



Public Affairs

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Continued strong growth for niche products

SSAB today presented its accounts for the first three quarters. Profit after financial items increased by SEK 325 million and amounted to SEK 881 (556) million. Earnings per share increased to SEK 5.90 (3.80).

- Demand for the Group's niche products, extra and ultra high-strength sheet and quenched steels, remained strong during the quarter, emphasises CEO Anders Ullberg in a comment on the report. We are gradually broadening our customer base at the same time as deliveries to existing customers continue to increase. Thus far this year, deliveries of these niche products have increased by 15% over last year. In all, deliveries of our niche products, high-strength sheet and quenched steels, account for 43 (40)% of total delivery volumes so far this year.

- The increase in profit is due to higher gross margins in the steel operations and an increase in the proportion of niche products, states Anders Ullberg. The stronger margins are due primarily to higher steel prices, but also to somewhat lower raw materials costs. Prices were 8% higher than during the first three quarters of last year, while the lower raw materials costs are due to the weaker dollar.

- Processing costs increased by 6% compared with the first three quarters of last year. Apart from wage increases, costs have been affected by a switch-over to shorter summer break and thereby increased production in the steel operations. In addition, we have carried out a number of activities in order to further improve certainty of delivery and yield, and thereby meet the tougher requirements that result from our niche focus, says Anders Ullberg.

- As yet, no increase in demand for steel has been noted in Western Europe and, accordingly, it is believed that steel consumption during the final quarter of the year will be at approximately the same level as thus far this year. However, the rate of delivery in the steel operations is expected to increase somewhat due to continued growth for our niche products, concludes Anders Ullberg.