A stronger SSAB toward industry- leading profitability

Questions & Answers


SSAB
A stronger,
lighter and more
sustainable world