



8 May 2014

Ms Kerry Taylor
 Director Operations 3
 Anti-Dumping Commission
 1010 La Trobe Street,
 Docklands Vic 3008
 Australia

Operations3@adcommission.gov.au

Attention: Kerry Taylor

For Public File

Dear Ms Taylor,

Re: Quenched & Tempered Steel Plate exported from Sweden, Japan and Finland – SSAB 2013 Financial Results

Bisalloy Steel Group Pty Ltd ("Bisalloy") has obtained a copy of the 2013 financial statements for SSAB Swedish Steel Pty Ltd ("SSAB Swedish Steels") as lodged with the Australian Securities & Investments Commission ("ASIC") – Confidential copy attached. SSAB Swedish Steels is the Australian importer and supplier of Quenched and Tempered ("Q&T") steel plate exported from Sweden.

Bisalloy draws to the attention of the Anti-Dumping Commission ("the Commission") the following relevant information contained in the SSAB Swedish Steel return:

- SSAB Swedish Steel's costs of sales were \$40.6M, of which \$37.0M was purchased from SSAB Singapore;
- SSAB Swedish Steel has current sales (including cash) of \$15.2M. Included in trade creditors is an amount of \$18.4M owing to SSAB Singapore;
- For the 2013 year, SSAB Swedish Steels has paid approximately 50 per cent of the cost of materials sourced from SSAB Singapore;
- SSAB Swedish Steels is reliant on a letter of financial support from its holding company, SSAB EMEA AB.

The SSAB Swedish Steel financial statements also acknowledge that during the 2013 year (that coincides with the investigation period in Investigation No. 234), the following is observable:

- SSAB Swedish Steel incurred a gross loss of \$500k – there is an acknowledgment of sales below costs, and that this blows out by an additional \$3.5M in administration, marketing and other expenses);
- SSAB Swedish Steel has negative current assets of \$3M; and
- In the absence of support from its parent company, SSAB Swedish Steel's combined working capital and negative equity suggests it would not be able to operate as a going concern.

The above matters are relevant to Bisalloy's claims that Q&T steel plate exported to Australia from Sweden during 2013:

- were at dumped prices;
- did not recover the fully absorbed CTM&S;
- were at FOB export prices that were not reflected in subsequent selling prices in Australia and, because of the relationship between the exporter and the importer, the export prices were affected by the relationship.

In considering the publication of a Preliminary Affirmative Determination ("PAD") Bisalloy requests the Commission to take full account of the recent information contained in SSAB Swedish Steel's 2013 return. It is Bisalloy's view that the information contained in the ASIC return confirms Bisalloy's assertions concerning related party sales as detailed in the application.

If you have any questions concerning this letter please do not hesitate to contact either myself on (02) 4272 0407 Mob: 0406317671 or Bisalloy's Consultant John O'Connor on (07) 3342 1931 Mob: 0411 252 451.

Yours faithfully,



Tom Matinca
Business Development and Strategy Manager
Bisalloy Steel Group Limited