RUUKKI | GROUP

INTERIM REPORT 1.1. – 31.3.2007

RUUKKI GROUP 15.5.2007

RUUKKI GROUP PLC

HOUSE BUILDING

90,1 % **POHJOLAN DESIGN-TALO LTD**

- Nivaelement Ltd (100%)

SAWMILL BUSINESS

100 % **RUUKKI YHTIÖT LTD**

- Lappipaneli Ltd subgroup (100 %)
- Tervolan Saha ja Höyläämö Ltd subgroup (91.4 %)
- Ruukki Invest Ltd subgroup (100 %)

100 % **OPLAX LTD**

FURNITURE BUSINESS

70,3 %* **INCAP FURNITURE LTD**

- Hirviset Ltd (100 %)
- Incap Furniture Inc (100 %)
- Koy Jokilaaksojen Kiinteistöt (100 %)

CARE SERVICES

100 % **MIKEVA LTD**

- Terveyspalvelut Mikeva Ltd (100 %)
- Mikeva Vanhuspalvelut Ltd (100 %)
- Terveyspalvelut Mendis Ltd subgroup (100 %)
- Jussin Kodit Ltd (100 %)
- Mikon Kuntoutuskodit Ltd (100%)

METAL INDUSTRY

69,4 % **ALUMNI LTD**

- Pan-Oston Ltd (100 %)
- Selka-line Ltd (100 %)

ASSOCIATED COMPANIES

20-50 %

- Arc Technology Ltd (37.4 %)
- Cybersoft Ltd (37.5 %)
- ILP-Group Ltd (33.4 %)
- Stellatum Ltd (34.0 %)
- Valtimo Components Ltd (24.9 %)
- Widian Ltd (39.6 %)

* Ruukki Group's ownership in Incap Furniture Ltd totals ca. 70.3%, of which Ruukki Group Plc's share is ca. 11.3% and its subsidiary's Hirviset Group Ltd's ownership ca. 59.1 %.

TABLE OF CONTENT

4 SUMMARY

5 FINANCIAL PERFORMANCE INDICATORS

6 GROUP KEY INDICATORS

7 KEY EVENTS DURING REVIEW PERIOD

- 9 Development by business area
- 12 Outlook for the future
- 12 Business risks

14 INFORMATION FOR SHARE HOLDERS

16 PROFIT AND LOSS ACCOUNT SUMMARY

17 BALANCE SHEET SUMMARY

18 INTEREST-BEARING RECEIVABLES AND LIABILITIES

18 CASH FLOW STATEMENT

19 CHANGES IN SHAREHOLDERS' EQUITY

20 MERGERS AND AQUISITIONS

22 OTHER KEY INDICATORS

This Interim Report complies with the recognition and measurement policies of the IFRS. The applied accounting policies are equal to the policies applied to the financial statements for financial year 2006. The Interim Report figures are unaudited.

SUMMARY

The Ruukki Group's net sales in the first quarter of 2007 totalled EUR 36.8 million (1-3/2006: EUR 27.1 million). Comparable net sales were flat compared with the first quarter of 2006.

The main business segments accounted for the Group's net sales as follows: house building 38% (52%), sawmill business 34% (24%), furniture business 13% (10%), care services 10% (7%). Approximately 30% (22%) of net sales originated from exports.

The consolidated group EBITDA for the first quarter of 2007 totalled EUR 3.5 million (EUR 3.4 million). The operating profit (EBIT) for the review period was EUR 2.1 million (EUR 2.8 million), or 5.8% (10.5%) of net sales. The comparable operating profit (EBIT) was EUR 2.6 million. The major changes affecting the 2007 EBIT were EUR 0.9 million (EUR 0.0 million) expenses related to the planned Russian operations, and moreover, the drop in house building segment's EBIT margin due to significant input cost increases. On the other hand, the relative profitability of the sawmill segment was better than during previous year.

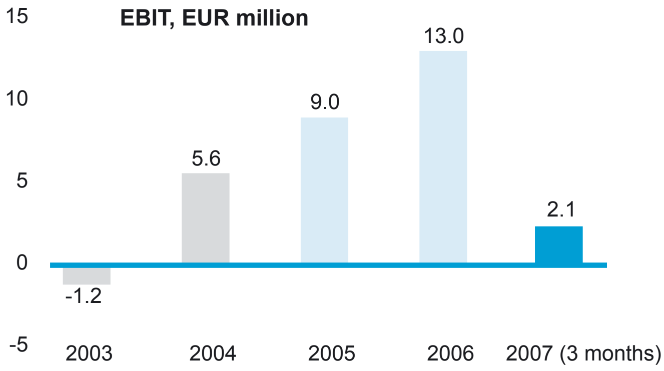
The Group's order book at the end of the review period was EUR 52.9 (44.5) million.

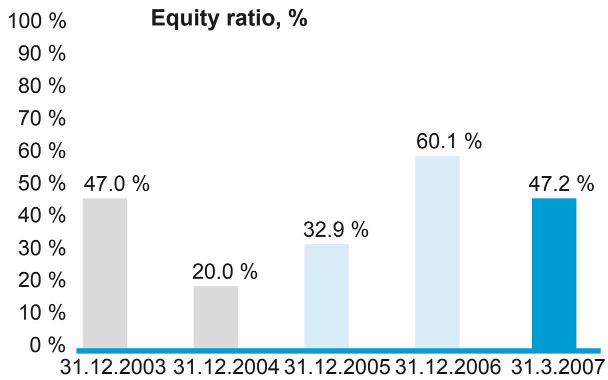
The most significant corporate restructuring carried out in the review period involved the increase of Ruukki Group's holding in Incap Furniture, the furniture manufacturer, from about 47% to about 70%, and the increase of Ruukki Group's holding in Oplax Ltd, a manufacturer of packaging pallets, from 32% to 100%. Incap Furniture group and its parent company Hirviset Group Ltd together form Ruukki Group's furniture business segment. Oplax Ltd has been part of the sawmill business segment from the beginning of March 2007.

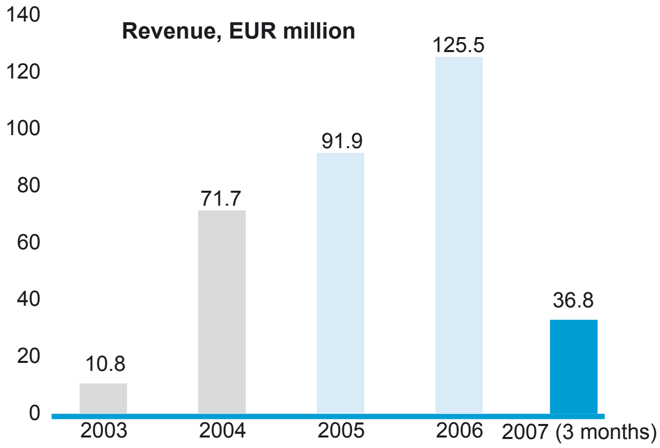
With the current business structure the Group's revenue in 2007 is expected to amount to almost EUR 200 million. At the same time, the Group's euro-denominated operating profit for 2007 is expected to exceed that of 2006, without taking into account the expenses arising from the Kostroma projects.

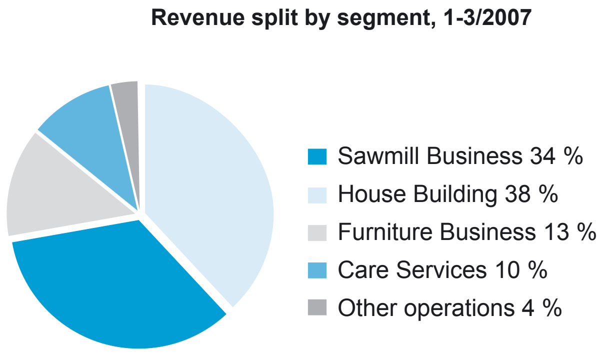
In accordance with the signed agreements, the Ruukki Group is preparing sawmill and pulp mill (BCTMP) investments in the Kostroma region of Russia. The planned projects are substantial in relation to the company's size, and their completion will change the Group's structure and affect the overall risk level.

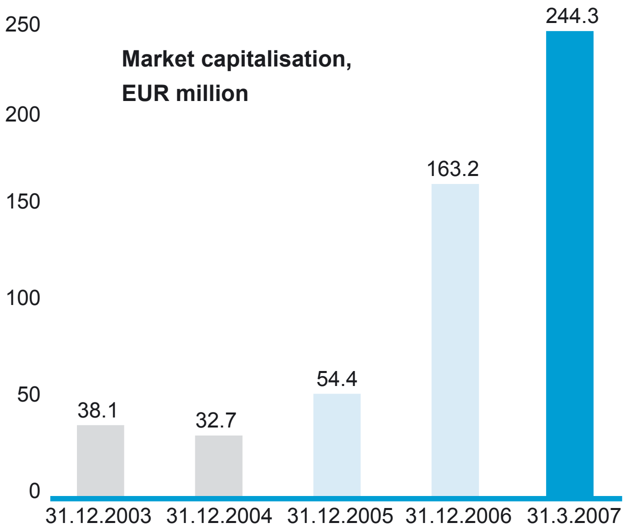
FINANCIAL PERFORMANCE INDICATORS

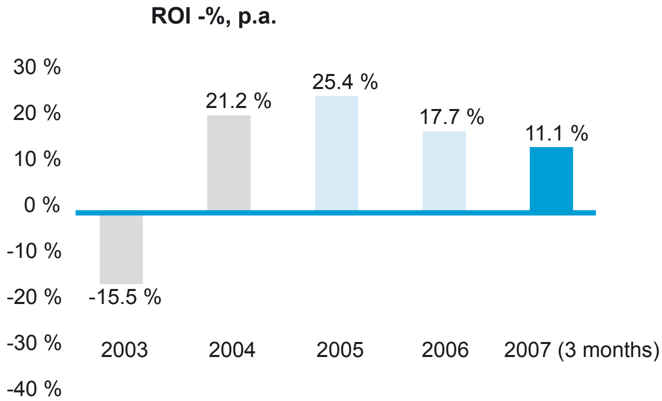


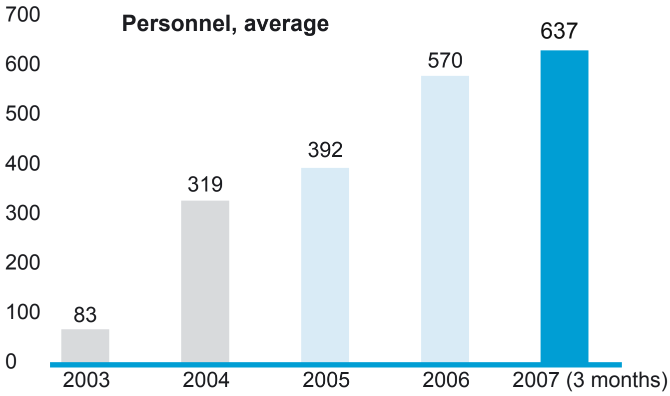


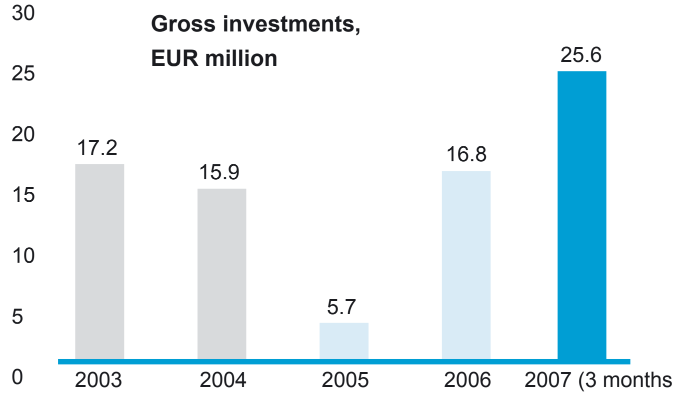












GROUP KEY INDICATORS (EUR million)

	Q1/2007	Q1/2006	2006
Revenue,	36.8	27.1	125.5
Operating profit / loss	2.1	2.8	13.0
% of revenue	5.8 %	10.5 %	10.4 %
Profit / loss before taxes,	2.0	2.6	12.2
% of revenue	5.4 %	9.6 %	9.7 %
Return on equity, %	4,9%	25.5 %	19.1 %
Return on investment, %	11.1 %	25.4 %	17.7 %
Equity ratio, %	47.2 %	36.5 %	60.1 %
Earnings per share, basic, EUR	0.00	0.01	0.07
Earnings per share, diluted, EUR	0.00	0.01	0.06
Equity per share, EUR	0.43	0.28	0.42
Average number of shares, (1,000)	137,871	93,301	118,052
Average number of shares, diluted, (1,000)	142,336	116,271	135,996
Number of shares at the end of the period (1,000)	139,616	93,301	135,964

Financial ratios presented above or below have been calculated according to the formulas published in conjunction with the Group annual report for the financial year 2006.

At the end of the above review periods, neither Ruukki Group Plc nor any of its subsidiaries held any shares in Ruukki Group Plc.

On 31 March 2007, the number of registered company shares totalled 139,615,737. On the above date, the maximum dilution effect of the company's I/2005 option program is 2,700,000 shares, and the maximum dilution effect of the outstanding part of the convertible subordinated loan issued in 2004 is 9,000 shares. In addition, the company has, pursuant to a decision of the Annual General Meeting on 20 April 2007, issued through a free directed share issue a total of 598,285 new shares, which were entered in the Trade Register in early May.

In the first quarter of 2007, the Ruukki Group's social services business area inaugurated four new units that accommodate a total of 80 customers. This resulted in an increase in the relative importance of elderly care activities. Companies in the business area have achieved new customer accommodation agreements in bidding competitions on service procurement arranged by municipalities. The effect of these new units on the business area's annual net sales is approximately EUR 1.5 million.

On 9 February 2007, the Kostroma Oblast administration registered two separate investment agreements made by Ruukki Group, one of which concerns a sawmill plant with a capacity of 300,000 m^3 and the other a BCTMP plant with a capacity of 300,000-500,000 tons. The investment agreements relating to the registration have been approved and Ruukki Group's investments have been included in the Kostroma region's investment project registry. In this connection, the regional administration of Kostroma made commitments to grant temporary tax exemptions within their authority, indicate the quantities of timber available for felling as raw material for the production plants and facilitate the granting and acquisition of the necessary permits and industrial sites. Approximately EUR 0.9 million in expenses arising from examinations and preparations relating to the investments planned in Russia were recognised in the consolidated income statement for the review period 1 January - 31 March 2007. The amount of corresponding expenses in the comparison period 1 January - 31 March 2006 was very small.

In February 2007, Ruukki Group Plc carried out an ownership arrangement concerning Incap Furniture Ltd, the furniture manufacturer. Hirviset Group Ltd, a fully-owned subsidiary of Ruukki Group Plc, subscribed for Incap Furniture Ltd shares in a directed share issue. The share subscription was paid for by setting off approximately EUR 0.3 million in the subordinated loan receivables of Hirviset Group Ltd from Incap Furniture Ltd. Since the share subscription, Hirviset Group Ltd has held about 59.0% of Incap Furniture's stock. As Ruukki Group Plc additionally holds around 11.3% of Incap

Furniture's stock after the issue, the Ruukki Group's combined holding of Incap Furniture is about 70.3%. Due to the effect of the joint financing package of shareholders and providers of finance, the financial situation of Incap Furniture was strengthened in this conjunction by about EUR 3 million. Through the options issued by Incap Furniture Ltd, Ruukki Group Plc's holding may decrease to about 65 per cent, if all the options are exercised. A total of EUR 0.9 million of Ruukki Group's cash assets was tied up in this arrangement.

Acquiring a majority holding in furniture manufacture is a continuation of Ruukki Group's strategy to grow and invest in wood-based product areas and in Russia. Due to the demanding situation of Incap Furniture, the clear formation of owner management was preferred over the previous ownership structure, which is why Ruukki Group decided to execute the arrangement for its part. Incap Furniture Ltd is engaged in the manufacture of solid wood furniture and wood-based combination products. A majority of its production is exported.

Through a transaction carried out in March 2007, Ruukki Group Plc acquired the rest (approximately 68%) of Oplax Ltd's stock, and thus now holds the entire stock of Oplax Ltd. Oplax Ltd is engaged in the production of wooden packaging products and packaging pallets and the provision of logistics services in Oulu, Tornio and Kemi. The company's business activities will continue along the same lines as before in all units, and for the time being Aulis Viren will continue as the company's managing director. Oplax Ltd annually produces over one million packaging pallets, using about 30,000 m^3 of timber. Oplax Ltd has been consolidated in the Ruukki Group's sawmill business area as a Group company since March 2007.

KEY EVENTS AFTER THE REVIEW PERIOD

The Annual General Meeting convening in April decided, among other things, to distribute a dividend of EUR 0.03 per share, to partially amend the company's Articles of Association, to arrange a directed bonus issue and to change the terms of the option program I/2005 in accordance with the new Companies Act. It was decided to re-elect the previous Board in its entirety and the auditors.

In addition, the Annual General Meeting decided to authorise the Board of Directors to decide on share issue, as well as on granting option rights and other special rights that entitle to shares. At the maximum 25,000,000 new or existing shares, equalling approximately slightly less than 18 per cent of the total number of shares, may be issued by virtue of this authorization. This authorization is valid up until 20 April 2009.

In late April, changes were announced in the management of the furniture business segment.

HOUSE BUILDING

The house building business area has delivered ready-to-move-in houses to customers as follows:

1-3/2007	1-3/2006	1-12/2006
113	127	458

The house building business area specialises in the design and manufacture of ready-to-move-in detached wooden houses in the whole of Finland. The business area's customers are Finnish private persons. The most important competitors in prefabricated houses are Älvsbyhus and Finndomo.

The house building business area's key figures for the review period were as follows:

House building	1-3/2007	1-3/2006	1-12/2006
Revenue	14.0	14.0	53.7
EBIT	2.6	3.5	13.4
EBIT-%	18.3 %	24.6 %	24.9 %

The net sales from ready-to-move-in houses delivered by the business area are entered as income upon delivery to the customer, for which reason sites in progress have no effect on the Group's net sales or profit. The steep and rapid climb of the costs of raw materials and supplies in the review period 1 January - 31 March 2007 weakened relative profitability. During the first quarter of 2007 the number of houses finalised and delivered to the customers dropped by some 11%, but revenue remained flat since the average sales price per house increased. Deliveries in house building business are generally very seasonal so that more deliveries are made during first and fourth quarters than in the summer time. However, it is expected that in 2007 the timing of deliveries differs slightly from the general seasonal variation.

The business area's order book excluding VAT stood at approximately EUR 28.7 million at the end of the review period. The order book contains no significant risks. At the end of the review period, the house building business area's personnel totalled 114 people.

SAWMILL BUSINESS

The sawmill business segment specialises in the efficient processing of softwood logs from Northern Finland into various timber products for both domestic and export markets. The house building industry forms the business area's main customer group in both Finland and elsewhere, because the Group's products are extremely well suited to house building thanks to their strength properties. Included in the business area through an acquisition as from March 2007 is Oplax Ltd, a fully-owned manufacturer of packaging pallets for the Finnish industry.

In the sawmill business, both the market prices of end products and the stumpage prices of timber and the raw material transportation costs have increased, as a net effect of which the business area's profit has increased in the short term. The operating profit includes a non-recurring gain of EUR 0.4 million. The increases in the customs duties for round timber announced by Russia and the mild winter have hampered the availability of Finnish raw material and led to a steep and rapid price increases.

The Ruukki Group subsidiaries of the sawmill business segment do not import timber from Russia to a significant extents; however, the indirect effects of the development within the Finnish sawmill industry might also affect the raw material purchases of Ruukki Group's sawmill segment.

At the end of the review period, the segment's order book excluding VAT stood at approximately EUR 15.4 million. The sawmill business area employed altogether 112 people at the review period's end. In addition, at the end of the first quarter other group companies providing services to the sawmill business employed two people in Finland as well as eight people in Russia investigating and preparing for the sawmill and BCTMP pulp mill investments in Kostroma region.

The softwood sawmill with a capacity of 300,000 m^3 planned for the Kostroma region in Russia is still in the planning stage, and the only expenses arising from it in the review period were related to some preparatory activities.

The sawmill business area's key figures for the review period were as follows:

Sawmill business	1-3/2007	1-3/2006	1-12/2006
Revenue	12.6	6.3	27.8
EBIT	1.8	0.4	1.4
EBIT-%	14.2 %	6.0 %	5.0 %

FURNITURE BUSINESS

The furniture business segment (Incap Furniture) manufactures wooden, ready-to-assemble furniture at four production plants in Finland. Additionally, the business area has signed a letter of intent with Stora Enso Timber on establishing a solid wood panel plant at Impilahti in Russian Karelia.

In the table below the EBIT includes furniture business group companies' results both as minority-owned associates as well as majority-controlled subsidiaries. However, the revenue is recognised only for those periods when all or part of those companies have been subsidiaries of Ruukki Group. Therefore the EBIT margin is indicative in nature. In January and February of 2007 the furniture business has been fully minority-owned, but from March 2007 onwards treated as a subsidiary. In February and March of financial year 2006 Incap Furniture Ltd was a minority-owned associated company, but Hirviset Ltd was a subsidiary for 1-4/2006. For the period 5-9/2006 all furniture business companies were considered being subsidiaries of Ruukki Group based on potential control. Subsequently for 10-12/2006 Incap Furniture group was categorised as associated company.

The business environment of the furniture business in general and also concerning Incap Furniture has continued to be very challenging, and the result remains a loss. Restructuring and efficiency improvement measures have been actively continued. On 31 March 2007, the segment employed a total of 311 people. Moreover, the order book stood at some EUR 7.5 million at the end of March 2007. Incap Furniture's board of directors has changed during spring 2007, and moreover, Incap Furniture will have a new managing director starting as of 15 May 2007.

Furniture business			
	1-3/2007	1-3/2006	1-12/2006
Revenue	5.0	2.9	25.7
EBIT	-1.2	-0.6	-5.3
EBIT-%	-24.4 %	-21.1 %	-20.8 %

CARE SERVICES

The care services business area provides high-quality care and rehabilitation services for municipalities, cities, communities and businesses. The business area applies the best approved methods, experiences and service production processes and supports their development.

The business area's operations remained stable in the review period. The operations of the new units acquired and started up during the final quarter of the preceding financial year have substantially increased the business area's volumes. At the end of the review period, the business area employed 280 persons. It is highly probable that a merger can be carried out at the end of the second quarter, in which a substantial part of the sub-group's companies will be merged with Mikeva Ltd. The business area has service units in 19 locations, and the combined number of these units' customers was about 470 at the end of the first quarter.

The comparable increase in the net sales of the care services business area was approximately 38%, when eliminating the effect of the acquisition of the Terveyspalvelut Mendis Ltd during the 2006 financial year. Correspondingly, the comparable change in operating profit is about -48%.

The key figures for the care services in the review period were as follows:

Care services			
	1-3/2007	1-3/2006	1-12/2006
Revenue	3.9	1.9	9.8
EBIT	0.2	0.3	0.6
EBIT-%	4.9 %	14.8 %	6.2 %

OTHER OPERATIONS

The planned new sawmill and pulp business operations in Kostroma, Russia have affected the review period's figures mainly through the significant total expenses of EUR 0.9 million (equal expenses EUR 0.0 million for the first quarter of 2006, and totalling EUR 0.5 million for the full financial year 2006). At the end of the review period, the Russian subsidiaries' fixed assets totalled approximately EUR 0.1 million, and the number of employees was eight.

The volume and profitability of the Ruukki Group's metal industry business operations have changed very little from the comparison period of last year: in the period 1 January - 31 March 2007, the metal industry sub-group's net sales were EUR 1.8 million and operating profit EUR 0.0 million. Starting from the beginning of 2007, the metal industry business area is not reported as a separate segment.

Ruukki Group Plc also has, both directly and through its subsidiaries, minority holdings in a number of Finnish businesses. Associates have been consolidated in the consolidated financial statements by applying the equity method. The combined profit effect of associates, however after excluding the effect of Incap Furniture Ltd that is part of the furniture business segment, was EUR 0.1 million for the first quarter of 2007. Of that total Oplax Ltd accounted for the most part.

OUTLOOK FOR THE FUTURE

The company's Board has decided to focus the Group's business more intensively on wood-based operations so that the future industrial operations and investments will be focused on Russia in particular and on a substantially larger scale than before. Considering the Group's size, the planned projects, particularly relating to the planned pulp business, are extremely large and entail a number of different kinds of risks.

With the current business structure the Group's revenue in 2007 is expected to amount to almost EUR 200 million. At the same time, the Group's euro-denominated operating profit for 2007 is expected to exceed that of 2006, without taking into account the expenses arising from the Kostroma projects.

Future outlook by business area:

House building

- The sector is typically cyclical and has grown heavily in recent years
- Growth is expected to continue in house building in the coming years, particularly in the production of prefabricated houses in which the company has a substantial market position
- Consolidation may take place in the sector, and the competitive situation may change especially in the production of prefabricated houses
- The situation with zoning and plots and any changes in these as well as changes in market interest rates will affect future growth potential in the sector.
- Costs of production-related raw materials and goods and labour expenses have risen rapidly in recent times, and the situation is not expected to change substantially over the short term, which may have a negative impact on profitability
- Rises in market interest rates can cause the general level of house building activity to fall, which would have negative effect for the short-term and long-term prospects of the business

Sawmill business

- The sawmill sector is typically cyclical, and changes in the business cycle in the future will have substantial effects on operations
- The recent rise in stumpage prices for timber is expected to slow down or level off, but the proportion of raw material imported to Finland from Russia will probably decrease generally in the sector, which may have an effect on raw material availability and price in the future for Finnish sawmills
- The development of sawnwood market sales prices is expected to continue to be positive in the near future, and the export market demand is expected to be good
- The production capacity of the sector's different areas and its geographical distribution will change materially, and the focus on new investments will probably be on Finland's neighbouring areas
- Different kinds of consolidation and restructuring may take place in the sector, which may affect the profitability of the business

Furniture business

- The year 2007 is expected to be extremely challenging with respect to the operating environment due to increased raw material costs
- The rationalisation measures carried out and the coming restructuring will have a substantial effect during 2007, but profitability will remain weak at least during 2007

Care services

- The care services business area is expected to grow both organically and through acquisitions
- The bidding competitions and service outsourcing from the public sector to private operators offer good growth opportunities for the field, particularly in elderly care and mental health services; additionally, demographic development will affect the demand for elderly care services in the coming years
- Availability of competent workforce is a factor that slows down growth in the field, particularly in certain areas

BUSINESS RISKS AND CHANGES IN THEM DURING AND AFTER THE REVIEW PERIOD

No substantial changes have taken place in the competitive situation after the balance sheet date. The announced upcoming changes to customs duties for timber from Russia may cause substantial changes with respect to the operators in, and structures of, the wood processing sector in Finland both in the short and long term, which is exemplified by possible reductions in pulp production, at least temporarily. These changes may have a substantial, though partly just regional, effect on the Group's risks related to house building, the sawmill business and the furniture business.

The price and availability risks related to raw materials still exist, and their future development is difficult to forecast. Alongside the price and availability problems relating to timber, there have also been indications of quality problems on the Finnish market. If timber prices continue to increase, it will have a negative effect on the profitability of group's house building and furniture businesses. It may be more difficult to secure competent personnel in the future, a risk that can be seen in the care services sector, for example, in given geographical areas.

The recent rapid strengthening of the euro in relation to a number of leading international currencies such as the U.S. dollar and the Japanese yen deteriorates the Group's ability to compete with prices on export markets, unless this change trend in currency exchange rates is a permanent one.

The interest rate risks relating to the Group's loan financing have been somewhat increased and to some extent realised due to the rise of market rates and also because the Group's loan capital has increased after the review period particularly on account of financing a corporate acquisition related to the Group's sawmill business area. Moreover, the consolidation of furniture business as a subsidiary at the end of February 2007 has significantly increased interest-bearing debt at the group balance sheet.

There are permit risks and other process administration risks relating to the advance of the investment projects planned for Kostroma, Russia, which must be borne before the projects can be successfully completed. With respect to these risks, Ruukki Group's Russian projects have progressed in the planning process closer to implementation, as a result of which the weight of the various risks related to the Russian operations has increased. Furthermore, the organisation and gathering of needed know-how and employees set additional new demands for the group operations, if and when the planned operations start. Additionally, the financing solutions related to the whole project will increase the financial risk substantially.

CHANGES IN PLEDGES AND CONTINGENT LIABILITIES DURING AND AFTER THE REVIEW PERIOD

After the review period, Ruukki Group Plc has paid in cash a further EUR 7.1 million of additional purchase price liabilities. Additionally, a total of EUR 1.1 million has been paid in the company's shares. The mergers and acquisitions made during the review period have no additional purchase price obligations relating to them.

During the review period, Group companies paid a total of EUR 0.7 million in loan repayment instalments, which has correspondingly reduced guarantee liabilities.

To finance a share transaction carried out during the review period, Ruukki Group Plc has drawn a EUR 4.5 million long-term loan from a financial institution. The loan has been covered by pledging the purchased subsidiary shares, and there are covenant terms relating to the loan both at the level of the Group and the acquired company.

A change in the financing and ownership structure of the furniture business area has increased Ruukki Group Plc's direct liabilities, but at the same time reduced guarantee liabilities relating to the business area, which means that the net amount of financial liabilities has not changed materially. However, Incap Furniture Ltd had the following liabilities, as of 31 March 2007, that have been consolidated into Ruukki Group: debt from financial institutions totalling EUR 18.4 million, subordinated loan (excluding Ruukki Group companies) of EUR 1.8 million as well as leasing liabilities of EUR 2.9 million. Various pledges have been given by Incap Furniture as collateral for these debt arrangements.

At the end of March 2007, Ruukki Group Plc and its subsidiaries had given out the following pledges as collateral for external financing: EUR 14.8 million corporate mortgages (31.12.2006: EUR 5.7 million) and EUR 4.1 million (31.12.2006: 2.2) real estate mortgages. Ruukki Plc has given a total of EUR 4.8 million (31.12.2006: 6.6) pledges to give additional collateral for the financing of its subsidiaries.

RELATED PARTY TRANSACTIONS

Salaries and other remuneration paid to the group and subsidiaries board and top management members totalled EUR 0,1 million in the first quarter of 2007. The group parent company has a receivable of EUR 43 thousand from a member of parent company executive director or an entity controlled by him.

A related party to the parent company has converted his subordinated loan unit so that a total of 1,561,000 new shares have been issued to him due to this conversion during Q1/2007. During the three month period three thousand euros interest expense has been accrued thereby.

Ruukki Group has paid in cash or in new shares earn-out payments, related to previous acquisitions, totalling EUR 8.2 million in the first half of 2007.

LITIGATIONS

Ruukki Group Plc's appeals to the Market Court and the Helsinki Court of Appeal against Rautaruukki, another listed company, and related to the use of the name "Ruukki" are still open and pending.

CHANGES IN SHARE CAPITAL

Changes in share capital	Increase in euros	Number of shares after registration	Share capital, in euros after registration
Share capital 31.12.2006		135,963,737	23,017,809.60
Conversion of convertible bonds (13 Feb 2007)	620,840.00	139,615,737	23,638,649.60
Free directed issue (3 May 2007)		140,214,022	23,638,649.60

SHAREHOLDERS

On 11 May 2007, the company had a total of 3,552 shareholders, of which 12 were nominee-registered. The number of shares in issue on 11 May 2007 was 140,214,022.

Largest shareholders, 11 May 2007:

Shareholder	Shares	%
Herttakakkonen Ltd	35,367,681	25.2
Nordea Pankki Suomi Plc	26,726,963	19.1
Nordea Pankki Suomi Plc nominee-registered	14,788,889	10.6
Evli Pankki Plc	10,300,857	7.4
Kankaala Markku	8,949,259	6.4
Svenska Handelsbanken Ltd	6,116,228	4.4
Hukkanen Esa	5,007,500	3.6
Procomex S.A.	4,575,010	3.3
Skandinaviska Enskilda Banken	3,084,250	2.2
Rausanne Ltd	1,805,892	1.3
Total	116,722,529	83.2
Other Shareholders	23,491,493	16.8
Total shares registered	**140,214,022**	**100.0**

CHANGES IN SHARE PRICE DURING THE REVIEW PERIOD

During the period under review, the price of Ruukki Group's share varied between EUR 1.18 (Q1/2006: 0.64) and EUR 1.99 (0.79). A total of 50,510,586 (12,204,073) Ruukki Group shares were traded in the review period, representing 36.1% (13.5%) of all shares registered at the end of the review period. The closing price of the company's share on 31 March 2007 was EUR 1.75 (0.76). The market capitalisation of the Group's entire capital stock of 139,615,737 (93,300,880) shares at the closing price on 31 March 2007 was EUR 244.3 (70.9) million.

FLAGGING NOTICES DURING OR AFTER THE REVIEW PERIOD

Ruukki Group has received the following flagging notices during or after the review period 1.1. – 31.3.2007:

Mandatum Pankkiiriliike Ltd's ownership exceeded one twentieth (1/20) of the share capital and voting rights of Ruukki Group Plc on 2 January 2007.

Mandatum Pankkiiriliike Ltd's ownership fell below one twentieth (1/20) of the share capital and voting rights of Ruukki Group Plc on 16 March 2007.

Nordea Pankki Suomi Plc's ownership exceeded three twentieth (3/20) 16 March 2007. At the time of that flagging, it was informed that Nordea Pankki Suomi Plc's ownership will fall below one twentieth when April 2007 forward contracts expire.

Nordea Pankki Suomi Plc has purchased Ruukki Group shares and entered into Ruukki Group share forward contracts in 20 April 2007. Forward contracts will expire in June 2007, in December 2007 and in January 2008. As and when the January 2008 forward contracts expire, the ownership of Nordea Pankki Suomi Plc will fall below one twentieth (1/20).

FINANCIAL DEVELOPMENT BY SEGMENT, SUMMARY

MEUR	Revenue,1-3/2007	Revenue,1-3/2006	Revenue,1-12/2006
House building	14.0	14.0	53.7
Sawmill business	12.6	6.3	27.8
Furniture business	5.0	2.9	25.7
Care services	3.9	1.9	9.8
Other operations	1.9	2.0	8.8
Eliminations and unallocated items	-0.5	-0.1	-0.4
Group total	**36.8**	**27.1**	**125.5**

MEUR	EBIT,1-3/2007	EBIT,1-3/2006	EBIT,1-12/2006
House building	2.6	3.5	13.4
Sawmill business	1.8	0.4	1.4
Furniture business	-1.2	-0.6	-5.3
Care services	0.2	0.3	0.6
Other operations	-1.1	-0.4	2.9
Eliminations and unallocated items	-0.1	-0.3	0.1
Group total	**2.1**	**2.8**	**13.1**

MEUR	EBIT-% 1-3/2007	EBIT-% 1-3/2006	EBIT-% 1-12/2006
House building	18.3 %	24.6 %	24.9 %
Sawmill business	14.2 %	6.0 %	5.0 %
Furniture business **	-24.4 %	-21.1 %	-20.8 %
Care services	4.9 %	14.8 %	6.2 %
Other operations	-60.5 %	-18.4 %	33.2 %
Eliminations and unallocated items			
Group total	**5.8 %**	**10.5 %**	**10.4 %**

* Other operations includes approximately EUR 0.4 million in non-recurring sales gain recognised as a result of ownership changes in Group companies during the review period of Q1/2006 (the ownership change in the house building business area is included in the income statement under Other operating income) and approximately EUR 0.6 million in non-recurring sales loss (Metal industry, Operating expenses).

** Furniture business segment's EBIT margin is only indicative in nature since for a part of the reporting period furniture business segment's companies have been minority-owned; therefore for those periods no revenue has been recognised at the Ruukki Group level, even though the related ownership shares of associated companies' profit/loss have been reflected in the group EBIT.

Goodwill by segment, summary

MEUR	31 Mar 2007	%	31 Mar 2006	%	31 Dec 2006	%
House building	19.3	56 %	17.8	63 %	19.3	62 %
Sawmill business	6.2	18 %	4.5	16 %	4.8	15 %
Furniture business	1.8	5 %	1.1	4 %	0.0	0 %
Care services	5.7	17 %	3.5	12 %	5.7	18 %
Other	1.5	4 %	1.4	5 %	1.4	4 %
Total	**34.5**	**100 %**	**28.3**	**100 %**	**31.2**	**100 %**

GROUP PROFIT AND LOSS ACCOUNT SUMMARY

EUR 1,000	1 Jan - 31 Mar 2007	1 Jan - 31 Mar 2006	1 Jan - 31 Dec 2006
Revenue	36,792	27,086	125,460
Other operating income	500	452	5,712
Operating expenses	-33,062	-23,983	-112,399
Depreciation and amortization	-1,372	-517	-4,403
Share of associated companies profit	-737	-201	-968
Impairment	0	0	-354
Operating profit	2,122	2,837	13,048
Financial income and expense	-117	-234	-891
Profit before taxes	2,005	2,603	12,156
Income taxes *	-1,261	-991	-4,177
Net profit	743	1,612	7,979
Profit attributable			
to equity shareholders	504	1,348	8,442
to minority interests	239	264	-464
Earnings per share:			
basic (EUR)	0.00	0.01	0.07
diluted (EUR)	0.00	0.01	0.06

* During the reporting period certain subsidiaries have recognised taxable profits and certain subsidiaries taxable losses. For the major part of the loss-making group companies, no deferred tax assets related to these realised losses have been recognised. This has been done based on either since the group has a view that there is no certainty the company in question can utilise the income tax carry forward in the foreseeable future in its own operations, or since it is not possible to utilise group contributions in the inter-company relation because of the Ruukki Group's level of ownership or because of some other reasons. This principle has been applied also previously, and therefore, the effective income tax rate in group profit and loss account has been high.

GROUP BALANCE SHEET SUMMARY

EUR 1,000			
ASSETS	**31 Mar 2007**	**31 Mar 2006**	**31 Dec 2006**
Non-current assets			
Investments and intangible assets			
Goodwill	34,546	28,290	31,237
Associated companies	1,607	9,585	5,568
Other intangible assets	7,066	1,802	4,001
Investments and intangible assets total	43,219	39,677	40,807
Property, plant and equipment	35,947	12,006	15,855
Other non-current assets	1,796	445	528
Non-current assets total	**80,962**	**52,128**	**57,189**
Current assets			
Inventories	29,381	14,097	17,057
Receivables	17,960	7,507	9,805
Other investments	5,234	0	7,271
Cash and cash equivalents	14,354	10,547	24,768
Current assets total	**66,928**	**32,151**	**58,901**
Total assets	**147,890**	**84,279**	**116,089**
EQUITY AND LIABILITIES	**31 Mar 2007**	**31 Mar 2006**	**31 Dec 2006**
Shareholders' equity			
Share capital	23,639	15,861	23,018
Share premium reserve	25,735	5,207	24,712
Revaluation reserve	757	0	0
Invested non-restricted equity fund	424	0	424
Retained earnings	9,783	4,743	9,511
Shareholders' equity	**60,336**	**25,811**	**57,665**
Minority interest	**1,831**	**264**	**1,591**
Total equity	**62,166**	**26,075**	**59,256**
Liabilities			
Non-current liabilities	28,775	26,943	13,489
Current liabilities			
Prepayments	16,266	12,769	17,576
Other current liabilities	40,683	18,492	25,769
Current liabilities total	56,949	31,261	43,345
Total liabilities	**85,724**	**58,204**	**56,834**
Total equity and liabilities	**147,890**	**84,279**	**116,089**

SUMMARY OF INTEREST-BEARING RECEIVABLES AND LIABILITIES

EUR 1000	31 Mar 2007	31 Mar 2006	31 Dec 2006
Interest-bearing receivables			
Current	5,523	114	7,271
Non-current	339	170	453
Interest-bearing receivables, total	**5,862**	**284**	**7,724**
Interest-bearing liabilities			
Current	14,838	3,090	4,510
Non-current	20,758	18,068	9,205
Interest-bearing liabilities, total	**35,596**	**21,158**	**13,715**

GROUP CASH FLOW STATEMENT SUMMARY

EUR 1,000	1 Jan - 31 Mar 2007	1 Jan - 31 Mar 2006*	1 Jan - 31 Dec 2006
Cash flow from operating activities			
Net profit	743	1,612	8,442
Adjustments to net profit	2,647	1,416	10,794
Change in working capital	-2,246	-772	-12,178
Cash flow from operating activities	**1,144**	**2,256**	**7,058**
Acquisition of subsidiaries and associates	-5,359	-5,537	-13,401
Payment of earn-out liabilities and exercises of call options related to acquisitions	-7,054	-4,724	-8,875
Sale of subsidiaries and associates	2,361	2,227	4,183
Capital expenditures and other investing activities	-1,844	-702	-3,203
Cash flow used in investing activities **	**-11,896**	**-8,736**	**-21,296**
Share issues	0	0	21,218
Dividend payouts	0	0	-3,146
Borrowing	889	1,900	5,561
Repayment of debt, and other financing activities	-840	-2,865	-2,611
Cash flow from/used in financing activities **	**49**	**-965**	**21,022**
Change in cash	**-10,703**	**-7,445**	**6,784**

* when the change in an investment into mutual fund, which was sold in Q1/2006 (totalling 8,579 thousand euros), has been presented within the change of cash

** the repayment of acquisition related earn-out liabilities, as well as exercises of acquisition related call options, have been recategorized so that those repayments have been presented in the investing activities' cash flows, whereas previously those items have been included in the financing activities

CHANGES IN SHAREHOLDERS' EQUITY

1000 EUR

	Equity attributable to shareholders							Minority interests	Total equity
	Share capital	Share issue	Share premium reserve	Fair value reserve & Revaluation reserve	Invested non-restricted equity fund	Retained earnings	Total		
Shareholders' equity 31 Dec 2005	**14,584**	**4,340**	**2,144**	**9**	**0**	**3,380**	**24,457**	**0**	**24,457**
Net profit						1,348	1,348	264	1,612
Bonus issue 01/2006	87		-87						
Share issue 12/2005	1,190	-4,340	3,150						
Equity component of convertible bonds and other changes in equity				-9		7	-2		-2
Shareholders' equity 31 Mar 2006	**15,861**	**0**	**5,207**	**0**	**0**	**4,735**	**25,803**	**264**	**26,067**
Net profit						7,094	7,0974	1,327	8,421
Share issue 3/2006	5,100		16,118				21,218		21,218
Free directed issue 10/2006					424		424		424
Conversions of convertible bonds	2,057		3,387			,	5,444		5,444
Equity component of convertible bonds and other changes in equity						-2,318	-2,318		-2,318
Shareholders' equity 31 Dec 2006	**23,018**	**0**	**24,712**	**0**	**424**	**9,512**	**57,665**	**1,591**	**59,256**
Net profit						504	504	239	743
Conversions of convertible bonds	621	1,023					1,643		1,643
Equity component of convertible bonds and other changes in equity						-233	-233		-233
Revaluation reserve generated by acquisitions				757			757		757
Shareholders' equity 31 Mar 2007	**23,639**	**0**	**25,735**	**757**	**424**	**9,783**	**60,336**	**1,831**	**62,166**

MERGERS AND ACQUISITIONS

INCAP FURNITURE LTD

During the review period, the Ruukki Group became the majority owner of Incap Furniture Ltd through a directed share issue. See below for more specific information. Incap Furniture's share subscription was paid for by setting off former subordinated loan receivables. However, prior this share issue, Ruukki Group invested some 0.9 million euros by a subordinated loan arrangement. If a corresponding proportional holding of 70.3% in Incap Furniture would have been valid as of 1 January 2007, its net effect on the reported Ruukki Group's 1 January – 31 March 2007 profit and loss account main items would have been the following: Ruukki Group revenue would have increased by some 8,907 thousand euros (+24%) vis-à-vis the reported group revenue, group EBIT* decreased by roughly 714 thousand euros (-34 %) and group net income* been lower than the reported by about 885 thousand euros.

* when taking into account the purchase price allocation, the related depreciation and amortization, and the actual balance sheet as of 28 February 2007

The following assets and liabilities were recognised relating to the acquisition which also gives information about the contribution of this transaction to the group balance sheet at the end of the review period:

EUR 1,000	**Fair value of acquired assets**	**Book value before acquisition**
Intangible assets		
Clientele	814	0
Other intangible assets	555	607
Property, plant and equipment	18,193	18,284
Inventories	8,185	7,810
Receivables		
Accounts receivable	5,902	5,902
Other receivables	2,502	2,444
Cash and cash equivalents	369	369
Total assets	**36,521**	**35,415**
Interest bearing debt		
Leasing liabilities	3,200	3,200
Current and non-current debt	23,041	23,041
Non-interest bearing debt		
Accounts payable	7,742	7,742
Other debt	3,842	3,669
Deferred tax liability	1,295	986
Total liabilities	**39,120**	**38,638**
Net assets	**-2,600**	**-3,223**
Acquisition cost	1,171	
Net assets 28 Feb 2007 (100 %)	-2,600	
Acquired net assets 38 Feb 2007 (23.3 %)	-604	
Goodwill	**1775**	
Net cash outflow on the acquisition:		
Consideration paid in cash	886	
Acquired cash and cash equivalents	86	
Cash flow	**800**	

OPLAX LTD

In March, the company decided to finalise a cash transaction to increase its holding in Oplax Ltd, manufacturer of packaging pallets in Oulu, Kemi and Tornio, from 32% to 100%. The latest of these transaction increased Ruukki Group's ownership by 61.7%, which is reflected in the table below, where also more specific information relating to this transaction is presented.

If the corresponding 100% holding in Oplax Ltd would have been valid as of 1 January 2007, its net effect on the reported Ruukki Group's 1 January – 31 March 2007 profit and loss account main items would have been the following: Ruukki Group revenue would have increased by roughly 1,428 thousand euros (+4 %) vis-à-vis the reported group revenue, group EBIT* decreased by some 269 thousand euros (-13 %) and group net income* been lower than the reported by about 261 thousand euros.

* when taking into account the purchase price allocation, the related depreciation and amortization, and the actual balance sheet as of 12 March 2007

The following assets and liabilities were recognised relating to the acquisition which also gives information about the contribution of this transaction to the group balance sheet at the end of the review period:

1,000 EUR	Fair value of acquired assets	Book value before acquisition
Intangible assets		
Clientele	2,061	0
Property, plant and equipment		
Land and buildings	525	78
Machinery and equipment	1,628	273
Investments	1,446	1,434
Other assets		
Inventories	1,226	1,142
Accounts receivable	707	707
Other receivables	125	125
Accruals	2	2
Cash	9	9
Total assets	**7,728**	**3,769**
Non-interest bearing debt		
Accounts payable	429	429
Other debt	216	216
Deferrals	80	80
Deferred tax liability	1,029	0
Interest bearing debt	114	114
Total liabilities	**1,869**	**839**
Net assets	**5,859**	**2,930**
Acquisition cost	4,852	
Net assets 12 Mar 2007 (100 %)	5,859	
Net assets 12 Mar 2007 (61.66 %)	3,613	
Goodwill	**1,239**	
Net cash outflow on the acquisition:		
Consideration paid in cash	4,772	
Acquired cash and cash equivalents	-9	
Cash flow	**4,763**	

OTHER KEY INDICATORS

MEUR	Q1/2007	Q1/2006	2006
Gross capital expenditure	25.6	6.6	14.3
% of revenue	69.6 %	24.5 %	11.4 %
Personnel, average	637	411	570
Personnel, at the end of the period	869	416	452
Dividends, EUR 1,000	0.0	0.0	4,079
Dividend per share, EUR	0.00	0.00	0.03
Dividend per earnings, %	0.0 %	0.0 %	41.9 %
Effective dividend yield, %	0.0 %	0.0 %	2.5 %
Price to earnings	119.7	13.2	16.8
Highest share price, EUR	1.99	0.78	1.23
Lowest share price, EUR	1.18	0.64	0.64
Average share price, EUR	1.40	0.70	0.84
Market capitalisation,	244.3	70.9	163.2
Turnover	70.5	8.5	84.8
Turnover, %	36.1 %	13.1 %	86.0 %

Ruukki Group Oyj

Espoo office
Tekniikantie 12
FIN-02150 Espoo
Tel. +358 9 2511 100
Fax +358 9 2511 040

Oulunsalo Office
Lentokatu 2
FIN-90460 Oulunsalo