



Report for the first quarter of 2014

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The quarter

- Sales of SEK 9,169 (8,833) million
- Operating profit/loss of SEK 26 (-136) million
- Loss after financial items of SEK -135 (-278) million
- Earnings per share of SEK -0.15 (-0.42)
- Operating cash flow of SEK -275 (85) million

Key numbers

	2014	2013	Apr 13-	2013
SEK millions	Q1	Q1	Mar 14	Full year
Sales	9,169	8,833	35,358	35,022
Operating profit before depreciation/amortization	582	508	1,407	1,333
Operating profit/loss	26	-136	-969	-1,131
Loss after financial items	-135	-278	-1,585	-1,728
Loss after tax	-49	-137	-978	-1,066
Earnings per share (SEK)	-0.15	-0.42	-3.02	-3.29
Operating cash flow	-275	85	1,596	1,956
Return on equity after tax (%)	-	-	-4	-4
Net debt/equity ratio (%)	56	55	56	55
Equity ratio (%)	47	49	47	48

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

Comments by the CEO

During the first quarter, we succeeded in reversing the negative earnings trend and showed a slight operating profit, SEK 26 million. The operating profit for the first quarter represents an improvement of more than SEK 300 million compared with the fourth quarter of 2013. The improvement is attributable primarily to higher prices in Americas and higher volumes in EMEA. The operating cash flow was negative during the first quarter (SEK -275 million), which is due to increased accounts receivable resulting from higher sales.

The beginning of 2014 was cautiously positive for the steel market in general and for SSAB as a company. Demand in North America was good and prices of standard steels increased. At the same time, we suffered from production and delivery disruptions due to extreme weather conditions in North America, which also resulted in higher costs for scrap metal, which is the primary input material for SSAB's American operations.

Demand for steel within EU28 improved somewhat during the first quarter, however with continued price pressure in the market. Following a long downward trend, demand stabilized or showed a modest upturn as regards to some of our customer segments, albeit from very low levels. The positive trend in EU28 was to some degree counterbalanced by great uncertainty and lower sales to Russia and Turkey. We expect the American market to continue to develop positively in 2014, driven primarily by good demand from energy-related customer segments and the automotive industry. Steel consumption in the European market is also expected to increase slightly during the year, driven by general macroeconomic trends. The markets in Asia remain challenging, due to excess capacity and high inventory levels. However, we see some signs of a recovery from the mining sector in China and Australia.

On January 22 this year, we announced our ambition to combine with the Finnish steel group, Rautaruukki. SSAB Annual General Meeting took, on April 9, all decisions necessary for the completion of the combination and on April 14, we launched the formal share exchange offer to Rautaruukki's shareholders. The acceptance notification period initially runs until May 12, but may be extended depending on the process of approvals from competition authorities. The combination is aimed at creating a flexible and cost-efficient steel company with improved competitiveness.

Sales per business area

SEK millions	2014 Q1	2013 Q1	Apr 13- Mar 14	2013 Full year
SSAB EMEA	4,838	4,573	18,320	18,055
SSAB Americas	3,685	3,460	14,607	14,382
SSAB APAC	416	555	1,622	1,761
Tibnor	1,341	1,366	5,220	5,245
Other	-1,111	-1,121	-4,411	-4,421
Total	9,169	8,833	35,358	35,022

Operating profit/loss per business area

SEK millions	2014 Q1	2013 Q1	Apr 13- Mar 14	2013 Full year
SSAB EMEA	58	-53	-650	-761
SSAB Americas	126	87	311	272
SSAB APAC	-12	42	-27	27
Tibnor	22	15	80	73
Depreciation/amortization on surplus values 1)	-124	-201	-604	-681
Other	-44	-26	-79	-61
Total	26	-136	-969	-1,131

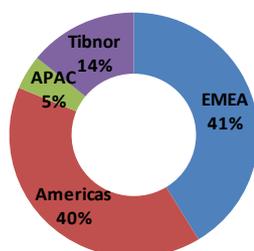
1) Depreciation and amortization on surplus values on intangible and fixed assets related to the acquisition of IPSCO.

Operating margin per business area

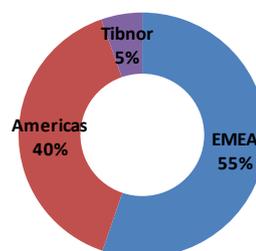
%	2014 Q1	2013 Q1	Apr 13- Mar 14	2013 Full year
SSAB EMEA	1.2	-1.2	-3.5	-4.2
SSAB Americas	3.4	2.5	2.1	1.9
SSAB APAC	-2.9	7.6	-1.7	1.5
Tibnor	1.6	1.1	1.5	1.4
Total 1)	0.3	-1.5	-2.7	-3.2

1) Includes depreciation and amortization on surplus values on intangible and fixed assets related to the acquisition of IPSCO and Other.

Percentage of external sales 2014



Percentage of EBITDA 2014



The market

According to the World Steel Association, global crude steel production during the first three months of the year amounted to 404 (395) million tonnes, an increase of 2% compared with the previous year. Chinese crude steel production also increased by 2% during the period, which represents a sharp slowdown compared with the previous rate of growth. Production increased by 7% in EU28 but only increased by 1% in North America, largely due to the extreme weather conditions.

In its recently published analysis, the World Steel Association expects 3% growth in global steel consumption for the full year of 2014, which is somewhat lower than last year. Consumption in EU28 is expected to increase by 3%, which is a clear improvement compared with 2013. In North America – which demonstrated negative growth in 2013 – consumption is expected to increase by 4% in 2014. It is believed that during 2014 the Chinese growth rate will slow down to 3%, which is lower than the 6% increase recorded in 2013.

During the first quarter, the North American steel market was somewhat weaker than expected. This was largely due to the extreme weather conditions, which caused a fall in general demand and negatively affected the production and transportation of both raw materials and finished products. Inventory levels at distributors decreased somewhat during the quarter and are estimated to be in balance. The European market demonstrated a modestly positive trend, albeit from low levels. A degree of restocking occurred in Europe during the quarter, but inventory levels continue to be in balance. Growth in the Asian market slowed down, primarily influenced by the Chinese economy.

Market prices in Europe for strip steel declined somewhat during the first quarter, driven by declining raw materials prices for, primarily, iron ore, while plate prices were relatively stable. In North America, the increase in plate prices which began during the fourth quarter continued, as a consequence of a number of price increases previously announced by producers. Imports of heavy plate into North America increased during the first quarter, and thus no increase in the price level is expected during the second quarter. In China, prices of both strip and plate products fell slightly during the first quarter.

Raw materials

During the second quarter of 2013, a new agreement was signed for deliveries of iron ore. The agreement extended from April 1, 2013 until March 31, 2014, with the price being set quarterly. No new agreement as from the second quarter of 2014 has yet been signed. As regards deliveries during first quarter, the price entailed a reduction of 7% in Swedish kronor compared with the fourth quarter of last year. During the first quarter, SSAB's price for iron ore was 3% higher in Swedish kronor than during the first quarter of 2013.

SSAB purchases approximately 60-70% of its annual needs for coking coal from Australia, and the remainder from the US. Price agreements for Australian coal are entered into monthly, while most of the US coal is purchased under annual agreements. The price for coking coal during the first quarter was 6% lower in Swedish kronor than during the fourth quarter of last year. The price paid by SSAB for coking coal during the first quarter was 29% lower in Swedish kronor than during the first quarter of 2013.

The US operations regularly purchase scrap metal as a raw material for their production. Spot prices for scrap metal increased sharply during the fourth quarter and continued to rise until the middle of January, but subsequently fell back during the remainder of the first quarter. Spot prices at the end of March were 6% lower than at the end of the fourth quarter of last year and 2% lower than at the end of the first quarter of 2013.

Prospects

In North America, the slowdown resulting from the extreme weather conditions during the first quarter is assumed to be temporary, and the economy is expected to continue to develop positively during the second quarter. The announced price increases have had a degree of impact during the first quarter and will gradually have further impact during the second quarter. In Europe, the economic situation has stabilized, industrial production has increased somewhat, and modest growth is expected during the year. Demand for steel products is thus expected to improve somewhat, although from a low level. Even though the rate of growth in China has slowed down, demand for steel in Asia is expected to continue to develop positively during the coming quarter.

A maintenance outage was carried out at the plant in Mobile, USA, partly during the last days of the first quarter but substantially during the second quarter. The maintenance outage was postponed somewhat due to the extreme weather situation and to ensure deliveries to our customers. Most of the total of SEK 150 million in costs incurred due to the outage will impact on earnings for the second quarter. SSAB's shipment volumes in the second quarter are expected to be on approximately the same level as in the first quarter.

The Group

Development during the first quarter

Shipments and production

SSAB's shipments during the first quarter were 1% higher than in the fourth quarter of 2013 and 7% higher than in the first quarter of 2013, and amounted to 1,178 (1,100) thousand tonnes. Shipments of high strength steels increased by 5% compared with the fourth quarter of 2013, but were 5% lower than in the first quarter of 2013. All in all, during the first quarter high strength steels accounted for 34 (38)% of total shipments.

Crude steel production fell by 4% compared with the fourth quarter of 2013, but increased by 4% compared with the first quarter of last year. Steel production was at the same level as in the fourth quarter of 2013 and was 4% higher than in the first quarter of last year.

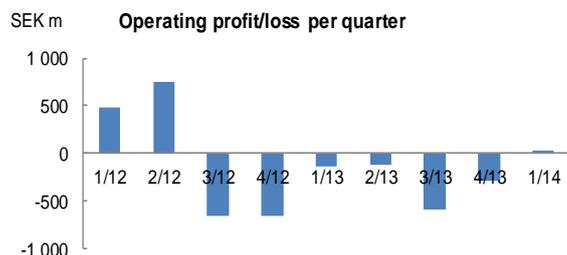
Sales

Sales during the first quarter amounted to SEK 9,169 (8,833) million, an increase of 4% compared with the first quarter of last year. Higher volumes accounted for a positive effect of 7 percentage points, while lower prices accounted for a negative effect of 1 percentage point and negative currency effects accounted for 2 percentage points, compared with the first quarter of 2013.



Earnings

The operating profit/loss for the first quarter was SEK 26 (-136) million, an improvement of SEK 162 million compared with the first quarter of last year. The main reasons for improved earnings were higher volumes (SEK 140 million), improved capacity utilization (SEK 80 million), lower amortization on surplus values (SEK 80 million), positive currency effects (SEK 80 million) and lower operating costs (SEK 50 million). However, earnings were negatively affected by lower prices (SEK -60 million) and higher fixed costs (SEK -200 million). The increase of fixed costs were due to higher maintenance costs because of higher production volumes in the first quarter 2014 as well as reduced working hours and wages during 2013.



Financial items for the first quarter amounted to SEK -161 (-142) million and earnings after financial items were SEK -135 (-278) million.

Profit/loss after tax and earnings per share

Profit/loss after tax (attributable to the shareholders) for the first quarter was SEK -50 (-137) million, or SEK -0.15 (-0.42) per share. Tax for the first quarter was SEK 86 (141) million.

Financing and liquidity

The operating cash flow for the first quarter was SEK -275 (85) million. Cash flow was negatively affected by an increase in working capital, primarily through increased accounts receivable due to increased sales.

Operating cash flow

	2014	2013	Apr 13-	2013
SEK millions	Q1	Q1	Mar 14	Full year
Operating profit before amortization/depreciation	582	508	1,407	1,333
Change in working capital	-732	-344	981	1,369
Maintenance expenditures	-166	-111	-711	-656
Other	41	32	-81	-90
Operating cash flow	-275	85	1,596	1,956

Net cash flow for the first quarter amounted to SEK -288 (-164) million. Net cash flow was affected by, among other things, strategic capital expenditure payments of SEK 38 (53) million (total capital expenditures amounted to SEK 204 (164) million). The net debt increased by SEK 311 million during the first quarter and, on March 31, amounted to SEK 15,144 million. The net debt/equity ratio was 56 (55)%.

Operating cash flow per business area

	2014	2013	Apr 13-	2013
SEK millions	Q1	Q1	Mar 14	Full year
SSAB EMEA	18	-115	1,157	1,024
SSAB Americas	-72	155	325	552
SSAB APAC	-64	45	157	266
Tibnor	-125	22	17	164
Other	-32	-22	-60	-50
Operating cash flow	-275	85	1,596	1,956
Financial items	-112	-104	-578	-570
Taxes	137	-92	-54	-283
Cash flow from current operations	-250	-111	964	1,103
Strategic capital expenditures in plants and machinery	-38	-53	-136	-151
Acquisitions of shares and operations	-	-	-21	-21
Divested shares and operations	-	-	88	88
Cash flow before dividend and financing	-288	-164	895	1,019
Dividend to the Parent Company's shareholders	-	-	-324	-324
Net cash flow	-288	-164	571	695
Net debt at beginning of period	-14,833	-15,498	-15,654	-15,498
Net cash flow	-288	-164	571	695
Revaluation of liabilities against equity 1)	-38	-4	45	79
Currency effects 2)	15	12	-106	-109
Net debt at end of period	-15,144	-15,654	-15,144	-14,833

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 liabilities in foreign currency.

As of March 31, the term to maturity on the total loan portfolio averaged 4.2 (4.6) years, with an average fixed interest period of 0.9 (1.1) years. During the first quarter, SSAB issued a five-year Swedish bond totaling SEK 1,500 million, of which SEK 1.0 billion carries variable interest and SEK 500 million carries fixed interest.

The Group's liquidity preparedness

	2014	2013
SEK millions	Q1	Q1
Cash and cash equivalents	2,689	2,119
Committed credit facilities, net	7,204	8,652
Liquidity preparedness	9,893	10,771
<i>- as a percentage of annual sales (rolling 12 months)</i>	28%	29%
Less commercial paper	-603	-882
Liquidity preparedness excluding commercial paper	9,290	9,889
<i>- as percentage of annual sales (rolling 12 months)</i>	26%	27%

Return on capital employed/equity

The return on capital employed before tax and return on equity after tax for the most recent twelve-month period were -2% and -4% respectively, which are the same figures as for the full year of 2013.

Equity

With quarterly earnings of SEK -50 million and other comprehensive income (primarily comprising currency translation differences) of SEK 83 million, the shareholders' equity in the company amounted to SEK 27,160 (28,607) million, corresponding to SEK 83.84 (88.31) per share.

Capital expenditures

Capital expenditure payments during the first quarter amounted to SEK 204 (164) million, of which SEK 38 (53) million involved strategic capital expenditures.

SSAB EMEA

	2014	2013	Apr 13-	2013
SEK millions	Q1	Q1	Mar 14	Full year
Sales	4,838	4,573	18,320	18,055
Operating profit/loss	58	-53	-650	-761
Operating cash flow	18	-115	1,157	1,024
Number of employees at end of period	6,046	6,267	6,046	6,054

Demand from several segments increased somewhat during the quarter, particularly from the Construction Machinery segment and Service Centers.

External steel shipments during the first quarter were up by 11% compared with the fourth quarter of 2013 and were 14% higher compared with the first quarter of 2013 and amounted to 537 (469) thousand tonnes. Shipments of high strength steels increased by 13% compared with the fourth quarter of 2013 and by 9% compared with the first quarter of 2013 and amounted to 219 (200) thousand tonnes. Shipments of high strength steels thereby accounted for 41 (43)% of total shipments.

In local currency, during the first quarter prices of high strength steels were 1% lower, and prices of standard steels were 3% higher, than in the fourth quarter of 2013. Compared with the first quarter of 2013, prices of both high strength steels and standard steels were 4% lower in local currency.

Crude steel production declined by 4% compared with the fourth quarter of 2013 but was up by 5% compared with the first quarter of 2013. Steel production increased by 8% compared with the fourth quarter of 2013 and by 6% compared with the first quarter of last year.

Sales increased by 6% compared with the first quarter of 2013 and amounted to SEK 4,838 (4,573) million. Higher volumes accounted for a positive effect of 14 percentage points, while lower prices accounted for a negative effect of 4 percentage points, and a weaker product mix and negative currency effects for 4 percentage points. Sales increased by 5% compared with the fourth quarter of 2013. Higher volumes accounted for a positive effect of 11 percentage points and higher prices for 1 percentage point, while currency effects accounted for a negative effect of 4 percentage points and a weaker product mix accounted for 3 percentage points.

The operating profit/loss for the quarter was SEK 58 (-53) million, an improvement of SEK 111 million compared with the first quarter of 2013. Lower variable costs and higher volumes were the primary reasons for the improved result. Operating profit improved by SEK 347 million compared with the fourth quarter of 2013, primarily due to higher volumes, lower variable costs, lower fixed costs and higher prices.

The operating cash flow during the first quarter was SEK 18 (-115) million. Cash flow was primarily affected by a positive operating profit, which was partially offset by an increase in working capital.

Capital expenditure payments during the quarter amounted to SEK 120 (100) million, of which SEK 10 (13) million involved strategic capital expenditures.

SSAB AMERICAS

	2014	2013	Apr 13-	2013
SEK millions	Q1	Q1	Mar 14	Full year
Sales	3,685	3,460	14,607	14,382
Operating profit 1)	126	87	311	272
Operating cash flow	-72	155	325	552
Number of employees at end of period	1,496	1,452	1,496	1,488

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

Demand from the Automotive and Construction Machinery segments strengthened during the quarter, while demand from other segments weakened somewhat.

During the first quarter, external shipments of steel were 8% lower than in the fourth quarter of 2013 but 3% higher than in the first quarter of 2013. The lower shipments compared with the fourth quarter were due to severe weather conditions and the maintenance outage at the plant in Mobile, USA which was commenced

towards the end of the quarter. Steel shipments amounted to 604 (587) thousand tonnes. Shipments of high strength steels were 8% lower than in the fourth quarter of 2013 and 19% lower than in the first quarter of last year. Shipments of high strength steels amounted to 145 (179) thousand tonnes and thereby accounted for 24 (30)% of total shipments.

Compared with the fourth quarter of 2013, prices of high strength steels were 3% higher in local currency, while prices of standard steels were 7% higher. Compared with the first quarter of 2013, prices of high strength steels increased by 3% in local currency, while prices of standard steels increased by 6%. The price increases that were announced at the end of 2013 and the beginning of 2014 had a degree of impact during the first quarter and will gradually have further impact during the second quarter.

Crude steel production was 3% lower than in the fourth quarter of 2013 and 2% higher than in the first quarter of 2013. Steel production was 7% lower than in the fourth quarter of 2013 and 2% higher than in the first quarter of 2013.

Sales during the first quarter were up by 7% compared with the first quarter of 2013 and amounted to SEK 3,685 (3,460) million. Higher prices accounted for a positive effect of 5 percentage points, higher volumes for 3 percentage points, and an improved product mix for 1 percentage point, while currency effects accounted for a negative effect of 2 percentage points. Sales decreased by 2% compared with the fourth quarter of 2013. Higher prices accounted for a positive effect of 5 percentage points and an improved product mix for 2 percentage points, while lower volumes accounted for a negative effect of 8 percentage points and negative currency effects for 1 percentage point.

The operating profit improved by SEK 39 million compared with the first quarter of 2013 and amounted to SEK 126 (87) million. Higher prices and higher volumes were the primary reasons for the improved earnings. The operating profit was SEK 55 million lower than in the fourth quarter of 2013, primarily due to higher variable and fixed costs, as well as lower volumes. Towards the end of the first quarter and at the beginning of the second quarter, a maintenance outage was carried out at the plant in Mobile, USA. The cost of approximately SEK 150 million has partially affected earnings for the first quarter, but most of the cost will be incurred in the second quarter.

The operating cash flow during the first quarter was SEK -72 (155) million. Cash flow was positively affected by operating profit but negatively affected by an increase in working capital.

Capital expenditure payments during the quarter amounted to SEK 71 (56) million, of which SEK 28 (37) million involved strategic capital expenditures.

SSAB APAC

	2014	2013	Apr 13-	2013
SEK millions	Q1	Q1	Mar 14	Full year
Sales	416	555	1,622	1,761
Operating profit/loss	-12	42	-27	27
Operating cash flow	-64	45	157	266
Number of employees at end of period	185	215	185	200

Demand from most segments within APAC was somewhat higher in the first quarter than in the fourth quarter of last year.

External shipments of high strength steels increased by 16% compared with the fourth quarter of 2013 but were 14% lower than in the first quarter of last year. Shipments of high strength steels amounted to 36 (42) thousand tonnes and accounted for 97 (95)% of total shipments.

Prices of high strength steels in local currency were 1% lower than in the fourth quarter of 2013 and 4% lower than in the first quarter of 2013.

Sales declined by 25% compared with the first quarter of 2013 and amounted to SEK 416 (555) million. Lower volumes accounted for a negative effect of 15 percentage points, a weaker product mix for 5 percentage points, lower prices accounted for a negative effect of 3 percentage points and negative currency effects accounted for 2 percentage points. Sales increased by 17% compared with the fourth quarter of 2013. Higher volumes accounted for a positive effect of 13 percentage points, an improved product mix and higher prices for 5 percentage points, while currency negatively affected the result by 1 percentage point.

The operating profit/loss for the quarter was SEK -12 (42) million, which was SEK 54 million lower than in the first quarter of 2013. The weaker result was primarily due to lower prices and lower volumes. The operating profit/loss was unchanged compared with the fourth quarter of 2013, with higher volumes and higher prices being offset by higher variable costs.

The operating cash flow during the first quarter was SEK -64 (45) million. Cash flow was negatively affected by higher working capital, primarily due to increased accounts receivable and inventories.

Capital expenditure payments during the quarter amounted to SEK 1 (3) million, of which SEK 0 (2) million involved strategic capital expenditures.

Tibnor

	2014	2013	Apr 13-	2013
SEK millions	Q1	Q1	Mar 14	Full year
Sales	1,341	1,366	5,220	5,245
Operating profit	22	15	80	73
Operating cash flow	-125	22	17	164
Number of employees at end of period	785	786	785	782

Total shipments during the first quarter were slightly higher than in the fourth quarter of 2013 and also when compared with the first quarter of last year. The product groups; heavy plate, rebar products, engineering steels and strip products developed positively compared with the first quarter of 2013.

Sales declined by 2% compared with the first quarter of 2013 and amounted to SEK 1,341 (1,366) million. Sales were positively affected by somewhat higher volumes but negatively affected by lower prices. Sales increased by 3% compared with the fourth quarter of 2013. Sales were positively affected by higher prices and slightly higher volumes.

The operating profit for the first quarter was SEK 22 (15) million, an improvement of SEK 7 million compared with the first quarter of 2013. The improvement in earnings was primarily attributable to higher volumes and lower fixed costs, as well as improved earnings in affiliated companies. The operating profit was SEK 15 million higher than in the fourth quarter of 2013, primarily due to higher volumes and an improved product mix, as well as lower fixed costs.

The operating cash flow for the first quarter was SEK -125 (22) million. Cash flow was negatively affected by an increase in working capital, primarily due to increased accounts receivable as a consequence of increased sales.

Risks and uncertainties

For information regarding material risks and uncertainty factors, reference is made to the detailed description in the annual report. No material new or changed risks and uncertainty factors have been identified during the year.

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 consequential references to Chapter 9 of the Annual Accounts Act. The accounts of the Parent Company have been prepared in accordance with RFR 2 and the Annual Accounts Act.

No material changes in accounting principles have taken place since the annual report for 2013.

Rautaruukki

On January 22, 2014, it was announced that SSAB and Rautaruukki intend to combine through SSAB making a recommended share exchange offer to Rautaruukki's shareholders. The proposed combination was conditional on SSAB's shareholders adopting the resolutions necessary for implementation of the combination and the share exchange offer (which took place at SSAB's Annual General Meeting on April 9, 2014), and on SSAB obtaining acceptances representing more than 90% of the shares in Rautaruukki. Public authority approvals are also required, including approvals from competition authorities within the EU and other jurisdictions. The board of directors of Rautaruukki has recommended to Rautaruukki's shareholders that the share exchange offer be accepted; the largest shareholder, Solidium Oy, has accepted the share exchange offer. The acceptance notification period began on April 14, 2014 and runs initially until May 12, but may be extended depending on the process of approvals from competition authorities.

Events since the end of the reporting period

Since the end of the quarter, a new 5-year euro-denominated bond was issued valued in total at EUR 350 million, carrying a fixed rate of interest. The bond has been listed on the Irish exchange.

Review report

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

Stockholm, April 24, 2014



Martin Lindqvist
President and CEO

Consolidated income statement

	2014	2013	Apr 13-	2013
SEK millions	Q1	Q1	Mar 14	Full year
Sales	9,169	8,833	35,358	35,022
Cost of goods sold	-8,441	-8,249	-33,482	-33,290
Gross profit	728	584	1,876	1,732
Selling and administrative expenses	-754	-687	-3,006	-2,939
Other operating income and expenses 1)	46	-32	138	60
Affiliated companies, profit after tax	6	-1	23	16
Operating profit/loss	26	-136	-969	-1,131
Financial income	14	16	60	62
Financial expenses	-175	-158	-676	-659
Loss for the period after financial items	-135	-278	-1,585	-1,728
Tax	86	141	607	662
Loss for the period after tax	-49	-137	-978	-1,066
Of which attributable to:				
- Parent Company's shareholders	-50	-137	-979	-1,066
- Non-controlling interest	1	-	1	0

Key numbers	2014	2013	Apr 13-	2013
	Q1	Q1	Mar 14	Full year
Operating margin (%)	0	-2	-3	-3
Return on capital employed before tax (%)	-	-	-2	-2
Return on equity after tax (%)	-	-	-4	-4
Earnings per share (SEK) 2)	-0.15	-0.42	-3.02	-3.29
Equity per share (SEK)	83.84	88.31	83.84	83.74
Equity ratio (%)	47	49	47	48
Net debt/equity ratio (%)	56	55	56	55
Average number of shares during the period (millions)	323.9	323.9	323.9	323.9
Number of shares at end of period (millions)	323.9	323.9	323.9	323.9
Number of employees at end of period	8,700	8,866	8,700	8,712

1) The results for the quarter include primarily currency effects on operating receivables/liabilities of SEK 29 (-14) million.

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

Consolidated statement of comprehensive income

SEK millions	2014 Q1	2013 Q1	Apr 13- Mar 14	2013 Full year
Loss for the period after tax	-49	-137	-978	-1,066
<i>Other comprehensive income</i>				
<u>Items that may be subsequently reclassified to the income statement:</u>				
Translation differences for the period	100	-16	-135	-251
Cash flow hedges	18	2	-55	-71
Hedging of currency risks in foreign operations 1)	-38	-4	45	79
Share in other comprehensive income of affiliated companies and joint ventures	3	-8	-5	-16
Tax attributable to items that may be subsequently reclassified to the income statement	4	1	1	-2
Total items that may be subsequently reclassified to the income statement	87	-25	-149	-261
<u>Items that will not be reclassified to the income statement:</u>				
Remeasurements of the net defined benefit liability	-4	-	7	11
Tax attributable to items that will not be reclassified to the income statement	0	-	-3	-3
Total items that will not be reclassified to the income statement	-4	-	4	8
Total other comprehensive income for the period, net after tax	83	-25	-145	-253
Total comprehensive income for the period	34	-162	-1,123	-1,319
Of which attributable to:				
- Parent Company's shareholders	34	-162	-1,123	-1,319
- Non-controlling interest	0	-	0	0

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

Consolidated statement of changes in equity

SEK millions	Equity attributable to the Parent Company's shareholders					Holdings without controlling influence	
	Share capital	Other contributed funds	Reserves	Retained earnings	Total equity	controlling influence	Total equity
Equity, December 31, 2012	2,851	9,944	-3,128	19,102	28,769	-	28,769
<u>Changes Jan 1 - Mar 31, 2013</u>							
Comprehensive income for the period			-25	-137	-162	-	-162
Equity, March 31, 2013	2,851	9,944	-3,153	18,965	28,607	-	28,607
<u>Changes Apr 1 - Dec 31, 2013</u>							
Comprehensive income for the period			-236	-921	-1,157	-	-1,157
Non-controlling interest resulting from business acquisitions					-	23	23
Dividend				-324	-324		-324
Equity, December 31, 2013	2,851	9,944	-3,389	17,720	27,126	23	27,149
<u>Changes Jan 1 – Mar 31, 2014</u>							
Comprehensive income for the period			88	-54	34	0	34
Equity, March 31, 2014	2,851	9,944	-3,301	17,666	27,160	23	27,183

There are 323,934,775 shares with a quotient value of SEK 8.80.

Consolidated balance sheet

SEK millions	31 Mar 2014	31 Mar 2013	31 Dec 2013
Assets			
Goodwill	17,827	17,888	17,762
Other intangible assets	2,055	2,555	2,149
Tangible fixed assets	16,191	17,300	16,467
Participations in affiliated companies	291	318	284
Financial assets 1)	832	1,814	1,599
Deferred tax receivables 2)	741	737	653
Total fixed assets	37,937	40,612	38,914
Inventories	8,598	8,976	8,783
Accounts receivable	5,602	5,284	4,785
Current tax receivables	206	476	334
Other current receivables 1)	2,401	912	996
Cash and cash equivalents	2,689	2,119	2,124
Total current assets	19,496	17,767	17,022
Total assets	57,433	58,379	55,936
Equity and liabilities			
Equity for shareholders in the Company	27,160	28,607	27,126
Non-controlling interest	23	-	23
Total equity	27,183	28,607	27,149
Deferred tax liabilities	2,904	3,736	2,969
Other long-term provisions	269	301	254
Deferred income 2)	374	455	376
Long-term interest-bearing liabilities	17,192	18,325	16,093
Total long-term liabilities	20,739	22,817	19,692
Short-term interest-bearing liabilities	3,119	1,121	2,568
Current tax liabilities	196	208	118
Accounts payable	4,244	3,478	4,578
Other current liabilities	1,952	2,148	1,831
Total current liabilities	9,511	6,955	9,095
Total equity and liabilities	57,433	58,379	55,936
Pledged assets 3)	2,400	1,003	2,262
Contingent liabilities	736	694	599

1) Financial assets include long-term bank deposits (escrow agreement) in the amount of USD 120 (270) million. Other current receivables comprise short-term bank deposits (escrow agreement) in the amount of USD 120 (0) million.

2) Of the deferred tax receivable, SEK 374 (454) 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 a Non-current non-interest-bearing liability.

3) The pledged assets primarily comprise surplus liquidity in the Belgian finance company which is pledged to the benefit of other Group companies.

Valuation of financial 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 96 (286) million and in the balance sheet item "Other current liabilities" derivatives are valued at a total of SEK 132 (189) 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 "Non-current interest-bearing liabilities" would exceed the reported amount by SEK 375 million; however, since the loans will be held until maturity, this does not affect the reported value.

Assessment of fair value of financial instruments

The classification shall take 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. Own credit risk is not taken into account since the impact is marginal.

Cash flow

	2014	2013	Apr 13-	2013
SEK millions	Q1	Q1	Mar 14	Full year
Operating profit/loss	26	-136	-969	-1,131
Adjustments for depreciation and impairment	556	644	2,376	2,464
Adjustment for other non-cash items	10	27	-131	-114
Received and paid interest	-112	-104	-578	-570
Tax paid	137	-92	-54	-283
Change in working capital	-732	-344	981	1,369
Cash flow from operating activities	-115	-5	1,625	1,735
Capital expenditure payments in plants and machinery	-204	-164	-847	-807
Acquisitions, shares and operations	-	-	-21	-21
Divested shares and operations	-	-	88	88
Other investing activities	31	5	50	24
Cash flow from investing activities	-173	-159	-730	-716
Dividend	-	-	-324	-324
Change in loans	1,620	70	864	-686
Change in financial investments	-701	-750	-709	-758
Other financing activities	-67	-18	-131	-82
Cash flow from financing activities	852	-698	-300	-1,850
Cash flow for the period	564	-862	595	-831
Cash and cash equivalents at beginning of period	2,124	3,004	2,119	3,004
Exchange rate difference in cash and cash equivalents	1	-23	-25	-49
Cash and equivalents at end of period	2,689	2,119	2,689	2,124

The business areas' sales, earnings and return on capital employed

	Sales			Sales, external		Operating profit/loss		Return on capital employed (%) 3)		
	2014 Q1	2013 Q1	Change in % in % 2)	2014 Q1	2013 Q1	2014 Q1	2013 Q1	Apr 13- Mar 14	2013 Full year	
SEK millions										
SSAB EMEA	4,838	4,573	6%	9%	3,786	3,511	58	-53	-5	-5
SSAB Americas	3,685	3,460	7%	8%	3,667	3,440	126	87	4	4
SSAB APAC	416	555	-25%	-23%	416	555	-12	42	-2	3
Tibnor	1,341	1,366	-2%	-3%	1,300	1,327	22	15	6	5
Amortization on surplus values 1)							-124	-201		
Other	-1,111	-1,121					-44	-26	-	-
Total	9,169	8,833	4%	6%	9,169	8,833	26	-136	-2	-2

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

2) Adjusted for changes in exchange rates.

3) SSAB Americas' return is calculated excluding surplus values. Inclusive of surplus values, the returns are -1 (1)%.

The Group's results per quarter

SEK millions	1/12	2/12	3/12	4/12	1/13	2/13	3/13	4/13	1/14
Sales	11,023	10,816	8,730	8,354	8,833	8,894	8,375	8,920	9,169
Operating expenses	-9,922	-9,439	-8,730	-8,374	-8,324	-8,365	-8,375	-8,642	-8,593
Depreciation	-629	-643	-668	-646	-644	-657	-596	-566	-556
Affiliated companies	7	21	3	1	-1	13	-2	6	6
Financial items	-150	-146	-124	-177	-142	-158	-143	-154	-161
Profit/loss after financial items	329	609	-789	-842	-278	-273	-741	-436	-135

Sales per quarter and business area

SEK millions	1/12	2/12	3/12	4/12	1/13	2/13	3/13	4/13	1/14
SSAB EMEA	5,780	5,400	4,549	4,529	4,573	4,723	4,165	4,594	4,838
SSAB Americas	4,609	4,657	3,669	3,238	3,460	3,508	3,639	3,775	3,685
SSAB APAC	585	661	513	559	555	455	394	357	416
Tibnor	1,771	1,636	1,266	1,288	1,366	1,416	1,161	1,302	1,341
Other	-1,722	-1,538	-1,267	-1,260	-1,121	-1,208	-984	-1,108	-1,111
Sales	11,023	10,816	8,730	8,354	8,833	8,894	8,375	8,920	9,169

Operating profit/loss per quarter and business area

SEK millions	1/12	2/12	3/12	4/12	1/13	2/13	3/13	4/13	1/14
SSAB EMEA	-124	383	-644	-545	-53	56	-475	-289	58
SSAB Americas	670	537	251	110	87	-49	53	181	126
SSAB APAC	65	40	16	46	42	6	-9	-12	-12
Tibnor	105	67	-26	-42	15	57	-6	7	22
Amortization on surplus values 1)	-197	-225	-218	-221	-201	-206	-151	-123	-124
Other	-40	-47	-44	-13	-26	21	-10	-46	-44
Operating profit/loss	479	755	-665	-665	-136	-115	-598	-282	26

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

The Parent Company's income statement

SEK millions	2014 Q1	2013 Q1	Apr 13- Mar 14	2013 Full year
Gross profit	0	0	0	0
Administrative expenses	-61	-53	-192	-184
Other operating income/expenses	18	23	117	122
Operating loss	-43	-30	-75	-62
Dividend from subsidiaries	-	70	107	177
Financial items	-100	-87	-378	-365
Loss after financial items	-143	-47	-346	-250
Appropriations	-	-	346	346
Tax	31	25	23	17
Profit/loss after tax	-112	-22	23	113

The Parent Company's statement of comprehensive income

SEK millions	2014 Q1	2013 Q1	Apr 13- Mar 14	2013 Full year
Profit/loss after tax	-112	-22	23	113
<i>Other comprehensive income</i>				
<u>Items that may be reclassified to the income statement</u>				
Hedging of currency risks in foreign operations	-38	-4	45	79
Cash flow hedges	-2	6	5	13
Tax attributable to other comprehensive income	9	0	-10	-19
Total items that will be reclassified to the income statement	-31	2	40	73
Other comprehensive income, net after tax	-31	2	40	73
Total comprehensive income for the year	-143	-20	63	186

The Parent Company's balance sheet

SEK millions	31 Mar 2014	31 Mar 2013	31 Dec 2013
Assets			
Fixed assets	39,427	39,289	39,331
Other current assets	11,720	10,807	10,960
Cash and cash equivalents	540	1,094	50
Total assets	51,687	51,190	50,341
Equity and liabilities			
Restricted equity	3,753	3,753	3,753
Unrestricted equity	27,022	27,283	27,165
Total equity	30,775	31,036	30,918
Untaxed reserves	43	175	43
Long-term liabilities and provisions	15,432	16,508	14,335
Current liabilities and provisions	5,437	3,471	5,045
Total equity and liabilities	51,687	51,190	50,341

Production and shipments

Thousand tonnes	1/12	2/12	3/12	4/12	1/13	2/13	3/13	4/13	1/14
Crude steel production									
- SSAB EMEA	832	867	551	713	744	805	732	813	778
- SSAB Americas	624	609	540	517	610	584	632	647	625
-Total	1,456	1,476	1,091	1,230	1,354	1,389	1,364	1,460	1,403
Steel production 1)									
- SSAB EMEA	638	664	466	491	624	625	559	611	659
- SSAB Americas	591	571	516	487	574	541	590	626	583
-Total	1,229	1,235	982	978	1,198	1,166	1,149	1,237	1,242
Steel shipments									
- SSAB EMEA	511	437	378	373	469	474	407	482	537
- SSAB Americas	622	626	540	530	587	574	628	657	604
- SSAB APAC	41	46	38	42	44	37	35	33	37
-Total	1,174	1,109	956	945	1,100	1,085	1,070	1,172	1,178
of which high strength steels									
- SSAB EMEA	227	215	186	172	200	223	186	194	219
- SSAB Americas	193	154	143	135	179	170	166	157	145
- SSAB APAC	39	45	36	40	42	37	34	31	36
-Total high strength steels	459	414	365	347	421	430	386	382	400

1) Including subcontract rolling.

Note:

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

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Half-Year Report 2014:

The half-year report for 2014 will be published on July 23, 2014.



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