www.ruukki.com

Q1
Interim report
1 Jan – 31 March 2014
RTKRS

24.4.2014 RAUTARUUKKI CORPORATION

ruukki

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

Rautaruukki Corporation Interim Report 24 April 2014 at 9am EEST

RAUTARUUKKI CORPORATION INTERIM REPORT Q1/2014: Comparable operating profit at previous year's level, net sales of special steels up 16%

January-March 2014 (Q1/2013)

- Order intake was EUR 560 million (590).
- Comparable net sales were EUR 581 million (589).
- Reported EBITDA was EUR 28 million (37).
- Comparable operating profit was EUR 5 million (4).
- Comparable result before taxes was -EUR 11 million (-4).
- Net cash from operating activities was -EUR 21 million (22).

Guidance for 2014:

Comparable net sales in 2014 are estimated to grow compared to 2013. Comparable operating profit in 2014 is estimated to improve compared to 2013.

KEY FIGURES

	Q1/14	Q1/13	2013
Comparable figures			
Comparable net sales, EUR m	581	589	2,404
Comparable operating profit, EUR m	5	4	39
Comparable operating profit as % of net sales	0.8	0.8	1.6
Comparable result before income tax, EUR m	-11	-4	-1
Reported figures			
Reported net sales, EUR m	581	590	2,405
Reported EBITDA, EUR m	28	37	168
Reported EBITDA as of % of net sales	4.8	6.4	7.0
Reported operating profit, EUR m	-4	4	34
Reported result before income tax, EUR m	-20	-4	-6
Net cash from operating activities, EUR m	-21	22	184
Net cash before financing activities, EUR m	-36	7	101
Earnings per share, EUR	-0.14	-0.03	-0.10
Return on capital employed (rolling 12 months), %	1.4	-4.1	1.8
Return on capital employed (annualised), %	-0.9	0.8	1.8
Gearing ratio, %	74.1	72.4	68.5
Equity ratio, %	44.4	44.3	45.0
Personnel on average	8,572	8,876	8,955

PRESIDENT & CEO SAKARI TAMMINEN:

”Despite a strengthening of the eurozone Purchasing Managers’ Index and GDP development returning to positive at the end of last year, European economic development continued to be uncertain during the first quarter. However, indicators forecasting economic growth were rising in all eurozone countries and predicting a turn for the better. Steel use has, however, decreased significantly during recent years as a result of structural change in the Finnish manufacturing industry. The situation in our home market is worrying.

The Ukraine crisis and its multiplier effects on economic growth in Russia have not yet been significantly reflected in Ruukki’s everyday business in either Ukraine or Russia. Nevertheless, the impacts of the crisis on exchange rates resulted in a non-cash calculated exchange rate loss of around EUR 8 million in Ruukki’s finance costs during the report period. The unstable situation in Ukraine increased uncertainty in growth potential not just in Russia, but also in Finland and across the whole of Europe, and it is still impossible to assess the ultimate effects of the situation.

As regards Ruukki’s most important markets, the pace of economic growth in Sweden and Norway continued to outperform growth in the eurozone also during the first part of the year. Construction activity in our main market areas continued at a low level also taking into account normal seasonality. Apparent demand for steel across the EU grew by an estimated 3% year on year during the first quarter and capacity utilisation rates in the European steel industry showed a slight rise. Due to the uncertain economic situation and lower market prices of raw materials, inventory replenishment was more moderate than expected and this in turn had a negative impact on the price development of steel products.

Ruukki Metals’ order intake and net sales were at the same level as a year earlier. Higher order and delivery volumes of special steel products in particular offset the negative impact of lower average selling prices compared to a year earlier. An especially positive note in the first quarter was that net sales of special steels were up 16% year on year and 5% quarter on quarter. A weakening of certain currencies in emerging markets outside Europe impacted negatively on the order intake value of special steels.

In the construction businesses, development continued to be twofold also during the first quarter of the year. Given market conditions, overall demand for building products was at a very good level. Order intake and net sales for roofing products in particular showed clear growth compared to a year earlier. Demand in commercial and industrial construction continued to be weak, especially in Finland, and this was reflected in a significant decrease in Ruukki Building Systems’ order intake and net sales. Also in Sweden and Norway, customers’ investment decisions in commercial and industrial construction were pushed back.

Comparable operating profit was EUR 5 million. Despite a good capacity utilisation rate and the positive development seen in relative share of special steels, clearly lower average selling prices drove operating profit below the level of a year earlier. However, even in these difficult market conditions, Ruukki Metals posted comparable operating profit of EUR 12 million, which is in line with the original targets of cost saving programmes completed. Ruukki Building Products broke even during a seasonally difficult first quarter, which in these market conditions can be considered a good performance. Ruukki Building Systems’ operating result, however, was still negative due to lower than expected project volume. Consolidated cash flow was EUR 21 million negative because of EUR 44 million tied up in net working capital. Net debt rose slightly since the end of 2013 and was EUR 731 million. The gearing ratio was 74.1%.

During the report period, growth of special steels was pursued by signing up new customers, launching new products and applications, and by further expanding into new market areas. Compared to the previous year, the results are beginning to be seen in the form of growing order and delivery volumes in many market areas. Compared to the previous quarter, sales of special steel products rose to account for 35% (30) of Ruukki Metals’ net sales. The target is to achieve annual sales of special steel products of EUR 850 million in 2015 (2013: EUR 558 million).

In our construction businesses, we will continue our chosen strategy of energy efficient construction. Ruukki Building Products has a good market position in our main markets and we are aiming for profitable growth, especially through energy-efficient building components and residential roofing products. Development of components and solutions to optimise a building's lifecycle energy efficiency is a key aspect. Sales of the new solar thermal products for single-family homes we launched earlier in the year have got off to a good start. Also in weak market conditions, renovation construction creates growth opportunities for building products. In Ruukki Building Systems, our main aim is still improved profitability through better project management and more cost-efficient manufacturing.

We expect demand for steel to pick up slightly in 2014. Nevertheless, demand growth will continue to be limited by overcapacity in the steel markets and slowing economic growth in emerging countries. We expect demand for special steels to outpace demand for standard products, especially in market areas outside Europe. We forecast a modest recovery of construction growth in most of Ruukki's main market areas in 2014, albeit at a very low level.

Comparable net sales in 2014 are estimated to grow compared to 2013. Comparable operating profit in 2014 is estimated to improve compared to 2013.

On 22 January 2014, SSAB and Rautaruukki announced a plan to combine the two companies through SSAB making a public share exchange offer to Rautaruukki's shareholders which Rautaruukki's Board of Directors recommends to the company's owners. The Board of Directors of Rautaruukki in its statement announced on 26 March 2014 recommended to Rautaruukki shareholders that they accept the share exchange offer. The largest shareholder of Rautaruukki, Solidium Oy, which holds 39.7% of all Rautaruukki shares, has undertaken to accept the share exchange offer. The offer period began on 14 April 2014 and will expire on 12 May 2014, unless the offer period is extended. I believe that the combination of Ruukki and SSAB gives an excellent opportunity to continue the rationalisation of the cost base of the companies and build a new Nordic steel producer that is able to transit the steel business towards a global special steel company. There is also a good synergy potential in the construction business which offers profitable growth potential on top of the synergy benefits. "

Rautaruukki Corporation's full interim report for Q1/2014 is attached to this release.

For further information, please contact
Sakari Tamminen, President & CEO, tel. +358 20 592 9075
Mikko Hietanen, CFO, tel. +358 20 592 9030

News conference for analysts and the media
A joint news conference in English both for analysts and the media will be hosted on Thursday 24 April at 10.30am at Ruukki' s head office, Suolakivenkatu 1, 00810 Helsinki.

A live webcast of the event and the presentation by the company's President & CEO Sakari Tamminen may be followed online on the company website at www.ruukki.com/Investors starting at 10.30am EEST. This event can also be attended through a conference call by dialling the number below 5-10 minutes before the scheduled time:
+44 207 162 0025 (calls outside Finland)
+358 9 2313 9201 (calls inside Finland)
Access code: 943088

A replay of the webcast can be viewed on the company's website from approximately 4pm EEST. A recording of the conference call will be available until 2 May 2014 at:
+44 20 7031 4064 (calls outside Finland)
+358 9 2314 4681 (calls inside Finland)
Access code: 943088

Rautaruukki Corporation
Taina Kyllönen
SVP, Marketing and Communications

Ruukki specialises in steel and steel construction. We provide customers with energy-efficient steel solutions for better living, working and moving. We have around 8,600 employees and an extensive distribution and dealer network across some 30 countries including the Nordic countries, Russia and elsewhere in Europe and the emerging markets, such as India, China and South America. Net sales in 2013 totalled EUR 2.4 billion. The company's share is quoted on NASDAQ OMX Helsinki (Rautaruukki Oyj: RTRKS). www.ruukki.com

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

RAUTARUUKKI CORPORATION’S INTERIM REPORT FOR JANUARY-MARCH 2014

Business environment

Economic development in Europe continued to be shadowed by uncertainty during the first quarter of 2014. Hopes of recovery in economic growth were raised by the eurozone Purchasing Managers’ Index (PMI), which rose in all countries. As regards Ruukki’s most important markets, the pace of economic growth in Sweden and Norway continued to outperform growth in the eurozone also during the early part of the year, whereas the growth outlook in Finland remained frail. In Russia, a weakening of the rouble, fewer investments and lower domestic demand resulted in lower growth forecasts. The Ukraine crisis further added to the risk of economic growth slowing in Russia. In Poland, the stronger economic growth seen in late 2013 continued over into 2014.

Construction activity in Ruukki’s main market areas was at a low level during the first quarter. This was partly due to normal seasonality. Demand in Finland was weak, especially in commercial and industrial construction, and in infrastructure construction. The mild winter reflected positively in demand for residential roofing products. Quite many construction projects were under way in Sweden and Norway, but in these markets, too, there were signs of investment decisions being delayed. In Poland, positive development continued, especially in demand for components within commercial and industrial construction. In Russia, the country’s weakening economy began to be reflected in demand for building projects. The Ukraine crisis, coupled with a continuing weakening of the rouble, further added to uncertainty in the Russian market.

Apparent demand for steel across the EU during the first quarter of 2014 was up by about 3% year on year (Eurofer). Demand growth was a continuation of the modest recovery seen during the fourth quarter of 2013 and which stemmed from the recently improved growth outlook in the eurozone and a slight pick-up in sectors using steel.

Market prices for steel products remained virtually unchanged during the first quarter. Overcapacity in the steel industry coupled with an uncertain economic climate meant that replenishment of inventories in the distribution network was lower than expected and this was reflected in the prices for steel products. At the same time, falling market prices of iron ore and coking coal, the main raw materials in steel production, also had a negative impact on steel prices on the global market.

Demand for special steels outstripped demand for standard steels in many market areas, even though the general weakening of the steel market also reflected on special steels, especially in average selling prices, which were down year on year. The continuing low rate of investment in the mining industry slowed market growth in hot-rolled flat products. However, demand based on maintenance activities remained strong. The growing interest of sectors using steel in improving energy efficiency and the strengthened export outlook of equipment manufacturers increased optimism in the special steel markets in Europe. Among other things, this was reflected in demand in the lifting, handling and transportation industry. In market areas outside Europe, demand for special steels varied and the weakening of certain foreign currencies continued to impact negatively on order flow.

Order intake and order book

ORDER INTAKE BY BUSINESS AREA			
EUR million	**Q1/14**	**Q1/13**	**2013**
Order intake			
Ruukki Building Products	81	79	434
Ruukki Building Systems	44	75	286
Ruukki Metals	435	437	1,657
Order intake, total	560	590	2,376

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

Order intake in January-March was down 5% year on year at EUR 560 million (590). Ruukki Building Products' order intake was up by 3% partly because of the mild winter. Ruukki Building Systems' order intake was down 41% year on year and Ruukki Metals' was down 1%. The decrease in Ruukki Metals' order intake value was due to lower average selling prices caused by a fall in the prices of raw materials and weakened market conditions . Order volumes showed clear growth year on year.

Compared to the previous quarter, order intake was down 2%. Ruukki Building Products' order intake was down 25% due to seasonality and Ruukki Building Systems' order intake was down 19%. Ruukki Metals' order intake was up 6%.

At the end of March 2014, the order book was 13% lower year on year and 7% lower quarter on quarter.

Net sales

NET SALES BY BUSINESS AREA			
EUR million	Q1/14	Q1/13	2013
Comparable net sales			
Ruukki Building Products	82	78	430
Ruukki Building Systems	55	68	292
Ruukki Metals	445	443	1,679
Others	0	1	3
Comparable net sales, total	581	589	2,404
Items affecting comparability included in reported net sales		1	1
Reported net sales	581	590	2,405

Comparable net sales for the first quarter were 1% down year on year at EUR 581 million (589).

Ruukki Building Products' net sales were up 5%, Ruukki Building Systems' net sales were down 19%. Ruukki Metals' comparable net sales were almost unchanged year on year. Average selling prices of steel products were lower than a year earlier. Delivery volumes were up somewhat. Special steel products accounted for 35% (30) of Ruukki Metals' comparable net sales.

Compared to a year earlier, comparable net sales were down in Finland, Russia and Ukraine. Net sales were up slightly in the other Nordic countries. Net sales rose also in Central Eastern Europe and in markets outside Europe.

Comparable net sales were down 1% quarter on quarter. Ruukki Building Products' net sales were down 26%. This was due to seasonality. Ruukki Building Systems' net sales were down 25%. Ruukki Metals' net sales were up 9% due to higher delivery volumes. Average selling prices of steel products were roughly at the same level as in the previous quarter.

Compared to the previous quarter, net sales were up slightly in Finland and the other Nordic countries. Net sales were down in Russia, Ukraine and Central Eastern Europe. Net sales were down slightly in markets outside Europe.

NET SALES BY REGION			
EUR million	Q1/14	Q1/13	2013
Comparable net sales			
Finland	136	160	598
Other Nordic countries	195	192	737
Central Eastern Europe	82	76	366
Russia and Ukraine	43	47	233
Rest of Europe	85	84	305
Other countries	40	31	165
Comparable net sales, total	581	589	2,404
Items affecting comparability included in reported net sales		1	1
Reported net sales	581	590	2,405

Operating profit

OPERATING PROFIT BY BUSINESS AREA			
EUR million	**Q1/14**	**Q1/13**	**2013**
Comparable operating profit			
Ruukki Building Products	0	-1	36
Ruukki Building Systems	-4	-7	-10
Ruukki Metals	12	16	27
Others	-3	-4	-14
Comparable operating profit, total	5	4	39
Items affecting comparability included in reported operating profit	-9	-1	-5
Reported operating profit	-4	4	34

Comparable operating profit for the first quarter was EUR 5 million (4). Reported operating profit was -EUR 4 million (4). Reported operating profit for the report period includes integration costs of EUR 5 million related to the planned combination of SSAB AB and Rautaruukki Corporation and costs of EUR 4 million due to adjustment of standard cost updating cycle and process. Items affecting comparability have been itemised in the table “Items affecting comparability of reported operating profit”.

Ruukki Building Products’ operating profit was EUR 0 million (-1). Ruukki Building Systems’ operating profit was negative at -EUR 4 million (-7). Ruukki Metals’ comparable operating profit was EUR 12 million (16).

Comparable operating profit was EUR 3 million weaker than for the previous quarter. Ruukki Building Products’ comparable operating profit was down EUR 10 million. This was due to seasonality. Ruukki Building Systems’ comparable operating profit was EUR 2 million weaker than for the previous quarter. This was mostly due to poorer than expected profitability from individual frame structure contracts. Ruukki Metals’ comparable operating profit was up EUR 7 quarter on quarter. This was due to higher delivery volumes and a better capacity utilisation rate.

Reported EBITDA was EUR 28 million (37). Ruukki Building Products’ reported EBITDA was EUR 2 million (1), Ruukki Building Systems’ -EUR 1 million (-2) and Ruukki Metals’ EUR 34 million (42).

EBITDA BY BUSINESS AREA			
EUR million	**Q1/14**	**Q1/13**	**2013**
Reported EBITDA			
Ruukki Building Products	2	1	45
Ruukki Building Systems	-1	-2	6
Ruukki Metals	34	42	130
Others	-7	-4	-13
Reported EBITDA, total	28	37	168

Financial items and result

Consolidated net finance costs in January-March totalled EUR 16 million (8). Net interest costs were EUR 6 million (7). The value of the Ukrainian hryvna devalued substantially against the US dollar during the first quarter of 2014. This resulted in the recognition of an unrealised currency exchange loss of EUR 8 million on the valuation of a subsidiary company’s loans during the report period.

Group taxes for the first quarter of 2014 were EUR 1 million (1).

The result for the period was -EUR 19 million (-4) and earnings per share were -EUR 0.14 (-0.03).

Balance sheet, cash flow and financing

Total assets at 31 March 2014 were EUR 2,248 million (2,392). Equity at 31 March 2014 was EUR 984 million (1,044), equating to EUR 7.08 per share (7.52). Equity has decreased EUR 26 million since the end of 2013. This is largely due to the loss posted for the report period.

The equity ratio at the end of the report period was 44.4% (44.3) and the gearing ratio was 74.1% (72.4). Net interest-bearing liabilities at the end of March were EUR 731 million (758).

Return on equity for January-March was -2.9% (-9.0) and return on capital employed was 1.4% (-4.1).

Net cash from operating activities was -EUR 21 million (22) and net cash before financing activities was -EUR 36 million (7). EUR 44 million (15) was tied up in working capital during the report period.

At 31 March 2014, the group had liquid assets of EUR 40 million (46) and undrawn committed credit facilities of EUR 425 million (475), EUR 425 million of which were long term.

Capital expenditure

Net cash used in investing activities in January-March was -EUR 16 million (-15).

Investments in tangible and intangible assets totalled EUR 14 million (17), of which maintenance investments accounted for EUR 11 million (12) and development investments for EUR 3 million (5). Cash flow from other investing activities was EUR 2 million negative (2 million positive).

Depreciation and impairments amounted to EUR 33 million (34).

Investments in tangible and intangible assets during 2014 are estimated to total around EUR 100 million.

Personnel

PERSONNEL BY REGION	31 Mar 2014	31 Mar 2013	31 Dec 2013
Finland	5,259	5,404	5,218
Other Nordic countries	522	576	536
Central Eastern Europe	1,097	1,105	1,099
Russia and Ukraine	1,620	1,646	1,649
Rest of Europe	56	52	52
Other countries	45	35	46
Total	8,599	8,818	8,600

The group employed an average of 8,572 persons (8,876) during the first quarter and the headcount at the end of March was 8,599 (8,818). At the end of the report period, 61% (61) of Ruukki's personnel worked in Finland.

Safety measured in terms of accidents per million working hours was 4 (9).

The corporate responsibility report 2013 details matters and key figures relating to the personnel and social responsibility. The report is available on the company's website at www.ruukki.com/Corporate-responsibility/Corporate-responsibility-report-2013.

BUSINESS AREAS
RUUKKI BUILDING PRODUCTS

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

- Order intake was up 3% year on year due to growth in orders for residential roofing products.
- Net sales were up 5% year on year.
- Operating profit improved slightly year on year to reach EUR 0 million. Operating profit was down quarter on quarter due to normal seasonality.

RUUKKI BUILDING PRODUCTS			
EUR million	**Q1/14**	**Q1/13**	**2013**
Order intake	81	79	434
Net sales	82	78	430
Comparable operating profit	0	-1	36
Comparable operating profit as % of net sales	-0.1	-1.0	8.4
Items affecting comparability included in reported operating profit			-1
Reported operating profit	0	-1	36
Reported operating profit as % of net sales	-0.1	-1.0	8.3
Reported EBITDA	2	1	45
Reported EBITDA as % of net sales	2.4	1.6	10.4
Personnel at end of period	1,199	1,140	1,175

Order intake

Ruukki Building Products' order intake value for January-March was up 3% year on year at EUR 81 million (79).

Order intake for residential roofing products during the first quarter was up 15% year on year. Order intake grew in most market areas, with highest growth in Finland, Poland and the Baltic states. Orders in Sweden showed a slight increase year on year. The mild winter had a positive impact on order growth. Orders were down in some countries in Central Eastern Europe, but up somewhat in Ukraine and Slovakia.

Order intake for building components was down 4% year on year. Orders were down clearly in Finland in the wake of weak market conditions. Also in Sweden, orders were somewhat smaller compared to a year earlier. As regards the main markets, orders were up in Norway and the Baltic states. In Poland, order intake was almost at the same level as a year earlier.

Order intake for infrastructure construction was at the same level as a year earlier. Strong growth was seen in orders in Norway, but orders were down in Finland and Sweden.

Compared to the previous quarter, Ruukki Building Products' order intake was down 25%. This was due to seasonality. Order intake was down 38% for residential roofing products and 26% for building components. Order intake for infrastructure construction was up 4% quarter on quarter.

Net sales

Ruukki Building Products' net sales for January-March were up 5% year on year at EUR 82 million (78).

Compared to the previous quarter, Ruukki Building Products' net sales were down 26%. This was due to seasonality.

RUUKKI BUILDING PRODUCTS NET SALES BY PRODUCT GROUP			
EUR million	**Q1/14**	**Q1/13**	**2013**
Reported net sales			
Residential roofing products	25	22	170
Building components	37	37	182
Infrastructure construction	19	19	78
Others	0	0	0
Reported net sales, total	**82**	**78**	**430**

Residential roofing products

Net sales of residential roofing products for January-March were up 12% year on year at EUR 25 million (22). As regards the main markets, net sales showed clear growth in Finland and the other Nordic countries. This was partly due to a mild winter. Net sales were also up somewhat in Central Eastern Europe and Ukraine. Compared to the previous quarter, net sales of roofing products were down in all market areas on a seasonal basis by 43% in total.

Building components

Net sales of building components for January-March were unchanged year on year at EUR 37 million (37). Net sales were down somewhat year on year in Finland and the other Nordic countries. Net sales were up in the Central Eastern European market and demand, particularly in Poland, was at a good level for the time of year. In Ukraine, net sales showed a clear decrease. Compared to the previous quarter, net sales of building components were down in all market areas on a seasonal basis by 25% in total.

Infrastructure construction

Net sales in infrastructure construction for January-March were almost at the same level year on year at EUR 19 million (19). Net sales showed clear growth in Norway, but were down in Finland and Sweden. Compared to the previous quarter, net sales in infrastructure construction were up 19%, largely driven by net sales growth in Norway.

Operating profit

Ruukki Building Products' operating profit for January-March was EUR 0 million (-1). Operating profit weakened quarter on quarter due to seasonality. Ruukki Building Products' reported EBITDA was EUR 2 million (1), which equates to 2.4% (1.6) of net sales.

Operating profit showed an improvement year on year due to the efficiency programme carried out and a better gross margin. Also a favourable geographical spread had a positive impact on operating profit.

Product development

New solar thermal products for single-family homes

Ruukki expanded its solar thermal product family with two new systems utilising solar heat: a solar thermal package and a made-to-measure system. Both systems are based on heat collectors that can be installed on all types of roof irrespective of their incline. A thermal solar package is mostly suitable to heat domestic hot water and can generally produce around half of a household's annual domestic hot water requirement. The new products are a continuation of the Ruukki Classic solar thermal roof launched in spring 2013. Ruukki Classic solar thermal roof is fully integrated functionally and virtually invisibly into a Ruukki Classic roof.

RUUKKI BUILDING SYSTEMS

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

- Order book at the end of the report period was 25% lower than a year earlier.
- Net sales were down 19% year on year due to weakened demand in many market areas.
- Despite an improved operating result, the business area was still unprofitable and posted a loss of EUR 4 million. Profitability continued to be weakened by a few loss-making steel structure contracts, which had a negative impact totalling around EUR 1 million on the result.

RUUKKI BUILDING SYSTEMS			
EUR million	**Q1/14**	**Q1/13**	**2013**
Order book	105	140	119
Order intake	44	75	286
Net sales	55	68	292
Comparable operating profit	-4	-7	-10
Comparable operating profit as % of net sales	-8.1	-9.9	-3.4
Items affecting comparability included in reported operating profit			-2
Reported operating profit	-4	-7	-12
Reported operating profit as % of net sales	-8.1	-9.9	-4.0
Reported EBITDA	-1	-2	6
Reported EBITDA as % of net sales	-1.9	-3.6	2.0
Personnel at end of period	1,943	2,056	1,918

Order intake and order book

Ruukki Building Systems' order intake value for January-March was down 41% year on year at EUR 44 million (75). The decline in order intake was a result of weakened demand and customers delaying their investment decisions.

Order intake in Russia was down 47% compared to a year earlier. The decline in order intake was mainly due to two large orders received during the reference period.

Order intake in the Nordic countries was down 48% year on year. Order intake rose clearly in Finland, whereas order intake in Sweden and Norway was clearly lower than a year earlier.

Order intake in Central Eastern Europe was up 21% year on year.

Compared to the previous quarter, Ruukki Building Systems' order intake was down 19%. Orders were up slightly in Russia, but showed a clear decline in the Nordic countries and Central Eastern Europe.

At 31 March 2014, Ruukki Building Systems' order book was 25% lower year on year and 12% lower than at the end of 2013.

Net sales

Ruukki Building Systems' net sales for January-March were down 19% year on year at EUR 55 million (68).

Compared to the previous quarter, Ruukki Building Systems' net sales were down 25%.

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

RUUKKI BUILDING SYSTEMS NET SALES BY AREA			
EUR million	**Q1/14**	**Q1/13**	**2013**
Reported net sales			
Russia	23	24	115
Nordic countries	21	28	106
Central Eastern Europe	11	16	71
Reported net sales, total	**55**	**68**	**292**

Russia

Ruukki Building Systems' net sales for January-March in Russia were down 6% year on year at EUR 23 million (24). The decrease in euro-denominated net sales was due to a weakening of the rouble exchange rate. In terms of roubles, net sales in Russia were up 13% year on year.

Nordic countries

Ruukki Building Systems' net sales for January-March in the Nordic countries were down 25% at EUR 21 million (28). Net sales in Finland showed a clear decrease year on year due to weak demand.

Central Eastern Europe

Ruukki Building Systems' net sales for January-March in Central Eastern Europe were down 29% at EUR 11 million (16).

Operating profit

Ruukki Building Systems' operating result for January-March was -EUR 4 (-7). Ruukki Building Systems' reported EBITDA was -EUR 1 million (-2), which equates to -1.9% (-3.6) of net sales.

The operating result improved year on year largely due to the efficiency programme carried out. Profitability was weakened by lower than anticipated project volume and a few loss-making steel structure contracts, which had a negative impact totalling around EUR 1 million on the result for the report period.

Actions to improve profitability

Many actions have been taken to improve profitability. The most important of these actions have been optimised use of the production network and scaling capacity in response to demand. In 2013, the Kalajoki unit in Finland was closed and at the Peräseinäjoki unit, the decision was made to continue production on a scaled-down basis and focus on manufacturing large steel trusses for the construction industry. In addition, Ruukki withdrew from bridge projects, which had underperformed.

Ruukki Building Systems’ poor result was partly due to individual loss-making project deliveries. As a result of this, the focus was particularly on improving project management and developing sales steering so as to prevent negative project deviations.

Major delivery contracts

Ruukki to deliver steel frame for large shopping centre to be built in Samara, Russia

Ruukki is to deliver a technically complex steel frame for the Gud-OK shopping centre, which is to be built in Samara in the Volzhsky District in Russia. When completed, the centre will have a total area of around 245,000 square metres. The order is worth around EUR 8 million.

RUUKKI METALS

- Ruukki Metals' order intake was down 1% year on year. Order volumes rose, but average selling prices were lower.
- Ruukki Metals' net sales were roughly at the same level as a year earlier.
- Net sales of special steels grew 16% year on year. Delivery volumes were clearly higher, but average selling prices were lower.
- Comparable operating profit was EUR 12 million.

RUUKKI METALS			
EUR million	**Q1/14**	**Q1/13**	**2013**
Order intake	435	437	1,657
Net sales	445	443	1,679
Comparable operating profit	12	16	27
Comparable operating profit as % of net sales	2.7	3.7	1.6
Items affecting comparability included in reported operating profit	-4		
Reported operating profit	8	16	27
Reported operating profit as % of net sales	1.8	3.7	1.6
Reported EBITDA	34	42	130
Reported EBITDA as % of net sales	7.7	9.6	7.8
Deliveries (1 000 tonnes)	509	481	1,814
Personnel at end of period	5,160	5,210	5,201

Order intake and order book

Ruukki Metals' order intake in January-December was down 1% year on year at EUR 435 million (437). The decrease in Ruukki Metals' order intake value was due to lower average selling prices caused by a fall in the prices of raw materials and weakened market conditions. Order volumes showed clear growth year on year.

Ruukki Metals' order intake in Finland showed a clear decrease compared to a year earlier. As regards the other Nordic countries, orders were up in Sweden and Denmark, but down in Norway. Orders were also up in many Western European markets, Central Eastern Europe and the United States. Orders were down slightly in Russia and Ukraine.

Order intake for special steel products rose clearly year on year as a result of higher delivery volumes. Orders were up in almost all main market areas. Orders in Finland were at the same level as a year earlier. Total order intake in market areas outside Europe was at the same level as a year earlier. Orders showed clear growth in North America, but were down in South America and China.

Order intake for strip and flat products showed a slight decrease overall compared to a year earlier. Orders were down clearly in Finland due to decreased demand for steel and weakened price levels. Order intake for tube and profile products showed slight growth year on year and orders for stainless steels and aluminium products, sold as trading products, were at the same level as a year earlier.

Compared to the previous quarter, Ruukki Metals' order intake was up 6%. This was due to growing order volumes. Average selling prices were roughly at the same level as in the previous quarter. Order intake was up in most market areas, including Finland.

Order intake for special steel products showed clear growth quarter on quarter due to higher order volumes. Orders were up in almost all main market areas. Order intake also grew in most markets outside Europe, especially in the North and South American markets. Similarly, orders were also slightly up in China, although were still at a low level.

Order intake for strip and flat products was down quarter on quarter due to smaller order volumes. Order intake for tube and profile products, stainless steels and aluminium products was up slightly quarter on quarter due to higher order volumes.

At 31 March 2014, Ruukki Metals' order book was 5% lower year on year and 4% lower than at the end of 2013.

Net sales

Ruukki Metals' net sales for January-March were roughly at the same level year on year at EUR 445 million (443). Average selling prices for steel products were lower than a year earlier. Delivery volumes rose somewhat.

Compared to a year earlier, net sales were up in market areas outside Europe and in Central Eastern Europe. Net sales showed a clear decrease in Finland, but were up slightly in the other Nordic countries and in Western Europe. Net sales were down year on year in Russia and Ukraine.

Net sales of special steel products were up year on year due to significantly higher delivery volumes. Net sales of strip and flat products, however, showed a clear decline. Net sales of tube and profile products were at the same level as a year earlier and net sales of stainless steels and aluminium products, sold as trading products, were up slightly.

Compared to the previous quarter, Ruukki Metals' net sales were up 9% on the back of higher delivery volumes. Average selling prices for steel products were roughly at the same level quarter on quarter. Net sales rose in most market areas, especially in Finland and the other Nordic countries. Net sales rose somewhat also in Western and Central Eastern Europe. Net sales in markets outside Europe were down slightly quarter on quarter, which was attributable in part to a weakening of certain currencies. In Russia and Ukraine, net sales were almost at the same level as in the previous quarter.

Compared to the previous quarter, net sales of special steels were up 5% and strip and flat products were up 9%. Net sales of tube and profile products were up 18% and stainless steels and aluminium products likewise were up 18%.

RUUKKI METALS NET SALES BY PRODUCT GROUP			
EUR million	**Q1/14**	**Q1/13**	**2013**
Reported net sales			
Special steel products	155	134	558
Strip and flat steel products	197	218	772
Tubes and profiles	61	61	228
Stainless steel and aluminium products	31	30	122
Reported net sales, total	**445**	**443**	**1,679**

Special steel products

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

Net sales for January-March in the special products group were up 16% year on year at EUR 155 million (134). Delivery volumes of special steel products showed clear growth, but average selling prices were lower due to market conditions and a change in the product mix.

Net sales of special steel products were at the same level as a year earlier in Finland and rose somewhat in the other Nordic countries. Sales of special steels in the European markets grew in Turkey, Poland, Germany and Spain among others. Net sales also showed positive development in market areas outside Europe including the United States, Middle East and India. Net sales in China fell compared to a year earlier due to weakened demand in the lifting, handling and transportation equipment industry.

Net sales of special steels rose in all customer segments, except for manufacturers of mining machines, where net sales were down year on year due to weakened investment demand in the mining industry.

Compared to the previous quarter, net sales of special steels were up 5%. Delivery volumes of special steel products grew and average selling prices showed a slight rise. Net sales showed clear growth in Finland and the other Nordic countries and in Central Eastern Europe. In market areas outside Europe, net sales were up in North America.

Special steel products accounted for 35% (30) of Ruukki Metals' comparable net sales for the first quarter of the year.

Strip and flat products

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

Net sales for January-March in the strip and flat products group were down 10% year on year at EUR 197 million (218). This was mostly due to smaller delivery volumes compared to a year earlier. Compared to a year earlier, average selling prices for strip and flat products were down slightly in January-March.

Net sales of strip and flat products were down year on year in Finland and the other Nordic countries, Russia and in most Western European countries. Total net sales were up in Central Eastern Europe and in markets outside Europe.

Compared to the previous quarter, net sales in the strip and flat products group was up 9%. This was mostly due to higher delivery volumes. Also average selling prices showed a slight increase.

Tubes and profiles

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

Net sales for January-March in the tubes and profiles product group were EUR 61 million (61). Delivery volumes were at the same level as a year earlier in Finland and rose slightly in the other Nordic countries. Average selling prices for tube and profile products were down slightly.

Compared to the previous quarter, net sales of tubes and profile products were up 18%. This was due to higher delivery volumes. Average selling prices were down slightly. Net sales were up in all main market areas.

Stainless steels and aluminium products

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

Net sales for January-March in the stainless steels and aluminium products group was up 4% year on year at EUR 31 million (30). Average selling prices for the products were down compared to a year earlier, but delivery volumes were up slightly.

As regards the main market areas, net sales of stainless steels and aluminium products were up slightly in Finland and Sweden, but down in Norway compared to a year earlier.

Compared to the previous quarter, net sales of stainless steels and aluminium products were up 18%. This was due to higher delivery volumes. Average selling prices for the products were down slightly compared to the previous quarter.

Operating profit

Ruukki Metals' comparable operating profit for January-March was EUR 12 million (16). Reported operating profit was EUR 8 million (16). Reported operating profit for the report period includes costs of EUR 4 million due to adjustment of standard cost updating cycle and process. Items affecting comparability have been itemised in the table "Items affecting comparability of reported operating profit.

Operating profit was down year on year largely because of weaker gross margins on products as a result of lower selling prices, especially as regards standard steel products. Ruukki Metals' reported EBITDA was EUR 34 million (42), which equates to 7.7% (9.6) of net sales.

Compared to the previous quarter, Ruukki Metals' comparable operating profit was up EUR 7 million. This was due to higher delivery volumes and a better capacity utilisation rate.

Steel production

STEEL PRODUCTION			
1 000 tonnes	**Q1/14**	**Q1/13**	**2013**
Steel production	607	565	2,237

Steel production during the first quarter of the year was 607 thousand tonnes (565) and the utilisation rate was around 86%.

Cost efficiency at the Raahe steel mill to be improved by new blast furnace PCI system

The blast furnace oil injection system at the Raahe steel mill is to be replaced with a new pulverised coal injection (PCI) system. The aim is to improve steelmaking cost efficiency by reducing raw material costs. The total investment will be around EUR 65 million and will be spread over slightly more than two years. In addition, work is underway on replacing the converters in the steel plant at the Raahe Works.

Pulverised coal injection (PCI) will replace the existing oil injection system, which has been in use in the blast furnaces since 1987. The new system will be brought into use during the second half of 2015. The new technology will have no impact on the workforce. Also the environmental impacts will be minor - carbon dioxide emissions will decrease, whereas dust emissions will increase slightly and also electricity consumption will grow.

The project involves coal storage, handling, drying and pulverising systems, which will be located in the immediate proximity of the blast furnaces. Construction work associated with the project can take place whilst production is running.

Work is also underway at Ruukki's Raahe Works on replacing the converters in the steel plant. The existing converters are 26 years old and will be replaced by modern, more cost efficient converters. The project is worth about EUR 22 million and is scheduled for completion by the end of 2015.

Raw materials and energy in steel production

Raw materials

Global market prices of iron ore and coking coal - the main raw materials in steel production - fell during the early part of the year.

Market prices of iron ore and coking coal are not expected to rise significantly during 2014, especially since as regards iron ore the market is gearing up for additional production capacity and demand in China and other emerging markets is forecast to continue to be weaker than earlier.

At the end of the second quarter 2013, Ruukki Metals signed a new contract to purchase iron ore pellets with the Swedish company LKAB. This new contract allows more flexibility with regard to fluctuations in market prices and was backdated to the beginning of the second quarter 2013. The contract was valid until the end of the first quarter 2014. Price negotiations have been initiated with LKAB about pellet deliveries for the following contract period. Most of the contracts for coking coal are based on pricing linked to longer-term indexes.

There is typically a delay of around one quarter before movements in the prices of raw materials are reflected in Ruukki’s production costs. This is because of contracts signed with raw materials suppliers and the normal turnaround of inventories.

Rautaruukki’s and EPV Energy’s joint venture to modernise power plant at Raahe steel mill

Rautaruukki and EPV Energy Ltd have established a joint venture company, Raahen Voima Oy, which acquired Ruukki's existing power plant business on 1 April 2014 and will invest around EUR 121 million in modernising the plant. Ruukki owns 75% of the new company and EPV 25%.

When it comes on stream, the modernised power plant will replace the technically obsolete equipment in the old power station and at the same time improve the efficiency and environmental soundness of the plant. The intention is to start up the modernised power plant in 2016.

The joint venture will pay for the power plant investment largely through debt financing. Taking into account the selling price of the existing power plant, Ruukki's net investment will be some EUR 10 million. A total of 34 Raahe Works power plant employees transferred to the new company on 1 April 2014 on their current employment terms and conditions.

The Raahe Works own power plant currently generates around half of the electricity used by the works. Most of the electricity is produced from the works' own process gases. Besides being used for electricity production, the heat and steam generated in the processes at the Raahe Works are used for heating on the works site and as district heat for Raahen Energia. Raahen Voima Oy will continue to sell district heat to Raahen Energia.

Rautaruukki participating in Fennovoima’s nuclear power project

On 26 February 2014, Rautaruukki Corporation confirmed to Voimaosakeyhtiö SF its binding commitment to participate in Fennovoima's Hanhikivi 1 nuclear power plant project. Rautaruukki's share of the output of the plant's nominal capacity is estimated to be around 40 MW. Over the following 10 years, Rautaruukki will invest around EUR 60 million in the project. Most of the investment will be back loaded**.**

Rautaruukki's involvement in the project is one way the company can spread purchases of the electricity needed in steel production. The company seeks to ensure a long-term supply of competitive, steadily-priced, carbon-dioxide-free electricity.

Fennovoima's Hanhikivi 1 nuclear power plant is to be built in Pyhäjoki, Northern Ostrobothnia. The power plant is scheduled to enter commercial service in 2024.

Product development

New Optim 700 QL1 structural steel for extreme conditions

Ruukki's Optim portfolio of high-strength structural steels has been expanded with yet another new Optim grade. The new Optim 700 QL1 is a structural steel with improved impact strength properties. The impact strength of Optim 700 QL1 has been tested at a temperature of -60^{o}C making it ideal for use in very demanding conditions and at sub-zero temperatures. Applications include cranes, load-bearing structures as well as frame structures and components of heavy machinery.

ENVIRONMENTAL MATTERS

Ruukki's focus areas on the environmental responsibility front are to strengthen product-related energy efficiency and lifecycle know-how, to develop energy efficient production, to increase recycling and material efficiency and to maintain responsible operations. We are responding to the growing interest of our customers on this front by innovating and producing energy-efficient steel solutions that cut energy costs throughout the life cycle of an end-user product or solution. In keeping with Ruukki's environmental policy, we are also committed to reducing environmental impacts originating in production.

Ruukki published its corporate responsibility report for 2013 in February. The corporate responsibility report widely describes Ruukki's work to promote sustainability and environmental matters as one of the key areas in this. Among other things, the report contains information how Ruukki has made huge environmental investments to reduce the environmental impacts of steel-making. The corporate responsibility report can be read and downloaded in pdf format on Ruukki's website at www.ruukki.com/Corporate-responsibility. Ruukki's corporate responsibility section also features an environmental data monitor that gives figures indicating Ruukki's environmental impacts for 2006-2013.

Ruukki again received recognitions for its work on the responsibility front. Ruukki continues to be included in the Ethibel EXCELLENCE Investment register, as it has been since 2011, and was selected for new inclusion in the Ethibel PIONEER register. The Ethibel PIONEER Investment Register includes companies which are classed as sector leaders in terms of corporate social responsibility (CSR). The Ethibel EXCELLENCE Investment register includes companies which perform better than average in their sector.

Ruukki qualified for inclusion in RobecoSAM's 2014 edition of "The Sustainability Yearbook" and has received the Bronze Class distinction as one of the top-scoring companies within the steel industry. Every year since 2004, RobecoSAM's "The Sustainability Yearbook", has been listing the world's most sustainable companies in each industry based on their score in an extensive corporate responsibility assessment.

RESOLUTIONS OF THE ANNUAL GENERAL MEETING

Rautaruukki Corporation’s Annual General Meeting was held in Helsinki on 18 March 2014. A total of 380 shareholders were represented at the meeting.

Dividend

Rautaruukki Corporation's Annual General Meeting decided in accordance with the Board of Directors' proposal not to pay a dividend for the year ended 31 December 2013.

Board of Directors

It was confirmed that the number of members of the Board of Directors is seven. President and CEO Kim Gran, Executive Adviser Timo U. Korhonen, President and CEO Matti Kähkönen, CEO Liisa Leino, President and CEO Matti Lievonen, CFO and deputy CEO Saila Miettinen-Lähde and CEO Jaana Tuominen were re-elected to the Board. Kim Gran was re-elected as chairman of the Board of Directors and Matti Lievonen was re-elected as deputy chairman.

Fees of the Board of Directors

The Annual General Meeting approved payment of an annual fee of EUR 72,000 to the chairman of the Board of Directors, EUR 44,000 to the deputy chairman and EUR 34,000 to other members of the Board, together with an attendance fee of EUR 600 for each meeting, including Board of Directors' committee meetings. 40% of the annual fee is to be paid in the form of Rautaruukki Oyj shares purchased from the market. The shares will be purchased within two weeks of the publication of the company's interim report for the first quarter of 2014.

Auditor

KHT audit firm KPMG Oy Ab was re-appointed as the company's auditor. The auditor will be paid a fee against invoice approved by the company.

Authority to acquire the company’s own shares

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

Share issue authority

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

The minutes of the Annual General Meeting are available for the inspection of shareholders at the company's head office and may also be viewed on the company's website at www.ruukki.com. The proposals made to the Annual General Meeting may be viewed in their entirety on the company's website.

Organisation of the Board of Directors

At its organisation meeting held on 18 March 2014, the Board of Directors appointed Matti Lievonen as chairman and Timo U. Korhonen, Liisa Leino and Saila Miettinen-Lähde as members of the Audit

Committee. The Board of Directors appointed Kim Gran as chairman and Matti Kähkönen and Jaana Tuominen as members of the Remuneration and HR Committee.

All members of the Board of Directors are independent of the company and of the company's major shareholders.

SHARES AND SHARE CAPITAL

SHARES ON THE NASDAQ OMX HELSINKI STOCK EXCHANGE

31 March 2014	Number of shares	Number of votes	Number of shares traded Q1 2014	Value of shares traded Q1 2014, EUR million
RTRKS	140,285,425	140,285,425	42,433,430	358

1 Jan - 31 Mar 2014	High	Low	VWAP*	Close
Share price	9.17	6.64	8.44	8.04

** Trade volume-weighted average price*

	31 Mar 2014	31 Mar 2013
Market capitalisation, EUR million	1,128	694
Foreign ownership, %	20.2	13.9

During January-March 2014, a total of 42 million (27) Rautaruukki shares (RTRKS) were traded on NASDAQ OMX Helsinki for a total of EUR 358 million (148). The highest price quoted was EUR 9.17 on 22 January and the lowest was EUR 6.64 on 2 January. The volume-weighted average price of the share was EUR 8.44. The share closed at EUR 8.04 (4.95) at the end of the report period and the company had a market capitalisation of EUR 1,128 million (694).

Rautaruukki's share is also traded, in addition to NASDAQ OMX Helsinki, on multilateral trading facilities (MTF). According to information received by the company, a total of 10 million (9) Rautaruukki shares were traded on MTFs for a total of EUR 71 million (51) during January-March.

The company's registered share capital at 31 March 2014 was EUR 238.5 million (238.5) and there were 140,285,425 shares outstanding. There were no changes in share capital during January-March 2014. The company has one series of shares, with each share conveying one vote. Under the Articles of Association, a voting restriction applies whereby the votes of an individual shareholder are restricted to 80% of the total number of votes represented by shares at a General Meeting.

At the end of the report period, the company held a total of 1,396,152 treasury shares (1,392,470), which had a market value of EUR 11.2 million (6.9) and an accounting par value of EUR 2.4 million (2.4). Treasury shares accounted for 1% (1) of the total shares and votes.

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

LITIGATION AND OTHER PENDING LEGAL ACTIONS

In January 2014, the Australian Anti-Dumping Commission initiated an investigation against Ruukki Metals Oy concerning the alleged dumping of quenched and tempered steel plate exported to Australia from Finland, Japan and Sweden. Should the dumping claim be demonstrated as being correct, temporary customs duties might be imposed on the products under investigation. Ruukki Metals Oy believes the claims made to be unfounded.

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

NEAR-TERM BUSINESS RISKS

The company's business risks and risk management are detailed in the Annual Report 2013. The company does not consider there to have been any material changes during the report period in the risks and factors of uncertainty presented in the Annual Report.

COMBINATION OF SSAB AB AND RAUTARUUKKI CORPORATION

On 22 January 2014, SSAB AB (publ) ("SSAB") and Rautaruukki Corporation ("Rautaruukki") announced a plan to combine the two companies through SSAB making a recommended public share exchange offer to Rautaruukki's shareholders. In the share exchange offer, SSAB offers 0.4752 new Class A shares and 1.2131 new Class B shares in SSAB for each Rautaruukki share. The Board of Directors of Rautaruukki has, in its statement announced on 26 March 2014, recommended to Rautaruukki shareholders that they accept the share exchange offer. The largest shareholder of Rautaruukki, Solidium Oy, which holds 39.7% of all Rautaruukki shares, has undertaken to accept the share exchange offer. The Finnish Financial Supervisory Authority approved on 10 April 2014 a Finnish language share exchange offer document and prospectus in respect of the share exchange offer. The offer period for the share exchange offer began on 14 April 2014 and will expire on 12 May 2014, unless the offer period is extended.

All material and stock exchange releases relating to the planned combination are available on the Investors section on Ruukki's website at www.ruukki.com/Investors/SSAB-and-Rautaruukki-to-combine.

EVENTS AFTER THE REPORT PERIOD

Releases about the combination of SSAB AB and Rautaruukki Corporation

SSAB's AGM has passed resolutions necessary to enable implementation of the share exchange offer to Rautaruukki's shareholders

On 9 April 2014, it was announced that SSAB AB had published a stock exchange release about the resolutions passed by the company's annual general meeting to enable implementation of the share exchange offer to Rautaruukki Corporation's shareholders announced on 22 January 2014.

SSAB has announced that SSAB's share exchange offer for all issued and outstanding shares in Rautaruukki begins on 14 April 2014

On 11 April 2014, it was announced that SSAB had announced that SSAB's share exchange offer for all issued and outstanding shares in Rautaruukki would begin on 14 April 2014 at 9:00am (Finnish time) and would expire on 12 May at 4:00pm (Finnish Time), unless the offer period is extended. The Finnish Financial Supervisory Authority approved on 10 April 2014 a Finnish language share exchange offer document and prospectus in respect of the share exchange offer.

Flagging notification in accordance with Chapter 9, Section 10 of the Finnish Securities Markets Act

Rautaruukki Corporation (Rautaruukki) has today 22 April 2014 received from SSAB AB (SSAB) the following flagging notice in accordance with the Securities Market Act:

If the exchange offer for all the shares in Rautaruukki announced by SSAB on 22 January 2014 is completed, the ownership of SSAB in Rautaruukki would, upon the completion of the settlement trades of the shares tendered into the exchange offer of by 22 April 2014 (including the acceptance of the exchange offer by Rautaruukki's largest shareholder Solidium Oy, in accordance with the undertaking provided in advance by Solidium Oy) exceed 40.38 percent of all the shares and voting rights in Rautaruukki.

SSAB would, upon the completion of the settlement trades of the shares tendered into the exchange offer by 22 April 2014 gain the hold of 56,641,012of Rautaruukki's shares, which would equate to 40.38 percent of the total outstanding shares and votes in Rautaruukki.

Other events

Ruukki to improve cost efficiency at the Raahe steel mill by new blast furnace PCL system

On 9 April 2014 it was announced that the blast furnace oil injection system at the Raahe steel mill is to be replaced with a new pulverised coal injection (PCI) system. The aim is to improve steelmaking cost efficiency by reducing raw material costs. The total investment will be around EUR 65 million and will be spread over slightly more than two years. In addition, work is underway on replacing the converters in the steel plant at the Raahe Works**.**

Pulverised coal injection (PCI) will replace the existing oil injection system, which has been in use in the blast furnaces since 1987. The new system will be brought into use during the second half of 2015. The new technology will have no impact on the workforce. Also the environmental impacts will be minor - carbon dioxide emissions will decrease, whereas dust emissions will increase slightly and also electricity consumption will grow.

The project involves coal storage, handling, drying and pulverising systems, which will be located in the immediate proximity of the blast furnaces. Construction work associated with the project can take place whilst production is running.

Work is also underway at Ruukki's Raahe Works on replacing the converters in the steel plant. The existing converters are 26 years old and will be replaced by modern, more cost efficient converters. The project is worth about EUR 22 million and is scheduled for completion by the end of 2015.

NEAR-TERM OUTLOOK

Global economic growth is projected to continue to strengthen moderately during 2014, despite economic development being affected by many factors of uncertainty, such as signs of continued slowdown of economic growth in China. The eurozone economy is forecast to pull out of recession and to show growth of about 1%, mostly on the back of strengthening exports. Economic activity is forecast to grow in most of Ruukki's important markets, especially in Germany, Sweden and Norway. Recovery of economic growth on the home market in Finland still seems uncertain. Growth in domestic demand in Germany is expected to add momentum to recovery also of the economies in Central Eastern Europe, which was reflected in the growth forecasts of several economies in the region being revised upwards earlier in the year. Economic growth forecasts in Russia have further deteriorated as a result of the Ukraine crisis and a weakening of the rouble, and no growth in investment is expected this year either. This causes uncertainty also with regard to Ruukki's growth potential in Russia.

In construction, modest growth recovery is forecast in most of Ruukki's main market areas in 2014, albeit at a very low level. In Finland, construction activity is forecast to be more or less at the same level as in the previous year and to show slight growth year on year in the other Nordic countries. Demand in commercial and industrial construction is expected to remain weak in Finland, but to be at a good level in the other Nordic countries. In Poland, the downturn in construction levelled off towards the end of 2013 and positive development in the demand for components is expected to continue in 2014. In Russia, increasing uncertainty in the country's economy began to be reflected in demand for construction in the early part of the year. It is believed this will somewhat weaken the demand also in Ruukki's important construction segments during the current year.

Demand for steel is forecast to grow by around 3% across the EU-28 region in 2014. This demand recovery is forecast to result in a modest increase in steel prices during the second quarter of 2014. Nevertheless, growth in steel demand will continue to be limited by overcapacity in the steel markets and slowing economic growth in emerging countries. Because of prevailing overcapacity, the price development of standard steels in particular depends both on demand and heavily on the price development of raw materials. Market prices of iron ore and coking coal are not expected to rise significantly during 2014, especially since as regards iron ore, the market is gearing up for additional production capacity and demand in China and other emerging markets is forecast to continue to be weaker than earlier.

Demand for special steels is expected to clearly outperform demand for standard products, especially in market areas outside Europe. The most important growth areas for special steels are the Americas, several countries in Asia and, in Europe, Turkey.

The early part of the year saw good progress in accelerating sales growth of Ruukki's special steels by acquiring new customers, developing new products and applications and by expanding into new market areas. Efforts in expanding the global distribution and sales network for special steels are expected to be reflected in sales figures mostly from the second quarter of the current year onwards. The target is to achieve annual sales of special steel products of EUR 850 million in 2015 (2013: EUR 558 million).

Comparable net sales in 2014 are estimated to grow compared to 2013. Comparable operating profit in 2014 is estimated to improve compared to 2013.

INTERIM REPORT AND NOTES

This interim report has been prepared in accordance with IAS 34. The accounting polices complied with are in compliance with those complied with in the 2013 financial statements.

IFRS amendments and interpretations entering into force on 1 January 2014 have had no impact on this interim report.

Changes in corporate structure and segment reporting

Ruukki Construction has been split into two reporting business areas - Ruukki Building Products and Ruukki Building Systems - since the start of the second quarter 2013. All residential roofing products, commercial, office and industrial construction components, together with foundation, harbour and transport infrastructure components are reported under Ruukki Building Products. All project business in the Nordic countries and Central Eastern Europe, together with all the business units in Russia and Romania are reported under Ruukki Building Systems. Comparable figures for the reference periods have been restated accordingly.

Combination of SSAB and Rautaruukki Corporation

On 22 January 2014, SSAB AB (publ) ("SSAB") and Rautaruukki Corporation ("Rautaruukki") announced a plan to combine the two companies through SSAB making a recommended public share exchange offer to Rautaruukki's shareholders. In the share exchange offer, SSAB offers 0.4752 new Class A shares and 1.2131 new Class B shares in SSAB for each Rautaruukki share. The Board of Directors of Rautaruukki has, in its statement announced on 26 March 2014, recommended to Rautaruukki shareholders that they accept the share exchange offer. The largest shareholder of Rautaruukki, Solidium Oy, which holds 39.7% of all Rautaruukki shares, has undertaken to accept the share exchange offer. The Finnish Financial Supervisory Authority approved on 10 April 2014 a Finnish language share exchange offer document and prospectus in respect of the share exchange offer. The offer period for the share exchange offer began on 14 April 2014 and will expire on 12 May 2014, unless the offer period is extended.

Raahen Voima Oy

Rautaruukki and EPV Energy Ltd have established a joint venture company, Raahen Voima Oy, which acquired Ruukki's existing power plant business on 1 April 2014 and will invest around EUR 121 million in modernising the plant. Ruukki owns 75% of the new company and EPV 25%.The joint venture will pay for the power plant investment largely through debt financing. Taking into account the selling price of the existing power plant, Ruukki's net investment will be some EUR 10 million. Raahen Voima Oy will be accounted for in Rautaruukki’s consolidated financial statements using the equity method.

Use of estimates

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

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

CONSOLIDATED INCOME STATEMENT (IFRS)

EUR million	Q1/14	Q1/13	2013
Net sales	581	590	2,405
Cost of sales	-528	-533	-2,174
Gross profit	53	57	231
Other operating income	1	3	13
Selling and marketing expenses	-26	-25	-104
Administrative expenses	-33	-30	-106
Other operating expenses	0	-1	0
Operating profit	-4	4	34
Finance income	6	14	40
Finance costs	-22	-22	-76
Net finance costs	-16	-8	-36
Share of profit of equity-accounted associates and joint ventures	0	-1	-3
Result before income tax	-20	-4	-6
Income tax expense	1	1	-8
Result for the period	-19	-4	-14
Attributable to:			
Owners of the company	-19	-4	-14
Non-controlling interest	0	0	0
Earnings per share, diluted, EUR	-0.14	-0.03	-0.10
Earnings per share, basic, EUR	-0.14	-0.03	-0.10
Operating profit as % of net sales	-0.8	0.7	1.4

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (IFRS)

EUR million	**Q1/14**	**Q1/13**	**2013**
Result for the period	-19	-4	-14
Other comprehensive income: Items that will not be reclassified to profit or loss:			
Remeasurements of the net defined benefit liability	-1		9
Tax on items that will not be reclassified to profit or loss	0		-3
Total items that will not be reclassified to profit or loss	-1		5
Items that may be reclassified subsequently to profit or loss:			
Effective portion of changes in fair value of cash flow hedges	-6	4	-15
Cash flow hedges reclassified to profit and loss during the period	3	3	9
Translation differences	-3	-3	-20
Tax on items that may be reclassified subsequently to profit or loss	1	-2	1
Total items that may be reclassified subsequently to profit or loss	-6	3	-26
Total comprehensive income for the period	-26	-1	-34
Attributable to:			
Owners of the company	-26	-1	-34
Non-controlling interest	0	0	0

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION (IFRS)

EUR million	31 Mar 2014	31 Mar 2013	31 Dec 2013
ASSETS			
Non-current assets	1,272	1,354	1,302
Deferred tax assets	45	48	42
Current assets			
Inventories	547	583	557
Trade and other receivables	345	361	331
Cash and cash equivalents	40	46	47
Total assets	2,248	2,392	2,278
EQUITY AND LIABILITIES			
Equity			
Equity attributable to owners of the company	984	1,044	1,010
Non-controlling interest	3	3	3
Non-current liabilities			
Loans and borrowings	341	556	358
Other non-current liabilities	70	67	68
Deferred tax liabilities	6	4	7
Current liabilities			
Loans and borrowings	434	248	387
Trade payables and other current liabilities	411	470	446
Total equity and liabilities	2,248	2,392	2,278

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS (IFRS)

EUR million	Q1/14	Q1/13	2013
Result for the period	-19	-4	-14
Adjustments	47	43	166
Cash flow before change in working capital	27	40	153
Change in working capital	-44	-15	62
Financing items and taxes	-4	-3	-30
Net cash from operating activities	-21	22	184
Cash inflow from investing activities	0	2	7
Cash outflow from investing activities	-16	-17	-90
Net cash used in investing activities	-16	-15	-84
Net cash before financing activities	-36	7	101
Dividends paid			-28
Proceeds from non-current loans and borrowings		35	35
Repayments of non-current loans and borrowings	-10	-10	-45
Change in current loans and borrowings	42	-5	-28
Other net cash flow from financing activities	-2	-2	-6
Effect of exchangerate fluctuations	-1	-1	-3
Change in cash and cash equivalents	-7	25	26

KEY FIGURES (IFRS)

	Q1/14	Q1/13	2013
Net sales, EUR m	581	590	2,405
Operating profit, EUR m	-4	4	34
as % of net sales	-0.8	0.7	1.4
Result before income tax, EUR m	-20	-4	-6
as % of net sales	-3.5	-0.7	-0.2
Result for the period, EUR m	-19	-4	-14
as % of net sales	-3.3	-0.6	-0.6
Net cash from operating activities, EUR m	-21	22	184
Net cash before financing activities, EUR m	-36	7	101
Return on capital employed (rolling 12 months), %	1.4	-4.1	1.8
Return on equity (rolling 12 months), %	-2.9	-9.0	-1.3
Equity ratio, %	44.4	44.3	45.0
Gearing ratio, %	74.1	72.4	68.5
Net interest-bearing liabilities, EUR m	731	758	693
Equity per share, EUR	7.08	7.52	7.27
Personnel on average	8,572	8,876	8,955
Number of shares	140,285,425	140,285,425	140,285,425
- excluding treasury shares	138,889,273	138,892,955	138,889,273
- diluted, average	138,933,642	138,915,892	138,934,055

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (IFRS)

EUR million	Share capital	Share premium	Fair value and other reserves	Translation differences	Treasury shares	Retained earnings	Non-controlling interest	Total equity
	Equity attributable to owners of the company							
EQUITY 1 Jan 2013	238	220	-11	-25	-6	655	3	1,074
Result for the period						-4	0	-4
Other comprehensive income			6	-2		0		4
Total comprehensive income for the period			6	-2		-4	0	1
Dividend distribution						-28		-28
Share-based payments			0					0
Other change			0					0
EQUITY 31 Mar 2013	**238**	**220**	**-5**	**-26**	**-6**	**623**	**3**	**1,047**
EQUITY 1 Jan 2014	238	220	-16	-45	-6	619	3	1,013
Result for the period						-19	0	-19
Other comprehensive income			-3	-3		-1		-7
Total comprehensive income for the period			-3	-3		-21	0	-26
Dividend distribution								
Share-based payments			0					0
Other change			0					0
EQUITY 31 Mar 2014	**238**	**220**	**-19**	**-48**	**-6**	**598**	**3**	**987**

NET SALES BY REGION (IFRS)

As % of net sales	Q1/14	Q1/13	2013
Finland	23	27	25
Other Nordic countries	34	33	31
Central Eastern Europe	14	13	15
Russia and Ukraine	7	8	10
Rest of Europe	15	14	13
Other countries	7	5	7

CONTINGENT LIABILITIES (IFRS)

EUR million	31 Mar 2014	31 Mar 2013	31 Dec 2013
Mortgaged real estate	37	59	59
Other guarantees given	24	23	23
Rental liabilities	62	70	64
Other commitments	8	10	9

DERIVATIVE CONTRACTS (IFRS)

EUR million	31 Mar 2014 Nominal amount	31 Mar 2014 Fair value	31 Mar 2013 Nominal amount	31 Mar 2013 Fair value
CASH FLOW HEDGES QUALIFYING FOR HEDGE ACCOUNTING				
Zinc derivatives				
Forward contracts, tonnes	13,500	0	14,500	-1
Heavy fuel oil derivatives				
Forward contracts, tonnes	38,000	0	40,000	0
Electricity derivatives				
Forward contracts, GWh	1,948	-23	1,890	-11
Foreign currency derivatives				
Forward contracts	114	-2	146	3
Options				
Bought	115	1	158	3
Sold	110	-1	151	-1
Interest rate derivatives	60	0	30	0
DERIVATIVES NOT QUALIFYING FOR HEDGE ACCOUNTING				
Foreign currency derivatives				
Forward contracts	263	0	280	-3
Options				
Bought	104	1	125	1
Sold	208	-1	190	-1

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

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

EUR million	Level 1	Level 2	Level 3	Total 31 Mar 2014
Assets measured at fair value				
Foreign currency derivatives		3		3
Foreign currency derivatives (cash flow hedges)		1		1
Commodity derivatives (cash flow hedges)				
Electricity				
Heavy fuel oil		0		0
Zinc		0		0
Investments recognised at fair value through profit and loss				
Available-for-sale financial assets			13	13
Assets total		4	13	17
Liabilities measured at fair value				
Foreign currency derivatives		-2		-2
Foreign currency derivatives (cash flow hedges)		-3		-3
Interest rate derivatives (cash flow hedges)		0		0
Commodity derivatives (cash flow hedges)				
Electricity	-23			-23
Heavy fuel oil		0		0
Zinc		0		0
Liabilities total	-23	-6		-29

EUR million	Level 1	Level 2	Level 3	Total 31 Dec 2013
Assets measured at fair value				
Foreign currency derivatives		3		3
Foreign currency derivatives (cash flow hedges)		1		1
Commodity derivatives (cash flow hedges)				
Electricity				
Heavy fuel oil		0		0
Zinc		1		1
Investments recognised at fair value through profit and loss				
Available-for-sale financial assets			13	13
Assets total		5	13	18
Liabilities measured at fair value				
Foreign currency derivatives		-3		-3
Foreign currency derivatives (cash flow hedges)		-5		-5
Interest rate derivatives (cash flow hedges)		0		0
Commodity derivatives (cash flow hedges)				
Electricity	-19			-19
Heavy fuel oil		0		0
Zinc		0		0
Liabilities total	-19	-8		-28

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

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

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

There were no transfers between levels in 2013.

CHANGES IN LEVEL 3 FAIR VALUES

EUR million	Loan receivables from equity-accounted investees	Available-for-sale financial assets	Total
Carrying amount at 1 Jan 2013	72	14	86
Additions		1	1
Disposals		-2	-2
Adjustment for items not measured at fair value	-72		-72
Translation differences		0	0
Carrying amount at 31 Dec 2013		13	13
Carrying amount at 1 Jan 2014		13	13
Carrying amount at 31 Mar 2014		13	13

FINANCIAL INSTRUMENTS SUBJECT TO MASTER NETTING AGREEMENTS

EUR million	Gross amounts of financial instruments in the statement of financial position	Related financial instruments that are not offset	Net amount
31 March 2014			
Financial assets			
Foreign currency derivatives	3	-3	0
Commodity derivatives	0	0	0
	4	-3	0
Financial liabilities			
Foreign currency derivatives (cash flow hedges)	-6	3	-2
Interest rate derivatives (cash flow hedges)	0		0
Commodity derivatives (cash flow hedges)	-23	0	-23
	-29	3	-26
31 December 2013			
Financial assets			
Foreign currency derivatives	4	-4	0
Commodity derivatives	1	-1	0
	5	-5	0
Financial liabilities			
Foreign currency derivatives (cash flow hedges)	-8	5	-3
Interest rate derivatives (cash flow hedges)	0		0
Commodity derivatives (cash flow hedges)	-19	0	-19
	-28	5	-23

CHANGES IN PROPERTY, PLANT AND EQUIPMENT (IFRS)

EUR million	**Q1/14**	**Q1/13**	**2013**
Carrying amount at the beginning of period	1,079	1,122	1,122
Additions	12	15	88
Disposals	0	-1	-3
Depreciation	-29	-30	-116
Impairment	0	0	-2
Translation differences	-8	1	-10
Carrying amount at the end of period	1,054	1,107	1,079

TRANSACTIONS WITH RELATED PARTIES (IFRS)

EUR million	Q1/14	Q1/13	2013
Sales to equity-accounted investees	8	6	34
Purchases from equity-accounted investees	2	2	7
Loan receivables from equity-accounted investees	71	73	71
Transactions with Rautaruukki Pension Foundation	0	0	0
	31 Mar 2014	**31 Mar 2013**	**31 Dec 2013**
Trade and other receivables from related parties	5	7	4
Trade and other payables to related parties	1	0	1

INVESTMENT COMMITMENTS (IFRS)

EUR million	After 31 Mar 2014	After 31 Mar 2013	After 31 Dec 2013
Maintenance investments	77	78	80
Development investments and investments in special steel products	14	14	6
Total	90	92	86

In addition Rautaruukki has confirmed to Voimaosakeyhtiö SF its binding commitment to participate in Fennovoima's Hanhikivi 1 nuclear power plant project. Over the following 10 years, Rautaruukki will invest around EUR 60 million in the project. Most of the investment will be back loaded.

SEGMENT INFORMATION

EUR million	Q1/14	Q1/13	2013
Order intake			
Ruukki Building Products	81	79	434
Ruukki Building Systems	44	75	286
Ruukki Metals	435	437	1,657
Order intake, total	560	590	2,376
Comparable net sales			
Ruukki Building Products	82	78	430
Ruukki Building Systems	55	68	292
Ruukki Metals	445	443	1,679
Others	0	1	3
Comparable net sales, total	581	589	2,404
Items affecting comparability included in reported net sales		1	1
Reported net sales	581	590	2,405
Comparable operating profit			
Ruukki Building Products	0	-1	36
Ruukki Building Systems	-4	-7	-10
Ruukki Metals	12	16	27
Others	-3	-4	-14
Comparable operating profit, total	5	4	39
Items affecting comparability included in reported operating profit	-9	-1	-5
Reported operating profit	-4	4	34
Net finance costs	-16	-8	-36
Share of profit of equity-accounted associates and joint ventures	0	-1	-3
Result before income tax	-20	-4	-6
Income tax expense	1	1	-8
Result for the period	-19	-4	-14

EUR million	31 Mar 2014	31 Mar 2013	31 Dec 2013
Operative capital employed			
Ruukki Building Products	144	153	138
Ruukki Building Systems	181	232	198
Ruukki Metals	1,380	1,415	1,338
Others	21	31	26
Operative capital employed, total	1,727	1,831	1,699

QUARTERLY SEGMENT INFORMATION

EUR million	Q1/13	Q2/13	Q3/13	Q4/13	Q1/14
Order intake					
Ruukki Building Products	79	120	127	108	81
Ruukki Building Systems	75	94	63	55	44
Ruukki Metals	437	431	378	411	435
Order intake, total	590	644	568	574	560
Comparable net sales					
Ruukki Building Products	78	112	130	110	82
Ruukki Building Systems	68	76	76	73	55
Ruukki Metals	443	439	389	407	445
Others	1	5	-3	0	0
Comparable net sales, total	589	633	592	590	581
Items affecting comparability included in reported net sales	1	0	0	0	
Reported net sales	590	633	592	590	581
EBITDA					
Ruukki Building Products	1	13	19	12	2
Ruukki Building Systems	-2	2	5	1	-1
Ruukki Metals	42	34	23	32	34
Others	-4	1	-4	-6	-7
EBITDA, total	37	49	42	39	28
Comparable operating profit					
Ruukki Building Products	-1	10	16	10	0
Ruukki Building Systems	-7	-2	1	-2	-4
Ruukki Metals	16	8	-3	6	12
Others	-4	0	-4	-6	-3
Comparable operating profit, total	4	17	10	8	5
Items affecting comparability included in reported operating profit	-1	-1	0	-4	-9
Reported operating profit	4	16	10	4	-4
Net finance costs	-8	-10	-9	-9	-16
Share of profit of equity-accounted associates and joint ventures	-1	-1	-1	-1	0
Result before income tax	-4	5	0	-6	-20
Income tax expense	1	-6	1	-4	1
Result for the period	-4	-1	1	-10	-19

ITEMS AFFECTING COMPARABILITY

In addition to consolidated figures, consolidated and segment comparable net sales and operating profit have been stated to ensure a better understanding and comparability of Ruukki's operating activities and result. Items affecting comparability have been eliminated from the comparable figures. These items are:

Items related to changes in the business structure, for example

- Changes in group structure (acquisitions and disposals)
- Items related to discontinued and held for sale operations, for example
  - Write-down of inventories and impairment of assets
  - Restructuring costs
  - Fair value adjustments booked in business combinations

Items related to continued business activities, for example

- Costs attributable to efficiency and restructuring measures
- Impact of adjustments of accounting principles

ITEMS AFFECTING COMPARABILITY OF REPORTED NET SALES

EUR million	Q1/13	Q2/13	Q3/13	Q4/13	Q1/14
Others					
Net sales of Mo i Rana unit	0	0	0	0	
Net sales of Kalajoki unit	1	0	0	0	
Items affecting comparability of reported net sales, total	1	0	0	0	

ITEMS AFFECTING COMPARABILITY OF REPORTED OPERATING PROFIT

EUR million	Q1/13	Q2/13	Q3/13	Q4/13	Q1/14
Ruukki Building Products					
Expenses related to restructuring				-1	
Ruukki Building Systems					
Expenses related to restructuring				-2	
Ruukki Metals					
Impact of adjustment of standard cost updating cycle and process					-4
Others					
Integration costs					-5
Environmental restoration costs					0
Operating profit of Mo i Rana unit	0	0	0	0	
Operating profit of Kalajoki unit	0	0	0	-1	
Impact of Fortaco deal	-1	0	0		
Items affecting comparability of reported operating profit, total	-1	-1	0	-4	-9

DELIVERIES, RUUKKI METALS

1 000 tonnes	Q1/13	Q2/13	Q3/13	Q4/13	Q1/14
Deliveries	481	451	415	466	509

Formulas for the calculation of key figures

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

Helsinki, 24 April 2014
Rautaruukki Corporation
Board of Directors

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

The interim report for the period January–June 2014 will be published on 7 August 2014.

Rautaruukki Corporation, Suolakivenkatu 1, FI-00810 Helsinki, Finland, +358 20 5911, www.ruukki.com
Business ID 0113276–9, VAT No. FI 01132769, Registered Office Helsinki