



Report for the third quarter 2008

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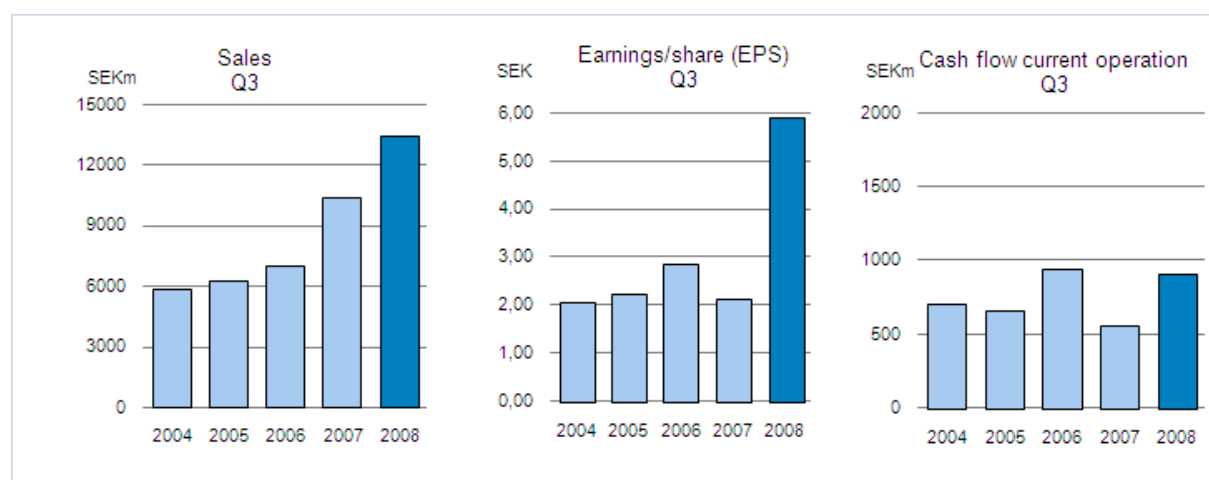
The quarter (Unless otherwise stated, this report relates to continuing operations, i.e. excluding the tubular business)*)

- Sales increased by 29% to SEK 13,399 (10,358) million, of which the North American Division accounted for SEK 4,244 (2,510) million
- Operating profit was SEK 2,640 (1,380) million, of which the North American Division accounted for SEK 827 (543) million. Excluding non-recurring items, the operating profit was SEK 2,640 (1,939) million
- Profit after financial items was SEK 2,734 (885) million and, excluding non-recurring items, was SEK 2,734 (1,705) million
- Profit after tax was SEK 1,943 (643) million, an increase of 202%, entailing earnings per share of SEK 5.91 (2.11)
- Cash flow from current operations for the entire operation was SEK 903 (557) million, an increase of 62%
- The net debt/equity ratio increased during the quarter from 42% to 46% due to the negative impact the foreign currency translation had on the USD-based financing

Nine months (Unless otherwise stated, this report relates to continuing operations, i.e. excluding the tubular business)*)

- Sales increased by 46% to SEK 41,266 (28,237) million, of which the North American Division accounted for SEK 12,262 (2,510) million
- Operating profit was SEK 8,537 (5,349) million, of which the North American Division accounted for SEK 2,162 (543) million. Excluding non-recurring items, the operating profit was SEK 8,423 (5,870) million
- Profit after financial items was SEK 8,112 (4,871) million and, excluding non-recurring items, was SEK 7,852 (5,653) million
- Profit after tax was SEK 5,675 (3,523) million, an increase of 61%, entailing earnings per share of SEK 17.23 (11.97)
- Cash flow from current operations for the entire operation was SEK 4,021 (2,230) million, an increase of 80%
- The return on capital employed for the most recent twelve-month period was 19 (18)% and, on equity, 25 (22)%

**)The discontinued operations have been removed from the income statements and are reported solely as Profit after tax for discontinued operations. The balance sheet includes the discontinued operations up until divestment on 12 June 2008. The result for the discontinued operations has been affected by interest expenses corresponding to the net sale proceeds received in conjunction with the disposal. The North American Division is included in the Group commencing 18 July 2007.*



Retroactive price increases on raw materials in the amount of approximately SEK 750 million attributable to the first half of the year fell due for payment during the third quarter and this had a negative impact on the cash flow from current operations for the third quarter.

The CEO's comments

Notwithstanding that the third quarter is normally a weak quarter, SSAB demonstrated a continued, very positive earnings trend. The North American operations made a very significant contribution to the positive trend and the integration is going according to plan. With the third quarter, we have fully compensated ourselves for the significant price increases on raw materials earlier this year.

The cash flow for the quarter was satisfactory, particularly taking into consideration the negative impact of payment during the quarter of retroactive price increases on raw material attributable to the first half of the year in the amount of approximately SEK 750 million.

It is our assessment that there will be a decrease in our volumes for the rest of the year. It appears that the prices of our niche products will continue to be stable while the prices of our commercial steels are expected to decrease slightly.

It is very difficult to evaluate the impact of the financial instability on the steel industry. The fact that the steel industry's co-operation organization, World Steel Association, recently declined to make a forecast regarding the performance of the steel market during 2009 underscores the difficulty in assessing how the world market for steel will develop.

Our concentration on niche products makes us less sensitive to negative economic trends. Even if growth in steel consumption as a whole declines, the motivating forces for a substitution from simpler steel to more advanced high strength steel remain.



Olof Faxander
President and CEO

Consolidated income statement

SEK millions	2008 Q 3	2007 Q 3	2008 Q 1-3	2007 Q 1-3	Oct 07- Sep 08	2007 Full year
Sales	13,399	10,358	41,266	28,237	53,470	40,441
Operating Profit	2,640	1,380	8,537	5,349	11,111	7,923
Of which operating profit per business area						
- Strip Products Division	1,080	682	3,022	2,584	3,910	3,472
- Plate Division	590	499	2,614	1,874	3,416	2,676
- North American Division 1)	827	543	2,162	543	3,002	1,383
- Tibnor	254	159	853	717	1,013	877
- Write-off, North American Division's surplus values, inventories 2)	0	-559	0	-559	-11	-570
- Other	-111	56	-114	190	-219	85
	2,640	1,380	8,537	5,349	11,111	7,923
Financial items 3)	94	-495	-425	-478	-906	-959
Profit after financial items	2,734	885	8,112	4,871	10,205	6,964
Tax	-791	-242	-2,437	-1,348	-3,018	-1,929
Profit after tax for continuing operations	1,943	643	5,675	3,523	7,187	5,035
Profit after tax for discontinued operations	0	-363	420	-363	406	-377
Total profit after tax	1,943	280	6,095	3,160	7,593	4,658
Key ratios						
Return on capital employed before tax (%)	-	-	-	-	19	18
Return on equity after tax (%)	-	-	-	-	25	22
Earnings per share (SEK) 4)	5.91	0.89	18.53	10.71	23.09	15.36
-of which for continuing operations (SEK) 4)	5.91	2.11	17.23	11.97	21.84	16.63
Goodwill (SEK millions)	18,825	26,460	18,825	26,460	18,825	27,252
Equity (SEK millions)	33,823	27,460	33,823	27,460	33,823	29,119
Net debt (SEK millions 5)	15,674	44,707	15,674	44,707	15,674	43,643
Net debt/equity ration (%)	46	163	46	163	46	150

The North American Division is included in the Group commencing July 18, 2007. During the first quarter 2008, the surplus values from the acquisition of IPSCO were adjusted, which also affected the result reported for 2007.

1) The North American Division's operating profit during the first nine months of 2008 has been affected by SEK 508 million in amortizations of allocated surplus values on intangible and tangible fixed assets, of which SEK 198 million is attributable to the third quarter. In 2007, these amortizations amounted to SEK 449 million, of which SEK 265 was attributable to the third quarter.

2) The surplus value of the North American Division's inventories at the time of the acquisition was SEK 570 million; the entire effect thereof encumbered the result during 2007, of which SEK 559 million is attributable to the third quarter 2007.

3) Financial items during the first nine months were positively affected by the interest compensation in the amount of SEK 146 million which was included in compensation for the blast furnace breakdown. The financial items during the third quarter were affected positively by the reduced indebtedness after divestment of the tubular business as well as via positive revaluation of currency futures and receivables in foreign currency. Non-recurring costs for financing the acquisition of the North American Division are included in the full year result for 2007 in the amount of SEK -401 million, of which SEK -261 million was attributable to the third quarter.

4) Earnings per share have been adjusted due to the bonus issue element in the new issue.

5) Since the beginning of the year, net debt has been calculated in accordance with a new definition which, among other things, entails that current tax receivables and tax liabilities are no longer included in net debt. The comparison figure for 2007 has been adjusted.

Market

The international steel market has continued to develop well during the third quarter, even if the rate of growth in terms of demand is thought to have been somewhat lower than during the first half of the year. World production of crude steel increased by 4.5% during the first nine months and by 1.7% during the third quarter, compared with the same periods in 2007. The world market prices for hot-rolled sheet and plate were stable during the quarter according to statistics from the World Steel Association (formerly IISI).

The demand for SSAB's niche products continued to be good during the third quarter, despite the global financial crisis.

The market for quenched steel has benefited from the continued strong trend toward lighter and higher strength steel in both mature economies and developing regions. SSAB's total deliveries of quenched steel increased by 8% compared with the third quarter last year and 15% during the first nine months compared with last year. Deliveries of quenched steel were, however, limited by maintenance outages and certain production disruptions during the period.

The quarter's total deliveries of advanced high strength steel, (AHSS) increased by 14% compared with the same period last year and during the first nine months by 17% compared with last year. The increase was primarily attributable to the heavy transportation segment. A certain slowdown could be discerned within the construction-

related segment during the quarter. In terms of season, the third quarter is traditionally the weakest quarter of the year.

Prices for the Plate Division's quenched steel increased during the third quarter by 8% and for the Strip Products Division products by 17%. The impact of dramatically increased coal prices was fully felt during the third quarter and SSAB has managed to compensate itself for the cost increases attributable to raw materials.

The North American Division's prices increased by 17% during the third quarter. The scrap metal surcharge, which is applied by the North American Division, decreased somewhat during the latter part of the quarter as a result of falling scrap metal prices.

The Group

Sales during the third quarter increased by SEK 3,041 million to SEK 13,399 (10,358) million. The North American Division accounted for SEK 1,734 million of the increase. Of the remaining increase, prices accounted for 13 percentage points, while a better product mix and increased volumes accounted for 4 percentage points.

Sales increased during the first nine months of the year by SEK 13,029 million to SEK 41,266 (28,237) million. The North American Division accounted for SEK 9,752 million. Of the remaining increase, prices accounted for 8 percentage points, while a better product mix and increased volumes accounted for 5 percentage points.

Operating profit during the third quarter increased by SEK 1,260 million to SEK 2,640 (1,380) million, an increase of 91%. Excluding non-recurring items, profit amounted to SEK 2,640 (1,939) million, of which the "old SSAB" contributed SEK 1,813 (1,396) million while the North American Division contributed SEK 827 (543) million.

Operating profit during the first nine months of the year increased by SEK 3,188 million to SEK 8,537 (5,349) million, an increase of 60%. Excluding non-recurring items, profit amounted to SEK 8,423 (5,870) million, of which the "old SSAB" contributed SEK 6,261 (5,327) million while the North American Division contributed SEK 2,162 (543) million.

The profit analysis is shown in the table below.

Change in operating profits, excluding non-recurring items, between the first nine months of 2008 and 2007 (SEK millions)	
Swedish Steel operations	
- Improved prices	+1,645
- Higher share of core niche products	+430
- Higher cost of goods sold	-1,510
North American Division	
- Operating profits (of which write-off of surplus values -243)	+1,619
Tibnor	
- Higher volumes/change in mix and margins	+187
Fixed costs	-126
Other	+308
Change in operating profit	+2,553

Financial costs decreased during the third quarter as a consequence of the reduced indebtedness following the divestment of the tubular business as well as positive revaluation of currency futures and receivables in foreign currencies. Financial items for the third quarter amounted to SEK +94 (-495) million. Net interest expenses for the quarter amounted to SEK -125 million.

Financial items during the year's first nine months amounted to SEK -425 (-478) million. Financial items were positively affected by a non-recurring item of SEK 146 million comprising interest compensation included in the indemnification settlement for the blast furnace breakdown which was booked during the second quarter. The financial items for last year included SEK -261 million in respect of non-recurring costs for financing of the IPSCO acquisition.

Profit after financial items during the quarter amounted to SEK 2,734 (885) million, an increase of SEK 1,849 million or 209%. Excluding non-recurring items, profit was SEK 2,734 (1,705) million.

Profit after financial items during the first nine months of the year amounted to SEK 8,112 (4,871) million, an increase of SEK 3,241 million or 67%. Excluding non-recurring items, profit was SEK 7,852 (5,653) million.

Profit after tax and minority interests during the quarter amounted to SEK 1,915 (627) million. Profit including discontinued operations amounted to SEK 1,915 (264) million, which corresponds to SEK 5.91 (0.89) per share. For continuing operations, earnings per share were SEK 5.91 (2.11).

Profit after tax and minority interests during the first nine months of the year amounted to SEK 5,583 (3,446) million. Profit including discontinued operations amounted to SEK 6,003 (3,083) million, which corresponds to SEK 18.53 (10.71) per share. For continuing operations, earnings per share were SEK 17.23 (11.97).

Financing and liquidity

Cash flow from current operations consists of cash flow after financial items and paid tax, changes in working capital as well as maintenance investments. During the quarter, the cash flow from current operations for the entire operation amounted to SEK 903 (557) million, and during the first nine months of the year to SEK 4,021 (2,230) million. The Strip Products Division's and Plate Division's cash flow during the quarter were negatively affected by retroactive price increases for raw materials from the first half of the year in the amount of SEK 750 million, which fell due for payment during the third quarter.

Primarily as a result of the downturn of the Swedish krona against the USD by 14%, the net debt increased during the third quarter and, as of September 30, amounted to SEK 15,674 (44,707) million, equivalent to a net debt/equity ratio of 46 (163)%. Had the price of the USD remained unchanged during the quarter, the net debt/equity ratio would have amounted to 39% as of September 30. The net debt/equity ratio as of June 30 was 42%.

The average term on the loan portfolio as of September 30, 2008 was 3.2 years with a fixed interest term of 1 year. The Debt payment capacity (measured as profit before tax with a reversal of depreciation and amortization on tangible and intangible assets, deduction of profit from interests in associated companies and non-recurring items, and with deductions for tax payments as a percent of the net debt) was 62% on an annual basis.

The Group's available liquid funds, consisting of liquid assets and non-utilized binding credit facilities, amounted to SEK 11,656 million as of September 30, equal to approximately 22% of annual turnover.

Operating cash flow/change of net debt

SEK millions	2008 Q 3	2007 Q 3	2008 Q 1-3	2007 Q 1-3	Oct 07- Sep 08	2007 Full year
Strip Products Division	-110	560	2,320	2,133	2,728	2,541
Plate Division	53	469	1,567	1,958	1,819	2,210
North American Division	1,466	172	2,669	172	4,337	1,840
Tubular business (up to date of divestment)	0	900	-160	900	-368	692
Tibnor	92	1	582	54	1,038	510
Other	-157	-196	-308	-485	65	-112
Operating cash flow	1,344	1,906	6,670	4,732	9,619	7,681
Financial items 1)	-275	-484	-792	-362	-1,749	-1,319
Taxes 2)	-166	-865	-1,857	-2,140	-2,505	-2,788
Cash flow from current operations	903	557	4,021	2,230	5,365	3,574
Acquisition of companies and operations 3)	-10	-50,270	-10	-50,601	-10	-50,601
Strategic investments	-107	-553	-438	-1,114	-958	-1,634
Divestment of businesses and operations 4)	0	0	24,848	96	24,908	156
Cash flow before dividends and financing	786	-50,266	28,421	-49,389	29,305	-48,505
Dividends/redemption	0	0	-1,620	-1,166	-1,620	-1,166
New issue	0	9,941	0	9,941	21	9,962
Net debt in divested companies	0	0	817	0	817	0
Assumed net debt, acquired companies 3)	0	-5,321	0	-5,321	-15	-5,336
Currency translations, etc.	-3,135	696	351	641	525	815
Change, net debt (increase/decrease+) 5)	-2,349	-44,950	27,969	-45,294	29,033	-44,230

1) Financial items consist of paid interest, while revaluations of financial instruments and exchange rate differences are reported in the financing activities

2) Taxes relates to tax paid during the period.

3) IPSCO was acquired on July 18, 2007 for SEK 50,516 million (of which SEK 246 million was already included in the second quarter of 2007) excluding assumed liabilities, while Steinwalls Plåt AB was acquired in April 2007 for SEK 85 million. Assumed debt in acquired companies amounted to SEK 5,336 million.

4) The item "Divestment of businesses and operations" relates entirely to the tubular business. For 2007 it relates to a number of property companies in Tibnor. The cash flow has been adjusted so that the cash flow from current operations is now affected by interest and taxes paid during the period. Comparison figures have been recalculated.

5) Notwithstanding a net amortization of approximately SEK 600 million, the net debt increased during the third quarter by SEK 2,349 million as a result of a weaker Swedish krona.

Non-recurring items (continuing operations)

There were no non-recurring items during the third quarter. During the third quarter 2007, non-recurring items on the surplus values on inventories encumbered the operating profit by SEK 559 million and non-recurring items for financing of the IPSCO acquisition encumbered the financial items by SEK 261 million.

During the first half of this year, final insurance compensation was received in respect of the blast furnace breakdown which occurred in the Strip Product Divisions plant in Luleå in 1997. The profit effect amounted in total to SEK 260 million, of which SEK 146 million constituted interest compensation.

Non-recurring items	2008	2007	2008	2007	Oct 07 -	2007
SEK millions	Q 3	Q 3	Q 1-3	Q 1-3	Sep 08	Full year
Effect on profit						
One-time costs, surplus values on inventory	0	-559	0	-559	-11	-570
Insurance indemnification, blast furnace breakdown	0	0	114	0	114	0
Capital gain upon sale of property companies	0	0	0	38	59	97
Effect on operating profit	0	-559	114	-521	162	-473
Interest on compensation, blast furnace breakdown	0	0	146	0	146	0
One-time financing costs, IPSCO	0	-261	0	-261	-140	-401
Redemption of financial lease in IPSCO	0	0	0	0	-111	-111
Effect on profit after financial items	0	-820	260	-782	57	-985

Return on capital employed/equity

Including discontinued operations, return on capital employed before tax for the most recent twelve-month period amounted to 19% and return on equity after tax to 25%. For the full year of 2007, the corresponding figures were 18% and 22%.

Equity

Following the dividend paid to the shareholders of SEK 1,620 million, the profit for the first nine months SEK 6,003 million, and following translation differences in equity of SEK +325 million, equity for the shareholders in the company as of September 30 amounted to SEK 33,598 (27,373) million, which corresponded to SEK 103.72 (84.13) per share.

Capital expenditures

During the first nine months of the year, decisions were taken regarding new capital expenditures totaling SEK 7,145 (1,233) million, of which SEK 5,483 million pertained to strategic investments and, of this, SEK 5.3 billion constituted the capital expansion program in Mobile, Borlänge and Oxelösund to increase production of quenched steel. The work is being executed in stages and will be completed in 2012. Capital expenditure payments for the entire operations amounted to SEK 1,665 (1,856) million of which SEK 438 (1,114) million related to strategic investments.

Taxes

The tax expenditure for the quarter was SEK 791 (242) million and the effective tax rate was 29 (27) %. For the first nine months of the year, the tax expense was SEK 2,437 (1,348) million and the effective tax rate was 30 (28) %.

Divestment of the North American tubular business

The tubular business was sold on June 12, 2008 for a price of USD 4,038.5 million. In addition to the price, preliminary compensation in the amount of USD 116.5 million was paid for working capital in the transferred companies. During the third quarter, a final adjustment was made in respect of the assumed working capital and settlement of internal transactions, which entails that SSAB received an additional USD 44 million in adjustment of working capital. Payment was received in October. In the income statement, the items for 2008, third quarter 2007, full year 2007 and rolling twelve-month period of October 2007 to September 2008 which relate to the operations under divestment have been broken out and reported on a net basis on a separate line "Profit after tax for discontinued operations". The income statement items thus exclude the tubular business unless otherwise stated. The sale proceeds were used to reduce SSAB's indebtedness. In order to provide a fairer view of the profit of the continuing operations, an interest expense on the debt equivalent to the net sale proceeds received encumbers the discontinued operations during the holding period.

The disposal pertained to 13 tubular plants, steel plants in Regina and Koppel which support the tubular business, as well as related scrap metal facilities. The IPSCO trademark, which is strongly associated with the tubular business, was included in the transaction. The continuing steel business is run as a separate division within SSAB – the North American Division. The divestment allows SSAB to focus on its core business as a world leader niche producer of high strength steel. The divestment, including profits from the business up to and including June 12, resulted in profits amounting to SEK 420 million, of which SEK 117 million constituted capital gains. Final adjustment of the sale entailed that the capital employed by virtue of the sale was reduced by approximately SEK 25 billion, of which slightly more than SEK 8 billion constituted goodwill. Please see page 17 for a specification of the other aspects of the discontinued operations.

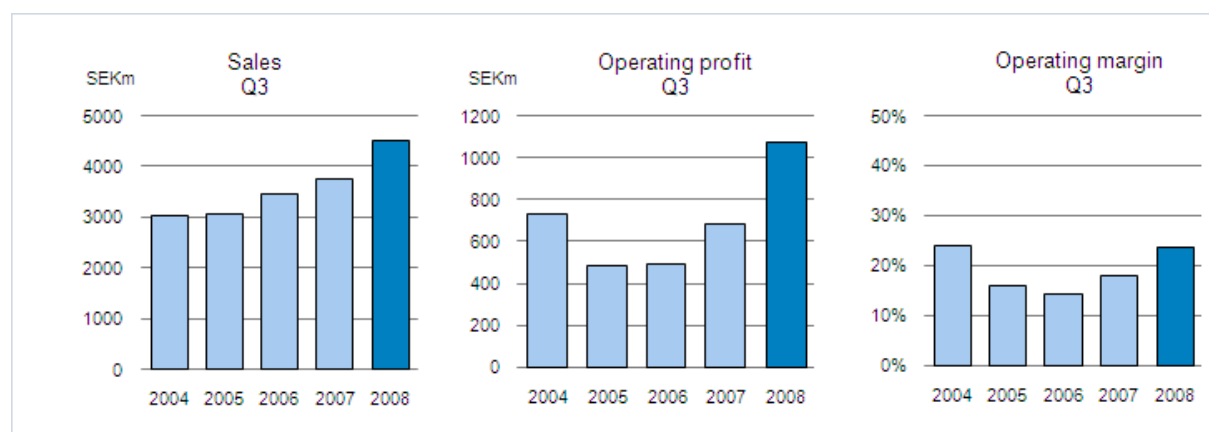
Business areas

The steel operations jointly

The price for iron ore was established at the beginning of April and entailed a price increase in USD of 87%. Iron ore deliveries have been hedged and a weaker USD compared with last year meant that the price in Swedish kronor increased by 60%. Iron ore agreements enter into force at the beginning of the year but, due to held stocks of raw materials, steel slabs and finished products, the full impact on earnings was not felt until the end of the first quarter. As regards coal, agreements have been reached regarding the entire annual volume with price increases in USD of approximately 100%. Including changes in freight costs and the impact of a favorable USD-rate, this resulted in a total price increase in SEK of almost 75%. All coal agreements entered into force on April 1 but, due to existing stocks, the full impact on earnings was not felt until the third quarter.

Scrap metal is an important raw material for the North American Division and is purchased continuously on the market. Price increases continued into the third quarter and the cost for scrap metal per tonne of produced steel increased by 10% compared with the second quarter. However, towards the end of the third quarter, price reductions on scrap metal purchases were realized.

The Strip Products Division



Prices for the Division's deliveries of strip products increased by 17% compared with the second quarter of the year. Adjusted for changes in the product mix and currency, the price increase amounted to 13%.

Sales increased by 21% compared with the third quarter last year and amounted to SEK 4,530 (3,756) million. Total sales for the first nine months of the year amounted to SEK 14,019 (12,708) million.

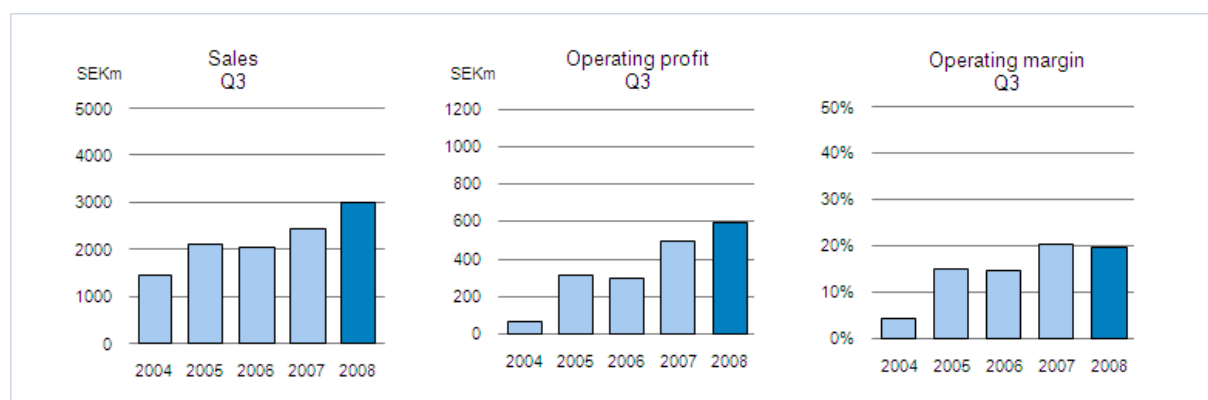
Operating profits for the quarter increased by SEK 398 million and amounted to SEK 1,080 (682) million. In total, operating profits for the first nine months of the year amounted to SEK 3,022 (2,584) million. The operating profit includes non-recurring items of SEK 114 (0) million. The price increases during the first three quarters compensated for the increased raw material costs.

Deliveries of strip products during the quarter amounted to 540 (530) thousand tonnes. Of this, deliveries of advanced high strength steel (AHSS) accounted for 201 (189) thousand tonnes, which was 6% higher than the third quarter last year. In total, deliveries of strip products for the first nine months amounted to 1,878 (1,851) thousand tonnes, of which 662 (614) thousand tonnes were AHSS. Deliveries of AHSS thus accounted for 35 (33) % of total strip product deliveries.

Crude steel production remained at a stable high level during the quarter and amounted to 616 (539) thousand tonnes. Sheet production amounted to 543 (548) thousand tonnes. In total, crude steel production for the first nine months amounted to 1,809 (1,700) thousand tonnes and sheet production to 1,912 (1,961) thousand tonnes.

During the first nine months of the year, decisions were taken regarding new capital expenditures totaling SEK 2,168 (673) million. Approximately SEK 1.5 billion of the new decisions pertained to the establishment of the direct quenching capacity for strip products as well as a new cut line in Borlänge. The capital expenditures are estimated to initially increase the annual capacity of quenched steel strip products to 300 thousand tonnes. The total capital expenditure payments during the first nine months amounted to SEK 855 million, of which SEK 186 million pertained to strategic investments.

Plate Division



Prices for the Division's delivery of quenched steel increased during the quarter by 8% compared with the prices during the second quarter. Adjusted for changes in the product mix and currency, the price increase amounted to 6%.

Demand for quenched steel has remained strong and deliveries increased during the third quarter by 5% compared with the third quarter of last year and amounted to 136 (129) thousand tonnes. In total, deliveries of quenched steel during the first nine months amounted to 458 (411) thousand tonnes and accounted for 93 (91)% of total plate deliveries.

Sales increased by 23% compared with the third quarter of last year and amounted to SEK 2,995 (2,443) million. In total, sales during the first three quarters of the year were SEK 10,221 (8,194) million.

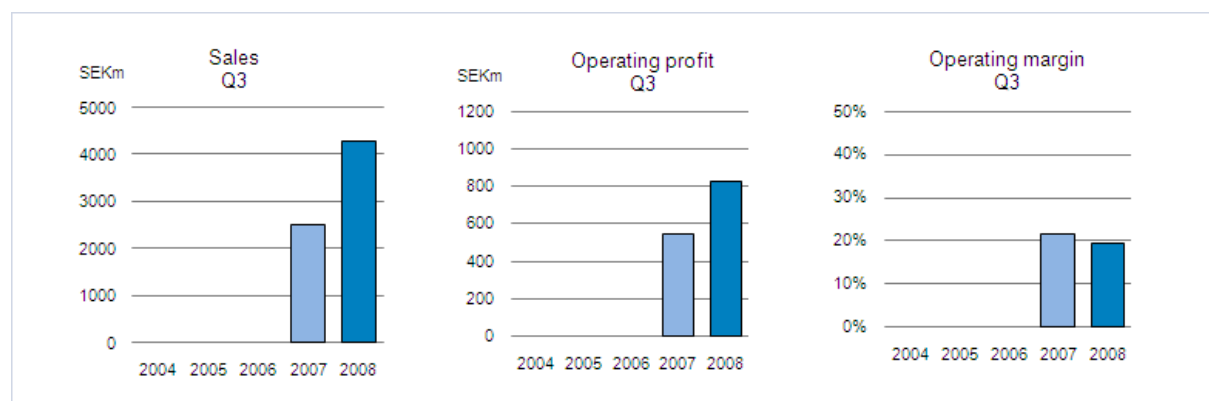
Operating profits for the quarter increased by SEK 91 million to SEK 590 (499) million. Increased volumes, higher prices and an improved mix compensated for higher costs. In total, operating profits for the first three quarters amounted to SEK 2,614 (1,874) million.

As a consequence of start-up problems in one of the blast furnaces after the ordinary summer outage, crude steel production during the quarter was lower than during the comparable period last year and amounted to 223 (316) thousand tonnes, which also had an impact on the Division's delivery of steel slabs to the Strip Products Division. Plate production in the four-high rolling mill during the quarter amounted to 104 (123) thousand tonnes and together with subcontracted rolling, total plate production amounted to 126 (130) thousand tonnes. In total, crude steel production for the first three quarters of the year amounted to 1,025 (1,221) thousand tonnes and plate production in the four-high rolling mills to 418 (418) thousand tonnes.

During the first nine months of the year, decisions were taken on new capital expenditures totaling SEK 1,857 (259) million. Of the new decisions, slightly less than SEK 1 billion of the capital expenditures is intended to increase the annual production capacity of quenched steel by an additional 80 thousand tonnes to 780 thousand tonnes.

The largest ongoing investment amounts to SEK 770 million and involves expansion of quenched steel capacity. Primarily, a new quenching line for thick plate is being constructed in Oxelösund. Implementation is taking place in phases up until 2009 and will increase annual quenched steel production capacity by 100 thousand tonnes to 700 thousand tonnes. The total capital expenditure payments during the first nine months of the year amounted to SEK 734 million, of which SEK 253 million related to strategic investments.

North American Division



IPSCO is included as a division in SSAB since the acquisition on July 18, 2007. With the divestment of the tubular business, the remaining operations have changed its name to North American Division (NAD). The Division comprises the two steel mills in Mobile (Alabama) and Montpelier (Iowa) as well as three cutting lines in St. Paul, Houston and Toronto. The two steel mills have a total annual capacity in excess of 2.5 million tonnes of crude steel and employ approximately 1,000 employees.

Prices in USD for the Division's plate deliveries increased during the quarter by 17% compared with the prices during the second quarter.

The North American Division's sales during the quarter amounted to SEK 4,244 (2,510) million and the total for the first three quarters of the year was SEK 12,262 (2,510) million. In 2007 the North American Division results were not included in the Group until 18 July.

Operating profits for the quarter before amortization of surplus values amounted to SEK 1,025 (808) million. Higher prices compensated for increased scrap metal costs and lower deliveries. The operating profit after amortization of surplus values amounted to SEK 827 (543) million.

Deliveries of plate dropped by 8% compared to the third quarter of last year and amounted to 596 (647) thousand tonnes, primarily due to the maintenance outage in Montpelier. Deliveries of quenched steel and AHSS increased by 38% compared with the third quarter of last year and amounted to 25 (20) thousand tonnes and 70 (49) thousand tonnes, respectively. The total plate deliveries for the first three quarters of the year amounted to 1,930 (1,820) thousand tonnes, of which 242 (146) thousand tonnes comprised quenched steel and AHSS.

Plate production during the quarter amounted to 568 (647) thousand tonnes. In total, plate production for the first three quarters amounted to 1,854 (1,747) thousand tonnes. The maintenance outage in Montpelier was carried out during the second half of September and first week of October. The restart of operations went according to plan.

During the first nine months of the year, decisions were taken regarding new capital expenditures totaling SEK 3,082 million. The decisions included, among other things, a new advanced quenching line for plate in Mobile. The new quenching line will provide increased annual capacity of 300 thousand tonnes of quenched plate. The investment also includes a free-standing tempering line, automated high bay plate storage, blasting and painting equipment, equipment for increased unloading capacity, a tank vacuum degassing station to insure steel purity, and improvements to the rolling mill for increased rolling precision and flexibility. The total capital expenditure payments during the first nine months of the year amounted to SEK 551 million, of which SEK 338 million related to the divested tubular business.

Tibnor

Deliveries slowed somewhat during the quarter and were 5% lower than the third quarter last year. Total deliveries for the first three quarters of the year were 3% higher than the comparable period last year.

Sales increased by 9% compared with the third quarter last year and amounted to SEK 2,489 (2,283) million. Total sales for the first three quarters amounted to SEK 8,375 (7,826) million.

Operating profits increased by 60% to SEK 254 (159) million. In total, operating profits for the first three quarters amounted to SEK 853 (717) million.

Prospects for the remainder of the year

SSAB's niche products, quenched steel and advanced high strength steel, are believed to be less sensitive to market fluctuations than commercial steels.

SSAB believes that there will be a slowdown in the Company's sales volumes during the rest of the year. The prices for niche products are expected to remain stable, while the prices for our commercial steels are expected to drop slightly. Scrap metal prices in North America are expected to continue to fall.

The maintenance outage at the steel mill in Montpelier, USA, continued according to plan during the first week of October and the plant is now back in full production.

Accounting principles

This quarterly report has been prepared in accordance with IAS 34.

In conjunction with the annual accounts for 2007, the reporting of participating interests in associated companies was changed so that the result is reported on a line net after tax and the tax item thus no longer contains any tax expense with respect to associated companies. Adjustments have been made in the comparative figures for the quarter and the first nine months of 2007.

The accounting principles are otherwise unchanged since the release of the Annual Report for 2007 and are based on International Financial Reporting Standards as adopted by the EU including the references to Chapter 9 of the Annual Accounts Act. Reporting standards and applications introduced during the year have had no effect on the Group's results and financial position. The accounts of the Parent Company have been prepared in accordance with RFR 2.1 and the Annual Accounts Act.

Risks and uncertainty

The recent dramatic developments on the global financial markets have led to increased general uncertainty, which also entails risks and uncertainty for the operations.

With the divestment of the tubular business and the resulting reduction in the net debt, the Group's exposure to interest rate changes has been reduced.

As a consequence of the divestment of the tubular business, the Group's flows in USD and CAD have declined.

For further information concerning material risks and uncertainty factors, reference is made to the detailed description in the Annual Report for 2007.

Review report

This quarterly report has not been subject to review by the auditors.

Sensitivity analysis

The approximate quarterly effect, for the continuing operations, on profit after financial items and earnings per share of changes in significant factors is shown in the sensitivity analysis below.

	Change, %	Effect on profit, SEK millions	Effect on earnings per share, SEK
Prices - steel operations	10	1,225	2.70
Volume - steel operations	10	285	0.65
Iron ore prices 1)	10	135	0.30
Coal and coke prices 1)	10	125	0.30
Scrap metal prices	10	145	0.30
Interest rates	1% point	35	0.10
SEK index	5	60	0.15

1) Prices are set in annual agreements.

Production and deliveries

Thousand tonnes	1/06	2/06	3/06	4/06	1/07	2/07	3/07	4/07	1/08	2/08	3/08
Crude steel production											
- Strip Products Division	563	554	487	602	580	581	539	604	607	586	616
- Plate Division	461	437	291	341	456	449	316	432	420	382	223
- North American Division					<u>560</u>	<u>647</u>	<u>687</u>	<u>689</u>	<u>679</u>	<u>685</u>	<u>593</u>
- Total	1,024	991	778	943	1,596	1,677	1,542	1,725	1,706	1,653	1,432
Steel production											
- Strip Products Division	710	733	539	678	727	686	548	692	718	651	543
- Plate Division	156	158	120	152	149	146	123	159	154	160	104
- North American Division					<u>505</u>	<u>595</u>	<u>647</u>	<u>638</u>	<u>637</u>	<u>649</u>	<u>568</u>
- Total	866	891	659	830	1,381	1,427	1,318	1,489	1,509	1,460	1,215
Steel deliveries											
- Strip Products Division	646	679	525	624	665	656	530	600	695	643	540
- Plate Division	169	162	127	164	165	151	137	156	168	180	143
- North American Division					<u>575</u>	<u>598</u>	<u>647</u>	<u>685</u>	<u>679</u>	<u>655</u>	<u>596</u>
- Total	815	841	652	788	1,405	1,405	1,314	1,441	1,542	1,478	1,279
of which											
- AHSS , Strip Products Division1)	170	195	154	180	212	213	189	203	233	228	201
- Quenched steel, Plate Division	134	133	111	132	145	137	129	146	156	166	136
- AHSS, North American Division1)					26	23	49	62	60	41	70
- Quenched steel, North American Division					<u>10</u>	<u>18</u>	<u>20</u>	<u>20</u>	<u>23</u>	<u>23</u>	<u>25</u>
- Total core niche products	304	328	265	312	393	391	387	431	472	458	432

1) Advanced high strength steel

The Results for 2008 will be
published on February 11, 2009

SSAB Svenskt Stål AB (publ)

Reg. number 556016-3429

Consolidated income statement

	2008	2007	2008	2007	Oct 07-	2007
SEK millions	Q 3	Q 3	Q 1-3	Q 1-3	Sep 08	Full year
Sales	13,399	10,358	41,266	28,237	53,470	40,441
Costs of goods sold 1)	-10,331	-8,350	-30,846	-20,978	-39,774	-29,906
Gross profit	3,068	2,008	10,420	7,259	13,696	10,535
Selling and administrative costs	-731	-616	-2,378	-1,975	-3,289	-2,886
Other operating income and expenses	270	-31	398	-19	591	174
Associated companies, profit after tax 2)	33	19	97	84	113	100
Operating profit	2,640	1,380	8,537	5,349	11,111	7,923
Financial income 3)	63	71	312	130	431	249
Financial expenses 3)	31	-566	-737	-608	-1,337	-1,208
Profit after financial items	2,734	885	8,112	4,871	10,205	6,964
Tax	-791	-242	-2,437	-1,348	-3,018	-1,929
Profit after tax for continuing operations	1,943	643	5,675	3,523	7,187	5,035
Profit after tax for discontinued operations	-	-363	420	-363	406	-377
Total profit after tax	1,943	280	6,095	3,160	7,593	4,658
Of which attributable to:						
- the parent company's shareholders	1,915	264	6,003	3,083	7,480	4,560
- minority interests	28	16	92	77	113	98
Key ratios						
Return on capital employed before tax (%)	-	-	-	-	19	18
Return on equity after tax (%)	-	-	-	-	25	22
Earnings per share (SEK) 4)	5.91	0.89	18.53	10.71	23.09	15.36
- of which continuing operations (SEK) 4)	5.91	2.11	17.23	11.97	21.84	16.63
Equity per share (SEK)	103.72	84.13	103.72	84.13	103.72	89.19
Equity ratio including minority (%)	52	30	52	30	52	32
Net debt /equity ratio (%)	46	163	46	163	46	150
Average number of shares during the period (millions)	323.9	296.9	323.9	287.8	323.9	296.9
Number of shares at end of period (millions) 5)	323.9	323.9	323.9	323.9	323.9	323.9
Average number of employees 6)	-	-	-	-	9,102	8,663

1) This item includes non-recurring costs on surplus values of inventories of SEK -570 million for the full year of 2007. These costs are reported as costs of goods sold.

2) The principles for reporting the share of profit of associated companies have been revised so that the shares of profits are now reported after tax. The share of tax from associated companies was previously reported among tax expenses. Comparative figures in this report have been recalculated.

3) Financial items during the first nine months were positively affected by the interest compensation in the amount of SEK 146 million which was included in compensation for the blast furnace breakdown. The financial items during the third quarter were positively affected by the reduced indebtedness after divestment of the tubular business as well as via positive revaluations of currency futures and receivables in foreign currency. Non-recurring costs for the financing of the North American Division are included in the full year results for 2007 in the amount of SEK -401 million of which SEK -261 million is attributable to the third quarter.

4) Earnings per share have been adjusted in accordance with the bonus issue element in the new issue which was carried out in August 2007.

5) There are no outstanding share instruments, and thus no dilution is relevant.

6) The average number of employees for 2007 includes the North American Division, commencing the date of the acquisition, July 18, 2007, with 481 employees.

Consolidated balance sheet

SEK millions	Sep 30 2008	Sep 30 2007	Dec 31 2007
Assets			
Goodwill	18,825	26,460	27,252
Other intangible assets	6,095	16,366	15,856
Tangible fixed assets	16,314	21,041	21,358
Participations in associated companies	385	352	353
Financial fixed assets	121	308	273
Deferred tax receivables	233	507	1,025
Total fixed assets	41,973	65,034	66,117
Inventories	12,421	13,486	14,072
Accounts receivable	8,281	8,566	8,268
Current tax receivables	62	827	246
Other current receivables	2,344	1,594	1,296
Cash and cash equivalents	471	1,056	1,707
Total current assets	23,579	25,529	25,589
Total assets	65,552	90,563	91,706
Equity and liabilities			
Equity for shareholders in the company	33,598	27,253	28,890
Minority shares	225	207	229
Total equity	33,823	27,460	29,119
Deferred tax liabilities	5,528	9,466	9,540
Other long-term provisions	274	443	473
Long-term interest-bearing liabilities	11,033	31,518	39,825
Total long-term liabilities	16,835	41,427	49,838
Current interest-bearing liabilities	5,839	13,952	4,998
Current tax liabilities	1,448	159	40
Accounts payable	4,662	4,616	4,740
Other current liabilities	2,945	2,949	2,971
Total current liabilities	14,894	21,676	12,749
Total equity and liabilities	65,552	90,563	91,706

The Group's changes in equity

SEK millions	Share capital	Other contributed funds	Translation reserve	Retained earnings	Total	Minority	Total equity
Equity, December 31, 2006	2,280	553	-49	12,551	15,335	216	15,551
Changes January 1 – September 30, 2007							
Translation difference			59		59	1	60
Profit for the period				3,083	3,083	77	3,160
New issue 1)	571	9,371			9,942		9,942
Dividend				-1,166	-1,166	-87	-1,253
Equity, September 30, 2007	2,851	9,924	10	14,468	27,253	207	27,460
Changes October 1 to December 31, 2007							
Translation difference			140		140	1	141
Profit for the period				1,477	1,477	21	1,498
New issue 1)		20		0	20		20
Dividend				0	0	0	0
Equity, December 31, 2007	2,851	9,944	150	15,945	28,890	229	29,119
Changes January 1 – September 30, 2008							
Translation difference			325		325	1	326
Profit for the period				6,003	6,003	92	6,095
Dividend				-1,620	-1,620	-97	-1,717
Equity September 30, 2008	2,851	9,944	475	20,328	33,598	225	33,823

1) The new issue in August 2007 resulted in 64.8 million new shares and increased the share capital by SEK 571 million. The share premium in the issue increased other contributed funds by SEK 9,391 million, after deduction of issue costs of SEK 80 million. After the new issue, there are thus 323,934,775 shares with a quotient value of SEK 8.80.

Cash flow (entire operations)

SEK millions	2008 Q 3	2007 Q 3	2008 Q 1-3	2007 Q 1-3	Oct 07- Sep 08	2007 Full year
Profit from operations	2,712	431	8,526	3,642	10,280	5,396
Change in working capital	-1,531	509	-3,258	-657	-3,316	-715
Cash flow from operations	1,181	940	5,268	2,985	6,964	4,681
Investing activities	-394	-51,204	-1,694	-52,468	-6,742	-57,516
Divested companies and operations 1)	0	0	24,848	96	24,908	156
Cash flow from investing activities	-394	-51,204	23,154	-52,372	18,166	-57,360
Dividend/redemption to shareholders	0	0	-1,620	-1,166	-1,620	-1,166
New issue	0	9,941	0	9,941	21	9,962
Other financing activities	-699	39,766	-28,038	40,295	-24,116	44,217
Cash flow from financing activities	-699	49,707	-29,658	49,070	-25,715	53,013
Change in cash and cash equivalents	88	-557	-1,236	-317	-585	334

1) Divested companies in 2007 relate to a number of small property companies within Tibnor. For 2008, this item comprises the divested tubular business.

The Divisions'/subsidiaries' sales, profits and return on capital employed

	Sales		Operating profit		Return on capital employed (%) 3)	
	2008 Q 3	2007 Q 3	2008 Q 1-3	2007 Q 1-3	Oct 07- Sep 08	2007 Full year
SEK millions						
Strip Products Division	14,019	12,708	3,022	2,584	46	44
Plate Division	10,221	8,194	2,614	1,874	45	41
North American Division 1)	12,262	2,510	2,162	543	9 (27)	8 (20)
Tibnor	8,375	7,826	853	717	53	46
Other subsidiaries	1,693	2,117	80	149	-	-
Parent company 2)	-	-	1,622	-66	-	-
Parent company's associated companies	-	-	80	76	-	-
Write-off North American Division inventory	-	-	-	-559	-	-
Other Group adjustments	-5,304	-5,118	-1,896	31	-	-
Total continuing operations	41,266	28,237	8,537	5,349	19	18

1) The North American Division's sales and operating profit relate to the continuing operations.

2) The parent company's profit includes the net effect from the sale of subsidiaries amounting to SEK +1,816 million.

3) The return on capital employed calculated without surplus values from the acquisition is set forth in parentheses.

Results per quarter

SEK millions	1/06	2/06	3/06	4/06	1/07	2/07	3/07	4/07	1/08	2/08	3/08
Sales	7,622	8,096	7,020	8,316	8,780	9,099	13,686	16,086	12,910	14,957	13,399
Operating expenses	-5,895	-6,169	-5,697	-6,515	-6,420	-7,043	-11,766	-12,415	-9,656	-11,384	-10,243
Depreciation	-232	-235	-239	-257	-253	-259	-691	-843	-524	-470	-549
Associated companies	44	30	31	31	29	36	19	16	18	46	33
Financial items	1	-5	-8	10	2	15	-758	-921	-376	-143	94
Profit after financial items	1,540	1,717	1,107	1,585	2,138	1,848	490	1,923	2,372	3,006	2,734

The three quarters of 2008 are reported excluding the discontinued operations, while the third and fourth quarters of 2007 have not been adjusted.

Operating profit per quarter and division/subsidiary

SEK millions	1/06	2/06	3/06	4/06	1/07	2/07	3/07	4/07	1/08	2/08	3/08
Strip Products Division	650	832	551	766	1,023	879	682	888	1,039	903	1,080
Plate Division	752	656	302	521	782	593	499	802	991	1 033	590
North American Division							880	1,090	494	841	827
Tibnor	141	186	202	247	267	291	159	160	256	343	254
Write-down, surplus value, inventories							-1,010	-9	0	0	0
Other, incl. parent company	-4	49	59	41	64	70	38	-87	-32	29	-111
Operating profit	1,539	1,723	1,114	1,575	2,136	1,833	1,248	2,844	2,748	3,149	2,640

The three quarters of 2008 are reported excluding the discontinued operations, while the third and fourth quarters of 2007 have not been adjusted.

Specification of discontinued operations

Income statement

SEK millions	2008 July 1 - Sept. 30	2007 July 18 - Sept. 30	2008 Jan. 1 - June 11	2007 July 18 - Sept. 30	2007 July 18 - Dec. 31
Sales	-	3,327	7,918	3,327	7,210
Operating expenses	-	-3,653	-6,969	-3,653	-7,356
Operating profit	-	-326	949	-326	-146
Financial items 1)	-	-262	-320	-262	-703
Profit after financial items	-	-588	629	-588	-849
Tax 2)	-	225	-209	225	472
Profit after tax	-	-363	420	-363	-377
Effect of valuation to fair value	-	0	0	0	-
Tax effect of valuation to fair value 3)	-	0	-117	0	-
Total profit from the operations	-	-363	303	-363	-377
Profit upon sale of discontinued operations	-	-	655	-	-
Tax on sale of discontinued operations	-	-	-165	-	-
Transaction costs	-	-	-222	-	-
Profit from hedging and translation differences	-	-	-151	-	-
Total profit from discontinued operations	-	-363	420	-363	-377

1) The financial items include an estimated interest expense on the loans repaid in connection with the divestment.

2) Tax 2007 is positively affected by a reduced tax rate in Canada, entailing a revaluation of deferred tax liability by SEK +147 million.

3) In conjunction with the divestment of the tubular business, it will no longer be possible to utilize losses carried-forward, which entails a tax burden in connection with the divestment.

Cash flow

SEK millions	2008 July 1 - Sept. 30	2007 July 18 - Sept. 30	2008 Jan. 1 - June 11	2007 July 18 - Sept. 30	2007 July 18 - Dec. 31
Cash flow from operations	-	584	54	584	1,400
Cash flow from investing activities	-	-411	-338	-411	-710

Value of divested assets and liabilities

SEK millions	June 12 2008
Goodwill	8,094
Other intangible assets	9,171
Tangible fixed assets	5,764
Financial fixed assets	177
Inventories	4,411
Accounts receivable	1,540
Other current financial receivables	0
Other current receivables	612
Cash and cash equivalents	0
Deferred tax liabilities and provisions	-3,467
Long-term interest-bearing liabilities	-400
Current interest-bearing liabilities	-120
Accounts payable	-1,238
Other current liabilities	0
Net assets	24,544
Capital gains (of which profit from the operations 303)	420
Reversal of hedging and translation differences with no cash effect	151
Proceeds of sale after transaction costs and taxes	25,115
Less proceeds of sale not yet received	-267
Cash and cash equivalents in divested operations	0
Net proceeds received	24,848

The Parent Company's income statement

SEK millions	2008 Q 3	2007 Q 3	2008 Q 1-3	2007 Q 1-3	Oct 07- Sept 08	2007 Full year
Gross profit	0	0	0	0	0	0
Administrative expenses	-50	-40	-195	-105	-257	-167
Other operating income	1	1	1,817	39	1,817	39
Operating profit	-49	-39	1,622	-66	1,560	-128
Dividend from subsidiaries	17	10	811	506	4,920	4,615
Financial items	453	-123	459	-24	537	54
Profit after financial items	421	-152	2,892	416	7,017	4,541
Appropriations	0	0	0	0	-13	-13
Tax	-113	61	-143	41	-141	43
Profit after tax	308	-91	2,749	457	6,863	4,571

The Parent Company's balance sheet

SEK millions	Sep 30, 2008	Sep 30, 2007	Dec 31, 2007
Assets			
Tangible fixed assets	6	1	8
Financial fixed assets	7,013	12,488	12,488
Long-term receivables from subsidiaries	25,177	32,705	31,710
Deferred tax receivables	1	1	1
Total fixed assets	32,197	45,195	44,207
Current receivables from subsidiaries	9,348	8,563	13,238
Other current interest-bearing receivables	-	-	-
Other current receivables	1,304	129	179
Cash and cash equivalents	156	945	1,470
Total current assets	10,808	9,637	14,887
Total assets	43,005	54,832	59,094
Equity and liabilities			
Share capital	2,851	2,851	2,851
Statutory reserves	902	902	902
Retained earnings	18,597	15,032	15,767
Profit for the year	2,750	457	4,571
Total equity	25,100	19,242	24,091
Untaxed reserves	13	0	13
Total untaxed reserves	13	0	13
Pension provisions	6	6	6
Deferred tax liabilities	44	-	-
Long-term liabilities to subsidiaries	1	1	1
Long-term interest-bearing liabilities	10,945	20,350	28,285
Total long-term liabilities and provisions	10,996	20,357	28,292
Current liabilities to subsidiaries	1,017	1,355	1,321
Current interest-bearing liabilities	4,198	13,359	4,870
Current tax liabilities	143	3	10
Accounts payable	7	9	25
Other current liabilities	1,531	507	472
Total current liabilities	6,896	15,233	6,698
Total equity and liabilities	43,005	54,832	59,094

The Parent Company reports a profit after tax for the first three quarters of SEK 2,892 million of which SEK 1,816 million consists of profit in conjunction with the sale of the tubular business. The sale of the tubular business also reduced the financial fixed assets and claims against subsidiaries. The proceeds from the sale of the tubular business were used to amortize loans, which is also why the interest-bearing liabilities have decreased. In April, a dividend totaling SEK 1,620 million (SEK 5.00/share) was paid.



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