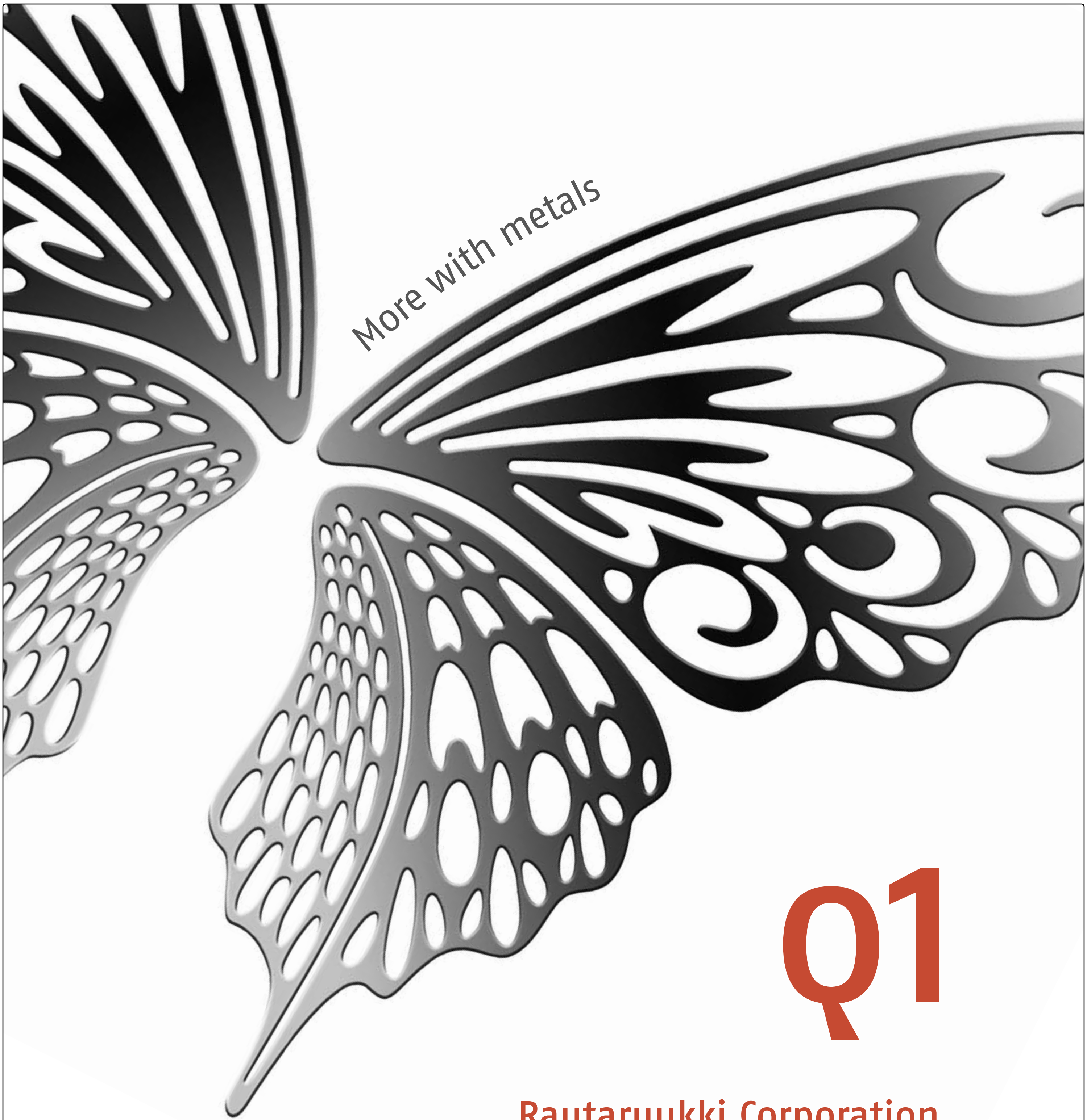

Q1

Rautaruukki Corporation

Interim Report
1 January–31 March 2009
RTRKS

23 April 2009

ruukki

RAUTARUUKKI CORPORATION'S INTERIM REPORT FOR JANUARY-MARCH 2009

DIFFICULT MARKET CONDITIONS CONSIDERABLY WEAKENED RESULT, FINANCIAL POSITION REMAINED STRONG

Summary of results for first quarter of 2009 (reference figure for Q1/2008)

- Consolidated net sales decreased to EUR 506 million (939).
- Consolidated negative operating profit of -EUR 113 million (143).
- Gearing ratio remained low at 7.4 per cent (-3.7).
- Return on capital employed (rolling 12 months) was 14.5 per cent (28.9).
- Per share earnings were -EUR 0.65 (0.77).
- The result before taxes for the second quarter is expected to remain clearly negative, although to show some improvement on the result for the first quarter.
- The company considers that it has the potential to achieve a positive result before taxes during the second half of the year.

KEY FIGURES	Q1/2009	Q1/2008	2008
Net sales, EUR m	506	939	3 851
Operating profit, EUR m	-113	143	568
Operating profit as % of net sales	-22.2	15.2	14.7
Result before taxes, EUR m	-122	140	548
Earnings per share, EUR	-0.65	0.77	2.93
Return on capital employed, % (rolling 12 mths)	14.5	28.9	25.6
Gearing ratio, %	7.4	-3.7	7.9
Personnel, average	13 460	14 644	14 953

First quarter of 2009 in brief:

- Demand for steel products fell sharply in all customer industries and markets.
- Growing uncertainty impacted on customers' investment decisions and the poor functioning of the financial markets was reflected in the difficulty of customers in arranging funding, which in turn weakened sales, especially of construction solutions.
- Demand weakened in the engineering industry, especially in the lifting, handling and transportation equipment industry. High stock levels throughout the supply chain weakened demand.
- Good demand continued from equipment manufacturers in the energy industry both in wind and diesel power plants.
- The weakening of a number of sales currencies against the euro reduced consolidated net sales.
- The company's cash flow was good and its financial position remained strong.
- The impact on costs of operational efficiency actions and adjustment measures under way are expected to be seen during the second half of the year.

President & CEO Sakari Tamminen:

"Market conditions remained extremely difficult throughout the first quarter in all our customer industries.

Poor earnings performance during the first quarter was due not only to weak demand, but also to the low capacity utilisation rate in steel production. Low production capacity utilisation had an impact of around EUR 90 million on costs. Also the unwinding of stock levels produced at high raw material prices weakened our profitability. Also the impact of weakened currencies in countries in which the company operates was also reflected in net sales development.

We reacted to weak market conditions by initiating measures to adjust operations and improve efficiency corporate-wide. Only one of our two blast furnaces was operative in steel production and activities and costs in all divisions and corporate management and business support functions were adjusted to market conditions. We also continued with actions under our operational excellence programme Boost, which is aimed at helping us to achieve permanent long-term improvements in efficiency and profitability. Actions already initiated did not yet have any material impact on the result for the first quarter, but will lighten our cost structure from the second quarter onwards. The Boost programme and other adjustment measures already under way are expected to deliver cost savings of more than 80 million euros for the whole of 2009.

In April, after the report period, we announced that plans are under way to bring the modernisation of blast furnace 1 at the Raahe Works in Finland forward by three months so that work starts in April 2010. Even though we do not yet see any clear signs of a market recovery in the short term, we are restarting the idle blast furnace to prepare for disruption to production caused by downtime during the modernisation project. Restarting blast furnace 1 is justified also to safeguard customer deliveries. Restarting the blast furnace will also increase the steel production capacity utilisation rate and thus clearly improve our cost efficiency during the second half of the year," says President & CEO Sakari Tamminen.

The company expects net sales for the second quarter to be similar to those for the first quarter. The result before taxes for the second quarter is expected to remain clearly negative, although to show some improvement on the result for the first quarter.

Based on efficiency actions and adjustment measures already under way, estimated lower costs of raw materials used in steel production and improved cost efficiency in steel production, the company considers that it has the potential to achieve a positive result before taxes during the second half of the year.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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Press conference on the interim report on Thursday 23 April at 1.30pm

A press conference for analysts and the media, in Finnish, will be held on Thursday 23 April at 1.30pm at Ruukki, Suolakivenkatu 1, 00810 Helsinki.

The English webcast and conference call for investors and analysts will begin at 4pm Finnish time and can be viewed live on the company's website at www.ruukki.com/investors. A replay of the webcast can be viewed on the same site from about 8pm Finnish time.

To attend the conference call, please call the number below 5-10 minutes before the conference begins:
+44 (0)20 7162 0025
Password: Rautaruukki

A recording of the conference call can be heard until 26 April 2009 at the number below:
+44 (0)20 7031 4064
Access code: 832120

Rautaruukki Corporation
Anne Pirilä
SVP, Corporate 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 26 countries and employs 13,300 people. Net sales in 2008 totalled EUR 3.9 billion. The company's share is quoted on NASDAQ OMX Helsinki (Rautaruukki Oyj: RTRKS). The Corporation uses the marketing name Ruukki. www.ruukki.com

DISTRIBUTION:
NASDAQ OMX Helsinki
Main media
www.ruukki.com

RAUTARUUKKI CORPORATION'S INTERIM REPORT FOR JANUARY-MARCH 2009

Business environment

The economic downturn triggered by the financial markets and its ensuing far-reaching impact on the real economy began to be seen during the last quarter of 2008 and gathered momentum as the report period progressed. In Finland, as elsewhere in the world, industrial production shrank noticeably and market conditions remained extremely difficult throughout the first quarter of 2009.

Demand in the steel industry fell sharply in all customer sectors. High stock levels in the industry also contributed to weakened demand as stocks were unwound. Almost all actors in the steel industry throughout the world have adjusted production considerably and, except for China, the capacity utilisation rate in the steel industry was around 50-60 per cent.

Growing uncertainty as a result of the economic downturn has had a marked impact on customers' investment decisions. The poor functioning of the financial markets is reflected in the difficulty of customers in arranging funding. This in turn weakened sales, especially of Rautaruukki's construction solutions. Demand varied from one country to another. However, in Russia and Central Eastern Europe, there is clearly still a need for new and renovation construction. Infrastructure construction continued at a reasonably good level.

Demand also weakened in the engineering industry, especially in the lifting, handling and transportation equipment industry. High stock levels throughout the supply chain reduced demand. There was continued good demand from equipment manufacturers in the energy industry both in wind and diesel power plants.

A number of currencies in Central Eastern European and the Nordic countries have weakened appreciably against the euro. This hampered exports of products from the eurozone, but improved the cost competitiveness of those actors with existing manufacturing capacity in the countries in question.

Net sales for January-March

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

Consolidated net sales for January-March 2009 were EUR 506 million (EUR 939 million reported, EUR 925 million comparable).

The solutions businesses - Ruukki Construction and Ruukki Engineering - accounted for 51 per cent (44) of consolidated net sales during the report period. Finland accounted for 32 per cent (32) of consolidated net sales, the other Nordic countries for 33 per cent (33) and Central Eastern Europe, Russia and Ukraine for 15 per cent (16). The rest of Europe accounted for 15 per cent (16) of net sales and other countries for 5 per cent (3).

Ruukki Construction's net sales for January-March 2009 were EUR 132 million (225) and Ruukki Engineering's net sales were EUR 125 million (188). Ruukki Metals' net sales declined to EUR 249 million (EUR 525 million reported, EUR 511 million comparable).

Ruukki Construction's net sales fell due to weak demand. Uncertainty fuelled by the economic downturn impacted on customers' investment decisions. Customers' difficulties in arranging funding, especially in Central Eastern Europe and Russia, resulted in projects being postponed or in some cases even cancelled or discontinued. In addition, lower net sales were also due to a weakening of a number of sales currencies - such as the Swedish krona, Polish zloty, Ukrainian hryvnia and Russian rouble - against the euro.

Ruukki Engineering's net sales fell mainly as a result of weakened demand from end-customers and the unwinding of stocks throughout the supply chain.

Ruukki Metals continued to experience extremely weak demand in all product groups throughout the report period. Consequently net sales were down to about half the figure a year earlier. Demand weakened as customers unwound high stock levels, which subsequently meant that the price development of steel products was also much lower than expected.

Sales of special steel products weakened, especially to industries serving the earthmoving sector and subcontractors to the automotive industry. Special steel products accounted for 18 per cent (27) of Ruukki Metals' sales during the report period.

Operating profit for January-March

Consolidated negative operating profit for January-March was -EUR 113 million (EUR 143 million reported, EUR 141 million comparable), equating to -22 per cent (15) of net sales.

Ruukki Construction posted a negative operating profit of -EUR 13 million (21). Ruukki Engineering posted an operating profit of EUR 5 million (32) and Ruukki Metals a negative operating profit of -EUR 102 million (EUR 97 million reported, EUR 96 million comparable).

Ruukki Construction's operating profit fell not only as a result of weak demand, but also particularly because of the use of own steel produced at high raw material prices and the use of high-cost external material in stock. Profitability was additionally negatively affected by a weakening of sales currencies in areas where costs are either partly or fully in euros.

Ruukki Engineering's operating profit fell as a result of lower sales volumes, weaker sales prices, especially for plate products and parts, as well as high raw material costs.

Ruukki Metals reported weaker than expected operating profit due to the continued extremely low demand for steel products. The low steel production capacity utilisation rate considerably increased the fixed costs per unit of steel produced. Low production capacity utilisation had an impact of around EUR 90 million on costs. Also the unwinding of stock levels produced at high raw material prices weakened profitability.

Actions to improve operating efficiency and adjust operations did not yet have a material impact on earnings during the first quarter of the year.

Financial items and earnings for January-March

Net finance expense and exchange rate differences relating to finance totalled EUR 9 million (4).

Group taxes were -EUR 32 million (34), which includes a change of EUR 31 million (2) in deferred tax.

The result for the period was -EUR 90 million (106).

Earnings per share were -EUR 0.65 (0.77).

Balance sheet, cash flow and financing

The balance sheet total at 31 March 2009 was EUR 20 million lower at EUR 2,941 million than at 31 March 2008 (2,961) and EUR 42 million lower than at year-end 2008. Equity at 31 March 2009 was EUR 1,658 million (2,020), equating to EUR 11.94 per share (14.48). The decrease in equity since year-end 2008 was attributable to the loss for the report period and translation differences. In addition, equity fell in line with the resolution by the Annual General Meeting on 24 March 2009 to transfer a dividend payout of EUR 187 million from equity to current liabilities. The dividend was paid to shareholders after the report period on 8 April 2009. The equity ratio at the end of the report period was 56.7 per cent (68.9).

Return on equity during the past 12 months was 11.3 per cent (23.6) and return on capital employed was 14.5 per cent (28.9).

Despite negative earnings, cash flow from operating activities was EUR 76 million (151) and cash flow before financing activities was EUR 30 million (101). During the report period, EUR 114 million was freed from working capital.

Net interest-bearing financial liabilities at 31 March 2009 were EUR 122 million (-75). Rautaruukki's indebtedness was more or less the same as at year-end 2008 and the gearing ratio was 7.4 per cent (-3.7).

At the end of March 2009, the Group had liquid assets of EUR 459 million and undrawn revolving credit facilities of EUR 225 million. Dividends totalling EUR 187 million were paid out after the report period on 8 April 2009.

Actions to improve operational efficiency and measures to adjust operations

In October 2008, Rautaruukki initiated its corporate-wide Boost programme, which aims at further operational efficiency and at permanently improving the company's competitive edge and profitability.

During January-March, the company continued work on actions implemented under the Boost programme. Closure of Ruukki Construction's profiling unit in Ostrava in the Czech Republic was completed and the production lines were successfully transferred to units in Hungary, Poland and Romania during the report period. Likewise, production was discontinued at the small profiling units in Riga, Latvia and Vilnius, Lithuania in March and production was centralised on the Pärnu plant in Estonia. A profitability programme initiated at the Oborniki unit in Poland is progressing to plan and a similar programme has also been initiated in Obninsk, Russia.

Production at Ruukki Engineering's Hatvan site in Hungary was transferred to the Jaszbereny components plant during January 2009.

Progress has been made to plan with closing the steel service centre in Tampere, Finland and with centralising parts processing on Ruukki Metals' steel service centres in Raahe and Seinäjoki, Finland. It is planned to close down operations at the Tampere service centre by the end of June. Production of spiral-welded gas pipes at the Oulainen site in Finland has been discontinued since it is not part of the company's core business.

In March, Rautaruukki decided to improve operational efficiency by integrating production at its plants in Kalajoki, Finland, where it has plants serving construction and the engineering industry. In future, both plants will manufacture components for the engineering industry. Work to implement the change is expected to be completed by the end of May. The change is expected to result in the loss of a maximum of 35 jobs. Employer-employee negotiations to reduce the workforce have been initiated and apply to all Ruukki Construction's employees in Kalajoki.

Cost savings realised under the Boost programme amounted to around EUR 10 million during the first quarter of the year.

A number of adjustment measures are also under way across the company because of market conditions. By the end of March, employer-employee negotiations to reduce the workforce had resulted in the loss of some 1,500 jobs corporate-wide. Almost 300 of the people affected by around 500 workforce reductions in Finland are covered by pension arrangements. The figures above include reductions made both as a result of actions taken under the operational efficiency programme and adjustments made due to market conditions. Around half of the total reductions are permanent and relate to operational efficiency. Most workforce reductions will take place during the first half of 2009, with some occurring during the third quarter.
At the end of the report period, a total of some 4,800 people, around 4,300 of which in Finland, were affected by temporary lay-offs. The duration and time of lay-offs varies according to site. In Finland, around 900 persons are being laid off at any one time.

It is estimated that cost savings delivered by the Boost programme and other adjustment measures under way will exceed EUR 80 million during the current year.

One of the two blast furnaces at the Raahe Works, Finland was temporarily shut down in December 2008 and remained idle throughout the report period.

Personnel

The Group employed an average of 13,460 (14,644) persons during January-March 2009. At the end of March, the headcount was 13,253 (14,706), compared to 14,286 at year-end 2008.

Changes in Group structure

The manufacture of steel products (Ruukki Production division) was merged with Ruukki Metals division as of 1 February 2009. The merger will improve efficiency and supply chain management in the steel business. The Group now comprises two divisions - Ruukki Construction and Ruukki Engineering - which specialise in the solutions businesses, and Ruukki Metals, which focuses on the steel business. The Group's segment reporting remains unchanged.

Acquisition of the entire share capital of Skalles Eiendomsselskap AS, one of Norway's leading steel frame suppliers for commercial and industrial premises, was completed in February. This acquisition strengthens Rautaruukki's position as a local actor in the Nordic steel construction market. Skalles' total deliveries include the design, manufacture and installation of steel structures. The company has some 50 employees and net sales for 2008 were around EUR 16 million.

During the report period, property, plant and equipment increased by EUR 3 million and goodwill by EUR 8 million to EUR 109 million through acquisitions.

Capital expenditure

Net cash flow from investing activities during the report period was -EUR 46 million (-50).

Capital expenditure on tangible and intangible assets totalled EUR 40 million (49), of which maintenance investments were EUR 17 million (11). A total of EUR 7 million (2) was spent on acquisitions. Other shares increased by EUR 2 million (0).

Cash inflows of EUR 3 million (2) from investing activities were mostly generated by divestments of property, plant and equipment.

Capital expenditure on tangible and intangible assets during 2009 is estimated to remain in the region of EUR 170 million.

Annual General Meeting 2009

Rautaruukki Corporation's Annual General Meeting was held in Helsinki on 24 March 2009.

The Annual General Meeting decided on the payment of a dividend for 2008 of EUR 1.35 per share to make a total dividend payout of EUR 187 million. The dividend was paid on 8 April 2009.

The Annual General Meeting confirmed that the Board of Directors is to have seven members. Reino Hanhinen, Maarit Aarni-Sirviö, Christer Granskog, Pirkko Juntti, Kalle J. Korhonen and Liisa Leino were all re-elected to the Board. Hannu Ryöppönen was elected as a new member to the Board. Reino Hanhinen was appointed as chairman of the Board of Directors and Christer Granskog as deputy chairman.

The Annual General Meeting confirmed that the Supervisory Board is to have nine members. Marjo Matikainen-Kallström and Inkeri Kerola were re-elected as chairperson and deputy chairperson of the Supervisory Board respectively. Heikki Allonen, Turo Bergman, Miapetra Kumpula-Natri, Petteri Orpo, Jouko Skinnari and Tapani Tölli were all re-elected to the Supervisory Board. Hans Sohlström was a new appointment to the Board.

The Annual General Meeting re-appointed KHT audit firm KPMG Oy Ab as the company's auditor. Pekka Pajamo KHT acts as Rautaruukki's principal auditor.

The Annual General Meeting resolved to amend Article 4 §3 of the company's Articles of Association by deleting the right of the Ministry of Trade and Industry (Ministry of Employment and the Economy since 1 January 2008) to appoint a member to the Supervisory Board, and to amend Article 11 §1 so that notice of the Annual General Meeting shall be sent no later than 21 days (earlier 17 days) before the Meeting and is also to be published on the company's website.

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 for 18 months from the date of the resolution of the Annual General Meeting and supersedes the authority granted by the Annual General Meeting held on 2 April 2008 to acquire 12,000,000 shares.

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 or to transfer treasury shares held by the company. The authority applies to a maximum of 15,000,000 shares in total. The Board of Directors has the right to disapply the pre-emption rights of existing shareholders in a private placement. The authority also includes the right to decide on a bonus issue. The authority is valid until the close of the 2011 Annual General Meeting.

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

At its organisation meeting on 24 March 2009, the Board of Directors elected members to its committees from among its members. Hannu Ryöppönen was elected as chairman and Liisa Leino and Kalle J. Korhonen as members of the Audit Committee. Reino Hanhinen was elected as chairman and Maarit Aarni-Sirviö and Christer Granskog as members of the Remuneration Committee.

Changes in executive management

The merger of Ruukki Metals and Ruukki Production resulted in changes to the composition of the Corporate Management Board and Extended Management Board. As of 1 February 2009, Rautaruukki's Corporate Management Board comprises Sakari Tamminen, President & CEO and chairman of the Management Board; Mikko Hietanen, CFO and deputy to the CEO; Saku Sipola, President, Ruukki Construction; Tommi Matomäki, President, Ruukki Engineering; Olavi Huhtala, President, Ruukki Metals and Marko Somerma, Chief Strategy Officer.

As of 1 March 2009, the Extended Management Board comprises, in addition to members of the Corporate Management Board, Eija Hakakari, SVP Human Resources; Olli Huuskonen, SVP General Counsel; Sakari Kallo, SVP Production, Ruukki Metals; Markku Koljonen, Chief Technology Officer; Taina Kyllönen, SVP Marketing; Petteri Laaksomo, SVP Supply Chain Management; Anne Pirilä, SVP Corporate Communications and Investor Relations and Ismo Platan, Chief Information Officer.

Shares and share capital

During the first quarter of 2009, Rautaruukki Oyj shares (RTRKS) were traded for a total of EUR 945 million (1,853) on NASDAQ OMX Helsinki. The highest price quoted was EUR 16.35 in February and the lowest was EUR 11.06 in January. The volume weighted average price was EUR 13.71. The share closed at EUR 12.06 and the company had a market capitalisation of EUR 1,692 million (4,286) at the end of the report period on 31 March 2009.

The company's registered share capital at 31 March 2009 was EUR 238.5 million and there were 140,264,945 shares issued.

A total of 9,466 Rautaruukki Oyj shares were subscribed through warrants exercised between 17 and 31 December 2008 under the personnel 2003 bond with warrants. The share capital was increased by EUR 16,092.20 accordingly. The increase in share capital was entered in the Trade Register on 16 February 2009. Employee warrants based on the 2003 bond with warrants have been publicly traded on NASDAQ OMX Helsinki since 24 May 2006. One warrant entitles the holder to subscribe one share at an issue price of EUR 1.70. Warrants had been exercised to subscribe a total of 1,378,500 shares (98.5 per cent) by 31 March 2009. The remaining warrants entitle holders to subscribe a total of 21,500 shares. The subscription period expires on 23 May 2009.

Until the close of the 2009 Annual General Meeting, the Board of Directors was authorised to transfer a maximum of 13,785,381 treasury shares held by the company. Under this authority, on 20 March 2009, the company transferred, a total of 48,052 treasury shares under the terms and conditions of the share ownership plan 2008-2010, to the 77 employees covered by the plan's first earning period, 2008.

The Board of Directors did not exercise its authority to issue shares or acquire the company's own shares during the first quarter of 2009. These authorities are explained in this release under the heading Annual General Meeting 2009.

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.

At 31 March 2009, the company held 1,419,882 treasury shares, which had a market value of EUR 17.1 million and an accountable par value of EUR 6.1 million. Treasury shares account for a relative percentage of 1.01 per cent of the total number of shares and votes.

Disclosure notifications

Pursuant to Chapter 2, Section 9 of the Finnish Securities Markets Act, Rautaruukki received, on 28 January 2009, a disclosure notification from Capital Research and Management Company (CRMC) that the aggregate holding of Rautaruukki's shares and votes by the mutual funds CRMC manages had decreased to below 5 per cent (1/20). The number of Rautaruukki Oyj shares notified by CRMC is 6,949,917 shares, which equate to 4.96 per cent of Rautaruukki's share capital and votes.

Energy and the environment

In January 2009 SAM Sustainable Asset Management AG awarded Rautaruukki a Bronze Class in recognition of its position among the world's top steel companies committed to sustainable development. Rautaruukki is also listed in SAM's Sustainability Yearbook 2009.

The Mo i Rana rolling mill, which comes under the Norwegian emissions trading scheme, received annual emissions allowances for 46,654 tonnes of emissions for 2008-2012 under the Norwegian national emissions quota system.

More information about environmental issues can be found in the Annual Report 2008 and in the environmental reports for the Raahe and Hämeenlinna works.

Events taking place after 31 March 2009

In April, after the report period, Rautaruukki announced it was to begin employer-employee negotiations to temporarily lay off people in corporate functions in Finland. Around 410 persons are affected. It is planned to implement the layoffs as soon as possible, but at the latest during the current year. The duration of lay-offs will become clear as the negotiations progress.

In April, Rautaruukki made a decision to modernise its two blast furnaces at the Raahe Works during 2010 and 2011. In the same context, the company will also make environmental investments to significantly reduce adverse environmental impacts and energy consumption at the works. It is planned to bring modernisation of blast furnace 1 at the Raahe Works forward by three months so that work begins in April 2010. Rautaruukki plans to modernise blast furnace 2 during 2011, although bringing the overhaul of blast furnace 1 forward would also allow the modernisation of blast furnace 2 to take place already in 2010. Any decision to bring forward the modernisation of blast furnace 2 will be made separately. Both blast furnaces will be shut down in turn for around two months during the modernisation project. In connection with the project, Rautaruukki will switch over to using only iron pellets instead of sinter as a raw material in the iron-making process. The sinter plant currently in use will be closed down by the end of 2011.

The investments in modernising the blast furnaces and changing the feedstock base total around EUR 220 million, in addition to which environmental investments of some EUR 60 million will be made. Some EUR 55 million of the investments are scheduled for 2009, around EUR 107 million for 2010, EUR 109 million for 2011 and the remaining approximately EUR 10 million for 2012.

In the same context, the company has also decided to restart blast furnace 1, which was shut down in December 2008, to prepare for the disruption to production due to downtime whilst modernisation is being carried out by building reserve stocks to safeguard uninterrupted customer deliveries. Restarting the blast furnace is justified also from the slab stock management point of view to ensure customer deliveries in the near future.

Work on restarting blast furnace 1 will begin immediately. The blast furnace will reach its target production speed in about four weeks.

Risks and risk management

The company's risk management is guided by the operating principles and process of corporate risk management set out in the risk management policy approved by the company's Board of Directors. Risk management is an integrated part of Rautaruukki's management system. Rautaruukki has explained business risks and risk management in detail in the Annual Report 2008. The company does not consider any material changes to have taken place during the report period in the risks and factors of uncertainty presented in the Annual Report 2008.

Near-term outlook

It still remains challenging to anticipate market development and there are few noticeable signs of an upturn in sight. Consequently, the company expects weak market conditions to continue also during the second quarter.

Even though in the construction business, the second quarter is typically better than the first, conditions for a significant recovery in demand are not likely to materialise until customer confidence in the market picks up, there is increased willingness to invest and financial market conditions improve. Bids and tendering activity are still at a high level in some countries such as Finland, the other Nordic countries and Poland. This points to a possible recovery in demand. However, in the Baltic states, Hungary and Ukraine, the entire national economy is definitely much weaker and it is likely to take much longer before demand picks up.

Infrastructure construction is expected to pick up somewhat and it is anticipated that recovery measures taken by the public sector will foster demand.

In the engineering industry, demand is expected to remain weak from equipment manufacturers in the lifting, handling and transportation industry. Demand from equipment manufacturers in the energy industry is expected to continue at a good level, even though uncertainty on the financial markets might also impact on new wind farm projects. Market conditions in plate products and components in the shipbuilding industry are dichotomous: although work is still under way on customers' existing order books, there have been few new orders.

Demand for steel products varies according to customer and even though the unwinding of stocks is expected to level off during the second quarter, no major improvement in the overall picture for demand is expected over the next few months. Costs of raw materials used in steel production are expected to fall significantly and this will be reflected in full in the company's cost structure with effect from the third quarter onwards. The price level of steel products is expected to stabilise once stocks have been unwound and negotiations on the prices of raw materials have ended.

Restarting the blast furnace that has been idle will increase the steel production capacity utilisation rate and clearly improve cost efficiency. This will be evidenced from towards the end of the second quarter.

The company expects cost savings achieved through operational efficiency actions and adjustment measures to impact partly already during the second quarter, but not to impact in full until during the second half of the year. Cost savings from the Boost programme and other adjustment measures already under way are expected to exceed EUR 80 million during the current year. Operational efficiency actions and adjustment measures will continue corporate-wide. The company's financial position is expected to continue strong.

The company expects net sales for the second quarter to be similar to those for the first quarter. The result before taxes for the second quarter is expected to remain clearly negative, although to show some improvement on the result for the first quarter.

Based on efficiency actions and adjustment measures already under way, estimated lower costs of raw materials used in steel production and improved cost efficiency in steel production, the company considers that it has the potential to achieve a positive result before taxes during the second half of the year.

This report is unaudited.

Helsinki, 23 April 2009

Rautaruukki Corporation

Board of Directors

Ruukki Construction

EUR million	Q1/08	Q2/08	Q3/08	Q4/08	2008	Q1/09
Net sales	225	285	309	248	1 067	132
Operating profit*	21	38	56	17	132	-13
as % of net sales*	9	13	18	7	12	-10

* Excluding non-recurring items.

Net sales

Ruukki Construction's net sales for the first quarter of 2009 were EUR 132 million (225), down by 41 per cent year on year. The division accounted for 26 per cent (24) of consolidated net sales.

Ruukki Construction's net sales fell due to weak demand. Uncertainty fuelled by the economic downturn impacted on customers' investment decisions. Customers' difficulties in arranging funding, especially in Central Eastern Europe and Russia, resulted in projects being postponed or in some cases even cancelled or discontinued. In Russia and in other market areas, the company has tried to switch from privately-funded to publicly-funded projects and to projects in the energy industry. In addition, lower net sales were also due to a weakening of a number of sales currencies - such as the Swedish krona, Polish zloty, Ukrainian hryvnia and Russian rouble - against the euro.

Net sales in infrastructure construction also fell, albeit much less than in commercial and industrial construction. Weakened demand for piles used in building construction particularly contributed to lower net sales. Infrastructure construction accounted for 13 per cent (11) of the division's net sales during the report period.

The weak market for residential roofing products, coupled with normal seasonal fluctuation, resulted in a decline in the sales volumes of roofing products. Residential construction accounted for 11 per cent (8) of the division's net sales during the first quarter.

Operating profit

Ruukki Construction posted a negative operating profit of -EUR 13 million (21) for the first quarter of 2009. Profitability fell not only as a result of poor demand, but also because of the use of own steel produced at high raw material prices and the use of high-cost external material in stock. Profitability was additionally affected by a weakening of sales currencies in areas where costs are either partly or fully in euros. Fiercer competition has also resulted in somewhat lower sales prices.

Operational efficiency actions and adjustment measures initiated in Ruukki Construction did not yet deliver significant cost savings during the first quarter. Consequently, the division's costs were high in relation to prevailing demand.

Major new orders

Ruukki Construction secured several major contracts during the report period. In Finland, Rautaruukki is to supply the steel structures for the Crusell bridge linking the Helsinki districts of Jätkäsaari and Ruoholahti, as well as the steel structures and fire protection for a new sports centre to be built in the Salmisaari district of Helsinki. The company received an additional order to supply and install steel superstructures for the Partihallsförbindelsen bridge under construction in Gothenburg, Sweden.

In January, the company announced that the EUR 100 million contract signed in February 2008 to deliver steel structures for the new Zenit football stadium in St Petersburg, Russia had turned out to be uncertain. For reasons beyond Rautaruukki's control, the project start has been postponed. The main contractor of the project has changed and the new contractor is re-tendering the frame delivery. A new round of tenders is under way.

Capital expenditure

Acquisition of the entire share capital of the Norwegian company Skalles Eiendomsselskap AS from private owners was completed in February. This acquisition strengthens Rautaruukki’s position as a local actor in the Nordic steel construction market. Integration of Skalles and the Lithuanian company UAB Gensina, which was acquired in December 2008, into Ruukki Construction is progressing to plan.

Ruukki Construction has been implementing an investment programme to increase production capacity in Russia and Eastern Europe since 2007. The programme was largely completed by year-end 2008. However, the sandwich panel line at the Romanian plant and the transfer of profile lines at the Ukraine plant were not completed until the first quarter of 2009. Construction of the sandwich panel line at the Ukraine plant will be completed during the second quarter of 2009. A new sandwich panel plant being built at Alajärvi, Finland will be completed during the last quarter of the current year. Likewise, a new panel plant under construction at Obninsk, Russia is scheduled to be commissioned towards the end of the year.

Improved operational efficiency

Under the corporate-wide operational excellence programme, Boost, the profiling unit in Ostrava, Czech Republic was closed and the production lines transferred to Hungary, Poland and Romania during the report period. A profitability improvement programme initiated at the Oborniki plant in Poland progressed to plan and a similar programme was also initiated at the Obninsk plant in Russia.

Progress was made to plan with centralising production in the Baltic states on the Pärnu plant in Estonia and the small profiling plants in Riga, Latvia and Vilnius, Lithuania were closed in March.

Employer-employee negotiations initiated by the company at the end of January to reduce the workforce and temporarily lay off personnel at the Alajärvi, Vimpeli and Peräseinäjoki units in Finland ended in March. The negotiations resulted in 34 redundancies, of which around 15 are being carried out through various pension arrangements. In addition, around 115 persons are being laid off at the units.

In March, the company decided to improve the efficiency of operations in Kalajoki, Finland, where it has plants serving construction and the engineering industry. In future, both plants will manufacture components for the engineering industry. Work to implement the change is expected to be completed by the end of May. The change is expected to result in the loss of a maximum of 35 jobs. Employer-employee negotiations to reduce the workforce have been started and apply to all Ruukki Construction’s employees in Kalajoki.

Ruukki Engineering

EUR million	Q1/08	Q2/08	Q3/08	Q4/08	2008	Q1/09
Net sales	188	205	184	187	765	125
Operating profit*	32	35	34	27	128	5
as % of net sales*	17	17	19	14	17	4

* Excluding non-recurring items.

Net sales

Ruukki Engineering’s net sales for the first quarter of 2009 were down 34 per cent year on year to EUR 125 million (188). The division accounted for 25 per cent (20) of consolidated net sales.

Ruukki Engineering’s net sales fell mainly as a result of weakened end-customer demand. Also the unwinding of stocks throughout the supply chain decreased demand for Ruukki Engineering’s products and services.

Measured against the same period a year earlier, the biggest fall in Ruukki Engineering’s net sales was within equipment manufacturers in the lifting, handling and transportation industry, especially in cabin assembly.
Demand for telescopic booms for cranes declined less than for other product groups. Demand from equipment manufacturers in the energy industry remained good and business in China showed further growth.

Equipment manufacturers in the lifting, handling and transportation industry accounted for 37 per cent (45) and equipment manufacturers in the energy industry accounted for 34 per cent (18) of the division's net sales during the report period.

Operating profit

Ruukki Engineering's operating profit for the first quarter of 2009 fell to EUR 5 million (32). Operating profit fell as a result of lower sales volumes, weaker sales prices, especially for plate products and parts, as well as high raw material costs.

Capital expenditure and development

Work continued on installing two robot welding cells at the cabin assembly unit in Kurikka, Finland during the first quarter of 2009. Automation of welding operations at the Peräseinäjoki site in Finland also continued to plan and will be completed during the course of 2009.

Likewise, work continued on improving machining operations at the Sepänkylä and Kurikka plants in Finland. The project was completed at Kurikka and had reached the test stage in Sepänkylä. The new equipment will come on stream proper during the second quarter of the year. Progress was made to plan with the machining project in Jaszbereny, Hungary.

The first quarter saw the start of process development work at the Mo i Rana unit in Norway, which is focusing on energy-saving process automation. The work will be completed during 2009. In Shanghai, China, operations expanded into new premises during the first quarter of 2009. The first deliveries will roll off the new production lines during the second quarter and include cabins, as well as welded and machined components.

Improved operational efficiency

Under the corporate-wide operational excellence programme, Boost, production at Ruukki Engineering's unit in Hatvan, Hungary was transferred to the component plant in Jaszbereny during January 2009.

Employer-employee negotiations initiated in December 2008 in the Kurikka unit in Finland ended in January. The negotiations resulted in 38 redundancies, 12 of which were carried out through pension arrangements. The redundancies took place during January 2009. In addition, agreement was reached on temporary lay-offs, which apply to all the personnel, some 500 persons, at the Kurikka unit. February saw the start of negotiations to increase the number of persons laid off at any one time.

In March, Rautaruukki announced it was to improve operational efficiency by integrating production at its two plants in Kalajoki, Finland. In future, both plants will produce components for the engineering industry. Earlier, one of the Kalajoki plants served Rautaruukki's construction customers.

Ruukki Metals

EUR million	Q1/08	Q2/08	Q3/08	Q4/08	2008	Q1/09
Net sales	511	571	503	412	1 997	249
Operating profit*	96	106	112	36	350	-102
as % of net sales*	19	19	22	9	18	-41

All figures are comparable and exclude Carl Froh GmbH, which was divested.
* Excluding non-recurring items.

Net sales

Ruukki Metals' net sales for the first quarter of 2009 were EUR 249 million (EUR 525 million reported, EUR 511 million comparable). The division accounted for 49 per cent (56) of consolidated net sales.

Difficult market conditions meant extremely weak demand for steel products continued throughout the report period. In addition, demand weakened as customers unwound high stock levels. The unwinding of stocks, weak demand from end-customers and expectations of a fall in the cost of raw materials used in steel production put pressure on the pricing of steel products and price development was much poorer than expected. Demand and price development in Eastern Europe and Russia were much weaker than in the company's other market areas.

Net sales decreased in all product groups. Sales of special steel products weakened, especially to industries serving the earthmoving sector and subcontractors to the automotive industry. Sales of stainless steel and aluminium were also down year on year. The share of special steel products decreased to 18 per cent (27) of the division's net sales during the report period. Net sales from stainless steel and aluminium totalled EUR 28 million (65) during the report period.

Operating profit

Ruukki Metals posted a negative operating profit of -EUR 102 million (EUR 97 million reported, EUR 96 million, comparable) for the first quarter of 2009.
The weaker than expected operating profit was due to continued extremely low demand for steel products. The low steel production capacity utilisation rate considerably increased the fixed costs per unit of steel produced. Low production capacity utilisation had an impact of around EUR 90 million on costs. Also the unwinding of stock levels produced at high raw material prices weakened profitability.

The operating profit on stainless steel and aluminium for the first quarter of 2009 was also slightly negative. Writedowns on stocks of stainless steel and slowly moving other steel products totalled around EUR 11 million during the report period.

Adjustment measures planned and initiated did not yet deliver major cost savings during the first quarter, but are expected to impact mostly from the second and third quarters onwards.

Steel production

1000 tonnes	Q1/08	Q2/08	Q3/08	Q4/08	2008	Q1/09
Steel production	672	680	703	531	2 585	269

Due to weak demand and high stock levels, the company's steel production was scaled back in line with market conditions. Rautaruukki produced 269 thousand tonnes (672) of steel during the first quarter of 2009.

The entire steel production capacity utilisation rate remained low throughout the report period. One of the two blast furnaces at the Raahe Works in Finland was shut down in December 2008 and remained idle throughout the report period.

There was a marked improvement in the division's accident frequency rate compared to a year earlier. The accident frequency rate was 9 (12) per million hours worked.

Capital expenditure

In April 2008, a decision was taken to establish a new steel service centre next to the production plant in Obninsk to the southwest of Moscow, which serves the company's construction customers. The new centre was planned to start operations in late 2009 but it has now been decided to push back the investment owing to market conditions. The investment was worth an estimated EUR 13 million.

In August 2008, a decision was taken to invest an estimated EUR 12 million in centralising operations and reorganising the division of work between the steel service centres in Naantali and Järvenpää, Finland and Halmstad, Sweden. The investments have been partly started, but it has since been decided to postpone actions and any investments in equipment that have been planned but not yet started. The new timescale for this investment will become clear during the course of the second quarter.

A start was made in January on the construction of a second ladle treatment unit at the Raahe Works in Finland. The unit will be commissioned during the second quarter of the year and increase the production capacity of special steel products. The first stage of the unit was commissioned about a year ago.

The new cold leveller piloted at the plate mill at the Raahe Works in December 2008 was commissioned during the report period. The cold leveller will broaden Rautaruukki's range of wear-resistant and high-strength steels.

Improved operational efficiency

In January, a decision was taken to focus parts processing on the service centres in Raahe and Seinäjoki, Finland and to close the steel service centre in Tampere by the end of June 2009. Closure of the service centre is progressing to plan.

In January, the company made a decision to discontinue the production of spiral-welded gas pipes at Oulainen in Finland. Production of these pipes is not part of the company's core business. Progress was made to plan and the production of spiral-welded gas pipes has now been discontinued.

Rautaruukki's steel product manufacturing division, Ruukki Production, merged with Ruukki Metals division on 1 February 2009. This move streamlines the corporate structure and improves the efficiency of the steel business and supply chain management.

The division has had a number of employer-employee negotiations regarding redundancies and temporary lay-offs. During the report period, negotiations ended within the division's business support functions, at the Raahe and Hämeenlinna works and at the steel service centres in Finland. The negotiations resulted in a workforce reduction of around 250 persons and lay-offs affecting a total of around 3,500 people. The time and duration of lay-offs depends on the site.

In March, the company initiated employer-employee negotiations to temporarily lay off around a further 340 salaried and senior salaried employees in Finland due to difficult market conditions. The negotiations ended in April and the lay-offs, which last three weeks, will take place during the second and third quarters.

Other events

The Ministry for Economic Development and Trade of the Russian Federation has extended the investigation time into the anti-dumping of colour-coated products to July 2009. If introduced, import duties would apply to exports of colour-coated products to Russia from the date the decision enters into force. Rautaruukki manufactures and exports around EUR 30 million of these products from Finland to Russia each year.

Events taking place after 31 March 2009

In April, Rautaruukki made a decision to modernise its two blast furnaces at the Raahe Works during 2010 and 2011. In the same context, the company will also make environmental investments to significantly reduce adverse environmental impacts and energy consumption at the works. It is planned to bring modernisation of blast furnace 1 at the Raahe Works forward by three months so that work begins in April 2010. Rautaruukki plans to modernise blast furnace 2 during 2011, although bringing the overhaul of blast furnace 1 forward would also allow the modernisation of blast furnace 2 to take place already in 2010. Any decision to bring forward the modernisation of blast furnace 2 will be made separately. Both blast furnaces will be shut down in turn for around two months during the modernisation project. In connection with the project, Rautaruukki will switch over to using only iron pellets instead of sinter as a raw material in the iron-making process. The sinter plant currently in use will be closed down by the end of 2011.

The investments in modernising the blast furnaces and changing the feedstock base total around EUR 220 million, in addition to which environmental investments of some EUR 60 million will be made. Some EUR 55 million of the investments are scheduled for 2009, around EUR 107 million for 2010, EUR 109 million for 2011 and the remaining approximately EUR 10 million for 2012.

In the same context, the company has also decided to restart blast furnace 1, which was shut down in December 2008, to prepare for the disruption to production due to downtime whilst modernisation is being carried out by building reserve stocks to safeguard uninterrupted customer deliveries. Restarting the blast furnace is justified also from the slab stock management point of view to ensure customer deliveries in the near future.

Work on restarting blast furnace 1 will begin immediately. The blast furnace will reach its target production speed in about four weeks.

TABLES

This interim report has been prepared in accordance with IAS 34 and, with the exception of the following new and amended standards effective from 1 January 2009, is in conformity with the accounting policies published in the 2008 financial statements.

IAS 1 Presentation of Financial Statements. The revised standard aims to improve users' ability to analyse and compare the information presented in the financial statements by separating changes in equity of an entity arising from transactions with owners from other changes in equity.

IFRS 8 Operating Segments. This new standard requires the company to apply the "management approach" to reporting the financial performance of its operating segments. This means that the information disclosed must be based on the information management uses internally to evaluate segment performance. IFRS-standards are applied in the Group's management reporting and assessment of performance and decisions about resource allocation to segments is based on their respective operating profits. Adoption of the standard has not impacted on the Group's segment structure.

IAS 23 Borrowing Costs. The amended standard requires an entity to capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. The option of immediately recognising such borrowing costs as an expense has been removed. The Group applies capitalisation rate to calculate the interest to be capitalised. The amended standard has had no material impact on the Group.

IFRS 2 Share-based payments amendments to the standard - Vesting Conditions and Cancellations. The amendments clarify the accounting treatment of vesting conditions and provide that cancellations by the company or other parties receive similar accounting treatment.

Additionally, the Group has changed the presentation of the income statement from the "nature of expense" method to the "function of expense" method. The comparable figures have been restated accordingly.

Individual figures and totals appearing in the tables have been rounded to the nearest full million of euros.

SUMMARY CONSOLIDATED INCOME STATEMENT			
EUR million	Q1/09	Q1/08	2008
Net sales	506	939	3 851
Cost of sales	554	719	2 980
Gross profit	-47	220	872
Sales and marketing costs	30	36	148
Administrative expenses	41	45	177
Other operating income	7	5	31
Other operating expenses	1	1	10
Operating profit	-113	143	568
Finance income and expense	-9	-4	-23
Share of results of associates	0	1	3
Result before taxes	-122	140	548
Taxes	32	-34	-142
Result for the period	-90	106	406
Attributable to:			
Equity shareholders of the parent	-90	106	406
Minority interests	0	0	-1
Diluted earnings per share, EUR	-0.65	0.77	2.93
Basic earnings per share, EUR	-0.65	0.77	2.93
Operating profit as % of net sales	-22.2	15.2	14.7
STATEMENT OF COMPREHENSIVE INCOME			
EUR million	Q1/09	Q1/08	2008
Result for the period	-90	106	406

Other comprehensive income:			
Cash flow hedges	1	-12	-62
Translation differences	-22	-3	-54
Actuarial gains and losses	0	-47	-62
Taxes on other comprehensive income	-1	15	32
Other comprehensive income after taxes	-21	-47	-145
Total comprehensive income	-111	59	261
Attributable to:			
Equity shareholders of the parent	-111	59	261
Minority interests	0	0	-1

SUMMARY CONSOLIDATED BALANCE SHEET			
EUR million	31 Mar 2009	31 Mar 2008	31 Dec 2008
ASSETS			
Non-current assets	1 441	1 420	1 442
Current assets			
Inventories	625	615	750
Trade and other receivables	415	633	536
Cash and cash equivalents	459	293	254
	2 941	2 961	2 983
EQUITY AND LIABILITIES			
Equity			
Attributable to shareholders of the parent	1 658	2 020	1 948
Minority interests	2	3	2
Non-current liabilities			
Interest-bearing liabilities	394	136	276
Non-interest-bearing liabilities	132	176	158
Current liabilities			
Interest-bearing liabilities	188	83	133
Trade payables and other liabilities	568	544	466
	2 941	2 961	2 983

SUMMARY CASH FLOW STATEMENT			
EUR million	Q1/09	Q1/08	2008
Result for the period	-90	106	406
Adjustments	50	78	250
Cash flow before change in working capital	-40	184	656
Change in working capital	114	11	-110
Financing items and taxes	2	-44	-164
Cash flow from operating activities	76	151	382
Cash inflow from investing activities	3	2	25
Cash outflow from investing activities	-49	-51	-238
Total cash flow from investing activities	-46	-50	-213
Cash flow before financing activities	30	101	169
Dividends paid			-277
Change in interest-bearing liabilities	173	-4	193
Other net cash flow from financing activities	4	1	-4
Translation differences	-2	0	-11
Change in cash and cash equivalents	205	98	70

KEY FIGURES	Q1/09	Q1/08	2008
Net sales, EUR m	506	939	3 851
Operating profit, EUR m	-113	143	568
as % of net sales	-22,2	15,2	14,7
Result before taxes, EUR m	-122	140	548
as % of net sales	-24.0	14.9	14.2
Result for the period, EUR m	-90	106	406
as % of net sales	-17.8	11.3	10.5
Return on capital employed, %	14.5	28.9	25.6
Return on equity, %	11.3	23.6	20.7
Equity ratio, %	56.7	68.9	65.9
Gearing ratio, %	7.4	-3.7	7.9
Net interest-bearing liabilities, EUR m	122	-75	155
Equity per share, EUR	11.94	14.48	14.04
Personnel, average	13 460	14 644	14 953
Number of shares	140 264 945	140 209 778	140 255 479
- excluding treasury shares	138 845 063	138 744 435	138 788 542
- diluted, average	138 818 458	138 796 771	138 773 118

STATEMENT OF CHANGES IN EQUITY Q1/2009									
EUR million									
	Share capital	Share premium	Cash flow hedges	Translation diff.	Other reserves	Retained earnings	Equity attributable to shareholders of the parent	Minority interests	Total equity
EQUITY 1 Jan 2009	238	220	-37	-36	0	1 563	1 948	2	1 950
Share issue	0						0		0
Dividend distribution						-187	-187		-187
Share based payments					0	0	0		0
Transfers between retained earnings and comprehensive income				16		-7	8		8
Total comprehensive income			1	-22		-90	-111	0	-111
EQUITY 31 Mar 2009	238	220	-37	-42	1	1 278	1 658	2	1 660

STATEMENT OF CHANGES IN EQUITY Q1/2008									
EUR million									
	Share capital	Share premium	Cash flow hedges	Translation diff.	Other reserves	Retained earnings	Equity attributable to shareholders of the parent	Minority interests	Total equity
EQUITY 1 Jan	238	220	9	-6	0	1 498	1 960	3	1 963

2008									
Share issue	0						0		0
Share based payments						0	0		0
Total comprehensive income			-9	-3	0	72	60		60
EQUITY 31 Mar 2008	238	220	0	-9	0	1 570	2 020	3	2 023

NET SALES BY REGION			
As % of net sales	Q1/09	Q1/08	2008
Finland	32	32	31
Other Nordic countries	33	33	31
Central Eastern Europe, Russia and Ukraine	15	16	20
Rest of Europe	15	16	15
Other countries	5	3	4

CONTINGENT LIABILITIES			
EUR million	31 Mar 2009	31 Mar 2008	31 Dec 2008
Mortgaged real estate	73	24	24
Pledged assets	1	5	5
Other guarantees given	39	45	45
Collateral given on behalf of others	4	6	2
Rental liabilities	127	154	132

VALUES OF DERIVATIVE CONTRACTS				
CASH FLOW HEDGES QUALIFYING FOR HEDGE ACCOUNTING				
	31 Mar 2009 Nominal amount	31 Mar 2009 Fair value EUR million	31 Mar 2008 Nominal amount	31 Mar 2008 Fair value EUR million
Zinc derivatives				
Forward contracts, tonnes	36 000	-26	45 000	-6
Electricity derivatives				
Forward contracts, GWh	1 886	-24	1 232	6
The unrealised movements in the fair value of cash flow hedges are recognised in equity to the extent the hedge is effective. Other movements in fair value are recorded through profit and loss.				
DERIVATIVES NOT QUALIFYING FOR HEDGE ACCOUNTING				
EUR million	31 Mar 2009 Nominal amount	31 Mar 2009 Fair value	31 Mar 2008 Nominal amount	31 Mar 2008 Fair value
Electricity derivatives				
Forward contracts, GWh	2	0		
Foreign currency derivatives				
Forward contracts	811	14	534	-9
Options				
Bought	65	7	180	-2
Sold	68	1	180	-11

CHANGES IN PROPERTY, PLANT AND EQUIPMENT			
EUR million	Q1/09	Q1/08	2008
Carrying value at start of period	1 124	1 076	1 076

Additions	37	45	215
Additions through acquisitions	3	0	8
Disposals	-2	-1	-8
Disposals through divestments	0	0	-22
Depreciation and impairment	-32	-30	-119
Translation differences	-10	-2	-26
Carrying value at end of period	1 119	1 088	1 124

TRANSACTIONS WITH RELATED PARTIES			
EUR million	Q1/09	Q1/08	2008
Sales to associates	6	6	30
Purchases from associates	1	0	6
Transactions with Pension Foundation	2	1	6
	31 Mar 2009	31 Mar 2008	31 Dec 2008
Non-current receivables	0	0	0
Trade and other receivables	3	5	5
Trade and other payables	0	1	0

INVESTMENT COMMITMENTS*			
EUR million	After 31 Mar 2009	After 31 Mar 2008	After 31 Dec 2008
Maintenance investments	106	137	102
Development investments and investments in special products	82	187	113
Total	188	324	215

* Investment commitments include the estimated costs of projects that have been given the go ahead.

INFORMATION ON BUSINESS COMBINATIONS		
EUR million	Fair values	Carrying values of acquired companies
Assets and liabilities of acquired companies		
Non-current assets	3	2
Current assets		
Inventories	1	1
Trade and other receivables	1	1
Cash and cash equivalents	4	4
Total assets	8	7
Non-current liabilities		
Interest-bearing	0	0
Other	0	0
Current liabilities		
Interest-bearing	0	0
Other	3	3
Total liabilities	3	3
Net assets	5	5
Acquisition cost	12	
- including conditional purchase price	0	
Goodwill	7	
Acquisition cost paid in cash	10	
Cash and cash equivalents of acquired company	4	
Impact on cash flow	7	
The figures above include information about the acquisition of Skalles Eiendomsselskap AS. Rautaruukki acquired the entire share capital of the Norwegian steel frame company Skalles Eiendomsselskap AS from its private owners in February 2009. The acquisition strengthens the Group’s market position in the Nordic countries and particularly in Norwegian steel construction. Skalles' business complements the Group’s customer base and product offering. Skalles’ total		

deliveries include the design, manufacture and installation of steel structures. The company has some 50 employees and its net sales for 2008 were approximately EUR 16 million. Skalles is located in Fredrikstad, Norway. The acquisition calculation is provisional in accordance with IFRS 3.

SEGMENT INFORMATION			
EUR million	Q1/09	Q1/08	2008
External net sales			
Ruukki Construction	132	225	1 067
Ruukki Engineering	125	188	765
Ruukki Metals	249	525	2 019
Corporate management	0	1	0
Consolidated net sales	506	939	3 851
Operating profit			
Ruukki Construction	-13	21	128
Ruukki Engineering	5	32	126
Ruukki Metals	-102	97	338
Corporate management	-3	-7	-25
Consolidated operating profit	-113	143	568
Finance income and expense	-9	-4	-23
Share of results of associates	0	1	3
Result before taxes	-122	140	548
Taxes	32	-34	-142
Result for the period	-90	106	406

SEGMENT ASSETS			
EUR million	31 Mar 2009	31 Mar 2008	31 Dec 2008
Segment assets			
Ruukki Construction	710	756	761
Ruukki Engineering	471	393	411
Ruukki Metals	1 018	1 246	1 247
Corporate management	42	38	36
Undistributed assets	700	528	527
Total assets	2 941	2 961	2 983

QUARTERLY SEGMENT INFORMATION, COMPARABLE, EXCLLUDING NON-RECURRING ITEMS						
EUR million	Q1/08	Q2/08	Q3/08	Q4/08	2008	Q1/09
External net sales						
Ruukki Construction	225	285	309	248	1 067	132
Ruukki Engineering	188	205	184	187	765	125
Ruukki Metals	511	571	503	412	1 997	249
Corporate management	1	-1	0	0	0	0
Consolidated net sales	925	1 060	996	847	3 829	506
Operating profit						
Ruukki Construction	21	38	56	17	132	-13
Ruukki Engineering	32	35	34	27	128	5
Ruukki Metals	96	106	112	36	350	-102
Corporate management	-7	-7	-5	-6	-25	-3
Consolidated operating profit	141	172	197	74	584	-113
Finance income and expense	-4	1	-2	-18	-23	-9
Share of results of associates	1	1	1	0	3	0
Result before taxes	139	174	195	56	564	-122
Taxes	-34	-45	-56	-7	-142	32
Result for the period	105	129	139	49	422	-90

Formulas for the calculation of key indicators::

Return on capital employed, %	=	result before taxes + finance expense (rolling 12 months) ---------------------------------- total equity + interest-bearing financial liabilities (average at beginning and end of period)	x100
Return on equity, %	=	result before taxes - taxes (rolling 12 months) ------------------------------------ total equity (average at beginning and end of period)	x100
Equity ratio, %	=	total equity -------------------------------------- balance sheet total - advances received	x100
Gearing ratio, %	=	net interest-bearing financial liabilities --------------------------------------- total equity	x100
Net interest-bearing financial liabilities	=	interest-bearing financial liabilities - interest-bearing financial assets and other cash and cash equivalents	
Earnings per share (EPS)	=	profit or loss attributable to equity holders of the parent company -- weighted average number of shares outstanding during the period	
Earnings per share (EPS), diluted	=	profit or loss attributable to equity holders of the parent -------------------------------------- weighted average diluted number of shares outstanding during the period	
Equity per share	=	equity attributable to equity holders of the parent company -- basic number of shares at the balance sheet date	
Volume weighted average price	=	total EUR trading of shares -- total number of shares traded	
Market capitalisation	=	basic number of shares at the end of the period x closing price at the end of the period	
Personnel, average	=	average number of personnel at the end of each month during the period	