

PRESS RELEASE
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Strong increase in profit

SSAB today presented its results for 2000. Profit after financial items amounted to SEK 1,870 (467) million. Profit includes non-recurring items of SEK 587 (45) million. Accordingly, profit from the actual operations increased by SEK 861 million to SEK 1,283 (422) million.

-Towards the end of last year, we experienced a temporary downturn in the inflow of orders for sheet, says CEO Anders Ullberg in a comment on the results. We were thus obliged to reduce our sheet production towards the end of last year. In spite of this, operations during the fourth quarter achieved the same profit level as during both the first and second quarters.

-It is especially pleasing to note the strong increase in demand for our niche products, high-strength sheet and quenched steels within the plate area, adds Anders Ullberg. Deliveries of these products increased by 12% and, with respect to extra high-strength and ultra high-strength sheet, which are our true specialties within the sheet area, deliveries increased by 30%. We see positive growth possibilities in these areas and thus the Board of Directors has today decided to invest SEK 175 million in new capacity for the formatting of high-strength sheet. The new cutter lines will be located in Borlänge and will be brought into operation during the summer of next year.

-Our order book returned to a normal level at the beginning of this year. However, with respect to sheet it has been necessary to accept certain price reductions, while it has been possible to carry out price increases with respect to both ordinary plate and quenched steels. Price trends in combination with significantly higher costs for raw materials as a consequence of the strong dollar will result in a reduction in our gross profit margins in the steel operations this year. However, we foresee continued positive growth possibilities for our niche products, concludes Anders Ullberg.

Increased Dividend

The Board of Directors proposes to the General Meeting of the Shareholders that the dividend be increased to SEK 5.00 (4.50) per share and that the share capital be reduced through a cancellation of repurchased shares.