



Public Affairs

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## **Continued strong growth for niche products**

SSAB today presented its accounts for the first half of the year. Profit after financial items increased by SEK 303 million and amounted to SEK 780 (477) million. Earnings per share increased to SEK 5.40 (3.20).

- The increase in profit is due to stronger gross margins in the steel operations, stated CEO Anders Ullberg in a comment on the report. The improved margins are primarily a result of higher steel prices but also due to somewhat lower raw materials costs. Prices were 10% higher than during the first half of last year and the lower raw materials costs are a result of a weaker dollar.

- Processing costs increased by 7% compared with the first half of last year. In addition to wage increases, costs have also been affected by a shorter and earlier summer stop in the steel operations. In addition, activities have been carried out to further improve certainty of delivery and yield and thereby meet the higher demands which result from our niche focus, says Anders Ullberg.

- Demand for the Group's niche products, extra and ultra high-strength sheet and quenched steels, has remained strong during the quarter, emphasises Anders Ullberg. We are continuing to increase deliveries to both existing and new customers. Deliveries of these niche products increased by 20% and 17% respectively compared with the first half of last year. In total, deliveries of our niche products, high-strength sheet and quenched steels, were 11% higher than last year and accounted for 42 (38)% of total delivery volumes during the first half of the year.

- No general increase in demand for steel in Europe can yet be discerned and, accordingly, we believe that steel consumption during the second half of the year will remain at approximately the same level as during the first half of the year. The rate of delivery in the steel operations is, however, expected to increase somewhat compared with the first half of the year due to continued growth for our niche products, high-strength sheet and quenched steels, concludes Anders Ullberg.