

HALF-YEAR REPORT 2016



*Improved result, cash flow
and financial position*

July 22, 2016

SSAB

Half-year report 2016

The quarter

- Sales were SEK 14,471 (15,303) million
- Operating profit before depreciation/amortization was SEK 1,509 (1,236) million and excluding items affecting comparability was SEK 1,585 (1,246) million
- Operating profit was SEK 592 (292) million and excluding items affecting comparability was SEK 668 (301) million
- Profit after financial items was SEK 349 (79) million and excluding items affecting comparability was SEK 425 (88) million
- Earnings per share were SEK 0.53 (0.22)
- Operating cash flow was SEK 1,151 (1,462) million
- The rights issue was oversubscribed and SSAB received proceeds of SEK 4,911 million in equity after transaction costs

Key numbers

SEK millions	2016 Q 2	2015 Q 2	2016 Q 1	2016 Qs 1-2	2015 Qs 1-2	2015 Full year
Sales	14,471	15,303	12,964	27,435	30,771	56,864
Operating profit before depreciation/amortization, EBITDA 1)	1,585	1,246	744	2,329	2,747	3,655
Operating profit/loss 1)	668	301	-190	478	865	-128
Profit/loss after financial items 1)	425	88	-344	81	438	-1,051
Profit/loss after tax 1)	472	177	-131	341	491	-400
Earnings per share (SEK) 2)	0.53	0.22	-0.18	0.36	0.59	-0.66
Operating cash flow	1,151	1,462	77	1,228	2,246	3,874
Net debt/equity ratio (%)	37	53	53	37	53	52

1) Excluding items affecting comparability. See page 5 for figures.

2) 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, excluding items affecting comparability, of SEK 668 million for the second quarter of 2016, an improvement of SEK 858 million compared with the first quarter 2016. All divisions reported improved results, with SSAB Europe showing the strongest development between quarters. The improved result was driven primarily by higher volumes, higher prices and additional synergy capture. The operating cash flow was positive at SEK 1,151 million despite an increase in accounts receivable due to higher shipments and rising prices.

Shipments during the second quarter increased compared to prior quarter and were also at a higher level than a year ago. This was mostly due to lower steel imports to Europe and to increased purchases by Steel Service Centers in North America, with no fundamental change in underlying demand. At the beginning of the quarter, steel prices rose sharply in China. This, coupled with ongoing trade cases in the EU and USA, has lowered imports from China. Steel prices have gradually risen both in Europe and in North America, however from a very low level. During the third quarter, we expect stable underlying demand, although reflecting the normal seasonal slowdown.

Integration of the acquisition of Rautaruukki has now been completed. During the second quarter, we realized synergies of SEK 475 million and the annual run rate at the end of the quarter was SEK 2 billion. The synergy program was completed at the end of the second quarter, with significantly more synergies realized than the SEK 1.0-1.35 billion we had originally communicated in January 2014 and one year earlier than originally planned. We are also well on the way to deliver on our total cost savings target, which is to have reduced the cost level by SEK 2.8 billion on an annual basis in 2017 compared to the cost level at the time of the acquisition of Rautaruukki. The target to reduce the workforce by 2,400 is also proceeding according to plan.

The rights issue announced in April has now been successfully completed. Through the rights issue, SSAB has received proceeds of around SEK 5 billion and, in addition to this, the refinancing package we have in place will

significantly reduce the amount of loans maturing during the next 3-5 years and extend the duration of our credit facilities. SSAB aims for a total reduction of SEK 10 billion in net debt by the end of 2017, through the rights issue, divestment of non-core assets and through cash flow generated from the operations.

The completion of the rights issue and the refinancing package secures SSAB's long-term possibilities to continue to develop our business to achieve our goal of industry leading profitability. A strongly improved financial position makes us well placed to take advantage of the opportunities in the market while driving profitable growth in our well-defined focus areas.

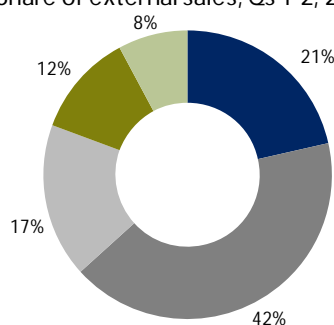
Sales per business segment

SEK millions	2016 Q 2	2015 Q 2	2016 Q 1	2016 Qs 1-2	2015 Qs 1-2	2015 Full year
SSAB Special Steels	3,398	4,077	3,132	6,530	7,697	14,382
SSAB Europe	6,668	7,097	6,040	12,708	13,932	25,517
SSAB Americas	2,841	3,027	2,428	5,269	6,535	11,936
Tibnor	1,820	1,899	1,707	3,527	3,974	7,163
Ruukki Construction	1,444	1,488	928	2,372	2,635	5,374
Other	-1,700	-2,285	-1,271	-2,971	-4,002	-7,508
Total	14,471	15,303	12,964	27,435	30,771	56,864

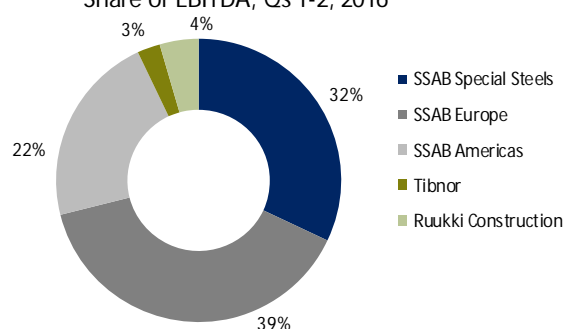
Operating profit/loss before depreciation/amortization (EBITDA) per business segment, excluding items affecting comparability

SEK millions	2016 Q 2	2015 Q 2	2016 Q 1	2016 Qs 1-2	2015 Qs 1-2	2015 Full year
SSAB Special Steels	437	433	345	782	821	1,213
SSAB Europe	728	459	244	972	1,136	1,286
SSAB Americas	309	313	209	518	766	1,043
Tibnor	60	36	4	64	84	65
Ruukki Construction	114	57	-10	104	38	208
Other	-63	-52	-48	-111	-98	-160
Total	1,585	1,246	744	2,329	2,747	3,655

Share of external sales, Qs 1-2, 2016



Share of EBITDA, Qs 1-2, 2016



The market

According to the World Steel Association (WSA), global crude steel production for the first six months of 2016 was 795 (810) million tonnes, down 2% compared with the same period in 2015. Chinese crude steel production was more than 1% lower over the same period. During the first six months of the year, production was down 6% in the EU-28 (mostly driven by Great Britain), but down by only 1% in North America.

Demand during the second quarter improved in Europe compared to the first quarter. Lower import volumes to Europe combined with reduced production at local manufacturers drove up apparent demand even if there was no major change in underlying demand. Likewise in North America, apparent demand improved during the quarter, mostly driven by an end to destocking at distributors, who purchased material to their stocks at the same rate as they sold material. Inventory levels both in Europe and North America are considered to be in balance. Demand in China and Russia remained weak during the second quarter.

During the quarter, a number of steelmakers in the USA, including SSAB, filed for duties on imports of heavy plate to the USA from 12 countries. Since the end of the quarter, the EU has announced that, in addition to the study already underway with regard to China, EU is looking into imposing import duties on hot-rolled material from a further five countries. Definitive duties on imports of cold-rolled material from China and Russia are expected to be imposed during the third quarter.

In North America, market prices for heavy plate rose relatively sharply at the beginning of the second quarter before leveling off and falling somewhat towards the end of the quarter. Similar trends were seen both in strip and heavy plate products in Europe, although market prices in Europe rose even more sharply mostly as a result of lower imports. In China, market prices for both strip and heavy plate rose sharply during the first quarter and continued to rise at the beginning of the second quarter before falling significantly towards the end of the quarter.

Raw material

SSAB sources most of its iron ore from LKAB in Sweden, but also some 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 second quarter shipments this year, pellet prices were 6% higher in terms of USD and 3% higher in terms of SEK compared with prior quarter. SSAB's price for pellets during the second quarter was 4% lower in USD and 7% lower in SEK than during the second 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 second quarter was up 12% in terms of USD and 10% in terms of SEK compared to prior quarter. SSAB's price for coal during the second quarter of 2016 was 9% lower both in USD and SEK than during the second quarter of 2015.

The US operations regularly purchase scrap metal as a raw material for their production. Spot prices for scrap metal fell during the second quarter of 2016. Spot prices were 2% lower at the end of the quarter compared with the end of prior quarter and 12% lower than at the end of the second quarter of 2015.

Outlook

In North America, demand for heavy plate is expected to be somewhat lower during the third quarter, mainly due to the normal seasonal slowdown. Likewise in Europe, demand is expected to be seasonally weaker during the third quarter. Import volumes to Europe are expected to continue to be lower during the third quarter than at the end of 2015 and beginning of 2016. It is thought that the underlying demand for high-strength steels will be relatively unchanged during the third quarter. Overall, SSAB's shipments during the third quarter are expected to be lower than during the second quarter, but at a higher price level.

A number of maintenance outages will take place during 2016. The table below shows the estimated direct maintenance cost, excluding the cost of lower capacity utilization (under absorption) and any lost margins. Part of a minor maintenance outage planned in Mobile, USA was completed at a cost of SEK 20 million during the second quarter. According to the table below, the costs are estimated to amount to SEK 500 million regarding Q3-Q4 2016. Due to the demand situation, SSAB Europe has pushed back parts of its maintenance outage from the third to the fourth quarter. SSAB Americas' planned maintenance stop in Montpelier has been brought forward from the beginning of the fourth quarter to the end of the third quarter, since the third quarter is seasonally weaker.

Major, planned maintenance outages 2016

SEK millions	2016 Q 1	2016 Q 2	2016 Q 3	2016 Q 4
SSAB Special Steels				130
SSAB Europe			100	70
SSAB Americas	20	20	200	
Total	20	20	300	200

Synergies and other cost savings measures

The integration with Rautaruukki and the synergy program has now been completed at the end of the second quarter. Synergies of around SEK 475 (125) million were achieved during the second quarter of 2016. Net after non-recurring costs, this had a positive impact of SEK 399 (120) million on the operating result. At the end of the second quarter, the annual run rate amounted to SEK 2.0 billion. This means that the original target of synergies of SEK 1.0 – 1.35 billion was significantly exceeded and also realized one year earlier than originally planned. The table below shows the synergies achieved during the quarter and the annual run rate to date.

Achievement of synergies

SEK millions	2016 Q 2	2015 Q 2	2016 Qs 1-2	2015 Qs 1-2	2015 Full year
Sustainable annual run rate at the end of the period	2,000	525	2,000	525	1,100
Synergies, gross before non-recurring costs	475	125	825	225	625
Synergies, net after non-recurring costs	399	120	746	205	490

The negotiations SSAB announced during the first quarter to reduce its workforce in its Nordic operations were completed during the second quarter. These reductions are part of the synergy program announced earlier as a result of the combination with Rautaruukki in July 2014, but also include further efficiency measures. By the end of the year, workforce (including temporary contracts) will have decreased by approximately 2,400 compared with the time of the acquisition of Rautaruukki.

Items affecting comparability

During the second quarter of 2016, items affecting comparability had an impact of SEK -60 (-8) million on earnings after tax. Restructuring costs within SSAB Special Steels and SSAB Europe, relating to the workforce reduction above, impacted negatively on earnings for the quarter.

Specification of items affecting comparability

SEK millions	2016 Q 2	2015 Q 2	2016 Qs 1-2	2015 Qs 1-2	2015 Full year
<u>Operating expenses</u>					
Write-down of assets, eastern Europe	-	-	-	-	-15
Write-down/gains & losses, assets held for sale	-	-5	-	-16	-16
Restructuring related to synergies	-76	-4	-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	-76	-9	-79	-39	-114
<u>Financial costs</u>					
Transaction tax (Finnish standard rate tax on acquisitions of shares)	-	-	-	-5	-5
Effect on profit after financial items	-76	-9	-79	-44	-119
<u>Taxes</u>					
Tax effects	16	1	17	5	15
Effect on profit/loss after tax	-60	-8	-62	-39	-104

SSAB Group

Half-year summary

Shipments and production

SSAB's shipments during the first half of the year were 3,493 (3,433) thousand tonnes, up 2% compared with the first half of 2015.

Crude steel production was at the same level as for the first half of 2015, whereas rolling production was up 3% compared with the first half of 2015.

Sales

Sales for the first half of the year were SEK 27,435 (30,771) million, down 11% compared with the first half of 2015.

Earnings

Excluding items affecting comparability, operating profit for the first half of the year was SEK 478 (865) million, down SEK 387 million compared with the first half of 2015.

Excluding items affecting comparability, financial items for the first half of the year were SEK -397 (-427) million and the result after financial items was SEK 81 (438) million.

See page 5 for more 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 276 (451) million, equating to SEK 0.36 (0.59) per share. Tax for the first half of the year was SEK 277 (58) million.

Financing and liquidity

Operating cash flow for the first half of the year was SEK 1,228 (2,246) million. The first half of the year was positively affected by cash flow from earnings before depreciation and amortization, but was negatively impacted by a buildup of working capital mostly due to higher accounts receivable.

Net cash flow was SEK 5,326 (1,246) million. Net cash flow was affected, among other things, by proceeds of SEK 4,911 million from the rights issue and by payments for strategic expenditures, including acquisitions of businesses and operations, of SEK 178 (426) million (total expenditure was SEK 660 (1,213) million). Net debt decreased by SEK 4,717 million during the first half of the year and amounted to SEK 18,439 million. The net debt/equity ratio was 37% (53%).

At 30 June, the term to maturity of the total loan portfolio averaged 5.2 (4.2) years. The term to maturity has increased by one year as a result of the refinancing package. The average fixed interest period was 0.9 (1.1) year.

Cash and cash equivalents were SEK 4,554 (2,275) million and non-utilized credit facilities were 7,331 (8,545) million, which combined corresponds to 22% (18%) 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 -1% and -1% respectively, whereas the figures for the full year 2015 were 0% and -1% respectively.

Equity

The completion of SSAB's rights issue on June 27, 2016, increased the number of SSAB's class B shares by 480,589,816 having a value of SEK 4,911 million (after estimated transaction costs). Following the issue, the total number of shares is 1,029,835,326, of which 304,183,270 are class A shares and 725,652,056 class B shares. With earnings of SEK 276 million and other comprehensive income (mostly consisting of translation differences) of SEK 725 million, together with proceeds of SEK 4,911 million from the rights issue, shareholders' equity in the company was SEK 50,305 (45,241) million, equating to SEK 48.85 (82.37) per share.

Development during the second quarter

Shipments and production

SSAB's shipments during the second quarter were 1,816 (1,722) thousand tonnes, up 5% compared with the second quarter of 2015 and up 8% compared with the first quarter of 2016.

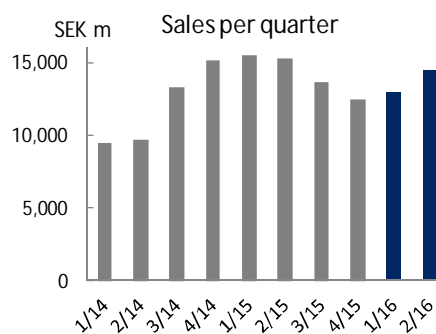
Crude steel production was up 5% compared with the second quarter of 2015 and up 3% compared with the first quarter of 2016.

Rolling production was up 6% compared with the second quarter of 2015 and up 5% compared with the first quarter of 2016.

Sales

Sales for the second quarter were down 5% compared with the second quarter of 2015 and amounted to SEK 14,471 (15,303) million. Lower prices had a negative impact of 6 percentage points, currency effects had a negative impact of 3 percentage points and a weaker product mix had a negative impact of 1 percentage point, whereas higher volumes had a positive impact of 5 percentage points.

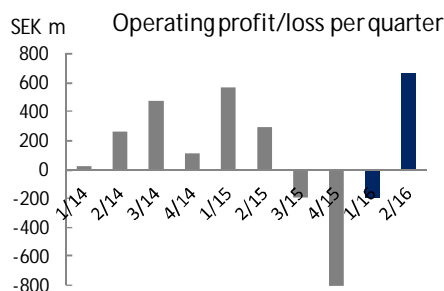
Compared with the first quarter of 2016, sales were up 12%. Higher volumes had a positive impact of 8 percentage points, a better product mix had a positive impact of 3 percentage points, higher prices had a positive impact of 2 percentage points, whereas currency effects had a negative impact of 1 percentage point.



Earnings

Excluding items affecting comparability, operating profit for the second quarter was SEK 668 (301) million, up SEK 367 million compared with the second quarter of 2015. Lower variable costs (SEK 900m), lower fixed costs (SEK 230m) and higher volumes (SEK 220m) impacted positively on earnings, whereas lower prices (SEK 950m) impacted negatively on earnings.

Compared with the first quarter of 2016, earnings were up SEK 858 million. Higher volumes (SEK 485m), higher prices (SEK 480m), better capacity utilization (SEK 130m) and currency effects (SEK 55m) impacted positively on earnings, whereas higher fixed costs (SEK 180m) and higher variable costs (SEK 75m) impacted negatively.



Excluding items affecting comparability, financial items for the second quarter were SEK-243 (-213) million and the result after financial items was SEK 425 (88) 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 410 (167) million, equating to SEK 0.53 (0.22) per share. Tax for the second quarter was SEK 63 (90) million.

Cash flow, financing and liquidity

Operating cash flow for the second quarter was SEK 1,151 (1,462) million. The quarter was positively affected by cash flow from earnings before depreciation and amortization, but was negatively impacted by a build-up of working capital and an increase in accounts receivable due to higher sales.

Net cash flow was SEK 5,570 (735) million. Net cash flow was affected, among other things, by proceeds of SEK 4,911 million from the rights issue and payments for strategic expenditures, including acquisitions of businesses and operations, of SEK 83 (227) million (total capital expenditure was SEK 346 (718) million). Net debt decreased by SEK 4,774 million during the second quarter and at 30 June amounted to SEK 18,439 million. The net debt/equity ratio was 37% (53%).

Operating cash flow and net debt

SEK millions	2016 Q 2	2015 Q 2	2016 Qs 1-2	2015 Qs 1-2	2015 Full year
Operating profit before depreciation/amortization	1,509	1,236	2,250	2,708	3,593
Change in working capital	-66	632	-542	196	1,987
Maintenance expenditures	-263	-491	-482	-787	-1,891
Other	-29	85	2	129	185
Operating cash flow	1,151	1,462	1,228	2,246	3,874
Financial items	-359	-292	-537	-401	-796
Taxes	-50	-204	-98	-335	-276
Cash flow from current operations	742	966	593	1,510	2,802
Strategic capital expenditures in plants and machinery	-69	-194	-157	-390	-655
Acquisitions of shares and operations	-14	-33	-21	-36	-36
Divestments of shares and operations	-	-4	-	162	172
Cash flow before dividend	659	735	415	1,246	2,283
Dividend to the Parent Company's shareholders	-	-	-	-	-
Rights issue	4,911	-	4,911	-	-
Net cash flow	5,570	735	5,326	1,246	2,283
Net debt at beginning of period	-23,213	-25,634	-23,156	-24,674	-24,674
Net cash flow	5,570	735	5,326	1,246	2,283
Revaluation of liabilities against equity 1)	-671	720	-319	-508	-719
Other 2)	-125	161	-290	-82	-46
Net debt at end of period	-18,439	-24,018	-18,439	-24,018	-23,156

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 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 2	2015 Q 2	2016 Q 1	2016 Qs 1-2	2015 Qs 1-2	2015 Full year
Sales	3,398	4,077	3,132	6,530	7,697	14,382
Operating profit before depreciation/amortization, EBITDA	437	433	345	782	821	1,213
Operating profit/loss 1)	303	293	202	505	545	662
Operating cash flow	626	559	-496	130	506	1,394
Number of employees at end of period	2,876	2,965	2,801	2,876	2,965	2,904

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

The quarter saw positive demand from a number of segments, especially from the Heavy Transport and Construction Machinery segments, whereas demand from the Mining segment continued to be at a low level.

External shipments of steel during the second quarter were up 7% compared with the second quarter of 2015 and up 8% compared with the first quarter of 2016. External shipments were 277 (260) thousand tonnes.

Crude steel production was down 24% compared with the second quarter of 2015, when also the smaller blast furnace in Oxelösund was in use to ensure slab supplies during re-lining of the blast furnace in Luleå. Crude steel production was up 32% compared with the first quarter of 2016. This was mainly due to better capacity utilization.

Rolling production was down 3% compared with the second quarter of 2015, but up 5% compared with the first quarter of 2016.

Sales for the second quarter of 2016 were SEK 3,398 (4,077) million, down 17% compared with the second quarter prior year. Lower internal sales of slabs and a weaker product mix had a negative impact of 19 percentage points, lower prices had a negative impact of 2 percentage points and currency effects had a negative impact of 3 percentage points, whereas higher volumes had a positive impact of 7 percentage points.

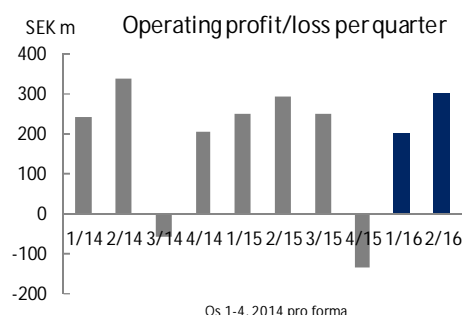
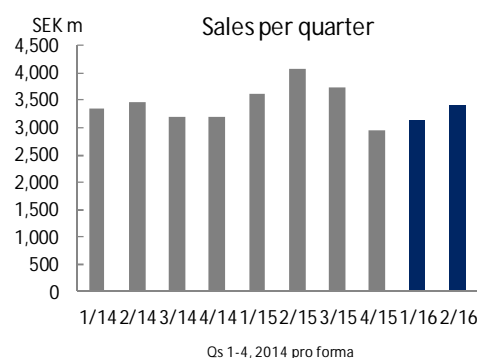
Compared with the first quarter of 2016, sales were up 8%. Higher volumes had a positive impact of 8 percentage points, a better product mix and higher internal sales (mostly slabs) had a positive impact of 2 percentage points, whereas lower prices and currency effects each had a negative impact of 1 percentage point.

Excluding items affecting comparability, operating profit for the second quarter was SEK 303 (293) million, up SEK 10 million. This was primarily due to lower fixed and variable costs, as well as higher volumes, the impact of which was counteracted by lower prices and weaker capacity utilization.

Compared with the first quarter of 2016, earnings were up SEK 101 million. This was primarily due to lower variable costs, better capacity utilization and higher volumes, the impact of which was counteracted somewhat by seasonally higher fixed costs.

Operating cash flow during the second quarter was SEK 626 (559) million. Cash flow was impacted positively by cash flow from earnings before depreciation and amortization, and by lower working capital.

Capital expenditure payments during the second quarter were SEK 84 (51) million, of which SEK 9 (4) million were strategic investments.



SSAB Europe

Key numbers

SEK millions	2016 Q 2	2015 Q 2	2016 Q 1	2016 Qs 1-2	2015 Qs 1-2	2015 Full year
Sales	6,668	7,097	6,040	12,708	13,932	25,517
Operating profit before depreciation/amortization, EBITDA	728	459	244	972	1,136	1,286
Operating profit/loss 1)	366	94	-118	248	406	-175
Operating cash flow	653	-86	495	1,148	331	363
Number of employees at end of period	6,950	7,249	7,057	6,950	7,249	7,147

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

Demand from the Heavy Transport, Construction Machinery and Automotive segments was good during the second quarter, which also saw increased demand from Steel Service Centers.

External shipments of steel during the second quarter were up 2% compared with the second quarter of 2015 and up 7% compared with the first quarter of 2016. External shipments were 1,013 (991) thousand tonnes.

Crude steel production was up 10% compared with the second quarter of 2015, but down 2% compared with the first quarter of 2016. Rolling production was up 4% compared with the second quarter of 2015 and up 7% compared with the first quarter of 2016.

Sales for the second quarter of 2016 were SEK 6,668 (7,097) million, down 6% compared with the second quarter prior year. Lower prices had a negative impact of 8 percentage points and currency effects had a negative impact of 1 percentage point, whereas higher volumes had a positive impact of 2 percentage points and a better product mix had a positive impact of 1 percentage point.

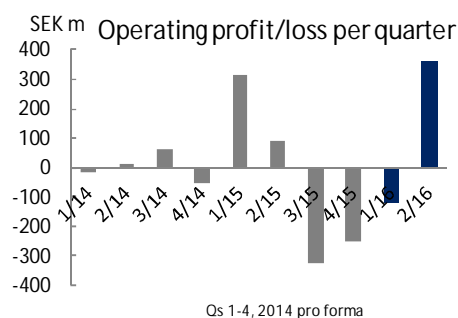
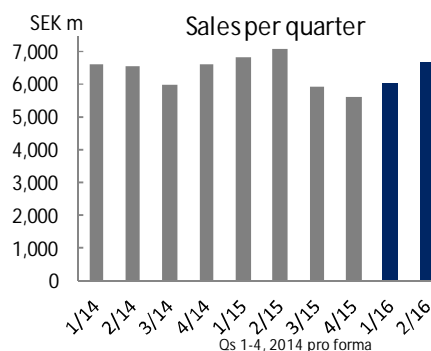
Compared with the first quarter of 2016, sales were up 10%. Higher volumes had a positive impact of 7 percentage points, a better product mix had a positive impact of 2 percentage points and higher prices had a positive impact of 1 percentage point.

Excluding items affecting comparability, operating profit for the second quarter was SEK 366 (94) million, up SEK 272 million. This was primarily due to lower variable and fixed costs, higher volumes and better capacity utilization, the impact of which was counteracted by lower prices.

Compared with the first quarter of 2016, earnings were up SEK 484 million. This was primarily due to higher prices, higher volumes, better capacity utilization and positive currency effects. However, the impact of this was counteracted by seasonally higher fixed costs.

Operating cash flow during the second quarter was SEK 653 (-86) million. Cash flow was impacted positively by cash flow from earnings before depreciation and amortization, and by lower working capital.

Capital expenditure payments during the second quarter were SEK 143 (527) million, of which SEK 24 (160) million were strategic investments, including acquisitions of businesses and operations.



SSAB Americas

Key numbers

SEK millions	2016 Q 2	2015 Q 2	2016 Q 1	2016 Qs 1-2	2015 Qs 1-2	2015 Full year
Sales	2,841	3,027	2,428	5,269	6,535	11,936
Operating profit before depreciation/amortization, EBITDA	309	313	209	518	766	1,043
Operating profit/loss 1)	162	154	55	217	450	428
Operating cash flow	-54	1,003	90	36	1,326	1,763
Number of employees at end of period	1,232	1,266	1,248	1,232	1,266	1,240

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

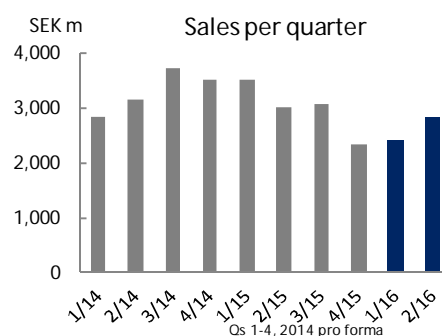
Demand improved during the quarter, primarily from Steel Service Centers and the Energy segment. Also, demand from the Heavy Transport segment grew somewhat during the second quarter.

External shipments of steel during the second quarter were up 12% compared with the second quarter of 2015 and up 11% compared with the first quarter of 2016. External shipments were 526 (471) thousand tonnes.

Crude steel production was up 14% compared with the second quarter of 2015 and up 1% compared with the first quarter of 2016. Rolling production was up 12% compared with the second quarter of 2015 and up 1% compared with the first quarter of 2016.

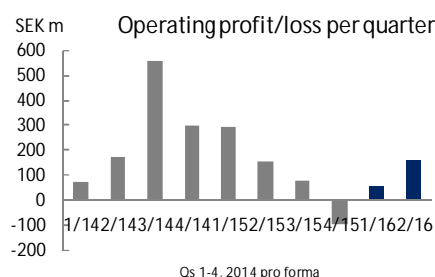
Sales for the second quarter of 2016 were SEK 2,841 (3,027) million, down 6% compared with the second quarter of 2015. Lower prices had a negative impact of 16 percentage points and currency effects had a negative impact of 3 percentage points, whereas higher volumes had a positive impact of 12 percentage points and a better product mix had a positive impact of 1 percentage point.

Compared with the first quarter of 2016, sales were 17% higher. Higher volumes had a positive impact of 11 percentage points and higher prices had a positive impact of 9 percentage points, whereas currency effects had a negative impact of 3 percentage points.



Excluding items affecting comparability, operating profit for the second quarter was SEK 162 (154) million, up SEK 8 million. This was primarily due to lower fixed and variable costs, higher volumes and better capacity utilization, the impact of which was counteracted by lower prices.

Compared with the first quarter of 2016, earnings were up SEK 107 million. This was primarily due to higher prices, higher volumes and lower fixed costs. However, the impact of this was counteracted by slightly higher variable costs and weaker capacity utilization.



Operating cash flow during the second quarter was SEK -54 (1,003) million. Cash flow was impacted negatively by higher working capital, primarily because of an increase in accounts receivable due to higher sales.

Capital expenditure payments during the second quarter were SEK 58 (68) million, of which SEK 10 (27) million were strategic investments.

Tibnor

Key numbers

	2016	2015	2016	2016	2015	2015
SEK millions	Q 2	Q 2	Q 1	Qs 1-2	Qs 1-2	Full year
Sales	1,820	1,899	1,707	3,527	3,974	7,163
Operating profit before depreciation/amortization, EBITDA	60	36	4	64	84	65
Operating profit/loss 1)	39	16	-17	22	45	-10
Operating cash flow	-22	88	70	48	233	375
Number of employees at end of period	1,178	1,234	1,189	1,178	1,234	1,208

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

Total shipments during the second quarter of 2016 were up 6% compared with the second quarter of 2015 and up 8% compared with the first quarter of 2016. Compared with the first quarter of 2016, shipments increased primarily in the Rebar Products and Strip Products segments, whereas deliveries decreased in the Long Products segment.

Sales for the second quarter of 2016 were down 4% compared to the second quarter of 2015 and amounted to SEK 1,820 (1,899) million. Lower sales were primarily due to lower prices, which were partly offset by higher volumes.

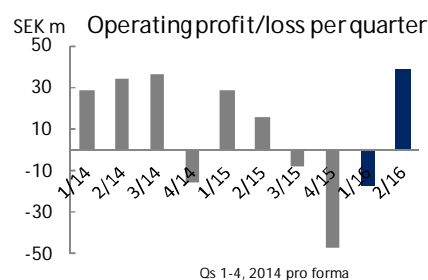
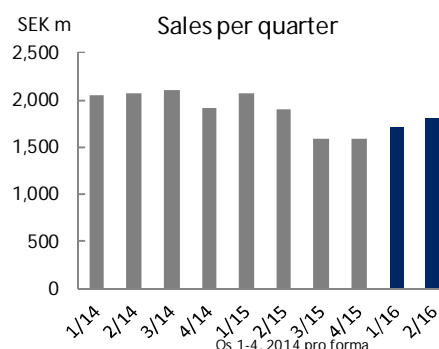
Sales were up 7% compared to the first quarter of 2016. This was primarily due to higher volumes.

Excluding items affecting comparability, operating profit for the second quarter was SEK 39 (16) million, up SEK 23 million compared with the second quarter of 2015. Earnings were up primarily due to lower fixed and variable costs and higher volumes, the impact of which was counteracted by lower prices.

Compared with the first quarter of 2016, earnings were up SEK 56 million. This was primarily due to higher margins and volumes.

Operating cash flow during the second quarter was SEK -22 (88) million. Cash flow was impacted negatively by higher working capital, primarily because of an increase in accounts receivable due to higher sales.

Capital expenditure payments during the second quarter were SEK 16 (13) million, of which SEK 4 (1) million were strategic investments.



Ruukki Construction

Key numbers

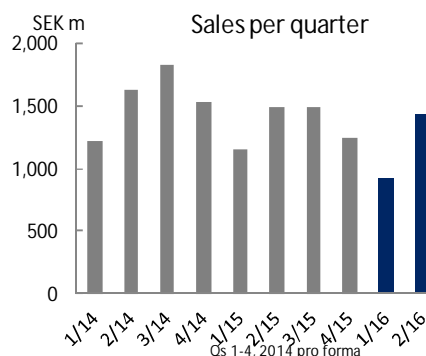
	2016	2015	2016	2016	2015	2015
SEK millions	Q 2	Q 2	Q 1	Qs 1-2	Qs 1-2	Full year
Sales	1,444	1,488	928	2,372	2,635	5,374
Operating profit before depreciation/amortization, EBITDA	114	57	-10	104	38	208
Operating profit/loss 1)	75	13	-48	27	-49	18
Operating cash flow	68	-14	-32	36	-42	168
Number of employees at end of period	2,722	3,104	2,817	2,722	3,104	2,979

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

Compared with the first quarter, demand increased seasonally in all segments during the second quarter.

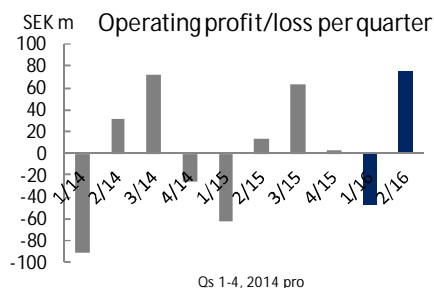
Sales for the second quarter of 2016 were down 3% compared with the second quarter of 2015 and amounted to SEK 1,444 (1,488) million. This was due primarily to lower sales in Russia, which, however, were counteracted by increased demand in the Building Systems segment.

Compared with the first quarter of 2016, sales were up 56%. This was primarily due to seasonally higher sales. Sales rose in all segments, but especially in the Roofing and Building Systems segments.



Excluding items affecting comparability, operating profit for the second quarter was up SEK 62 million at SEK 75 (13) million. The higher earnings were primarily due to lower fixed and variable costs.

Compared with the first quarter of 2016, earnings were up SEK 123 million. This was primarily due to seasonally higher volumes and lower variable costs, the impact of which was counteracted by somewhat higher fixed costs.



Operating cash flow during the second quarter was SEK 68 (-14) million. Cash flow was impacted positively by operating profit before depreciation and amortization, but impacted negatively by higher working capital, primarily because of an increase in accounts receivable due to higher sales.

Capital expenditure payments during the second quarter were SEK 38 (16) million, of which SEK 36 (1) million were strategic investments, including acquisitions of businesses and operations.

Sustainability

To comply with the EU's environmental objectives leveled at the coke plant in Oxelösund with effect from 2021, a project has been initiated to study a gradual conversion to alternative energy supply. The project will also look into the pre-requisites for a long-term transition to hydrogen-based ironmaking and a carbon-dioxide-free steel industry.

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 half-year 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 this 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 20 of this report.

Affirmation

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

Stockholm, July 21, 2016

Bengt Kjell
Chairman

Sture Bergvall
Director

Petra Einarsson
Director

Marika Fredriksson
Director

Jimmy Gustavsson
Director

Matti Lievonon
Director

Annika Lundius
Director

John Tulloch
Director

Lars Westerberg
Director

Tomas Westman
Director

Martin Lindqvist
President & CEO

Review report

We have reviewed this interim report for the period 1 January to 30 June 2016 for SSAB AB (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, 2016
PricewaterhouseCoopers AB

Magnus Svensson Henryson
Authorized public accountant

Financial reports in accordance with IFRS – the Group

Consolidated income statement

SEK millions	2016 Q 2	2015 Q 2	2016 Qs 1-2	2015 Qs 1-2	2015 Full year
Sales	14,471	15,303	27,435	30,771	56,864
Cost of goods sold	-12,925	-13,815	-25,052	-27,502	-52,552
Gross profit	1,546	1,488	2,383	3,269	4,312
Selling and administrative costs	-1,065	-1,210	-2,148	-2,465	-4,636
Other operating income and expenses 1)	93	-5	132	-10	36
Affiliated companies, profit after tax	18	19	32	32	45
Operating profit/loss	592	292	399	826	-243
Financial income	14	11	37	32	50
Financial expenses	-257	-224	-434	-464	-978
Profit/loss for the period after financial items	349	79	2	394	-1,171
Tax	63	90	277	58	666
Profit/loss for the period	412	169	279	452	-505
Of which attributable to:					
- Parent Company's shareholders	410	167	276	451	-508
- Non-controlling interest	2	2	3	1	3

Key numbers

	2016 Q 2	2015 Q 2	2016 Qs 1-2	2015 Qs 1-2	2015 Full year
Operating margin (%)	4	2	1	3	0
Earnings per share (SEK) 2)	0.53	0.22	0.36	0.59	-0.66
Equity per share (SEK)	48.85	82.37	48.85	82.37	80.82
Net debt/equity ratio (%)	37	53	37	53	52
Average number of shares during the period (millions) 2)	773.8	765.0	769.4	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	15,414	16,385	15,414	16,385	16,045

1) The result for the quarter includes primarily currency effects on operating receivables/liabilities of SEK 60 (-24) 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 Q 2	2015 Q 2	2016 Qs 1-2	2015 Qs 1-2	2015 Full year
Profit/loss for the period after tax	412	169	279	452	-505
<i>Other comprehensive income</i>					
<u>Items that may be subsequently reclassified to the income statement</u>					
Translation differences for the period	1,672	-1,767	968	1,226	1,470
Cash flow hedges	114	-12	105	97	7
Hedging of currency risks in foreign operations 1)	-671	720	-319	-508	-719
Share in other comprehensive income of affiliated companies and joint ventures	-	-	-	1	1
Tax attributable to items that may be subsequently reclassified to the income statement	125	-155	51	91	155
Total items that may be subsequently reclassified to the income statement	1,240	-1,214	805	907	914
<u>Items that will not be reclassified to the income statement</u>					
Remeasurements of the net defined benefit liability	-41	63	-100	63	192
Tax attributable to items that will not be reclassified to the income statement	9	-13	21	-13	-39
Total items that will not be reclassified to the income statement	-32	50	-79	50	153
Total other comprehensive income for the period, net after tax	1,208	-1,164	726	957	1,067
Total comprehensive income for the period	1,620	-995	1,005	1,409	562
Of which attributable to:					
- Parent Company's shareholders	1,617	-982	1,001	1,424	560
- Non-controlling interest	3	-13	4	-15	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 - June 30, 2015</u>								
Total 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	
<u>Changes July 1 - Dec 31, 2015</u>								
Comprehensive income for the period			16	-880	-864	17	-847	
Acquisition non-controlling interest				16	16	-16	-	
Equity, December 31, 2015	4,833	22,343	1,357	15,860	44,393	48	44,441	
<u>Changes Jan 1 - June 30, 2016</u>								
Comprehensive income for the period			804	197	1,001	4	1,005	
Rights issue	4,229	682			4,911		4,911	
Equity, June 30, 2016	9,062	23,025	2,161	16,057	50,305	52	50,357	

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

Consolidated balance sheet

SEK millions	June 30 2016	June 30 2015	Dec 31 2015
<i>Assets</i>			
Goodwill	28,241	27,488	27,871
Other intangible assets	2,959	3,658	3,290
Tangible fixed assets	26,046	26,535	26,276
Participations in affiliated companies	601	534	546
Financial assets 1)	462	488	506
Deferred tax receivables 2)	1,698	1,556	1,492
Total fixed assets	60,007	60,259	59,981
Inventories	12,664	13,597	12,691
Accounts receivable	7,698	8,234	6,048
Current tax receivables	439	519	400
Other current receivables 1)	2,433	4,226	3,327
Cash and cash equivalents	4,554	2,275	2,711
Total current assets	27,788	28,851	25,177
Total assets	87,795	89,110	85,158
<i>Equity and liabilities</i>			
Equity for shareholders in the Company	50,305	45,241	44,393
Non-controlling interest	52	47	48
Total equity	50,357	45,288	44,441
Deferred tax liabilities	2,155	2,921	2,334
Other long-term provisions	671	716	574
Long-term non-interest bearing liabilities 2)	546	581	555
Long-term interest-bearing liabilities	20,581	22,250	20,746
Total long-term liabilities	23,953	26,468	24,209
Short-term interest-bearing liabilities	2,983	6,339	6,365
Accounts payable	6,191	6,888	6,334
Current tax liabilities	70	204	93
Other current liabilities	4,241	3,923	3,716
Total current liabilities	13,485	17,354	16,508
Total equity and liabilities	87,795	89,110	85,158
Pledged assets	1,198	2,693	1,736
Contingent liabilities	2,550	2,047	2,548

1) Other current receivables comprise short-term bank deposits (escrow agreement) in the amount of SEK 1,138 (2,635) million.

2) Of the Deferred tax receivable, SEK 267 (301) 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 160 (314) million and in the balance sheet item "Other current liabilities" derivatives are valued at a total of SEK 546 (450) million. In the balance sheet item "Long-term non-interest bearing liabilities", derivatives are included valued at a total of SEK 115 (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" (including short-term part) would exceed the reported amount by SEK 19 (363) 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).

Cash flow

SEK millions	2016 Q 2	2015 Q 2	2016 Qs 1-2	2015 Qs 1-2	2015 Full year
Operating profit/loss	592	292	399	826	-243
Adjustment for depreciation and impairment	917	944	1,851	1,882	3,836
Adjustment for other non-cash items	-30	35	-10	70	-64
Received and paid interest	-359	-292	-537	-401	-796
Tax paid	-50	-204	-98	-335	-276
Change in working capital	-66	632	-542	196	1,987
Cash flow from operating activities	1,004	1,407	1,063	2,238	4,444
Capital expenditure payments in plants and machinery	-332	-683	-639	-1,177	-2,546
Acquisitions, shares and operations	-14	-33	-21	-36	-36
Divested shares and operations	-	-4	-	162	172
Other investing activities	1	47	12	59	249
Cash flow from investing activities	-345	-673	-648	-992	-2,161
Rights issue	4,911	-	4,911	-	-
Change in loans	-4,265	295	-3,855	-1,728	-3,451
Change in financial investments	279	-10	606	2	957
Other financing activities	280	-524	-328	-280	-66
Cash flow from financing activities	1,205	-239	1,334	-2,006	-2,560
Cash flow for the period	1,864	495	1,749	-760	-277
Cash and cash equivalents at beginning of period	2,629	1,848	2,711	3,014	3,014
Exchange rate difference in cash and cash equivalents	61	-68	94	21	-26
Cash and cash equivalents at end of period	4,554	2,275	4,554	2,275	2,711

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 2	2015 Q 2	2016 Qs 1-2	2015 Qs 1-2	2015 Full year
Operating profit/loss	592	292	399	826	-243
Depreciation & impairment	917	944	1,851	1,882	3,836
Operating profit before depreciation/amortization, EBITDA	1,509	1,236	2,250	2,708	3,593

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

SEK millions	2016 Q 2	2015 Q 2	2016 Qs 1-2	2015 Qs 1-2	2015 Full year
Operating profit before depreciation/amortization, EBITDA	1,509	1,236	2,250	2,708	3,593
Items affecting comparability 1)	76	10	79	39	62
Operating profit before depreciation/amortization, EBITDA, excluding items affecting comparability	1,585	1,246	2,329	2,747	3,655

1) 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. See page 5 for a specification of items affecting profitability.

Return on capital employed before tax, rolling 12 months

SEK millions	July 2015- June 2016	July 2014- June 2015	2015 Full year
Operating profit/loss	-670	433	-243
Financial income	54	199	50
Total	-616	632	-193
Average capital employed	73,595	75,701	75,346
Return on capital employed before tax, %	-1	1	-0

Return on equity before tax, rolling 12 months

SEK millions	July 2015- June 2016	July 2014- June 2015	2015 Full year
Profit/loss for the period, after tax	-678	-1,028	-505
Average equity	45,467	44,565	45,568
Return on equity after tax, %	-1	-2	-1

Operating cash flow

SEK millions	2016 Q 2	2015 Q 2	2016 Qs 1-2	2015 Qs 1-2	2015 Full year
Cash flow from operating activities	1,004	1,407	1,063	2,238	4,444
Reversal received and paid interests	359	292	537	401	796
Reversal tax paid	50	204	98	335	276
Maintenance expenditures 1)	-263	-491	-482	-787	-1,891
Other investing activities 2)	1	50	12	59	249
Operating cash flow	1,151	1,462	1,228	2,246	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 Qs 1-2	2015 Qs 1-2	2015 Full year
Interest-bearing assets 1)	6,126	5,477	4,947
Interest-bearing liabilities 2)	24,565	29,495	28,103
Net debt	18,439	24,018	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 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 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 are pro forma as if SSAB had 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	3/15	4/15	1/16	2/16
	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
Operating expenses	-13,728	-13,979	-13,794	-14,188	-13,979	-14,077	-12,845	-12,352	-12,234	-12,904
Depreciation/amortization 1)	-843	-841	-837	-892	-938	-944	-942	-960	-934	-917
Affiliated companies	7	1	1	-14	13	19	2	11	14	18
Financial items	-305	-259	-148	-210	-214	-213	-247	-249	-154	-243
Result before tax	-271	130	261	-37	350	88	-438	-1,051	-344	425

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 segments

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

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

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

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

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

Financial reports in accordance with IFRS – the Parent Company

The Parent Company's income statement

SEK millions	2016 Q 2	2015 Q 2 1)	2016 Qs 1-2	2015 Qs 1-2 1)	2015 Full year 1)
Gross profit	0	0	0	0	0
Administrative expenses	-86	-72	-141	-141	-280
Other operating income/expenses	35	25	52	43	83
Operating loss	-51	-47	-89	-98	-197
Financial items	-133	602	134	116	641
Profit/loss after financial items	-184	555	45	18	444
Appropriations	-	-	-	-	1,111
Tax	200	-114	151	190	89
Profit after tax	16	441	196	208	1,644

1) The figures for 2015 have been adjusted due to 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 2	2015 Q 2 1)	2016 Qs 1-2	2015 Qs 1-2 1)	2015 Full year 1)
Profit after tax	16	441	196	208	1,644
<i>Other comprehensive income</i>					
<u>Items that may be classified to the income statement</u>					
Hedging of currency risks in foreign operations	-	-	-	-	-
Cash flow hedges	-6	-	-26	-	-6
Tax attributable to other comprehensive income	1	-	5	-	1
Total items that will be reclassified to the income statement	-5	-	-21	-	-5
Other comprehensive income, net after tax	-5	-	-21	-	-5
Total comprehensive income for the period	11	441	175	208	1,639

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

The Parent Company's balance sheet

SEK millions	June 30 2016	June 30 2015	Dec 31 2015
<i>Assets</i>			
Fixed assets	61,310	55,958	57,245
Other current assets	10,136	15,891	15,922
Cash and cash equivalents	3,095	585	591
Total assets	74,541	72,434	73,758
<i>Equity and liabilities</i>			
Restricted equity	9,964	5,735	5,735
Unrestricted equity	41,049	38,759	40,192
Total equity	51,013	44,494	45,927
Long-term liabilities and provisions	16,825	18,216	17,109
Current liabilities and provisions	6,703	9,724	10,722
Total equity and liabilities	74,541	72,434	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 2	Adjustment changed accounting principle	Adjusted 2015, Q 2	2015 Qs 1-2	Adjustment changed accounting principle	Adjusted 2015, Qs 1-2
Gross profit	0	-	0	0	-	0
Administrative expenses	-72	-	-72	-141	-	-141
Other operating income/expenses	25	-	25	43	-	43
Operating loss	-47	-	-47	-98	-	-98
Financial items	-118	720	602	624	-508	116
Profit/loss after financial items	-165	720	555	526	-508	18
Tax	44	-158	-114	78	112	190
Profit/loss after tax	-121	562	441	604	-396	208

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

SEK millions	2015 Q 2	Adjustment changed accounting principle	Adjusted 2015, Q 2	2015 Qs 1-2	Adjustment changed accounting principle	Adjusted 2015, Qs 1-2
Profit/loss after tax	-121	562	441	604	-396	208
<i>Other comprehensive income</i>						
<u>Items that may be classified to the income statement</u>						
Hedging of currency risks in foreign operations	720	-720	-	-508	508	-
Cash flow hedges	-	-	-	-	-	-
Tax attributable to other comprehensive income	-158	158	-	112	-112	-
Total items that will be reclassified to the income statement	562	-562	-	-396	396	-
Other comprehensive income, net after tax	562	-562	-	-396	396	-
Total comprehensive income for the period	441	-	441	208	-	208

Production and shipments

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

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 2016:

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