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Q3 INTERIM REPORT 1 Jan–30 Sept 2013 RTRKS

23 October 2013 RAUTARUUKKI CORPORATION

ruukki

Energy-efficient steel solutions for better LIVING. WORKING. MOVING.

Rautaruukki Corporation Stock exchange release 23 October 2013 at 9am EEST

RAUTARUUKKI CORPORATION INTERIM REPORT Q1-Q3/2013: Profitability improved in all business areas

July-September 2013 (Q3/2012)

- Net cash from operating activities was EUR 28 million (44).
- Order intake was EUR 568 million (638).
- Comparable net sales were EUR 592 million (624).
- Comparable operating profit was EUR 10 million (-15).
- Comparable result before taxes was EUR 0 million (-26).

January-September 2013 (Q1-Q3/2012)

- Net cash from operating activities was EUR 105 million (93).
- Order intake was EUR 1,803 million (1,982).
- Comparable net sales were EUR 1,814 million (1,963).
- Comparable operating profit was EUR 31 million (-16).
- Comparable result before taxes was EUR 2 million (-46).

Guidance for 2013 changed:

Revised guidance: Comparable net sales in 2013 are estimated to be approximately EUR 2.5 billion. Comparable operating profit is estimated to improve compared to 2012 and to be positive.
Earlier guidance: Comparable net sales in 2013 are estimated to be at the same level as in 2012. Comparable operating profit is estimated to improve compared to 2012 and to be positive.
Net sales and operating profit for 2012 have been restated for reasons of structural comparability.

KEY FIGURES

	Q3/13	Q3/12	Q1-Q3/13	Q1-Q3/12	2012
Comparable figures					
Comparable net sales, EUR m	592	624	1,814	1,963	2,597
Comparable operating profit, EUR m	10	-15	31	-16	-50
Comparable operating profit as % of net sales	1.7	-2.5	1.7	-0.8	-1.9
Comparable result before income tax, EUR m	0	-26	2	-46	-88
Reported figures					
Reported net sales, EUR m	592	675	1,815	2,119	2,796
Reported operating profit, EUR m	10	-21	30	-42	-101
Reported result before income tax, EUR m	0	-32	1	-72	-139
Net cash from operating activities, EUR m	28	44	105	93	172
Net cash before financing activities, EUR m	2	20	40	22	78
Earnings per share, EUR	0.01	-0.21	-0.03	-0.44	-0.85
Return on capital employed (rolling 12 months), %			-1.5	-4.0	-4.9
Return on capital employed (annualised), %			2.1	-2.6	-4.9
Gearing ratio, %			73.8	71.3	71.2
Equity ratio, %			44.9	45.7	45.6
Personnel on average	9,033	11,345	9,060	11,462	11,214

Net sales and operating profit for 2012 have been restated for reasons of structural comparability. Part of Ruukki Engineering's business was divested at the end of 2012. The units excluded from the arrangement have been part of Ruukki Metals since the start of 2013. Ruukki Engineering units transferred to Fortaco and other Ruukki Engineering units have been eliminated from comparable figures.

PRESIDENT & CEO SAKARI TAMMINEN:

“Confidence in economic growth improved during the third quarter as several forward-looking economic indicators progressed. Also during the second quarter, GDP showed very modest growth in Europe. It seems as if demand has now been corrected to a new sustainable level. However, recovery is expected to be modest and economic growth is forecast to be around one per cent in 2014. Concerning Ruukki’s most important markets, Germany, Sweden, Norway and Russia are expected to show better development than other markets. The situation in Finland continues to give particular cause for concern and it is hard to see any turn for the better in the near future. Finland has lost much export manufacturing industry and the change is a structural one.

With regard to business activity, Ruukki’s third quarter was largely the same as the second. Order intake was down 11% and net sales were down 5% year on year. This was due to the fall in steel prices as a result of lower market prices of raw materials compared to a year earlier. Ruukki Metals’ order volumes were at the same level, but delivery volumes rose compared to a year earlier. Ruukki Building Products’ order intake was at the same level year on year and up 6% quarter on quarter despite the fact that market conditions were not so good. Also Ruukki Building Systems’ order intake and order book were at the same level as a year earlier. Orders were down clearly in the Nordic countries, although orders in Russia rose and the order book is strong in our Russian operations.

Comparable operating profit rose year on year and was EUR 10 million. Normal seasonality was reflected in differences in profitability development in our business areas. Both Ruukki Building Products and Ruukki Building Systems achieved a positive result underpinned by improved gross margins and a normal summer season. On top of the holiday season, normal maintenance shutdowns at the rolling mills reduced Ruukki Metals’ delivery volumes. These factors, coupled with lower average selling prices, weakened profitability. On the other hand, Ruukki Metals’ results for the third quarter and for the previous quarter show that we have in practice achieved the aim of our cost savings programme - profitable operations at a capacity utilisation rate of 80%. Because no significant upturn in steel demand is expected in the main market in Europe during the next few years, Ruukki Metals will start to prepare a new efficiency programme to further improve competitiveness. These actions are aimed at a permanent annual improvement of around EUR 30 million in earnings performance. This means Ruukki’s earlier permanent earnings improvement target of EUR 100 million increases now to EUR 130 million.

Consolidated cash flow from operating activities was EUR 28 million for the third quarter and EUR 105 million since the start of the year. Net debt was at the same level as during the second quarter and gearing was 74%.

Ruukki Building Products clearly improved operating profit and relative profitability year on year. This was particularly attributable to the efficiency programme and better gross margin. A more favourable geographical spread of sales of residential roofing products and more effective steering of sales of building components also contributed to operating profit growth compared to a year earlier. Relative profitability improved in all product groups.

In Ruukki Building Systems, we successfully achieved our aim of turning the business around to profitability. This was mainly achieved as a result of the efficiency programme initiated in 2012 and a rise in the capacity utilisation rate in Russia. Profitability is moving ahead in the right direction, but we still have much to do to improve relative profitability especially in Northern Europe.

Compared to a year earlier, order intake value and order volumes of special steel products were up. Sales of special steel products accounted for 34% of Ruukki Metals’ net sales, which was the same as the previous quarter. However, net sales of special steel products were down 11% quarter on quarter because of lower average selling prices and seasonally smaller delivery volumes. We aim to considerably grow volumes of special steel products and to increase sales of special steels to EUR 850 million in 2015. Special steel products are notably more profitable than standard products, the volumes of which we intend to scale down as volumes of special steels rise.

We expect average selling prices of steel products to remain stable during the fourth quarter of the year. Modest price rises are also not ruled out with regard to certain products and markets. We anticipate sales at our steel service centres to pick up slightly during the fourth quarter, but uncertain conditions in Europe will continue to impact on demand from mill customers. Good progress is being made with accelerating the growth of special steel products through new customers, new applications and new market areas. The aim is for an extensive sales and partner network covering all main market areas. Work continues on recruiting more than 40 sales and technical customer service experts. The result of our efforts on this front is expected to be visible mainly 2014 onwards.

Ruukki Building Products has a good market position and is aiming for profitable growth especially through energy-efficient products and residential roofing products. We are also focusing on repeatable products and processes and on identifying new business opportunities for our good infrastructure construction products to improve profitability. In Ruukki Building Systems, our main aim is to improve relative profitability through better project management and more cost-efficient manufacturing. Ruukki´s new business model has streamlined the management of operations, which in turn has contributed to improving the profitability of Building Products and Building Systems.

Average selling prices of our steel products were lower than we expected during the first nine months of the year. Delivery volumes were up slightly year on year. Due to lower prices, we have revised our guidance with regard to net sales for the present financial year. We now estimate comparable net sales in 2013 to be approximately EUR 2.5 billion. Guidance with regard to comparable operating profit remains unchanged and is estimated to improve compared to 2012 and to be positive."

Rautaruukki Corporation's full interim report for January-September is attached to this release.

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News conference for analysts and the media
A joint news conference in English both for analysts and the media will be hosted on Wednesday 23 October 2013 at 10.30am at Ruukki's head office, Suolakivenkatu 1, 00810 Helsinki.

A live webcast of the event and presentation by the company's President & CEO Sakari Tamminen may be followed online on the company's website at www.ruukki.com/Investors starting at 10.30am EEST. This event can also be attended through a conference call by dialling the number below 5-10 minutes before the event begins:
+44 20 7162 0077 (calls outside Finland)
+358 9 2313 9201 (calls inside Finland)
Access code: 937160

A replay of the webcast can be viewed on the company's website from approximately 4pm EEST. A replay of the conference call will be available until 31 October 2013 at:
+44 20 7031 4064 (calls outside Finland)
+358 9 2314 4681 (calls inside Finland)
Access code: 937160

Rautaruukki Corporation
Taina Kyllönen
SVP, Marketing and Communications

Ruukki specialises in steel and steel construction. We provide customers with energy-efficient steel solutions for better living, working and moving. We have around 9,000 employees and an extensive distribution and dealer network across some 30 countries including the Nordic countries, Russia and elsewhere in Europe and the emerging markets, such as India, China and South America. Net sales in 2012 totalled €2.8 billion. The company's share is quoted on NASDAQ OMX Helsinki (Rautaruukki Oyj: RTRKS). www.ruukki.com

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RAUTARUUKKI CORPORATION'S INTERIM REPORT FOR JANUARY-SEPTEMBER 2013

Business environment

There were some signs of improvement in the European economy during the third quarter. The eurozone Purchasing Managers' Index (PMI) rose steadily during the quarter to reach its highest level for more than two years. Likewise in China and the United States, purchasing managers' indexes continued to strengthen. Driven mostly by the German economy, GDP growth returned to positive in the eurozone already during the second quarter. However, the continuation of this growth still seems somewhat uncertain. As regards Ruukki's most important markets, economic growth in Sweden and Norway outperformed that of other countries, whereas the situation in Finland continued to be challenging. No significant changes were seen in development of the Russian economy and growth remained more or less at the same level as during the second quarter. Economic activity continued to strengthen in the United States, whereas growth in the emerging economies was slower than earlier mostly because of the pace of economic growth peaking in China.

Construction activity was still at a low level across Europe. The business environment in Finland remained weak and fewer building permits were granted than a year earlier. Also in Sweden, construction activity declined, but in Norway development was clearly more favourable. In Poland, there were some signs of recovery visible in industrial and logistics construction. The weak demand environment was somewhat reflected in Ruukki's building business areas in the form of lower order intake in many market areas, especially in the project business in the Nordic countries. Good growth continued in Russia, especially in agricultural construction.

The improved prospects for the global and also European economy, together with recovery measures by China resulted in a levelling off of the long downturn seen in the demand for steel. Apparent consumption of steel in Europe during the third quarter was roughly at the same level as a year earlier. However, inventory levels of steel wholesalers in Europe remained low, although there were differences between countries.

The fall in market prices of steel products levelled off and prices began to rise slightly towards the end of the third quarter. Market prices of iron ore and coking coal, the main raw materials in steel production, rose during the quarter as the Chinese steel industry replenished its inventories. However, the price development stabilised clearly during the course of the third quarter.

Customer caution and the wait-and-see sentiment of the market continued to be reflected in Ruukki's steel business. The holiday season in Europe also impacted negatively on demand during the third quarter. The value of Ruukki Metals' order intake was down 15% year on year and 12% quarter on quarter. The fall in order intake year on year was mostly attributable to clearly lower average selling prices resulting from lower prices of raw materials. Order volumes were unchanged year on year. Average capacity utilisation rate in steel production during the third quarter was 78%. Normal summer maintenance shutdowns reduced capacity utilisation rates at the rolling mills.

Demand for special steels developed better than that for standard steels in many market areas. The order intake value of special steels was up year on year, but was down quarter on quarter mostly because of lower selling prices. Whereas the holiday season in Europe during the third quarter resulted in a decline in order volumes, more positive economic prospects increased demand especially among European customers. This was reflected in a strong growth in order intake for special steel products in the Western and Southern European markets, where orders from, for example, manufacturers of lifting, handling and transportation equipment and manufacturers of construction machinery showed good development. Demand in markets outside Europe varied and the weakening of certain foreign currencies impacted negatively on orders. As regards customer segments, growth remained slower than a year earlier in the mining industry, but demand picked up slightly in the lifting, handling and transportation industry and in the construction machinery industry.

Order intake and order book

Order intake has been restated for reasons of structural comparability. Part of Ruukki Engineering's business was divested at the end of 2012. The units excluded from the arrangement have been part of Ruukki Metals since the start of 2013. Order intake of the Ruukki Engineering units transferred to Fortaco and of other Ruukki Engineering units has been eliminated from comparable order intake.

ORDER INTAKE BY BUSINESS AREA					
EUR million	**Q3/13**	**Q3/12**	**Q1-Q3/13**	**Q1-Q3/12**	**2012**
Order intake					
Ruukki Building Products	127	129	326	340	443
Ruukki Building Systems	63	63	231	246	313
Ruukki Metals	378	446	1,246	1,396	1,850
Order intake, total	568	638	1,803	1,982	2,605

Unless otherwise stated, the figures in brackets refer to the same period a year earlier.

July-September 2013

Order intake in July-September was down 11% year on year at EUR 568 million (638). Compared to a year earlier, order intake was down 1% in Ruukki Building Products, 1% in Ruukki Building Systems and 15% in Ruukki Metals. Average prices of Ruukki Metals' order intake were lower year on year, but order volumes were at the same level.

Compared to the previous quarter, order intake was up 6% in Ruukki Building Products and down 33% in Ruukki Building Systems. Order intake in Ruukki Metals was down 12% quarter on quarter partly as a result of normal seasonality. Total order intake was down 12% quarter on quarter.

At the end of September, the order book was down 11% year on year and down 6% quarter on quarter.

January-September 2013

Order intake in July-September was down 9% year on year at EUR 1,803 million (1,982).

Compared to a year earlier, order intake was down 4% in Ruukki Building Products, 6% in Ruukki Building Systems and 11% in Ruukki Metals. The fall in Ruukki Metals' order intake value was attributable to lower average selling prices and to smaller order volumes compared to a year earlier.

Net sales

Net sales have been restated for reasons of structural comparability. Part of Ruukki Engineering's business was divested at the end of 2012. The units excluded from the arrangement have been part of Ruukki Metals since the start of 2013. Net sales of the Ruukki Engineering units transferred to Fortaco and of other Ruukki Engineering units have been eliminated from comparable consolidated net sales.

NET SALES BY BUSINESS AREA

EUR million	Q3/13	Q3/12	Q1-Q3/13	Q1-Q3/12	2012
Comparable net sales					
Ruukki Building Products	130	133	320	341	452
Ruukki Building Systems	76	75	219	219	288
Ruukki Metals	389	419	1,272	1,407	1,859
Others	-3	-3	3	-4	-3
Comparable net sales, total	592	624	1,814	1,963	2,597
Items affecting comparability included in reported net sales	0	51	1	156	199
Reported net sales	592	675	1,815	2,119	2,796

July-September 2013

Comparable net sales for July-September were down 5% year on year at EUR 592 million (624). Reported net sales for July-September were EUR 592 million (675). Reported net sales for the third quarter of the previous year include the net sales of Ruukki Engineering, which was divested at the end of December 2012.

Ruukki Building Products' comparable net sales were down 2%. Ruukki Building Systems' net sales were up 1%. Ruukki Metals' net sales were down 7% compared to a year earlier. The fall in Ruukki Metals' net sales was due to lower average selling prices of steel products compared to a year earlier. Delivery volumes were up slightly.

Compared to a year earlier, comparable net sales for the third quarter were down year on year in Finland, Russia and Ukraine. In the other Nordic countries and Central Eastern Europe net sales were unchanged year on year. Net sales were also down slightly in the rest of Europe, but grew in markets outside Europe.

Compared to the previous quarter, comparable net sales were down 6%. Ruukki Building Products' comparable net sales were up 15%. Ruukki Building Systems' net sales were at the same level as for the previous quarter. Ruukki Metals' net sales were down 11% due to smaller delivery volumes and slightly lower average selling prices. Normal seasonality also impacted on the fall in Ruukki Metals' net sales.

Compared to the previous quarter, net sales grew in Russia, Ukraine, Central Eastern Europe and in certain market areas outside Europe. Net sales were clearly down in Finland, the other Nordic countries and in the rest of Europe.

Special steel products accounted for 34% (31) of Ruukki Metals' comparable net sales.

January-September 2013

Comparable net sales for January-September were down 8% year on year at EUR 1,814 million (1,963). Reported net sales were 1,815 million (2,119). Reported net sales for the first nine months of the previous year include the net sales of Ruukki Engineering, which was divested at the end of December 2012.

Ruukki Building Products' comparable net sales were down 6%, Ruukki Building Systems' net sales were at the same level and Ruukki Metals' net sales were down 10% year on year. The fall in Ruukki Metals' net sales was due to lower average selling prices of steel products compared to a year earlier. Delivery volumes were up slightly.

Comparable net sales for January-September were down year on year in all market areas except for markets outside Europe, where net sales showed slight growth. Net sales decreased most in Finland and the other Nordic countries.

Special steel products accounted for 33% (31) of Ruukki Metals' comparable net sales.

NET SALES BY REGION

EUR million	**Q3/13**	**Q3/12**	**Q1-Q3/13**	**Q1-Q3/12**	**2012**
Comparable net sales					
Finland	145	164	464	520	676
Other Nordic countries	171	171	557	612	790
Central Eastern Europe	104	101	274	276	366
Russia and Ukraine	68	84	174	195	262
Rest of Europe	65	72	224	248	356
Other countries	40	31	123	111	146
Comparable net sales, total	592	624	1,814	1,963	2,597
Items affecting comparability included in reported net sales	0	51	1	156	199
Reported net sales	592	675	1,815	2,119	2,796

Operating profit

Operating profit has been restated for reasons of structural comparability. Part of Ruukki Engineering's business was divested at the end of 2012. The units excluded from the arrangement have been part of Ruukki Metals since the start of 2013. Operating profit of the Ruukki Engineering units transferred to Fortaco and of other Ruukki Engineering units has been eliminated from comparable operating profit.

OPERATING PROFIT BY BUSINESS AREA					
EUR million	**Q3/13**	**Q3/12**	**Q1-Q3/13**	**Q1-Q3/12**	**2012**
Comparable operating profit					
Ruukki Building Products	16	12	26	16	22
Ruukki Building Systems	1	-4	-8	-14	-21
Ruukki Metals	-3	-16	21	0	-31
Others	-4	-7	-9	-18	-20
Comparable operating profit, total	10	-15	31	-16	-50
Items affecting comparability included in reported operating profit	0	-5	-1	-26	-51
Reported operating profit	10	-21	30	-42	-101

July-September 2013

Comparable operating profit for July-September was EUR 10 million (-15). Reported operating profit was EUR 10 million (-21). Reported operating profit for the third quarter of 2012 includes items of -EUR 5 million affecting comparability. These items have been itemised in the table "Items affecting comparability of reported operating profit".

Ruukki Building Products' comparable operating profit was up EUR 4 million year on year. This was mostly attributable to the efficiency programme initiated during 2012 and better gross margin. Relative profitability of all product groups within Ruukki Building Products improved year on year.

Ruukki Building Systems' operating result improved and was positive. This was mostly attributable to the efficiency programme initiated during 2012. Profitability was also improved by shifting the focus of production to lower-cost countries and by improved project margins and capacity utilisation rates.

Ruukki Metals' comparable operating profit improved by EUR 13 million year on year. This was largely due to the cost savings generated by efficiency projects and to lower raw material costs. A number of development projects to optimise efficiency and the use of raw materials were completed during the year. Manufacturing costs have been cut as a result of these projects. Operating profit weakened due to the fall in the average selling prices of steel products.

Comparable operating profit was down EUR 7 million quarter on quarter. Ruukki Building products and Ruukki Building Systems' operating profit showed clear improvement quarter on quarter partly because of seasonality and also because of restructuring and savings programmes completed. Ruukki Metals' comparable operating profit was down EUR 11 million quarter on quarter. This was mostly due to lower average selling prices, seasonal smaller delivery volumes and normal summer maintenance shutdowns at the rolling mills.

January- September 2013

Comparable operating profit for January-September was EUR 31 million (-16). Reported operating profit was EUR 30 million (-42), which includes items of -EUR 1 million affecting comparability. Reported operating profit for the first nine months of 2012 includes items of -EUR 26 million affecting comparability. These items have been itemised in the table “Items affecting comparability of reported operating profit”.

Ruukki Building Products’ comparable operating profit was up EUR 10 million year on year. Also the relative profitability of Ruukki Building Systems improved and the operating loss shrank by EUR 7 million year on year.

Ruukki Metals’ comparable operating profit was up EUR 21 million year on year. Disruptions to production resulted in a lower than normal capacity utilisation rate in steel production during the second quarter and impacted negatively on Ruukki Metals’ operating profit for January-September.

Financial items and result

Consolidated net finance costs in the first nine months of the year totalled EUR 27 million (31). Net interest costs were EUR 21 million (26).

Group taxes for the first nine months of the year were -EUR 4 million (11). Taxes for the period include discharge of a –EUR 5 million tax charge made in 2012 and which has no effect on cash flow.

The result for the period was -EUR 4 million (-61) and earnings per share were -EUR 0.03 (-0.44).

Balance sheet, cash flow and financing

Total assets at the end of September were EUR 2,319 million (2 544). Equity at 30 September 2013 was EUR 1,024 million (1,145), equating to EUR 7.38 per share (8.25). Equity has decreased EUR 47 million since the end of 2012. This was mainly because of the dividend payment of EUR 28 million paid in April and a change in translation differences.

The equity ratio at the end of the report period was 44.9% (45.7) and the gearing ratio was 73.8% (71.3). Net interest-bearing liabilities at the end of September were EUR 758 million (818).

Return on equity for the past 12 months was -5.6% (-8.3) and return on capital employed was -1.5% (-4.0). The annualised return on capital employed was 2.1% (-2.6).

Net cash from operating activities in the first nine months of the year was EUR 105 million (93) and net cash before financing activities was EUR 40 million (22). EUR 3 million was freed up in net working capital during the report period (freed up EUR 61 million).

At the end of September, the group had liquid assets of EUR 31 million (16) and undrawn committed credit facilities of EUR 475 million (475), EUR 425 million of which were long term.

Capital expenditure

Net cash used in investing activities during the first nine months of the year was -EUR 64 million (-72).

Investments in tangible and intangible assets totalled EUR 67 million (72), of which maintenance investments accounted for EUR 53 million (50) and development investments EUR 15 million (22). Cash inflow from other investing activities was EUR 3 million (0).

Depreciation and impairments in the first nine months of the year amounted to EUR 100 million (114).

Investments in tangible and intangible assets during 2013 are estimated to be in the region of EUR 90 million.

Personnel

PERSONNEL BY REGION	30 Sep 2013	30 Sep 2012	31 Dec 2012
Finland	5,314	6,109	5,547
Other Nordic countries	535	601	580
Central Eastern Europe	1,105	2,010	1,106
Russia and Ukraine	1,695	1,832	1,686
Rest of Europe	50	68	63
Other countries	46	134	52
Total	8,745	10,754	9,034

The group employed an average of 9,060 persons (11,462) during the first nine months of the year and at the end of September, the headcount was 8,745 (10,754). The Fortaco deal completed at the end of 2012 resulted in a decrease of 1,334 in Ruukki's personnel numbers. At the end of the report period, 61% (57) of Ruukki's personnel worked in Finland.

Safety measured in terms of accidents per million working hours was 8 (7).

BUSINESS AREAS
RUUKKI BUILDING PRODUCTS

Ruukki Construction has been split into two business areas – Ruukki Building Products and Ruukki Building Systems – since the start of the second quarter 2013. All residential roofing products, commercial, office and industrial construction components, and foundation, harbour and infrastructure construction components are reported under Ruukki Building Products.

- Order intake in the third quarter was almost at the same level as a year earlier.
- Net sales for the third quarter were down 2% year on year, mostly because of weakened demand in many markets.
- Operating profit improved year on year on the back of better gross margin and the benefits generated by cost savings programmes in processing units.
- The total impact on earnings improvement achieved through efficiency projects in Ruukki Building Products and Ruukki Building Systems during the first half of 2013 was around EUR 12 million, of which around EUR 6 million was in Ruukki Building Products

RUUKKI BUILDING PRODUCTS					
EUR million	Q3/13	Q3/12	Q1-Q3/13	Q1-Q3/12	2012
Order intake	127	129	326	340	443
Net sales	130	133	320	341	452
Comparable operating profit	16	12	26	16	22
Comparable operating profit as % of net sales	12.7	9.0	8.2	4.7	4.9
Items affecting comparability included in reported operating profit		-1		-1	-3
Reported operating profit	16	11	26	15	19
Reported operating profit as % of net sales	12.7	8.4	8.2	4.4	4.1
Personnel at end of period			1,238	1,303	1,179

Order intake

July-September

Order intake value in July-September was down 1% year on year at EUR 127 million (129).

Order intake for residential roofing products was down 5% year on year. Orders showed a clear decrease in Poland, Finland and Ukraine, where market conditions continued to be weaker than normal. As regards the main markets, order intake was up in Sweden, the Baltic states and in some countries in Central Eastern Europe.

Order intake for building components was up 2 % year on year. As regards the main markets, order intake was up in, amongst others, Norway, Poland and the Czech Republic. In Sweden, orders remained almost at the same level as a year earlier. Order intake was down year on year in Finland, Estonia and Ukraine.

Order intake for infrastructure construction was at the same level year on year. Orders were up in Norway, but were at a clearly lower level than a year earlier in Finland and Sweden.

Compared to the previous quarter, Ruukki Building Products' order intake was up 6%. Order intake was up 22% for residential roofing products and 5% for building components. Order intake in infrastructure construction was down 21% quarter on quarter.

January-September

Order intake value for January-September was down 4% year on year at EUR 326 million (340).

Order intake for residential roofing products was down 2% year on year. Order intake showed clear growth in Sweden, where the Ruukki Express distribution chain was added to through the acquisition of Plåtleverantören i Stockholm AB in the second quarter of 2012. In Finland, order flow remained at the same level as a year earlier despite weakened demand. Orders were up year on year in some countries in Central Eastern Europe and in Russia. As regards the main roofing markets, order intake was down clearly in Poland and Ukraine, where market conditions continued to be weaker than normal.

Order intake for building components was down 1% year on year. As regards the main markets, order intake was up in Sweden, Norway, the Czech Republic, Latvia and Lithuania. Order intake was down year on year in Finland, Poland and Estonia. Orders for building components in Ukraine were clearly lower than a year earlier.

Order intake for infrastructure construction was down 14% year on year. As regards the main markets, orders for piling products were up in Sweden and Norway. Orders decreased most in Finland due to weakened demand both in building and infrastructure construction.

Net sales

July-September

Ruukki Building Products' net sales for July-September were down 2% year on year at EUR 130 million (133). Net sales were up in Norway, but down in Sweden and Finland. Net sales were also up in the Baltic states and Czech Republic. As regards the main markets, net sales were also down in Ukraine and Poland.

Compared to the previous quarter, Ruukki Building Products' net sales were up 15%. This was attributable to seasonality. Net sales rose in almost all market areas. Net sales in Norway were down slightly quarter on quarter.

January-September

Ruukki Building Products net sales for January-September were down 6% year on year at EUR 320 million (341). Net sales were up in Norway, but down in Finland and Sweden. Net sales were also up in the Baltic states and Czech Republic. As regards the main markets, net sales were down in Ukraine and Poland.

RUUKKI BUILDING PRODUCTS NET SALES BY PRODUCT GROUP					
EUR million	Q3/13	Q3/12	Q1-Q3/13	Q1-Q3/12	2012
Reported net sales					
Residential roofing products	60	62	126	130	174
Building components	50	52	132	140	189
Infrastructure construction	20	20	62	71	89
Others	0		0		
Reported net sales, total	**130**	**133**	**320**	**341**	**452**

Residential roofing products

July-September
Net sales of residential roofing products for July-September were down 3% year on year at EUR 60 million (62). Net sales were down slightly in main market areas including Finland, Norway and Sweden. Demand continued to be weak also in Poland and Ukraine, which has been reflected in a clear fall in net sales compared to a year earlier. Net sales were up year on year in Estonia and Latvia. Compared to the previous quarter, net sales of roofing products were up, 34%, on a seasonal basis in all market areas.

January-September
Net sales of residential roofing products for January-September were down 3% year on year at EUR 126 million (130). Sales showed clear growth in Sweden, where the Ruukki Express distribution chain was added to through the acquisition of Plåtleverantören i Stockholm AB in the second quarter of 2012. Net sales were up also up in Latvia. As regards the main markets, net sales were down year on year in Finland, Norway, Poland and Ukraine.

Building components

July-September
Net sales of building components for July-September were down 3% year on year at EUR 50 million (52). Net sales showed clear growth in Norway and the Czech Republic. Net sales were up also in Latvia, Lithuania and Poland, but slightly down year on year in Finland. Net sales in Sweden, Ukraine and Slovakia showed a clear decrease year on year. Compared to the previous quarter, net sales were up, 10% in total, on a seasonal basis in almost all market areas.

January-September
Net sales of building components for January-September were down 6% year on year at EUR 132 million (140). Net sales showed clear growth in Norway and the Czech Republic. Net sales were also up in Latvia and Poland. Net sales of building components for January-September in Finland, Sweden, Ukraine and Slovakia showed a clear decrease year on year.

Infrastructure construction

July-September
Net sales in infrastructure construction for July-September were at the same level as a year earlier at EUR 20 million (20). Net sales were up in Norway and Estonia, but showed a clear decrease in Finland and a slight decrease also in Sweden. Compared to the previous quarter, net sales in infrastructure construction were down 12%.

January-September
Net sales in infrastructure construction for January-September were 12% down year on year at EUR 62 million (71). Net sales showed a clear decrease in Finland, Sweden and Norway. Net sales were up clearly year on year in Estonia.

Operating profit

July-September

Ruukki Building Products’ comparable operating profit for July-September was EUR 16 million (12).

January-September

Ruukki Building Products’ comparable operating profit for January-September was EUR 26 million (16).

Operating profit showed a clear improvement year on year mostly on the back of the efficiency programme initiated in 2012 and a better gross margin. Operating profit growth compared to a year earlier was also helped by a more favourable geographical spread in sales of residential roofing products and more effective steering of building components. The relative profitability of all product groups improved year on year.

Actions to improve profitability

During the second quarter of 2012, former Ruukki Construction division initiated a programme across the division to improve profitability and aimed at a permanent improvement of EUR 20 million in earnings performance. The programme has continued within Ruukki Building Products. Within the limits of this programme, the production-distribution process and material flows were optimised and the efficiency of sales, marketing and support functions has been improved.

Around EUR 8 million of the total earnings improvement target in the construction business was achieved during 2012. The total impact on earnings improvement achieved through efficiency projects in Ruukki Building Products and Ruukki Building Systems during the first nine months of 2013 was around EUR 12 million, of which around EUR 6 million was in Building Products.

Product development and major delivery contracts

Ruukki to deliver façade claddings for office building in MAX IV Laboratory in Lund, Sweden

Ruukki is to deliver the façade claddings for the office building at MAX IV Laboratory that is being built at Brunnshög, Lund, Sweden. The MAX IV Laboratory will become an internationally leading facility for the use of synchrotron light in a wide range of fields of science and technology. Ruukki's delivery consists of the cladding lamellas for the rectangular office building being built spanning the round storage ring. The façade claddings for the MAX IV Laboratory will be made at Ruukki's plant in Pärnu, Estonia and deliveries will be completed during the autumn.

RUUKKI BUILDING SYSTEMS

Ruukki Construction has been split into two business areas - Ruukki Building Products and Ruukki Building Systems - since the start of the second quarter 2013. All project business in the Nordic countries. Central Eastern Europe and Russia, together with the entire business unit in Romania are reported under Ruukki Building Systems. Building Systems includes the design, manufacture and installation of foundation, frame and envelope structures.

- Order intake in the third quarter was at the same level as a year earlier.
- Order book at the end of September was up 2% year on year.
- Net sales were roughly at the same level as a year earlier.
- Operating result moved back into the black and relative profitability improved year on year mainly as a result of the efficiency programme initiated during 2012.
- Total impact on earnings improvement achieved through efficiency projects in Ruukki Building Products and Ruukki Building Systems during the first nine months of 2013 was around EUR 12 million, of which around EUR 6 million was in Building Systems.

RUUKKI BUILDING SYSTEMS					
EUR million	**Q3/13**	**Q3/12**	**Q1-Q3/13**	**Q1-Q3/12**	**2012**
Order book			140	136	133
Order intake	63	63	231	246	313
Net sales	76	75	219	219	288
Comparable operating profit	1	-4	-8	-14	-21
Comparable operating profit as % of net sales	0.9	-5.7	-3.6	-6.6	-7.3
Items affecting comparability included in reported operating profit		-1		-1	-7
Reported operating profit	1	-5	-8	-15	-28
Reported operating profit as % of net sales	0.9	-6.6	-3.6	-6.9	-9.8
Personnel at end of period			1,941	2,153	2,087

Order intake and order book

July-September

Order intake value in July-September was unchanged year on year at EUR 63 million (63).

Order intake in Russia was 16% higher compared to a year earlier.

Order intake in the Nordic countries was down 36% year on year. Order intake showed a clear decrease in Norway and Sweden. In Finland, order intake was up year on year, but nevertheless remained weak.

Order intake in Central Eastern Europe was down by a total of 11% compared to a year earlier and decreased in most market areas.

Compared to the previous quarter, Ruukki Building Systems' order intake was down 33%. This was mainly attributable to an order of around EUR 30 million received during the second quarter for complete building solutions for Poultry Akashevskaya's new production facility in Russia.

January-September

Order intake value in January-September was down 6% year on year at EUR 231 million (246).

Order intake in Russia showed strong growth and was 47% higher compared to a year earlier.

Order intake in the Nordic countries was down 41% year on year. Order intake showed a clear decrease in Finland and Sweden. In Norway, order intake was considerably higher than a year earlier.

Order intake in Central Eastern Europe was down 41% compared to a year earlier.

At the end of September, Ruukki Building Systems' order book was 2% higher year on year and 9% smaller that at the end of June 2013.

Net sales

July-September

Ruukki Building Systems' comparable net sales for July-September were up 1% year on year at EUR 76 million (75).

Ruukki Building Systems' net sales were at the same level as for the previous quarter.

January-September

Ruukki Building Systems' comparable net sales for January-September were unchanged year on year at EUR 219 million (219).

Since the second quarter of 2013, Ruukki Building Systems' net sales have been reported by market area. The market areas are Russia, the Nordic countries and Central Eastern Europe.

RUUKKI BUILDING SYSTEMS NET SALES BY AREA					
EUR million	Q3/13	Q3/12	Q1-Q3/13	Q1-Q3/12	2012
Reported net sales					
Russia	31	36	83	91	118
Nordic countries	24	19	81	74	96
Central Eastern Europe	21	19	56	54	73
Reported net sales, total	**76**	**75**	**219**	**219**	**288**

Russia

July-September
Ruukki Building Systems' net sales in Russia for July-September were down 15% year on year at EUR 31 million (36).

January-September
Ruukki Building Systems' net sales in Russia for January-September were down 9% year on year at EUR 83 million (91).

Nordic countries

July-September
Ruukki Building Systems' net sales in the Nordic countries for July-September were up 25% year on year at EUR 24 million (19).

January-September
Ruukki Building Systems' net sales in the Nordic countries for January-September were up 9% year on year at EUR 81 million (74).

Net sales growth came mainly from shopping centre and energy plant projects in Sweden and Norway. Net sales in Finland showed a clear decrease year on year due to weak demand.

Central Eastern Europe

July-September
Ruukki Building Systems' net sales in Central Eastern Europe for July-September were up 6% year on year at EUR 21 million (19).

January-September
Ruukki Building Systems' net sales in Central Eastern Europe for January-September were up 3% year on year at EUR 56 million (54).

Operating profit

July-September

Ruukki Building Systems' comparable operating profit for July-September was EUR 1 million (-4).

Operating result improved and was positive mainly as a result of the efficiency programme initiated during 2012. Profitability was also improved by shifting the focus of production to lower-cost countries and by improved project margins and capacity utilisation rates.

January-September

Ruukki Building Systems' comparable operating profit for January-September was negative at -EUR 8 million (-14).

Actions to improve profitability

During the second quarter of 2012, former Ruukki Construction -division initiated a programme across the division to improve profitability and aimed at a permanent improvement of EUR 20 million in earnings performance. The programme has continued within Ruukki Building Systems.

Ruukki Building Systems' main aim is to turn the business around to profitability by the end of 2013. The business has underperformed mostly because of unprofitable individual project deliveries, lossmaking bridge deliveries, unused capacity and excessive general and administrative expenses. Profitability is to be restored through strengthening and improving the efficiency of project management, optimising production capacity and completing the efficiency programme currently under way in accordance with targets. In addition to this, Ruukki has already withdrawn from bridge projects. The construction market in Russia offers significant prospects for profitable growth, especially within commercial construction and agriculture. Work in Russia will continue on developing sales and the product portfolio on the basis of customer needs, as well as on improving supply chain efficiency.

Around EUR 8 million of the total earnings improvement target in the construction business was achieved during 2012. The total impact on earnings improvement achieved through efficiency projects in Ruukki Building Products and Ruukki Building Systems during the first nine months of 2013 was around EUR 12 million, of which around EUR 6 million was in Building Systems.

Employer-employee negotiations at the Kalajoki and Peräseinäjoki units in Finland

Ruukki Building Systems initiated employer-employee negotiations concerning redundancies and temporary lay-offs at the Kalajoki unit in August and at the Peräseinäjoki unit in October for reasons related to production, finance and reorganising operations. The negotiations affect 62 employees in Kalajoki and 95 employees in Peräseinäjoki. The negotiations were initiated due to overcapacity and weakened market. Most of the personnel at both the Kalajoki and Peräseinäjoki units have been temporarily laid off because of weak market conditions. Employees have been temporarily laid off also at the Ylivieska unit.

Product development and major delivery contracts

Ruukki to deliver steel frame structure for Cryogenmash's new development and production facility in Russia

After the reporting period, it was announced that Ruukki is to design, manufacture and deliver the steel frame structure for the Russian company OAO Cryogenmash's new 14 500 m^2 development and production facility to be built in the city of Balashikha to the east of Moscow. The order is worth over EUR 5 million and deliveries for the new facility will continue until the end of the year. The order is included in order intake during the reporting period.

RUUKKI METALS

- Comparable operating profit improved year on year due to cost savings achieved from efficiency projects and to lower raw material costs.
- Net sales down 7% year on year.
- Order intake down 15% year on year. Order intake value decreased due to lower average selling prices because order volumes were at the same level as a year earlier.
- Order intake for special steel products was up year on year, but net sales were unchanged year on year. Delivery volumes of special steel products rose, but average selling prices fell.
- Earnings improvement through efficiency programmes totalled around EUR 35 million during January-September 2013.

RUUKKI METALS					
EUR million	**Q3/13**	**Q3/12**	**Q1-Q3/13**	**Q1-Q3/12**	**2012**
Order intake	378	446	1,246	1,396	1,850
Comparable net sales	389	419	1,272	1,407	1,859
Items affecting comparability included in reported net sales		-13		-54	-72
Reported net sales	389	406	1,272	1,354	1,787
Comparable operating profit	-3	-16	21	0	-31
Comparable operating profit as % of net sales	-0.8	-3.9	1.7	0.0	-1.7
Items affecting comparability included in reported operating profit		-2		-11	-22
Reported operating profit	-3	-18	21	-11	-53
Reported operating profit as % of net sales	-0.8	-4.5	1.7	-0.8	-2.9
Deliveries (1 000 tonnes)	415	389	1,348	1,343	1,809
Personnel at end of period			5,242	5,278	5,203

Order intake and order book

July-September

Order intake value in July-September was down 15% year on year at EUR 378 million (446). Average prices of order intake decreased compared to a year earlier, but order volumes were at the same level.

Ruukki Metals' order intake was down in most market areas, most of all in Finland, the other Nordic countries and Western Europe. Order intake decreased somewhat also in Russia and Ukraine and in many market areas outside Europe. Orders rose year on year in Central Eastern Europe. As regards individual countries, orders showed clear growth in, among others, Italy, Spain, Turkey and Brazil.

Order intake for special steel products was up year on year as a result of higher delivery volumes. Orders showed clear growth in most Western and Southern European markets, where there was good development in demand from, among others, manufacturers of lifting, handling and transportation equipment and manufacturers of construction machinery. Orders were down in the Nordic Countries, with the exception of Denmark, where orders of special steel products were up year on year. Orders were up also, for example, in Turkey, Russia and in many Central Eastern European markets. Demand varied in market areas outside Europe. Order intake was up in Brazil, for example, but down clearly in China because of weakened demand in, among others, the lifting, handling and transportation equipment industry.

Order intake for strip and flat products showed a clear decrease year on year in almost all market areas. This was attributable to a fall in the demand for steel and weaker price levels. Order intake for tube and profile products was also down slightly compared to a year earlier. Order intake for aluminium and stainless steel, which are sold as trading products, remained at almost the same level as a year earlier.

Compared to the previous quarter, Ruukki Metals' order intake was down 12%. The decrease in order intake value was largely due to lower average selling prices compared to the previous quarter, but also order volumes were down slightly. Order intake decreased in most market areas. The summer holiday season contributed to the fall in order volumes in Finland, the other Nordic countries and many other markets in Europe.

Order intake for special steel products was down quarter on quarter due both to lower average selling prices and a slight decrease in order volumes. However, order intake was up in Western and Southern European markets despite the negative impact of the holiday season. Demand continued to be weak in Finland and the other Nordic countries and order intake fell. Also in market areas outside Europe overall order intake was down quarter on quarter, but rose in the United States, for example. Order intake in South America and Australia remained slightly smaller compared to the previous quarter and orders in China were still at a low level due to weak demand. A weakening of certain foreign currencies impacted negatively on order growth.

Order intake for strip and flat products showed a clear decrease quarter on quarter. This was attributable to both the fall in average selling prices and smaller order volumes, which were also negatively impacted by the holiday season in Europe. Likewise, order intake for tube and profile, stainless steels and aluminium products were down quarter on quarter.

At the end of September, Ruukki Metals' order book was 22% lower year on year and 1% lower than at the end of June 2013.

January-September

Order intake value in January-September was down 11% year on year at EUR 1,246 million (1,396). The fall in order intake value was due to lower average selling prices and lower order volumes than a year earlier.

Compared to the same period a year earlier, Ruukki Metals' total order intake showed a clear decrease in Finland and the other Nordic countries. Also in Russia, Ukraine and most Western European markets, orders were lower than a year earlier. Overall order intake was up slightly in market areas outside Europe. Orders in Central Eastern Europe were at the same level as a year earlier.

As regards product groups, order intake for special steel products in January-September was up year on year. Order intake showed clear growth in most Western and Southern European markets, where there was good development in demand from, among others, manufacturers of lifting, handling and transportation equipment and manufacturers of construction machinery. Orders were down in the Nordic countries, with the exception of Denmark, where orders for special steel products were up year on year. Orders were also up in Turkey, Russia and in many Central Eastern European markets. Demand varied in market areas outside Europe. Orders were up in, among others, Brazil, Peru, Canada and Australia, whereas in China orders were down clearly because of weakened demand in, among others, the lifting, handling and transportation equipment industry. Order intake for strip and flat products, tube and profile products and stainless steels and aluminium products were down year on year.

Net sales

July-September

Ruukki Metals' comparable net sales for July-September were down 7% year on year at EUR 389 million (419). The decrease in net sales was attributable to lower average selling prices of steel products compared to a year earlier. Delivery volumes were up somewhat. Comparable net sales for 2012 include the net sales of the Ruukki Engineering units that were not divested. Reported net sales for July-September were EUR 389 million (406).

Compared to a year earlier, Ruukki Metals' net sales were down in Finland, the other Nordic countries, Russia, Ukraine and Western Europe. Net sales showed a slight decrease also in Central Eastern Europe. Net sales were up in most market areas outside Europe, although showed a clear decrease in China.

Net sales of special steel products, stainless steel and aluminium products were at the same level as a year earlier. Net sales of strip and flat products and tube and profile products, however, were down year on year.

Compared to the previous quarter, Ruukki Metals' net sales were down 11%. This was attributable both to smaller delivery volumes and slightly lower average selling prices. Net sales were down in most market areas, most of all in Finland, the other Nordic countries and in Western Europe. Net sales were also down in most market areas outside Europe. Net sales were up somewhat in, among others, Russia and Turkey. The summer holiday season also contributed to lower net sales compared to the previous quarter.

Compared to the previous quarter, net sales were down in all product groups. This was attributable both to smaller delivery volumes and lower average selling prices. Net sales of special steels were down 12%, strip and flat products 9%, tube and profile products 18% and stainless steels and aluminium products 12% compared to the previous quarter.

January-September

Ruukki Metals' comparable net sales for January-September were down 10% year on year at EUR 1,272 million (1,407). Comparable net sales for 2012 include the net sales of the Ruukki Engineering units that were not divested. Reported net sales for January-September were EUR 1,272 million (1,354).

The decrease in net sales was attributable to lower average selling prices of steel products compared to a year earlier. Delivery volumes were up slightly. Net sales were down in all product groups. This was mostly attributable to lower average selling prices.

Ruukki Metals' net sales were down year on year in Finland, the other Nordic countries, Russia, Ukraine and in Western Europe. As regards market areas outside Europe, net sales developed well in the United States and South American markets. Net sales in China showed a clear decrease compared to a year earlier. Overall net sales were up year on year in market areas outside Europe.

RUUKKI METALS NET SALES BY PRODUCT GROUP					
EUR million	Q3/13	Q3/12	Q1-Q3/13	Q1-Q3/12	2012
Reported net sales					
Special steel products	130	130	411	433	551
Strip and flat steel products	178	191	590	625	854
Tubes and profiles	52	55	176	195	253
Stainless steel and aluminium products	30	30	95	101	129
Reported net sales, total	**389**	**406**	**1,272**	**1,354**	**1,787**

Special steel products

The following strip and plate products are reported in the special steel products product group: wear-resistant, high-strength and specially coated steels. Ruukki's trademarks include Raex, Optim, Laser, Ramor and Litec.

July-September

Net sales in the special steel products group for July-September were unchanged year on year at EUR 130 million (130). Delivery volumes of special steel products were up year on year, but average selling prices were down. This was largely due to a change in the product mix, i.e. strip products accounted for a higher share of special steel deliveries, whereas the share of flat products fell. Market conditions also impacted on the fall in prices.

Net sales of special steel products were down in most market areas compared to the third quarter a year earlier. However, net sales were up in, among others, Russia, Central Eastern Europe, Denmark, Turkey and in some market areas outside Europe such a Brazil. Net sales were down slightly in Finland, Sweden and Norway. Net sales in China showed a clear decline compared to a year earlier because of weakened demand in, among others, the lifting, handling and transportation equipment industry.

As regards customer segments, net sales of special steels to the lifting, handling and transportation equipment industry and to the construction industry were up year on year. Net sales to the automotive industry, manufacturers of mining machines and to steel wholesalers were down year on year.

Compared to the previous quarter, net sales of special steels were down 12%. This was attributable to lower average selling prices and to smaller delivery volumes. Net sales were down quarter on quarter in most market areas. The summer holiday season also contributed to the fall in net sales. However, net sales were up in, among others, Russia, Denmark, Central Eastern Europe and Turkey. Net sales were down quarter on quarter in Finland, the other Nordic countries, the United States, the South American markets and in China.

Special steel products accounted for 34% (31) of Ruukki Metals' net sales for the third quarter of the year. Investments in the expansion and development of the sales and distribution network for special steel products were reflected positively in sales of certain special steel products.

January-September

Net sales in the special steel products group for January-September were down 5% year on year at EUR 411 million (433). Delivery volumes of special steel products were up slightly, but average selling prices were down year on year. This fall in average selling prices was largely due to a change in the product mix, i.e. strip products accounted for a higher share of special steel deliveries, whereas the share of flat products fell.

Net sales of special steel products for January-September were down in most areas compared to the first nine months of 2012. However, net sales were up in, among others, Russia, Central Eastern Europe, Turkey and in South America. Net sales were down in many Western European markets, as well as in Finland and Sweden. Net sales in China showed a clear decline compared to a year earlier because of weakened demand in, among others, the lifting, handling and transportation equipment industry.

As regards customer segments, overall net sales of special steels to the lifting, handling and transportation equipment industry and tor the construction industry were up year on year. Net sales to the automotive industry, manufacturers of mining machines and to steel wholesalers were down year on year.

Special steel products accounted for 33% (31) of Ruukki Metals' comparable net sales for the first nine months of the year.

Strip and flat products

The following are reported in the strip and flat products product group: hot- and cold-rolled steels and coated standard steel products. Sales of the Engineering units remaining with Ruukki and of by-products and mineral products are also reported in this group.

July-September

Net sales in the strip and flat products group for July-September were down 7% year on year at EUR 178 million (191). The fall in net sales was attributable to lower average selling prices. Delivery volumes were slightly higher compared to a year earlier.

Net sales in the strip and flat products group were at the same level in Finland, but were down year on year in the other Nordic countries, Russia and in most Western European countries. Overall net sales grew in markets outside Europe.

As regards customer segments, sales to the shipbuilding and offshore industries were up year on year. This was attributable to deliveries made to Finnish shipyards. Net sales showed a clear decrease in most other customer segments, such as the construction industry and steel wholesalers.

Compared to the previous quarter, net sales in the strip and flat products group were down 9% due to smaller delivery volumes and lower average selling prices. The summer holiday season also contributed to the fall in net sales compared to the previous quarter.

January-September

Net sales in the strip and flat products group for January-September were down 6% year on year at EUR 590 million (625). The fall in net sales was attributable to lower average selling prices. Both delivery volumes and average selling prices were down compared to a year earlier.

Net sales in the strip and flat products group were up year on year in Finland, but showed a clear decrease in the other Nordic countries and Russia. Overall net sales were up also in Western Europe, Central Eastern Europe and in market areas outside Europe.

As regards customer segments, sales to the shipbuilding and offshore industries showed clear growth year on year. This was attributable to deliveries made to Finnish shipyards. Net sales showed a clear decrease in most other customer segments, such as the construction industry and steel wholesalers.

Tubes and profiles

The following are reported in the tubes and profiles product group: structural hollow sections, precision tubes, profiles and line pipes.

July-September

Net sales in the tubes and profiles product group for July-September were down 6% year on year at EUR 52 million (55). The fall in net sales was attributable to lower average selling prices compared to a year earlier. Delivery volumes were slightly higher compared to a year earlier.

Net sales were down year on year in Finland and Norway and up slightly in Sweden, Denmark, Western Europe and in market areas outside Europe.

As regards customer segments, sales to the shipbuilding and offshore industries and to infrastructure construction were up year on year. Net sales to most other customer segments, such as the construction industry and steel wholesalers, showed a clear decrease.

Compared to the previous quarter, net sales of tubes and profiles were down 18%. Both delivery volumes and average selling prices decreased. Net sales were down in almost all market areas.

January-September

Net sales in the tubes and profiles product group for January-September were down 10% year on year at EUR 176 million (195). The fall in net sales was attributable both to smaller delivery volumes and to lower average selling prices.

Net sales were down in almost all market areas. As regards customer segments, sales to the sales to the shipbuilding and offshore industries and to infrastructure construction were up year on year. Net sales to most other customer segments, such as the construction industry and steel wholesalers, showed a clear decrease.

Net sales of tube and profile products for January-September were down in Finland and the other Nordic countries, except in Sweden, where net sales showed slight growth. Net sales in Western Europe and Central Eastern Europe also showed a slight decrease compared to a year earlier. Net sales were up slight in market areas outside Europe.

Stainless steels and aluminium products

The following are reported in the stainless steels and aluminium products group: stainless steel and aluminium sold as trading products, coils, sheets, bars, profiles and tubes made of aluminium and delivered to customers in standard dimensions, prefabricated or as components.

July-September

Net sales in the stainless steels and aluminium products group for July-September were unchanged year on year at EUR 30 million (30). Stainless steels and aluminium products are sold as trading products. Average selling prices for the products were down compared to a year earlier, but delivery volumes were up slightly.

Net sales were down in Finland, but up slightly in the other Nordic countries compared to a year earlier. Net sales to the shipbuilding and offshore industries and to infrastructure construction were up year on year.

Compared to the previous quarter, net sales of stainless steels and aluminium products were down 12%. This was attributable both to lower delivery volumes and lower average selling prices.

January-September

Net sales in the stainless steels and aluminium products group for January-September were down 6% year on year at EUR 95 million (101). The fall in net sales was attributable to lower average selling prices compared to a year earlier. Delivery volumes were up slightly.

Net sales in Finland and the other Nordic countries were down year on year. Net sales to the shipbuilding and offshore industries were up compared to a year earlier, but net sales to, among others, the construction industry were down.

Operating profit

July-September

Ruukki Metals' comparable operating profit for July-September was negative at -EUR 3 million (-16). Reported operating profit was -EUR 3 million (-18). Comparable operating profit for the third quarter of 2012 includes EUR 2 million operating profit attributable to the units transferred from Ruukki Engineering.

Ruukki Metals' comparable operating profit was down EUR 11 million compared to the previous quarter. This was mainly attributable to the fall in average selling prices, seasonally smaller delivery volumes and normal summer maintenance shutdowns at the rolling mills.

January-September

Ruukki Metals' comparable operating profit for January-September was EUR 21 million (0). Reported operating profit was EUR 21 million (-11). Comparable operating profit for the first nine months of 2012 includes EUR 8 million operating profit attributable to the units transferred from Ruukki Engineering. Reported operating profit for the first nine months of 2012 includes an item of -EUR 3 million affecting the comparability of net sales. This item arose due to a fire occurring at the Raahe Works.

Operating profit rose year on year mainly because of cost savings generated by the efficiency projects and because of lower raw material costs. A number of development projects were completed during the year to optimise production and to use raw materials more efficiently. Manufacturing costs have been successfully cut as a result of these projects. Operating profit was weakened by the fall in average selling prices of steel products. Operating profit for January-September was negatively affected by disruptions to production during the second quarter, which resulted in a lower capacity utilisation rate than usual in steel production.

Ruukki Metals' profitability improvement

During the first quarter of 2012, an efficiency improvement programme was initiated with the aim of achieving a permanent annual improvement of EUR 70 million in earnings performance. A number of development projects to improve competitiveness and achieve savings have been completed, especially at various production sites. Some of the cost savings have been generated by efficiency actions already completed in operations and workforce reductions in production, sales, marketing and business support functions

The programme delivered around EUR 10 million in earnings improvement during 2012 and around EUR 36 million in the first nine months of 2013.

No significant upturn in steel demand is expected in the main market in Europe during the next few years due to prevailing steel overcapacity. This is why Ruukki Metals will start to prepare a new efficiency programme to further improve competitiveness. These actions are aimed at a permanent annual improvement of around EUR 30 million in earnings performance. The actions will begin with an analysis to identify, among other things, possibilities to cut variable and fixed costs, improve the efficiency of operating models, increase flexibility of the cost structure and enhance support functions. The analysis will be carried out and the targets set by the end of the year. The EUR 30 million earnings improvement is expected to be achieved in full during the course of 2015. The schedule will become clear as the analysis progresses.

Steel production

STEEL PRODUCTION					
1 000 tonnes	Q3/13	Q3/12	Q1-Q3/13	Q1-Q3/12	2012
Steel production	547	540	1,647	1734	2,299

July-September

Steel production during the third quarter of the year was 547 thousand tonnes (540) and the utilisation rate was around 78%. Normal summer maintenance shutdowns reduced the utilisation rate at the rolling mills.

January-September

Steel production during the first nine months of the year was 1,647 thousand tonnes (1,734) and the utilisation rate was around 78%. The utilisation rate was also negatively affected by disruptions to production during the second quarter. Projects to boost the recycling rate of materials in steel production and to increase operating efficiency have been completed during the current year.

Raw materials and energy in steel production

Market prices of iron ore and coking coal - the main raw materials in steel production - rose compared to the end of 2012 during January-February, but fell in March. During the second quarter of the year, prices of the main raw materials showed a clear fall. During the third quarter, prices of iron ore and coking coal again rose on the world market as the Chinese steel industry replenished its raw material inventories. However, the price development stabilised clearly during the course of the third quarter.

The market prices of iron ore and coking coal are not expected to rise during the rest of the year, especially since as regards iron ore the market is gearing up for additional production capacity, which is forecast to reduce prices.

At the end of the second quarter, Ruukki Metals signed a new contract to purchase iron ore pellets with the Swedish company LKAB. This new contract allows more flexibility with regard to fluctuations in market prices and was backdated to the beginning of the second quarter. There is typically a delay of around one quarter before movements in the prices of far materials are reflected in Ruukki's production costs. This is because of contracts signed with raw materials suppliers and the normal turnaround of inventories.

Product and other operational development

Ruukki launched a new colour-coated steel for agricultural buildings

Ruukki is to launch a new polyurethane-based Ruukki Pural farm colour-coated steel formulated especially for agricultural buildings, where resistance to corrosion and chemicals is required. Suitable for demanding conditions, Pural farm coating is more than 50% thicker and has better wear resistance than conventional polyester coatings traditionally used in agricultural buildings. A thick coating results in maximum useful life for agricultural buildings. Pural farm colour-coated steel cuts maintenance needs and costs incurred by the end user.

Ruukki expanded its range of Ramor protection steels

Ruukki expanded its range of Ramor protection steels with a new Ramor 550 grade designed for ballistic protection. New Ramor 550 is six times harder and stronger than mild steel. Tested and certified Ramor 550 steel is ideal for armoured vehicles, military vehicles and equipment, safe rooms and other applications where structural weight saving is required without compromising on protection properties. Besides new Ramor 550, Ruukki manufactures Ramor 400 and Ramor 500 protection steels.

Ruukki expanded its range of high-strength Optim steels to serve the heavy lifting equipment and mining industries

Ruukki has been producing Optim structural steels since 2002. The latest addition to Ruukki's family of high-strength Optim steels includes the thicker dimensional ranges of Optim 700 QL steel, up to 60 mm. Thanks to its excellent weldability, high strength and good impact strength, Optim 700 QL steel is well-suited for the needs of the heavy lifting equipment and mining industries. Applications include the load-bearing structures of heavy earth-moving and excavation equipment as well as offshore cranes.

Ruukki is to launch a new Z600 metal coating

In October, after the report period, it was announced that Ruukki is to launch a new Z600 metal coating for applications such as silos, culverts, traffic sign poles, crash barriers, electrical cabinets, frame structures and cable trays, that require excellent corrosion resistance. Z600 coating can significantly extend the lifespan of products. For example, compared to the Z450 coating widely used in silos, the new Z600 coating can prolong the useful lifetime of a silo by up to a third. Ruukki supplies Z600-coated steel as strip and tubular products for all metal-coated steel grades manufactured by Ruukki.

CORPORATE RESPONSIBILITY

Ruukki improved its Dow Jones Sustainability World Index assessment score but narrowly missed inclusion in the index. This year, three (4) steel companies were included in the DJSI World Index.

Ruukki is part of the Carbon Disclosure Project (CDP) ranking for the sixth year running. CDP assesses corporations on the basis of the risks and opportunities they recognise from climate change. In addition, CDP assesses a company's performance on the basis of greenhouse gas emissions and their reduction. The CDP's climate change program is represented by 722 institutional investor signatories with a combined USD 87 trillion in assets.

Ruukki's Corporate Responsibility Report may be viewed on the company's website at www.ruukki.com/Corporate-responsibility. More information about Ruukki's energy-efficient products can be found on the company's website at http://www.ruukki.com/Products-and-solutions. More information about environmental matters can also be found in product declarations and on the company's website at www.ruukki.com.

SHARES AND SHARE CAPITAL

SHARES ON THE NASDAQ OMX HELSINKI STOCK EXCHANGE				
30 September 2013	**Number of shares**	**Number of votes**	**Number of shares traded 1-9/2013**	**Value of shares traded 1-9/2013, EUR million**
RTRKS	140,285,425	140,285,425	85,421,116	444
1 Jan - 30 Sep 2013	**High**	**Low**	**VWAP***	**Close**
Share price	6.34	4.35	5.19	5.73
* Trade volume-weighted average price				
			30/09/2013	**30/09/2012**
Market capitalisation, EUR million			804	687
Foreing ownership, %			10.4	13.6

During the nine months of 2013, a total of 85 million (117) Rautaruukki shares (RTRKS) were traded on NASDAQ OMX Helsinki for a total of EUR 444 million (809). The highest price quoted was EUR 6.34 in September and the lowest was EUR 4.35 in June. The volume-weighted average price was EUR 5.19. The share closed at EUR 5.73 (4.90) at the end of the report period and the company had a market capitalisation of EUR 804 million (687).

Rautaruukki's share is also traded, in addition to NASDAQ OMX Helsinki, on multilateral trading facilities (MTF). According to information received by the company, a total of 27 million (31) Rautaruukki shares were traded on MTFs for a total of EUR 141 million (208) during the first nine months of 2013.

The company's registered share capital at 30 September 2013 was EUR 238.5 million (238.5) and there were 140,285,425 shares outstanding.

At the end of the report period, the company held a total of 1,392,470 treasury shares (1,392,240), which had a market value of EUR 8.0 million (6.8) and an accounting par value of EUR 2.4 million (2.4). Treasury shares accounted for 1% (1) of the total shares and votes.

Authority to acquire and transfer the company's own shares

The 2013 Annual General Meeting granted the Board of Directors the authority to acquire a maximum of 12,000,000 of the company's own shares. The authority is valid until the following Annual General

Meeting. This authority supersedes the earlier authority granted by the 2012 Annual General Meeting to purchase 12,000,000 shares and which was valid until the 2013 Annual General Meeting.

The Annual General Meeting granted the Board of Directors the authority to decide on a share issue, which includes the right to issue new shares and/or to transfer treasury shares held by the company. The authority applies to a maximum of 14,000,000 shares. The Board of Directors has the right to disapply the pre-emption rights of existing shareholders in a directed issue. The authority also includes the right to decide on a bonus issue. The authority is valid for a period of one year following the date of decision of the Annual General Meeting.

As at 30 September 2013, the Board of Directors had not exercised its authority to issue shares or to purchase the company’s own shares.

Information about the company’s shareholder structure by sector and size of holding, the largest shareholders and Board of Director and Corporate Executive Board interests can be read on the company’s website at www.ruukki.com.

LITIGATION AND OTHER PENDING LEGAL ACTIONS

A number of lawsuits, claims and disputes based on various grounds are pending against Rautaruukki around the world. Management believes that the outcome of these lawsuits, claims and disputes will not have a material adverse effect on Rautaruukki’s financial position. Rautaruukki has itself also presented legal claims or is a plaintiff in disputes based on various grounds.

STRUCTURE AND MANAGEMENT CHANGES

Markku Honkasalo, CFO and a member of the Rautaruukki Corporate Executive Board, left the company to take up a position outside Ruukki. Mikko Hietanen, EVP, Business Development, will be acting Chief Financial Officer until a new CFO has been appointed.

Composition of Ruukki’s Nomination Board

The representatives notified by the company's three largest shareholders were elected to Rautaruukki's Nomination Board. These representatives are: Kari Järvinen, Managing Director, Solidium Oy; Pekka Pajamo, CFO, Varma Mutual Pension Insurance Company; and Jorma Eräkare, Head of Finnish Equities CEFA, Nordea Investment Fund Company Finland Ltd. Kim Gran, Chairman of Rautaruukki's Board of Directors, serves as the Nomination Board's expert member.

Rautaruukki's 2013 Annual General Meeting held on 21 March 2013 resolved to establish a Nomination Board to prepare proposals for the following Annual General Meeting regarding the composition of the Board of Directors and the directors' fees. Under the resolution, representatives of the three largest shareholders on the first working day of September preceding the Annual General Meeting are elected to the Nomination Board and the Chairman of the Board of Directors serves as the expert member. Rautaruukki's three largest shareholders as at 2 September 2013 were Solidium Oy, Varma Mutual Pension Insurance Company and Nordea Investment Fund Company Finland Ltd. The Nomination Board is to prepare by 31 January 2014 its proposals for Rautaruukki's following Annual General Meeting, which will be held on 18 March 2014.

NEAR-TERM BUSINESS RISKS

The company's risks and risk management are detailed in the Annual Report for 2012. The company does not consider there to have been any material changes during the report period in the risks and factors of uncertainty presented in the Annual Report.

EVENTS AFTER THE REPORT PERIOD

Ruukki is to establish a new company, Ruukki Austria GmbH, in Vienna, Austria to support its existing network of partners. The new sales office will especially serve special steels customers in Austria. Ruukki's approach is to be close to customers to provide prompt service and to be easily accessible to help customers with finding solutions for their applications.

In October, after the report period, it was announced that Ruukki Building Systems is to initiate employer-employee negotiations concerning redundancies and temporary lay-offs at its Peräseinäjoki plant in Finland for reasons related to production, finance and the reorganisation of operations. The negotiations affect the entire production personnel - a total of 95 persons comprising 75 workers, 11 salaried employees and 9 senior salaried employees. The negotiations are being initiated due to overcapacity and weakened market conditions. The company is exploring different options for the future of production operations. Most of the production personnel at Peräseinäjoki have been temporarily laid off because of weak market conditions.

NEAR-TERM OUTLOOK

Economic activity is forecast to further improve in Ruukki's important markets such as Germany, Sweden and Norway. Recovery of domestic demand in Germany is also expected to aid economic recovery in Central Eastern Europe. Economic growth forecasts for Russia have been further downgraded, which gives rise to uncertainty also in Ruukki's growth forecasts in Russia.

In construction, the growth outlook in most market areas remained almost unchanged during the third quarter. The market environment of Ruukki Building Products is expected to have a low level of residential construction activity, especially in Finland and Poland. However, growth of commercial and industrial construction in Scandinavia is expected to have a positive impact on demand in both Ruukki Building Products and Ruukki Building Systems business areas towards the end of the year. In Finland the commercial and industrial construction market is expected to remain weak. Likewise, infrastructure construction activity is expected to remain at a low level in Finland, whereas the outlook for the rest of the year is brighter in the other Nordic countries. In Russia, the activity is estimated to remain solid, even if the general construction prospects have slightly weakened due to slowing economic growth in Russia and the unfavourable exchange rate of the rouble. Modest recovery in Ruukki Building Products and Ruukki Building Systems' main markets is expected to get under way in 2014.

Demand forecasts for steel in Europe expect a slight recovery towards the end of the year. However, Ruukki Metals' standard steel market outlook remains uncertain because of the general caution and wait-and-see sentiment in the market. At the end of the report period, steel wholesalers' inventories continued to be at a low level.

Because of the prevailing overcapacity in the steel industry, the price development of steel products for the whole year depends also on demand and particularly on the price development of raw materials. The market prices of iron ore and coking coal are not expected to rise during the rest of the year, especially since as regards iron ore the market is gearing up for additional production capacity, which is forecast to reduce prices. The average selling prices of steel products are expected to remain fairly stable, with possible moderate price rises for some products and in some markets. Ruukki Metals' service centre sales are forecast to pick up slightly during the fourth quarter, but the uncertain conditions in Europe continue to affect demand from mill customers.

Demand for special steels is expected to clearly outstrip demand for standard products, especially in market areas outside Europe. Work at Ruukki is progressing well to accelerate sales of special steels through new customers, applications and entry into new market areas. Efforts on this front have been reflected in somewhat growing order volumes compared to a year earlier despite the challenging steel products' demand environment. Work is under way on expanding the global distribution network for special steels and further significantly strengthening the sales organisation by opening new sales offices. The goal is to create a sales and partner network covering all main market areas. Earlier in the year, Ruukki opened new sales offices in Toronto, Canada and in Santiago, Chile. These were followed in the summer by the opening of a sales office in the United States to provide more flexible and even faster service close to the customer. During the third quarter, new sales and technical customer support experts for sales of special steels in, among others, the United States, Canada, Chile, Turkey and China. Work continues on recruiting more than 40 sales and technical customer support experts. There is thus good scope for special steels sales growth. The target is to achieve annual sales of special steel products of EUR 850 million in 2015 (2012: EUR 550 million).

Efficiency projects initiated across Ruukki in 2012 delivered earnings improvement of around EUR 20 million last year and a total of around a further EUR 52 million during the first nine months of 2013. No significant upturn in steel demand is expected in the main market in Europe during the next few years. This is why Ruukki Metals will start to prepare a new efficiency programme to further improve competitiveness. These actions are aimed at annual improvement of around EUR 30 million in earnings performance, which is expected to be achieved in full during the course of 2015. This means Ruukki's earlier permanent earnings improvement target of EUR 100 million increases now to EUR 130 million.

Comparable net sales in 2013 are estimated to be approximately EUR 2.5 billion. Comparable operating profit is estimated to improve compared to 2012 and to be positive. Net sales and operating profit for 2012 have been restated for reasons of structural comparability.

INTERIM REPORT AND NOTES

This interim report has been prepared in accordance with IAS 34 and, with the exception of the changes arising from amendments to IFRS standards that entered into force on 1 January 2013 and referred to below, is in conformity with the accounting policies published in the 2012 financial statements.

IAS 1 Presentation of Financial Statements: amendment to Presentation of Items of Other Comprehensive Income

The amendment requires items of other comprehensive income to be grouped into items that can be reclassified subsequently to profit and loss and those that will not be reclassified to profit and loss. Also deferred taxes associated with these items are similarly presented.

- Items that can be reclassified subsequently to profit and loss are translation differences (reclassified to profit and loss when disposing of a foreign unit) and gains and losses realised on available-for-sale financial assets or cash flow hedges.
- Items that will not be reclassified subsequently to profit and loss are items arising from the remeasurement of defined benefit plans (IAS 19) and revaluation fund items (IAS 16 and IAS 38).

This interim report has also restated reference periods in accordance with the amended form of presentation.

IFRS 13 Fair value measurement

The standard sets a single definition of fair value applicable to all IFRS standards and a single approach to measuring fair value. It does not amend regulation with regard to when a reporting entity should measure an asset or liability at fair value. The standard increases the information to be disclosed on the use of fair values and requires interim reports to also disclose information about financial assets and liabilities measured at fair value. This interim report includes a table of the hierarchy used in measuring the fair value of financial assets and liabilities. The measurement and valuation principles used are consistent with those presented in the financial statements for 2012. The following tables have been added to the interim report: Hierarchy used in measuring the fair value of financial assets and liabilities, Changes in level 3 fair values and Financial instruments subject to master netting agreements.

Amended IAS 19 Employee benefits

Most significant amendments:

- The so-called corridor method has been eliminated so that all actuarial gains and losses are recognised as they occur in items of other comprehensive income and the full net liability or asset arising from employee benefits is entered in the statement of financial position.
- Finance costs are determined on a net funding basis and the expected yield from funds is calculated by using the same discount rate as used to calculate the current value of the obligation.

Elimination of the corridor method does not result in any changes for Ruukki because Ruukki ceased using the corridor method as long ago as in 2008. Calculation of the yield of funds and present value of the obligation increased salaries and other employee benefits by EUR 2.4 million in 2012. The comparable figures and indicators have been restated accordingly.

Impacts of the amended standard on the consolidated statement of financial position and income statement in the reference period were as follows:

STATEMENT OF FINANCIAL POSITION		
EUR million	1 Jan 2012	31 Dec 2012
Deferred tax assets	-1.0	-0.8
Retained earnings	3.1	3.1
Total comprehensive income		-0.8
Defined benefit obligation	-4.1	-3.1

INCOME STATEMENT	
EUR million	2012
Employee benefits	-2.4
Change in deferred taxes	0,6
Result for the period	-1.8
Actuarial gains and losses	1.3
Tax on actuarial gains and losses	-0.3
Total comprehensive income	-0.8

Changes in corporate structure and segment reporting

Since 1 January 2013, the operations of the Ruukki Engineering units excluded from the Fortaco arrangement completed in December 2012 have been reported as part of Ruukki Metals' business. The Ruukki Engineering units transferred to Fortaco and the other Ruukki Engineering units have been eliminated from the comparable consolidated figures. Comparable figures for the reference periods have been restated accordingly.

At the start of the second quarter of 2013, Ruukki Construction was split into two business areas with reporting responsibility: Ruukki Building Products and Ruukki Building Systems. Ruukki Building Products supplies roofing, sandwich panel, foundation and infrastructure products, including services. Ruukki Building Systems consists of the building project business, operations in Russia and the new energy-efficient and functional buildings development unit. Comparable figures for the reference periods have been restated accordingly.

Use of estimates

The preparation of an interim report in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the reporting of contingent assets and liabilities and the reported amounts of income and expense. Even though these estimates are based on management's best judgment at the time, actual results may ultimately differ from these estimates.

Individual figures and totals appearing in the tables have been rounded to the nearest whole million of euros. This interim report is unaudited.

CONSOLIDATED INCOME STATEMENT (IFRS)

EUR million	Q3/13	Q3/12	Q1-Q3/13	Q1-Q3/12	2012
Net sales	592	675	1,815	2,119	2,796
Cost of sales	-539	-642	-1,634	-1,986	-2,656
Gross profit	54	33	181	133	140
Other operating income	3	4	7	9	13
Selling and marketing expenses	-24	-26	-75	-84	-115
Administrative expenses	-24	-31	-83	-101	-138
Other operating expenses	0	0	0	0	0
Operating profit	10	-21	30	-42	-101
Finance income	7	16	31	41	45
Finance costs	-16	-27	-58	-72	-85
Net finance costs	-9	-11	-27	-31	-40
Share of profit of equity-accounted investees	-1	0	-2	2	2
Result before income tax	0	-32	1	-72	-139
Income tax expense	1	2	-4	11	22
Result for the period	1	-30	-4	-61	-117
Attributable to:					
Owners of the company	1	-30	-4	-61	-118
Non-controlling interest	0	0	0	0	0
Earnings per share, diluted, EUR	0.01	-0.21	-0.03	-0.44	-0.85
Earnings per share, basic, EUR	0.01	-0.21	-0.03	-0.44	-0.85
Operating profit as % of net sales	1.6	-3.1	1.6	-2.0	-3.6

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (IFRS)

EUR million	Q3/13	Q3/12	Q1-Q3/13	Q1-Q3/12	2012
Result for the period	1	-30	-4	-61	-117
Other comprehensive income:					
Items that will not be reclassified to profit or loss:					
Defined benefit plan actuarial gains and losses					-11
Tax on items that will not be reclassified to profit or loss					2
Total items that will not be reclassified to profit or loss					-9
Items that may be reclassified subsequently to profit or loss:					
Effective portion of changes in fair value of cash flow hedges	5	-1	2	-9	-11
Cash flow hedges reclassified to profit and loss during the period	0	-2	-3	-8	-8
Translation differences	-2	6	-15	11	9
Translation differences reclassified to profit and loss during the period					-5
Tax on items that may be reclassified subssequently to profit or loss	-1	1	0	4	5
Total items that may be reclassified subsequently to profit or loss	2	4	-16	-2	-10
Total comprehensive income for the period	3	-25	-20	-63	-136
Attributable to:					
Owners of the company	3	-25	-20	-63	-137
Non-controlling interest	0	0	0	0	0

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION (IFRS)

EUR million	30 Sep 2013	30 Sep 2012	31 Dec 2012
ASSETS			
Non-current assets	1,323	1,385	1,371
Deferred tax assets	47	43	46
Current assets			
Inventories	550	677	590
Trade and other receivables	369	423	353
Cash and cash equivalents	31	16	21
Total assets	2,319	2,544	2,380
EQUITY AND LIABILITIES			
Equity			
Equity attributable to owners of the company	1,024	1,145	1,072
Non-controlling interest	3	3	3
Non-current liabilities			
Loans and borrowings	528	548	533
Other non-current liabilities	67	54	70
Deferred tax liabilities	7	8	1
Current liabilities			
Loans and borrowings	261	286	253
Trade payables and other current liabilities	429	500	449
Total equity and liabilities	2,319	2,544	2,380

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS (IFRS)

EUR million	Q1-Q3/13	Q1-Q3/12	2012
Result for the period	-4	-61	-117
Adjustments	124	133	170
Cash flow before change in working capital	121	73	52
Change in working capital	3	61	173
Financing items and taxes	-19	-40	-54
Net cash from operating activities	105	93	172
Cash inflow from investing activities	3	2	10
Sale of subsidiaries less cash			-5
Cash outflow from investing activities	-67	-74	-99
Net cash used in investing activities	-64	-72	-94
Net cash before financing activities	40	22	78
Dividends paid	-28	-69	-69
Proceeds from non-current loans and borrowings	35	30	30
Repayments of non-current loans and borrowings	-29	-24	-27
Change in current loans and borrowings	-2	-17	-63
Other net cash flow from financing activities	-5	-5	-7
Effect of exchangerate fluctuations	-2	2	1
Change in cash and cash equivalents	10	-62	-57

KEY FIGURES (IFRS)

	Q3/2013	Q3/2012	2012
Net sales, EUR m	1,815	2,119	2,796
Operating profit, EUR m	30	-42	-101
as % of net sales	1.6	-2.0	-3.6
Result before income tax, EUR m	1	-72	-139
as % of net sales	0.0	-3.4	-5.0
Result for the period, EUR m	-4	-61	-117
as % of net sales	-0.2	-2.9	-4.2
Net cash from operating activities, EUR m	105	93	172
Net cash before financing activities, EUR m	40	22	78
Return on capital employed (rolling 12 months), %	-1.5	-4.0	-4.9
Return on equity (rolling 12 months), %	-5.6	-8.3	-10.0
Equity ratio, %	44.9	45.7	45.6
Gearing ratio, %	73.8	71.3	71.2
Net interest-bearing liabilities, EUR m	758	818	765
Equity per share, EUR	7.38	8.25	7.72
Personnel on average	9,060	11,462	11,214
Number of shares	140,285,425	140,285,425	140,285,425
- excluding treasury shares	138,892,955	138,893,185	138,892,955
- diluted, average	138,944,230	138,938,185	138,930,365

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (IFRS)

	Equity attributable to owners of the company							
EUR million	Share capital	Share premium	Fair value and other re-serves	Trans-lation diff-erences	Trea-sury shares	Re-tained earn-ings	Non-cont-rolling inter-est	Total equity
EQUITY 1 Jan 2012	238	220	3	-29	-6	849	2	1,278
Result for the period						-61	0	-61
Other comprehensive income			-13	11				-2
Total comprehensive income for the period			-13	11		-61	0	-63
Dividend distribution						-69		-69
Share-based payments			0		0			0
Other change			0			2		2
EQUITY 30 Sep 2012	**238**	**220**	**-10**	**-18**	**-6**	**720**	**3**	**1,148**
EQUITY 1 Jan 2013	238	220	-11	-25	-6	655	3	1,074
Result for the period						-4	0	-4
Other comprehensive income			-1	-15		0		-16
Total comprehensive income for the period			-1	-15		-3	0	-20
Dividend distribution						-28		-28
Share-based payments			0		0			0
Other change			0					0
EQUITY 30 Sep 2013	**238**	**220**	**-11**	**-40**	**-6**	**623**	**3**	**1,027**

NET SALES BY REGION (IFRS)

As % of net sales	Q1-Q3/13	Q1-Q3/12	2012
Finland	26	26	25
Other Nordic countries	31	33	32
Central Eastern Europe	15	13	14
Russia and Ukraine	10	9	9
Rest of Europe	12	13	14
Other countries	7	6	6

CONTINGENT LIABILITIES (IFRS)

EUR million	30 Sep 2013	30 Sep 2012	31 Dec 2012
Mortgaged real estate	59	59	59
Other guarantees given	25	27	27
Rental liabilities	66	75	73
Other commitments	9	5	4

DERIVATIVE CONTRACTS (IFRS)

EUR million	30 Sep 2013 Nominal amount	30 Sep 2013 Fair value	30 Sep 2012 Nominal amount	30 Sep 2012 Fair value
CASH FLOW HEDGES QUALIFYING FOR HEDGE ACCOUNTING				
Zinc derivatives				
Forward contracts, tonnes	13,000	0	11,500	1
Heavy fuel oil derivatives				
Forward contracts, tonnes	52,000	0	60,000	1
Electricity derivatives				
Forward contracts, GWh	1,965	-11	1,782	-14
Foreign currency derivatives				
Forward contracts	178	-3	196	-4
Options				
Bought	143	1	141	0
Sold	138	-2	133	-3
Interest rate derivatives	30	0	30	0
DERIVATIVES NOT QUALIFYING FOR HEDGE ACCOUNTING				
Foreign currency derivatives				
Forward contracts	315	1	404	-4
Options				
Bought	131	2	86	0
Sold	262	-2	142	-1

The unrealised movements in the fair value of cash flow hedges are recognised in other comprehensive income items to the extent the hedge is effective. Other movements in fair value are recorded through profit and loss.

HIERARCHY USED IN MEASURING THE FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

EUR million	Level 1	Level 2	Level 3	Total 30 Sep 2013
Assets measured at fair value				
Foreign currency derivatives		4		4
Foreign currency derivatives (cash flow hedges)		1		1
Commodity derivatives (cash flow hedges)				
Electricity		1		1
Heavy fuel oil		0		0
Zinc		0		0
Investments recognised at fair value through profit and loss				
Available-for-sale financial assets			15	15
Assets total		6	15	21
Liabilities measured at fair value				
Foreign currency derivatives		-3		-3
Foreign currency derivatives (cash flow hedges)		-6		-6
Interest rate derivatives (cash flow hedges)		0		0
Commodity derivatives (cash flow hedges)				
Electricity		-12		-12
Heavy fuel oil		0		0
Zinc		-1		-1
Liabilities total		-22		-22

EUR million	Level 1	Level 2	Level 3	Total 31 Dec 2012
Assets measured at fair value				
Foreign currency derivatives		4		4
Foreign currency derivatives (cash flow hedges)		0		0
Commodity derivatives (cash flow hedges)				
Electricity		0		0
Heavy fuel oil		0		0
Zinc		1		1
Investments recognised at fair value through profit and loss				
Available-for-sale financial assets			14	14
Loan receivables from equity-accounted investees *)			72	72
Assets total		5	86	91
Liabilities measured at fair value				
Foreign currency derivatives		-6		-6
Foreign currency derivatives (cash flow hedges)		-7		-7
Interest rate derivatives (cash flow hedges)		0		0
Commodity derivatives (cash flow hedges)				
Electricity		-13		-13
Heavy fuel oil		0		0
Zinc		0		0
Liabilities total		-26		-26

*) Measured at amortised cost as stated in 2012 financial statements.

The fair values in level 1 are based fully on the prices of similar asset or debt items on established markets.

The fair values in level 2 are determined using geneally accepted valuation models whose input data is largely based on verifiable market prices.

The fair value of financial instruments in level 3 is not based on verifiable market prices, but to a significant extent on management's estimates and their use in generally accepted valuation models.

There were no transfers between levels in 2013.

CHANGES IN LEVEL 3 FAIR VALUES

Milj. euroa	Loan receivables from equity-accounted investees	Available-for-sale financial assets	Total
Carrying amount at 1 Jan 2012		13	13
Additions	72	1	73
Disposals		0	0
Fair value changes		0	0
Translation differences		0	0
Carrying amount at 31 Dec 2012	72	14	86
Carrying amount at 1 Jan 2013	72	14	86
Additions		1	1
Disposals		0	0
Adjustment for items not measured at fair value	-72		-72
Translation differences		0	0
Carrying amount at 30 Sep 2013	0	15	15

FINANCIAL INSTRUMENTS SUBJECT TO MASTER NETTING AGREEMENTS

EUR million	Gross amounts of financial instruments in the statement of financial position	Related financial instruments that are not offset	Net amount
30 September 2013			
Financial assets			
Foreign currency derivatives	5	-5	
Commodity derivatives	1	-1	0
	6	-6	0
Financial liabilities			
Foreign currency derivatives (cash flow hedges)	-10	5	-4
Interest rate derivatives (cash flow hedges)	0		0
Commodity derivatives (cash flow hedges)	-12	1	-12
	-22	6	-16
31 December 2012			
Financial assets			
Foreign currency derivatives	4	-3	0
Commodity derivatives	1	-1	0
	5	-5	0
Financial liabilities			
Foreign currency derivatives (cash flow hedges)	-13	4	-9
Interest rate derivatives (cash flow hedges)	0		0
Commodity derivatives (cash flow hedges)	-14	1	-13
	-27	5	-23

CHANGES IN PROPERTY, PLANT AND EQUIPMENT (IFRS)

EUR million	**Q1-Q3/13**	**Q1-Q3/12**	**2012**
Carrying amount at the beginning of period	1,122	1,214	1,214
Additions	67	66	92
Additions through acquisitions		0	0
Disposals	-1	-1	-8
Disposals through divestments		0	-50
Depreciation	-88	-94	-125
Impairment	0	-3	-8
Translation differences	-8	8	7
Carrying amount at the end of period	1,092	1,189	1,122

TRANSACTIONS WITH RELATED PARTIES (IFRS)

EUR million	Q1-Q3/13	Q1-Q3/12	2012
Sales to equity-accounted investees	24	15	21
Purchases from equity-accounted investees	5	5	7
Loan receivables from equity-accounted investees	71		72
Transactions with Rautaruukki Pension Foundation	0	0	0
	30 Sep 2013	30 Sep 2012	31 Dec 2012
Trade and other receivables from related parties	6	4	4
Trade and other payables to related parties	1	1	0

INVESTMENT COMMITMENTS (IFRS)

EUR million	After 30 Sep 2013	After 30 Sep 2012	After 31 Dec 2012
Maintenance investments	79	56	61
Development investments and investments in special steel products	13	17	13
Total	92	73	74

SEGMENT INFORMATION

EUR million	Q3/13	Q3/12	Q1-Q3/13	Q1-Q3/12	2012
Order intake					
Ruukki Building Products	127	129	326	340	443
Ruukki Building Systems	63	63	231	246	313
Ruukki Metals	378	446	1,246	1,396	1,850
Order intake, total	568	638	1,803	1,982	2,605
Comparable net sales					
Ruukki Building Products	130	133	320	341	452
Ruukki Building Systems	76	75	219	219	288
Ruukki Metals	389	419	1,272	1,407	1,859
Others	-3	-3	3	-4	-3
Comparable net sales, total	592	624	1,814	1,963	2,597
Items affecting comparability included in reported net sales	0	51	1	156	199
Reported net sales	592	675	1,815	2,119	2,796
Comparable operating profit					
Ruukki Building Products	16	12	26	16	22
Ruukki Building Systems	1	-4	-8	-14	-21
Ruukki Metals	-3	-16	21	0	-31
Others	-4	-7	-9	-18	-20
Comparable operating profit, total	10	-15	31	-16	-50
Items affecting comparability included in reported operating profit	0	-5	-1	-26	-51
Reported operating profit	10	-21	30	-42	-101
Net finance costs	-9	-11	-27	-31	-40
Share of profit of equity-accounted investees	-1	0	-2	2	2
Result before income tax	0	-32	1	-72	-139
Income tax expense	1	2	-4	11	22
Result for the period	1	-30	-4	-61	-117

EUR million	30 Sep 2013	30 Sep 2012	31 Dec 2012
Operative capital employed			
Ruukki Building Products	164	183	145
Ruukki Building Systems	213	257	241
Ruukki Engineering		154	36
Ruukki Metals	1,395	1,467	1,409
Others	15	26	22
Operative capital employed, total	1,788	2,088	1,853

QUARTERLY SEGMENT INFORMATION

EUR million	Q1/12	Q2/12	Q3/12	Q4/12	Q1/13	Q2/13	Q3/13
Order intake							
Ruukki Building Products	89	121	129	103	79	120	127
Ruukki Building Systems	58	125	63	67	75	94	63
Ruukki Metals	486	465	446	454	437	431	378
Order intake, total	633	711	638	624	590	644	568
Comparable net sales							
Ruukki Building Products	83	125	133	112	78	112	130
Ruukki Building Systems	70	74	75	69	68	76	76
Ruukki Metals	498	490	419	452	443	439	389
Others	0	-2	-3	2	1	5	-3
Comparable net sales, total	651	688	624	634	589	633	592
Items affecting comparability included in reported net sales	51	54	51	43	1	0	0
Reported net sales	702	742	675	677	590	633	592
Comparable operating profit							
Ruukki Building Products	-4	8	12	6	-1	10	16
Ruukki Building Systems	-7	-4	-4	-7	-7	-2	1
Ruukki Metals	3	13	-16	-31	16	8	-3
Others	-4	-7	-7	-2	-4	0	-4
Comparable operating profit, total	-11	10	-15	-34	4	17	10
Items affecting comparability included in reported operating profit	-5	-16	-5	-25	-1	-1	0
Reported operating profit	-16	-6	-21	-59	4	16	10
Net finance costs	-11	-9	-11	-9	-8	-10	-9
Share of profit of equity-accounted investees	1	1	0	0	-1	-1	-1
Result before income tax	-27	-14	-32	-67	-4	5	0
Income tax expense	6	3	2	11	1	-6	1
Result for the period	-20	-11	-30	-57	-4	-1	1

ITEMS AFFECTING COMPARABILITY OF REPORTED NET SALES

EUR million	Q1/12	Q2/12	Q3/12	Q4/12	Q1/13	Q2/13	Q3/13
Ruukki Engineering							
Net sales of units transfered to Ruukki Metals	21	20	13	18			
Net sales of other units	48	52	49	42			
Ruukki Metals							
Net sales of units transfered from Ruukki Engineering	-21	-20	-13	-18			
Others							
Net sales of Mo i Rana unit	2	2	1	1	0	0	0
Net sales of Kalajoki unit					1	0	0
Items affecting comparability of reported net sales, total	51	54	51	43	1	0	0

ITEMS AFFECTING COMPARABILITY OF REPORTED OPERATING PROFIT

EUR million	Q1/12	Q2/12	Q3/12	Q4/12	Q1/13	Q2/13	Q3/13
Ruukki Building Products							
Expenses related to restructuring			-1	-2			
Ruukki Building Systems							
Expenses related to restructuring			-1	-6			
Effect of change in discount rate on long service benefit costs				0			
Ruukki Engineering							
Operating profit of units transfered to Ruukki Metals	3	3	2	3			
Operating profit of other units	-4	-9	-3	-8			
Impact of Fortaco deal				0			
Ruukki Metals							
Operating profit of units transfered from Ruukki Engineering	-3	-3	-2	-3			
Cost of fire at Raahe steel works		-3					
Expenses related to restructuring				-6			
Effect of change in discount rate on long service benefit costs				-2			
Others							
Operating profit of Mo i Rana unit	0	-3	0	0	0	0	0
Operating profit of Kalajoki unit					0	0	0
Impact of Fortaco deal				2	-1	0	0
Expenses related to restructuring				-2			
Restatement due to change of IAS19	-1	-1	-1	-1			
Effect of change in discount rate on long service benefit costs				0			
Items affecting comparability of reported operating profit, total	-5	-16	-5	-25	-1	-1	0

DELIVERIES, RUUKKI METALS							
1 000 tonnes	**Q1/12**	**Q2/12**	**Q3/12**	**Q4/12**	**Q1/13**	**Q2/13**	**Q3/13**
Deliveries	507	448	389	466	481	451	415

Formulas for the calculation of key figures

Return on capital employed (rolling 12 months), %	=	result before income tax + finance costs (rolling 12 months) -------------------------------------- total equity + loans and borrowings (average at beginning and end of period)	x100
Return on capital employed (annualised), %	=	result before income tax + finance costs (annualised) -------------------------------------- total equity + loans and borrowings (average at beginning and end of period)	x100
Return on equity (rolling 12 months), %	=	result before income tax - income tax expense (rolling 12 months) -------------------------------------- total equity (average at beginning and end of period)	x100
Equity ratio, %	=	total equity -------------------------------------- total assets - advances received	x100
Gearing ratio, %	=	net interest-bearing financial liabilities -------------------------------------- total equity	x100
Net interest-bearing financial liabilities	=	loans and borrowings - current financial assets and cash and cash equivalents	
Earnings per share (EPS)	=	result for the period attributable to owners of the company -------------------------------------- weighted average number of shares outstanding during the period	
Earnings per share (EPS), diluted	=	result for the period attributable to owners of the company -------------------------------------- weighted average diluted number of shares outstanding during the period	
Equity per share	=	equity attributable to owners of the company -------------------------------------- basic number of shares outstanding at the end of period	
Volume weighted average price	=	total EUR trading of shares -------------------------------------- total number of shares traded	
Market capitalisation	=	basic number of shares at the end of period x closing price at the end of period	
Personnel on average	=	total number of personnel at the end of each month divided by the number of months	

Helsinki, 23 October 2013
Rautaruukki Corporation
Board of Directors

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Ruukki provides its customers with energy-efficient steel solutions for better living, working and moving.

The financial statement bulletin for 2013 will be published on 14 February 2014.
The full financial statements 2013 will be published during week 9.

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