

REPORT FOR THE THIRD QUARTER

2016



*Improved earnings driven
by higher prices and lower
costs*

October 28, 2016

SSAB

Report for the third quarter of 2016

The quarter

- Sales were SEK 13,477 (13,594) million
- Operating profit before depreciation/amortization was SEK 1,635 (751) million
- Operating profit/loss was SEK 707 (-191) million
- The result after financial items was SEK 461 (-438) million
- Earnings per share were SEK 0.57 (-0.37)
- Operating cash flow was SEK 926 (-160) million

Key numbers

SEK millions	2016 Q 3	2015 Q 3	2016 Q 2	2016 Qs 1-3	2015 Qs 1-3	2015 Full year
Sales	13,477	13,594	14,471	40,912	44,365	56,864
Operating profit before depreciation/amortization, EBITDA	1,635	751	1,509	3,885	3,459	3,593
Operating profit/loss	707	-191	592	1,106	635	-243
Profit/loss after financial items	461	-438	349	463	-44	-1,171
Profit/loss after tax	591	-285	412	870	167	-505
Earnings per share (SEK) 1)	0.57	-0.37	0.53	1.01	0.22	-0.66
Operating cash flow	926	-160	1,151	2,154	2,086	3,874
Net debt/equity ratio (%)	35	55	37	35	55	52

1) Earnings per share have been adjusted based on the bonus issue element in the rights issue.

(In the report, the figures in parentheses refer to the corresponding period for the previous year.)

Comments by the CEO

SSAB posted an operating profit of SEK 707 million for the third quarter of 2016, up by SEK 115 million compared to prior quarter. Improved earnings were driven mainly by higher prices and further cost reductions, despite seasonally lower shipments and planned maintenance costs. Compared with the third quarter of 2015, which was adversely affected by the costs of relining the blast furnace in Luleå, earnings were up by SEK 900 million. We are well on track to realizing our cost reduction plan of SEK 2.8 billion, including synergies from the Rautaruukki acquisition, and the savings are now visible in the result.

The market situation in SSAB's home markets, Europe and North America, differed from each other during the third quarter. In Europe underlying demand was stable, when adjusted for normal seasonal slowdown. Also market prices were stable and showed a slight rise due to continued low imports. Provisional import duties on Chinese hot-rolled strip and heavy plate imposed by the European Commission in early October are expected to support price levels in Europe. In North America, demand for heavy plate was weak and prices declined throughout the quarter. This led to reduced orders from Steel Service Centers and lower than expected shipments for SSAB Americas. Imports of heavy plate into the USA remained at a high level. A preliminary decision on import duties on heavy plate in the USA is expected during the fourth quarter. Demand for high-strength steels globally remained stable, although with some seasonal slowdown.

SSAB presented in April this year the target to reduce net debt by SEK 10 billion from the end of the first quarter 2016 to the end of 2017. The rights issue during the second quarter of this year raised net SEK 4.9 billion and the net cash flow during the second and third quarters amounted to approximately SEK 1.3 billion. The remaining amount of approximately SEK 3.8 billion will be achieved through cash flow generated from operations, reduction of working capital and a possible divestment of non-core assets.

During the third quarter, net cash flow was positive at SEK 612 million and the net debt was reduced to SEK 18.2 billion.

During the past two years, SSAB has focused on the integration between SSAB and Rautaruukki and realizing the identified synergies. Going forward, we will continue to implement our “Taking the Lead” strategy with the goal to reach industry-leading profitability through growth within certain prioritized strategic initiatives and by driving efficiency through continuous improvement in all our operations. Our strategic growth initiatives include growth in Special Steels, Automotive and other premium products, as well as increased focus on service and after-market activities.

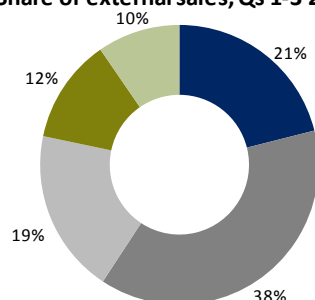
Sales per business segment

SEK millions	2016 Q 3	2015 Q 3	2016 Q 2	2016 Qs 1-3	2015 Qs 1-3	2015 Full year
SSAB Special Steels	2,986	3,743	3,398	9,516	11,440	14,382
SSAB Europe	6,122	5,965	6,668	18,830	19,897	25,517
SSAB Americas	2,545	3,080	2,841	7,814	9,615	11,936
Tibnor	1,539	1,593	1,820	5,066	5,567	7,163
Ruukki Construction	1,579	1,496	1,444	3,951	4,131	5,374
Other	-1,294	-2,283	-1,700	-4,265	-6,285	-7,508
Total	13,477	13,594	14,471	40,912	44,365	56,864

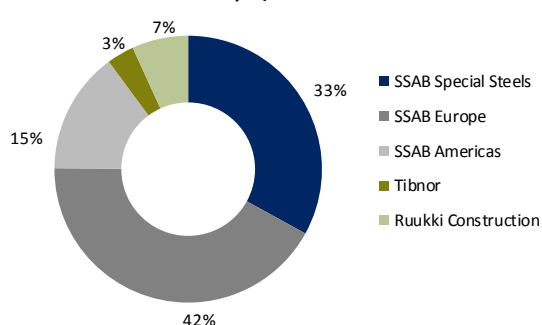
Operating profit/loss before depreciation/amortization (EBITDA) per business segment

SEK millions	2016 Q 3	2015 Q 3	2016 Q 2	2016 Qs 1-3	2015 Qs 1-3	2015 Full year
SSAB Special Steels	587	391	410	1,342	1,212	1,213
SSAB Europe	789	36	679	1,712	1,168	1,239
SSAB Americas	83	235	309	601	1,001	1,043
Tibnor	73	9	60	134	69	154
Ruukki Construction	173	106	114	277	138	109
Other	-70	-26	-63	-181	-129	-165
Total	1,635	751	1,509	3,885	3,459	3,593

Share of external sales, Qs 1-3 2016



Share of EBITDA, Qs 1-3 2016



The market

In the beginning of October, the World Steel Association (WSA) released its Short Range Outlook for 2016 and 2017. WSA forecasts that global steel demand will increase by 0.2 % this year and by 0.5% in 2017. The increase in demand in 2016 is mainly being driven by Europe and Africa, whereas demand in North America is forecast to remain unchanged and in China to decline. All regions except for China are expected to show growth in 2017.

According to the WSA, global crude steel production for the first nine months of 2016 was 1,197 (1,204) million tonnes, down by almost 1% compared with the same period in 2015. Chinese crude steel production was principally unchanged over the same period. During the first nine months of the year, production was down 5% in the EU-28 (mostly driven by Great Britain), but down only by 1% in North America.

Demand during the third quarter remained stable in Europe, albeit with a certain seasonal slowdown. As in the second quarter, import volumes were relatively low, which resulted in a situation of good demand for European steel producers. In North America on the other hand, real and apparent demand decreased during the quarter. This was driven by both a slowdown in demand at end customers and by distributors destocking. Inventory levels both in Europe and North America are considered as being somewhat below normal or in balance. The low level of demand in China and Russia remained unchanged during the third quarter.

Since the end of the quarter, the EU has announced a decision to impose provisional import duties on Chinese hot-rolled strip and heavy plate. The import duties imposed range between 13% and 22% for strip products and between 65% and 74% for heavy plate. The EU had earlier decided to impose provisional import duties on imports of cold-rolled material from China and Russia. During the quarter, the USA decided to impose provisional import duties ranging between 42% and 94% on heavy plate from Turkey, Brazil and South Africa. Investigations are underway regarding a further nine countries and a provisional decision on these is expected during the fourth quarter.

In North America, market prices for heavy plate fell towards the end of the second quarter and continued falling throughout the third quarter. In Europe, however, market prices for strip products rose during the second half of the third quarter, whereas prices for heavy plate fell earlier in the quarter before subsequently stabilizing. In China, market prices for both strip and heavy plate rose during the third quarter after having fallen significantly towards the end of the second quarter.

Raw materials

SSAB sources its iron ore from LKAB in Sweden and from Severstal in Russia. A new price agreement for supplies of iron ore was signed with LKAB during the second quarter and is valid from April 1, 2016 until March 31, 2017. Prices are fixed quarterly. The agreement with Severstal runs from October 1, 2015 until September 30, 2018 and prices are fixed monthly. For third quarter shipments this year, pellet prices were 3% higher in terms of USD and 8% in terms of SEK compared with prior quarter. SSAB's price for pellets during the third quarter was unchanged in terms of USD and 1% higher in terms of SEK than during the third quarter of 2015.

SSAB sources coking coal from Australia, the USA, Canada and Russia. Price agreements for Australian, Canadian and Russian coal are entered into monthly, whereas price agreement for most US coal is entered into quarterly. The average price during the third quarter was 29% higher in terms of USD and 34% higher in terms of SEK compared with the second quarter 2016. SSAB's price for coal during the third quarter was 27% higher in USD and 29% in SEK than during the third quarter of 2015.

The US operations regularly purchase scrap metal as a raw material for their production. Spot prices for scrap metal fell sharply during the third quarter of 2016. Spot prices were 17% lower at the end of the quarter compared with the end of prior quarter, but 4% higher than at the end of the third quarter of 2015.

Outlook

In North America, demand for heavy plate is expected to remain relatively weak during the fourth quarter, although low stocks are expected to result in increased purchases from distributors. In Europe, demand is anticipated to remain unchanged during the fourth quarter despite a certain seasonal slowdown towards the end of the quarter. Import volumes to Europe are expected to be at roughly the same level as during the third quarter, which is lower than at the end of 2015 and beginning of 2016. It is anticipated that the underlying demand for high-strength steels will be relatively unchanged during the fourth quarter. Overall, SSAB's shipments during the fourth quarter are expected to be at roughly the same level as during the third quarter, with lower prices in North America and stable

prices in Europe. Shipments in the fourth quarter will however be impacted by customer expectations of price levels at the beginning of 2017.

There have been and will be a number of maintenance outages during 2016. The table below shows the estimated direct maintenance cost, excluding the cost of lower capacity utilization (under-absorption) and lost margins. A major maintenance stop was completed at a cost of SEK 200 million during the third quarter in Montpelier, USA. SSAB Europe also completed planned maintenance outages at several plants during the third quarter at a total cost of SEK 80 million. According to the table below, the costs are estimated to total SEK 190 million in the fourth quarter. Due to the demand situation, SSAB Europe has pushed back parts of its maintenance outage from the third to the fourth quarter.

Major, planned maintenance outages 2016 1)

SEK millions	2016 Q 1	2016 Q 2	2016 Q 3	2016 Q 4
SSAB Special Steels				130
SSAB Europe			80	60
SSAB Americas	20	20	200	
Total	20	20	280	190

1) The table shows the estimated direct maintenance cost, excluding the cost of lower capacity utilization (under-absorption) and lost margins.

Synergies and other cost savings measures

The integration with Rautaruukki is completed and the synergy program was finalized at the end of the second quarter 2016. The annual run rate of SEK 2 billion in synergies achieved significantly exceeded the original target of SEK 1.0-1.3 billion and the synergies were also realized one year earlier than originally planned. SSAB aim to reduce the total cost level (including synergies) by SEK 2.8 billion on an annual basis compared to the cost level at the time of the acquisition of Rautaruukki. This target will be achieved by the end of 2016. Most of the activities and cost reductions had been completed at the end of the third quarter.

At the end of the third quarter, the workforce had been reduced by around 2,000 compared to the time when Rautaruukki was acquired. By the end of the year, the workforce will have decreased by at least 2,400.

SSAB Group

Nine-month summary

Shipments and production

SSAB's shipments during the first three quarters of the year were 5,019 (4,977) thousand tonnes, up 1% compared with the first three quarters of 2015.

Crude steel production was up 4% compared with the first three quarters of 2015 and rolled production was up 3% compared with the first three quarters of 2015.

Sales

Sales for the first three quarters of the year were SEK 40,912 (44,365) million, down 8% compared with the first three quarters of 2015.

Earnings

Operating profit for the first three quarters of the year was SEK 1,106 (635) million, up SEK 471 million compared with the first three quarters of 2015.

Financial items for the first three quarters of the year were SEK -643 (-679) million and the result after financial items was SEK 463 (-44) million.

Profit after tax and earnings per share

Profit after tax (attributable to shareholders) for the first three quarters of the year was SEK 866 (166) million, equating to SEK 1.01 (0.22) per share. Tax for the first three quarters of the year was positive at SEK 407 (211) million.

Financing and liquidity

Operating cash flow for the first three quarters of the year was SEK 2,154 (2,086) million. Cash flow was positively affected mainly by cash flow from earnings before depreciation and amortization, but was negatively impacted by a build-up of working capital mostly due to higher accounts receivable and higher inventories.

Net cash flow was SEK 5,938 (802) million. Net cash flow was affected, among other things, by proceeds of SEK 4,907 million from the rights issue and payments for strategic expenditures, including acquisitions of businesses and operations, of SEK 236 (543) million (total expenditure was SEK 924 (1,938) million). Net debt decreased by SEK 5,029 million during the first three quarters of the year and at September 30 amounted to SEK 18,192 million. The net debt/equity ratio was 35% (55%).

At September 30, the term to maturity of the total loan portfolio averaged 5.2 (4.8) years, with an average fixed interest period of 0.9 (1.3) years.

Cash and cash equivalents were SEK 3,801 (1,420) million and non-utilized credit facilities were SEK 7,493 (8,463) million (with an average term to maturity of 2.4 (2.1) years), which combined corresponds to 19% (17%) of sales over a rolling 12-month period.

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 0% and 0% respectively, whereas the figures for the full year 2015 were 0% and -1% respectively.

Equity

With earnings of SEK 866 million and other comprehensive income (mostly consisting of translation differences) of SEK 1,511 million, together with proceeds of SEK 4,907 million from the rights issue, shareholders' equity in the company was SEK 51,677 (45,325) million, equating to SEK 50.18 (82.52) per share.

Development during the third quarter

Shipments and production

SSAB's shipments during the third quarter were SEK 1,526 (1,544) thousand tonnes, down 1% compared with the third quarter of 2015 and down 16% compared with the second quarter of 2016.

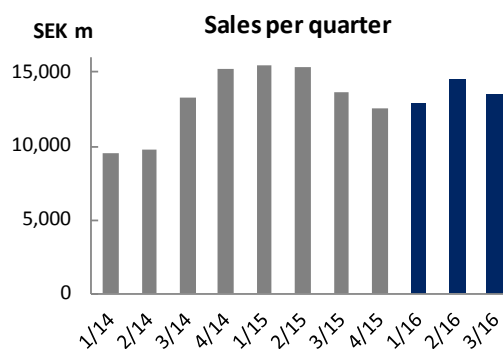
Crude steel production was up 14% compared with the third quarter of 2015, but down 4% compared with the second quarter of 2016.

Rolling production was up 3% compared with the third quarter of 2015, but down 10% compared with the second quarter of 2016.

Sales

Sales for the third quarter were down 1% compared with the third quarter of 2015 and amounted to SEK 13,477 (13,594) million. Lower prices had a negative impact of 2 percentage points and lower volumes had a negative impact of 1 percentage point, whereas a better product mix had a positive impact of 1 percentage point and other sales had a positive impact of 1 percentage point.

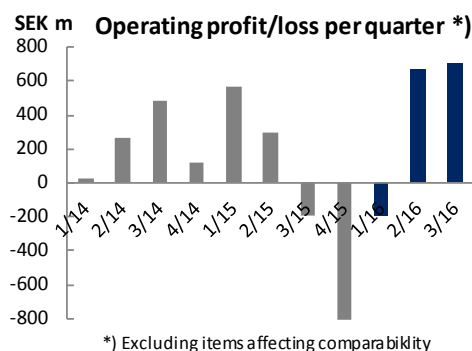
Compared with the second quarter of 2016, sales were down 7%. Lower volumes had a negative impact of 16 percentage points, whereas higher prices had a positive impact of 4 percentage points, currency effects had a positive effect of 2 percentage points and other sales had a positive effect of 3 percentage points.



Earnings

Operating profit for the third quarter was SEK 707 (-191) million, up SEK 898 million compared with the third quarter of 2015. Lower variable costs (SEK 350m), currency effects (SEK 240m), higher capacity utilization (SEK 190m) and lower fixed costs (SEK 170m) impacted positively on earnings, whereas lower prices (SEK 100m) impacted negatively on earnings.

Compared with the second quarter of 2016, earnings improved by SEK 39 million. Higher prices (SEK 460m), lower fixed costs (SEK 380m) and currency effects (SEK 50m) impacted positively on earnings, whereas lower volumes (SEK 660m), lower capacity utilization (SEK 130m) and higher variable costs (SEK 60m) impacted negatively on earnings.



Financial items for the third quarter were SEK -246 (-247) million and the result after financial items was SEK 461 (-438) million.

Profit/loss after tax and earnings per share

Profit/loss after tax (attributable to shareholders) for the third quarter was SEK 590 (-285) million, equating to SEK 0.57 (-0.37) per share. Tax for the third quarter was positive at SEK 130 (153) million.

Cash flow, financing and liquidity

Operating cash flow for the third quarter was SEK 926 (-160) million. The quarter was positively affected by cash flow from earnings before depreciation/amortization, but was negatively impacted by a build-up of working capital mostly through higher inventories.

Net cash flow was SEK 612 (-444) million. Net cash flow was affected, among other things, by payments for strategic expenditures, including acquisitions of businesses and operations, of SEK 58 (117) million (total capital expenditure was SEK 264 (726) million). Net debt decreased by SEK 247 million during the third quarter and at September 30 amounted to SEK 18,192 million. The net debt/equity ratio was 35% (55%).

Operating cash flow and net debt

SEK millions	2016 Q 3	2015 Q 3	2016 Qs 1-3	2015 Qs 1-3	2015 Full year
Operating profit before depreciation/amortization	1,635	751	3,885	3,459	3,593
Change in working capital	-536	-293	-1,078	-97	1,987
Maintenance expenditures	-206	-609	-688	-1,396	-1,891
Other	33	-9	35	120	185
Operating cash flow	926	-160	2,154	2,086	3,874
Financial items	-186	-192	-723	-593	-796
Taxes	-66	25	-164	-310	-276
Cash flow from current operations	674	-327	1,267	1,183	2,802
Strategic capital expenditures in plants and machinery	-33	-117	-190	-507	-655
Acquisitions of shares and operations	-25	-	-46	-36	-36
Divestments of shares and operations	-	-	-	162	172
Cash flow before dividend	616	-444	1,031	802	2,283
Dividend to the Parent Company's shareholders	-	-	-	-	-
Rights issue 1)	-4	-	4,907	-	-
Net cash flow	612	-444	5,938	802	2,283
Net debt at beginning of period	-18,439	-24,018	-23,156	-24,674	-24,674
Net cash flow	612	-444	5,938	802	2,283
Revaluation of liabilities against equity 2)	-366	-350	-685	-858	-719
Other 3)	1	-2	-289	-84	-46
Net debt at end of period	-18,192	-24,814	-18,192	-24,814	-23,156

1) A further SEK 4 million in rights issue transaction costs arose during the third quarter and reduced the proceeds of the issue accordingly.

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

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

Information about the business segments

The information in the tables below excludes items affecting comparability and the depreciation/amortization on surplus values on tangible and intangible assets relating to the acquisitions of IPSCO and Rautaruukki. See page 21 for more information about the business segments.

SSAB Special Steels

Key numbers

SEK millions	2016 Q 3	2015 Q 3	2016 Q 2	2016 Qs 1-3	2015 Qs 1-3	2015 Full year
Sales	2,986	3,743	3,398	9,516	11,440	14,382
Operating profit before depreciation/amortization, EBITDA	587	391	437	1,369	1,212	1,213
Operating profit/loss 1)	453	251	303	958	796	662
Operating cash flow	-39	877	626	91	1,383	1,394
Number of employees at end of period	2,843	2,918	2,876	2,843	2,918	2,904

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

Demand during the quarter was seasonally lower and demand from the Mining segment continued to be at a low level.

External shipments of steel during the third quarter were up 12% compared with the third quarter of 2015, but down 13% compared with the second quarter of 2016. External shipments were 242 (216) thousand tonnes.

Crude steel production was down 27% compared with the third quarter of 2015, when the smaller blast furnace in Oxelösund was in use to ensure slab supplies during relining of the blast furnace in Luleå. Crude steel production was up 1% compared with the second quarter of 2016.

Rolling production was up 3% compared with the third quarter of 2015 and up 7% compared with the second quarter of 2016.

Sales for the third quarter of 2016 were SEK 2,986 (3,743) million, down 20% compared with the third quarter prior year. Lower other sales (incl. internal sales of slabs) had a negative impact of 31 percentage points and lower prices had a negative impact of 1 percentage point, whereas higher volumes (of end products) had a positive impact of 12 percentage points.

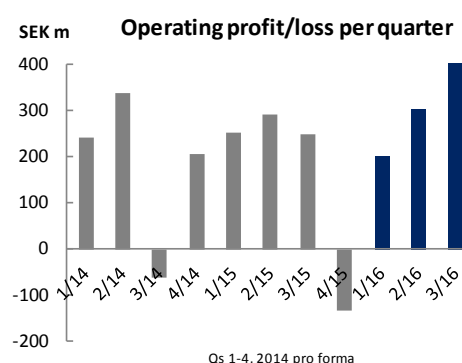
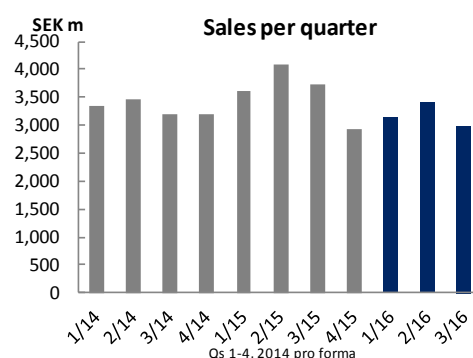
Compared with the second quarter of 2016, sales were down 12%. Lower volumes had a negative impact of 13 percentage points and other sales had a negative impact of 3 percentage points, whereas higher prices had a positive impact of 2 percentage points and currency effects had a positive impact of 2 percentage points.

Operating profit for the third quarter of 2016 was SEK 453 (251) million, up SEK 202 million compared with the third quarter prior year. This was primarily due to higher volumes, positive currency effects and lower fixed and variable costs, the impact of which was counteracted by lower prices and lower capacity utilization.

Compared with the second quarter of 2016, earnings were up SEK 177 million. This was primarily due to lower fixed and variable costs, higher prices and higher capacity utilization, the impact of which was counteracted by seasonally lower volumes.

Operating cash flow during the third quarter was SEK -39 (877) million. Cash flow was impacted negatively by increased working capital, primarily with higher inventories resulting from a stock build-up prior to the planned maintenance outage scheduled for the fourth quarter.

Capital expenditure payments during the third quarter were SEK 41 (59) million, of which SEK 3 (2) million were strategic investments, including acquisitions of businesses and operations.



SSAB Europe

Key numbers

SEK millions	2016 Q 3	2015 Q 3	2016 Q 2	2016 Qs 1-3	2015 Qs 1-3	2015 Full year
Sales	6,122	5,965	6,668	18,830	19,897	25,517
Operating profit before depreciation/amortization, EBITDA	789	36	728	1,761	1,172	1,286
Operating profit/loss 1)	426	-328	366	674	78	-175
Operating cash flow	687	-1,146	653	1,835	-815	363
Number of employees at end of period	6,840	7,201	6,950	6,840	7,201	7,147

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

Demand from Steel Service Centers decreased seasonally during the quarter, whereas demand from the Automotive and Construction Building segments continued to be at a good level.

External shipments of steel during the third quarter were up 5% compared with the third quarter of 2015, but down 15% compared with the second quarter of 2016. External shipments were 863 (823) thousand tonnes.

Crude steel production was up 60% compared with the third quarter of 2015, primarily because the blast furnace in Luleå was out of operation at the time. Crude steel production was at the same level as during the second quarter 2016. Rolling production was up 12% compared with the third quarter of 2015, but down 10% compared with the second quarter of 2016.

Sales for the third quarter of 2016 were SEK 6,122 (5,965) million, up 3% compared with the third quarter prior year. Higher volumes had a positive impact of 5 percentage points and other sales had a positive impact of 2 percentage points, whereas lower prices had a negative impact of 4 percentage points.

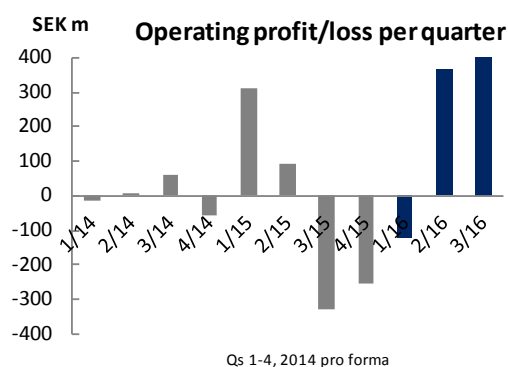
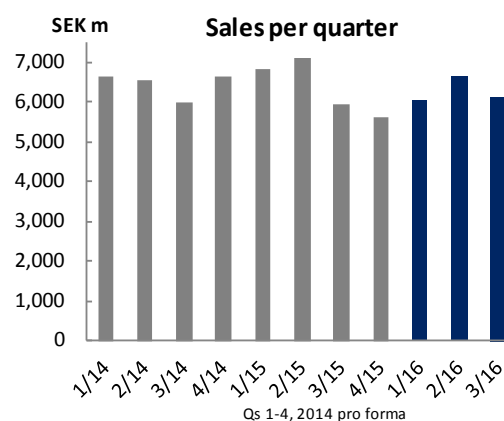
Compared with the second quarter of 2016, sales were down 8%. Lower volumes had a negative impact of 15 percentage points, whereas higher prices had a positive impact of 5 percentage points, currency effects had a positive impact of 2 percentage points and other sales had a positive impact of 1 percentage point.

Operating profit for the third quarter of 2016 was SEK 426 (-328) million, up SEK 754 million compared to the third quarter prior year. This was primarily due to higher capacity utilization (mainly because of re-lining in Luleå in 2015 and because of pushing back maintenance outages to Q4 2016), lower variable and fixed costs, and higher volumes.

Compared with the second quarter of 2016, earnings were up SEK 109 million. This was primarily due to lower fixed and variable costs, and higher prices. However, the impact of this was counteracted by seasonally lower volumes and lower capacity utilization.

Operating cash flow during the third quarter was SEK 687 (-1,146) million. Cash flow was impacted positively by cash flow from operating profit before depreciation and amortization.

Capital expenditure payments during the third quarter were SEK 166 (558) million, of which SEK 45 (65) million were strategic investments, including acquisitions of businesses and operations.



SSAB Americas

Key numbers

	2016	2015	2016	2016	2015	2015
SEK millions	Q 3	Q 3	Q 2	Qs 1-3	Qs 1-3	Full year
Sales	2,545	3,080	2,841	7,814	9,615	11,936
Operating profit before depreciation/amortization, EBITDA	83	235	309	601	1,001	1,043
Operating profit/loss 1)	-73	78	162	144	528	428
Operating cash flow	225	172	-54	261	1,498	1,763
Number of employees at end of period	1,239	1,251	1,232	1,239	1,251	1,240

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

Demand fell during the quarter, primarily from Steel Service Centers. Demand from the Energy segment remained good, driven by the wind power industry. Demand from other segments, however, was relatively weak.

External shipments of steel during the third quarter were down 17% compared with the third quarter of 2015 and down 20% compared with the second quarter of 2016. External shipments were 421 (505) thousand tonnes.

Crude steel production was down 12% compared with the third quarter of 2015 and down 14% compared with the second quarter of 2016. Rolling production was down 12% compared with the third quarter of 2015 and down 16% compared with the second quarter of 2016. The decrease was largely due to a maintenance outage in Montpelier, USA during the third quarter.

Sales for the third quarter of 2016 were SEK 2,545 (3,080) million, down 17% compared with the third quarter prior year. Lower volumes had a negative impact of 17 percentage points, lower prices had a negative impact of 1 percentage point and a weaker product mix had a negative effect of 1 percentage point, whereas other sales had a positive impact of 2 percentage points.

Compared with the second quarter of 2016, sales were 10% lower. Lower volumes had a negative impact of 20 percentage points, whereas higher prices had a positive impact of 6 percentage points, currency effects had a positive impact of 3 percentage points and other sales had a positive impact of 1 percentage point.

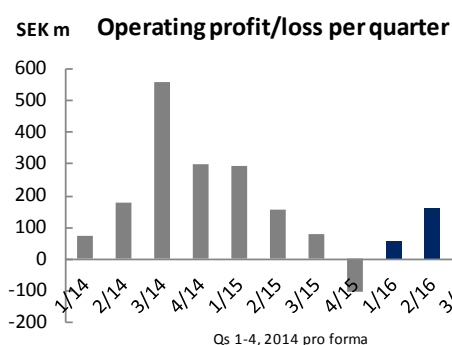
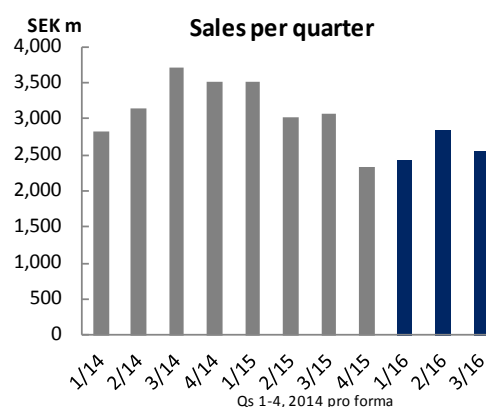
Operating profit/loss for the third quarter of 2016 was SEK -73 (78) million, down SEK 151 million compared with the third quarter prior year. This was primarily due to lower volumes, lower capacity utilization (owing to the maintenance outage during the third quarter) and lower prices, the impact of which was counteracted by lower fixed and variable costs.

Compared with the second quarter of 2016, earnings were down SEK 235 million. This was primarily due to the maintenance outage in the third quarter, coupled with higher variable costs, lower volumes and lower capacity utilization, the impact of which was counteracted by higher prices.

Profitability during the third quarter was impacted negatively by the maintenance outage in Montpelier, with direct costs of around SEK 200 million. A cost of around SEK 20 million was booked during the third quarter relating to a settlement of a class-action lawsuit in the USA (against several steel producers) claiming violation of American antitrust laws.

Operating cash flow during the third quarter was SEK 226 (172) million. Cash flow was impacted positively primarily by earnings before depreciation and amortization, as well as by lower working capital with lower accounts receivable due to decreased sales.

Capital expenditure payments during the third quarter were SEK 34 (83) million, of which SEK 9 (21) million were strategic investments.



Tibnor

Key numbers

SEK millions	2016 Q 3	2015 Q 3	2016 Q 2	2016 Qs 1-3	2015 Qs 1-3	2015 Full year
Sales	1,539	1,593	1,820	5,066	5,567	7,163
Operating profit before depreciation/amortization, EBITDA	73	9	60	137	93	65
Operating profit/loss 1)	53	-8	39	75	37	-10
Operating cash flow	-68	-113	-22	-20	120	375
Number of employees at end of period	1,149	1,231	1,178	1,149	1,231	1,208

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

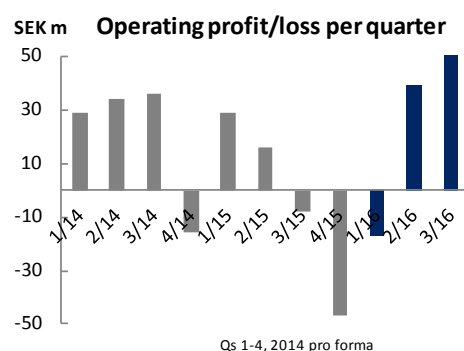
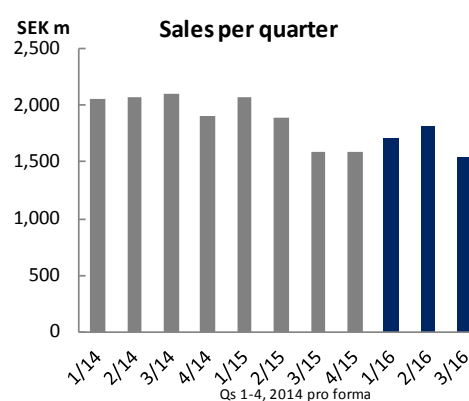
Total shipments during the third quarter of 2016 were down 5% compared with the third quarter prior year. Shipments were down primarily in the Long Products and Rebar Products segments. Compared with the second quarter of 2016, shipments were down seasonally 21%, primarily in the Strip Products and Rebar Products segments.

Sales for the third quarter of 2016 were SEK 1,539 (1,593) million, down 3% compared with the third quarter prior year. Lower sales were primarily due to lower volumes, the impact of which was partly offset by higher prices.

Sales were down 15% compared with the second quarter of 2016. This was primarily due to seasonally lower volumes, the impact of which was partly offset by higher prices.

Operating profit for the third quarter of 2016 was SEK 53 (-8) million, up SEK 61 million compared with the third quarter prior year. This was primarily due to improved gross margins and lower fixed costs, the impact of which was counteracted by lower volumes.

Compared with the second quarter of 2016, earnings were up SEK 14 million. This was primarily due to lower fixed costs and higher prices, the impact of which was counteracted by lower volumes.



Operating cash flow during the third quarter was SEK -68 (-113) million. Cash flow was impacted positively by operating profit before depreciation and amortization, the impact of which was counteracted by higher working capital.

Capital expenditure payments during the third quarter were SEK 8 (17) million, of which SEK 0 (7) million were strategic investments.

Ruukki Construction

Key numbers

SEK millions	2016 Q 3	2015 Q 3	2016 Q 2	2016 Qs 1-3	2015 Qs 1-3	2015 Full year
Sales	1,579	1,496	1,444	3,951	4,131	5,374
Operating profit before depreciation/amortization, EBITDA	173	106	114	277	144	208
Operating profit/loss 1)	137	64	75	164	15	18
Operating cash flow	141	40	68	177	-2	168
Number of employees at end of period	2,694	3,053	2,722	2,694	3,053	2,979

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

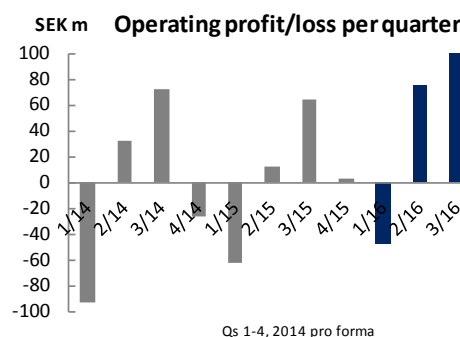
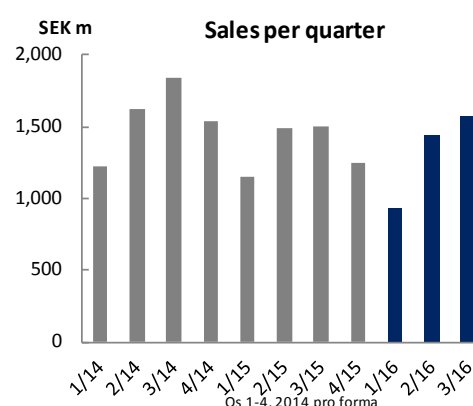
Compared with the second quarter, demand increased seasonally during the third quarter primarily in the Residential Roofing and Building Components segments. Geographically demand increased in Finland and in Central and Eastern Europe, and continued to be good in Scandinavia and Poland.

Sales for the third quarter of 2016 were SEK 1,579 (1,496) million, up 6% compared to the third quarter prior year. This was primarily due to higher sales in Finland and Central and Eastern Europe, and in the Building Systems segment. The impact of this was counteracted by lower sales in the Residential Roofing segment.

Compared with the second quarter of 2016, sales were up 9%. This was primarily due to seasonally higher sales in the construction sector. Sales were up in all segments except Building Systems, which reported weaker sales compared to the strong second quarter.

Earnings for the third quarter of 2016 were SEK 137 (64) million, up SEK 73 million compared with the third quarter prior year. This was primarily due to lower variable and fixed costs as well as higher volumes.

Compared with the second quarter of 2016, earnings were up SEK 62 million. This was primarily due to lower fixed costs and higher volumes.



Operating cash flow during the second quarter was SEK 141 (-26) million. Cash flow was impacted positively by operating profit before depreciation and amortization, but impacted negatively by higher working capital primarily due to higher inventories.

Capital expenditure payments during the third quarter were SEK 12 (26) million, of which SEK 1 (24) million were strategic investments.

Risks and uncertainty factors

For information regarding material risks and uncertainty factors, reference is made to the detailed description in the Annual Report 2015. In the UK's EU referendum held in June 2016, voters decided that the United Kingdom should leave the EU (Brexit). This will entail certain risks and uncertainty factors. However, since the impact of Brexit is still uncertain, it is also difficult to assess the implications Brexit will have on SSAB. Otherwise, no material new or changed risks and uncertainty factors have been identified during the quarter.

Accounting principles

This quarterly report has been prepared in accordance 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 2015.

As of January 1, 2016, the parent company, SSAB AB, has changed the principle applying to the accounting of hedges of net investments in foreign operations. The change in accounting principle was made to harmonize accounting with tax legislation. From January 2016 onwards, changes in hedges of net investments will be accounted for in the parent directly in the income statement instead of in the statement of comprehensive income as earlier. See page 24 for the impact of the change in accounting principle. This change does not apply to the consolidated accounts.

With effect from the 2016 half-year report, SSAB has applied the ESMA's (European Securities and Markets Authority) guidelines for alternative performance measures. Definitions of performance measures are provided in the Annual Report 2015 and the relevant reconciliations can be found on page 19 of this report.

New head of Ruukki Construction

Sami Eronen has been appointed head of Ruukki Construction as of December 1, 2016. He joins Ruukki Construction from the SSAB Europe division, where he is head of Supply Chain Management and IT.

Review

This report has not been subject to review by the auditors.

Stockholm, October 27, 2016

Martin Lindqvist
President & CEO

Financial reports in accordance with IFRS – the Group

Consolidated income statement

SEK millions	2016 Q 3	2015 Q 3	2016 Qs 1-3	2015 Qs 1-3	2015 Full year
Sales	13,477	13,594	40,912	44,365	56,864
Cost of goods sold	-11,888	-12,584	-36,940	-40,086	-52,552
Gross profit	1,589	1,010	3,972	4,279	4,312
Selling and administrative costs	-947	-1,003	-3,095	-3,468	-4,636
Other operating income and expenses 1)	55	-200	187	-210	36
Affiliated companies, profit after tax	10	2	42	34	45
Operating profit/loss	707	-191	1,106	635	-243
Financial income	10	9	47	41	50
Financial expenses	-256	-256	-690	-720	-978
Profit/loss for the period after financial items	461	-438	463	-44	-1,171
Tax	130	153	407	211	666
Profit/loss for the period	591	-285	870	167	-505
Of which attributable to:					
- Parent Company's shareholders	590	-285	866	166	-508
- Non-controlling interest	1	0	4	1	3

Key numbers

	2016 Q 3	2015 Q 3	2016 Qs 1-3	2015 Qs 1-3	2015 Full year
Operating margin (%)	5	-1	3	1	0
Earnings per share (SEK) 2)	0.57	-0.37	1.01	0.22	-0.66
Equity per share (SEK)	50.18	82.52	50.18	82.52	80.82
Net debt/equity ratio (%)	35	55	35	55	52
Average number of shares during the period (millions) 2)	1,029.8	765.0	856.8	765.0	765.0
Number of shares at end of period (millions) 3)	1,029.8	549.2	1,029.8	549.2	549.2
Number of employees at end of period	15,208	16,215	15,208	16,215	16,045

1) The result for the quarter includes primarily currency effects on operating receivables/liabilities of SEK 40 (-243) million.

2) Average number of shares and earnings per share has been adjusted based on the bonus issue element in the rights issue. There are no outstanding share instruments, and thus no dilution is relevant

3) Subsequent to the rights issue completed on June 27, 2016, the number of shares is 1,029,835,326.

Consolidated statement of comprehensive income

SEK millions	2016	2015	2016	2015	2015
	Q 3	Q 3	Qs 1-3	Qs 1-3	Full year
Profit/loss for the period after tax	591	-285	870	167	-505
<i>Other comprehensive income</i>					
<u>Items that may be subsequently reclassified to the income statement</u>					
Translation differences for the period	1,007	766	1,975	1,992	1,470
Cash flow hedges	85	-139	190	-42	7
Hedging of currency risks in foreign operations 1)	-366	-350	-685	-858	-719
Share in other comprehensive income of affiliated companies and joint ventures	0	0	0	1	1
Tax attributable to items that may be subsequently reclassified to the income statement	64	106	115	197	155
Total items that may be subsequently reclassified to the income statement	790	383	1,595	1,290	914
<u>Items that will not be reclassified to the income statement</u>					
Remeasurements of the net defined benefit liability	-3	-16	-103	47	192
Tax attributable to items that will not be reclassified to the income statement	0	4	21	-9	-39
Total items that will not be reclassified to the income statement	-3	-12	-82	38	153
Total other comprehensive income for the period, net after tax	787	371	1,513	1,328	1,067
Total comprehensive income for the period	1,378	86	2,383	1,495	562
Of which attributable to:					
- Parent Company's shareholders	1,376	68	2,377	1,492	560
- Non-controlling interest	2	18	6	3	2

1) Hedging is structured such that the net/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, 2014	4,833	22,343	442	16,199	43,817	62	43,879
<u>Changes Jan 1 - Sep. 30, 2015</u>							
Total comprehensive income for the period			1,288	204	1,492	3	1,495
Acquisition non-controlling interest				16	16	-16	-
Equity, Sept. 30, 2015	4,833	22,343	1,730	16,419	45,325	49	45,374
<u>Changes Oct. 1 - Dec 31, 2015</u>							
Comprehensive income for the period			-373	-559	-932	-1	-933
Equity, December 31, 2015	4,833	22,343	1,357	15,860	44,393	48	44,441
<u>Changes Jan 1 - Sep. 30, 2016</u>							
Comprehensive income for the period			1,593	784	2,377	6	2,383
Rights issue 1)	4,229	678	-	-	4,907	-	4,907
Equity, September 30, 2016	9,062	23,021	2,950	16,644	51,677	54	51,731

1) A further SEK 4 million in rights issue transaction costs arose during the third quarter and reduced the proceeds of the issue accordingly.

There are 1,029,835,326 shares with a quotient value of SEK 8.80.

Consolidated balance sheet

SEK millions	2016 Sep. 30	2015 Sep. 30	2015 Dec. 31
Assets			
Goodwill	28,712	27,949	27,871
Other intangible assets	2,824	3,519	3,290
Tangible fixed assets	25,848	26,786	26,276
Participations in affiliated companies	619	544	546
Financial assets	543	515	506
Deferred tax receivables 2)	1,763	1,727	1,492
Total fixed assets	60,309	61,040	59,981
Inventories	13,995	13,655	12,691
Accounts receivable	7,127	7,620	6,048
Current tax receivables	572	529	400
Other current receivables 1)	2,768	3,511	3,327
Cash and cash equivalents	3,801	1,420	2,711
Total current assets	28,263	26,735	25,177
Total assets	88,572	87,775	85,158
Equity and liabilities			
Equity for shareholders in the Company	51,677	45,325	44,393
Non-controlling interest	54	49	48
Total equity	51,731	45,374	44,441
Deferred tax liabilities	2,069	2,882	2,334
Other long-term provisions	688	736	574
Long-term non-interest bearing liabilities 2)	521	620	555
Long-term interest-bearing liabilities	20,848	22,955	20,746
Total long-term liabilities	24,126	27,193	24,209
Short-term interest-bearing liabilities	2,014	4,952	6,365
Accounts payable	6,650	6,279	6,334
Current tax liabilities	99	198	93
Other current liabilities	3,952	3,779	3,716
Total current liabilities	12,715	15,208	16,508
Total equity and liabilities	88,572	87,775	85,158
Pledged assets	1,342	2,194	1,736
Contingent liabilities	2,752	1,915	2,548

1) Other current receivables comprise short-term bank deposits (escrow agreement) in the amount of SEK 1,388 (2,136) million.

2) Of the Deferred tax receivable, SEK 268 (302) 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 197 (213) million and in the balance sheet item "Other current liabilities" derivatives are valued at a total of SEK 515 (504) million. In the balance sheet item "Long-term non-interest bearing liabilities", derivatives are included valued at a total of SEK 85 (132) 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" (including short-term part) would exceed the reported amount by SEK 75 (287) million. However, since the loans will be held until maturity, this does not affect the reported value.

Assessment of 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).

Cash flow

SEK millions	2016 Q 3	2015 Q 3	2016 Qs 1-3	2015 Qs 1-3	2015 Full year
Operating profit/loss	707	-191	1,106	635	-243
Adjustment for depreciation and impairment	928	942	2,779	2,824	3,836
Adjustment for other non-cash items	-5	-19	-15	51	-64
Received and paid interest	-186	-192	-723	-593	-796
Tax paid	-66	25	-164	-310	-276
Change in working capital	-536	-293	-1,078	-97	1,987
Cash flow from operating activities	842	272	1,905	2,510	4,444
Capital expenditure payments in plants and machinery	-239	-725	-878	-1,902	-2,546
Acquisitions, shares and operations	-25	-	-46	-36	-36
Divested shares and operations	-	-	-	162	172
Other investing activities	38	9	50	68	249
Cash flow from investing activities	-226	-716	-874	-1,708	-2,161
Rights issue	-4	-	4,907	-	-
Change in loans	-1,087	-1,039	-4,942	-2,767	-3,451
Change in financial investments	-210	462	396	464	957
Other financing activities	-99	175	-427	-105	-66
Cash flow from financing activities	-1,400	-402	-66	-2,408	-2,560
Cash flow for the period	-784	-846	965	-1,606	-277
Cash and cash equivalents at beginning of period	4,554	2,275	2,711	3,014	3,014
Exchange rate difference in cash and cash equivalents	31	-9	125	12	-26
Cash and cash equivalents at end of period	3,801	1,420	3,801	1,420	2,711

1) A further SEK 4 million in rights issue transaction costs arose during the third quarter and reduced the proceeds of the issue accordingly.

Relevant reconciliations of non-IFRS-based performance measures

Besides the definitions below, definitions of the non-IFRS-based performance measures below can be found in the Annual Report 2015.

Operating profit/loss before depreciation/amortization, EBITDA

SEK millions	2016 Q 3	2015 Q 3	2016 Qs 1-3	2015 Qs 1-3	2015 Full year
Operating profit/loss	707	-191	1,106	635	-243
Depreciation & impairment	928	942	2,779	2,824	3,836
Operating profit before depreciation/amortization, EBITDA	1,635	751	3,885	3,459	3,593

Operating profit/loss before depreciation/amortization, EBITDA, excluding items affecting comparability

SEK millions	2016 Q 3	2015 Q 3	2016 Qs 1-3	2015 Qs 1-3	2015 Full year
Operating profit before depreciation/amortization, EBITDA	1,635	751	3,885	3,459	3,593
Items affecting comparability	-	10	79	39	62
Operating profit before depreciation/amortization, EBITDA, excluding items affecting comparability	1,635	761	3,964	3,498	3,655

Specification of items affecting comparability

SEK millions	2016 Q 3	2015 Q 3	2016 Qs 1-3	2015 Qs 1-3	2015 Full year
Operating expenses					
Write-down of assets, eastern Europe					-15
Write-down/gains & losses, assets held for sale				-16	-16
Restructuring related to synergies			-79	-20	-135
Costs related to Ruukki Construction savings program			-	-	-47
Gain, sale of real estate			-	-	122
Other			-	-3	-23
Effect on operating profit/loss	-	-	-79	-39	-114
Financial costs					
Transaction tax (Finnish standard rate tax on acquisitions of shares)	-	-	-	-5	-5
Effect on profit after financial items	-	-	-79	-44	-119
Taxes					
Tax effects	-	-	17	5	15
Effect on profit/loss after tax	-	-	-62	-39	-104

Items in the income statement where the result of transactions of a non-recurring nature in the company's operations makes comparison difficult with the result of other periods are treated as items affecting comparability.

Return on capital employed before tax, rolling 12 months

SEK millions	Oct 2015- Sep 2016	Oct 2014- Sep 2015	2015 Full year
Operating profit/loss	229	13	-243
Financial income	56	53	50
Total	285	66	-193
Average capital employed	73,636	75,711	75,346
Return on capital employed before tax, %	0	0	-0

Return on equity after tax, rolling 12 months

SEK millions	Oct 2015- Sep 2016	Oct 2014- Sep 2015	2015 Full year
Loss for the period, after tax	-678	-1,144	-505
Average equity	45,467	45,273	45,568
Return on equity after tax, %	-1	-3	-1

Operating cash flow

SEK millions	2016 Q 3	2015 Q 3	2016 Qs 1-3	2015 Qs 1-3	2015 Full year
Cash flow from operating activities	842	272	1,905	2,510	4,444
Reversal received and paid interests	186	192	723	593	796
Reversal tax paid	66	-25	164	310	276
Maintenance expenditures 1)	-206	-609	-688	-1,396	-1,891
Other investing activities 2)	38	10	50	68	249
Operating cash flow	926	-160	2,154	2,085	3,874

1) See the definition of Maintenance capital expenditures in the Annual Report 2015.

2) Other investing activities primarily refer to cash flow from long-term receivables and investments.

Net debt

SEK millions	2016 30 Sep	2015 30 Sep	2015 Full year
Interest-bearing assets 1)	5,643	4,127	4,947
Interest-bearing liabilities 2)	23,835	28,941	28,103
Net debt	18,192	24,814	23,156

1) Interest-bearing assets primarily refer to long-term and current interest-bearing receivables and investments, together with derivatives and cash and cash equivalents.

2) Interest-bearing liabilities primarily consist of long-term and current interest-bearing debt, pension liability and derivatives.

Information about business segments

SSAB is organized into five business segments; the three steel divisions SSAB Special Steels, SSAB Europe and SSAB Americas as well as Tibnor and Ruukki Construction.

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 with yield strengths of 700 MPa and above. SSAB Special Steels is responsible for steel and rolling 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 steels 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.

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).

SSAB Americas

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

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.

Ruukki Construction

Ruukki Construction is responsible for the sales and production of energy-efficient building and construction solutions, with a focus on northern and eastern Europe. Ruukki Construction includes Plannja.

Financial information per quarter

The financial information for 2014 is pro forma as if SSAB had owned Rautaruukki since January 1, 2013. The information in the tables below is reported excluding items affecting comparability. See the table on page 19 for items affecting comparability.

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

SEK millions	Pro forma				1/15	2/15	3/15	4/15	1/16	2/16	3/16
	1/14	2/14	3/14	4/14							
Sales	14,598	15,208	15,039	15,267	15,468	15,303	13,594	12,499	12,964	14,471	13,477
Operating expenses	-13,728	-13,979	-13,794	-14,188	-13,979	-14,077	-12,845	-12,352	-12,234	-12,904	-11,852
Depreciation/amortization 1)	-843	-841	-837	-892	-938	-944	-942	-960	-934	-917	-928
Affiliated companies	7	1	1	-14	13	19	2	11	14	18	10
Financial items	-305	-259	-148	-210	-214	-213	-247	-249	-154	-243	-246
Result before tax	-271	130	261	-37	350	88	-438	-1,051	-344	425	461

1) Pro forma, excluding depreciation/amortization on surplus values on intangible and tangible fixed assets related to the acquisition of Rautaruukki. For depreciation and amortization, see table Operating profit/loss per quarter and business segment, excluding items affecting comparability below.

Sales per quarter and business segment

SEK millions	Pro forma				1/15	2/15	3/15	4/15	1/16	2/16	3/16
	1/14	2/14	3/14	4/14							
SSAB Special Steels	3,348	3,477	3,203	3,198	3,620	4,077	3,743	2,942	3,132	3,398	2,986
SSAB Europe	6,649	6,568	6,006	6,634	6,835	7,097	5,965	5,620	6,040	6,668	6,122
SSAB Americas	2,831	3,152	3,716	3,508	3,508	3,027	3,080	2,321	2,428	2,841	2,545
Tibnor	2,055	2,077	2,109	1,910	2,075	1,899	1,593	1,596	1,707	1,820	1,539
Ruukki Construction	1,224	1,625	1,836	1,532	1,147	1,488	1,496	1,243	928	1,444	1,579
Other	-1,509	-1,691	-1,831	-1,515	-1,717	-2,285	-2,283	-1,223	-1,271	-1,700	-1,294
Total	14,598	15,208	15,039	15,267	15,468	15,303	13,594	12,499	12,964	14,471	13,477

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

SEK millions	Pro forma				1/15	2/15	3/15	4/15	1/16	2/16	3/16
	1/14	2/14	3/14	4/14							
SSAB Special Steels	377	471	72	345	388	433	391	1	345	437	587
SSAB Europe	364	383	408	369	677	459	36	114	244	728	789
SSAB Americas	194	299	689	438	453	313	235	42	209	309	83
Tibnor	51	57	59	6	48	36	9	-28	4	60	73
Ruukki Construction	-37	88	138	-4	-19	57	106	64	-10	114	173
Other	-72	-68	-119	-89	-46	-52	-26	-36	-48	-63	-70
Total	877	1,230	1,247	1,065	1,501	1,246	751	157	744	1,585	1,635

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

SEK millions	Pro forma				1/15	2/15	3/15	4/15	1/16	2/16	3/16
	1/14	2/14	3/14	4/14							
SSAB Special Steels	242	338	-61	207	252	293	251	-134	202	303	453
SSAB Europe	-16	10	61	-54	312	94	-328	-253	-118	366	426
SSAB Americas	74	176	558	299	296	154	78	-100	55	162	-73
Tibnor	29	34	36	-16	29	16	-8	-47	-17	39	53
Ruukki Construction	-92	32	72	-26	-62	13	64	3	-48	75	137
Depreciation on surplus values, IPSCO	-124	-125	-132	-140	-158	-159	-161	-179	-160	-157	-160
Depreciation on surplus values, Rautaruukki	-	-	-	-	-51	-50	-52	-52	-51	-50	-53
Other	-79	-76	-125	-97	-54	-60	-35	-40	-53	-70	-76
Total	34	389	409	173	564	301	-191	-802	-190	668	707

Financial reports in accordance with IFRS – the Parent Company

The Parent Company's income statement

SEK millions	2016 Q 3	2015 Q 3 1)	2016 Qs 1-3	2015 Qs 1-3 1)	2015 Full year 1)
Gross profit	0	0	0	0	0
Administrative expenses	-64	-68	-205	-209	-280
Other operating income/expenses	23	22	75	65	83
Operating profit/loss	-41	-46	-130	-144	-197
Financial items	-249	281	-115	397	641
Profit/loss after financial items	-290	235	-245	253	444
Appropriations	-	-	-	-	1,111
Tax	142	123	293	313	89
Profit/loss after tax	-148	358	48	566	1,644

1) The figures for 2015 have been adjusted due to the change in accounting principles applying to the accounting of hedges of net investments in foreign operations.

The Parent Company's statement of comprehensive income

SEK millions	2016 Q 3	2015 Q 3 1)	2016 Qs 1-3	2015 Qs 1-3 1)	2015 Full year 1)
Profit/loss after tax	-148	358	48	566	1,644
<i>Other comprehensive income</i>					
<u>Items that may be classified to the income statement</u>					
Cash flow hedges	10	-	-16	-	-6
Tax attributable to other comprehensive income	-2	-	3	-	1
Total items that will be reclassified to the income statement	8	-	-13	-	-5
Other comprehensive income, net after tax	8	-	-13	-	-5
Total comprehensive income for the period	-140	358	35	566	1,639

1) The figures for 2015 have been adjusted due to the change in accounting principles applying to the accounting of hedges of net investments in foreign operations.

The Parent Company's balance sheet

SEK millions	2016 Sep. 30	2015 Sep. 30	2015 Dec. 31
Assets			
Fixed assets	61,865	57,489	57,245
Other current assets	10,221	15,796	15,922
Cash and cash equivalents	2,164	41	591
Total assets	74,250	73,326	73,758
Equity and liabilities			
Restricted equity	9,964	5,735	5,735
Unrestricted equity	40,906	39,103	40,192
Total equity	50,870	44,838	45,927
Untaxed reserves	0	0	-
Long-term liabilities and provisions	17,076	18,865	17,109
Current liabilities and provisions	6,304	9,593	10,722
Total equity and liabilities	74,250	73,296	73,758

1) Share capital increased by SEK 4,229 million following completion of the rights issue on June 27, 2016.

Change in accounting principle in SSAB AB

As of January 1, 2016, the parent company SSAB AB has changed the principle applying to the accounting of hedges of net investments in foreign operations. The change in accounting principle was made to harmonize accounting with tax legislation. The table below shows the impacts of this change.

The Parent Company's income statement, effects change in accounting principle

SEK millions	2015 Q 3	Adjustment changed accounting principle	Adjusted 2015, Q 3	2015 Qs 1-3	Adjustment changed accounting principle	Adjusted 2015, Qs 1-3
Gross profit	0	-	0	0	-	0
Administrative expenses	-68	-	-68	-209	-	-209
Other operating income/expenses	22	-	22	65	-	65
Operating profit/loss	-46	-	-46	-144	-	-144
Financial items	631	-350	281	1,255	-858	397
Profit/loss after financial items	585	-350	235	1,111	-858	253
Tax	46	77	123	124	189	313
Profit/loss after tax	631	-273	358	1,235	-669	566

The Parent Company's statement of comprehensive income, effects change in accounting principle

SEK millions	2015 Q 3	Adjustment changed accounting principle	Adjusted 2015, Q 3	2015 Qs 1-3	Adjustment changed accounting principle	Adjusted 2015, Qs 1-3
Profit/loss after tax	631	-273	358	1,235	-669	566
<i>Other comprehensive income</i>						
<u>Items that may be classified to the income statement</u>						
Hedging of currency risks in foreign operations	-350	350	-	-858	858	-
Tax attributable to other comprehensive income	77	-77	-	189	-189	-
Total items that will be reclassified to the income statement	-273	273	-	-669	669	-
Other comprehensive income, net after tax	-273	273	-	-669	669	-
Total comprehensive income for the period	358	-	358	566	-	566

Production and shipments

Thousand tonnes	Pro forma								1/16	2/16	3/16
	1/14	2/14	3/14	4/14	1/15	2/15	3/15	4/15			
Crude steel production											
- SSAB Special Steels	245	288	170	278	354	380	401	226	218	288	291
- SSAB Europe	1,149	1,139	1,119	1,163	1,186	1,038	716	1,110	1,166	1,146	1,143
- SSAB Americas	625	595	687	613	555	546	607	474	617	623	533
- Total	2,019	2,022	1,976	2,054	2,095	1,964	1,724	1,810	2,001	2,058	1,967
Rolling production											
- SSAB Special Steels	138	134	105	136	119	141	142	103	130	137	146
- SSAB Europe	1,103	1,127	967	1,049	1,154	1,135	952	1,040	1,101	1,183	1,068
- SSAB Americas	583	572	648	563	518	521	559	469	576	584	493
- Total	1,824	1,833	1,720	1,748	1,791	1,798	1,653	1,612	1,807	1,904	1,707
Steel shipments											
- SSAB Special Steels	291	295	244	235	259	260	216	202	256	277	242
- SSAB Europe	957	916	829	913	976	991	823	823	946	1,013	863
- SSAB Americas	496	522	559	488	476	471	505	435	475	526	421
- Total	1,744	1,732	1,632	1,636	1,711	1,722	1,544	1,460	1,677	1,816	1,526

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.

For further information:

Taina Kyllönen, Executive VP Communications, Tel +358 40 5822 175

Liisa-Maija Seppänen, Investor Relations Manager, Tel +358 20 5939 232

Viktoria Karsberg, Head of Corporate Communications, Tel +46 8 4545 734

Results for 2016:

The results for 2016 will be published on February 15, 2017.



SSAB AB (publ)

P.O. Box 70, SE-101 21 Stockholm, Sweden

Telephone +46 8 4545 700. Telefax +46 8 4545 725

Visiting address: Klarabergsviadukten 70 D6, Stockholm, Sweden

Email: info@ssab.com

www.ssab.com