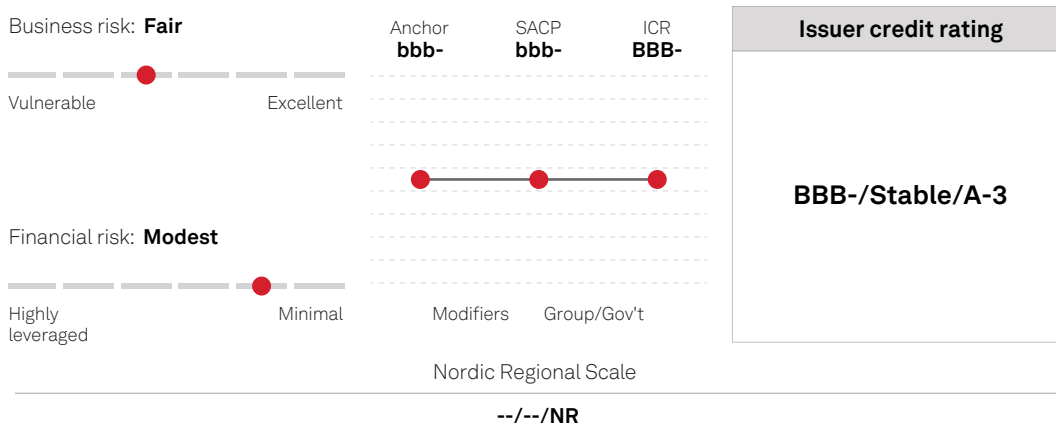


SSAB AB

June 3, 2026

This report does not constitute a rating action.

Ratings Score Snapshot



ICR--Issuer credit rating, SACP--Stand-alone credit profile.

Credit Highlights

Overview

Key strengths	Key risks
Midsize steel producer (7.5 million tons of crude steel production in 2025) operating in a highly fragmented market.	Volatile earnings from exposure to the highly competitive and cyclical steel industry, which is sensitive to economic conditions, global flows of materials, and measures from various governments.
Strong market position in the Nordic region, U.S. heavy plate market, and global special steels division.	High capital expenditure (capex) over the next five years as part of the decarbonization of Nordic plants.
Virtually no debt (excess cash position), with resulting strong liquidity.	

S&P Global Ratings forecasts SSAB's earnings to improve in 2026, driven by constrained supply in its local markets due to trade measures, while demand remained muted. Post the first quarter results, we now expect EBITDA to improve to Swedish krona (SEK) 13.0 billion-SEK14.0 billion in 2026, compared with about SEK10 billion in 2025, supported by higher prices in

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Europe and the U.S. in 2026, largely thanks to policy support--such as the Carbon Border Adjustment Mechanism (CBAM) in Europe and steep import tariffs in both markets.

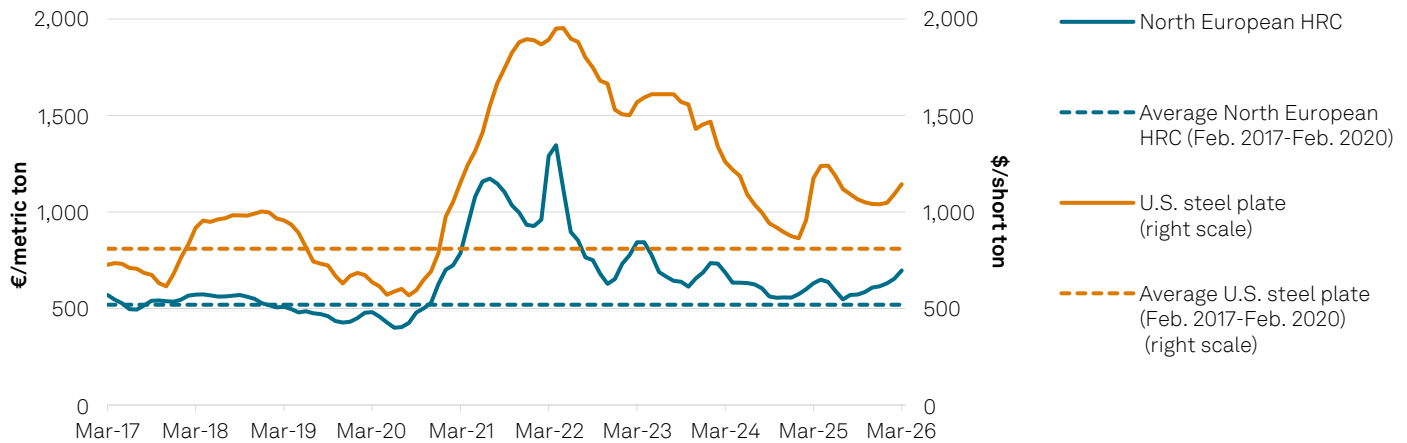
In the U.S. flat market, supportive regulations offset softer demand. We expect SSAB to report EBITDA of SEK2.5 billion-SEK3 billion, compared with about SEK2.4 billion in 2025. The U.S. flat market remains structurally protected thank to Section 232 tariffs and stricter "melt and pour" requirements making imports unattractive, while port stocks in the U.S. are depleting and outages are further tightening domestic supply. We think these factors more than offset other nonsupportive supply-and-demand factors, such as the increase of Nucor's domestic capacity and GDP growth being primarily driven by AI-related investments rather than broad industrial activity.

In the European market, CBAM and trade safeguards could change the face of the industry.

The past three years were characterized by falling demand mainly from the auto industry. The European Steel Association (EUROFER) says it expects demand to increase 1.3% in 2026 and 3.0% in 2027. The actual change from tightening the regulatory framework with the CBAM's implementation should reduce price pressure from higher-carbon Asian steel. This is particularly true for large European suppliers with operations in India and Indonesia, with high emissions that will lead to high combined CBAM and freight costs. Moreover, the European Council's adoption of trade safeguards in the second half of the year will cut quota allowances by 47% to 18.3 million metric tons (mt) annually and double out-of-quota duties to 50%. Finally, the war in Iran has led to rising energy costs and freight rates. We expect that European mills will continue to pass through higher costs, and logistical constraints (including extending transit times, elevating costs, and delayed arrivals creating quota timing risks) will raise the landed cost of imported steel in Europe. As a result, supply factors will become more important than demand ones, in our view. While fiscal stimulus plans and commitments on higher defense spending could gradually affect demand, downstream demand remains subdued, with the eurozone manufacturing Purchasing Managers' Index (PMI) remaining largely in contraction and the Middle East conflict posing significant risk to European demand. Overall, we think steel prices will trend higher in 2026 and 2027 (see chart 1), reflecting the upward trajectory of carbon prices.

Chart 1

Steel spreads in Europe and the U.S.



HRC--Hot-rolled coil. Source: S&P Global Ratings.
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We expect SSAB to navigate protectionism measures thanks to its "local for local" model." Its European division includes four plants in the Nordic region, and its sales in 2025 were mostly generated locally (88%). Similarly, the Americas division generated 95% of its revenue in the U.S., where it has a plant in Iowa. SSAB's Special Steels division has a plant in the U.S, where it generated 21% of its revenue in 2025, and one in Sweden, serving the European market, which accounted for 44% of revenue. In addition to the local-for-local approach, we think the products' differentiation is such that SSAB should be able to pass through supplemental costs to its customers, as it did during the steel tariffs in 2018-2019.

SSAB's strategic investment will strengthen its European standing. We understand that as part of the company's transformation from blast furnace technology in Europe to electric arc furnace (EAF), it will need to invest an additional SEK42 billion from 2026-2028, on top of annual maintenance capex of about SEK3 billion. About SEK5.8 billion has already been invested in the conversion of the Oxelösund plant and about SEK4.5 billion in 2025 in the transformation of the Luleå plant. Additional amounts could be expected toward 2030 as management decides on the Raahe plant conversion. These investments include:

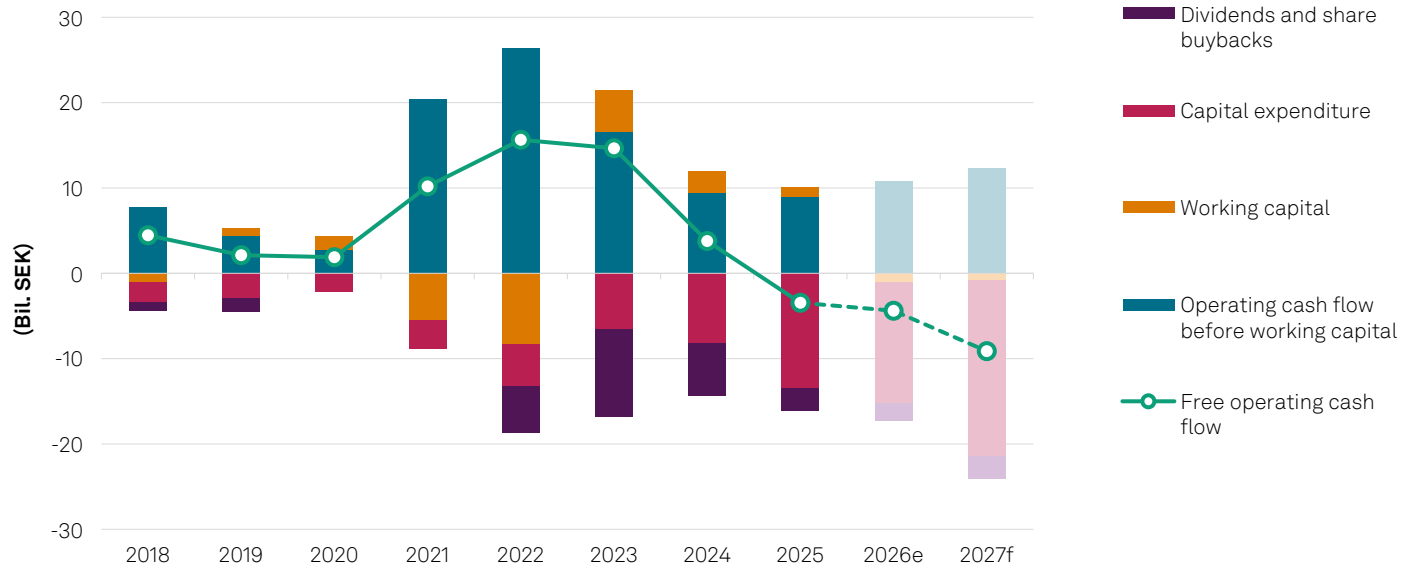
- Luleå:** The transformation of the mini-mill in Luleå into a fossil-free, premium facility is underway, with groundworks ongoing, while work on foundations and structures will begin in 2026. The company estimates cumulative capex of €4.5 billion (about SEK49 billion) over 2025-2029, for which it signed funding of about €2.7 billion in April and June 2025. The new steel mill will have an annual capacity of 2.5 million tons and will consist of two electric arc furnaces. The investment includes a cold rolling and galvanizing complex, which will allow SSAB to manufacture higher-strength steels and premium products, and will have flexibility in terms of feedstock, with an ability to use a mix of fossil-free sponge iron and recycled steel scrap as raw material.
- Oxelösund:** Since 2023, the conversion of the Oxelösund plant has made significant progress, and construction of the new EAF is underway. Total project costs are about SEK8.2 billion (including SEK2 billion for the power line), of which more than 70% has been spent.

Management anticipates to start operations in early 2027, subject to the favorable resolution of pending appeals related to the power line to plant.

- **Raahe:** Our base-case scenario does not include the third planned plant's conversion to EAF, as the investment decision is not final and we understand the company will focus for now on the other two plants.

Chart 2

SSAB shows continued operating cash flow as the investment cycle unfolds



SEK--Swedish krona. e--Estimate. f--Forecasts. Source: S&P Global Ratings. © 2026 Standard & Poor's Financial Services LLC.

The strategic investments could support structurally higher over-the-cycle EBITDA for SSAB. The execution of its decarbonization strategy could reduce SSAB's cost exposure and provide a structural uplift in over-the-cycle EBITDA, thanks to positive developments in the product mix. In addition, there is potential for green steel premiums, although we assess this benefit as more uncertain as industrywide low-carbon investments accelerate. Execution risks remain tied to power and biogas availability, and technology ramp-up timelines, which could collectively introduce delays and earnings volatility before structural cost benefits are fully realized.

We estimate that the company will maintain credit metrics commensurate with an investment-grade rating under various scenarios, even as debt levels peak in 2028. SSAB enters its strategic investment cycle with a strong balance sheet, with a cash position of SEK11.6 billion at year-end 2025. We have analyzed three scenarios stressing the company's ability to maintain the rating (see table 1):

Table 1

Scenario	Cumulative EBITDA (2026-2029)	FFO to debt in 2028	Details
Midcycle (no benefits)	About SEK50 billion	About 45%	EBITDA for 2026-27 of about SEK25 billion.

Scenario	Cumulative EBITDA (2026-2029)	FFO to debt in 2028	Details
			For 2028-2029, we assume EBITDA of SEK11.0 billion-SEK11.5 billion. This scenario takes into account the accumulative performance of the different divisions from 2018-2025, excluding outlying years (2022-2023). We use this as a pessimistic scenario, as it does not account for SSAB's ongoing shift toward higher value-added products. Dividends will be in line with SSAB's financial policy, although the company maintains flexibility to reduce its shareholder distribution, phase its investments, and adapt its funding strategy to protect its credit metrics.
Midcycle including benefits	SEK50 billion-SEK55 billion	50%-60%	EBITDA for 2026-27 of about SEK27 billion. For 2028-2029, we incorporated specific company initiatives expected to enhance EBITDA, totaling SEK2 billion-SEK3 billion, independent of market fluctuations. These initiatives primarily include a continued increase in the share of premium offerings and ongoing cost reduction measures. Dividends will be in line with SSAB's financial policy.
Base case	SEK55 billion-SEK60 billion	60%-70%	This scenario takes into account SSAB's mid-cycle profitability as described above, including structural benefits from investment, and contribution from regulations. Dividends will be in line with SSAB's financial policy.

FFO--Funds from operations.

Under all scenarios, we think SSAB will maintain the rating, especially taking into account that company's historically conservative leverage targets (including a net gearing target between negative 20% and positive 20%, of net debt to equity), strong cash flow conversion, and demonstrated willingness to adjust shareholder returns to protect balance-sheet strength during weak market environment. Furthermore, SSAB maintains significant flexibility to implement additional measures in a downside scenario, including the ability to adjust investment timing and funding strategies. We view positively SSAB's proactive steps, securing SEK30 billion financing package for its investment at Luleå (accounting for about 60% of the total investment cost), and supportive Nordic policy frameworks mitigate funding risks.

Outlook

The stable outlook reflects the company's very comfortable debt position, resulting in ample headroom to address adverse industry conditions and finance large sustainability-linked investments without putting pressure on the rating.

Under our base-case scenario, we forecast EBITDA of SEK13 billion-SEK15 billion in 2026 and 2027.

Together with our expectation that the company will continue to have no adjusted debt in the coming year, this would lead to funds from operations (FFO) to debt of above 60% under normal market conditions, which we consider commensurate with the rating.

We assume credit metrics will decline gradually from very strong levels as capex rises. During exceptionally weak, bottom-of-the-cycle market conditions, FFO to debt being below 60% temporarily could still be compatible with the rating, assuming it remains well above 45% and SSAB maintains a financial policy aimed at rapidly restoring credit metrics.

Downside scenario

We regard a downward rating action as unlikely in the coming 12 months, given the limited debt levels and expected near-term cash needs.

We could see stress on the rating if some of the following took place:

- EBITDA fell below SEK11 billion for more than 12 months.
- There was a change in our assumption for the structural benefits coming from the transformation plan (currently SEK2 billion-SEK3 billion)
- The company experiences a capex overrun or initiates the transformation of Raahe before the finalizing of existing projects.
- It shows a limited willingness to curtail dividends.

Any of these could result in debt spiking and adjusted FFO to debt falling and remaining well below 60% under midcycle conditions or 45% under bottom-of-the-cycle conditions.

Upside scenario

We think an upgrade is unlikely in the near future, owing to SSAB's business profile and accounting for the company's material growth capex planned for 2026-2029, which leads us to anticipate that it might no longer maintain a net cash position from 2027. Over the medium term, upside considerations could arise if transformation program-related benefits materialize leading to higher and more resilient earnings and therefore improved earnings quality; or if CBAM and other trade safeguards in Europe reduce the competitiveness of imports thereby strengthening SSAB's competitive advantage in the region.

Our Base-Case Scenario

Assumptions

- Real GDP growth in the eurozone of 1% in 2026, compared with 1.5% in 2025, due to the energy price shock as a result of the Middle East war, which we expect will push up inflation and weigh on growth prospects. In the U.S., we expect GDP growth of 2.2% in 2026, from 2.1% in 2025, assuming only a temporary supply disruption.
- Iron ore prices of \$100 per mt on average for the rest of 2026, falling to \$90 in 2027 due to downward pressure from declining Chinese steel production.
- Capex of SEK14.0 billion in 2026, SEK20 billion in 2027, and SEK17 billion in 2028, including about SEK3 billion of maintenance capex per year.
- Working capital outflows of SEK1 billion in 2026 and SEK0.8 billion in 2027.

- Dividend distribution of 40% of the previous year's net income, in line with SSAB's dividend policy. We do not anticipate the payout of special dividends as we forecast net debt to increase owing to the company's strategic investments. Conversely, the company could reduce or postpone paying dividends to support the rating, in line with its financial policy.
- No mergers or acquisitions.

Key metrics

SSAB AB--Forecast summary

Period ending	Dec-31-2022	Dec-31-2023	Dec-31-2024	Dec-31-2025	Dec-31-2026	Dec-31-2027	Dec-31-2028
(Mil. SEK)	2022a	2023a	2024a	2025a	2026e	2027f	2028f
Revenue	128,745	119,489	103,418	96,220	105,238	112,953	102,139
EBITDA (reported)	32,340	20,141	12,068	10,188	12,926	15,152	13,938
EBITDA	32,364	20,157	12,077	10,041	12,844	15,070	13,856
Less: Cash interest paid	(474)	(776)	(866)	(435)	(527)	(707)	(961)
Less: Cash taxes paid	(5,947)	(3,879)	(3,230)	(932)	(1,840)	(2,079)	(1,632)
Funds from operations (FFO)	25,943	15,502	7,981	8,674	10,477	12,283	11,263
Interest expense	476	763	744	587	521	703	974
Cash flow from operations (CFO)	20,594	21,214	11,984	9,614	9,934	11,934	12,565
Capital expenditure (capex)	4,948	6,567	8,203	13,517	14,100	20,600	17,600
Free operating cash flow (FOCF)	15,646	14,647	3,781	(3,903)	(4,166)	(8,666)	(5,035)
Dividends	5,413	8,968	4,987	2,595	1,993	2,768	3,129
Discretionary cash flow (DCF)	10,233	4,387	(2,421)	(6,498)	(6,159)	(11,434)	(8,164)
Debt (reported)	8,173	7,710	6,996	8,420	5,988	18,800	24,321
Plus: Lease liabilities debt	2,504	2,912	3,156	2,923	3,197	3,431	3,103
Plus: Pension and other postretirement debt	(27)	(82)	(125)	(185)	(185)	(185)	(185)
Less: Accessible cash and liquid investments	(24,900)	(28,916)	(27,810)	(22,766)	(13,641)	(14,447)	(11,230)
Plus/(less): Other	1,398	1,624	1,619	1,767	1,767	1,767	1,767
Debt	--	--	--	--	--	9,366	17,776
Adjusted ratios							
Debt/EBITDA (x)	--	--	--	--	--	0.6	1.3
FFO/debt (%)	NM	NM	NM	NM	NM	131.1	63.4
FFO cash interest coverage (x)	55.7	21.0	10.2	20.9	20.9	18.4	12.7
EBITDA interest coverage (x)	68.0	26.4	16.2	17.1	24.7	21.5	14.2
CFO/debt (%)	NM	NM	NM	NM	NM	127.4	70.7
FOCF/debt (%)	NM	NM	NM	NM	NM	(92.5)	(28.3)
DCF/debt (%)	NM	NM	NM	NM	NM	(122.1)	(45.9)
Annual revenue growth (%)	34.3	(7.2)	(13.4)	(7.0)	9.4	7.3	(9.6)
EBITDA margin (%)	25.1	16.9	11.7	10.4	12.2	13.3	13.6

All figures are adjusted by S&P Global Ratings, unless stated as reported. SEK--Swedish krona. a--Actual. e--Estimate. f--Forecast. NM--Not meaningful.

Company Description

SSAB AB

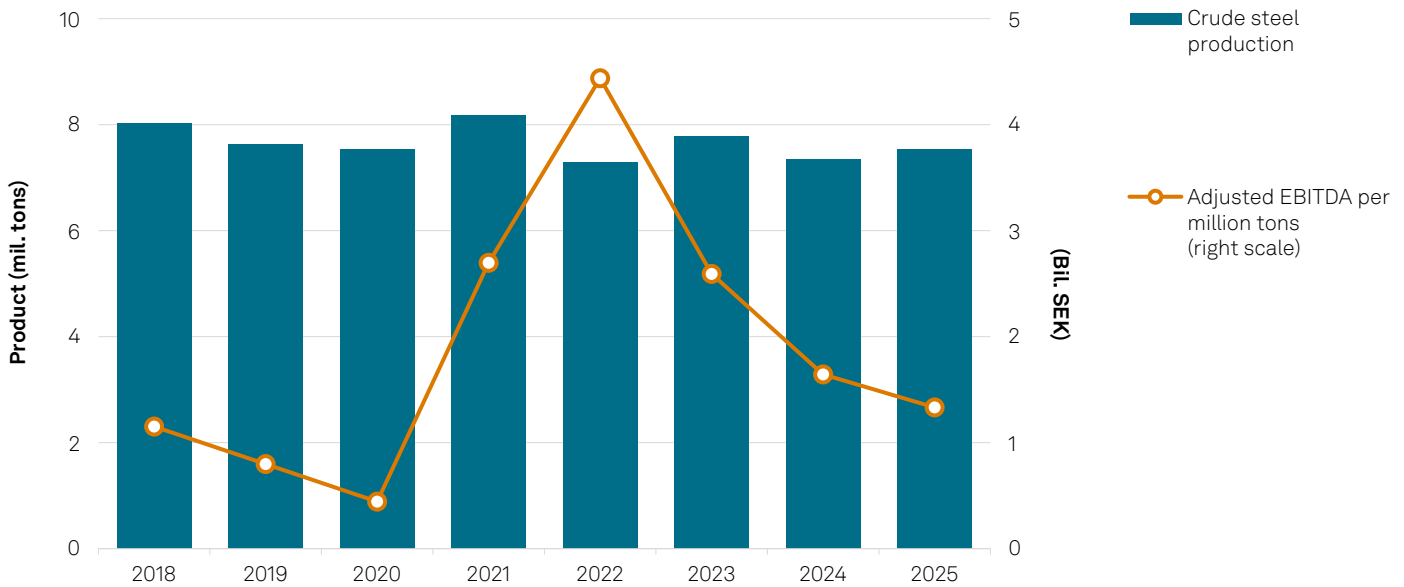
SSAB produces high-strength steel; quenched and tempered steel; and strip, plate, and tube products. It also provides construction solutions. In 2025, it had sales of SEK96.2 billion, produced 7.5 million tons of steel (see charts 3 and 4), and had a capacity of 8.8 million tons in Sweden, Finland, and the U.S. The company serves several end markets--such as industrial applications, auto, heavy transport, construction, and energy--and operates through five divisions:

- Special steels (about 55% of 2025 EBITDA);
- Americas (21%);
- Europe (19%);
- Ruukki Construction (3%); and
- Tibnor (2%).

SSAB is headquartered in Stockholm and its shares are traded on NASDAQ Stockholm and Helsinki. LKAB holds 11% of capital and 16.5% of voting rights, while the government of Finland holds 6.5% of capital and 8.3% voting rights. The remainder are free float. Notable rated peers include Steel Dynamics Inc., Nucor Corp., ArcelorMittal, and U.S. Steel Corp. In Europe, SSAB competes with companies like Tata Steel Europe and Salzgitter (both not rated).

Chart 3

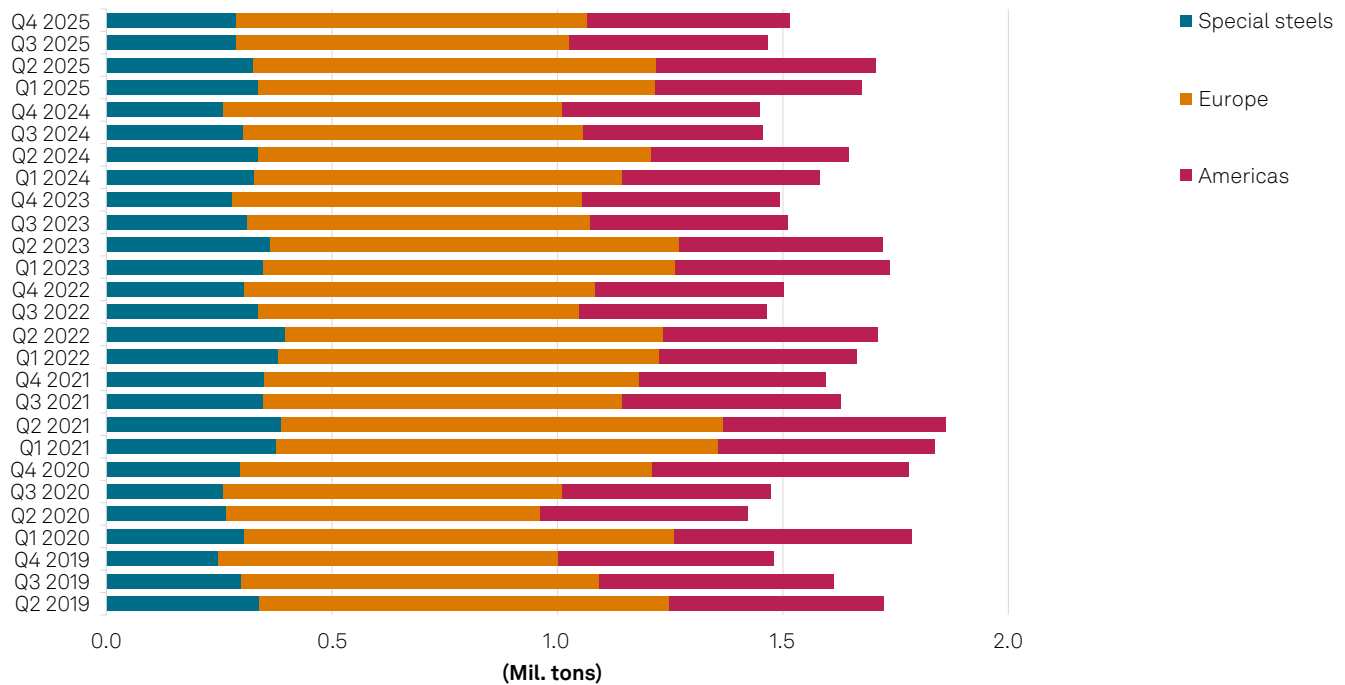
SSAB's EBITDA per ton has moderated following exceptional years



Source: S&P Global Ratings.
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Chart 4

SSAB's quarterly steel shipments per division



Source: S&P Global Ratings.
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Peer Comparison

SSAB's profitability, as measured by the S&P Global Ratings-adjusted EBITDA margin, is average for the sector (see chart 5). Its average EBITDA margin was about 14.1% over 2018-2025, which is better than peers such as ArcelorMittal and United States Steel Corp. However, it is somewhat lower than the approximately 18%-19% posted by Steel Dynamics and Nucor Corp., which have a high level of vertical integration and relatively low fixed costs. Its margins are also better than Thyssenkrupp, a diversified industrial conglomerate with European steel operations accounting for about 30% of its earnings.

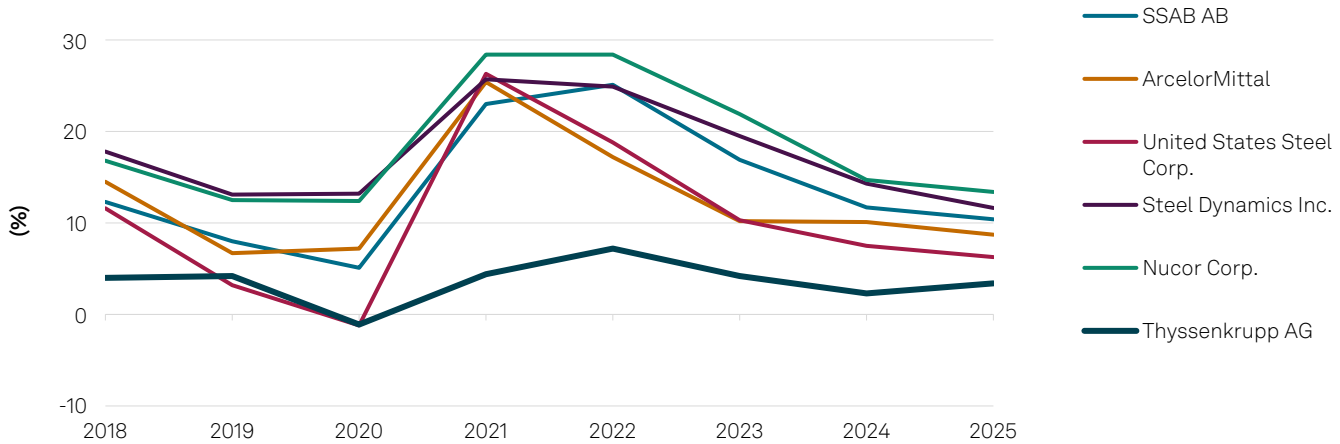
SSAB AB

Chart 5

Chart 5

SSAB's profit margins are in line with the industry average

S&P Global Ratings-adjusted EBITDA margin



Source: S&P Global Ratings.
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SSAB's credit metrics, notably FFO to debt, are better than those of similarly rated peers (see table 2), supported by beneficial market conditions and lower net debt. Unlike its peers, the company has had a net cash position since 2022. In our view, this debt level indicates that FFO to debt will remain in line with the 'BBB-' long-term issuer credit rating, even during weaker points of the cycle.

Table 2

Steelmakers' FFO to debt remains healthy

(%)	SSAB AB	ArcelorMittal	United States Steel Corp.	Steel Dynamics Inc.	Nucor Corp.	Thyssenkrupp AG
2018	61.6	36.6	40.2	118.9	115.1	10.6
2019	27.2	13.5	6.3	92.4	79.6	9.5
2020	18.8	13.4	-7.9	59.2	94.0	(23.5)
2021	439.7	101.6	118.3	195.1	255.1	29.7
2022	Net cash position	69.4	80.3	472.3	419.9	107.7
2023	Net cash position	34.7	34.6	268.1	Net cash position	83.4
2024	Net cash position	26.6	20.1	71.8	121.0	33.2
2025	Net cash position	22.3	21.1	47.0	80.3	66.4

SSAB AB--Peer Comparisons

	SSAB AB	ArcelorMittal	United States Steel Corp.	Steel Dynamics Inc.	Nucor Corp.
Foreign currency issuer credit rating	BBB-/Stable/A-3	BBB/Stable/A-2	BB+/Stable/NR	BBB/Positive/--	A-/Stable/A-1
Local currency issuer credit rating	BBB-/Stable/A-3	BBB/Stable/A-2	BB+/Stable/NR	BBB/Positive/--	A-/Stable/A-1
Period	Annual	Annual	Annual	Annual	Annual
Period ending	2025-12-31	2024-12-31	2024-12-31	2025-12-31	2025-12-31

SSAB AB--Peer Comparisons

Mil.	SEK	SEK	SEK	SEK	SEK
Revenue	96,220	759,482	173,097	167,538	299,505
EBITDA	10,041	77,085	13,038	19,502	40,104
Funds from operations (FFO)	8,674	55,807	9,629	15,663	34,991
Interest	587	12,383	3,066	1,639	1,620
Cash interest paid	435	12,468	2,822	2,438	2,726
Operating cash flow (OCF)	9,614	61,115	8,422	12,625	29,977
Capital expenditure	13,517	65,049	22,954	7,811	31,541
Free operating cash flow (FOCF)	(3,903)	(3,934)	(14,532)	4,814	(1,565)
Discretionary cash flow (DCF)	(6,498)	(24,741)	(14,532)	(6,174)	(15,326)
Cash and short-term investments	22,766	70,832	15,129	7,096	24,877
Gross available cash	22,766	70,832	15,129	7,096	24,877
Debt	0	209,777	47,794	33,301	43,574
Equity	67,821	608,431	126,613	81,012	203,922
EBITDA margin (%)	10.4	10.1	7.5	11.6	13.4
Return on capital (%)	9.8	6.4	2.3	13.1	10.9
EBITDA interest coverage (x)	17.1	6.2	4.3	11.9	24.8
FFO cash interest coverage (x)	20.9	5.5	4.4	7.4	13.8
Debt/EBITDA (x)	0.0	2.7	3.7	1.7	1.1
FFO/debt (%)	NM	26.6	20.1	47.0	80.3
OCF/debt (%)	NM	29.1	17.6	37.9	68.8
FOCF/debt (%)	NM	(1.9)	(30.4)	14.5	(3.6)
DCF/debt (%)	NM	(11.8)	(30.4)	(18.5)	(35.2)

Business Risk

SSAB operates within the highly cyclical and capital-intensive steel industry. While the past few years' peaks and troughs in volumes and prices illustrate the industry's volatile nature in the near term, in the long term, volumes tend to move broadly in line with GDP. The company's end markets are diversified, as it serves sectors such as heavy transportation, infrastructure, energy, mining and machinery.

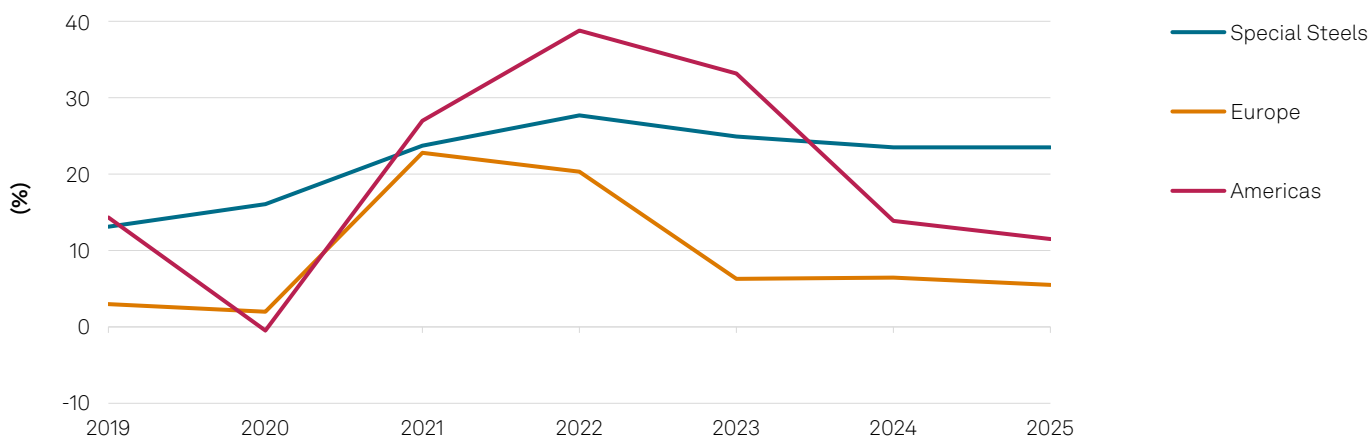
SSAB's U.S. operations differentiate it from pure regional players through geographic diversification and larger scale, but overall the company remains midsize compared with global players. We view the diversification stemming from U.S. operations as positive, given the business' materiality relative to SSAB's earnings. With S&P Global Ratings-adjusted EBITDA of \$10 billion in 2025, we view the company's scale as medium, in line with U.S. Steel but smaller than global players like ArcelorMittal (S&P Global Ratings-adjusted EBITDA of \$5.3 billion for 2025) or Nucor (\$4.4 billion).

The good positioning and significant share of special steel in the product mix should keep strengthening profitability. Through its special steels division, SSAB offers quenched and tempered as well as advanced high-strength steels (AHSS). This division's contribution to reported EBITDA has been 30%-60% over the past five years. SSAB Europe's division also includes premium products like automotive AHSS, which accounted for 712 kilotons of sales in 2025, and we expect the transformation of the Luleå plant to further strengthen the share of

these products thanks to the new integrated mini-mill. Those specialty and premium products, which we view as more value-added than the rest of the portfolio, have brought greater consistency in earnings given their nature and stabilized profitability. Special steels' EBITDA margin rose to 24% in 2025 from 11% in 2019 (see chart 6), staying within that range except for 2022 (28%). Over the same period, the Americas and Europe divisions saw a 3 percentage point (ppt) EBITDA margin decline and 3 ppt EBITDA margin growth, respectively, but with many more intraperiod moves. We expect these dynamics between SSAB's divisions to continue, especially as the company keeps focusing on developing its special steels offering.

Chart 6

SSAB's Special Steel segment is lowering margin volatility



Source: S&P Global Ratings.
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We expect SSAB's transition to fossil-free steel to increase profitability. Since 2023, the company has been rolling out a plan to convert its three steel production plants in Europe into fossil-free plants using EAFs. Oxelösund's conversion, which started in 2023, is on track to bring its EAF into use in early 2027, and the plant will have a capacity of 1.5 million tons. Luleå's conversion started recently and is targeting 2029 for delivery of its two EAFs, for a hot strip mill and cold mill complex in an integrated "mini-mill" concept, with a total capacity of 2.5 million tons. The conversion of Raabe will mirror the approach in Oxelösund, but the timing of the investment is not decided. We expect SSAB to benefit from these investments; not only will it avoid carbon-dioxide emissions costs, but the EAF technology and production chain integration will also improve cost efficiency and flexibility, and the increased capacity in premium products will enhance the company's product mix.

Financial Risk

Our assessment of SSAB's financial risk is underpinned by our expectation that FFO to debt will remain above 60% under normal market conditions. The company has substantially strengthened its balance sheet over the past decade, transitioning from a net debt position of SEK15 billion in 2019 (S&P Global Ratings-adjusted) to a net cash position in 2022, which it maintained through year-end 2025. This provides substantial financial flexibility as SSAB embarks

on a period of elevated strategic investments in the conversion of its plants, totaling SEK42 billion from 2026-2028. Under our base-case scenario, we project a shift to a net debt position of SEK9 billion-SEK10 billion in 2027 due to the planned capital expenditure. This will correspond to an FFO to debt of 120%-130%, decreasing to about 60% by 2029 but remaining in line with our threshold for the rating. We expect that credit metrics will be supported by structural improvements in EBITDA, owing to an increase in the share of premium and specialty products, which have higher profitability and lower volatility of earnings, leading to a more resilient business model. In 2025, the special steels division contributed 55% of reported EBITDA, up from 32% in 2019, with reported EBITDA margin of 23.5% compared with 5.5% for SSAB Europe and 11.5% for SSAB Americas. Consequently, we anticipate that during a hypothetical trough, the EBITDA decline could be less pronounced than previously.

Our base-case scenario also assumes dividend payments of SEK2 billion-SEK3 billion in 2026-2027, in line with the company’s policy of distributing 40% of the previous year’s net income. However, we think SSAB could adjust dividend distributions to changing market conditions to protect the balance sheet, given its commitment to a 'BBB-' rating, such that it would sustain FFO to debt above 60% under normal industry conditions and above 45% during market troughs. In our ratings, we factor in the potential for normalized adjusted EBITDA, which is based on average steel prices and company’s realized margins over 15 years, adjusting for any structural improvements (both realized and anticipated based on the company’s investments). We estimate that SSAB’s normalized adjusted EBITDA is about SEK11.0 billion, with the potential to improve by SEK2 billion-SEK3 billion by 2028 (that is, before the transformation of the mini-mill in Luleå is completed), thanks to a targeted improvement in the product mix associated with Q&T investments and upgrading, value-add services, and potential for higher prices realized from decarbonized steel.

Debt maturities

Debt maturities as of Dec. 31, 2025, were as follows:

- 2026: SEK1.6 billion
- 2027: SEK0.3 billion
- 2028: SEK2.3 billion
- 2029: SEK0.2 billion
- Beyond 2029: SEK5.7 billion

SSAB AB--Financial Summary

Period ending	Dec-31-2020	Dec-31-2021	Dec-31-2022	Dec-31-2023	Dec-31-2024	Dec-31-2025
Reporting period	2020a	2021a	2022a	2023a	2024a	2025a
Display currency (mil.)	SEK	SEK	SEK	SEK	SEK	SEK
Revenues	65,396	95,891	128,745	119,489	103,418	96,220
EBITDA	3,342	22,056	32,364	20,157	12,077	10,041
Funds from operations (FFO)	2,631	20,187	25,943	15,502	7,981	8,674
Interest expense	505	442	476	763	744	587
Cash interest paid	655	512	474	776	866	435
Operating cash flow (OCF)	4,092	13,571	20,594	21,214	11,984	9,614
Capital expenditure	2,204	3,382	4,948	6,567	8,203	13,517
Free operating cash flow (FOCF)	1,888	10,189	15,646	14,647	3,781	(3,903)

SSAB AB

SSAB AB--Financial Summary

Discretionary cash flow (DCF)	1,879	10,180	10,233	4,387	(2,421)	(6,498)
Cash and short-term investments	7,051	13,796	24,900	28,916	27,810	22,766
Gross available cash	7,051	13,796	24,900	28,916	27,810	22,766
Debt	14,010	4,592	0	0	0	0
Common equity	54,096	73,509	67,190	67,948	71,015	67,821
Adjusted ratios						
EBITDA margin (%)	5.1	23.0	25.1	16.9	11.7	10.4
Return on capital (%)	0.2	26.2	40.5	26.1	13.2	9.8
EBITDA interest coverage (x)	6.6	49.9	68.0	26.4	16.2	17.1
FFO cash interest coverage (x)	5.0	40.4	55.7	21.0	10.2	20.9
Debt/EBITDA (x)	4.2	0.2	0.0	0.0	0.0	0.0
FFO/debt (%)	18.8	439.7	NM	NM	NM	NM
OCF/debt (%)	29.2	295.6	NM	NM	NM	NM
FOCF/debt (%)	13.5	221.9	NM	NM	NM	NM
DCF/debt (%)	13.4	221.7	NM	NM	NM	NM

Reconciliation Of SSAB AB Reported Amounts With S&P Global Adjusted Amounts (Mil. SEK)

Financial year	Dec-31-2025	Debt	Shareholder Equity	Revenue	EBITDA	Operating income	Interest expense	S&PGR adjusted EBITDA	Operating cash flow	Dividends	Capital expenditure
Company reported amounts		8,420	67,784	96,220	10,188	6,116	569	10,041	10,079	2,595	13,532
Cash taxes paid		-	-	-	-	-	-	(932)	-	-	-
Cash interest paid		-	-	-	-	-	-	(420)	-	-	-
Trade receivables securitizations		1,450	-	-	-	-	-	-	(450)	-	-
Lease liabilities		2,923	-	-	-	-	-	-	-	-	-
Postretirement benefit obligations/deferred compensation		(185)	-	-	(52)	(52)	3	-	-	-	-
Accessible cash and liquid investments		(22,766)	-	-	-	-	-	-	-	-	-
Capitalized interest		-	-	-	-	-	15	(15)	(15)	-	(15)
Dividends from equity investments		-	-	-	14	-	-	-	-	-	-
Asset-retirement obligations		43	-	-	-	-	-	-	-	-	-
Income (expense) of unconsolid. cos.		-	-	-	(40)	-	-	-	-	-	-

Reconciliation Of SSAB AB Reported Amounts With S&P Global Adjusted Amounts (Mil. SEK)

	Debt	Shareholder Equity	Revenue	EBITDA	Operating income	Interest expense	S&PGR adjusted EBITDA	Operating cash flow	Dividends	Capital expenditure
Nonoperating income (expense)	-	-	-	-	795	-	-	-	-	-
Noncontrolling/minority interest	-	37	-	-	-	-	-	-	-	-
Debt: Guarantees	274	-	-	-	-	-	-	-	-	-
EBITDA - Gain/(loss) on disposals of PP&E	-	-	-	(27)	(27)	-	-	-	-	-
EBITDA: Business divestments	-	-	-	(42)	(42)	-	-	-	-	-
Total adjustments	(18,261)	37	-	(147)	674	18	(1,367)	(465)	-	(15)
S&P Global Ratings adjusted	Debt	Equity	Revenue	EBITDA	EBIT	Interest expense	Funds from Operations	Operating cash flow	Dividends	Capital expenditure
	-	67,821	96,220	10,041	6,790	587	8,674	9,614	2,595	13,517

Liquidity

We assess SSAB's liquidity as strong, as we forecast that its liquidity sources will cover its uses by more than 1.5x over the next 12 months and more than 1.0x in the 12 months starting April 1, 2026. Our assessment is underscored by the company's sizable cash balance and its fully available €700 million revolving credit facility (RCF). We understand SSAB has about SEK4.2 billion of debt maturing in the coming three years. The company has established a long track record of prudent risk management.

Principal liquidity sources	Principal liquidity uses
Principal liquidity sources for the 12 months from April 1, 2026, include: <ul style="list-style-type: none"> Cash and cash equivalents of SEK23.8 billion. Availability under its RCF of €700 million due in 2029. Our estimate of FFO of SEK8.0 billion-SEK9.0 billion over the coming 12 months. 	Principal liquidity uses for the same period include: <ul style="list-style-type: none"> Capex of SEK10 billion-SEK15 billion. Intrayear working capital swings of several hundred million Swedish kronor, reflecting changes in prices and seasonality. About SEK3 billion in dividend distributions.

Environmental, Social, And Governance

Environmental factors remain a moderately negative consideration in our credit analysis of SSAB, similar to its steel-making peers, reflecting the inherently carbon-intensive steel production process. At the same time, the company is undertaking a significant strategic transition toward green steel production, which will improve its environmental footprint once completed. The conversion of its blast furnaces in Oxelösund and Luleå to EAFs is expected to reduce carbon

dioxide emissions by up to 1.5 million and 3.0 million tons per year, respectively. Therefore, SSAB aims to mitigate carbon-related regulatory risks and position itself to meet the increasing demand for low-carbon steel products, which we expect will enhance the company's long-term competitiveness and earnings resilience.

Rating Component Scores

Foreign currency issuer credit rating	BBB-/Stable/A-3
Local currency issuer credit rating	BBB-/Stable/A-3
Business risk	Fair
Country risk	Very Low
Industry risk	Moderately High
Competitive position	Fair
Financial risk	Modest
Cash flow/leverage	Modest
Anchor	bbb-
Modifiers	
Diversification/portfolio effect	Neutral (no impact)
Capital structure	Neutral (no impact)
Financial policy	Neutral (no impact)
Liquidity	Strong (no impact)
Management and governance	Neutral (no impact)
Comparable rating analysis	Neutral (no impact)
Stand-alone credit profile	bbb-

Related Criteria

- [General Criteria: Environmental, Social, And Governance Principles In Credit Ratings](#), Oct. 10 2021
- [General Criteria: Group Rating Methodology](#), July 1 2019
- [Criteria | Corporates | General: Corporate Methodology: Ratios And Adjustments](#), April 1 2019
- [General Criteria: Methodology For Linking Long-Term And Short-Term Ratings](#), April 7 2017
- [Criteria | Corporates | General: Recovery Rating Criteria For Speculative-Grade Corporate Issuers](#), Dec. 6 2016
- [Criteria | Corporates | Recovery: Methodology: Jurisdiction Ranking Assessments](#), Jan. 20 2016
- [Criteria | Corporates | General: Methodology And Assumptions: Liquidity Descriptors For Global Corporate Issuers](#), Dec. 16 2014
- [General Criteria: Methodology: Industry Risk](#), Nov. 19 2013
- [General Criteria: Country Risk Assessment Methodology And Assumptions](#), Nov. 19 2013
- [General Criteria: Principles Of Credit Ratings](#), Feb. 16 2011

Related Research

- [Industry Credit Outlook 2026: Metals and Mining](#), Jan. 14, 2026

SSAB AB

- [Global Economic Outlook Q1 2026: AI Tailwinds Boost Otherwise Weak Growth](#), Nov. 26, 2025
- [Economic Outlook U.S. Q1 2026: Steady As She Goes But On A Narrow Path](#), Nov. 24, 2025
- [Economic Outlook Europe Q1 2026: Germany's Fiscal Reawakening](#), Nov. 24, 2025

Ratings Detail (as of April 14, 2026)***SSAB AB**

Issuer Credit Rating	BBB-/Stable/A-3
<i>Nordic Regional Scale</i>	--/--/NR

Issuer Credit Ratings History

28-Jan-2022		BBB-/Stable/A-3
23-Jul-2021		BB+/Positive/B
26-Feb-2021		BB+/Stable/B
14-Apr-2011	<i>Nordic Regional Scale</i>	--/--/NR
06-Dec-2010		--/--/K-4
12-Nov-2010		--/Watch Neg/K-3

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.

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