more with metals

Q1

Rautaruukki Corporation

Interim Report 1 Jan–31 Mar 2011 RTRKS

21 April 2011

www.ruukki.com

Rautaruukki Corporation Interim Report Q1/2011: Demand improved in all business areas, growth expected to continue

January-March 2011 (Q1/2010)
- Order intake was up 33 per cent year on year at EUR 674 million (507).
- Net sales were EUR 675 million (500).
- Operating profit was EUR 25 (-43).
- Result before taxes was EUR 14 million (-51).

Revised estimate of financial performance in 2011
Rautaruukki is revising its guidance in respect of net sales. Consolidated net sales in 2011 are estimated to grow approximately 25 per cent year on year. Profitability is estimated to clearly improve compared to 2010.

(In its financial statement bulletin issued on 3 February 2011, the company estimated that net sales would grow 20-25 per cent year on year. Profitability was estimated to clearly improve compared to 2010).

KEY FIGURES

	Q1/11	Q1/10	2010
Comparable figures			
Comparable net sales, EUR m	675	500	2 403
Comparable operating profit, EUR m	25	-43	38
Comparable operating profit as % of net sales	3.7	-8.6	1.6
Comparable result before income tax, EUR m	14	-51	8
Reported figures			
Reported net sales, EUR m	675	505	2 415
Reported operating profit, EUR m	25	-36	-12
Reported result before income tax, EUR m	14	-44	-74
Net cash flow from operating activities, EUR m	6	-55	-64
Net cash flow before financing activities, EUR m	-29	-87	-226
Earnings per share, EUR	0.06	-0.24	-0.57
Return on capital employed (rolling 12 mths), %	2.7	-11.5	-0.3
Gearing ratio, %	50.3	29.6	44.7
Equity ratio, %	49.3	56.9	55.3
Personnel on average	11 436	11 525	11 693

President & CEO Sakari Tamminen:

Driven by the emerging markets, the global economy showed brisk growth during the first quarter. Positive economic development was seen also in many European countries. Of the Nordic countries, Sweden in particular showed strong economic growth. The economy in Finland grew moderately, but industrial production recovery was still slower than in many other countries in Europe.

Compared to the start of the previous year, Ruukki’s market environment improved clearly in almost all our businesses and our order intake was up by a third year on year at EUR 674 million. Our net sales were up by 35 per cent year on year at EUR 675 million. This was mainly due to good development in the steel business. Relatively strongest net sales growth was in the engineering business.

In the construction business, January-March is typically the quietest quarter of the year, but sales of our roofing products grew by 86 per cent compared to a year earlier. Also activity in commercial and industrial construction improved year on year, and our project and component deliveries increased both in the Nordic countries and in Central Eastern Europe. In Russia, order volumes of concept buildings were up compared to the previous year. In infrastructure construction, there were fewer bridge projects in Finland and Norway than a year earlier, but our delivery volumes for road and railway construction increased in Sweden.

In our engineering business, the market outlook strengthened year on year in all our main customer sectors during January-March. Demand improved especially from manufacturers of machines and equipment for the mining industry. Also demand grew for forest machines and materials handling equipment - especially harbour cranes - during the report period. Activity in the wind power industry increased clearly compared to the low level of the previous year.

In our steel business, deliveries increased to the heavy engineering industry, especially to equipment manufacturers of mining machines, and to subcontractors in the heavy vehicle industry and automotive industry. In our home markets in the Nordic countries, sales of steel products grew, especially in Finland, but deliveries continued to be brisk also in Sweden and Norway. We have strengthened our sales and distribution of special steel products globally. This was reflected in sales growth in all new markets for special steel products. Strongest relative growth in sales of special steel products was in China, with Germany accounting for the highest growth in Europe. The share of special steels rose to account for 32 per cent of our steel business compared to 20 per cent a year earlier. We aim to increase the share of special steel products to 60 per cent of our steel business over the next few years.

Profitability improved clearly year on year and we posted a positive operating profit for the first quarter. Operating profit improved by higher delivery volumes in all business areas, growth in the sales of special steel products and a rise in the selling prices of steel products. Due to improved operating profit, the report period also saw the return to positive cash flow from operating activities. We are continuing actions to strengthen cash flow by improving the efficiency of working capital management.

Profitability improved in the construction and engineering businesses, but operating profit was still negative. Our priority during the second quarter of 2011 is to generate a positive operating profit from our solutions businesses. It is essential to increase the capacity utilisation rate, which is supported by improved demand in customer industries. On top of this, we will optimise our product portfolio as well as operations between plants. In addition, we will continue to improve efficiency.

Consolidated net sales in 2011 are estimated to grow approximately 25 per cent year on year. Profitability is estimated to clearly improve compared to 2010."

Rautaruukki Corporation's full interim report for the first quarter is attached to this release.

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A presentation in English for analysts and the media will be held on 21 April 2011 at 10.30am EEST at Ruukki, Suolakivenkatu 1, 00810 Helsinki.

A live webcast of the event may be followed online starting at 10.30am on the company's website at www.ruukki.com/investors. The event may also be attended through **a conference call**. To attend the conference call, please call the number below 5-10 minutes before the scheduled start time: +44 (0)20 7162 0125, access code: 892903.

A replay of the webcast can be viewed on the company's website on 21 April 2011 from about 4pm EEST onwards. An encore replay of the conference call can be heard until 28 April 2011 at +44 (0)20 7031 4064, access code: 892903.

Rautaruukki Corporation
Anne Pirilä
SVP, Communications and Investor Relations

Rautaruukki supplies metal-based components, systems and integrated systems to the construction and engineering industries. The company has a wide selection of metal products and services. Rautaruukki has operations in 27 countries and employs around 11,700 people. Net sales in 2010 totalled around EUR 2.4 billion. The company's share is quoted on NASDAQ OMX Helsinki (Rautaruukki Oyj: RTRKS). The Corporation uses the marketing name Ruukki.

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RAUTARUUKKI CORPORATION’S INTERIM REPORT FOR JANUARY-MARCH 2011

Business environment

The global economy showed brisk growth during the first quarter of 2011 despite new uncertainty triggered by unrest in the Middle East and North Africa and by the disasters striking Japan. The emerging markets were driving growth. Economic development was positive also in Europe, despite the serious sovereign debt problems experienced by a number of euro-zone countries. In the Nordic countries, Sweden in particular showed strong economic growth. The economy in Finland grew moderately.

Industrial production grew robustly during January-March and industrial confidence remained strong. In many European countries, production and capacity utilisation rates were already approaching levels seen before the financial crisis. Production recovery supported investment demand, which picked up during the report period. Production and investment growth in Finland, however, continued to be slower than in many other countries in Europe.

Construction activity, especially in the Nordic countries, was seasonally quiet during the first quarter of the year. However, demand for roofing products began to pick up towards the very end of the report period. Commercial and industrial construction remained quiet in almost all market areas due to low investment demand. Investments have started up in Russia, which has been reflected at Ruukki in growing order intake. Demand in Russia was briskest in agricultural construction and there was also growth in industrial construction.

In the engineering industry, the market outlook strengthened in Ruukki’s main customer segments during the early part of the year. Demand was especially good in machinery and equipment for the mining industry. Likewise, demand was at a good level for forest machines and materials handling equipment - especially harbour cranes - during the early part of the year. Compared to the low level of the previous year, activity in the wind power industry rose and there was a clear improvement in market outlook. In shipbuilding, orders have increasingly shifted to Asia and demand was weak in Europe.

Steel demand in the EU-27 region was up by around 7 per cent in January-March compared to the previous quarter. Market prices of steel products rose worldwide due to higher costs of raw materials used in steel production and increased end-customer demand. Stock levels of steel wholesalers in Europe grew during the report period, but were at a normal level in relation to sales. Problems in the availability of raw materials contributed to higher prices of the main raw materials used in steel production. Coking coal prices rose strongly on the world market as a result of flood damage to several mines and associated infrastructure in Australia and Brazil in January and February.

Order intake and order book

ORDER INTAKE BY BUSINESS AREA

EUR million	Q1/11	Q1/10	2010
Order intake			
Ruukki Construction	134	110	629
Ruukki Engineering	64	39	230
Ruukki Metals	476	351	1 458
Others	0	7	8
Order intake, total	674	507	2 326

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

Group order intake in the first quarter of 2011 was EUR 674 million (507), up by 33 per cent year on year and 4 per cent quarter on quarter. Compared to the previous year, order flow grew in all business areas, with highest relative growth in the engineering business. Demand growth was strongest in Central Eastern Europe and the Nordic countries, especially Sweden.

At the end of March 2011, group order book was 20 per cent higher compared to a year earlier and up 16 per cent compared to year-end 2010.

Net sales

NET SALES BY BUSINESS AREA

EUR million	Q1/11	Q1/10	2010
Comparable net sales			
Ruukki Construction	135	109	628
Ruukki Engineering	62	42	193
Ruukki Metals	478	348	1 581
Others	0	0	1
Comparable net sales, total	675	500	2 403
Items affecting comparability included in reported net sales	0	5	12
Reported net sales	675	505	2 415

Consolidated net sales for the first quarter were EUR 675 million (EUR 500 million comparable), which is 35 per cent up on a comparable basis year on year. Compared to the previous year, net sales rose particularly due to growth in the steel business. Highest relative net sales growth was in the engineering business.

Consolidated net sales in January-March were up year on year in almost all market areas, with strongest growth in the Nordic countries, especially Sweden. Highest relative net sales growth was in Central Eastern Europe, where net sales were boosted by larger delivery volumes of steel products and residential roofing products. Net sales growth in Finland and the other Nordic countries was attributable mainly to the steel business.

The emerging markets accounted for 23 per cent (17) of Ruukki's net sales in the first quarter of 2011. The solutions businesses - Ruukki Construction and Ruukki Engineering - accounted for 29 per cent (30) of consolidated net sales. The share of special steel products rose to account for 32 per cent (20) of net sales in the steel business.

NET SALES BY REGION

EUR million	Q1/11	Q1/10	2010
Comparable net sales			
Finland	182	141	651
Other Nordic countries	237	156	756
Central Eastern Europe	80	44	290
Russia and Ukraine	34	27	188
Rest of Europe	100	100	360
Other countries	42	32	157
Comparable net sales, total	675	500	2 403
Items affecting comparability included in reported net sales	0	5	12
Reported net sales	675	505	2 415

Operating profit

OPERATING PROFIT BY BUSINESS AREA

EUR million	Q1/11	Q1/10	2010
Comparable operating profit			
Ruukki Construction	-13	-23	-45
Ruukki Engineering	-2	-6	-28
Ruukki Metals	42	-10	126
Others	-3	-4	-15
Comparable operating profit, total	25	-43	38
Items affecting comparability included in reported operating profit	0	7	-49
Reported operating profit	25	-36	-12

Consolidated operating profit for the first quarter of 2011 was EUR 25 million (-EUR 43 million comparable), equating to 4 per cent of net sales. Higher operating profit year on year was mainly attributable to larger delivery volumes in all business areas, increased sales of special steel products and higher selling prices of steel products.

Financial items and result

Consolidated net finance costs in the first quarter totalled EUR 11 million (8). Net interest costs were EUR 7 million (7).

Group taxes were -EUR 6 million (11).

The result for the first quarter was EUR 8 million (-33).

Earnings per share were EUR 0.06 (-0.24).

Balance sheet, cash flow and financing

Total assets at 31 March 2011 were EUR 2,674 million (2,527). Equity at the end of the first quarter was EUR 1,300 (1,422), equating to EUR 9.36 per share (10.24). Equity decreased EUR 87 million since the end of 2010 mainly because of the dividend payout in April.

The equity ratio at the end of the report period was 49.3 per cent (56.9) and the gearing ratio was 50.3 per cent (29.6). Net interest-bearing liabilities at the end of March were EUR 655 million (422).

Return on equity for the last 12 months was -2.7 per cent (-14.1) and the return on capital employed was 2.7 per cent (-11.5).

Net cash flow from operating activities for January-March was EUR 6 million (-55) and net cash flow before financing activities was -EUR 29 million (-87). EUR 43 million (19) was tied up in net working capital during the report period.

During the first quarter, the company signed bilateral committed credit facilities totalling EUR 475 million. These contracts replace the EUR 350 million revolving credit facility signed in 2009.

At the end of March, the group had liquid funds of EUR 113 million (129) and undrawn committed credit facilities of EUR 545 million.

Capital expenditure

Net cash used in investing activities during the report period was -EUR 36 million (-32).

Investments in tangible and intangible assets totalled EUR 36 million (34), of which maintenance investments accounted for EUR 26 million (18) and development investments EUR 10 million (16). Net cash inflow from other investing activities was EUR 1 million (2).

Depreciation and impairments during the report period were EUR 36 million (37).

Capital expenditure on tangible and intangible assets in 2011 is expected to be in the region of EUR 180 million.

Personnel

PERSONNEL BY REGION

	31 Mar 2011	31 Mar 2010	31 Dec 2010
Finland	6 307	6 096	6 150
Other Nordic countries	650	901	659
Central Eastern Europe	2 057	2 057	2 020
Russia and Ukraine	2 152	2 088	2 062
Rest of Europe	70	79	69
Other countries	328	255	326
Total	11 564	11 476	11 286

The group employed an average of 11,436 persons (11,525) during the first quarter and at 31 March, the headcount was 11,564 (11,476). At the end of the report period, 55 per cent (53) of Ruukki's personnel worked in Finland.

Safety measured in terms of accidents per million working hours improved to 6 (8) compared to the same period a year earlier.

BUSINESS AREAS

RUUKKI CONSTRUCTION

- Order intake in January-March was up 22 per cent year on year
- Signs at the end of the report period of the construction season starting up, especially in Central Eastern Europe
- Operating profit for the first quarter improved year on year, but was still negative
- Number of actions were taken during January-March to improve profitability

EUR million	Q1/11	Q1/10	2010
Order intake	134	110	629
Net sales	135	109	628
Comparable operating profit	-13	-23	-45
Unrealised gains and losses on USD derivatives		2	2
Reported operating profit	-13	-21	-43
Comparable operating profit as % of net sales	-9.6	-21.0	-7.2
Personnel at end of period	3 878	3 940	3 791

Order intake and order book

Order intake during the first quarter was up by 22 per cent year on year at EUR 134 million. Order volumes of residential roofing products grew in almost all market areas compared to the previous year, although demand during the winter season was typically still quiet. Towards the end of the quarter, there were signs of the construction season starting up, especially in Poland and also elsewhere in Central Eastern Europe. In Russia, there was a clear increase in order volumes of concept buildings in commercial and industrial construction. Towards the end of the report period, infrastructure construction orders were also up, especially for small piles used in residential construction.

Ruukki Construction’s order book at the end of March was 5 per cent higher year on year and roughly at the same level as at year-end 2010.

Net sales

Ruukki Construction’s net sales for the first quarter were up 23 per cent year on year at EUR 135 million (109).

Sales of residential roofing products during January-March were 86 per cent higher than a year earlier. Delivery volumes were up in all market areas, with strongest relative growth in Central Eastern Europe. Particularly good sales development was seen in Poland and Ukraine. As is typical in the construction sector, delivery volumes of roofing products decreased during January-March compared to the last quarter of 2010.

Sales in commercial and industrial construction during the first quarter rose by 41 per cent year on year. Compared to a year earlier, project and component deliveries in Norway and Finland showed strongest improvement. Good sales development was also seen in Sweden, Poland, the Czech Republic and Romania. Delivery volumes of concept buildings in Russia were also up year on year. However, net sales in Russia declined slightly compared to the previous year. A new enterprise resource planning system was brought into use in Russia at the start of the year. This resulted in some deliveries for January-February being put back to March and the second quarter.

In infrastructure construction, net sales for the first quarter were down 8 per cent year on year. This was due particularly to fewer bridge projects in Norway and Finland. Deliveries for road and railway construction increased in Sweden.

Roofing products for residential construction accounted for 15 per cent (10) of Ruukki Construction’s net sales for the first quarter and infrastructure construction products for 17 per cent (23).

Operating profit

Ruukki Construction's operating profit for the first quarter improved year on year, but was still negative at -EUR 13 million. Operating loss was mainly due to low capacity utilisation rate. The roll-out of a new enterprise resource planning system in Russia also weakened profitability. Operating profit improved year on year due to increased delivery volumes - especially in residential roofing products - more efficient operations and higher selling prices.

Actions to improve profitability and other operational development

During the early part of the year, Ruukki Construction changed its business structure from an area to a product organisation. In the same context, the organisation was streamlined. The new organisation supports sales management, optimal use of production capacity and the replication of best practices across country borders. The project business operational model was also further improved. Merging the project business into one entity ensures the transfer of project expertise and product concepts from one market to another.

In January, the company decided to divest its Sandnessjoen unit in Norway to improve the capacity utilisation rate in its production network. The unit mostly manufactures steel bridge structures. Ruukki will continue steel bridge structure contracting in Norway and the manufacture of structures at its other units.

In March, Ruukki also expanded its Ruukki Express chain for construction professionals in Finland through acquisition of the Oulu business activities of Oulun Peltituote Oy. Ruukki Express is a store and service concept with a range of products that includes roofs, machine-seamed products and small coils, rainwater systems, roof safety products and locally tailored products and services such as façade products. The Oulu outlet will be the sixth Ruukki Express in Finland. A new Ruukki Express was opened also in Tampere in early April.

Ruukki has been systematically developing its range of roofing products and the latest product is the Adamante steel roof, launched in Poland in March. The product features a tiled pattern and is a premium product designed for residential construction. During the current year, Adamante will also be launched in Ukraine and other countries in Central Eastern Europe. Ruukki also built another production line making Finnera roofing products in Vimpeli, Finland. Work on installing the line started during the last quarter of 2010 and the line entered production during the first quarter of this year.

In March, Ruukki launched its new airtight energy panels. Ruukki is the first company making such products to guarantee the exact level of airtightness of wall panels for buildings constructed using panels. Energy-efficient panels save on a building's heating costs and also reduce its carbon dioxide emissions.

Major orders

In February, Ruukki signed a contract with Outokumpu to manufacture and install the steel structures for the ferrochrome smelter at the Tornio Works in Finland. The contract is worth over EUR 10 million. Deliveries for the project started in March and the installation work is scheduled to be completed in January 2012.

In March, Ruukki announced the delivery of steel structures for new six-storey, 26,400-square-metre office and retail premises in the Helsinki district of Jätkäsaari. Ruukki's delivery consists of the design, manufacture and installation, with fire protection, of the steel frame. The delivery is worth over EUR 3 million and deliveries are scheduled for the second half of 2011.

Likewise in March, Ruukki announced deliveries of steel structures for phase two of the Willa shopping centre in Hyvinkää, Finland. Ruukki will design, manufacture and install the steel structures, including fire protection, for the 26,000-square-metre shopping centre. The contract is worth around EUR 4 million and the entire shopping centre will open in autumn 2012.

In March, the company signed a contract worth about EUR 3 million to deliver the steel frame and façade for the second construction phase of Technopolis Ruoholahti Helsinki. Ruukki's total delivery includes foundation piles, a fire-protected steel frame and thermopurlins for the exterior walls. Ruukki is also responsible for the structural and construction design of the structures. The delivery also includes glass façades, as well as installation of the concrete elements. Installation work begins in April 2011 and will last about six months. The building is expected to be ready in May 2012.

In late March, Ruukki agreed the delivery and installation of steel structures for two bridges at Rotebro on the E4 highway between Stockholm and Arlanda in Sweden. Ruukki's delivery is worth around EUR 6 million and includes both the load-bearing steel structures and the piles used in the foundations. Ruukki's deliveries will begin during spring this year and are scheduled for completion during 2013. The new bridges will open to traffic in 2014.

RUUKKI ENGINEERING

- Order intake in January-March was up 62 per cent year on year
- Order volumes grew, especially from manufacturers of materials handling equipment and there was also clear growth in orders from equipment manufacturers in the wind power industry
- Net sales were up 46 per cent
- Operating profit improved, but was still slightly negative

EUR million	Q1/11	Q1/10	2010
Order intake	64	39	230
Net sales	62	42	193
Comparable operating profit	-2	-6	-28
Expenses related to closure of units			-5
Unrealised gains and losses on USD derivatives		1	1
Reported operating profit	-2	-5	-32
Comparable operating profit as % of net sales	-2.9	-14.6	-14.5
Personnel at end of period	1 817	1 690	1 763

Order intake and order book

Order intake in the engineering business during the first quarter of 2011 was 62 per cent higher year on year at EUR 64 million. Order intake improved particularly well during March. Order volumes for frames, cabins and booms rose, especially from manufacturers of materials handling equipment. Also order intake from equipment manufacturers in the wind power industry showed clear growth. However, the order flow in the engineering business fell compared to the previous quarter, when a major contract was booked for deliveries to an offshore wind farm project in the North Sea. Deliveries for this project will begin in the second quarter of this year.

Ruukki Engineering's order book at the end of March was almost 130 per cent higher year on year and 16 per cent higher than at year-end 2010.

Net sales

Ruukki Engineering's net sales for the first quarter were up 46 per cent year on year at EUR 62 million (42).

Compared to the previous year, the increase in net sales for January-March was attributable to larger delivery volumes particularly of frames, booms and cabins to manufacturers of materials handling equipment. Strongest relative growth was in boom deliveries. Deliveries increased also to equipment manufacturers in the mining industry and to manufacturers of forest machines. Delivery volumes to equipment manufacturers in the energy industry, especially in the wind power sector, showed significant growth compared to an exceptionally low level a year earlier and almost doubled quarter on quarter. Deliveries of steel plates to the shipbuilding industry rose year on year, but were down quarter on quarter.

Equipment manufacturers in the lifting, handling and transportation industry accounted for 61 per cent (67) of net sales of the engineering business for the first quarter and equipment manufacturers in the energy industry accounted for 20 per cent (13).

Operating profit

Ruukki Engineering's operating profit for the first quarter was negative at -EUR 2 million (-EUR 6 million comparable). Operating profit improved to some extent year on year and quarter on quarter as a result of larger delivery volumes and a better capacity utilisation rate.

Actions to improve profitability and other operational development

The engineering business implemented a new product-driven business model in the early part of the year. In future, Ruukki will focus on fewer products than earlier in the engineering business and devote more resources to developing its own technology and utilising corporate steel expertise, especially as regards special steels.

The technology organisation and areas of responsibility were reorganised during the first quarter. Recruiting was also initiated to strengthen technological expertise and sales processes were developed to be aligned with the new business model.

As delivery volumes grow, it is important to well manage the increase in capacity utilisation rate and to further improve quality and delivery reliability. Cost efficiency improved in January-March due to higher capacity utilisation.

In recent years, Ruukki has focused the production of its engineering business on Central Eastern Europe. A new paint shop and packaging-dispatch department came on stream at the Jászberény plant in Hungary in January. The paint shop is one of the most modern in Europe capable of processing massive components. The investment was worth around EUR 5 million.

In March, Ruukki announced it is to invest in a new surface treatment line to serve cabin customers at the Holic unit in Slovakia. The investment is worth around EUR 3 million and the line will start up in spring 2012.

RUUKKI METALS

- Order intake in first quarter was up 36 per cent year on year
- Relatively strongest order flow was from new markets, especially China, for special steel products
- Share of special steel products rose to account for 32 per cent of net sales
- Profitability improved both year on year and quarter on quarter

EUR million	Q1/11	Q1/10	2010
Order intake	476	351	1 458
Net sales	478	348	1 581
Comparable operating profit	42	-10	126
Expense caused by blast furnace modernisation			-18
Unrealised gains and losses on USD derivatives		6	-13
Cost of production test runs			-2
Reported operating profit	42	-4	93
Comparable operating profit as % of net sales	8.8	-2.9	8.0
Personnel at end of period	5 407	5 277	5 291

Order intake and order book

Order intake during the first quarter of 2011 was up by 36 per cent year on year at EUR 476 million. Orders grew in all market areas, with Finland and the other Nordic countries showing strongest growth. Strongest relative growth was seen in order flow from new markets for special steel products, especially China, and, towards the end of the report period, also from Turkey. Orders from Russia were up year on year, but down quarter on quarter because of the seasonal slowdown in construction. At the end of the report period, construction activity began to pick up and the order flow strengthened especially from Central Eastern Europe and Russia. This was reflected especially in increased demand for colour-coated products.

Compared to the last quarter of 2010, order intake was up by 22 per cent.

Ruukki Metals' order book at the end of March 2011 was around 20 per cent higher than a year earlier and 30 per cent higher than at year-end 2010.

Net sales

Ruukki Metals' net sales for the first quarter were up 37 per cent year on year at EUR 478 million (348). Net sales growth was mainly attributable to higher selling prices for steel products and larger delivery volumes of special steel products.

Compared to the previous year, deliveries increased to the heavy engineering industry - especially to equipment manufacturers of mining machines - and to subcontractors in the heavy vehicle industry and automotive industry. Delivery volumes to the construction industry were also higher than a year earlier, but because seasonal demand was at its lowest, volumes fell compared to the fourth quarter of 2010.

There was clear growth in sales of steel products in Finland and deliveries also in Sweden and Norway continued at a good level. Sales in Russia and Central Eastern Europe showed the strongest relative growth. Delivery volumes rose clearly in all new markets for special steel products, with strongest relative growth in net sales coming from China. Deliveries of special steel products in Europe, especially in Germany, were up.

Sales of special steel products grew during the first quarter to account for 32 per cent (20) of net sales.

Net sales of stainless steel and aluminium, sold as trading products, were up 28 per cent year on year at EUR 36 million (28).

Operating profit

Ruukki Metals' operating profit for the first quarter was EUR 42 million (-EUR10 comparable), which is a clear improvement year on year. Operating profit improved largely on the back of increased sales of special steel products and higher average selling prices. Also the capacity utilisation rate in steel production was higher than a year earlier.

Steel production

1 000 tonnes	Q1/11	Q1/10	2010
Steel production	645	611	2 229

Steel production in the first quarter of 2011 was 645 thousand tonnes (611).

Blast furnace 2 at the Raahe Steel Works in Finland will be shut down for modernisation towards the end June this year. The work will last for about two months. Before the blast furnace shut down, slab stockpiles are being built up to ensure customer deliveries during modernisation work.

Raw materials used in steel production

Prices of iron ore and coking coal - the main raw materials used in steel production - are expected to rise compared to the previous year. The rise in the cost of raw materials will be offset by raising selling prices and by further improvement in cost efficiency. The size and timing of price rises varies according to product and market area.

Operational development and new products

Expansion of the distribution network for special steel products is one of the main focus areas in the steel business also in 2011. In the early part of the year, Ruukki strengthened its distribution network by signing new partnership agreements in, among others, Turkey, France and Brazil.

At the end of the report period, pilot deliveries got under way of Optim 550 MCW, a new high-strength structural steel. A new property of this hot-rolled special steel is its weather resistance without being coated. Potential applications for Optim 550 MCW include lattice-structured pylons for power cables and the structures of tank wagons designed to transport minerals.

Environmental matters at the company

Ruukki's work in corporate responsibility has received a number of awards. In March, Ruukki was chosen for inclusion in the new OMX GES Finland Sustainability index, which comprises the 40 leading NASDAQ OMX Helsinki listed companies in terms of sustainability. The assessment for inclusion in the index is conducted by GES Investment Services, Northern Europe's leading research and service provider for responsible investment. Inclusion criteria focus on environmental, social responsibility and governance issues.

More information about the company's environmental matters can be found in environmental product declarations, the environmental reports of Ruukki's works in Raahe and Hämeenlinna to be published in early June and on the company's website at www.ruukki.com.

2011 Annual General Meeting

Rautaruukki Corporation held its Annual General Meeting in Helsinki on 23 March 2011. A total of 872 shareholders were represented at the meeting.

The Annual general Meeting approved the payment of a dividend of EUR 0.60 per share for 2010. Dividends totalling EUR 83 million were paid on 6 April 2011. In addition, the Meeting approved the parent company's annual accounts and consolidated annual accounts and discharged the members of the Board of Directors, Supervisory Board, and the President & CEO from liability.

The Annual General Meeting confirmed that the number of members of the Board of Directors is seven. Reino Hanhinen; Maarit Aarni-Sirviö MSc (Tech), MBA; President & CEO Pertti Korhonen; Chairperson of the Board Liisa Leino; President & CEO Matti Lievonen; Hannu Ryöppönen, BA (Bus Admin) and CEO Jaana Tuominen were re-elected to the Board. Reino Hanhinen was re-appointed as chairman of the Board of Directors and Hannu Ryöppönen as deputy chairman. All the members of the Board are independent both of the company and of its major shareholders.

KHT audit firm KPMG Oy Ab was re-appointed as the company's auditor, with KHT Pekka Pajamo as the principal auditor.

The 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 authority to acquire 12,000,000 shares granted by the 2010 Annual General Meeting which was valid until the 2011 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 28,000,000 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 two years following the date of decision of the Annual General Meeting. This authority supersedes the authority granted by the 2009 Annual General Meeting which applied to a maximum of 15,000,000 shares and was valid until the close of the 2011 Annual General Meeting.

The Annual General Meeting decided to establish a Nomination Board to prepare proposals for the following Annual General Meeting regarding the composition of the Board of Directors and directors' fees.

In its organisation meeting of 23 March 2011, the Board of Directors appointed its members to the Board of Directors' committees. The Board appointed Hannu Ryöppönen as chairman and Liisa Leino and Jaana Tuominen as members of the Audit Committee. Reino Hanhinen was appointed chairman and Maarit Aarni-Sirviö, Pertti Korhonen and Matti Lievonen were appointed members of the Remuneration Committee.

Shares and share capital

During January-March 2011, a total of 40.0 million (58.1) Rautaruukki Oyj shares (RTRKS) were traded on NASDAQ OMX Helsinki for a total of EUR 701 million (887). The highest price quoted was EUR 18.77 in January and the lowest was EUR 15.42 in March. The volume weighted average price was EUR 17.43. The share closed at EUR 16.92 (16.00) at the end of March and the company had a market capitalisation of EUR 2,374 million (2,245).

Rautaruukki’s share is also traded on multilateral trading facilities (MTF). According to information received by the company, a total of 10.6 million shares (8.9) were traded on MTFs for a total of EUR 185 million (135) during the first three months of the year.

The company’s registered share capital at 31 March 2011 was EUR 238.5 million and there were 140,285,425 shares outstanding.

At the end of March 2011, the company held a total of 1,423,051 treasury shares, which had a market capitalisation of EUR 24.1 million and an accounting par value of EUR 2.4 million. Treasury shares account for 1.01 per cent of the total number of shares and votes.

The valid authorities to acquire own shares and to decide on a share issue, which includes the right to issue new shares and/or to transfer treasury shares held by the company, are described in the section 2011 Annual General Meeting. The Board of Directors had not exercised its authority to issue shares or to acquire the company’s own shares by 31 March 2011.

At the end of the report period, the Board of Directors had no valid authority to issue options or other special rights providing entitlement to shares.

An overview of ownership in the company by sector and size of holding, the largest shareholders and the interests of the Board of Directors and the Corporate Executive Board can be found on the company’s website.

Changes in company management and structure

In February, the company announced new appointments in the company’s management. Kari Lehtinen MSc (Tech) was appointed SVP, Marketing and Emerging Markets and a member of the Extended Executive Board. He also continues his present position as SVP, Sales in Ruukki Metals until further notice. Toni Hemminki MSc (Tech) was appointed SVP, Technology, Energy and Environment and a member of the Extended Executive Board. He was earlier VP, Energy and Environment at Ruukki. Markku Koljonen, who earlier served as Ruukki's Chief Technology Officer, retires at the end of August 2011. In addition to his current responsibilities, Chief Information Officer Ismo Platan has assumed responsibility for supply chain management. These appointments became effective from 1 March 2011. Saku Sipola, EVP, Marketing, Technology and Supply Chain Management and a member of the Corporate Executive Board, left Ruukki at the end of February to take up a position with another company.

In February, the company announced it was to change its legal corporate structure in Finland. Rautaruukki Corporation is to divide its Finnish operations into four different companies. Ruukki's construction business, engineering business, steel business and stainless steel and aluminium trading business will each act as separate business entities from 1 May 2011. Rautaruukki Corporation is the parent company of the new companies.

The arrangement is an administrative one under which the group will reorganise its corporate structure to correspond to its existing businesses. The entire business of all the Finnish units mentioned above will be transferred to the new companies. The personnel will transfer without any change of employment benefits. The arrangements do not apply to the group's units outside Finland.

The demerger will have no impact on Rautaruukki Corporation's financial reporting.

Near-term business risks

The company's risks and risk management are detailed in the Annual Report 2010. 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.

Near-term outlook

Positive development is predicted to continue in all Ruukki's main market areas and investment growth is expected to accelerate. As a result of rising oil prices, overall production growth in Russia is forecast to accelerate compared to the previous year. However, it is still difficult to estimate the direct and indirect impacts on economic development of unrest in the Middle East and North Africa, the disasters striking Japan and the sovereign debt problems of certain European countries.

Commercial and industrial construction is estimated to return to the growth track during 2011. Growth in Sweden is estimated to be brisker than in the other Nordic countries. Investments in commercial and industrial construction in Russia are already clearly growing. Moderate growth in residential construction is forecast to continue in all main market areas. Infrastructure construction activity in the Nordic countries is expected to continue to be relatively good.

In the engineering business, market conditions are estimated to further improve. Demand is increasing from manufacturers of heavy cargo and other materials handling equipment. Also demand for construction, forest and mining industry machines and equipment is estimated to grow. Supported by the positive notes in these industrial sectors, order volumes, especially for cabins, booms and frames, are estimated to show further improvement. In the manufacture of equipment for the energy industry, demand in the wind power sector is forecast to improve during the course of 2011. It is estimated shipbuilding activity in Europe will continue at a low level during the current year.

In the steel business, it is estimated that growing demand from the heavy engineering industry and the heavy automotive industry will support sales of special steel products in particular. This is also supported by an expansion of the company's distribution network into emerging markets and mining-intensive countries. It is estimated selling prices of steel products will rise during 2011 due to good demand and higher raw material prices. Increased sales of special steel products support positive development of average selling prices.

The company's cost structure is already lighter than in previous years because of efficiency actions already completed and those ongoing. Based on the estimated development in demand, the capacity utilisation rate in 2011 is projected to be better than in 2010, especially in the solutions businesses. The priority during the second quarter of 2011 is to generate a positive operating profit from the solutions businesses.

Based on the estimates given above, consolidated net sales in 2011 are estimated to grow approximately 25 per cent year on year. Profitability is estimated to clearly improve compared to 2010.

SUMMARY FINANCIAL STATEMENTS AND NOTES

This interim report has been prepared in accordance with IAS 34 and is in conformity with the accounting policies applied in the 2010 financial statements.

The amendments to and interpretations of IFRS standards that entered into force on 1 January 2011 had no impact on this interim report.

Use of estimates
The preparation of 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.

Purchases of raw materials denominated in USD qualify for hedge accounting under IAS 39 from 1 January 2011
Unrealised movements in the fair value of USD-denominated future cash flow hedges which did not qualify for hedge accounting under IAS 39 were added to items affecting the comparability of operating profit in 2010. The figures for reference periods since the beginning of 2009 were restated accordingly. From the beginning of 2011, cash flow hedges of raw materials denominated in USD are subject to hedge accounting under IAS 39. This means the unrealised movements in the fair values of these cash flow hedges are recognised under items in other comprehensive income instead of under operating profit as earlier.

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	Q1/11	Q1/10	2010
Net sales	675	2 415	2 415
Cost of sales	-588	-485	-2 185
Gross profit	87	20	229
Other operating income	4	4	15
Selling and marketing expenses	-29	-23	-103
Administrative expenses	-37	-37	-152
Other operating expenses	0	0	-1
Operating profit	25	-36	-12
Finance income	9	22	65
Finance costs	-20	-30	-131
Net finance costs	-11	-8	-66
Share of profit of equity-accounted investees	1	0	3
Result before income tax	14	-44	-74
Income tax expense	-6	11	-4
Result for the period	8	-33	-79
Attributable to:			
Owners of the company	8	-33	-79
Non-controlling interest	0	0	0
Earnings per share, diluted, EUR	0.06	-0.24	-0.57
Earnings per share, basic, EUR	0.06	-0.24	-0.57
Operating profit as % of net sales	3.7	-7.2	-0.5

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (IFRS)

EUR million	Q1/11	Q1/10	2010
Result for the period	8	-33	-79
Other comprehensive income:			
Effective portion of changes in fair value of cash flow hedges	-16	-7	14
Translation differences	-1	16	18
Defined benefit plan actuarial gains and losses		-2	-9
Tax on other comprehensive income	4	2	-1
Other comprehensive income for the period, net of tax	-13	10	22
Total comprehensive income for the period	-4	-23	-57
Attributable to:			
Owners of the company	-4	-23	-57
Non-controlling interest	0	0	0

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION (IFRS)

EUR million	31 Mar 2011	31 Mar 2010	31 Dec 2010
ASSETS			
Non-current assets	1 387	1 418	1 388
Deferred tax assets	25	45	26
Current assets			
Inventories	657	533	640
Trade and other receivables	479	402	417
Cash and cash equivalents	113	129	53
Assets held for sale	13		15
Total assets	2 674	2 527	2 539
EQUITY AND LIABILITIES			
Equity			
Equity attributable to owners of the company	1 300	1 422	1 387
Non-controlling interest	2	2	2
Non-current liabilities			
Loans and borrowings	432	377	477
Non-interest bearing liabilities	48	63	50
Deferred tax liabilities	32	29	39
Current liabilities			
Loans and borrowings	336	174	198
Trade payables and other non-interest bearing liabilities	520	461	379
Liabilities held for sale	6		7
Total equity and liabilities	2 674	2 527	2 539

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS (IFRS)

EUR million	Q1/11	Q1/10	2010
Result for the period	8	-33	-79
Adjustments	54	15	191
Cash flow before change in working capital	63	-18	113
Change in working capital	-43	-19	-147
Financing items and taxes	-13	-18	-30
Net cash flow from operating activities	6	-55	-64
Cash inflow from investing activities	2	2	10
Cash outflow from investing activities	-38	-34	-173
Net cash used in investing activities	-36	-32	-162
Net cash flow before financing activities	-29	-87	-226
Dividends paid			-62
Proceeds from loans and borrowings	0	3	126
Repayments of loans and borrowings	-10	-12	-103
Change in current liabilities	105	-35	63
Other net cash flow from financing activities	-7	-2	-9
Translation differences	0	2	4
Change in cash and cash equivalents	59	-132	-207

KEY FIGURES (IFRS)

	Q1/2011	Q1/2010	2010
Net sales, EUR m	675	505	2 415
Operating profit, EUR m	25	-36	-12
as % of net sales	3.7	-7.2	-0.5
Result before income tax, EUR m	14	-44	-74
as % of net sales	2.1	-8.7	-3.1
Result for the period, EUR m	8	-33	-79
as % of net sales	1.2	-6.5	-3.3
Net cash flow from operating activities, EUR m	6	-55	-64
Net cash flow before financing activities, EUR m	-29	-87	-226
Return on capital employed (rolling 12 mths), %	2.7	-11.5	-0.3
Return on equity (rolling 12 mths), %	-2.7	-14.1	-5.4
Equity ratio, %	49.3	56.9	55.3
Gearing ratio, %	50.3	29.6	44.7
Net interest-bearing liabilities, EUR m	655	422	621
Equity per share, EUR	9.36	10.24	9.99
Personnel on average	11 436	11 525	11 693
Number of shares	140 285 425	140 285 425	140 285 425
- excluding treasury shares	138 862 374	138 863 850	138 862 374
- diluted, average	138 862 374	138 863 850	138 863 722

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 2010	238	220	2	-41	-6	1 095	2	1 509
Result for the period						-33		-33
Other comprehensive income			-5	16		-1		10
Total comprehensive income for the period			-5	16		-34		-23
Dividend distribution						-62		-62
Share-based payments					0	0		0
EQUITY 31 Mar 2010	238	220	-3	-26	-6	998	2	1 424
EQUITY 1 Jan 2011	238	220	11	-23	-6	946	2	1 389
Result for the period						8	0	8
Other comprehensive income			-12	-1				-13
Total comprehensive income for the period			-12	-1		8	0	-4
Dividend distribution						-83		-83
Share-based payments					0			0
EQUITY 31 Mar 2011	238	220	-1	-24	-6	872	2	1 302

NET SALES BY REGION (IFRS)

As % of net sales	Q1/11	Q1/10	2010
Finland	27	28	27
Other Nordic countries	35	32	31
Central Eastern Europe	12	9	12
Russia and Ukraine	5	5	8
Rest of Europe	15	20	15
Other countries	6	6	7

CONTINGENT LIABILITIES (IFRS)

EUR million	31 Mar 2011	31 Mar 2010	31 Dec 2010
Mortgaged real estate	64	64	64
Other guarantees given	27	40	26
Collateral given on behalf of others	2		2
Rental liabilities	69	104	71

DERIVATIVE CONTRACTS (IFRS)

EUR million	31 Mar 2011 Nominal amount	31 Mar 2011 Fair value	31 Mar 2010 Nominal amount	31 Mar 2010 Fair value
CASH FLOW HEDGES QUALIFYING FOR HEDGE ACCOUNTING				
Zinc derivatives				
Forward contracts, tonnes	16 500	4	24 000	8
Electricity derivatives				
Forward contracts, GWh	1 613	2	1 815	-13
Foreign currency derivatives				
Forward contracts	152	-13		
Options				
Bought	45	0		
Sold	44	-2		
FAIR VALUE HEDGES QUALIFYING FOR HEDGE ACCOUNTING				
Interest rate derivatives	75	0	75	1
DERIVATIVES NOT QUALIFYING FOR HEDGE ACCOUNTING				
Foreign currency derivatives				
Forward contracts	411	-3	416	-4
Options				
Bought	45	0	425	1
Sold	75	-1	143	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.

CHANGES IN PROPERTY, PLANT AND EQUIPMENT (IFRS)

EUR million	Q1/11	Q1/10	2010
Carrying amount at the beginning of period	1 180	1 159	1 159
Additions	32	32	157
Disposals	-1	-1	-4
Disposals through divestments			-3
Depreciation and impairment	-31	-31	-138
Translation differences	0	12	9
Carrying amount at the end of period	1 180	1 171	1 180

TRANSACTIONS WITH RELATED PARTIES (IFRS)

EUR million	Q1/11	Q1/10	2010
Sales to equity-accounted investees	9	10	31
Purchases from equity-accounted investees	2	2	7
Transactions with Rautaruukki Pension Foundation	0	0	1

	31 Mar 2011	31 Mar 2010	31 Dec 2010
Trade and other receivables from related parties	7	6	5
Trade and other payables to related parties	1	1	0

INVESTMENT COMMITMENTS (IFRS)

EUR million	After 31 Mar 2011	After 31 Mar 2010	After 31 Dec 2010
Maintenance investments	134	51	137
Development investments and investments in special steel products	46	58	52
Total	180	109	189

SEGMENT INFORMATION

EUR million	Q1/11	Q1/10	2010
Order intake			
Ruukki Construction	134	110	629
Ruukki Engineering	64	39	230
Ruukki Metals	476	351	1 458
Others	0	7	8
Order intake, total	674	507	2 326
Comparable net sales			
Ruukki Construction	135	109	628
Ruukki Engineering	62	42	193
Ruukki Metals	478	348	1 581
Others	0	0	1
Comparable net sales, total	675	500	2 403
Items affecting comparability included in reported net sales	0	5	12
Reported net sales	675	505	2 415
Comparable operating profit			
Ruukki Construction	-13	-23	-45
Ruukki Engineering	-2	-6	-28
Ruukki Metals	42	-10	126
Others	-3	-4	-15
Comparable operating profit, total	25	-43	38
Items affecting comparability included in reported operating profit	0	7	-49
Reported operating profit	25	-36	-12
Net finance costs	-11	-8	-66
Share of profit of equity-accounted investees	1	0	3
Result before income tax	14	-44	-74
Income tax expense	-6	11	-4
Result for the period	8	-33	-79

EUR million	31 Mar 2011	31 Mar 2010	31 Dec 2010
Operative capital employed			
Ruukki Construction	443	428	429
Ruukki Engineering	153	133	144
Ruukki Metals	1 579	1 402	1 547
Others	23	48	30
Operative capital employed, total	2 199	2 011	2 150

QUARTERLY SEGMENT INFORMATION

EUR million	Q1/10	Q2/10	Q3/10	Q4/10	Q1/11
Order intake					
Ruukki Construction	110	170	178	171	134
Ruukki Engineering	39	51	54	85	64
Ruukki Metals	351	373	344	391	476
Others	7	1	0	0	0
Order intake, total	507	596	576	647	674
Comparable net sales					
Ruukki Construction	109	163	184	172	135
Ruukki Engineering	42	50	45	56	62
Ruukki Metals	348	434	386	413	478
Others	0	1	0	0	0
Comparable net sales, total	500	647	615	641	675
Items affecting comparability included in reported net sales	5	7	0	0	0
Reported net sales	505	655	614	641	675
Comparable operating profit					
Ruukki Construction	-23	-10	1	-13	-13
Ruukki Engineering	-6	-8	-7	-6	-2
Ruukki Metals	-10	66	51	19	42
Others	-4	-4	-4	-4	-3
Comparable operating profit, total	-43	45	41	-5	25
Items affecting comparability included in reported operating profit	7	-11	-47	1	0
Reported operating profit	-36	34	-6	-3	25
Net finance costs	-8	-6	-42	-9	-11
Share of profit of equity-accounted investees	0	1	1	1	1
Result before income tax	-44	28	-48	-11	14
Income tax expense	11	-9	12	-19	-6
Result for the period	-33	20	-36	-30	8

ITEMS AFFECTING COMPARABILITY OF REPORTED NET SALES

EUR million	Q1/10	Q2/10	Q3/10	Q4/10	Q1/11
Others					
Net sales of Mo i Rana unit	5	7	0	0	0

ITEMS AFFECTING COMPARABILITY OF REPORTED OPERATING PROFIT

EUR million	Q1/10	Q2/10	Q3/10	Q4/10	Q1/11
Ruukki Construction					
Unrealised gains and losses on USD derivatives	2				
Ruukki Engineering					
Expenses related to closure of units		-1		-3	
Unrealised gains and losses on USD derivatives	1				
Ruukki Metals					
Expense caused by blast furnace modernisation		-18			
Unrealised gains and losses on USD derivatives	6	15	-40	6	
Cost of production test runs				-2	
Others					
Operating profit of Mo i Rana unit	-2	-2	-7	0	0
Provision for fine regarding price collusion in divested prestressing steel business		-5	0		
Items affecting comparability of reported operating profit, total	7	-11	-47	1	0

OTHER ITEMS AFFECTING COMPARABILITY OF REPORTED RESULT

EUR million	Q1/10	Q2/10	Q3/10	Q4/10	Q1/11
Write-down of vendor note from Ovako (financial item)			-33		
Other items affecting comparability of reported result, total			-33		

Formulas for the calculation of key figures:

Return on capital employed, %	=	result before income tax + finance costs - exchange rate gains (rolling 12 months) -------------------------------------- total equity + loans and borrowings (average at beginning and end of period)	x100
Return on equity, %	=	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 share price	=	total EUR trading of shares -------------------------------------- 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, 21 April 2011

Rautaruukki Corporation

Board of Directors

The interim report for the period January–June 2011 will be published on 20 July 2011.

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