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Weak market in Europe,
strong cash flow

October 25, 2023

SSAB

Report for Q3 and the first nine months of 2023

The third quarter

- Revenue was SEK 29,339 (31,516) million
- Operating result was SEK 4,371 (6,594) million
- Earnings per share were SEK 3.40 (4.93)
- Net cash was SEK 16.8 (8.7) billion
- Investments in the transformation to fossil-free steel continue

Key figures

SEK millions	2023 Q3	2022 Q3	2023 Q2	2023 Jan-Sep	2022 Jan-Sep	2022 Full-year
Revenue	29,339	31,516	31,777	93,020	98,607	128,745
Adjusted EBITDA	5,307	7,599	5,871	16,777	28,038	32,675
Adjusted operating result	4,371	6,742	4,963	14,068	25,515	29,283
Operating result	4,371	6,594	4,963	14,068	25,146	-4,355
Result for the period	3,510	5,076	3,926	11,137	19,115	-10,877
Earnings per share (SEK)	3.40	4.93	3.81	10.81	18.55	-10.57
Operating cash flow	6,311	1,771	6,281	15,727	13,813	22,693
Net debt (+) / Net cash (-)	-16,780	-8,739	-11,707	-16,780	-8,739	-14,287
Net debt/equity ratio (%)	-24	-8	-17	-24	-8	-21
Return on capital employed, rolling 12 months (%)	-17	39	-12	-17	39	-1
Number of employees at end of period	14,625	14,492	14,632	14,625	14,492	14,568

Comments by the CEO

SSAB's operating result for the third quarter of 2023 amounted to SEK 4,371 (6,594) million. The decrease, compared to the high level last year, was mostly due to weaker markets for SSAB Europe, Tibnor and Ruukki Construction. Compared with the second quarter of 2023, the Group's operating result decreased by SEK 592 million. SSAB continues to generate strong cash flows, the operational cash flow amounted to SEK 6.3 billion in the third quarter.

SSAB Special Steels had an operating result* of SEK 1,808 (2,390) million and an operating margin of 23% (28%). SSAB Special Steels has a strong position on the market for high-strength steels, with products that add significant customer value in the form of higher productivity and sustainability performance. This provides conditions for more stable prices over the business cycle.

SSAB Americas' operating result was SEK 2,653 (3,034) million and the operating margin was 35% (37%). SSAB Europe* had an operating result of SEK 254 (1,446) million and an operating margin of 2% (12%).

Safety performance continued to improve and Lost Time Injury Frequency (LTIF) decreased to 0.94 (1.15) in the third quarter.

Demand in Europe is weak and the seasonal slowdown during the third quarter was more pronounced than normal. Measures have been introduced to adjust production, cost and staffing. The target is to cut costs by SEK 500 million, around SEK 200 million of which are structural, on an annual basis. These measures include temporary and permanent layoffs, use of working hours banks, a restrictive approach to recruitment and other fixed costs. Also in SSAB Special Steels' markets, customers have adopted a more cautious approach, especially in Europe. The heavy plate market in North America was more stable during the quarter.

The transformation to remove carbon dioxide emissions, lower costs and strengthen the product portfolio continues. SSAB can contribute to the sustainable development of society and dramatically reduce the carbon footprint in the industrial value chain. The transformation requires several permits. In October, the Land and Environment Court approved the decision previously taken by The Swedish Energy Markets Inspectorate of two new 130 kV cables to SSAB in Oxelösund. The decision can be appealed to the Land and Environment Court of Appeal. Sales of SSAB Zero, a steel with zero scope 1 and 2 emissions, continue to develop according to plan with strong interest from many segments and customers.

*) Adjusted operating result is applied for comparative information, no items affecting comparability were reported in the third quarter of 2023.

Outlook for the fourth quarter of 2023

The market in Europe was weak during the third quarter and the assessment is that demand will remain subdued during the fourth quarter. The heavy plate market in North America is assessed to continue at a good level. Demand for high-strength steel also weakened during the third quarter, especially in Europe, and the fourth quarter outlook remains weak.

Compared with the third quarter of 2023, SSAB Special Steels' shipments are assessed to be stable, whereas prices are expected to be somewhat lower.

SSAB Europe's shipments are assessed to be somewhat lower and prices to be significantly lower during the fourth quarter than during the third quarter of 2023.

SSAB Americas' shipments are assessed to be somewhat lower because of a planned maintenance outage and prices are expected to be lower.

The costs of raw materials are expected to be fairly stable.

Outlook for steel divisions

	Q4 2023 vs. Q3 2023	
	Shipments	Realized prices
SSAB Special Steels	Stable	Somewhat lower
SSAB Europe	Somewhat lower	Significantly lower
SSAB Americas	Somewhat lower	Lower

Definitions: Significantly lower (>10 %), Lower (5-10 %), Somewhat lower (0-5 %), Stable (~0 %), Somewhat higher (0-5 %), Higher (5-10 %), Significantly higher (>10 %)

Major planned maintenance outages 2023

The Group's total maintenance costs for the full-year 2023 are expected to be SEK 1,525 (1,540) million. The table below shows the expected costs for the fourth quarter of 2023 and the actual costs during 2022 and for the first three quarters of 2023. The figures include the impact of the direct maintenance cost and the cost of lower capacity utilization, but exclude lost margins.

Expected maintenance costs for 2023

	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
SEK millions	Q1	Q1	Q2	Q2	Q3	Q3	Q4	Q4	Full-year	Full-year
SSAB Special Steels	0	0	0	0	75	90	600	400	675	490
SSAB Europe	0	0	0	0	325	205	200	450	525	655
SSAB Americas	0	0	0	0	0	335	325	60	325	395
Total	0	0	0	0	400	630	1,125	910	1,525	1,540

The market during the third quarter

Demand for high-strength steel was weaker in Europe, whereas it was more stable in North America and in most emerging markets.

Demand for standard steel in Europe was weak during the third quarter and import volumes into Europe increased. Market prices for strip in Europe contracted further during the third quarter. Heavy plate prices fell at the end of the third quarter. Inventory levels in the market are estimated to be normal.

In North America, demand for heavy plate was generally good, whereas the market price decreased from a high level. Stock levels at North American distributors were still low.

Market prices in China for strip and heavy plate were relatively unchanged during the third quarter.

SSAB Group – Third quarter of 2023

Revenue and operating result

Revenue for the third quarter of 2023 was SEK 29,339 (31,516) million, down 7% compared to last year. Compared with the second quarter of 2023, revenue was 8% lower.

Adjusted operating result was SEK 4,371 (6,742) million. The decrease compared to 2022 was explained by a weaker European market that impacted SSAB Europe, Tibnor and Ruukki Construction with lower prices. Compared to the second quarter of 2023, adjusted operating result was down SEK 592 million.

Revenue and adjusted operating result by business segment

SEK millions	Revenue			Adjusted operating result 1)		
	2023 Q3	2022 Q3	Change	2023 Q3	2022 Q3	Change
SSAB Special Steels	8,013	8,431	-417	1,808	2,390	-582
SSAB Europe	10,909	11,989	-1,080	254	1,446	-1,192
SSAB Americas	7,620	8,302	-682	2,653	3,034	-382
Tibnor	3,012	3,594	-582	-113	-181	68
Ruukki Construction	1,587	1,739	-152	28	156	-128
Other	—	—	—	-260	-104	-155
Group adjustments	-1,802	-2,539	737	—	—	—
Total	29,339	31,516	-2,177	4,371	6,742	-2,371

1) Excluding items affecting comparability SEK 0 (-148) million. From January 1, 2023 onwards, the adjusted operating result of the business segments includes depreciation/ amortization on surplus values on tangible and intangible assets related to the acquisitions of Ipsco and Rautaruukki. Comparative information has been updated accordingly.

Analysis of total change in revenue and adjusted operating result

	Revenue			Adjusted operating result	
	Change vs. Q3 2022 %	Change vs. Q2 2023 %		Change vs. Q3 2022 SEK m	Change vs. Q2 2023 SEK m
Volume	3	-12	Price and product mix	-2,660	400
Price	-12	0	Volume	290	-1,150
Product mix	-1	0	Variable costs	600	-45
Currency effects	5	2	Fixed costs	-475	490
Other sales	-2	2	Currency effects	-71	43
			Capacity utilization	-55	-330
Total	-7	-8	Total	-2,371	-592

Leading sustainability performance

SSAB's objective is to become the world's safest steel company and to achieve zero accidents and work-related injuries and illnesses. The lost time injury frequency per million hours worked (LTIF) improved to 0.94 (1.15). Total recordable injury frequency (TRIF) was 6.18 (8.68).

Energy intensity and CO₂e intensity in production were stable compared to the figures for the third quarter of 2022.

Key sustainability figures – rolling 12 months

	2023 Q3	2022 Q3	2023 Q2	2022 Full-year
Safety				
Lost time injury frequency (LTIF) 1)	0.94	1.15	1.01	1.06
Total number of injuries (LTI) 2)	27	32	29	30
Total recordable injury frequency (TRIF)	6.18	8.68	6.90	7.70
Environment				
Energy consumption, GWh 3)	9,215	9,019	9,127	8,961
Energy intensity, kWh/tonnes crude steel	1,195	1,169	1,187	1,229
CO ₂ e-emissions (Scope 1), thousand tonnes	9,907	10,161	9,930	9,827
Indirect CO ₂ e-emissions (Scope 2), thousand tonnes	1,115	928	1,126	1,180
CO ₂ e-intensity, tonnes of CO ₂ e/tonnes crude steel 4)	1.43	1.44	1.44	1.51

1) Lost Time Injury Frequency, number of accidents resulting in an absence of more than one day per million working hours, own employees and contractors.

2) Lost Time Injuries, number of accidents resulting in an absence of more than one day, own employees and contractors.

3) Total energy consumption (electricity, purchased fuels and purchased heat).

4) Includes Scope 1 and Scope 2.

Transformation to fossil-free steel

Investments in the Nordic production system to remove carbon dioxide emissions, lower costs and strengthen the product portfolio continue according to plan. In order to keep up a high pace and lead to fossil-free transformation, SSAB's Board took a decision during the second quarter to invest SEK 6.2 billion in a new electric arc furnace (EAF) and raw material handling in Oxelösund. The transformation requires final approval for a new power line to Oxelösund. In October, the Land and Environment Court approved the decision taken by the Swedish Energy Markets Inspectorate for two new 130 kV cables to SSAB in Oxelösund. The decision can be appealed to the Land and Environment Court of Appeal. The investment decision concerning the transformation of Oxelösund is the first step in SSAB's plan to close down the blast furnaces in the Nordics and replace them with electric arc furnaces and cost-effective steel mills, so-called mini-mills, using a mix of sponge iron and recycled steel. The aim to have fossil-free operations by around 2030.

There is strong demand for steel without carbon dioxide and SSAB has started several partnerships with major customers. During the third quarter, SSAB started collaboration with the German company Kirchhoff Automotive, which will allow the company to reduce carbon dioxide emissions by almost 40% in the production of front bumpers. Ruukki Construction produced the world's first building components of fossil-free steel during the third quarter.

During the first quarter, SSAB launched a completely new scrap-based steel, SSAB Zero, with 0.0 kg emissions of carbon dioxide equivalents per kg of steel – the world's first commercial product of its kind. SSAB has already secured sales of the planned production volume (40,000 t) for 2023. Shipments in 2025 are expected to increase to 100,000 tonnes.

Raw materials

SSAB sources iron ore primarily from LKAB in Sweden on prices linked to market index. Coking coal is sourced from Australia, the USA and Canada, usually on annual supply contracts with monthly prices. SSAB's mills in the USA use recycled steel material and source scrap metal on the spot market.

The table below shows SSAB's purchase prices. Lead times and payment terms for iron ore have a combined effect which impacts the result around one quarter later than the change in market price, while coking coal has a lead time of around one and a half quarters. Scrap purchase prices have a lead time of around one month.

Change in SSAB's average purchase prices compared to prior periods

% change	Q3 2022		Q2 2023	
	USD	SEK	USD	SEK
Iron ore	-13%	-11%	-1%	2%
Coking coal	-32%	-30%	-23%	-21%
Scrap metal	1%	4%	-7%	-5%

Production and shipments

SSAB's production and shipments were in line with those of the third quarter last year but lower than the second quarter of 2023 due to weaker demand, seasonality and planned maintenance outages.

Production and shipments

	2023	2022	2023	2023	2022	2022
Thousand tonnes	Q3	Q3	Q2	Jan-Sep	Jan-Sep	Full-year
Crude steel production	1,936	1,916	2,090	6,071	5,652	7,293
Rolling production	1,727	1,672	1,898	5,525	5,223	6,727
Steel shipments	1,510	1,465	1,722	4,969	4,839	6,341

Result for the period and earnings per share

The result for the period attributable to shareholders in the parent company was SEK 3,506 (5,074) million for the third quarter of 2023, equating to SEK 3.40 (4.93) per share. Tax was SEK -939 (-1,484) million.

Cash flow

Operating cash flow for the third quarter of 2023 amounted to SEK 6,311 (1,771) million. The increase compared to last year was due to a release of working capital. There has been a strong focus on working capital reduction since the increase in raw material inventories last year due to the war in Ukraine. Net cash flow amounted to SEK 5,092 (-285) million. Net cash amounted to SEK 16,780 (8,739) million at September 30, 2023.

Capital expenditure

Capital expenditure totaled SEK 982 (931) million during the third quarter of 2023. Strategic investments were SEK 339 (430) million. The strategic investments primarily relate to Oxelösund for conversion to fossil-free steelmaking. Total maintenance and strategic expenditure is expected to be around SEK 5 billion for the full-year of 2023 (unchanged). The corresponding capital expenditure in 2022 was SEK 4.1 billion. The increase is mainly related to the ramp up of investments in Oxelösund.

Operating cash flow and net debt

	2023	2022	2023	2022	2022
SEK millions	Q3	Q3	Jan-Sep	Jan-Sep	Full-year
EBITDA	5,307	7,451	16,777	27,681	32,340
Change in working capital	1,599	-5,400	1,075	-13,200	-8,279
Maintenance capital expenditures	-640	-478	-1,479	-1,179	-2,196
Other	44	198	-647	511	828
Operating cash flow	6,311	1,771	15,727	13,813	22,693
Financial items	96	41	291	-16	-17
Income taxes	-967	-1,644	-3,393	-4,634	-5,947
Cash flow from current operations	5,440	168	12,624	9,163	16,729
Strategic expenditures in plants and machinery	-339	-430	-960	-1,247	-1,952
Acquisitions of shares and operations	-3	-12	-27	-383	-537
Investments/contributions in affiliated companies and joint ventures	—	-10	—	-59	-79
Divestments of shares and operations	—	—	61	—	—
Cash flow before dividend	5,098	-285	11,698	7,474	14,161
Dividend, Parent company's shareholders	—	—	-8,960	-5,406	-5,406
Dividend, non-controlling interest	-7	—	-8	-7	-7
Net cash flow	5,092	-285	2,730	2,061	8,748
Net cash (+) / Net debt (-) at beginning of period	11,707	7,163	14,287	2,346	2,346
Net cash flow	5,092	-285	2,730	2,061	8,748
Other 1)	-18	1,861	-238	4,332	3,194
Net cash (+) / Net debt (-) at the end of period	16,780	8,739	16,780	8,739	14,287

1) Mainly valuation changes of derivatives and revaluations of other financial assets and liabilities in foreign currencies

SSAB Group – January-September 2023

Revenue and operating result

Revenue for the first nine months of 2023 was SEK 93,020 (98,607) million, down 6% compared to the first nine months of 2022.

Operating result was SEK 14,068 (25,146) million and adjusted operating result was SEK 14,068 (25,515) million, down SEK 11,447 million compared to the first nine months of 2022. SSAB Special Steels and SSAB Americas had continued good earnings, while the weaker European market impacted SSAB Europe, Tibnor and Ruukki Construction with lower prices and higher raw material costs at the same time.

Revenue and adjusted operating result by business segment

SEK millions	Revenue			Adjusted operating result 1)		
	2023	2022	Change	2023	2022	Change
	Jan-Sep	Jan-Sep		Jan-Sep	Jan-Sep	
SSAB Special Steels	25,232	25,323	-91	5,905	6,849	-944
SSAB Europe	36,155	39,003	-2,848	1,018	8,763	-7,746
SSAB Americas	23,063	24,609	-1,546	7,970	9,536	-1,567
Tibnor	10,660	12,840	-2,180	-161	842	-1,003
Ruukki Construction	4,474	5,346	-872	30	525	-496
Other	—	—	—	-694	-1,000	307
Group adjustments	-6,565	-8,515	1,950	—	—	—
Total	93,020	98,607	-5,587	14,068	25,515	-11,447

1) Excluding items affecting comparability SEK 0 (-369) million. From January 1, 2023 onwards, the adjusted operating result of the business segments includes depreciation/ amortization on surplus values on tangible and intangible assets related to the acquisitions of Ipsco and Rautaruukki. Comparative information has been updated accordingly.

Result for the period and earnings per share

The result for the period attributable to shareholders in the parent company for the first nine months of 2023 was SEK 11,129 (19,108) million, equating to SEK 10.81 (18.55) per share. Income taxes were SEK -3,118 (-5,489) million.

Cash flow, financing and liquidity

Operating cash flow for the first nine months of 2023 increased to SEK 15,727 (13,813) million, the change in working capital more than offset the lower result. Net cash flow, after dividends of SEK 8,960 (5,406) million, amounted to SEK 2,730 (2,061) million.

Net cash at September 30, 2023 was SEK 16,780 (8,739) million. Cash and cash equivalents were SEK 27,715 (17,649) million and non-utilized credit facilities were SEK 8,553 (10,097) million, which combined corresponds to 29% (22%) of rolling 12-month revenue. The term to maturity of the total loan portfolio at September 30, 2023 averaged 6.7 (6.1) years, with an average fixed interest period of 1.4 (1.0) years.

Equity

With a result for the period of SEK 11,129 (19,108) million and other comprehensive income (mostly consisting of translation differences) of SEK 1,230 (15,740) million attributable to the owners of the parent company, the shareholders' equity attributable to the owners of the parent company amounted to SEK 70,525 (102,961) million, equating to SEK 68.48 (99.98) per share. The decrease in equity was related to the goodwill impairment of SEK 33 billion in the fourth quarter of 2022.

Business segments – Third quarter of 2023

From January 1, 2023 onwards the adjusted operating result¹⁾ of the business segments includes depreciation/amortization on surplus values on tangible and intangible assets related to the acquisitions of Ipsco and Rautaruukki. Comparative information has been updated accordingly.

SSAB Special Steels

Third quarter in brief

- Weaker market in Europe
- Shipments decreased 7% to 313 (336) thousand tonnes, while prices were more stable
- Adjusted operating result was SEK 1,808 (2,390) million

Key figures

SEK millions	2023 Q3	2022 Q3	2023 Q2	2023 Jan-Sep	2022 Jan-Sep	2022 Full-year
Revenue	8,013	8,431	8,646	25,232	25,323	33,666
Adjusted EBITDA	2,126	2,674	2,305	6,811	7,671	9,320
Adjusted operating result	1,808	2,390	2,003	5,905	6,849	8,217
Operating cash flow	2,490	132	1,727	6,156	2,860	5,044
Number of employees at end of period	4,040	4,040	4,012	4,040	4,040	4,072

A goodwill impairment of SEK 18,139 million was made in the fourth quarter 2022. The impairment was reported as an item affecting comparability and is not included in the above figures. No items affecting comparability were reported during the third quarter of 2023.

Thousand tonnes	2023 Q3	2022 Q3	2023 Q2	2023 Jan-Sep	2022 Jan-Sep	2022 Full-year
Crude steel production	584	592	651	1,843	1,856	2,309
Rolling production	418	430	447	1,320	1,309	1,667
Steel shipments	313	336	364	1,025	1,114	1,419

Market trend

Demand was weaker in Europe during the third quarter, for example in the Construction Machinery segment. Demand was more stable in North America and in most emerging markets. The Chinese market is still relatively weak.

Development compared to Q3/22

Compared with a year earlier, the European market was weaker and this was seen in shipments, which contracted to 313 (336) thousand tonnes. Revenue was down 5% compared to the third quarter of 2022 and amounted to SEK 8,013 (8,431) million. Lower shipments had a negative impact of 7 percentage points and lower prices 3 percentage points. Currency effects had a positive impact of 5 percentage points.

Adjusted operating result was SEK 1,808 (2,390) million. Lower shipments was the main reason for the decrease.

Operating cash flow during the third quarter was SEK 2,490 (132) million. The higher cash flow was primarily due to the release of working capital.

Capital expenditure during the third quarter was SEK 399 (440) million, of which SEK 205 (311) million were strategic investments. In addition, a Swedish company, LaserTool i Blekinge AB, was acquired during the quarter. The cash flow impact was SEK 3 million.

Development compared to Q2/23

Production and shipments decreased compared to the second quarter of 2023, primarily because of lower demand. Revenue decreased by 7%. Lower shipments had an impact of 14 percentage points. Other revenue had a positive impact of 4 percentage points and higher prices contributed 2 percentage points.

Adjusted operating result decreased by SEK 195 million. Lower shipments and higher variable costs had a negative impact, whereas somewhat higher prices had a positive contribution.

SSAB Europe

Third quarter in brief

- Weak market
- Shipments increased 6%, weak Construction segment offset by favorable demand in Automotive
- Lower prices
- Adjusted operating result decreased to SEK 254 (1,446) million

Key figures

SEK millions	2023 Q3	2022 Q3	2023 Q2	2023 Jan-Sep	2022 Jan-Sep	2022 Full-year
Revenue	10,909	11,989	12,953	36,155	39,003	50,068
Adjusted EBITDA	694	1,856	1,196	2,308	9,982	10,171
Adjusted operating result	254	1,446	764	1,018	8,763	8,535
Operating cash flow	1,164	-743	2,837	2,654	3,933	6,239
Number of employees at end of period	6,805	6,664	6,808	6,805	6,664	6,682

A goodwill impairment of SEK 2,209 million was made in the fourth quarter 2022. The impairment was reported as an item affecting comparability and is not included in the above figures. No items affecting comparability were reported during the third quarter of 2023.

Thousand tonnes	2023 Q3	2022 Q3	2023 Q2	2023 Jan-Sep	2022 Jan-Sep	2022 Full-year
Crude steel production	1,056	1,068	1,142	3,339	3,006	3,911
Rolling production	1,026	1,010	1,186	3,369	3,167	4,040
Steel shipments	759	713	907	2,578	2,395	3,174

Production figures include high-strength steel made for SSAB Special Steels. These volumes are not included in SSAB Europe's shipments.

Market trend

Demand was weak during the third quarter, especially in the Construction segment and Steel Service Centers had a cautious approach. Shipments to the Automotive segment, where SSAB is strongly positioned in high-strength steel, were at a good level. Also, Heavy Transport was positive but the outlook is uncertain.

SSAB Europe continued to adjust costs to lower demand, especially in construction-related products, with temporary layoffs and a restrictive approach to new recruitment and other fixed costs. Further cost saving measures could be implemented if market development so requires.

Development compared to Q3/22

Production was stable compared with the same quarter last year. Shipments increased somewhat, primarily related to the Automotive segment. Last year, the car manufactures were hit by a shortage of components. Revenue was down 9% and amounted to SEK 10,909 (11,989) million, impacted by lower prices which decreased revenue by 19 percentage points. Currency effects had a positive impact of 7 percentage points and higher shipments contributed 6 percentage points.

Adjusted operating result was SEK 254 (1,446) million, down SEK 1,192 million compared with the same quarter in 2022, mainly related to lower prices.

Operating cash flow was SEK 1,164 (-743) million. The change in working capital more than offset the impact from lower result.

Capital expenditure during the third quarter was SEK 401 (344) million, of which SEK 52 (70) million were strategic investments.

Development compared to Q2/23

Production and shipments were down compared to the prior quarter due to lower demand. Revenue decreased by 16%. Lower shipments had an impact of 16 percentage points and lower prices 1 percentage point.

Compared to the second quarter of 2023, adjusted operating result decreased by SEK 509 million. Lower shipments were the main reason for the decrease. Lower fixed costs had a positive impact.

SSAB Americas

Third quarter in brief

- Stable demand, but some pressure on market prices
- Shipments increased by 6% to 439 (416) thousand tonnes
- Adjusted operating result was SEK 2,653 (3,034) million

Key figures

SEK millions	2023 Q3	2022 Q3	2023 Q2	2023 Jan-Sep	2022 Jan-Sep	2022 Full-year
Revenue	7,620	8,302	7,728	23,063	24,609	32,163
Adjusted EBITDA	2,710	3,089	2,697	8,135	9,692	12,474
Adjusted operating result	2,653	3,034	2,642	7,970	9,536	12,262
Operating cash flow	2,562	3,558	1,970	7,116	9,109	12,075
Number of employees at end of period	692	648	690	692	648	657

A goodwill impairment of SEK 12,401 million was made in the fourth quarter 2022. The impairment was reported as an item affecting comparability and is not included in the above figures. No items affecting comparability were reported during the third quarter of 2023.

Thousand tonnes	2023 Q3	2022 Q3	2023 Q2	2023 Jan-Sep	2022 Jan-Sep	2022 Full-year
Crude steel production	296	256	297	888	790	1,073
Rolling production	283	232	265	836	746	1,019
Steel shipments	439	416	451	1,366	1,330	1,748

Market trend

Demand was good in general, including in key segments like Heavy Transport and Energy.

Development compared to Q3/22

Production and shipments were higher during the third quarter, which a year earlier was affected by negatively by a planned maintenance outage. Revenue was down 8% and amounted to SEK 7,620 (8,302) million. Lower prices had a negative impact of 16 percentage points, whereas higher shipments had a positive impact of 6 percentage points.

Adjusted operating result for the third quarter of 2023 was SEK 2,653 (3,034) million, down SEK 382 million. The decrease was primarily explained by lower prices.

Operating cash flow during the third quarter of 2023 was SEK 2,562 (3,558) million. Compared to the third quarter of 2022, cash flow was impacted negatively by a lower result and a change in working capital.

Capital expenditure during the third quarter was SEK 74 (48) million, of which SEK 16 (6) million were strategic investments.

Development compared to Q2/23

Production and shipments were relatively stable compared to the second quarter 2023. Revenue was down 1%. Lower shipments decreased revenue by 3 percentage points, whereas currency effects had a positive impact of 3 percentage points. Prices were stable.

Compared to the second quarter of 2023, adjusted operating result increased marginally by SEK11 million.

Tibnor

Third quarter in brief

- Weak demand and 16% lower revenue than last year
- Adjusted operating result was SEK -113 (-181) million

Key figures

	2023	2022	2023	2023	2022	2022
SEK millions	Q3	Q3	Q2	Jan-Sep	Jan-Sep	Full-year
Revenue	3,012	3,594	3,600	10,660	12,840	16,625
Adjusted EBITDA	-58	-133	2	-6	977	616
Adjusted operating result	-113	-181	-50	-161	842	434
Operating cash flow	6	-909	114	481	-1,161	-386
Shipments, thousand tonnes	180	183	206	628	664	875
Number of employees at end of period	1,089	1,074	1,102	1,089	1,074	1,070

A goodwill impairment of SEK 542 million was made in the fourth quarter 2022. The impairment was reported as an item affecting comparability and is not included in the above figures. No items affecting comparability were reported during the third quarter of 2023.

Market trend

Demand was weak in most customer segments during the third quarter. The Energy segment had a more positive development.

Development compared to Q3/22

Revenue decreased 16% compared with the third quarter of 2022 and amounted to SEK 3,012 (3,594) million. Lower prices and a negative product mix development had a combined negative effect of 14 percentage points. Lower shipments impacted with 2 percentage points.

Adjusted operating result for the third quarter of 2023 was up SEK 68 million compared with the same period in 2022 and amounted to SEK -113 (-181) million. Lower inventory losses contributed positively, whereas lower prices had a somewhat negative effect. Tibnor is implementing cost saving measures with a target of SEK 150 million on an annual basis, of which around 100 million is structural.

Operating cash flow during the third quarter of 2023 was SEK 6 (-909) million. The reduced working capital and lower inventory losses had a positive effect.

Capital expenditure during the third quarter was SEK 47 (12) million, of which SEK 36 (3) million were strategic investments.

Development compared to Q2/23

Revenue was down 16% compared with the second quarter of 2023, primarily because of lower shipments.

Adjusted operating result decreased by SEK 63 million compared the second quarter of 2023. The deterioration was primarily due to higher inventory losses and lower shipments.

Ruukki Construction

Third quarter in brief

- Continued weak demand
- Adjusted operating result decreased to SEK 28 (156) million
- Somewhat positive impact from measures to lower costs

Key figures

	2023	2022	2023	2023	2022	2022
SEK millions	Q3	Q3	Q2	Jan-Sep	Jan-Sep	Full-year
Revenue	1,587	1,739	1,559	4,474	5,346	6,880
Adjusted EBITDA	83	206	63	187	677	734
Adjusted operating result	28	156	10	30	525	524
Operating cash flow	186	46	-4	218	93	593
Number of employees at end of period	1,466	1,483	1,485	1,466	1,483	1,498

No items affecting comparability were reported during the third quarter of 2023.

Market trend

Demand during the third quarter was seasonally somewhat better compared with the prior quarter but the upturn was significantly less pronounced than normal. Primarily, demand in residential building was weak. Ruukki Construction has implemented cost savings with a target of SEK 150 million, of which around SEK 90 million is structural, on an annual basis.

Development compared to Q3/22

Revenue decreased by 9% and amounted to SEK 1,587 (1,739) million.

The adjusted operating result decreased by SEK 128 million to SEK 28 (156) million due to lower volumes and weaker margins.

Operating cash flow during the third quarter was SEK 186 (46) million. The improvement was related to lower working capital.

Capital expenditure during the third quarter was SEK 51 (58) million, of which SEK 31 (40) million were strategic investments.

Development compared to Q2/23

Compared to the second quarter of 2023, revenue was up 2% and the adjusted operating result was marginally up, due to a seasonally better market for Roofing.

Risks and uncertainty factors

The Russian invasion of Ukraine in February 2022 entails, among other things, the risk of disruptions in supply chains and/or higher purchase prices, including energy prices, as well as the risk of a general downturn in the economy. Russia and Ukraine normally export steel, slabs and various raw materials to Europe.

For information regarding other material risks and uncertainty factors, reference is made to the detailed description in the Annual Report 2022.

Affirmation

This interim report has not been reviewed by the auditors.

Stockholm, October 25, 2023

Martin Lindqvist
President and CEO

Financial reports – The Group

The figures in the tables have been rounded, which might affect aggregates

Consolidated statement of profit and loss

SEK millions	2023 Q3	2022 Q3	2023 Jan-Sep	2022 Jan-Sep	2022 Full-year
Revenue	29,339	31,516	93,020	98,607	128,745
Cost of goods sold	-23,299	-23,460	-74,314	-68,835	-127,096
Gross profit	6,040	8,056	18,706	29,772	1,649
Selling and administrative costs	-1,475	-1,204	-4,493	-4,087	-5,565
Other operating income and expenses	-189	-263	-129	-560	-465
Affiliated companies, profit/loss after tax	-5	5	-17	22	26
Operating result	4,371	6,594	14,068	25,146	-4,355
Financial items	78	-34	188	-542	-286
Result before tax	4,449	6,560	14,255	24,604	-4,641
Income tax	-939	-1,484	-3,118	-5,489	-6,235
Result for the period	3,510	5,076	11,137	19,115	-10,877
Of which attributable to:					
- Parent Company's shareholders	3,506	5,074	11,129	19,108	-10,886
- Non-controlling interest	3	2	8	7	10

In the fourth quarter of 2022, a goodwill impairment of SEK 33,291 million was made.

Consolidated statement of comprehensive income

SEK millions	2023 Q3	2022 Q3	2023 Jan-Sep	2022 Jan-Sep	2022 Full-year
Result for the period	3,510	5,076	11,137	19,115	-10,877
Other comprehensive income					
<i>Items that may be subsequently reclassified to the profit or loss</i>					
Translation differences for the period	-584	5,643	2,003	14,219	8,681
Translation differences due to hyperinflation after tax	65	-22	63	10	25
Cash flow hedges	-194	404	-1,121	1,675	1,033
Income tax on cash flow hedges	38	-82	224	-336	-207
Net investment hedges in foreign operations	–	–	–	–	371
Income tax on net investment hedges in foreign operations	–	–	–	–	-77
Total items that may be subsequently reclassified to the profit or loss	-677	5,943	1,168	15,568	9,826
<i>Items that will not be reclassified to the profit or loss</i>					
Net defined benefit liability re-measurement	4	33	78	219	105
Income tax on net defined benefit liability re-measurement	-1	-7	-16	-44	-29
Total items that will not be reclassified to the profit or loss	3	26	62	175	77
Total other comprehensive income for the period	-673	5,969	1,231	15,743	9,903
Total comprehensive income for the period	2,836	11,045	12,368	34,858	-974
Of which attributable to:					
- Parent Company's shareholders	2,834	11,041	12,359	34,848	-988
- Non-controlling interest	2	4	9	10	14

Consolidated statement of financial position

SEK millions	2023 Sep 30	2022 Sep 30	2022 Dec 31
Assets			
Intangible assets	1,506	37,792	1,416
Tangible fixed assets	27,304	25,372	26,087
Right-of-use assets	2,801	2,400	2,326
Investments in affiliated companies and joint ventures	1,001	1,013	1,004
Deferred tax receivables	623	619	621
Non-current financial assets	663	1,977	982
Total non-current assets	33,898	69,172	32,436
Inventories	35,609	41,733	37,907
Accounts receivable	13,360	14,928	12,048
Current tax receivables	919	952	205
Other current receivables	1,740	3,930	2,214
Cash and cash equivalents	27,715	17,649	24,900
Total current assets	79,343	79,193	77,275
Total assets	113,241	148,364	109,711
Equity and liabilities			
Equity for the shareholders in the Parent Company	70,525	102,961	67,124
Non-controlling interest	78	63	66
Total equity	70,603	103,024	67,191
Deferred tax liabilities	2,930	2,511	3,115
Non-current provisions	549	530	550
Non-current interest-bearing liabilities	6,482	6,454	6,291
Non-current lease liabilities	2,270	1,864	1,813
Other non-current liabilities	260	220	204
Total non-current liabilities	12,492	11,580	11,973
Accounts payable	18,868	21,068	19,566
Current tax liabilities	1,257	2,827	805
Current interest-bearing liabilities	1,387	1,939	1,882
Current lease liabilities	747	708	691
Other current liabilities and provisions	7,887	7,220	7,602
Total current liabilities	30,147	33,761	30,547
Total equity and liabilities	113,241	148,364	109,711
Pledged assets	40	1,195	68
Contingent liabilities	5,458	4,533	5,228

Consolidated statement of changes in equity

SEK millions	Equity attributable of the Parent Company's shareholders					Non-controlling interest	Total equity
	Share capital	Other contributed funds	Reserves	Retained earnings	Total equity		
Total equity, Dec 31, 2021	9,063	23,022	6,095	35,298	73,477	31	73,508
Changes Jan 1 - Sep 30, 2022							
Total comprehensive income for the period			15,555	19,293	34,848	10	34,858
Non-controlling interest through business acquisition					—	29	29
Result from transaction with owners of non-controlling interests				42	42		42
Dividend, Parent company's shareholders				-5,406	-5,406		-5,406
Dividend, non-controlling interest					—	-7	-7
Total equity, Sep 30, 2022	9,063	23,022	21,650	49,226	102,961	63	103,024
Changes Oct 1 - Dec 31, 2022							
Total comprehensive income for the period			-5,759	-30,078	-35,836	4	-35,832
Total equity, Dec 31, 2022	9,063	23,022	15,891	19,149	67,124	66	67,191
Changes Jan 1 - Sep 30, 2023							
Total comprehensive income for the period			1,105	11,254	12,359	9	12,368
Non-controlling interest through business acquisition					—	11	11
Dividend, Parent company's shareholders				-8,960	-8,960		-8,960
Dividend, non-controlling interest					—	-8	-8
Total equity, Sep 30, 2023	9,063	23,022	16,996	21,443	70,525	78	70,603

Consolidated statement of cash flows, in summary

SEK millions	2023 Q3	2022 Q3	2023 Jan-Sep	2022 Jan-Sep	2022 Full-year
OPERATING ACTIVITIES					
Operating result	4,371	6,594	14,068	25,146	-4,355
<i>Reversal of non-cash items:</i>					
-Depreciation, amortization and write-down of fixed assets	936	857	2,709	2,535	36,695
-Other non-cash items	38	184	-31	128	59
Received and paid interest	96	41	291	-16	-17
Income taxes paid	-967	-1,644	-3,393	-4,634	-5,947
Change in working capital	1,599	-5,400	1,075	-13,200	-8,279
Cash flow from operating activities	6,074	632	14,719	9,959	18,156
INVESTING ACTIVITIES					
Investments in intangible and tangible fixed assets	-979	-908	-3,596	-2,610	-4,948
Sales of intangible and tangible fixed assets	3	12	490	524	1,537
Acquisitions, shares and operations	-3	-8	-27	-337	-433
Investments/contributions in affiliated companies and joint ventures	—	-10	—	-59	-79
Divested shares and operations	—	—	61	—	—
Other investing activities	3	2	50	44	32
Cash flow from investing activities	-976	-912	-3,021	-2,438	-3,891
FINANCING ACTIVITIES					
Dividend, Parent company's shareholders	—	—	-8,960	-5,406	-5,406
Dividend, non-controlling interest	-7	—	-8	-7	-7
Change in loans	-1,797	—	-613	-2,237	-2,324
Change in financial investments	—	-96	6	91	1,229
Other financing	-172	3,556	1,350	7,735	5,785
Cash flow from financing activities	-1,976	3,461	-8,225	176	-723
CASH AND CASH EQUIVALENTS					
Cash and cash equivalents at beginning of period	24,518	16,204	24,900	13,796	13,796
Cash flow for the period	3,123	3,181	3,473	7,696	13,542
Translation differences, cash and cash equivalents	75	-1,735	-657	-3,843	-2,439
CASH AND CASH EQUIVALENTS, END OF PERIOD	27,716	17,649	27,716	17,649	24,900
Contracted, non-utilized overdraft facilities	8,553	10,097	8,553	10,097	10,258
Disposable cash and cash equivalents (incl. non-utilized overdraft facilities)	36,269	27,746	36,269	27,746	35,158

Key figures

	2023 Q3	2022 Q3	2023 Jan-Sep	2022 Jan-Sep	2022 Full-year
Operating margin (%)	15	21	15	26	-3
Earnings per share (SEK)	3.40	4.93	10.81	18.55	-10.57
Adjusted earnings per share (SEK)	3.40	5.08	10.81	19.20	22.38
Equity per share (SEK)	68.48	99.98	68.48	99.98	65.18
Net debt/equity ratio (%)	-24	-8	-24	-8	-21
Equity ratio (%)	62	69	62	69	61
Return on capital employed, rolling 12 months (%)	-17	39	-17	39	-1
Return on equity, rolling 12 months (%)	-26	29	-26	29	-12
Number of shares at end of period (millions)	1,029.8	1,029.8	1,029.8	1,029.8	1,029.8
Number of employees at end of period	14,625	14,492	14,625	14,492	14,568

Notes to the condensed financial report

Accounting principles

This interim report has been prepared in compliance with IAS 34.

The accounting principles are based on International Financial Reporting Standards as adopted by the EU and ensuing references to Chapter 9 of the Swedish Annual Accounts Act. The accounts of the parent company have been prepared in compliance with RFR 2 and the Swedish Annual Accounts Act.

No material changes in accounting principles have taken place since the Annual Report for 2022.

Valuation of financial assets and liabilities

Debt reported in the balance sheet as long-term interest-bearing liabilities (including the short-term part) amounted to SEK 7,614 million at September 30, 2023 while its fair value was SEK 7,572 million. Since the loans will be held until maturity, they are not reported at fair value.

In 2022, a write-down of SEK 288 million was made on the investment in Voimaosakeyhtiö SF (Fennovoima power plant). The investment was reported at zero at December 31, 2022.

Derivative assets and liabilities

SEK millions	2023 Sep 30	2022 Sep 30	2022 Dec 31
<i>Derivative assets recognized in</i>			
Non-current financial assets	335	1,647	735
Other current receivables	393	1,718	839
<i>Derivative liabilities recognized in</i>			
Other non-current liabilities	40	—	—
Other current liabilities and provisions	243	111	342

The fair value valuation of the financial instruments in SSAB is based on data in accordance with level 2, with the exception of electricity derivatives, where the fair value is based on listed market prices, and which are therefore classified on level 1.

Information about the business segments

SSAB is organized into five reportable business segments with a clear profit responsibility. The business segments consist of the three steel divisions: SSAB Special Steels, SSAB Europe and SSAB Americas as well as the fully owned subsidiaries Tibnor and Ruukki Construction. Tibnor and Ruukki Construction are operated as independent subsidiaries. The descriptions of the reportable business segments can be found in the Annual Report 2022.

External revenue by business segment, geographical area and product area

External revenue Q3 2023	Business segments					Total
	SSAB Special Steels	SSAB Europe	SSAB Americas	Tibnor	Ruukki Construction	
SEK millions						
Geographical areas						
Sweden	222	1,692	—	972	375	3,260
Finland	91	913	—	559	443	2,007
Other Europe	2,754	5,569	44	1,452	766	10,585
USA	2,016	636	7,150	—	—	9,803
Rest of the world	2,750	543	390	3	-1	3,684
Total	7,834	9,353	7,584	2,985	1,584	29,339
Product area						
Steel products	7,725	8,764	7,584	—	—	24,073
Trading operations	—	—	—	2,985	—	2,985
Ruukki Construction operations	—	—	—	—	1,584	1,584
Slabs, by-products and scrap	82	578	—	—	—	660
Other	26	11	—	—	—	37
Total	7,834	9,353	7,584	2,985	1,584	29,339
External revenue Q3 2022	Business segments					
	SSAB Special Steels	SSAB Europe	SSAB Americas	Tibnor	Ruukki Construction	Total
SEK millions						
Geographical areas						
Sweden	208	2,164	—	1,158	444	3,974
Finland	106	1,894	—	714	529	3,242
Other Europe	2,899	4,799	44	1,679	759	10,180
USA	2,011	460	7,467	—	1	9,939
Rest of the world	3,027	457	687	7	4	4,181
Total	8,250	9,773	8,198	3,557	1,737	31,516
Product area						
Steel products	8,111	8,824	8,198	—	—	25,134
Trading operations	—	—	—	3,557	—	3,557
Ruukki Construction operations	—	—	—	—	1,737	1,737
Slabs, by-products and scrap	57	912	—	—	—	968
Other	83	38	—	—	—	121
Total	8,250	9,773	8,198	3,557	1,737	31,516

External revenue Jan-Sep 2023	Business segments					Total
	SSAB Special Steels	SSAB Europe	SSAB Americas	Tibnor	Ruukki Construction	
SEK millions						
Geographical areas						
Sweden	749	6,012	—	3,697	1,211	11,668
Finland	339	4,099	—	2,009	1,161	7,607
Other Europe	9,303	17,417	160	4,845	2,091	33,816
USA	5,867	1,752	21,076	—	2	28,698
Rest of the world	8,393	1,233	1,595	9	—	11,230
Total	24,652	30,513	22,831	10,560	4,465	93,020
Product area						
Steel products	24,174	28,475	22,831	—	—	75,480
Trading operations	—	—	—	10,560	—	10,560
Ruukki Construction operations	—	—	—	—	4,465	4,465
Slabs, by-products and scrap	302	2,008	—	—	—	2,310
Other	176	30	—	—	—	205
Total	24,652	30,513	22,831	10,560	4,465	93,020

External revenue Jan-Sep 2022	Business segments					Total
	SSAB Special Steels	SSAB Europe	SSAB Americas	Tibnor	Ruukki Construction	
SEK millions						
Geographical areas						
Sweden	640	7,682	—	4,415	1,398	14,135
Finland	328	5,429	—	2,332	1,437	9,526
Other Europe	9,578	16,128	115	5,935	2,493	34,250
USA	5,576	1,097	22,234	—	3	28,911
Rest of the world	8,486	1,221	2,050	20	8	11,785
Total	24,609	31,558	24,399	12,702	5,338	98,607
Product area						
Steel products	24,112	28,920	24,399	—	—	77,432
Trading operations	—	—	—	12,702	—	12,702
Ruukki Construction operations	—	—	—	—	5,338	5,338
Slabs, by-products and scrap	257	2,516	—	—	—	2,773
Other	240	122	—	—	—	362
Total	24,609	31,558	24,399	12,702	5,338	98,607

Alternative performance measures

SSAB has applied the guidelines issued by ESMA (European Securities and Markets Authority) on alternative performance measures (APMs). These performance measures are not defined in accordance with IFRS, but provide complementary information to investors and company management about the company's financial position and development. In addition to the definitions below, further definitions can be found in the Annual Report Note A.3.

Adjusted operating result

	2023	2022	2023	2022	2022
SEK millions	Q3	Q3	Jan-Sep	Jan-Sep	Full-year
Operating result	4,371	6,594	14,068	25,146	-4,355
Items affecting comparability	–	148	–	369	33,638
Adjusted operating result	4,371	6,742	14,068	25,515	29,283

EBITDA and adjusted EBITDA

	2023	2022	2023	2022	2022
SEK millions	Q3	Q3	Jan-Sep	Jan-Sep	Full-year
Operating result	4,371	6,594	14,068	25,146	-4,355
Depreciation, amortization and impairment	936	857	2,709	2,535	36,695
EBITDA	5,307	7,451	16,777	27,681	32,340
Items affecting comparability	–	148	–	357	335
Adjusted EBITDA	5,307	7,599	16,777	28,038	32,675

Items affecting comparability

	2023	2022	2023	2022	2022
SEK millions	Q3	Q3	Jan-Sep	Jan-Sep	Full-year
<u>Operating expenses</u>					
Impairment of goodwill	–	–	–	–	-33,291
Write-down of assets in Russia and Ukraine	–	-148	–	-369	-347
Total effect on operating result	–	-148	–	-369	-33,638
<u>Financial items</u>					
Write-down investment in Fennovoima (Voimaosakeyhtiö SF)	–	-14	–	-285	-288
Total effect on result before tax	–	-162	–	-654	-33,926
Income taxes	–	1	–	-13	-13
Total effect on result for the period	–	-161	–	-667	-33,939

Adjusted earnings per share

	2023	2022	2023	2022	2022
SEK millions	Q3	Q3	Jan-Sep	Jan-Sep	Full-year
Result for the period to the shareholders of the Parent Company	3,506	5,074	11,129	19,108	-10,886
Items affecting comparability in the result for the period	–	-161	–	-667	-33,939
Adjusted result for the period to the shareholders of the Parent Company	3,506	5,234	11,129	19,775	23,052
Average number of shares during the period (millions)	1,029.8	1,029.8	1,029.8	1,029.8	1,029.8
Adjusted earnings per share (SEK)	3.40	5.08	10.81	19.20	22.38

Financial information, per quarter

The Group's adjusted result per quarter

SEK millions	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23
Revenue	19,661	23,673	25,220	27,337	31,575	35,516	31,516	30,138	31,904	31,777	29,339
Operating expenses	-16,820	-18,779	-18,642	-19,534	-22,381	-24,289	-23,922	-25,505	-26,303	-25,892	-24,028
Depreciation/amort.	-867	-815	-784	-791	-821	-844	-857	-869	-869	-907	-935
Affiliated companies	19	4	5	-51	4	12	5	4	2	-14	-5
Financial items	-106	-101	-111	-103	-101	-136	-20	259	54	56	78
Result before tax	1,887	3,981	5,689	6,859	8,276	10,260	6,722	4,027	4,787	5,019	4,449

Revenue per quarter and business segment

SEK millions	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23
SSAB Special Steels	5,122	5,845	5,994	6,549	7,907	8,985	8,431	8,343	8,573	8,646	8,013
SSAB Europe	8,829	10,246	10,789	12,446	12,657	14,357	11,989	11,065	12,293	12,953	10,909
SSAB Americas	3,644	4,822	6,061	6,153	7,465	8,842	8,302	7,554	7,714	7,728	7,620
Tibnor	2,656	3,214	3,063	3,443	4,463	4,783	3,594	3,784	4,048	3,600	3,012
Ruukki Construction	1,122	1,593	1,766	1,518	1,588	2,020	1,739	1,534	1,329	1,559	1,587
Other	—	—	—	—	—	—	—	—	—	—	—
Group adjustments	-1,713	-2,047	-2,453	-2,773	-2,504	-3,472	-2,539	-2,143	-2,053	-2,709	-1,802
Total	19,661	23,673	25,220	27,337	31,575	35,516	31,516	30,138	31,904	31,777	29,339

Adjusted EBITDA, per quarter and business segment

SEK millions	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23
SSAB Special Steels	1,189	1,390	1,210	1,777	2,350	2,648	2,674	1,649	2,380	2,305	2,126
SSAB Europe	1,139	1,900	2,912	3,690	3,650	4,476	1,856	189	418	1,196	694
SSAB Americas	301	1,126	1,926	2,235	3,041	3,563	3,089	2,782	2,728	2,697	2,710
Tibnor	252	486	552	390	457	653	-133	-361	50	2	-58
Ruukki Construction	87	202	270	202	209	263	206	56	41	63	83
Other	-108	-206	-288	-540	-508	-361	-92	323	-18	-393	-247
Total	2,860	4,899	6,582	7,753	9,198	11,241	7,599	4,637	5,600	5,871	5,307

Adjusted operating result per quarter and business segment

SEK millions	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23
SSAB Special Steels	898	1,159	978	1,523	2,086	2,373	2,390	1,369	2,094	2,003	1,808
SSAB Europe	700	1,454	2,503	3,300	3,249	4,069	1,446	-229	0	764	254
SSAB Americas	254	1,083	1,882	2,186	2,991	3,511	3,034	2,725	2,675	2,642	2,653
Tibnor	212	443	510	347	414	608	-181	-408	1	-50	-113
Ruukki Construction	49	163	228	158	160	209	156	-1	-9	10	28
Other	-121	-219	-301	-553	-522	-374	-104	311	-29	-405	-260
Total	1,993	4,083	5,800	6,961	8,377	10,395	6,742	3,768	4,733	4,963	4,371

From January 1, 2023 onwards the adjusted operating result of the business segments includes depreciation/amortization on surplus values on tangible and intangible assets related to the acquisitions of Ipsco and Rautaruukki. Comparative information has been updated accordingly.

Items affecting comparability in operating result, per quarter and business segment

SEK millions	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23
SSAB Special Steels	–	–	–	–	-141	-5	-149	-18,124	–	–	–
SSAB Europe	–	–	–	–	-25	-1	1	-2,201	–	–	–
SSAB Americas	–	–	–	–	–	–	–	-12,401	–	–	–
Tibnor	–	–	–	–	–	–	–	-542	–	–	–
Ruukki Construction	–	–	–	–	-49	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–	–	–
Total	–	–	–	–	-215	-6	-148	-33,269	–	–	–

Items affecting comparability during the fourth quarter of 2022 relate mainly to impairment of goodwill.

Production and shipments

Thousand tonnes	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23
Crude steel production											
SSAB Special Steels	648	649	469	545	630	634	592	453	608	651	584
SSAB Europe	1,157	1,204	1,080	1,193	889	1,049	1,068	905	1,141	1,142	1,056
SSAB Americas	297	315	293	328	232	303	256	283	295	297	296
Total	2,103	2,168	1,842	2,066	1,751	1,985	1,916	1,641	2,044	2,090	1,936
Rolling production											
SSAB Special Steels	456	466	395	351	419	460	430	358	454	447	418
SSAB Europe	1,207	1,290	1,081	1,163	1,065	1,093	1,010	873	1,157	1,186	1,026
SSAB Americas	272	294	291	303	233	282	232	273	288	265	283
Total	1,935	2,050	1,766	1,818	1,716	1,835	1,672	1,505	1,899	1,898	1,727
Steel shipments											
SSAB Special Steels	376	388	348	350	381	396	336	305	349	364	313
SSAB Europe	980	980	795	832	844	838	713	778	912	907	759
SSAB Americas	480	494	484	413	438	476	416	418	476	451	439
Total	1,837	1,861	1,627	1,595	1,664	1,711	1,465	1,502	1,737	1,722	1,510

Analysis of total change in revenue per business segment

%	Change vs. Q3 2022			Change vs. Q2 2023		
	SSAB Special Steels	SSAB Europe	SSAB Americas	SSAB Special Steels	SSAB Europe	SSAB Americas
Volume	-7	6	6	-14	-16	-3
Price	-3	-19	-14	2	-1	0
Product mix	0	0	0	0	0	0
Currency effects	5	7	0	1	1	3
Other revenue	0	-3	0	4	0	-1
Total	-5	-9	-8	-7	-16	-1

Financial reports – The Parent Company

Parent Company's statement of profit and loss, in summary

SEK millions	2023 Q3	2022 Q3	2023 Jan-Sep	2022 Jan-Sep	2022 Full-year
Gross profit	–	–	–	–	–
Selling and administrative costs	-157	-97	-462	-313	-485
Other operating income/expenses	84	50	278	170	274
Operating result	-72	-47	-184	-143	-210
Financial items	-39	-48	-27	-117	16,972
Result after financial items	-111	-95	-211	-260	16,762
Appropriations	–	–	–	–	–
Result before tax	-111	-95	-211	-260	16,762
Income tax	19	20	41	54	-60
Result for the period	-92	-76	-170	-206	16,702

Parent company's statement of comprehensive income, in summary

SEK millions	2023 Q3	2022 Q3	2023 Jan-Sep	2022 Jan-Sep	2022 Full-year
Result for the period	-92	-76	-170	-206	16,702
Other comprehensive income					
<i>Items that may be classified to the income statement</i>					
Cash flow hedges	10	19	-20	123	116
Income tax attributable to cash flow hedges	-2	-4	4	-25	-24
Other comprehensive income	8	15	-16	97	92
Total comprehensive income for the period	-85	-61	-186	-109	16,794

Parent Company's statement of financial position, in summary

SEK millions	2023 Sep 30	2022 Sep 30	2022 Dec 31
Assets			
Fixed assets	76,652	72,551	71,929
Other current assets	3,093	12,434	9,782
Cash and cash equivalents	25,936	15,389	23,026
Total assets	105,681	100,374	104,738
Equity and liabilities			
Restricted equity	9,964	9,964	9,964
Unrestricted equity	56,457	48,700	65,603
Total equity	66,421	58,664	75,567
Non-current liabilities and provisions	4,435	5,254	4,612
Current liabilities and provisions	34,825	36,456	24,559
Total equity and liabilities	105,681	100,374	104,738

This report has been published in Swedish and English. In the event of any differences between the English translation and the Swedish original, the Swedish report shall prevail.

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Year-end report for January-December 2023

The Year-end report for 2023 will be published on January 31, 2024.



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