Interim report
1-9/2011

Sakari Tamminen
President & CEO, Rautaruukki Corporation
19 October 2011
Overview of 7-9/2011

- European debt crisis increased uncertainty on financial markets and weakened general economic confidence
  - Mill deliveries decreased in steel business, but service centre sales remained at good level
  - Continued good demand in solutions businesses – construction and engineering
- Net sales up 10% at €674 million
  - Higher delivery volumes y-o-y in solutions businesses
- Operating profit decreased to €1 million
  - Solutions businesses profitable
  - Steel business made a loss due to higher costs of raw materials and low capacity utilisation rate
Business environment and financial performance
Business environment

General market development
• Economic growth continued in all main market areas, but clearly slower than earlier
• Uncertainty on financial markets due to European debt crisis
• Weakening general economic confidence

Development in Ruukki’s market areas
• Construction activity grew y-o-y
  – Clear pick-up in demand for residential roofing products
  – Good development in commercial and industrial construction
  – Demand in Russia was briskest in agricultural construction and in commercial and logistics sectors
• Market remained good in the engineering industry
  – Growth in the emerging markets supported demand for mining industry machines and equipment
• Uncertainty affected demand for steel
  – Lower delivery volumes
  – Downward pressure on product prices
  – Capacity was cut in Europe
Order intake up 18% y-o-y

Quarterly order intake, €m

Year on year
- Growth in all business areas
  - Relatively strongest growth in the engineering business
- Geographically strongest growth in
  - Finland and CEE, especially Poland
  - Good order development also in Russia

Quarter on quarter
- Order intake at about the same level
  - Growth in the construction business, steady development in the engineering business
  - Order intake down in the steel business

Appr. 40% of orders received by solutions businesses
- Order intake of solutions businesses already approaching level of late 2008
Net sales up 10% y-o-y

Quarterly net sales, €m *)

Change in net sales by business area 1-9/10 vs. 1-9/11, €m *)

*) Comparable
Weak profitability in third quarter

Quarterly operating profit, €m *) **

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>1-9/08</td>
<td>139</td>
<td>164</td>
<td>73</td>
<td>-49</td>
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<td>189</td>
<td>139</td>
<td>164</td>
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<td>-100</td>
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<td>-32</td>
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</table>

*) Comparable
**) Figures for 2008 not restated for unrealised gains and losses relating to USD derivatives

Change in operating profit by business area 1-9/10 vs. 1-9/11, €m *)

<table>
<thead>
<tr>
<th>Business Area</th>
<th>1-9/10</th>
<th>1-9/11</th>
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</thead>
<tbody>
<tr>
<td>Construction</td>
<td>+34</td>
<td>0</td>
</tr>
<tr>
<td>Engineering</td>
<td>+19</td>
<td>96</td>
</tr>
<tr>
<td>Steel</td>
<td>42</td>
<td></td>
</tr>
</tbody>
</table>
Strongest growth in Finland and CEE in Q3
Emerging markets 27% of net sales in January-September

Net sales by business area, rolling 12m, €m *

Net sales by market area
1-9/11 (1-9/10) *

100% = €2,079m (€1,762m)

Other countries
6% (7%)
Finland
28% (27%)
Russia and Ukraine
8% (8%)
Central Eastern Europe
13% (11%)
Other Nordic countries
33% (31%)
High level of working capital in steel business

- €207m tied up in working capital (€161m during the reference period)
Net working capital to net sales at high level

<table>
<thead>
<tr>
<th>Q1/08</th>
<th>Q2/08</th>
<th>Q3/08</th>
<th>Q4/08</th>
<th>Q1/09</th>
<th>Q2/09</th>
<th>Q3/09</th>
<th>Q4/09</th>
<th>Q1/10</th>
<th>Q2/10</th>
<th>Q3/10</th>
<th>Q4/10</th>
<th>Q1/11</th>
<th>Q2/11</th>
<th>Q3/11</th>
</tr>
</thead>
<tbody>
<tr>
<td>19 %</td>
<td>23 %</td>
<td>21 %</td>
<td>21 %</td>
<td>26 %</td>
<td>26 %</td>
<td>25 %</td>
<td>27 %</td>
<td>29 %</td>
<td>28 %</td>
<td>29 %</td>
<td>29 %</td>
<td>24 %</td>
<td>29 %</td>
<td>32 %</td>
</tr>
</tbody>
</table>

- Red: Net working capital, % of rolling 12m net sales
Actions to lower gearing continue

- Tied-up working capital, continued investments and loss made by the steel business in Q3 raised gearing ratio
### Large investments completed during 2011

<table>
<thead>
<tr>
<th>Year</th>
<th>Gross Capex *)</th>
<th>Net Capex *)</th>
<th>Depreciation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>147</td>
<td>119</td>
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</tr>
<tr>
<td>2007</td>
<td>148</td>
<td>155</td>
<td>152</td>
</tr>
<tr>
<td>2008</td>
<td>229</td>
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<tr>
<td>2009</td>
<td>145</td>
<td>161</td>
<td>153</td>
</tr>
<tr>
<td>2010</td>
<td>173</td>
<td>162</td>
<td>145</td>
</tr>
<tr>
<td>1-9/10</td>
<td>130</td>
<td>121</td>
<td>111</td>
</tr>
<tr>
<td>1-9/11</td>
<td>138</td>
<td>132</td>
<td>107</td>
</tr>
</tbody>
</table>

*) In tangible and intangible assets

- Capex for 2011 estimated to be appr. €180m
- Maintenance investments from 2012 estimated to be appr. €100m annually
Target: gearing ratio of 60%

• Priority is to improve operating efficiency and cash flow to bring the gearing ratio closer to the company’s long-term target level of 60%
• Historically high working capital
  – Continued destocking of slab stockpile which was at higher than average level at the end of second quarter
  – Improved turnover rate of raw material stocks
  – Optimisation of turnover rate of other working capital items
• Largest modernisation investments completed in 2011
• From 2012 maintenance investments appr. €100m annually
Business areas
Order intake by business area

Compared to previous year

**Construction**
- + Residential roofing products: Finland, Poland and Ukraine
- + Concept buildings in Russia
- + Piles used in foundations in infrastructure construction

**Engineering**
- + Good development in all customer sectors
- + Construction and mining industry equipment manufacturers
- + Materials handling equipment manufacturers

**Steel**
- + Engineering and heavy vehicle industries
- + New markets for special steel products: South Africa and Turkey
  - Orders down q-o-q due to lower mill deliveries
    - Average prices down
Construction business: Relatively strongest growth in CEE

Net sales by product group (€m) and operating profit %, rolling 12m *)

Net sales by market area 1-9/11 (1-9/10 *)

Russia and Ukraine 17% (20%)
Central Eastern Europe 28% (25%)
Finland 28% (26%)
Other Nordic countries 25% (27%)
Other countries 2% (2%)

*) Comparable
Construction business:
Positive operating profit in third quarter

Net sales by product group (€m) and operating profit % *)

Year on year

**Net sales**
- Residential roofing products +26 %
- Commercial and industrial construction +18%
- Infrastructure construction +14 %

**Operating profit**
- Increased delivery volumes
- Improved capacity utilisation rate
- Improved operational efficiency
- Slightly higher selling prices

*) Comparable
Engineering business:
Strongest growth in lifting, handling and transportation equipment industry

Net sales by customer segment (€m) and operating profit %, rolling 12m *)

Net sales by customer segment 1-9/11 (1-9/10 *)

- Lifting, handling and transportation equipment industry: 239 (225)
- Energy equipment industry: 193 (180)
- Shipbuilding: 180 (188)
- Offshore: 213 (225)
- Paper and wood: 564 (537)

*) Comparable

- Lifting, handling and transportation equipment industry: 63% (59%)
- Energy equipment industry: 15% (19%)
- Shipbuilding: 12% (12%)
- Offshore: 5% (2%)
- Paper and wood: 6% (7%)

*) Comparable
Engineering business: Business returned to profitability in third quarter

Net sales by customer segment (€m) and operating profit % *)

Year on year

Net sales

- Cabins, frames and booms
- Lifting, handling and transportation equipment industry
- Construction and mining industry equipment manufacturers and forest machine manufacturers

Operating profit

- Larger delivery volumes
- Better capacity utilisation rate
- Higher selling prices

*) Comparable
Steel business:
Special steel products 32% of net sales in July-September

Net sales by product group (€m) and operating profit %, rolling 12m *)

Net sales by market area
1-9/11 (1-9/10) *)

- Finland 27% (27%)
- Other Nordic countries 35% (32%)
- CEE, Russia and Ukraine 13% (11%)
- Rest of Europe 17% (20%)
- Other countries 8% (9%)

*) Comparable
Steel business:
Higher raw material costs and low capacity utilisation rate weakened profitability

**Net sales**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Net Sales €m</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1/10</td>
<td>348</td>
<td></td>
</tr>
<tr>
<td>Q2/10</td>
<td>434</td>
<td></td>
</tr>
<tr>
<td>Q3/10</td>
<td>386</td>
<td>+3%</td>
</tr>
<tr>
<td>Q4/10</td>
<td>413</td>
<td></td>
</tr>
<tr>
<td>Q1/11</td>
<td>478</td>
<td></td>
</tr>
<tr>
<td>Q2/11</td>
<td>467</td>
<td></td>
</tr>
<tr>
<td>Q3/11</td>
<td>396</td>
<td></td>
</tr>
</tbody>
</table>

**Operating profit and EBITDA**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Operating Profit €m</th>
<th>EBITDA €m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1/10</td>
<td>-18</td>
<td>18</td>
</tr>
<tr>
<td>Q2/10</td>
<td>17</td>
<td>66</td>
</tr>
<tr>
<td>Q3/10</td>
<td>51</td>
<td>78</td>
</tr>
<tr>
<td>Q4/10</td>
<td>19</td>
<td>46</td>
</tr>
<tr>
<td>Q1/11</td>
<td>42</td>
<td>69</td>
</tr>
<tr>
<td>Q2/11</td>
<td>75</td>
<td>102</td>
</tr>
<tr>
<td>Q3/11</td>
<td>-9</td>
<td></td>
</tr>
</tbody>
</table>

Compared to previous year

- Growth in many market areas
  - Nordic countries and CEE
  - Good development in Russia
  - Growth in new markets for special steel products, such as South Africa
- Low capacity utilisation rate
- Higher raw material costs reflected in full in cost structure
  - Higher raw material costs and a low capacity utilisation rate had a negative impact of €34 million on comparable operating profit q-o-q
- However, EBITDA was positive

*) Comparable
Low capacity utilisation rate in steel production

- Steel production in July-September 2011 was 392k tonnes (609)
- Low utilisation rate was due to
  - Modernisation of blast furnace 2
  - Normal seasonality
  - Decrease in order intake
- Blast furnace 2 at the Raahe Steel Works was idled for modernisation from the end of June until the start of September
  - Ramp up to normal production progressed to plan by the end of September
Operating profit bridge of steel business 4-6/11 vs. 7-9/11

- Comparable operating profit in the steel business decreased from €75m million for Q2 to -€9m in Q3
  - Higher raw material costs and a low capacity utilisation rate had a negative impact of €34 million on operating profit
  - Negative impact of lower average selling prices was €23m
  - Lower sales volumes reduced operating profit by €13m
Company’s strategy outlines, targets and changes in company management
Key common themes in strategy

Cost competitiveness and profitable growth

- Improve competitive position
- Scalability and balancing business structure
- Innovation
- Cost competitiveness
Strategic targets
Focus on specialisation and strong growth in emerging markets

Targets for the current strategic period

**Emerging markets** to account for 50% of consolidated net sales

- **50%**
- **27%**

(1-9/10: 23%)

**Construction and engineering businesses** to account for 60% of consolidated net sales

- **60%**
- **35%**

(1-9/10: 34%)

**Special steel products** to account for 60% of net sales in the steel business

- **60%**
- **33%**

(1-9/10: 26%)
Strategic focus areas
Construction business

- Strong profitable growth from residential roofing products and scalable concept buildings
- Aim is to strengthen market position in construction components and building projects in Nordic countries and CEE region
- Important to maintain good profitability and market position in infrastructure construction
- Growth especially from Russia
Strategic focus areas
Engineering business

• Focus on fewer products and expand customer base in chosen products
• In components business, focus is on special steel components
• Growth of the cabin business
• Creation of a globally efficient business model
• Focus on own technological development and solid customer cooperation
Strategic focus areas
Steel business

- Strong growth in special steel products
  - Target to increase special steels to account for 60% of net sales in the steel business
  - Strengthened distribution network in new market areas
- Strengthened market position in Nordic countries and Baltic states
  - Development of distribution and services
  - Growth especially from Sweden
- Continuous improvement in cost-efficiency
# Changes in corporate management

## Enlargement of Corporate Executive Board

**Corporate Executive Board from 1 October 2011**

<table>
<thead>
<tr>
<th>Name</th>
<th>Role and Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sakari Tamminen</strong></td>
<td>President &amp; CEO and Chairman of Corporate Executive Board</td>
</tr>
<tr>
<td><strong>Markku Honkasalo</strong></td>
<td>CFO</td>
</tr>
<tr>
<td><strong>Tommi Matomäki</strong></td>
<td>EVP, Ruukki Construction</td>
</tr>
<tr>
<td><strong>Marko Somerma</strong></td>
<td>EVP, Ruukki Engineering and CSO</td>
</tr>
<tr>
<td><strong>Olavi Huhtala</strong></td>
<td>EVP, Ruukki Metals</td>
</tr>
<tr>
<td><strong>Eija Hakakari</strong></td>
<td>SVP, Human Resources</td>
</tr>
<tr>
<td><strong>Toni Hemminki</strong></td>
<td>SVP, Technology, Energy and Environment</td>
</tr>
<tr>
<td><strong>Taina Kyllönen</strong></td>
<td>SVP, Marketing and Communications</td>
</tr>
<tr>
<td><strong>Ismo Platan</strong></td>
<td>SVP, Supply Chain Management, IT and OPEX</td>
</tr>
</tbody>
</table>
Near-term outlook
## Growth in all main markets

But more moderate than forecast

### Industrial production and fixed investment forecasts for 2011
- Forecasts updated in September 2011

<table>
<thead>
<tr>
<th></th>
<th>Industrial production %-change since 2010</th>
<th>Change from August 2011 forecast *)</th>
<th>Fixed investment %-change since 2010</th>
<th>Change from August 2011 forecast *)</th>
<th>Industrial production %-change since 2010</th>
<th>Change from August 2011 forecast *)</th>
<th>Fixed investment %-change since 2010</th>
<th>Change from August 2011 forecast *)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Finland</strong></td>
<td>4.2</td>
<td>-0.1</td>
<td>5.4</td>
<td>-0.5</td>
<td>5.9</td>
<td>-1.1</td>
<td>6.8</td>
<td>-0.4</td>
</tr>
<tr>
<td><strong>Germany</strong></td>
<td>7.9</td>
<td>+0.1</td>
<td>10.1</td>
<td>-0.3</td>
<td>7.1</td>
<td>-0.2</td>
<td>2.6</td>
<td>0.0</td>
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<tr>
<td><strong>Norway</strong></td>
<td>1.0</td>
<td>-0.1</td>
<td>6.3</td>
<td>-1.5</td>
<td>7.9</td>
<td>-0.3</td>
<td>4.2</td>
<td>0.0</td>
</tr>
<tr>
<td><strong>Sweden</strong></td>
<td>9.9</td>
<td>-0.4</td>
<td>8.1</td>
<td>+0.1</td>
<td>6.6</td>
<td>-0.4</td>
<td>3.0</td>
<td>-1.4</td>
</tr>
<tr>
<td><strong>Russia</strong></td>
<td>5.3</td>
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<td>6.8</td>
<td>-0.8</td>
<td>3.8</td>
<td>-0.1</td>
<td>8.0</td>
<td>+0.3</td>
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<tr>
<td><strong>Poland</strong></td>
<td>5.9</td>
<td>-0.1</td>
<td>6.8</td>
<td>-0.5</td>
<td>6.8</td>
<td>-1.1</td>
<td>5.4</td>
<td>-0.8</td>
</tr>
<tr>
<td><strong>Czech R.</strong></td>
<td>7.1</td>
<td>-0.3</td>
<td>7.9</td>
<td>-0.2</td>
<td>7.1</td>
<td>-0.3</td>
<td>7.9</td>
<td>-0.2</td>
</tr>
<tr>
<td><strong>Slovakia</strong></td>
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<td>7.9</td>
<td>-0.3</td>
<td>4.2</td>
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<tr>
<td><strong>Romania</strong></td>
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<td>6.6</td>
<td>-0.4</td>
<td>3.0</td>
<td>-1.4</td>
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<td><strong>USA</strong></td>
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<td>3.0</td>
<td>-1.4</td>
<td>3.8</td>
<td>-0.1</td>
<td>3.0</td>
<td>-1.4</td>
</tr>
</tbody>
</table>

Source: Consensus Economics, 9/2011 and recent key forecasts for Finland's investments

*) Change since forecast for previous month, direction and change in percentage units.
Moderate growth expected to continue in 2012

Industrial production and fixed investment forecasts for 2012
- Forecasts updated in September/October 2011

<table>
<thead>
<tr>
<th>Country</th>
<th>Industrial production %-change since 2011</th>
<th>Change from August 2011 forecast *)</th>
<th>Fixed investment %-change since 2011</th>
<th>Change from August 2011 forecast *)</th>
<th>Industrial production %-change since 2011</th>
<th>Change from August 2011 forecast *)</th>
<th>Fixed investment %-change since 2011</th>
<th>Change from August 2011 forecast *)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finland</td>
<td>2.8</td>
<td>-0.2</td>
<td>2.6</td>
<td>-1.1</td>
<td>4.8</td>
<td>-2.3</td>
<td>5.1</td>
<td>-1.6</td>
</tr>
<tr>
<td>Germany</td>
<td>2.4</td>
<td>-0.5</td>
<td>3.3</td>
<td>-0.6</td>
<td>4.7</td>
<td>-1.0</td>
<td>3.0</td>
<td>-0.7</td>
</tr>
<tr>
<td>Norway</td>
<td>2.7</td>
<td>-0.2</td>
<td>5.9</td>
<td>-0.3</td>
<td>6.9</td>
<td>-0.5</td>
<td>4.5</td>
<td>-0.7</td>
</tr>
<tr>
<td>Sweden</td>
<td>2.0</td>
<td>-1.9</td>
<td>4.0</td>
<td>-1.1</td>
<td>5.7</td>
<td>-0.8</td>
<td>4.9</td>
<td>-2.2</td>
</tr>
<tr>
<td>Russia</td>
<td>4.5</td>
<td>-0.3</td>
<td>7.8</td>
<td>-0.7</td>
<td>2.4</td>
<td>-0.4</td>
<td>6.1</td>
<td>-0.3</td>
</tr>
</tbody>
</table>

Source: Consensus Economics, 9/2011 (Eastern countries), 10/2011 (Western countries) and recent key forecasts for Finland's investments
*) Change since forecast for previous month, direction and change in percentage units
Construction business:
Commercial and industrial construction forecast to grow in 2011

Commercial, office and industrial construction, new construction *)

Index

Source: Global Insight October 2011, at constant prices
*) Figures for Romania, Ukraine, Bulgaria and Russia also include renovation construction, but in these countries new construction accounts for 85-95% of the commercial, office and industrial construction market
Construction business:
Residential construction growing, transport infrastructure continues at good level

Residential construction, new and renovation construction

Transport infrastructure construction

Source: Global Insight October 2011, at constant prices
Engineering business:
Clear growth in customers’ order intake and order book compared to previous year

Order intake of main customers, Q1/04-Q2/11

Order book of main customers, Q1/04-Q2/11

Sources: Company reports - Andritz Pulp & Paper, Atlas Copco Construction & Mining Equipment, Cargotec (Industrial & Terminal), Konecranes, Metso Mining & Construction Technology, Wärtsilä
Apparent steel use in Europe forecast to grow 7% in 2011

Apparent steel use in EU-27 region
2008-2012E

Million tonnes

2008 | -8%
2009 | -35%
2010 | +21%
2011E | +7%
2012E | +3%

Source: worldsteel, October 2011
Uncertainty in market development

• Economic growth forecast to slow down in main market areas
  – However, Ruukki’s most important market areas in the developed economies are anticipated to develop more favourably than other countries
  – Growth is likely to remain strong in most emerging economies

• Problems experienced by the financial markets in Europe are creating considerable uncertainty in market development
  – Difficult to estimate the direct and indirect implications

• Uncertainty is resulting in slow decision-making among customers
Prepared for different scenarios

• Company’s cost structure is clearly lighter than in previous years
  – Boost and other operational excellence programmes
  – Annualised impact of actions €178m by year-end 2010

• Boost programme delivered permanent savings of €124m in 2009-2011
  – Headcount decreased by 2,800
  – Production capacity restructuring and closing of 9 units

• Focus on improving cash flow
  – Bringing down the net working capital especially in the steel business
  – Capacity adjustment measures have already begun in the steel business
  – Maintenance investments of around €100m a year from 2012
Near-term outlook  
Factors affecting net sales development

<table>
<thead>
<tr>
<th>Construction</th>
<th>Engineering</th>
<th>Steel</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Commercial and industrial</td>
<td>• In the engineering business, market conditions are expected to remain</td>
<td>• In the steel business, demand from mill delivery customers is</td>
</tr>
<tr>
<td>construction is estimated to</td>
<td>reasonably good for the rest of the year</td>
<td>expected to remain low for the rest of the year as a result of the</td>
</tr>
<tr>
<td>remain relatively good in most</td>
<td>• Order volumes for cabins, booms and frames anticipated to continue</td>
<td>general uncertainty and weakened economic outlook caused by the</td>
</tr>
<tr>
<td>market areas for the rest of the</td>
<td>growing because:</td>
<td>European debt crisis</td>
</tr>
<tr>
<td>year</td>
<td>• Demand from manufacturers of mining industry machines, heavy cargo</td>
<td>• Service centre sales are expected to continue at a good level</td>
</tr>
<tr>
<td></td>
<td>handling and other materials handling equipment is estimated to be at</td>
<td>• Capacity utilisation rate in the steel business is estimated to be</td>
</tr>
<tr>
<td></td>
<td>a good level</td>
<td>around 80 per cent during the fourth quarter</td>
</tr>
<tr>
<td>• Residential construction is</td>
<td>• Equipment manufacture for the energy industry is forecast to show a</td>
<td></td>
</tr>
<tr>
<td>forecast to remain at a good level</td>
<td>slight improvement in demand during the rest of the year</td>
<td></td>
</tr>
<tr>
<td>in all main market areas</td>
<td>• Construction activity will slow down because of seasonality towards</td>
<td></td>
</tr>
<tr>
<td>• Infrastructure construction</td>
<td>the end of the year, especially in residential construction</td>
<td></td>
</tr>
<tr>
<td>activity is expected to remain</td>
<td>• Construction activity will slow down because of seasonality towards the</td>
<td></td>
</tr>
<tr>
<td>steady in the Nordic countries</td>
<td>end of the year, especially in residential construction</td>
<td></td>
</tr>
<tr>
<td>• Construction activity will slow</td>
<td>• Equipment manufacture for the energy industry is forecast to show a</td>
<td></td>
</tr>
<tr>
<td>down because of seasonality</td>
<td>slight improvement in demand during the rest of the year</td>
<td></td>
</tr>
<tr>
<td>towards the end of the year,</td>
<td>• Order volumes for cabins, booms and frames anticipated to continue</td>
<td></td>
</tr>
<tr>
<td>especially in residential</td>
<td>growing because:</td>
<td></td>
</tr>
<tr>
<td>construction</td>
<td>• Demand from manufacturers of mining industry machines, heavy</td>
<td></td>
</tr>
<tr>
<td></td>
<td>cargo handling and other materials handling equipment is estimated to</td>
<td></td>
</tr>
<tr>
<td></td>
<td>be at a good level</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Equipment manufacture for the energy industry is forecast to show a</td>
<td></td>
</tr>
<tr>
<td></td>
<td>slight improvement in demand during the rest of the year</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• In the engineering business, market conditions are expected to remain</td>
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</tr>
<tr>
<td></td>
<td>reasonably good for the rest of the year</td>
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</tr>
<tr>
<td></td>
<td>• Order volumes for cabins, booms and frames anticipated to continue</td>
<td></td>
</tr>
<tr>
<td></td>
<td>growing because:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Demand from manufacturers of mining industry machines, heavy cargo</td>
<td></td>
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<td></td>
<td>handling and other materials handling equipment is estimated to be at</td>
<td></td>
</tr>
<tr>
<td></td>
<td>a good level</td>
<td></td>
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</tbody>
</table>
Near-term outlook
Factors affecting profitability and guidance

Factors affecting profitability

- The company’s cost structure is clearly lighter than in previous years because of actions already completed and those ongoing
- Capacity adjustment measures in steel business as regards the rest of the year have already begun
- The level of net working capital in the steel business at the end of the third quarter was higher than predicted. Management of net working capital will be improved to boost cash flow
- Based on the estimated development in demand, the capacity utilisation rate in the solutions businesses is projected to be better in 2011 than in 2010

Assessment of future performance

- Consolidated net sales in 2011 are estimated to grow approximately 15-20 per cent year on year
- Profitability is estimated to improve compared to 2010
Summary

- In the steel business, outlook for the rest of the year has weakened due to a drop in mill delivery volumes
- Capacity utilisation rate in the steel business is estimated to be around 80% during the fourth quarter
- Target to improve cash flow and operational efficiency
- Continued actions to lower gearing
- Good development in demand during the third quarter in the solutions businesses
- Market conditions in the solutions businesses are predicted to remain relatively good during the rest of the year

- Consolidated net sales in 2011 are estimated to grow approximately 15-20 per cent year on year
- Profitability is estimated to improve compared to 2010
Appendices
## Key figures

<table>
<thead>
<tr>
<th></th>
<th>€m 1-9/11</th>
<th>€m 1-9/10</th>
<th>€m 2010</th>
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<tbody>
<tr>
<td>Net sales *)</td>
<td>2 079</td>
<td>1 762</td>
<td>2 403</td>
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<tr>
<td>Operating profit *)</td>
<td>96</td>
<td>42</td>
<td>38</td>
</tr>
<tr>
<td>as % of net sales *)</td>
<td>4.6</td>
<td>2.4</td>
<td>1.6</td>
</tr>
<tr>
<td>Result before income tax *)</td>
<td>72</td>
<td>20</td>
<td>8</td>
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<tr>
<td>Result for the period</td>
<td>31</td>
<td>-49</td>
<td>-79</td>
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<tr>
<td>Earnings per share, diluted, €</td>
<td>0.22</td>
<td>-0.35</td>
<td>-0.57</td>
</tr>
<tr>
<td>Return on capital employed (rolling 12 months), %</td>
<td>3.3</td>
<td>-2.1</td>
<td>-0.3</td>
</tr>
<tr>
<td>Return on capital employed (annualised), %</td>
<td>4.5</td>
<td>-0.3</td>
<td>-0.3</td>
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<tr>
<td>Gearing ratio, %</td>
<td>68.2</td>
<td>42.9</td>
<td>44.7</td>
</tr>
<tr>
<td>Gross capex **)</td>
<td>138</td>
<td>130</td>
<td>173</td>
</tr>
<tr>
<td>Net cash before financing activities</td>
<td>-182</td>
<td>-208</td>
<td>-226</td>
</tr>
<tr>
<td>Personnel (average)</td>
<td>11 930</td>
<td>11 796</td>
<td>11 693</td>
</tr>
</tbody>
</table>

*) Comparable **) In tangible and intangible assets
Quarterly comparable net sales and operating profit

<table>
<thead>
<tr>
<th>€m</th>
<th>Q1/10</th>
<th>Q2/10</th>
<th>Q3/10</th>
<th>Q4/10</th>
<th>Q1/11</th>
<th>Q2/11</th>
<th>Q3/11</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Comparable net sales</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ruukki Construction</td>
<td>109</td>
<td>163</td>
<td>184</td>
<td>172</td>
<td>135</td>
<td>201</td>
<td>219</td>
</tr>
<tr>
<td>Ruukki Engineering</td>
<td>42</td>
<td>50</td>
<td>45</td>
<td>56</td>
<td>62</td>
<td>62</td>
<td>59</td>
</tr>
<tr>
<td>Ruukki Metals</td>
<td>348</td>
<td>434</td>
<td>386</td>
<td>413</td>
<td>478</td>
<td>467</td>
<td>396</td>
</tr>
<tr>
<td>Other</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Comparable net sales, total</strong></td>
<td>500</td>
<td>647</td>
<td>615</td>
<td>641</td>
<td>675</td>
<td>730</td>
<td>674</td>
</tr>
</tbody>
</table>

| **Comparable operating profit** |       |       |       |       |       |       |       |
| Ruukki Construction           | -23   | -10   | 1     | -13   | -13   | 4     | 11    |
| Ruukki Engineering            | -6    | -8    | -7    | -6    | -2    | -2    | 1     |
| Ruukki Metals                  | -10   | 66    | 51    | 19    | 42    | 75    | -9    |
| Other                          | -4    | -4    | -4    | -4    | -3    | -6    | -3    |
| **Comparable operating profit, total** | -43   | 45    | 41    | -5    | 25    | 71    | 1     |
Recognition for Ruukki’s commitment to corporate responsibility

In 2011, Ruukki achieved industrial leader position in two Dow Jones Sustainability-indexes: DJSI World and DJSI Europe.

The indexes include the top companies that are committed to sustainable development.

Oekom Research has assessed Ruukki as one of the most responsible companies in its industry.

Ruukki is included in the NASDAQ OMX sustainability index and in the Ethibel EXCELLENCE Investment Register.