Financials in the new SSAB

Capital Markets Day 2014

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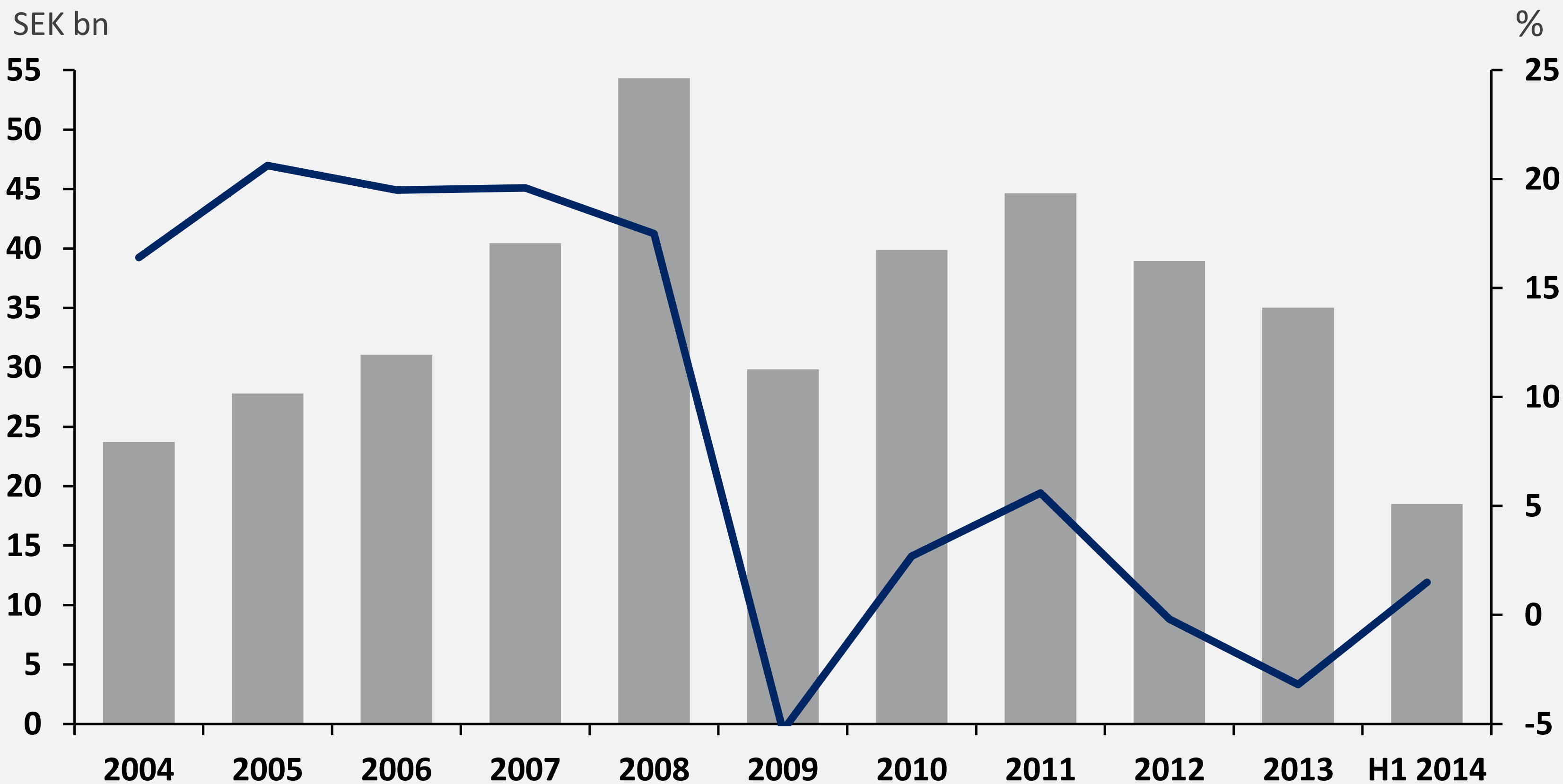
Margin starts to improve after a tough period

SSAB stand-alone sales and EBIT margin 2004-2014



SSAB

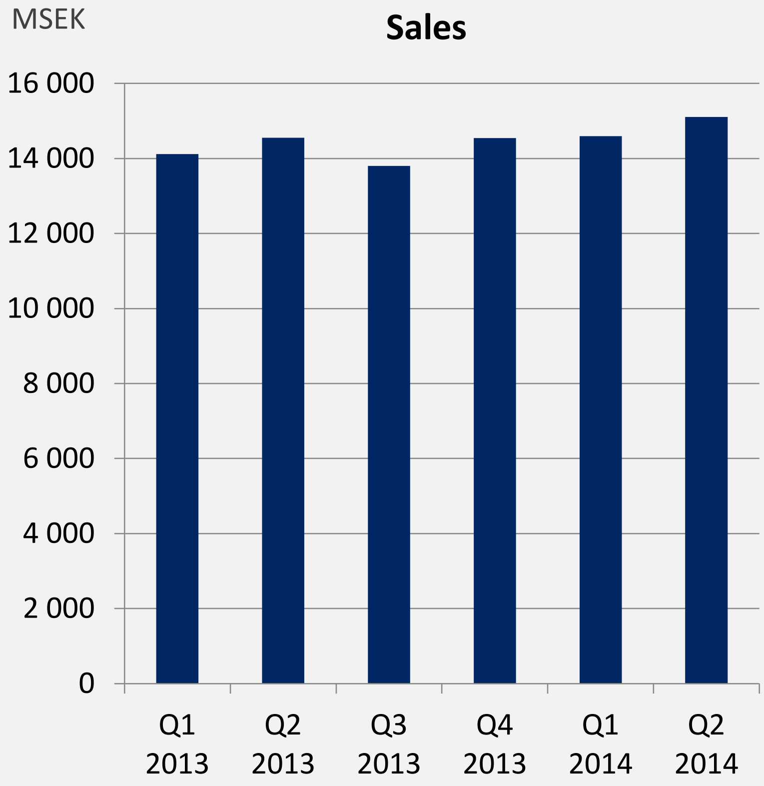
Development H1/14 pro forma
Profitability improved, outlook still unchanged

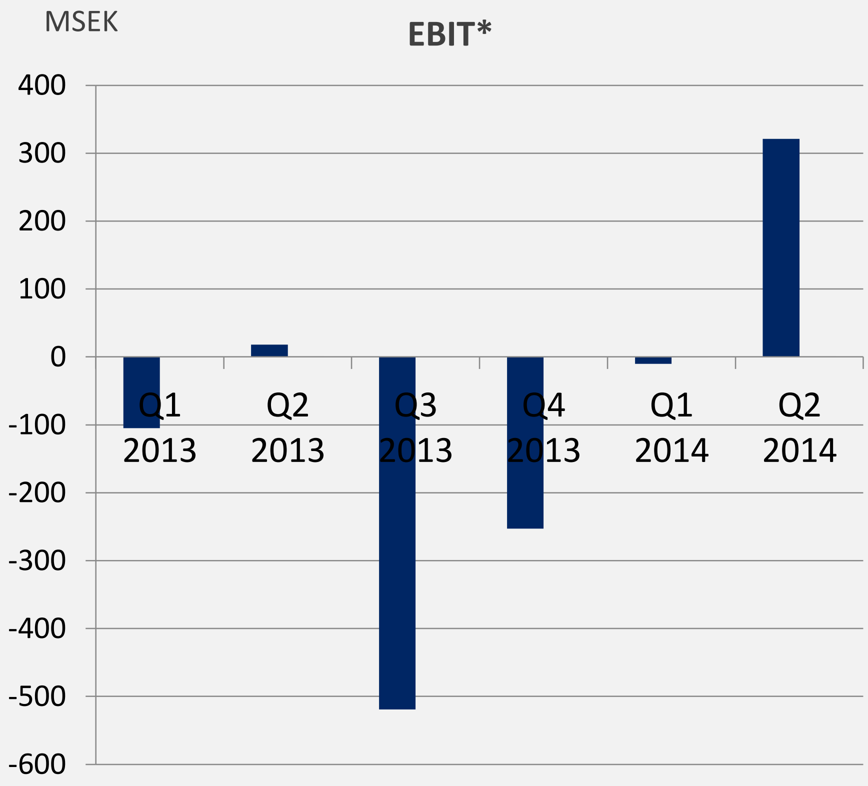
- The combined company has improved profitability in 2014, from a low level
- Pro forma for the new SSAB Group H1/14:
  - Sales: MSEK 29 806 (28 671)
  - EBITDA: MSEK 2 012 (1 782), corresponding to 7% of sales
  - EBIT*: MSEK 311 (-87)
  - Operating cash flow positive MSEK 577 (1 420)
- Main improvement due to increased prices in Americas and lower costs in Europe
- Unchanged outlook since Q2
  - Continued positive outlook for the US plate market
  - Seasonal weakening in Europe in Q3, but overall stable demand
  - No short term improvement in Asia

*Including extraordinary items of MSEK -105 in H1/14 (MSEK 48 in H1/13). Depreciation of step-up value from the Ruukki transaction not included.

Profitability improvement from low level

Income and profit for SSAB Group (pro forma)

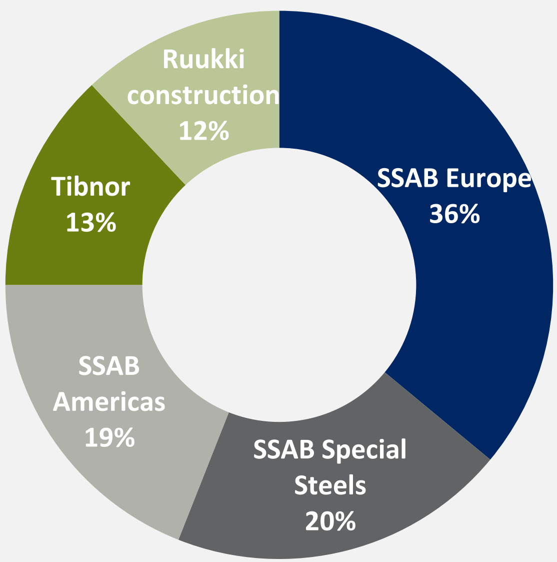




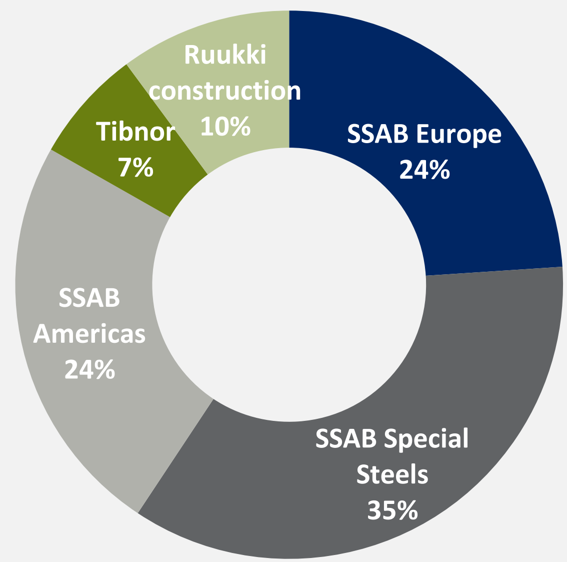
*Inclusive extraordinary items. Depreciation of step-up value from the Ruukki transaction not included. Going forward such depreciation will impact EBIT.

SSAB Europe the largest division by sales
Sales and EBITDA split (pro forma)

Sales 2013, SEK 57 bn



EBITDA 2013, SEK 2.8 bn



Large differences in profit generation

EBIT per business area*

MSEK	H1/14	H1/13	FY 2013
SSAB Europe	-6	-140	-822
SSAB Special Steels	580	538	501
SSAB Americas	250	-7	241
Tibnor	63	106	109
Ruukki Construction	-91	-89	47
Depreciation/amortization on surplus values** (SSAB Americas)	-249	-407	-681
Other	-236	-88	-254
Total	**311**	**-87**	**-859**

*Includes extraordinary items. Tibnor and Ruukki Construction treated as stand alone entities, steel purchases at market prices. Steel divisions have full P&L responsibility for the products they sell.

**Depreciation of step-up value from the Ruukki transaction not included. Going forward such depreciation will impact EBIT.

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Strong operating cash flow generation

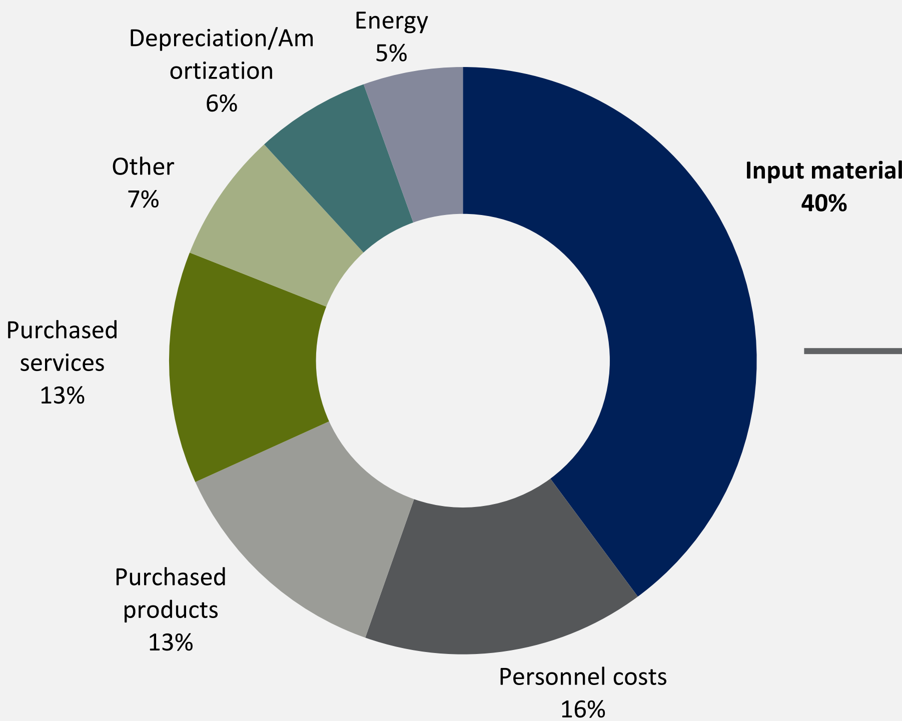
Operating cash flow (pro forma)

MSEK	H1/14	H1/13	FY 2013
EBIT	311	-87	-859
Depreciation/amortization	1 701	1 869	3 615
Change in working capital	-1 033	297	1 869
Maintenance expenditures	-647	-555	-1 327
Other	245	-104	-59
Operating cash flow	**577**	**1 420**	**3 239**

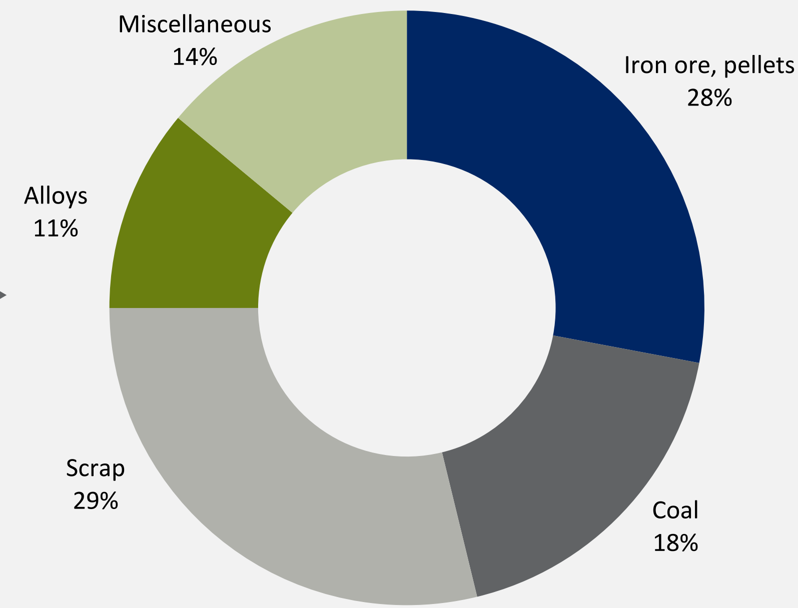
Cost structure for the combined company

Raw materials by far the largest cost item

Cost structure
SEK 57.2bn*



Raw materials
SEK 22.8bn*



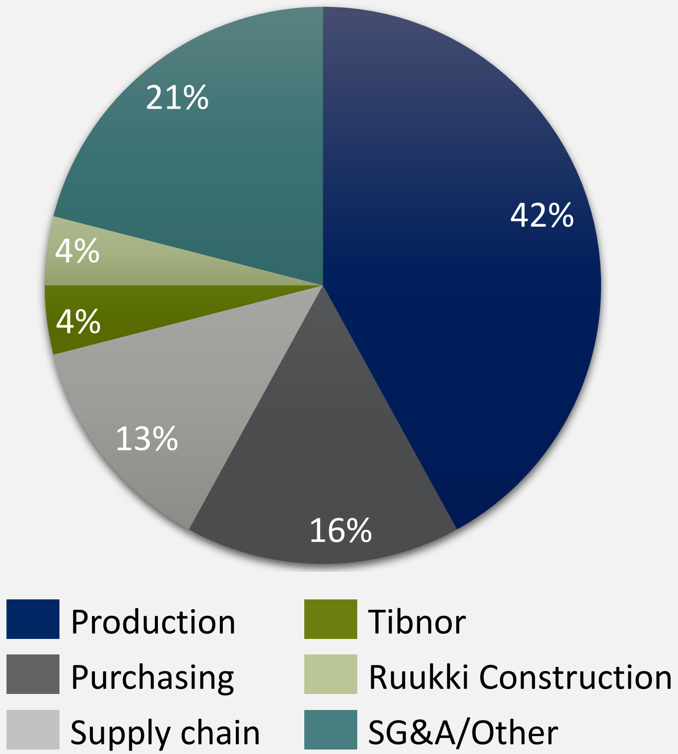
* Pro forma FY 2013

Improved raw material sourcing for the combined company

- **Iron ore**
  - Annual purchase of 6.8 M tonnes
  - Dual sourcing, main part of pricing set quarterly
- **Coal**
  - Annual purchase of 2.9 M tonnes
  - More suppliers in the combined company (Australia, Canada, Russia and US)
- **Scrap (US)**
  - Annual purchase of 2.5 M tonnes
  - Spot pricing

Confident in delivering SEK 1.4bn in synergies*

Distribution of cost synergies



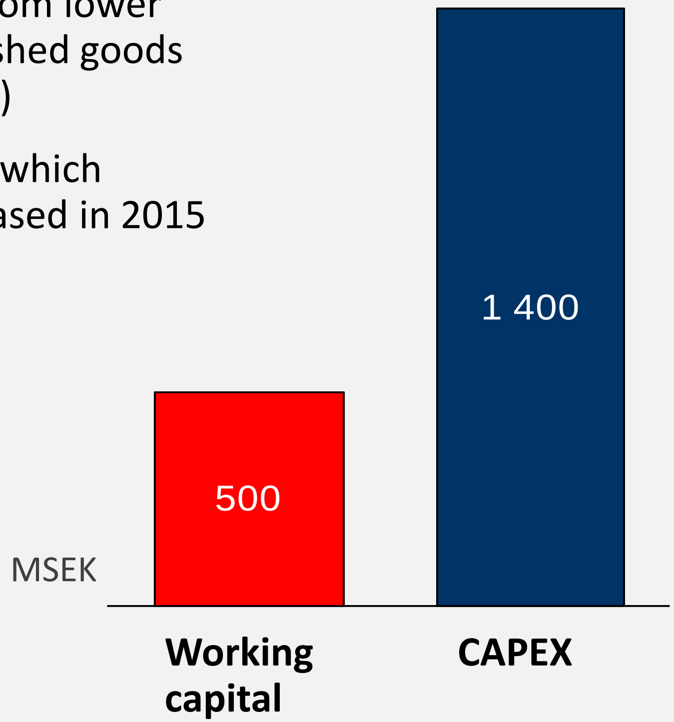
Impact of cost synergies

*In current market situation. In a stronger market scenario, synergies could be lower (to SEK 1.0 billon).

Working capital released and CAPEX optimized

Working capital reduction

- Majority of impact from lower inventory levels (finished goods and work in progress)
- MSEK 500 in total of which MSEK 250 to be released in 2015



CAPEX avoidance

- More optimal use of assets in the combined company
- SEK 1.4 bn in CAPEX avoidance over the next three years
  - MSEK 800 strategic
  - MSEK 600 maintenance
- The new maintenance CAPEX-level will be approx. SEK 1.6-1.8 bn

Costs related to the transaction and to achieve the synergies

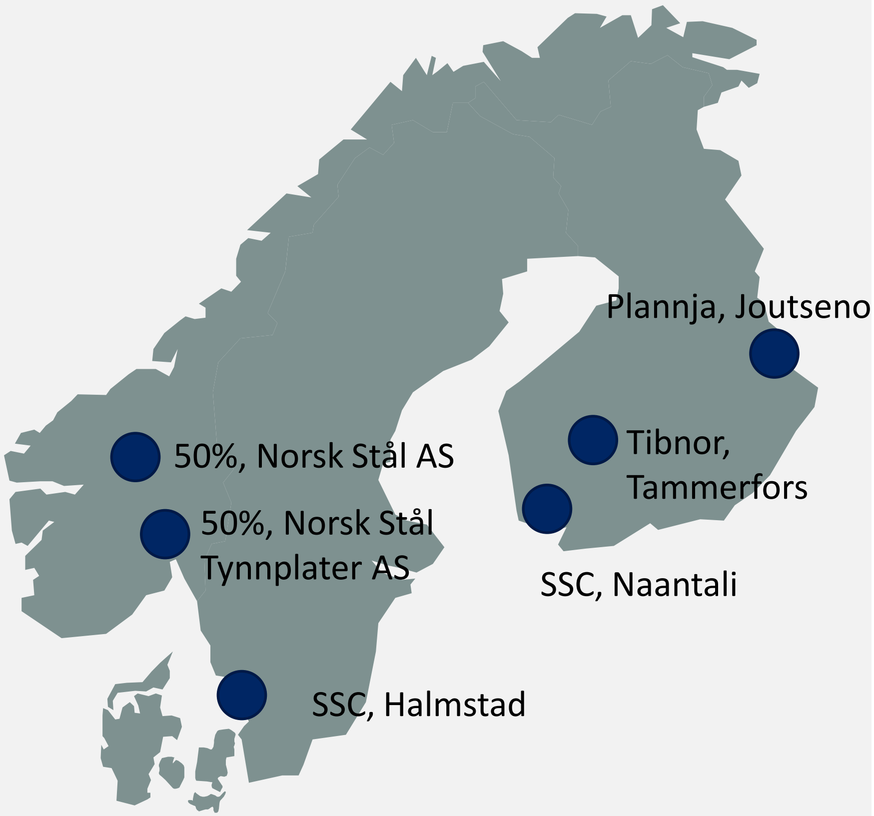
- Direct transaction costs totaling approximately MSEK 325, will impact Q3 2014
  - Advisory costs
  - Transfer tax
  - Financing costs

- Restructuring costs to achieve the synergies estimated to be MSEK 550
  - Redundancies and other integration costs: MSEK 400
  - Potential write-downs: MSEK 150 (non-cash costs)

- Restructuring costs will impact the result as the actions are defined during 2014-2016

Assets to be divested as part of approval for the Ruukki transaction

- SSAB has committed to divest the following steel distribution assets and construction business
  - SSC Halmstad, Sverige
  - SSC Naantali, Finland
  - Tibnor Oy in Finland
  - 50% ownerhip in Norsk Stål AS and Norsk Stål Tynnplater AS
  - Plannja Oy in Finland
- Sales for these entities <4% of total turnover
- The divestment process is ongoing – aim is finalization before year-end
- Synergy target not impacted by the divestures



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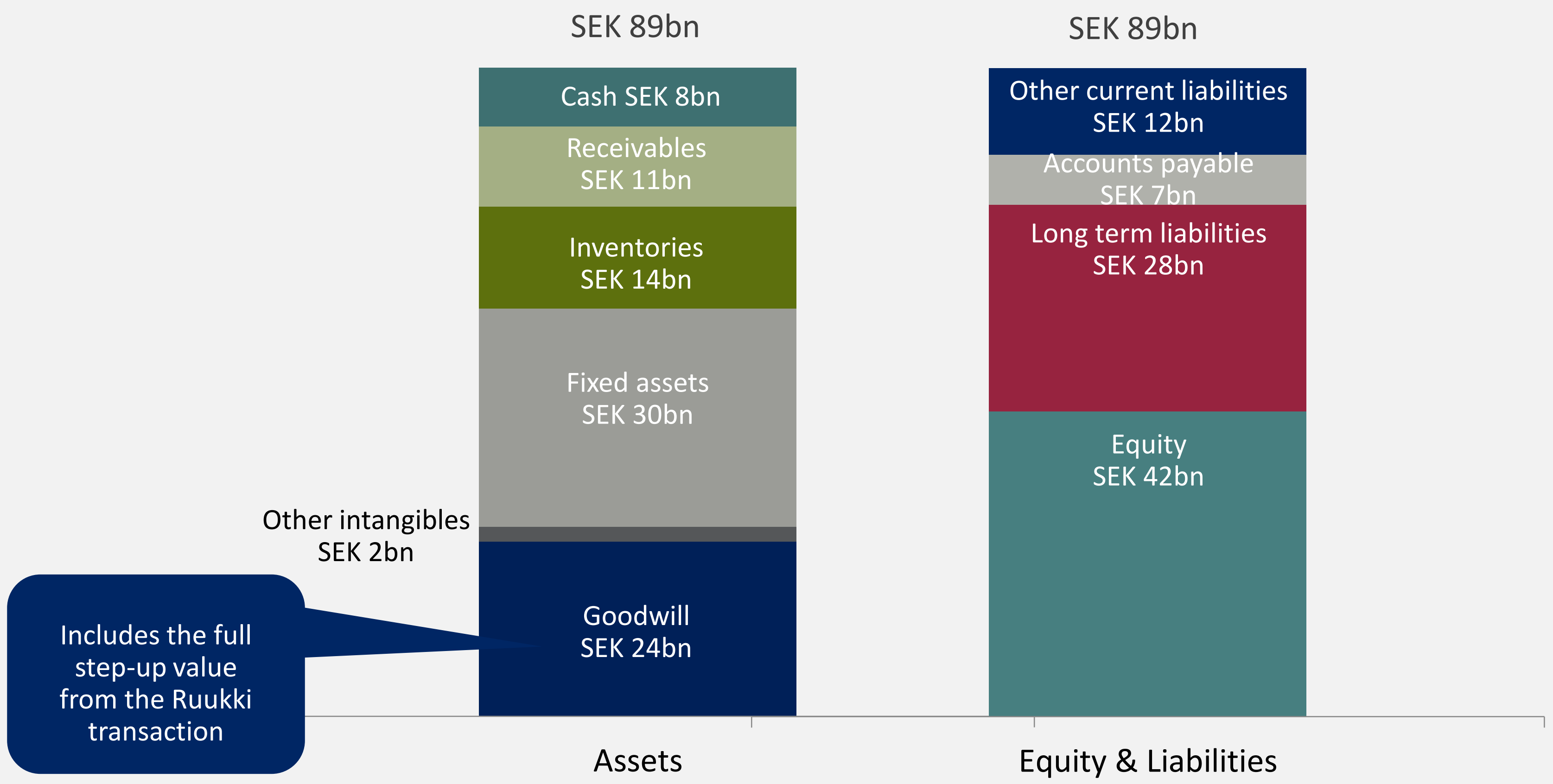
Balance sheet structure in the new SSAB*



*30 June 2014 pro forma

Purchase price allocation still to be performed

Total step-up value from the Ruukki transaction

SEK 6 billion

- Goodwill
- Buildings & Land
- Machinery & Equipment
- Intangibles
- Inventory & Order backlog

Goodwill: Not depreciated, annual impairment test

Buildings & Land, Machinery & Equipment, Intangibles, Inventory & Order backlog: Will be depreciated over time

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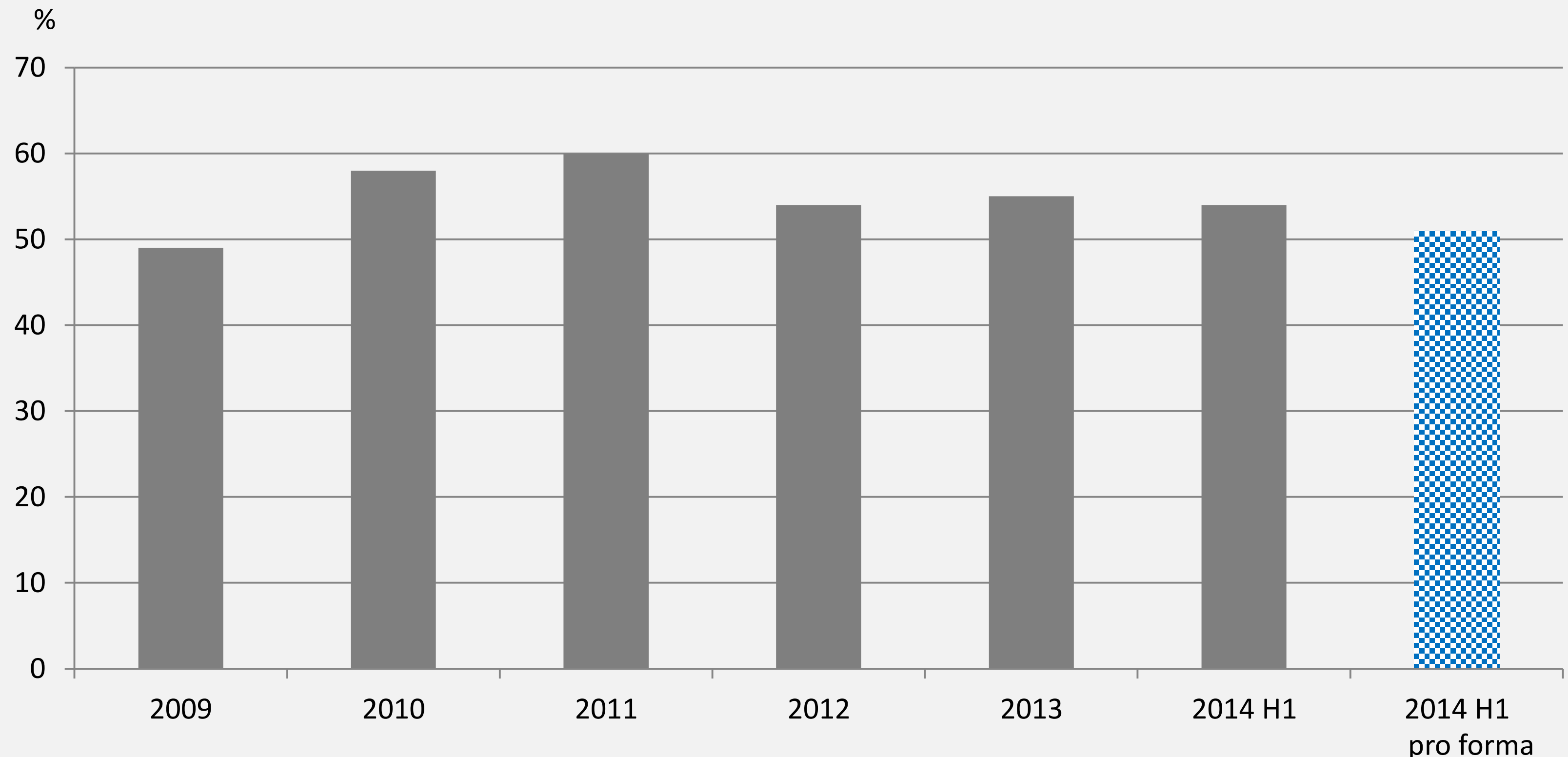
Lower gearing after Ruukki transaction

Net debt of SEK 21.5bn, 51% of equity

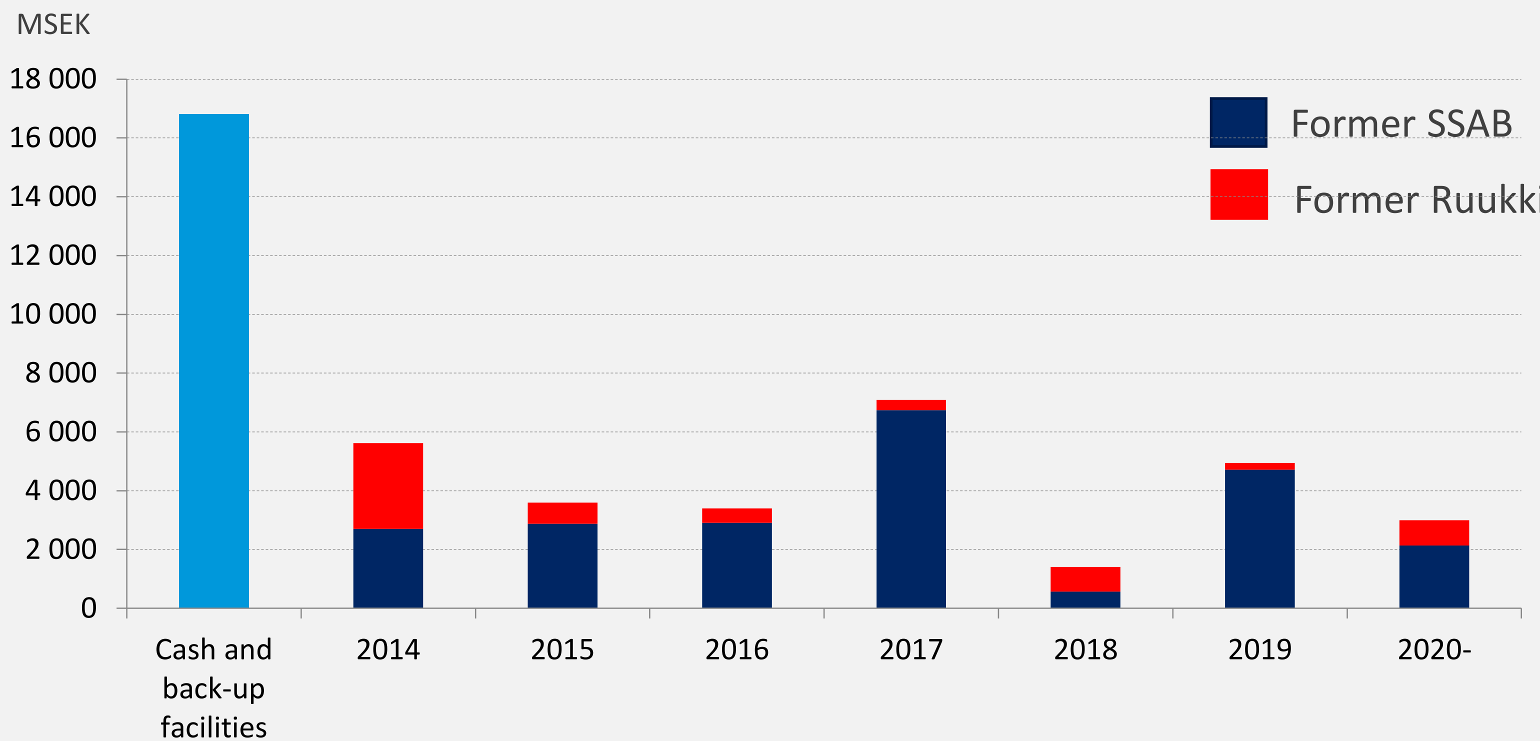


We are continuously committed to a conservative capital structure given the cyclical nature of the steel industry

SSAB

Balanced debt maturity profile

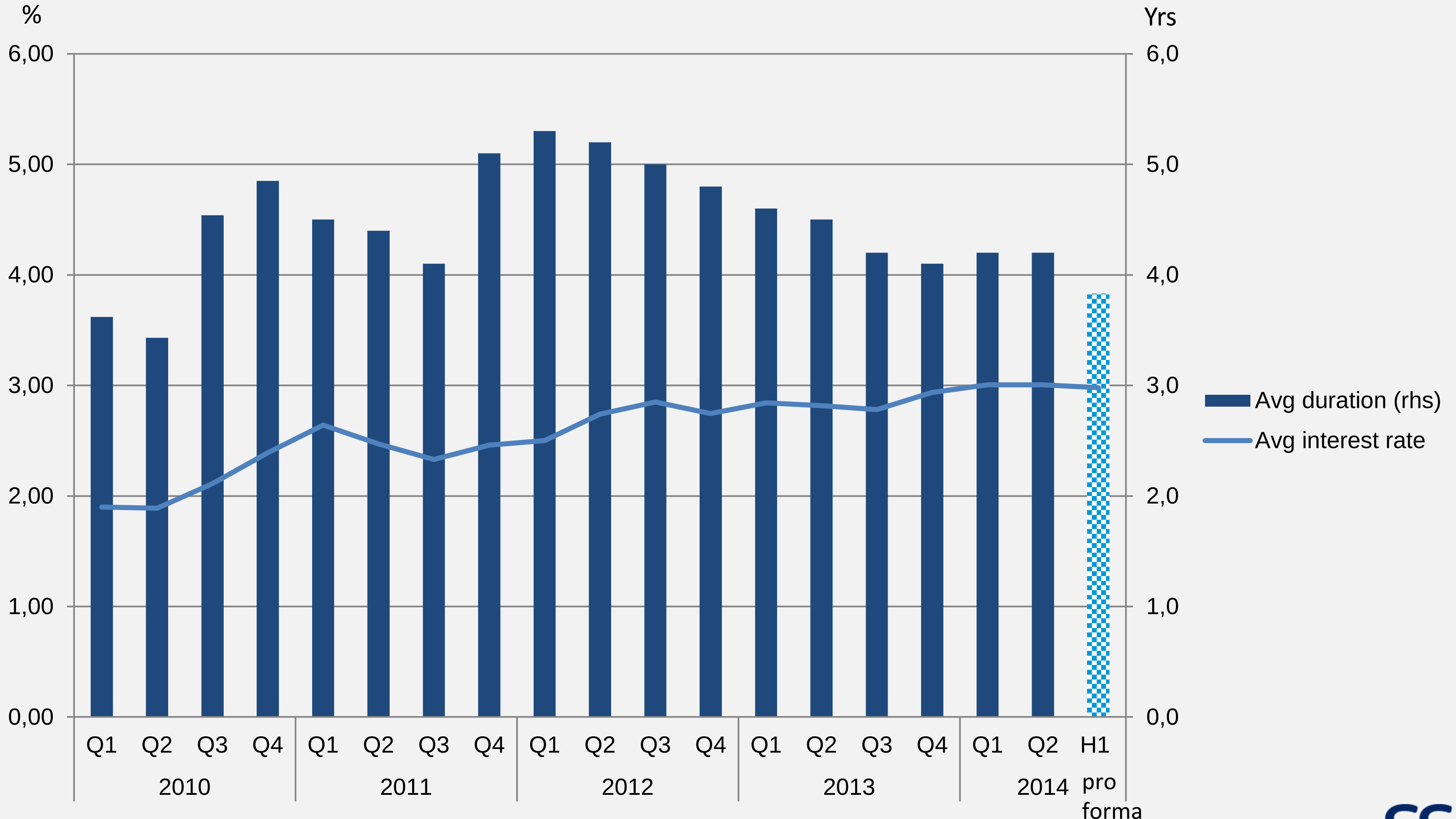
Debt maturity, June 30, 2014 (pro forma)



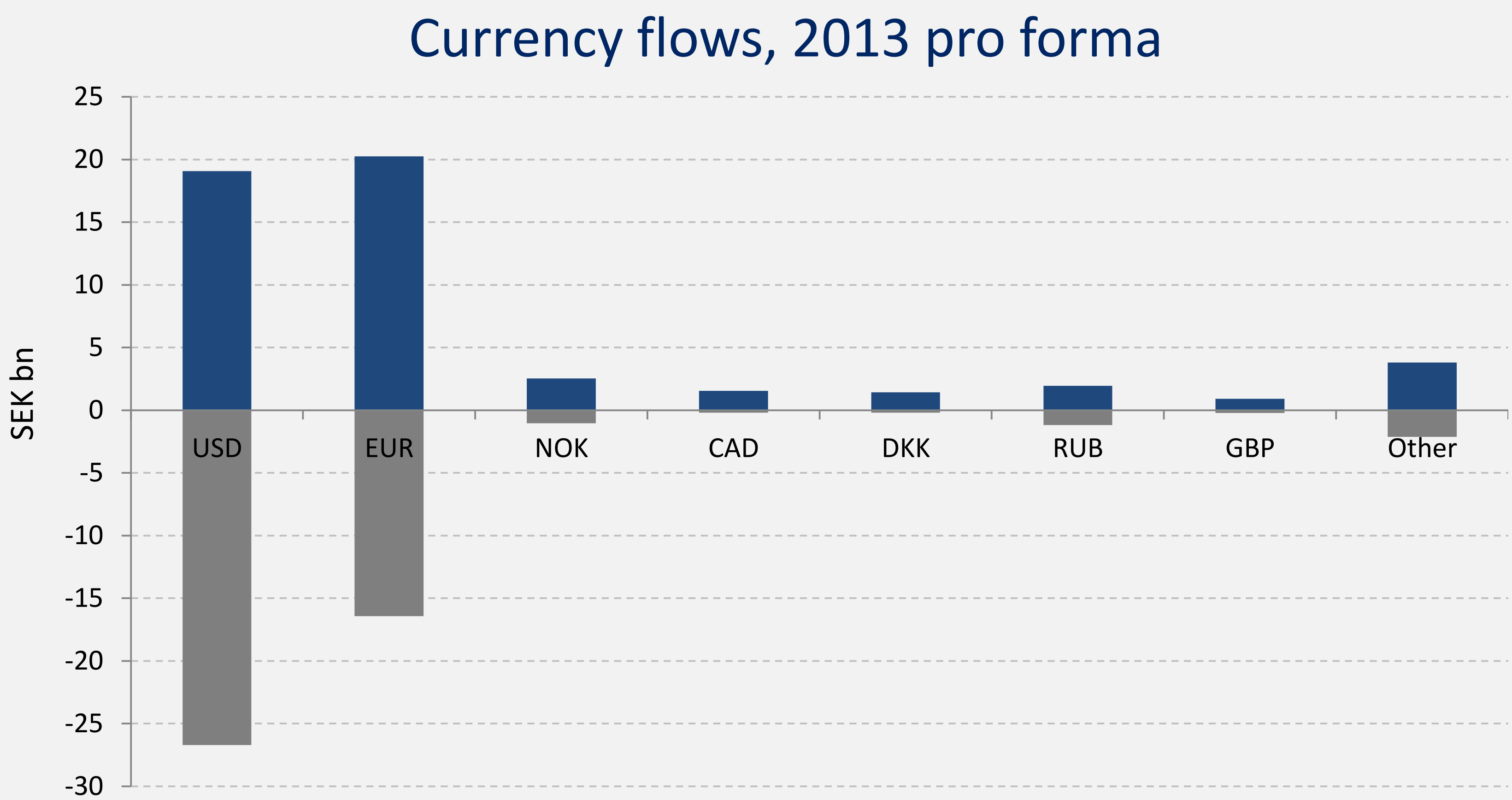
- Ruukki's back-up facilities were cancelled upon closing the merger (approx. SEK 3.9bn)
- €54 million of Ruukki's debt was repaid upon closing the merger. The remaining debt was assumed by SSAB

Unchanged interest rate but slightly lower duration

Debt cost and duration



More balanced currency exposure for SEK vs. EUR in the combined company



Summary

- Improved profitability in 2014 from low level
  - Clear agenda per division towards industry leading profitability
- Commitment to deliver on synergies
  - SEK 1.4 bn in cost synergies
  - SEK 0.5 bn in reduced working capital
  - SEK 1.4 bn in CAPEX avoidance
- Stable funding situation and continued low funding costs
- Majority of Ruukki debt assumed and no covenants in the new company
- More balanced EUR exposure