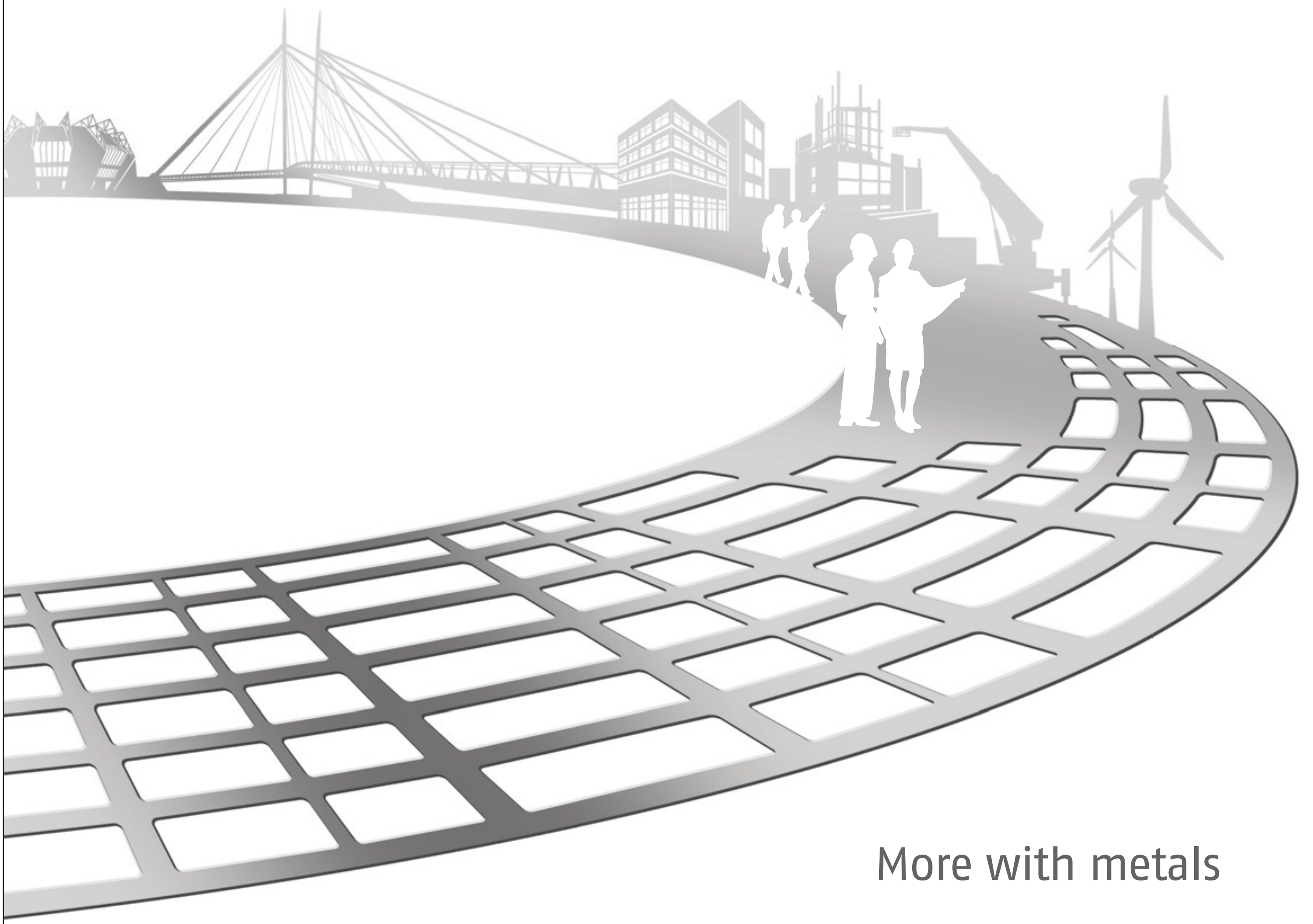
Q1

Rautaruukki Corporation

Interim Report
1 January–31 March 2010
RTRKS

22 April 2010



More with metals

Rautaruukki Corporation Interim report 22 April 2010 at 9.00

Interim report for January-March 2010: Demand in steel business improved, market conditions remained challenging in engineering and construction businesses

Summary of results for first quarter of 2010 (reference figure for Q1/2009)

- Consolidated net sales EUR 505 million (506)
- Consolidated negative operating profit -EUR 36 million (-113)
- Result before taxes -EUR 44 million (-122)
- Gearing ratio was 29.6 per cent (7.4)
- Net cash flow before financing activities -EUR 87 million (30)
- Return on capital employed (rolling 12 months) -11.5 per cent (14.5)
- Earnings per share -EUR 0.24 (-0.65)
- Ruukki keeps its guidance unchanged. The company estimates a 15-20 per cent year-on-year growth in net sales in 2010. Profitability is expected to improve significantly compared to the previous year and the full-year result before income tax is estimated to be positive.

KEY FIGURES

	Q1/10	Q1/09	2009
Net sales, EUR m	505	506	1 950
Operating profit, EUR m	-36	-113	-323
Operating profit, excluding non-recurring items, EUR m	-36	-113	-306
Operating profit as % of net sales	-7.2	-22.2	-16.6
Operating profit as % of net sales, excluding non-recurring items	-7.2	-22.2	-15.7
Result before income tax, EUR m	-44	-122	-359
Net cash flow before financing activities, EUR m	-87	30	30
Earnings per share, EUR	-0.24	-0.65	-1.98
Return on capital employed (rolling 12 mths), %	-11.5	14.5	-14.2
Gearing ratio, %	29.6	7.4	22.3
Personnel, average	11 525	13 460	12 664

First quarter of 2010 in brief:

- Cautious recovery of the global economy continued, but with large regional differences in economic development.
- Due to a severe winter, delivery volumes were low in commercial and industrial construction and in residential roofing products. Demand continued to be brisk in road and railway construction in the Nordic countries.
- In the engineering business, delivery volumes were much lower year on year. Work continued on reorganising operations and it was decided to discontinue until further notice operations at the under-performing unit in Norway.
  In the steel business, gradual recovery continued and delivery volumes of steel products increased clearly during the first quarter compared to the exceptionally weak reference period a year earlier.
- Order intake during the first quarter was EUR 507 million, which is about 20 per cent higher year on year.
- The operational excellence programme, Boost, is progressing faster than originally planned.
- The group’s financial position remained strong.

President & CEO Sakari Tamminen comments on the first quarter:

”During the first months of the year, the economy showed signs of recovery in our main market areas in Europe. However, there was continued caution in construction investment decisions. This, on top of an exceptionally severe winter, weakened demand for our commercial and industrial construction solutions and residential roofing products. On the other hand, we further strengthened our strong position in Nordic infrastructure construction, net sales of which were up by around 45 per cent compared to last year.

In the engineering business, demand was at the same level as at the end of 2009, but clearly down compared to the first quarter of last year. We continued strengthening our cabin business in Central Eastern Europe. Among other things, we have improved our production network to enable us to deliver fully-assembled cabins from our plant in Slovakia to customers in Central and Eastern Europe.

In the steel business, demand was brisker than a year earlier. Sales of special steel products improved more than other product groups. We supported sales of special steel products by expanding our distribution network in China, Turkey and Brazil, for example. Selling prices of steel products were clearly lower year on year and were at about the same level as in the fourth quarter of 2009. Even though selling prices started to rise towards the end of the report period, this did not yet have a material impact on net sales in the steel business during the first quarter.

During the first quarter, we secured new orders totalling over EUR 500 million and our order intake in March was at its highest since October 2008. Our order backlog at the end of the report period was about 45 per cent higher than a year ago.

This year our main focus is on strengthening sales and marketing. The economic outlook in our main market areas has gradually improved and a number of indicators point to continued economic recovery in the coming months. Thanks to actions to improve efficiency, our cost competitiveness is now much better than in previous years. This year, we will continue actions to further improve our cost efficiency.

We estimate a 15-20 per cent year-on-year growth in net sales in 2010. Profitability is expected to improve significantly compared to the previous year and the full-year result before income tax is estimated to be positive."

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A press conference, in English, for analysts and the media will be held on Thursday 22 April 2010 at 10.30am at Ruukki, Suolakivenkatu 1, 00810 Helsinki.

A live webcast of the conference and presentation by the company's President & CEO Sakari Tamminen may be followed online on the company website at www.ruukki.com/investors starting at 10.30. The event can also be attended through a conference call. To attend the conference call, please call the number below 5-10 minutes before the scheduled start time: +44 (0)20 7162 0125, password: Rautaruukki

A replay of the webcast can be viewed on the company website from approximately 16:00. An encore replay of the conference call will be available until 27 April 2010 at: +44 (0)20 7031 4064, access code: 862840

RautaruukkiCorporation
Anne Pirilä
SVP, Communications and Investor Relations

Rautaruukki supplies metal-based components, systems and integrated systems to the construction and engineering industries. The company has a wide selection of metal products and services. Rautaruukki has operations in 27 countries and employs 11,500 people. Net sales in 2009 totalled EUR 2.0 billion. The company's share is quoted on NASDAQ OMX Helsinki (Rautaruukki Oyj: RTRKS). The Corporation uses the marketing name Ruukki.

DISTRIBUTION: NASDAQ OMX Helsinki, main media, www.ruukki

Business environment

Cautious recovery of the global economy continued during the early part of the year. This was supported especially by growing demand in the emerging economies. However, there were regional differences in recovery and growth was slower in Europe than in the rest of the world. Economic recovery in Finland has been slower than in most other European countries because the Finnish economy is rather dependent on export demand for capital goods. Nevertheless, economic recovery is being supported against a background of improving economic development in Finland's main export markets. Consumer confidence has remained strong and this in particular also indicates a gradual improvement in domestic demand.

Normalisation of the financial markets continued even though the rapid indebtedness of certain states triggered, to some extent, renewed uncertainty. Strong growth in the Asian and other emerging economies supported the recovery of industrial production. However, abundant unused capacity meant investment-driven demand continued to be rather sluggish in the private sector.

In construction, a particularly severe winter affected demand in Ruukki's market areas. This was reflected in both commercial and industrial construction and in residential construction. The start of new projects was pushed back and the throughput of projects under way was slowed. Demand for residential roofing products declined sharply during the winter months. Nordic road and railway construction continued to be at a good level.

In the engineering industry, the order flows of Ruukki's main customers have stabilised at a fairly low level compared to previous years. The pick-up in demand continued in the manufacture of equipment in the mining and forest industries and cautious positive development was discernible also in demand for heavy cargo handling equipment. In the wind power industry, the funding difficulties faced by new wind farm projects have temporarily weakened demand. Market conditions remained weak in shipbuilding.

In the steel industry, the gradual recovery in demand, beginning in the latter part of 2009, continued in Europe. In Finland, recovery of domestic demand was slowed because capital goods account for a large share of overall steel consumption. During January-March 2010, crude steel production in the EU-27 region remained at the same level as during the last months of 2009, but was 37 per cent higher year on year. Stock levels of steel wholesalers were normal in relation to sales. Prices of steel products started to rise towards the end of the first quarter fuelled by speculation about price hikes in the main raw materials of steel production - iron ore and coal.

Order intake and order backlog

The volume of new orders in the construction business during the report period was slightly down year on year and fell far short of the level of previous years. A severe winter impacted particularly on order volumes for residential roofing products. Order flow in commercial and industrial construction picked up during the report period, but was still low. As in previous quarters, order flow in infrastructure construction continued to be good. The order backlog in the construction business at the end of the report period was somewhat higher than a year earlier.

Order flow in the engineering business during the report period was lower year on year, but noticeably better than for the fourth quarter of 2009. New orders were secured particularly from customers in the mining and forest machine sectors. Business activity also began to pick up in the transportation equipment sector, but this was still not clearly reflected in order intake. There were very few orders from customers in the shipbuilding industry. Likewise, there were few orders from equipment manufacturers in the energy industry. The order backlog in the engineering business at the end of the report period was much lower than a year earlier.

In the steel business, there was a clear increase in order intake during the report period both year on year and quarter on quarter. The order flow in special steel products grew and orders from new markets - China, Turkey and Brazil - showed good development. The order backlog in the steel business at the end of the report period was more than double that a year earlier.

The group’s order intake during the report period was EUR 507 million, which is about 20 per cent higher year on year and also higher than for the fourth quarter of 2009. At a monthly level, the order flow in March was at its highest since October 2008. The group’s order backlog at the end of the report period was about 45 per cent higher than the exceptionally low backlog last year and more than 20 per cent bigger than at the end of 2009.

First quarter net sales

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

Consolidated net sales for the first quarter of 2010 were EUR 505 million (506).

Ruukki Construction’s net sales for the first quarter of 2010 were EUR 109 million (132). Ruukki Engineering’s net sales were EUR 47 million (125) and net sales excluding the Mo i Rana unit in Norway, which is to discontinue operations until further notice, were EUR 42 million (100). Ruukki Metals’ net sales were EUR 348 million (249). The solutions businesses - Ruukki Construction and Ruukki Engineering - accounted for 31 per cent (51) of consolidated net sales in the report period.

Finland accounted for 28 per cent (32) of consolidated net sales, the other Nordic countries for 32 per cent (33) and Central Eastern Europe, Russia and Ukraine for 14 per cent (15). The rest of Europe accounted for 20 per cent (14) of consolidated net sales and other countries for 6 per cent (5).

Ruukki Construction’s net sales development during the report period was affected by a particularly severe winter, which weakened demand, among other things, for residential roofing products. Delivery volumes of these products remained low especially in Central Eastern Europe and the Baltic states. Weather conditions pushed back and slowed also new commercial and industrial construction projects. Caution in investment decisions continued in this segment. Consequently, demand remained low and net sales were down year on year in all market areas. Delivery volumes in Russia decreased noticeably less than in other market areas. In infrastructure construction, net sales were up 45 per cent year on year on the back of continued brisk activity in Nordic road and railway construction projects. Ruukki successfully grew its share of Nordic bridge projects.

Ruukki Engineering’s delivery volumes were down clearly compared to the first quarter of 2009, except for the manufacture of equipment for the mining and forest industries. Delivery volumes decreased particularly sharply in the manufacture of equipment for the wind power industry and in shipbuilding. Selling prices during the report period were noticeably lower than a year earlier.

The gradual recovery in demand, beginning in the latter part of 2009, in Ruukki Metals’ business continued and there was a clear rise in delivery volumes of steel products compared to the exceptionally low level a year earlier. Deliveries to subcontractors in the automotive industry in Sweden were brisker than to other customer sectors. Sales of special steel products improved somewhat better than other product groups owing to a slight pick-up in the activity of key customer industries using special steel products. Expansion of the distribution network also helped to improve sales of special steel products, which accounted for 20 per cent (18) of Ruukki Metals’ first-quarter net sales.

Prices of steel products were noticeably lower during the report period than a year earlier and were roughly at the same level as during the fourth quarter of 2009. Even though prices rose to a certain extent towards the end of the first quarter of 2010, this as yet had no material impact on net sales in the report period.

First quarter operating profit

Consolidated negative operating profit for the report period was -EUR 36 million (-113), equating to -7 per cent of net sales (-22).

Ruukki Construction posted a negative operating profit of -EUR 21 million (-13). Ruukki Engineering’s negative operating profit was -EUR 8 million (5) and operating profit excluding the Mo i Rana unit was -EUR 5 million (9). Ruukki Metals posted a negative operating profit of -EUR 4 million (-102), which is a significant improvement year on year.

Ruukki Construction’s operating profit was down year on year due to lower sales volumes and selling prices. Selling prices during the report period remained mostly at the same level as during the fourth quarter of 2009.

Thanks to cost savings from permanent improvements in operational efficiency and temporary adjustment measures, operating profit remained at the same level as for the previous quarter despite a clear fall in net sales.

Ruukki Engineering's operating loss was mainly due to the low capacity utilisation rate and to small delivery volumes. Also lower selling prices weakened operating profit year on year.

Ruukki Metals' operating profit improved year on year as a result of higher delivery volumes, lower raw material prices, cost savings implemented and a high capacity utilisation rate in steel production. Operating profit for the report period was below that for the fourth quarter of 2009. Emissions allowances were sold for EUR 4 million during the first quarter of 2010, compared to EUR 31 million during the fourth quarter of 2009.

First quarter financial items and result

Net finance costs and exchange rate differences relating to finance totalled EUR 8 million (9). Net interest costs totalled EUR 7 million (5).

Group taxes were -EUR 11 million (-32), which includes a decrease of EUR 12 million (31) in deferred tax.

The result for the period was -EUR 33 million (-90).

Earnings per share were -EUR 0.24 (-0.65).

Balance sheet, cash flow and financing

Total assets at 31 March 2010 were EUR 2,527 million (2,941). Equity was EUR 1,422 million (1,658), equating to EUR 10.24 per share (11.94).

The equity ratio at 31 March 2010 was 56.9 per cent (56.7) and the gearing ratio was 29.6 per cent (7.4). Net interest-bearing financial liabilities at 31 March 2010 were EUR 422 million (122).

Return on equity during the past twelve months was -14.1 per cent (11.3) and return on capital employed was -11.5 per cent (14.5).

Net cash flow from operating activities during the first quarter of 2010 was -EUR 55 million (76) and net cash flow before financing activities was -EUR 87 million (30). EUR 19 million was tied up (EUR 114 million freed) in net working capital during the report period.

At 31 March 2010, the group had liquid assets of EUR 129 million and undrawn committed revolving credit facilities of EUR 350 million.

Actions to improve operational efficiency and adjust operations

In October 2008, Ruukki initiated its corporate-wide Boost programme, which aims at operational efficiency and at permanently improving the company's competitive edge and profitability. Boost aims at an annualised improvement of EUR 150 million in the company's operating profit. The programme has progressed faster than originally planned and, between inception and the end of March 2010, had an impact of EUR 97 million on group profitability. The annualised impact of actions initiated is estimated to be EUR 142 million. Under the original plan, it was estimated the benefits sought by the programme would be achieved by the end of 2011. However, it is currently estimated that the programme could possibly achieve its aim already in the early part of 2011.

The largest single benefits have been achieved from the centralisation of steel service centre operations in the Nordic countries, improved supply chain efficiency and from efficiency programmes in the construction business.

During the report period, work continued on improving operational efficiency and adjusting operations in the construction business in Finland by streamlining the organisation and operating model and by improving production efficiency at the plants in Vimpeli, Alajärvi and Peräseinäjoki. Centralising product manufacture on increasingly larger units continued by transferring steel structure production at the Holic unit in Slovakia to Ruukki's other units in Central Eastern Europe. In future, the Holic plant will make cabins for Ruukki's engineering customers.

The efficiency of engineering business operations was improved during the first quarter by, among other things, transferring the manufacture of components at Peräseinäjoki in Finland to Ruukki's other units. In addition, a decision was made to discontinue until further notice the operations of the Mo i Rana unit in

Norway, which makes shipbuilding profiles and flange profiles for windmill towers. It is planned to discontinue operations in Mo i Rana by mid-May 2010.

Personnel

The group employed an average of 11,525 persons (13,460) during the first quarter of 2010. At 31 March 2010, the headcount was 11,476 (13,253), which was spread as follows: 6,096 in Finland, 901 in the other Nordic countries, 2,057 in Central Eastern Europe, 2,088 in Russia and other CIS countries, 79 in Western Europe and 255 in other countries.

Safety measured in terms of accidents per million hours worked was 8 (7), the same level as during the previous year.

Capital expenditure

Net cash used in investing activities during the first quarter of 2010 was -EUR 32 million (-46).

Capital expenditure on tangible and intangible assets during the report period was EUR 34 million (40), of which maintenance investments accounted for EUR 18 million (17). Cash inflows from investing activities amounted to EUR 2 million (3).

Depreciation during the report period was EUR 37 million (35).

Blast furnace 1 at the Raahe Steel Works in Finland will be modernised during 2010. The company is planning to modernise blast furnace 2 in 2011. Blast furnace modernisation is a necessary maintenance investment. A start was made on the modernisation of blast furnace 1 in April. In connection with blast furnace modernisation, the company will switch over to using iron ore pellets instead of sinter as the sole raw material in the iron-making process. The sinter plant currently in use will be closed down by the end of 2011. Environmental investments will also be made in connection with blast furnace modernisation.

The investments planned for 2009-2011 to modernise the blast furnaces and to change the feedstock base total around EUR 220 million, in addition to which some EUR 60 million will be spent on environmental investments. EUR 46 million of the investments were made by the end of 2009. Some EUR 125 million of investments are expected to be scheduled for 2010 and EUR 110 million for 2011.

Group capital expenditure on tangible and intangible assets in 2010 is expected to be in the region of EUR 180 million.

Annual General Meeting 2010

Rautaruukki Corporation’s Annual General Meeting was held in Helsinki on 23 March 2010.

The Annual General Meeting resolved that a dividend of EUR 0.45 per share be paid for 2009. The total dividend payout of EUR 62.5 million was paid on 8 April 2010. In addition, the Annual General Meeting resolved to authorise the Board of Directors to donate a maximum of EUR 900,000 of the company’s distributable capital to support the activities of colleges and universities.

The Annual General Meeting confirmed that the Board of Directors is to have seven members. Reino Hanhinen, Maarit Aarni-Sirviö, Liisa Leino and Hannu Ryöppönen were re-elected to the Board. Pertti Korhonen, President & CEO, Outotec Oyj; Matti Lievonen, President & CEO, Neste Oil Corporation and Jaana Tuominen, CEO and Managing Director, Paulig Ltd were elected to the Board as new members. Reino Hanhinen was re-elected as chairman of the Board and Hannu Ryöppönen was elected as deputy chairman.

The Annual General Meeting resolved to abolish the Supervisory Board and to amend the company’s Articles of Association accordingly. The term of office of the Supervisory Board elected at the Annual General Meeting ends when the resolution to abolish the Supervisory Board has been entered in the Trade Register. The Annual General Meeting confirmed that the Supervisory Board is to have five members. Marjo Matikainen-Kallström was re-elected chairwoman of the Supervisory Board and Inkeri Kerola as deputy chairwoman. Turo Bergman, Jouko Skinnari and Tapani Tölli were also re-elected to the Supervisory Board.

The Annual General Meeting re-appointed KHT audit firm KPMG Oy Ab as the company’s auditor, which appointed KHT Pekka Pajamo to act as the principal auditor.

The Annual General Meeting resolved to amend Article 11 of the company's Articles of Association so that notice of the Annual General Meeting must be given no later than three weeks before the Meeting and at least nine days before the Annual General Meeting record date as referred to in the Finnish Limited Liability Companies Act.

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 close of the following Annual General Meeting and supersedes the authority to acquire a maximum of 12,000,000 shares granted by the Annual General Meeting of 24 March 2009.

The Annual General Meeting resolved 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 23 March 2010, the Board of Directors elected members to its committees from among its members. Hannu Ryöppönen was elected as chairman and Liisa Leino, Matti Lievonen and Jaana Tuominen as members of the Audit Committee. Reino Hanhinen was elected as chairman and Maarit Aarni-Sirviö and Pertti Korhonen as members of the Remuneration Committee.

Shares and share capital

During the first quarter of the year, 58,086 thousand (68,936) Rautaruukki Oyj shares (RTRKS) were traded on NASDAQ OMX Helsinki for a total of EUR 887 million (945). The highest price quoted was EUR 17.44 in January and the lowest was EUR 13.43 in February. The volume weighted average price during the first quarter was EUR 15.27. The share closed at EUR 16.00 (12.06) at 31 March 2010 and the company had a market capitalisation of EUR 2,245 million (1,692).

Rautaruukki's share is also traded on multilateral trading facilities (MTF). According to information received by the company, a total of 8,892 thousand shares were traded on multilateral trading facilities during the report period for a total of EUR 135 million.

The company's registered share capital at 31 March 2010 was EUR 238.5 million and there were 140,285,425 shares issued.

At 31 March 2010, the company held 1,421,575 treasury shares, which had a market capitalisation of EUR 22.7 million and an accountable par value of EUR 2.4 million. Treasury shares accounted for 1.01 per cent of the total number of shares and votes.

The 2009 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. This authority applies to a maximum of 15,000,000 shares in total. The Board of Directors has the right to disapply the pre-emption right of existing shareholders. 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 Board of Directors had not exercised this authority by the end of the first quarter of 2010.

The 2010 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 close of the following Annual General Meeting. The Board of Directors did not exercise this authority during the first quarter of 2010.

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.

Flagging notifications

On 14 January 2010, the company received a disclosure notification from Capital and Research Management Company (CRMC) under Chapter 2, Section 9 of the Finnish Securities Markets Act that the aggregate holding in Rautaruukki shares for the funds it manages had, as at 12 January 2010, increased to above five (5) per cent. The number of Rautaruukki Oyj shares notified by CRMC was 7,297,852 shares, which equated to 5.20 per cent of Rautaruukki's share capital and votes.

Energy and the environment

Environmental matters at Ruukki are managed under certified ISO 14001:2004 environmental management systems. In March, Ruukki's steel service centre in St Petersburg, Russia was a new unit to join the certified environmental management system.

More information about environmental matters can be found in the company's Annual Report for 2009, the environmental reports for the Raahe and Hämeenlinna works and on the company's website.

Litigation and other pending legal actions

The European Commission continued investigations during the report period into suspected price collusion relating to the manufacture of prestressing steel between 1996 and 2001 by Ruukki's former subsidiary, Fundia. A decision is expected to be reached during spring 2010. The Commission was investigating dozens of European companies and Fundia's comparatively minor prestressing steel business was not at the centre of the investigation.

Judgment was reached on 15 January 2010 in proceedings instigated in Sweden in a case concerning safety at work as a result of a serious accident in 2008 at the Kista Galleria construction site. All the prosecutor's claims against the company's employee and Ruukki Sverige AB were dismissed. Settlement of the loss and costs attributable to the accident are still going on between the parties and insurance companies are still completing the claims processing.

Rise in cost of raw materials used in steel production and possible change in pricing mechanism

No new price agreements in respect of coal and iron ore - the main raw materials in steel production - have yet been made, but a clear rise in prices is expected. The rise in the cost of raw materials will be offset by increasing selling prices and by improving cost-efficiency. The scale and timing of price rises will vary from one product and market area to another.

If it is agreed with raw material suppliers to continue pricing on an annual basis, new prices for iron ore (both concentrate and pellets) will enter into force retrospectively from the start of the year and the new price for coal from the start of April.

The market is currently showing signs of a shift from annual pricing, a practice used for decades, to one of quarterly or even spot pricing. Any aforementioned change in the pricing mechanism would increase fluctuation in the company's raw material costs in steel production and probably lead to a change in agreement practices between Ruukki and its customers.

Other events

Under a decision taken by the Board of Directors of Rautaruukki's Pension Foundation, management of the Foundation's statutory pensions liability under the Finnish Employees Pensions Act (TyEL) was transferred to Varma Mutual Pension Insurance Company on 31 December 2009. The pension liabilities transferred by Rautaruukki's Pension Foundation at year-end 2009 totalled around EUR 485 million. Transferring management of the Pension Foundation to Varma gives Ruukki greater flexibility to arrange funding. The surplus, i.e. the part of the funds to cover pension liability that exceeds the amount of pension and other liabilities, accrued by the Foundation was refunded to the company in conjunction with the transfer. According to current estimates the surplus is around EUR 49 million. A refund of around EUR 27 million of the surplus was paid in December 2009 and around EUR 22 million in March 2010. The transfer had no material impact through profit and loss.

Risks and risk management

Risk management at Rautaruukki is guided by the operating principles and process of corporate risk management defined in the risk management policy approved by the company's Board of Directors. Risk management is an integrated part of the management system. The company has described business risks and risk management in detail in its annual report 2009. Except for the factors of uncertainty presented under the heading "Rise in cost of raw materials used in steel production and possible change in pricing mechanism" above, 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 2009.

Near-term outlook

The economic outlook in Ruukki's main market areas has gradually improved and a number of indicators suggest a continuation of economic recovery in the coming months. Increased economic activity and improved financial conditions also support investment-driven demand. However, slower economic recovery in Europe compared to the rest of the world might limit an improvement in demand in the company's main market areas.

It is thought the worst of the construction market downturn is now over. Construction activity in the Nordic countries and in several countries in Central Eastern Europe is expected to stabilise, but to further decline in the Baltic states and Hungary. It is believed residential construction will grow in the Nordic countries and Russia. Difficult market conditions persist in commercial and industrial construction in nearly all market areas. Infrastructure construction activity in the Nordic countries is expected to continue to be good.

In the engineering business, market conditions are still challenging and no significant change is yet expected during the second quarter of the year. Overall demand in lifting, handling and transportation machinery and equipment has stabilised at a low level, even though order intake volumes in mining and forest machines have begun to rise. Minor positive development is discernible also in the demand for heavy cargo handling equipment. The long-term market outlook in equipment for the energy industry is good and demand is expected to recover from its present level during the course of this year. Demand in shipbuilding is expected to decline compared to the previous year.

It is believed that delivery volumes and selling prices in the steel business will continue rising. Worldsteel forecasts growth of around 14 per cent in apparent steel use in the EU-27 region in 2010 compared to 2009. Demand is expected to improve in the heavy engineering industry and to continue to be good in the automotive industry. As demand picks up in these industries, it is estimated that delivery volumes of special steel products will increase compared to the previous year. An expansion of the company's distribution network in China and Turkey and into Brazil, for example, will also support sales of special steel products. Prices of the main raw materials used in steel production have yet to be agreed, but a clear rise in prices is expected. The gradual recovery of demand and rise in raw material costs support the pricing of steel products.

Modernisation of blast furnace 1 begun in April 2010 reduces the capacity utilisation rate in steel production. The low utilisation rate during blast furnace maintenance is expected to have a cost impact of around EUR 20 million for the second quarter.

Thanks to actions initiated under the Boost programme to permanently improve operational efficiency, the company's cost competitiveness is significantly better than in previous years. Actions initiated since the start of the programme are estimated to have an annualised impact on the company's profitability of EUR 142 million. It is currently forecast that the aim of an annualised improvement of EUR 150 million could possibly be achieved already in the early part of 2011.

Based on the above factors, the company estimates a 15-20 per cent year-on-year growth in net sales in 2010. Profitability is expected to improve significantly compared to the previous year and the full-year result before income tax is estimated to be positive.

This interim report is unaudited.

Helsinki, 22 April 2010

Rautaruukki Corporation

Board of Directors

BUSINESS AREAS

Ruukki Construction

EUR million	Q1/09	Q2/09	Q3/09	Q4/09	2009	Q1/10
Net sales	132	145	164	147	589	109
Operating profit	-13	-9	-4	-22	-49	-21
as % of net sales	-10	-6	-3	-15	-8	-19

Order intake and order backlog

The number of new orders in the construction business during the report period was slightly down year on year and fell far short of the level of previous years. A severe winter impacted particularly on order volumes for residential roofing products. Order flow in commercial and industrial construction picked up during the report period, but was still low. As in previous quarters, order flow in infrastructure construction continued to be good. The order backlog in the construction business at the end of the report period was somewhat higher than a year earlier.

Net sales

Ruukki Construction's net sales for the first quarter of 2010 were down 17 per cent year on year at EUR 109 million (132). The construction business accounted for 22 per cent (26) of consolidated net sales in the report period.

A severe winter particularly affected demand for residential roofing products and delivery volumes of these products remained low especially in Central Eastern Europe and the Baltic states. Residential roofing products accounted for 10 per cent (12) of Ruukki Construction's net sales in the report period.

Weather conditions pushed back also the start of new commercial and industrial construction projects and slowed the throughput of projects already under way. The impact of this was seen especially in Central Eastern Europe. Caution in investment-driven decisions continued in this segment and demand remained low. Net sales of commercial and industrial construction were down year on year in all market areas. Delivery volumes in Russia decreased noticeably less than in other market areas. In Russia, deliveries for construction projects in the energy industry and to publicly funded projects such as the construction of agricultural buildings continued to be brisker than those for other industrial sectors.

In infrastructure construction, net sales were up 45 per cent year on year on the back of continued brisk activity in road and railway construction projects in the Nordic countries. Ruukki successfully grew its share of Nordic bridge projects. Thanks to a pick up in residential construction, demand for piles used in housing construction also recovered year on year. Infrastructure construction products accounted for 23 per cent (13) of Ruukki Construction's net sales in the report period.

Operating profit

Ruukki Construction posted a negative operating profit of -EUR 21 million (-13) for the first quarter of 2010. Operating profit was down year on year as a result of lower sales volumes and selling prices. Selling prices during the report period remained more or less at the same level as during the fourth quarter of 2009.

Thanks to cost savings from permanent improvements in operational efficiency and temporary adjustment measures, operating profit remained at the same level as the previous quarter despite a clear fall in net sales.

Major orders

During the first quarter of the year, Ruukki Construction signed delivery contracts for two extensive construction projects in Norway. Ruukki is responsible for the design, manufacture, installation and fire protection of the steel frame for the new head office of financial services group DnB NOR to be built in the Norwegian capital of Oslo. Ruukki is also to be responsible for the manufacture, fabrication design, installation and fire protection of the steel frame in a construction project to build a new concert hall in Stavanger. Deliveries will begin in May 2010 for the head office project and in April 2010 for the concert hall project. The contracts are worth a total of around EUR 8 million.

Improved operational efficiency

In December 2009, a decision was made to further improve operational efficiency and adjust operations in Finland by streamlining the organisation and operating model and by improving production efficiency at the plants in Vimpeli, Alajärvi and Peräseinäjoki. Employer-employee negotiations initiated due to these actions ended in January 2010 and resulted in the loss of 52 jobs.

In the construction business, centralising product manufacture on increasingly larger units continued by transferring steel structure production at the Holic unit in Slovakia to Ruukki's other units in Central Eastern Europe. In future, the Holic plant will make cabins for Ruukki's engineering customers.

Ruukki Engineering

EUR million	Q1/09	Q2/09	Q3/09	Q4/09	2009	Q1/10
Net sales	125	75	63	49	312	47
Operating profit *	5	-2	-7	-11	-16	-8
as % of net sales *	4	-3	-12	-23	-5	-16

* Excluding non-recurring items.

Order intake and order backlog

Order flow in the engineering business during the report period was lower year on year, but noticeably better than for the fourth quarter of 2009. New orders were secured particularly from customers in the mining and forest machine sectors. Business activity also began to pick up in the transportation equipment sector, but this was still not clearly reflected in orders received. There were very few orders from customers in the shipbuilding industry. Likewise, there were few orders from equipment manufacturers in the energy industry. The order backlog in the engineering business at the end of the report period was much lower than a year earlier.

Net sales

Ruukki Engineering's net sales for the first quarter of 2010 were down clearly year on year at EUR 47 million (125). The engineering business accounted for 9 per cent (25) of consolidated net sales.

Net sales excluding the Mo i Rana unit in Norway were EUR 42 million (100). Operations at the Mo i Rana unit will be discontinued by mid-May 2010 until further notice. The quarterly net sales and operating profit of the Mo i Rana unit since 2009 are presented at the end of the tables section.

Delivery volumes were down clearly compared to the first quarter of 2009. Except for the manufacture of equipment for the mining and forest industries, delivery volumes decreased in all main customer segments, especially in the manufacture of equipment for the wind power industry and in shipbuilding.

There was no major change in delivery volumes compared to the fourth quarter of 2009. However, the slight rise in the manufacture of equipment for the mining and forest industries continued. Likewise, small positive development was also discernible in deliveries to manufacturers of heavy cargo handling equipment. Delivery volumes to equipment manufacturers in the energy industry continued falling. Funding difficulties faced by new wind farm projects have temporarily weakened demand. Deliveries to other sectors in the energy industry remained at the same level as during the previous quarter.

Selling prices during the report period were much lower than in the same period a year earlier, but remained mostly at the same level as during the fourth quarter of 2009.

Manufacturers of lifting, handling and transportation equipment accounted for 60 per cent (38) of the net sales of the engineering business in the report period and equipment manufacturers in the energy industry for 16 per cent (34).

Operating profit

Ruukki Engineering posted a negative operating profit for the first quarter of 2010 of -EUR 8 million (5) and operating profit excluding the Mo i Rana unit was -EUR 5 million (9). The operating loss was mainly due to the low capacity utilisation rate at units and to small delivery volumes. Also lower selling prices weakened operating profit year on year.

Major orders

During the report period, Ruukki signed a major contract to deliver plates for an Antarctic supply and research vessel to be built at a shipyard in Rauma, Finland. The plate deliveries total 6,000 tonnes and will begin in August this year.

Capital expenditure, business and product development

Ruukki is strengthening its cabin business in Central Eastern Europe and during the course of the second quarter will begin to make fully-assembled cabins also at its plant in Holic, Slovakia. Deliveries from Holic will be mostly destined for the Central and Eastern European markets. The Kurikka unit in Finland is to become a centre of excellence focusing on cabin product development and tool design. The Kurikka unit also continues making cabins especially for the Nordic markets. Cabin manufacture is also being increased at the Shanghai unit in China.

A decision was taken during the first quarter of the year to invest in a new paint shop and packaging dispatch department at the Jaszbereny plant in Hungary. When completed, the new paint shop will be one of the most modern in Europe that is capable of processing large components. The paint shop will come on stream by the end of the year. The cost of the total investment is around EUR 5 million.

Improved operational efficiency

In February, a decision was announced to discontinue operations until further notice at the Mo i Rana unit in Norway, which makes shipbuilding profiles and flange profiles for windmill towers. The plan is to close operations at the plant by mid-May. Due to subdued demand in the shipbuilding industry, profitability of the Mo i Rana unit has been weak. In addition, there has been a noticeable decline in delivery volumes for the manufacture of equipment for the wind power industry. Discontinuation of operations will lead to the loss of 110 jobs.

In December 2009, plans were announced to transfer the manufacture of engineering components at the Peräseinäjoki in Finland unit to Ruukki's other units. Employer-employee negotiations initiated in this context ended in January 2010 and the manufacture of components was transferred to Kalajoki in Finland during the first quarter of 2010.

Ruukki Metals

EUR million	Q1/09	Q2/09	Q3/09	Q4/09	2009	Q1/10
Net sales	249	218	257	325	1 050	348
Operating profit	-102	-97	-39	10	-228	-4
as % of net sales	-41	-44	-15	3	-22	-1

Order intake and order backlog

In the steel business, there was a marked increase in order intake during the report period both year on year and compared to the previous quarter. The order flow in special steel products grew and orders from new markets - China, Turkey and Brazil - showed good development. The order backlog in the steel business at the end of the report period was more than double that a year earlier.

Net sales

Ruukki Metals' net sales for the first quarter of 2010 were up 40 per cent year on year at EUR 348 million (249). The steel business accounted for 69 per cent (49) of consolidated net sales.

The gradual recovery in demand beginning in the second half of 2009 continued and delivery volumes of steel products increased clearly in the first quarter of 2010 compared to the exceptionally low level a year earlier. Deliveries to subcontractors in the automotive industry in Sweden were brisker than to other customer sectors. Demand for cold-rolled and galvanised strip has recovered faster than that for other products. A severe winter meant that delivery volumes for construction remained quite low in all market areas. Consequently, there was little change in overall delivery volumes compared to the fourth quarter of 2009.

Prices of steel products were clearly lower during the report period than a year earlier and were roughly at the same level as during the fourth quarter of 2009. Even though prices rose to a certain extent towards the end of the first quarter of 2010, this had no material impact on net sales in the report period.

Sales of special steel products improved somewhat better than other product groups owing to a slight pick-up in the activity of key customer industries - such as heavy engineering and truck-making - using special steel products. Expansion of the distribution network also helped to improve sales of special steel products, which accounted for 20 per cent (18) of Ruukki Metals' first-quarter net sales. Net sales of stainless steel and aluminium sold as trading products remained at the same level year on year at EUR 28 million (28).

Operating profit

Ruukki Metals posted a negative operating profit for the first quarter of 2010 of -EUR 4 million (-102), which is a significant improvement year on year. Operating profit improved year on year as a result of higher delivery volumes, lower raw material prices, cost savings implemented and a high capacity utilisation rate in steel production.

Operating profit for the report period was below that for the fourth quarter of 2009. Emission allowances were sold for EUR 4 million during the first quarter of 2010, whereas emission allowances were sold for EUR 31 million during the fourth quarter of 2009. Operating profit on stainless steel and aluminium was up year on year at EUR 1 million (-3).

Steel production

1000 tonnes	Q1/09	Q2/09	Q3/09	Q4/09	2009	Q1/10
Steel production	269	392	604	628	1 892	611

The company's steel production during the first quarter of 2010 was 611 thousand tonnes (269). The capacity utilisation rate in steel production was at a good level during the report period, whereas it was less than 50 per cent a year earlier, when one of the two blast furnaces at the Raahe Steel Works in Finland was idle.

At the start of April, after the report period, one of the two blast furnaces at the Raahe Steel Works was shut down for modernisation. The blast furnace will remain idle for around two months and it is expected to take between four and six weeks from start-up before it returns to normal production levels.

Major orders

In January, Ruukki announced a delivery to the Netherlands, where Ruukki is delivering prefabricated components for seven steel oil storage tanks to be built in the Port of Rotterdam. The steel plates will be made and prefabricated at Ruukki's Raahe Steel Works in Finland and be delivered to the customer as ready-to-install steel components. Deliveries will be complete in August this year. The order is worth almost EUR 6 million.

Capital expenditure

Blast furnace 1 at the Raahe Steel Works in Finland will undergo modernisation in 2010. The company is planning to modernise blast furnace 2 in 2011. Blast furnace modernisation is a necessary maintenance investment. Modernisation of blast furnace 1 began in April, after the report period. In connection with blast furnace modernisation, the company will switch over to using iron ore pellets instead of sinter as the sole raw material in the iron-making process. The sinter plant currently in use will be closed down by the end of 2011. Environmental investments will also be made in connection with blast furnace modernisation.

The investments planned for 2009-2011 to modernise the blast furnaces and to change the feedstock base total around EUR 220 million, in addition to which some EUR 60 million will be spent on environmental investments. EUR 46 million of the investments were made by the end of 2009. Some EUR 125 million of investments are expected to be scheduled for 2010 and EUR 110 million for 2011.

Distribution network expansion and product development

Expansion of the distribution network for special steel products is one of the main focus areas in the steel business during the current year. During the report period, the company strengthened its distribution network by signing agreements on distribution cooperation in Brazil. Likewise, the sales network in China and Turkey was further expanded in the early part of the year through new agreements on distribution cooperation.

The first quarter of 2010 saw Ruukki launch a new high-strength, weather-resistant structural steel, Optim 960 QCW. The new steel grade is ideal for applications where the steel is subject to mechanical stress and at the same time exposed to weather conditions. Such applications include containers, cranes and booms. Optim 960 QCW steel is made using a direct quenching process developed by Ruukki.

In April, after the report period, Ruukki announced Optim 700 MC Plus, an improved high-strength structural steel with excellent cold-forming properties. These properties can be utilised in, for example, the manufacture of cranes, bodies for trucks and other mobile machines, goods handling equipment, earthmoving, mining and waste handling equipment.

TABLES

This interim report has been prepared in accordance with IAS 34 *Interim Financial Reporting* and is in conformity with the accounting policies published in the 2009 financial statements.

The consolidated financial statements are affected by the following IFRS standards and interpretations thereof entering into force on 1 January 2010:

- Revised IFRS 3 *Business Combinations*
- Amended IAS 27 *Consolidated and Separate Financial Statements*

The revised and amended standards referred to above had no impact on this interim report.

Use of estimates
The preparation of interim reports 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 full million of euros.

The figures are unaudited.

CONSOLIDATED INCOME STATEMENT

EUR million	Q1/10	Q1/09	2009
Net sales	505	506	1 950
Cost of sales	485	554	2 027
Gross profit	20	-47	-77
Other operating income	4	7	20
Selling and marketing expenses	23	30	113
Administrative expenses	37	41	151
Other operating expenses	0	1	2
Operating profit	-36	-113	-323
Finance income	22	45	81
Finance costs	30	54	117
Net finance costs	-8	-9	-36
Share of profit of equity-accounted investees	0	0	0
Result before income tax	-44	-122	-359
Income tax expense	11	32	84
Result for the period	-33	-90	-275
Attributable to:			
Owners of the company	-33	-90	-275
Non-controlling interest	0	0	0
Earnings per share, diluted, EUR	-0.24	-0.65	-1.98
Earnings per share, basic, EUR	-0.24	-0.65	-1.98
Operating profit as % of net sales	-7.2	-22.2	-16.6

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR million	Q1/10	Q1/09	2009
Result for the period	-33	-90	-275
Other comprehensive income:			
Effective portion of changes in fair value of cash flow hedges	-7	1	51
Translation differences	16	-22	-5
Defined benefit plan actuarial gains and losses	-2	0	-15
Tax on other comprehensive income	2	-1	-9
Other comprehensive income for the period, net of tax	10	-21	22
Total comprehensive income for the period	-23	-111	-253
Attributable to:			
Owners of the company	-23	-111	-253
Non-controlling interest	0	0	0

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR million	31 Mar 2010	31 Mar 2009	31 Dec 2009
ASSETS			
Non-current assets	1 418	1 411	1 404
Deferred tax assets	45	30	39
Current assets			
Inventories	533	625	492
Trade and other receivables	402	415	335
Cash and cash equivalents	129	459	261
Total assets	2 527	2 941	2 532
EQUITY AND LIABILITIES			
Equity			
Equity attributable to owners of the company	1 422	1 658	1 507
Non-controlling interest	2	2	2
Non-current liabilities			
Loans and borrowings	377	394	387
Non-interest bearing liabilities	63	61	61
Deferred tax liabilities	29	71	37
Current liabilities			
Loans and borrowings	174	188	209
Trade payables and other non-interest bearing liabilities	461	568	328
Total equity and liabilities	2 527	2 941	2 532

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS

EUR million	Q1/10	Q1/09	2009
Result for the period	-33	-90	-275
Adjustments	15	50	178
Cash flow before change in working capital	-18	-40	-97
Change in working capital	-19	114	317
Financing items and taxes	-18	2	-38
Net cash flow from operating activities	-55	76	182
Cash inflow from investing activities	2	3	17
Cash outflow from investing activities	-34	-49	-170
Net cash used in investing activities	-32	-46	-153
Net cash flow before financing activities	-87	30	30
Dividends paid			-188
Proceeds from loans and borrowings	3	283	434
Repayments of loans and borrowings	-12	-164	-330
Change in current liabilities	-35	54	76
Other net cash flow from financing activities	-2	4	-18
Translation differences	2	-2	1
Change in cash and cash equivalents	-132	205	7

KEY FIGURES

	Q1/10	Q1/09	2009
Net sales, EUR m	505	506	1 950
Operating profit, EUR m	-36	-113	-323
as % of net sales	-7.2	-22.2	-16.6
Result before income tax, EUR m	-44	-122	-359
as % of net sales	-8.7	-24.0	-18.4
Result for the period, EUR m	-33	-90	-275
as % of net sales	-6.5	-17.8	-14.1
Return on capital employed (rolling 12 mths), %	-11.5	14.5	-14.2
Return on equity (rolling 12 mths), %	-14.1	11.3	-15.9
Equity ratio, %	56.9	56.7	59.9
Gearing ratio, %	29.6	7.4	22.3
Net interest-bearing liabilities, EUR m	422	122	336
Equity per share, EUR	10.24	11.94	10.85
Personnel on average	11 525	13 460	12 664
Number of shares	140 285 425	140 264 945	140 285 425
- excluding treasury shares	138 863 850	138 845 063	138 863 850
- diluted, average	138 863 850	138 818 458	138 846 063

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

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 2009	238	220	-37	-36	-6	1 568	2	1 950
Result for the period						-90	0	-90
Other comprehensive income			1	-22				-21
Total comprehensive income for the period			1	-22		-90	0	-111
Share issue	0							0
Dividend distribution						-187		-187
Share-based payments					0			0
Transfers between retained earnings and comprehensive income				16		-7		9
EQUITY 31 Mar 2009	238	220	-36	-42	-6	1 283	2	1 660
EQUITY 1 Jan 2010	238	220	2	-41	-6	1 095	2	1 509
Result for the period						-33		-33
Other comprehensive income			-5	16		-1		10
Total comprehensive income for the period			-5	16		-34		-23
Dividend distribution						-62		-62
Share-based payments					0	0		0
EQUITY 31 Mar 2010	238	220	-3	-26	-6	998	2	1 424

NET SALES BY REGION

As % of net sales	Q1/10	Q1/09	2009
Finland	28	32	30
Other Nordic countries	32	33	31
Central Eastern Europe, Russia and Ukraine	14	15	19
Rest of Europe	20	14	14
Other countries	6	5	6

CONTINGENT LIABILITIES

EUR million	Q1/10	Q1/09	2009
Mortgaged real estate	64	73	64
Pledged assets		1	
Other guarantees given	40	39	43
Collateral given on behalf of others		4	
Rental liabilities	104	127	114

DERIVATIVE CONTRACTS

CASH FLOW HEDGES QUALIFYING FOR HEDGE ACCOUNTING

EUR million	31 Mar 2010 Nominal amount	31 Mar 2010 Fair value	31 Mar 2009 Nominal amount	31 Mar 2009 Fair value
Zinc derivatives				
Forward contracts, tonnes	24 000	8	36 000	-26
Electricity derivatives				
Forward contracts, GWh	1 815	-13	1 886	-24

FAIR VALUE HEDGES QUALIFYING FOR HEDGE ACCOUNTING

EUR million	31 Mar 2010 Nominal amount	31 Mar 2010 Fair value	31 Mar 2009 Nominal amount	31 Mar 2009 Fair value
Interest rate derivatives	75	1		

DERIVATIVES NOT QUALIFYING FOR HEDGE ACCOUNTING

EUR million	31 Mar 2010 Nominal amount	31 Mar 2010 Fair value	31 Mar 2009 Nominal amount	31 Mar 2009 Fair value
Zinc derivatives				
Forward contracts, tonnes	0	0	2	0
Foreign currency derivatives				
Forward contracts	416	-4	811	14
Options				
Bought	425	1	65	7
Sold	143	1	68	1

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

CHANGES IN PROPERTY, PLANT AND EQUIPMENT

EUR million	Q1/10	Q1/09	2009
Carrying amount at the beginning of period	1 159	1 124	1 124
Additions	32	37	167
Additions through acquisitions		3	5
Disposals	-1	-2	-11
Depreciation and impairment	-31	-32	-125
Translation differences	12	-10	-1
Carrying amount at the end of period	1 171	1 119	1 159

TRANSACTIONS WITH RELATED PARTIES

EUR million	Q1/10	Q1/09	2009
Sales to equity-accounted investees	10	6	24
Purchases from equity-accounted investees	2	1	6
Transactions with Rautaruukki Pension Foundation	0	2	6

	31 Mar 2010	31 Mar 2009	31 Dec 2009
Trade and other receivables from related parties	6	3	3
Trade and other payables to related parties	1	0	1

INVESTMENT COMMITMENTS

EUR million	After 31 Mar 2010	After 31 Mar 2009	After 31 Dec 2009
Maintenance investments	51	106	100
Development investments and investments in special steel products	58	82	77
Total	109	188	177

SEGMENT INFORMATION

EUR million	Q1/10	Q1/09	2009
External net sales			
Ruukki Construction	109	132	589
Ruukki Engineering	47	125	312
Ruukki Metals	348	249	1 050
Corporate management	0	0	0
Consolidated net sales	505	506	1 950
Operating profit			
Ruukki Construction	-21	-13	-49
Ruukki Engineering	-8	5	-33
Ruukki Metals	-4	-102	-228
Corporate management	-4	-3	-13
Consolidated operating profit	-36	-113	-323
Net finance costs	-8	-9	-36
Share of profit of equity-accounted investees	0	0	0
Result before income tax	-44	-122	-359
Income tax expense	11	32	84
Result for the period	-33	-90	-275

EUR million	31 Mar 2010	31 Mar 2009	31 Dec 2009
Segment assets			
Ruukki Construction	661	710	718
Ruukki Engineering	252	471	253
Ruukki Metals	1 260	1 018	1 085
Corporate management	30	42	31
Undistributed assets	324	700	445
Total assets	2 527	2 941	2 532

QUARTERLY SEGMENT INFORMATION, EXCLUDING NON-RECURRING ITEMS

EUR million	Q1/09	Q2/09	Q3/09	Q4/09	2009	Q1/10
External net sales						
Ruukki Construction	132	145	164	147	589	109
Ruukki Engineering	125	75	63	49	312	47
Ruukki Metals	249	218	257	325	1 050	348
Corporate management	0	0	0	0	0	0
Consolidated net sales	506	438	485	521	1 950	505
Operating profit						
Ruukki Construction	-13	-9	-4	-22	-49	-21
Ruukki Engineering	5	-2	-7	-11	-16	-8
Ruukki Metals	-102	-97	-39	10	-228	-4
Corporate management	-3	-4	-3	-3	-13	-4
Consolidated operating profit	-113	-112	-54	-27	-306	-36
Net finance costs	-9	-10	-10	-7	-36	-8
Share of profit of equity-accounted investees	0	0	0	0	0	0
Result before income tax	-122	-123	-64	-34	-342	-44
Income tax expense	32	33	19	0	84	11
Result for the period	-90	-89	-45	-34	-258	-33

RUUKKI ENGINEERING: MO I RANA UNIT

EUR million	Q1/09	Q2/09	Q3/09	Q4/09	2009	Q1/10
Net sales	25	8	10	6	49	5
Operating profit *	-3	-6	-4	-3	-17	-2

* Excluding non-recurring items.

Formulas for the calculation of key figures:

Return on capital employed, %	=	result before income tax + finance costs - exchange rate gains (rolling 12 months) -------------------------------------- total equity + loans and borrowings (average at beginning and end of period)	x100
Return on equity, %	=	result before income tax - income tax expense (rolling 12 months) -------------------------------------- total equity (average at beginning and end of period)	x100
Equity ratio, %	=	total equity -------------------------------------- total assets - advances received	x100
Gearing ratio, %	=	net interest-bearing financial liabilities -------------------------------------- total equity	x100
Net interest-bearing financial liabilities	=	loans and borrowings - financial assets and cash and cash equivalents	
Earnings per share (EPS)	=	result for the period attributable to equity holders of the parent company -------------------------------------- weighted average number of shares outstanding during the period	
Earnings per share (EPS), diluted	=	result for the period attributable to equity holders of the parent -------------------------------------- weighted average diluted number of shares outstanding during the period	
Equity per share	=	equity attributable to owners of the parent 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	