RUUKKI GROUP PLC: FINANCIAL STATEMENTS REVIEW FOR 1 JANUARY–31 DECEMBER 2012

This Financial Statements Review is prepared in accordance with the IAS 34 standard and is unaudited. All the figures in this Financial Statements Review related to the house building, pallet and sawmill businesses are categorised as discontinued operations. All the corresponding comparable figures of 2011 are presented in brackets, unless otherwise explicitly stated.

SALES

Sales from processing:

Tonnes	Q4/12	Q4/11	FY2012	FY2011
Processing, Speciality Alloys	4,545	5,615	27,324	24,292
Processing, FerroAlloys	5,469	16,036	39,125	82,663
Processing, Total	10,014	21,650	66,449	106,955

Full Year (January–December) 2012

The Group's sales from processing, which includes all the products produced at the Mogale Alloys and EWW processing plants, were 66,449 (FY/2011: 106,955) tonnes in 2012, a decrease of 37.9% compared to the equivalent period in 2011. Full year sales were impacted by Group's decision to restrict its production in South African processing plant and to participate in Eskom's electricity buyback program.

Fourth Quarter (October–December) 2012

The Group's sales from processing, which includes all the products produced at the Mogale Alloys and EWW processing plants, were 10,014 (Q4/2011: 21,650) tonnes, a decrease of 53.7% compared to the equivalent period in 2011. In light of the weak demand, the Group adjusted its production and built up its finished product inventory to preserve sales prices and margins.

RUUKKI GROUP'S FINANCIAL PERFORMANCE

REVENUE AND PROFITABILITY

EUR million	Q4/12	Q4/11	Change	FY2012	FY2011	Change
Revenue	24.3	37.3	-35.0%	130.4	159.1	-18.0%
EBITDA	7.3	-1.1		12.2	1.4	765.9%
EBITDA margin	30.0%	-2.9%		9.3%	0.9%	
EBIT	1.1	-8.0		-14.6	-26.5	
EBIT margin	4.4%	-21.3%		-11.2%	-16.6%	
Profit for discontinued operations	0.0	-5.8		0.0	41.1	
Profit	-6,3	-10.7		-16.8	22.7	

Discontinued operations include the house building, pallet and sawmill businesses which were divested in 2011.

Full Year (January–December) 2012

Revenue for the full year 2012 decreased by 18.0% to EUR 130.4 (159.1) million. The decrease in revenue, compared to the equivalent period in 2011, was mainly attributable to the decision to participate in Eskom's electricity buyback program in first half of 2012 and in fourth quarter of 2012.

EBITDA for the full year was EUR 12.2 (1.4) million and profit for the period was EUR -16.8 (22.7) million. The increase in EBITDA was mainly due to decreased project related costs, EUR 0.0 (-6.2) million and decrease in Group's headquarter costs, EUR -5.2 (-8.5) million.

The full year earnings per share was EUR -0.06 (0.10).

Fourth Quarter (October–December) 2012

Revenue for the fourth quarter 2012 decreased by 35.0% to EUR 24.3 (37.3) million compared to the equivalent period in 2011. The decrease in revenue was mainly attributable to the decision to participate in Eskom electricity buyback program in South Africa. Even though revenue was down compared to equivalent period in 2011, the Company was still able to improve its EBITDA. Increase in EBITDA was mainly attributable to improved profitability margin in the FerroAlloys segment, reduction of environmental liabilities EUR 2.1 (0.6) and through decreased expenses in Group functions. EBITDA for the fourth quarter 2012 was EUR 7.3 (-1.1) million.

Earnings per share was EUR -0.03 (-0.04).

BALANCE SHEET, CASH FLOW AND FINANCING

The Group's liquidity, as at 31 December 2012, was EUR 14.8 (65.9) (30 September 2012: 40.4) million. Operating cash flow in the fourth quarter was EUR -6.1 (5.0) million and in the full year EUR 5.8 (-2.4) million. Ruukki's gearing at the end of the fourth quarter was -0.4% (8.1%) (30 September 2012: 12.8%). Net interest-bearing debt was EUR -0.9 (19.6) (30 September 2012: 29.2) million.

One of the Group's South African subsidiaries, Mogale Alloys, has drawn down a loan from a South African bank for the principle amount of EUR 2.7 million. The loan agreement includes financial covenants some of which were breached during the fourth quarter of 2012. Based on initial discussions with the bank, the Company remains confident that the bank will not request the pay-back of the loan prior to its maturity date in April 2015 despite the breach.

Total assets on 31 December 2012 were EUR 312.5 (421.8) (30 September 2012: 379.1) million. The equity ratio was 68.9% (57.0%) (30 September 2012: 60.3%).

INVESTMENTS, ACQUISITIONS AND DIVESTMENTS

Capital expenditure for the fourth quarter 2012 totalled EUR 1.8 (1.2) million and in the full year 2012 EUR 6.0 (4.5) million and related to opening of Mecklenburg mine, sustaining capital expenditure at the Speciality Alloys segment as well as to some environmental improvements at the European processing plant.

On 18 April 2012 Ruukki announced that it has signed an agreement with Kermas Limited ("Kermas") for the acquisition of Elektrowerk-Weisweiler GmbH ("EWW"). In addition Ruukki and Kermas agreed to terminate the profit and loss sharing arrangement in relation to Türk Maadin Sirketi and RCS Limited ("RCS") and certain other arrangements which were entered into in October 2008. EWW is a critical component in Ruukki's Speciality Alloys segment and was operating under a long-term tolling agreement between EWW and RCS. Ruukki has incorporated EWW's financial statements in its consolidated financial statements since November 2008. The transactions were completed after the approval by the Company's independent shareholders at the Annual General Meeting on 10 May 2012 and a total cash consideration of EUR 25.3 million was paid.

PERSONNEL

At the end of the fourth quarter 2012, Ruukki had 743 (797) employees. The average number of employees during the fourth quarter of 2012 was 743 (801).

Number of employees by segment:

	31.12.2012	31.12.2011	Change
Speciality Alloys	423	442	-4.3%
FerroAlloys	310	345	-10.1%
Other operations	10	10	0.0%
Continuing operations total	**743**	**797**	**-6.8%**

SAFETY, HEALTH AND SUSTAINABLE DEVELOPMENT

The Group's target is to introduce standardised health, safety and environmental policies and procedures across the Group's operations and continue its programme focused on pro-active safety and environmental measurements as part of its aim to achieve "Zero Harm". This standardisation process is on-going and is expected to be finalised during 2013.

Ruukki aims to conduct its business in a sustainable way and to preserve the environment by minimising the environmental impact of its operations. Ruukki has programmes in place to monitor and address its impact on the environment.

SEGMENT PERFORMANCE

SPECIALITY ALLOYS BUSINESS

The Speciality Alloys business consists of TMS, the mining and beneficiation operation in Turkey, and EWW, the chromite concentrate processing plant in Germany. TMS supplies EWW with high quality chromite concentrate which produces speciality products including Specialised Low Carbon and Ultra Low Carbon Ferrochrome. Excess chrome ore from TMS is exported. As at 31 December 2012, the business had 423 (442) employees.

Production:

Tonnes	Q4/12	Q4/11	Change	FY2012	FY2011	Change
Mining*	**16,049**	19,566	-18.0%	**72,098**	82,154	-12.2%
Processing	**5,739**	6,571	-12.7%	**25,129**	25,908	-3.0%

* Including both chromite concentrate and lumpy ore production

Production decreased to 21,788 (26,137) tonnes for the fourth quarter 2012, compared to the equivalent period in 2011. This was due to a decision to reduce work shifts in the last quarter in order to better respond to reduced demand in the market. The annual production decreased by 10.0% to 97,228 (108,062) tonnes which was mainly due to prolonged maintenances shutdown at EWW in the third quarter and reduced work shifts in the last quarter of 2012.

EUR million	Q4/12	Q4/11	Change	FY2012	FY2011	Change
Revenue	15.0	20.5	-26.7%	76.5	83.6	-8.6%
EBITDA	1.2	3.3	-62.5%	10.7	13.8	-22.5%
EBITDA margin	8.1%	15.9%		14.0%	16.5%	
EBIT	-3.3	-1.1		-6.9	-3.8	
EBIT margin	-21.7%	-5.2%		-9.1%	-4.6%	

Full Year (January–December) 2012
Revenue for the full year 2012 was EUR 76.5 (83.6) million, representing a decrease of 8.6% and EBITDA was EUR 10.7 (13.8) million. The decrease in revenue and EBITDA was due to lower sales volumes throughout the year and decreased sales prices in the last quarter of 2012.

Fourth Quarter (October–December) 2012
Revenue for the fourth quarter decreased by 26.7% to EUR 15.0 (20.5) million and EBITDA decreased by 62.5% to EUR 1.2 (3.3) million compared to the equivalent period in 2011. The decrease in revenue was due to lower sales volumes and decreased sales prices.

FERROALLOYS BUSINESS

The FerroAlloys business consists of the Stellite mine, the processing plant Mogale Alloys, the Mecklenburg mine development project in South Africa, and the Zimbabwean mine development project Waylox. The business produces chrome ore, Charge Chrome and Silico Manganese for sale to global markets. As at 31 December 2012, the business had 310 (345) employees.

Production:

Tonnes	Q4/12	Q4/11	Change	FY2012	FY2011	Change
Mining*	**24,185**	45,792	-47.2%	**140,346**	159,455	-12.0%

Processing	**14,356**	14,974	-4.1%	**50,522**	86,445	-41.6%

* Including both chromite concentrate and lumpy ore production

Overall production for the segment decreased by 36.6% to 38,541 (60,766) tonnes in the fourth quarter. Production at the Stellite mine was down substantially compared to the equivalent period in 2011 in response to lower chrome ore prices and an oversupply in the global chrome ore market. Production at Mogale Alloys was impacted by the decision to participate in Eskom's electricity buyback program in the end of November. Work continued on the Mecklenburg mine development project, which is now scheduled to be in full production of 30.000 ton ROM per month by the end of Q2 2013. The full year production volumes decreased by 22.4% to 190,868 (245,900) tonnes which was due to participating Eskom's electricity buyback program during first half of 2012 and in Q4 2012. Full year production was also impacted by the decision to restrict mining at Stellite in response to lower chrome ore prices and decreased demand.

EUR million	Q4/12	Q4/11	Change	FY2012	FY2011	Change
Revenue	9.2	16.8	-45.1%	53.9	75.4	-28.6%
EBITDA	6.2	-1.9		6.7	-3.9	
EBITDA margin	67.3%	-11.2%		12.4%	-5.2%	
EBIT	4.5	-4.4		-2.4	-14.0	
EBIT margin	48.5%	-26.2%		-4,5%	-18.6%	

Full Year (January–December) 2012
Revenue for the full year decreased to EUR 53.9 (75.4) million, representing a decrease of 28.6%. The decrease in revenue was driven both by the substantial decline in demand for both Charge Chrome and Silico Manganese as well as decline in Chrome and decision to participate in Eskom's electricity buyback program in first half of 2012 and end of November 2012.

EBITDA for the full year was EUR 6.7 (-3.9) million including a EUR 0.1 (0.4) million non-cash expense for the share based payments. Improvement of EBITDA compared to 2011 mainly relates to decrease of EUR 6.2 million in project costs and a decrease in environmental provision of EUR 2.1 (0.6) million.

Fourth Quarter (October–December) 2012
Revenue for the fourth quarter decreased to EUR 9.2 (16.8) million compared to the equivalent period in 2011, representing a decrease of 45.1%. The decrease in revenue was driven both by the substantial decline in demand for both Charge Chrome and Silico Manganese as well as decline in Chrome ore. EBITDA for the fourth quarter increased to EUR 6.2 (-1.9) million. Increase in EBITDA compared to the equivalent period in 2011 was driven by decrease in environmental liability of EUR 2.1 (0.6) million, decrease in project costs EUR 0.0 (0.7) million and increase in sales prices.

UNALLOCATED ITEMS

For the fourth quarter of 2012, the EBITDA from unallocated items was EUR -0.2 (-2.5) million including a EUR 0.2 (0.2) million non-cash expense for the share-based payments. The full year EBITDA from unallocated items was EUR -5.2 (-8.5) million.

LITIGATION

On 11 October Ruukki announced it had agreed to settle its dispute with the vendors (the "Vendors") of Mogale Alloys, which was acquired by Ruukki in May 2009. As part of the settlement Ruukki has paid the Vendors an aggregate cash amount of ZAR 175 million (approximately EUR 15 million) and will issue, in the aggregate, up to 16,000,000 new shares. The Vendors have transferred their entire remaining shareholding in Mogale Alloys to Ruukki, whereby Ruukki's ownership has increased from 84.9% to 90.0%.

The share issue to the Vendors is conditional upon the receipt of South African Reserve Bank approval. If this is not received, Ruukki has undertaken to procure that the shares are disposed of at fair value in accordance with the instructions of the Vendors and the resultant proceeds paid to the Vendors.

PLEDGES AND CONTINGENT LIABILITIES

On 31 December 2012 the Group had a loan from a financial institution totalling EUR 2.7 (8.3) million. The Group has provided real estate mortgages and other assets as collaterals for total carrying value of EUR

41.1 (48.3) million. Moreover, the Group companies have given cash deposits totalling EUR 3.9 (1.3) million as security for their commitments. The value of other collaterals totalled EUR 0.8 (0.8) million as at 31 December 2012. Ruukki Group Plc has given guarantees for third party loans totalling EUR 1.3 (1.6) million.

COMPANY'S SHARE

Ruukki Group Plc's shares are listed on NASDAQ OMX Helsinki (RUG1V) and on the Main Market of the London Stock Exchange (RKKI).

On 31 December 2012, the registered number of Ruukki Group Plc shares was 248,432,000 (248,432,000) and the share capital was EUR 23,642,049.60 (23,642,049.60).

On 31 December 2012, the Company had 4,297,437 (4,414,682) own shares in treasury, which was equivalent to 1.73% (1.78%) of the issued share capital. The total amount of shares outstanding, excluding the treasury shares held by the Company on 31 December 2012, was 244,134,563 (244,017,318).

At the beginning of the period under review, the Company's share price was EUR 0.89 on NASDAQ OMX Helsinki and GBP 0.88 on the London Stock Exchange. At the end of the review period, the share price was EUR 0.45 and GBP 0.35 respectively. During 2012 the Company's share price on NASDAQ OMX Helsinki ranged from EUR 0.38 to 1.02 per share and the market capitalisation, as at 31 December 2012, was EUR 111.8 (1.1.2012: 221.1) million. For the same period on the London Stock Exchange the share price range was GBP 0.32 to 0.86 per share and the market capitalisation was GBP 87.0 (1.1.2012: 218.6) million, as at 31 December 2012.

Based on the resolution at the AGM on 10 May 2012, the Board is authorised to buy-back up to a maximum of 15,000,000 of its own shares. This authorisation is valid until 10 November 2013. The Company did not carry out any share buy-backs during 2012.

Ruukki announced on 7.12.2012, that the Board of Directors has resolved to grant a total of 117,245 ordinary shares in the Company to the members of the Executive Management Team as their share based incentive bonus for the year 2011. The shares are issued under the authorisation given by the Company's Annual General Meeting in May 2012 and form a part of the Company's incentive programme for senior management. Under the terms of the directed free share issue scheme, the shares were offered free of charge and in derogation of the pre-emptive subscription right of shareholders. The shares are subject to restrictions on transferability and pledge-ability until 24 months from the allotment date, after which the shares can be transferred and used as a pledge.

ANNUAL GENERAL MEETING 2012

Ruukki Group Plc's Annual General Meeting (AGM) was held on 10 May 2012 and all the resolutions proposed were passed, as announced in the stock exchange release on 10 May 2012. A copy of this release is available on the Company's website: www.ruukkigroup.com.

The resolutions of the AGM included:
- the adoption of the financial statements and the consolidated financial statements and discharged the members of the Board of Directors and the CEO from liability for the financial period 2011.
- that no dividend would be paid for 2011.
- that the Board of Directors would comprise of eight members and Philip Baum, Paul Everard, Thomas Hoyer, Markku Kankaala, Danko Koncar, Jelena Manojlovic, Chris Pointon and Barry Rourke were re-elected to the Board.
- the Board members' remuneration for the year.
- the re-election of Ernst & Young Oy as the Company's Auditor for 2012 and the payment of the Auditor's invoice on approval.
- the acquisition of Elektrowerk Weisweiler GmbH.
- authorisation for the Board to decide on a share issue and on the issuing of stock options and other special rights that entitle to shares. By virtue of the authorisation shares could be issued in one or more tranches for a maximum total of 24,843,200 new shares or shares owned by the Company.
- authorisation for the Board to acquire the Company's own shares for a maximum of 15,000,000 shares that could be acquired with the funds from the Company's unrestricted shareholders' equity.

MOST SIGNIFICANT SHORT TERM RISKS AND UNCERTAINTIES, CHANGES DURING AND AFTER THE PERIOD UNDER REVIEW

The changes in the key risks and uncertainties are set out below. Further details of the risks and uncertainties have been published in the Group's 2011 Annual Report.

Ruukki´s financial performance is dependent on the general market conditions of the mining, smelting and minerals processing business. Global financial markets have been very volatile, exacerbated by the Eurozone crisis, and there is uncertainty as to how commodity prices will respond in 2013 and which could considerably impact the Company's revenue and financial performance in 2013.

Changes in foreign exchange rates, if adverse, could have a substantial negative impact on the Group's profitability, in particular changes in US Dollar/South African Rand. In order to better manage its foreign exchange US Dollar/South African Rand exposure, the Group has entered into forward contract arrangements.

Ruukki's processing operations in Germany and South Africa are intensive users of energy, primarily electricity. Fuel and energy prices globally have been characterised by volatility and cost inflation. In South Africa the majority of the electricity supply, price and availability are controlled by one entity, Eskom. Increased electricity prices and/or reduced or uncertain electricity supply or allocation may negatively impact Ruukki's current operations, which could have an impact on the Group's financial performance.

2013 OUTLOOK

The global economic outlook continues to be uncertain in 2013 as the Eurozone crisis continues and demand for commodities, primarily driven by Chinese consumption, remains weak. The ferroalloy market is expected to continue to be volatile during the year. The Group is preparing for significant price fluctuations and will continue to adapt its production levels accordingly. At Mogale Alloys, part of the FerroAlloys division, the decision has been taken to participate in Eskom's electricity buyback program until the end of first quarter 2013. Company is also continuing its cost saving initiatives and restructuring of functions and this is expected to bring material costs savings in 2013 compared to previous financial year. In light of this the Group expects its financial performance for the full year 2013 to significantly improve compared to 2012.

Fluctuations of exchange rates between the Euro, the South African Rand, the Turkish Lira and the US Dollar can significantly impact the Company's financial performance.

EVENTS AFTER THE REVIEW PERIOD

Ruukki announced on 15 January 2013 that the Company's management will be reorganised to be more appropriately aligned to the size of the Company's current operations and the prevailing market conditions. The Company will also undertake a review of its cost base with a view to identifying other restructuring opportunities including larger structural and organisational developments.

As part of the restructuring both the Company's Board of Directors and executive management team was materially downsized. The following members of the Board of Directors have left their positions on 11 February 2013: Dr. Chris Pointon, Mr. Paul Everard, Mr. Barry Rourke and Mr. Thomas Hoyer. The Executive Management of Ruukki was reorganised as follows: Mr. Thomas Hoyer CEO; Mr. Markus Kivimäki, General Manager: Corporate Affairs; and Mr. Kalle Lehtonen, General Manager: Finance have left their positions. All the resigning executives will remain with the Company until end of March 2013 to ensure a smooth handover of responsibilities.

Ruukki's Extraordinary General Meeting ("EGM") was held on 11 February 2013. The EGM decided that the number of members of the Board of Directors shall be six and Mr Michael Lillja (Finnish citizen), Mr Markku Kankaala (Finnish citizen), Dr Danko Koncar (Croatian citizen), Dr Jelena Manojlovic (UK citizen), Dr Alfredo Parodi (Italian citizen) and Ms Bernice Smart (UK citizen) were elected for the next mandate that begins from the end of the General Meeting and ends in the end of the Annual General Meeting in 2013. The EGM resolved that the members of the Board will be paid EUR 3,000 per month. Those members of the Board of Directors that are executives of the Company are not entitled to receive any remuneration for the Board membership.

Following the EGM, the Board of Directors held an organisation meeting in which Dr Jelena Manojlovic was appointed Chairman and Ms Bernice Smart Deputy Chairman. Ms Bernice Smart (chairman), Mr Markku

Kankaala and Dr Alfredo Parodi were elected as the members of the Audit Committee. Dr Jelena Manojlovic (chairman), Mr Markku Kankaala and Ms Bernice Smart were elected as the members of the Nomination and Remuneration Committee. The Board appointed Dr Danko Koncar as the Company's CEO.

Board of Directors has taken the decision to commence a project aiming into centralising all headquarter and other group support functions to Malta. By centralising functions into one location the Company expects significant benefits through increased efficiency and lower costs.

DIVIDEND PROPOSAL

The Board of Directors proposes to the Annual General Meeting which will be held on 8 May 2013 that no dividend would be distributed but that a capital redemption of EUR 0.01 per share would be paid out of the paid-up unrestricted equity fund.

Helsinki, 17 March 2013

RUUKKI GROUP PLC

BOARD OF DIRECTORS

FINANCIAL REPORTING IN 2013

	Closed period	Reporting date
Financial Statements 2012		Week 13
Q1 Interim Report 2013	8.4.-8.5.2013	8 May 2013
Q2 Interim Report 2013	16.7.-15.8.2013	15 August 2013
Q3 Interim Report 2013	9.10.-8.11.2013	8 November 2013

FINANCIAL TABLES

FINANCIAL DEVELOPMENT AND ASSETS AND LIABILITIES BY SEGMENT

FY 2012 12 months EUR '000	Speciality Alloys	Ferro Alloys	Unallocated items	Eliminations	Continuing operations total
Revenue	76,456	53,899	837	-800	130,392
EBITDA	10,706	6,661	-5,243	30	12,154
EBIT	-6,926	-2,433	-5,285	30	-14,614
Segment's assets	152,852	154,049	12,604	-7,021	312,483
Segment's liabilities	40,687	57,322	5,660	-6,405	97,264

FY 2011 12 months EUR '000	Speciality Alloys	Ferro Alloys	Unallocated items	Eliminations	Continuing operations total
Revenue	83,637	75,448	698	-696	159,087
EBITDA	13,811	-3,886	-8,529	7	1,404
EBIT	-3,837	-14,038	-8,596	7	-26,464
Segment's assets	171,511	219,205	49,226	-18,135	421,807
Segment's liabilities	56,168	116,760	25,501	-16,779	181,649

CONSOLIDATED INCOME STATEMENT, SUMMARY

EUR '000	**Q4/12**	**Q4/11**	**FY2012**	**FY2011**
Continuing operations				
Revenue	**24,269**	**37,319**	**130,392**	**159,087**
Other operating income	4,580	271	13,843	1,173

Operating expenses	-21,570	-38,667	-132,088	-159,128
Depreciation and amortisation	-6,222	-6,871	-26,768	-27,853
Impairment	0	-15	0	-15
Items related to associates (core)	1	5	6	272
Operating profit	**1,058**	**-7,958**	**-14,614**	**-26,464**
Financial income and expense	-5,167	724	-3,893	830
Items related to associates (non-core)	0	0	0	196
Profit before tax	**-4,109**	**-7,234**	**-18,507**	**-25,439**
Income tax	-2,191	2,356	1,717	7,081
Profit for the period from continuing operations	**-6,301**	**-4,878**	**-16,790**	**-18,358**
Discontinued operations				
Profit for the period from discontinued operations	0	-5,830	0	41,086
Profit for the period	**-6,301**	**-10,708**	**-16,790**	**22,729**
Profit attributable to:				
Owners of the parent	-6,731	-10,077	-15,650	23,664
Non-controlling interests	430	-632	-1,141	-935
Total	-6,301	-10,708	-16,790	22,729
basic (EUR), Group total	-0.03	-0.04	-0.06	0.10
diluted (EUR), Group total	-0.03	-0.04	-0.06	0.09
basic (EUR), continuing operations	-0.03	-0.02	-0.06	-0.07
diluted (EUR), continuing operations	-0.03	-0.02	-0.06	-0.07

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR ‘000	**Q4/12**	**Q4/11**	**FY2012**	**FY2011**
Profit for the period	**-6,301**	**-10,708**	**-16,790**	**22,729**
Other comprehensive income				
Exchange differences on translating foreign operations	-3,546	1,709	-6,185	-13,785
Income tax relating to other comprehensive income	1,300	87	1,991	6,640
Other comprehensive income, net of tax	**-2,245**	**1,796**	**-4,194**	**-7,145**
Total comprehensive income for the period	**-8,546**	**-8,912**	**-20,984**	**15,583**
Total comprehensive income attributable to:				
Owners of the parent	-8,513	-8,749	-19,192	18,738
Non-controlling interests	-32	-163	-1,792	-3,154

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, SUMMARY

EUR '000	**31.12.2012**	**31.12.2011**
ASSETS		

Non-current assets		
Investments and intangible assets		
Goodwill	68,990	96,269
Investments in associates	75	77
Other intangible assets	44,863	65,215
Investments and intangible assets total	113,927	161,561
Property, plant and equipment	67,101	71,902
Other non-current assets	34,902	47,840
Non-current assets total	**215,930**	**281,303**
Current assets		
Inventories	51,675	44,011
Receivables	30,063	30,616
Cash and cash equivalents	14,815	65,878
Current assets total	**96,553**	**140,504**
Total assets	**312,483**	**421,807**
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	23,642	23,642
Share premium reserve	25,740	25,740
Paid-up unrestricted equity reserve	245,167	245,128
Translation reserves	5,453	8,995
Retained earnings	-91,945	-77,695
Equity attributable to owners of the parent	**208,056**	**225,811**
Non-controlling interests	**7,163**	**14,348**
Total equity	**215,220**	**240,158**
Liabilities		
Non-current liabilities		
Deferred tax liabilities	23,357	33,506
Provisions	14,239	15,700
Pension liabilities	11,186	10,838
Financial liabilities	11,222	90,281
Non-current liabilities total	**60,004**	**150,326**
Current liabilities		
Advances received	19	550
Other current liabilities	37,241	30,773
Current liabilities total	**36,999**	**31,323**
Total liabilities	**97,264**	**181,649**
Total equity and liabilities	**312,483**	**421,807**

SUMMARY OF CASH, INTEREST-BEARING RECEIVABLES AND INTEREST-BEARING LIABILITIES

EUR '000	**31.12.2012**	**31.12.2011**
Cash and cash equivalents	**14,815**	**65,878**

Interest-bearing receivables		
Current	6,005	1,124
Non-current	29,570	33,896
Interest-bearing receivables	**35,575**	**35,021**
Interest-bearing liabilities		
Current	2,719	1 109
Non-current	11,170	84 334
Interest-bearing liabilities	**13,889**	**85,443**
NET TOTAL	**36,502**	**15,455**

SUMMARY OF GROUP'S PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

EUR '000	**Property, plant and equipment**	**Intangible assets**
Acquisition cost 1.1.2012	126,721	300,481
Additions	4,823	9,144
Disposals *	-595	-30,257
Reclass between items	408	256
Effect of movements in exchange rates	-5,255	-25,258
Acquisition cost 31.12.2012	126,103	254,366
Acquisition cost 1.1.2011	132,715	354,221
Additions	4,231	420
Disposals *	-524	-21,574
Transfer to assets held for sale	-353	1
Reclass between items	5,940	-1,076
Effect of movements in exchange rates	-15,288	-31,511
Acquisition cost 31.12.2011	126,721	300,481

* Including changes in earn-out liabilities and in contingent purchase considerations

CONSOLIDATED STATEMENT OF CASH FLOWS, SUMMARY

EUR '000	**FY2012**	**FY2011**
Profit for the period	-16,790	22,729
Adjustments to profit for the period	27,520	-21,584
Changes in working capital	-4,142	-11,799
Discontinued operations	-743	8,241
Net cash from operating activities	**5,845**	**-2,412**
Acquisition of subsidiaries and associates, net of cash acquired	-25,070	-500
Acquisition of joint ventures, net of cash acquired	0	-1,598
Disposal of subsidiaries and associates, net of cash sold	0	83,276
Capital expenditure and other investing activities	-5,756	-4,147
Proceeds from repayments of loans and loans given	-3,418	-7,122

Discontinued operations	0	-77
Net cash from investing activities	**-34,243**	**69,832**
Capital redemption	0	-9,617
Dividends paid to non-controlling interests	0	-84
Proceeds from borrowings	59	10,004
Repayment of borrowings, and other financing activities	-22,451	-20,148
Discontinued operations	0	-339
Net cash used in financing activities	**-22,391**	**-20,184**
Net increase in cash and cash equivalents	**-50,789**	**47,236**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

A = Share capital
B = Share premium reserve
C = Fair value and revaluation reserves
D = Paid-up unrestricted equity reserve
E = Translation reserve
F = Retained earnings
G = Equity attributable to owners of the parent, total
H = Non-controlling interests
I = Total equity

EUR '000	A	B	C	D	E	F	G	H	I
Equity at 31.12.2010	**23 642**	**25 740**	**2 193**	**250 849**	**13 921**	**-104 772**	**211 574**	**24 781**	**236 355**
Dividend distribution							0	-631	-631
Total comprehensive income					-4 926	23 664	18 738	-3 154	15 583
Share-based payments						1 221	1 221		1 221
Share subscriptions based on option rights				3 895			3 895		3 895
Capital redemption				-9 617			-9 617		-9 617
Acquisitions and disposals of subsidiaries			-2 193	0		2 193	0	-6 649	-6 649
Equity at 31.12.2011	**23 642**	**25 740**	**0**	**245 128**	**8 995**	**-77 695**	**225 811**	**14 348**	**240 158**
Total comprehensive income					-3 543	-15 650	-19 192	-1 792	-20 984
Share-based payments				39		875	914	3	917
Acquisitions and disposals of subsidiaries						524	524	-5 396	-4 871
Equity at 31.12.2012	**23 642**	**25 740**	**0**	**245 167**	**5 453**	**-91 945**	**208 056**	**7 163**	**215 220**

RELATED PARTY TRANSACTIONS DURING THE REVIEW PERIOD

During the financial year 2012 the Group sold goods and rendered services to related parties and joint ventures worth EUR 0.4 (5.2) million. The Group also made raw material purchases from a joint venture amounting to EUR 2.1 (0.8) million and accrued interest on loans from a related party and other financing expenses amounting to EUR 0.4 (0.8) million. Interest income from a joint venture company totalled EUR 0.9 (0.7) million during the financial year 2012.

On 31 December the Group had loan and other receivables from joint venture companies totalling EUR 20.6 (20.0) million and loan and interest receivables from a related party amounting to EUR 10.0 (10.0) million. The Group's parent company had loan receivables from related parties amounting to EUR 0.3 (0.6) million. The Group's joint venture's loans from a related party totalled EUR 11.1 (11.5) million. The Group's trade and other payables to joint venture companies totalled EUR 0.0 (0.2) million.

During the second quarter of 2012 Ruukki completed the arrangements between the Company and Kermas Limited including the acquisition of Elektrowerk-Weisweiler GmbH from Kermas. Kermas Limited is a major shareholder of Ruukki. The aggregate cash consideration of approximately EUR 25.3 million was paid. In consequence of the arrangements, the Group no longer has earn-out liabilities to related parties.

FINANCIAL INDICATORS

	FY2012	FY2011
Return on equity, % p.a.	-7.4%	9.5%
Return on capital employed, % p.a.	-3.5%	7.0%
Equity ratio, %	68.9%	57.0%
Gearing, %	-0.4%	8.1%
Personnel at the end of the period	743	797

EXCHANGE RATES

The balance sheet date rate is based on exchange rate published by the European Central Bank for the closing date. The average exchange rate is calculated as an average of daily rates from the European Central Bank during the year.

The key exchange rates applied in the accounts:

Average rates

	FY2012	FY2011
TRY	2.3135	2.3378
USD	1.2848	1.3920
ZAR	10.5511	10.097

Balance sheet rates

	31.12.2012	31.12.2011
TRY	2.3551	2.4432
USD	1.3194	1.2939
ZAR	11.1727	10.4830

FORMULAS FOR FINANCIAL INDICATORS

Financial ratios and indicators have been calculated with the same principles as applied in the 2011 financial statements. These principles are presented below.

Return on equity, % = Profit for the period / Total equity (average for the period) * 100

Return on capital employed, % = (Profit before taxes + financing expenses) / (Total assets - interest-free liabilities) average * 100

Equity ratio, % = Total equity / (Total assets - prepayments received) * 100

Gearing, % = (Interest-bearing debt - liquid funds) / Total equity * 100

Net interest-bearing debt = Interest-bearing debt - liquid funds

Earnings per share, basic, EUR = Profit attributable to owners of the parent company / Average number of shares during the period

Earnings per share, diluted, EUR = Profit attributable to owners of the parent company / Average number of shares during the period, diluted

Operating profit (EBIT) = Operating profit is the net of revenue plus other operating income, plus gain/loss on finished goods inventory change, minus employee benefits expense, minus depreciation, amortisation and impairment and minus other operating expense. Foreign exchange gains or losses are included in operating profit when generated from ordinary activities. Exchange gains or losses related to financing activities are recognised as financial income or expense.

Earnings before interest, taxes, depreciation and amortisation (EBITDA) = Operating profit + depreciation + amortisation + impairment losses

ACCOUNTING POLICIES

This Financial Statements Review is prepared in accordance with the IAS 34 standard. Ruukki Group Plc applies the same accounting and IFRS principles as in the 2011 financial statements.

The preparation of the financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the valuation of the reported assets and liabilities and other information, such as contingent liabilities and the recognition of income and expenses in the income statement. Although the estimates are based on the management's best knowledge of current events and actions, actual results may differ from the estimates.

The figures in the tables have been rounded off, which must be considered when calculating totals. Average exchange rates for the period have been used for income statement conversions, and period-end exchange rates for balance sheet.

The Financial Statements Review data are unaudited.

Share-related key figures

		Q4/12	Q4/11	FY2012	FY2011
Share price development in London Stock Exchange					
Average share price*	EUR	0.46	0.98	0.54	1.50
	GBP	0.37	0.84	0.43	1.30
Lowest share price*	EUR	0.41	0.97	0.39	0.96
	GBP	0.33	0.83	0.32	0.83
Highest share price*	EUR	0.51	1.05	1.06	1.84
	GBP	0.41	0.90	0.86	1.60
Share price at the end of the period**	EUR	0.43	1.05	0.43	1.05
	GBP	0.35	0.88	0.35	0.88
Market capitalisation at the end of the period**	EUR million	106.5	261.7	106.5	261.7
	GBP million	87.0	218.6	87.0	218.6
Share trading development					
Share turnover	thousand shares	44	34	288	151
Share turnover	EUR thousand	20	33	154	227
Share turnover	GBP thousand	16	28	125	197
Share turnover	%	0.0%	0.0%	0.1%	0.1%
Share price development in NASDAQ OMX Helsinki					
Average share price	EUR	0.44	0.94	0.67	1.33
Lowest share price	EUR	0.42	0.83	0.38	0.81
Highest share price	EUR	0.51	1.02	1.02	2.03
Share price at the end of the period	EUR	0.45	0.89	0.45	0.89

Market capitalisation at the end of the period	EUR million	111.8	221.1	111.8	221.1
Share trading development					
Share turnover	thousand shares	1,410	2,598	5,600	11,344
Share turnover	EUR thousand	624	2,454	3,773	15,138
Share turnover	%	0.6%	1.0%	2.3%	4.6%

* Share prices have been calculated on the average EUR/GBP exchange rate published by Bank of Finland.

** Share price and market capitalisation at the end of the period have been calculated on the EUR/GBP exchange rate published by Bank of Finland at the end of the period.

Formulas for share-related key indicators

Average share price = Total value of shares traded in currency / Number of shares traded during the period

Market capitalisation, million = Number of shares * Share price at the end of the period

FORWARD LOOKING STATEMENTS

This report contains forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “expects”, “intends”, “may”, “will” or “should” or, in each case, their negative or other variations or comparable terminology. By their nature, forward-looking statements involve uncertainty because they depend on future circumstances, and relate to events, not all of which are within the Company's control or can be predicted by the Company.

Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Actual results could differ materially from those set out in the forward-looking statements. Save as required by law (including the Finnish Securities Markets Acts (495/1989), as amended, or by the Listing Rules or the Disclosure and Transparency Rules of the UK Financial Services Authority), the Company undertakes no obligation to update any forward-looking statements in this report that may occur due to any changes in the Directors' expectations or to reflect events or circumstances after the date of this report.