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Ulrika Ekström  
+ 46 8-45 45 734

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## **SSAB posts record profit**

SSAB today reported its results for 2004. Profit after financial items increased by SEK 3,441 million to SEK 4,784 (1,343) million and cash flow increased to SEK 1,992 (765) million. The profit includes the capital gain from the sale of SSAB HardTech in the amount of SEK 825 million.

- Even excluding the capital gain, the profit for the fourth quarter and for 2004 as a whole represents SSAB's best performance ever, notes CEO Anders Ullberg in a comment on the report.

- We have, of course, been able to draw benefit from a strong steel market in which we have been able to gradually increase the prices for both sheet and plate products. We have thereby been able to more than offset the very steep increases in raw materials costs, says Anders Ullberg.

- However, I wish first and foremost to emphasise the impact of the work we have undertaken to achieve continued growth within our special niches – the extra and ultra high-strength sheet products and quenched steels within the plate area. Deliveries of these core niche products were almost 30% higher than in 2003 and the increase has taken place on all markets and within most segments, continues Anders Ullberg.

- In addition, through cost-cutting measures we have succeeded in lowering our processing costs in absolute terms, notwithstanding wage increases, a more complicated product mix and higher volumes. We have also improved our yield. These activities combined with the strong increase in sales of our core niche products, together account for just over SEK 750 million of the increase in profit, emphasises Anders Ullberg.

- In light of the strong result and the fact that we are, in principle, debt-free following the sale of SSAB HardTech, the Board of Directors proposes that the dividend be increased to SEK 7.50 (6) per share and that the General Meeting adopts a resolution to carry out a redemption programme of approx. SEK 2,000 million, continues Anders Ullberg.

In conclusion, Anders Ullberg notes that, based on the sheet and plate agreements that have been concluded thus far, prices in local currencies are expected to increase by approx. 10% during the first quarter, at the same time as a continued steep increase in raw materials prices is expected.