

PRESS RELEASE
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New quenching line in Oxelösund

SSAB's investments in quenched steels continue. Today, SSAB's Board of Directors approved an investment of SEK 550 million in another quenching line in Oxelösund. The new line is expected to be brought into operation at the end of 2001.

- SSAB's future lies in developing into a specialty steels company within the commercial steel sector, says SSAB's CEO Torsten Sandin. During the past 3-4 years, we have invested approximately 3 billion kronor in our steel operations in order to create conditions for continued growth in our niche products – high-strength sheet in the sheet sector and quenched steels in the plate sector.

- We have come furthest in our niche orientation in the plate sector, adds Torsten Sandin. The investment in a second quenching line in Oxelösund will make it possible for us to meet an increasing demand for quenched steels in a thinner dimensions sector.

SSAB Oxelösund is the world's leading producer of quenched steels. The global market share for its products amounts to almost 20%. The products are marketed throughout the world under the HARDOX and WELDOX trade marks. They are used where high abrasion and strength are required together with good weldability and formability as well as low weight.

- We see continued good growth possibilities for quenched steels says Dan Johansson, the president of SSAB Oxelösund. SSAB Oxelösund has fine products with very strong trade marks. Profitability for quenched steels, which account for approximately two thirds of plate sales, is stable and positive. We possess expertise in product and market development and have very good customer relations. During recent years we have also greatly expanded the international marketing organisation.

- By now constructing a second quenching line, we can broaden the product range and increase sales further. Especially interesting is the market for thinner quenched steels, Dan Johansson adds. This type of plate is used, among other applications, in mobile cranes, truck cranes, cement pumps, cement mixers, dumper bodies, containers and barges.

The new quenching line is being built in conjunction with the finishing line for thinner dimensions of plate that was brought into operation last year. Through this investment, SSAB Oxelösund will possess a complete line for the quenching, formatting, blasting, painting and packaging of plate. The investment amounts to MEK 550 million and the new line will be brought into operation at the end of the year 2001. Through the new quenching line relieving the load on the existing line, the capacity for thicker dimensions of quenched steels will also be increased. In total, the quenching capacity will increase by approximately 50%.

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