RUUKKI | GROUP

07:00 London, 09:00 Helsinki, 16 August 2012 - Ruukki Group Plc ("Ruukki" or "the Company") (LSE: RKKI, OMX: RUG1V) Interim Report

RUUKKI GROUP PLC'S Q2 INTERIM REPORT FOR 1 APRIL – 30 JUNE 2012

HIGHLIGHTS:

- Outlook for 2012 improved mainly due to more stable market conditions
- Production decreased by 20.1% to 74,181 (Q2/2011: 92,849) tonnes due to Eskom buyback programme
- EBITDA increased by 132.7% to EUR 3.9 (Q2/2011: 1.7) million and the EBITDA margin was 12.5% (Q2/2011: 3.8%)
- EBIT was EUR -2.6 (Q2/2011: -5.4) million
- Profit for continuing operations totalled EUR -2.3 (Q2/2011: -3.9) million
- Sales from processed products decreased by 59.0% to 12,767 (Q2/2011: 31,148) tonnes
- Revenue decreased by 29.7% to EUR 31.3 (Q2/2011: 44.5) million
- Cash flow from operations was EUR 13.5 (Q2/2011: -5.8) million and liquid funds at 30 June were EUR 45.0 (30 June 2011: 81.8) (31 March 2012: 65.1) million

KEY FIGURES (EUR million)	Q2/12	Q2/11	Change	H1/12	H1/11	Change	FY/11
Revenue	**31.3**	44.5	-29.7%	78.0	79.3	-1.6%	159.1
EBITDA	**3.9**	1.7	132.7%	6.7	5.1	30.4%	1.4
EBITDA margin	**12.5%**	3.8%		8.6%	6.5%		0.9%
EBIT	**-2.6**	-5.4		-6.8	-9.0		-26.5
EBIT margin	**-8.4%**	-12.1%		-8.7%	-11.3%		-16.6%
Earnings before taxes	**-2.5**	-5.9		-5.1	-9.8		-25.4
Earnings margin	**-8.1%**	-13.2%		-6.5%	-12.3%		-16.0%
Profit for continuing operations	**-2.3**	-3.9		-4.3	-7.0		-18.4
Profit for discontinued operations	**0.0**	4.1	-100.0%	0.0	47.1	-100.0%	41.1
Profit	**-2.3**	0.3		-4.3	40.1		22.7
Earnings per share, basic, EUR	**-0.01**	0.00		-0.01	0.17		0.10

Continuing operations include the Speciality Alloys and the FerroAlloys business segments and unallocated items that consist of Group headquarters and other Group companies, which do not have significant business operations. Discontinued operations include the house building, pallet and sawmill businesses which were divested in 2011.

Commenting on the second quarter results, Thomas Hoyer, CEO, said:

"I am pleased to report an improved underlying financial performance by the Group for the second quarter and the first half of 2012 despite the ongoing difficult market conditions. The Group's increased focus on niche, higher margin speciality alloy products is starting to show results. Ruukki is weathering the very challenging market conditions well and this demonstrates the robustness of our business model, placing us in a strong position for when the markets begin to recover.

We were cash flow positive at the operating level and posted a strong increase in EBITDA in spite of the decrease in revenue and realised sales prices remaining similar quarter on quarter and year on year. The main contributors for the better profitability were improved cost efficiency and favourable exchange rates. Group production was lower due to bad weather conditions in Turkey and our participation in the Eskom electricity buyback programme in South Africa, which saw the majority of the furnaces at Mogale suspend production for most of second quarter. This programme has now finished and the restart of furnaces has commenced.

Looking ahead we expect to improve our full year financial performance as we anticipate market conditions to remain relatively stable. We continue to monitor market conditions closely and are prepared to adjust our production levels and product mix accordingly. In addition to seasonal market slowdown during European summer our production volumes for Q3 will be impacted by the annual maintenance shutdowns at our processing facilities in South Africa and Germany.

We remain focused on growth as we believe the long-term fundamentals for the business are attractive. The recent acquisition of EWW provided us with a strong position as one of the leading producers of speciality alloy products used by various industries. Our growth initiatives are targeted to further strengthen the company's position in this high value add niche market."

2012 outlook

The global economic outlook for 2012 is uncertain as the Eurozone crisis continues and demand for commodities, primarily driven by Chinese consumption, remains weak. After a period of very high fluctuations on the ferroalloy market it is now expected to be less volatile going forward. The Group remains prepared for price fluctuations and will continue to adapt its production levels and product mix accordingly. The market for speciality alloy products is estimated to be more stable, although some uncertainty remains.

The Board has updated the outlook for the Company's financial performance for 2012. Ruukki expects its revenue for the full year 2012 to be in line with 2011 and the Company's financial performance for the full year 2012 to be better than 2011 because of more stable market conditions, improved cost efficiency across the operations, and favourable exchange rates. Due to the seasonal nature of the business, the Company's performance for Q3 2012 is not expected to be as positive as Q2 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.

The previous outlook, published in the first quarter interim results on 10 May 2012, was:

The global economic outlook for 2012 is uncertain 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 productions levels accordingly. At Mogale, part of the FerroAlloys division, the decision has been taken to put majority of furnaces on care and maintenance for the first half of the year. This decision will be reviewed during the second quarter. The market for speciality alloy products is estimated to be more stable, however, uncertainty remains in 2012 too. In light of this and until the market for its products improve, the Group expects its financial performance for the full year 2012 to be comparable to 2011.

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.

Disclosure procedure

Ruukki follows the disclosure procedure enabled by Standard 5.2b published by the Finnish Financial Supervision Authority, and hereby publishes its Q2 Interim Report enclosed to this stock exchange release. The Q2 Interim Report is attached to this release and is also available on the Company's website at www.ruukkigroup.com.

Investor Conference Call

Management will host an investor conference call in English on 16 August 2012 at 12.00 Finnish time, 10.00 UK time. Please dial-in at least 10 minutes beforehand, quoting the reference: 921212.

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Financial reports and other investor information are available on the Company's website:
www.ruukkigroup.com

Ruukki Group is a chrome mining and minerals producer focused on delivering sustainable growth with a speciality alloys business in southern Europe and a ferro alloys business in southern Africa. The Company is listed on NASDAQ OMX Helsinki (RUG1V) and the Main Market of the London Stock Exchange (RKKI).
www.ruukkigroup.com

Distribution:
NASDAQ OMX Helsinki
London Stock Exchange
main media
www.ruukkigroup.com

RUUKKI GROUP

RUUKKI GROUP PLC: Q2 INTERIM REPORT FOR 1 APRIL–30 JUNE 2012

This Interim Report is prepared in accordance with the IAS 34 standard and is unaudited. All the figures in this Interim Report 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

The Group's sales from processing, which includes all the products produced at the Mogale Alloys and EWW processing plants, were 12,767 (Q2/2011: 31,148) tonnes, a decrease of 59.0% compared to the equivalent period in 2011. The decrease was predominantly attributable to the decision taken in Q1 2012 to accept Eskom's electricity buyback programme and shutdown the majority of the furnaces at Mogale in South Africa and to produce only Plasma Ferrochrome for selected customers. Demand for Speciality Alloys products remained good in the review period and sales increased by 15.0% compared to equivalent period in 2011.

Sales from processing:

Tonnes	Q2/12	Q2/11	H1/12	H1/11	FY/11
Processing, Speciality Alloys	8,143	7,082	17,725	12,722	24,292
Processing, FerroAlloys	4,624	24,066	27,856	47,139	82,663
Processing, Total	12,767	31,148	45,581	59,862	106,955

Reviewing the global ferrochrome market for the quarter, a few key observations can be made: Ferrochrome prices during the quarter were impacted by negative sentiment surrounding Europe and declining demand. For most of the quarter, South African ferrochrome production was suspended due to the Eskom electricity buyback programme. Chinese ferrochrome producers compensated for this by increasing their capacity to cover the supply shortage from South Africa, thereby negating any predicted supply demand imbalance. The buyback programme finished at the end of May however significant part of South African capacity is still closed.

China continued to increase chrome ore imports quarter on quarter, taking advantage of the low chrome ore prices, although imports were down by 13% on a year on year comparison. China still remains on track to overtake South Africa as the largest ferrochrome producer.

In contrast, in the speciality alloy sector, although prices for Low Carbon ferrochrome were impacted by de-stocking ahead of the European summer, underlying demand remained reasonably robust.

Silico Manganese alloy prices also came under pressure during the quarter amid seasonally weaker steel production and adequate supply in the market.

RUUKKI GROUP'S FINANCIAL PERFORMANCE

REVENUE AND PROFITABILITY

EUR million	Q2/12	Q2/11	Change	H1/12	H1/11	Change	FY/11
Revenue	**31.3**	44.5	-29.7%	78.0	79.3	-1.6%	159.1
EBITDA	**3.9**	1.7	132.7%	6.7	5.1	30.4%	1.4
EBITDA margin	**12.5%**	3.8%		8.6%	6.5%		0.9%
EBIT	**-2.6**	-5.4		-6.8	-9.0		-26.5
EBIT margin	**-8.4%**	-12.1%		-8.7%	-11.3%		-16.6%
Profit for discontinued operations	**0.0**	4.1	-100.0%	0.0	47.1	-100.0%	41.1
Profit	**-2.3**	0.3		-4.3	40.1		22.7

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

Revenue for the second quarter 2012 decreased by 29.7% to EUR 31.3 (44.5) million compared to the equivalent period in 2011. The decrease in revenue was mainly attributable to the decision, taken in Q1 2012, to accept Eskom's electricity buyback programme and to suspend production at Mogale. Even though revenue was down compared to equivalent period in 2011, the Eskom buyback programme compensated for the loss in profits. The buyback programme ended at the end of May 2012. EBITDA for the second quarter improved substantially compared to the equivalent period in 2011 to EUR 3.9 (1.7) million, although it was impacted by the provision of a rehabilitation contingency at the Stellite mine, in relation to the opening up a new reef.

Earnings per share was EUR -0.01 (0.00).

BALANCE SHEET, CASH FLOW AND FINANCING

The Group's liquidity, as at 30 June 2012, when taking into account cash and cash equivalents as well as short-term deposits, remained healthy at EUR 45.0 (81.8) (31 March 2012: 65.1) million. Decrease in cash balance during the quarter relates to the EUR 25.3 million payment for EWW and termination of profit and loss sharing arrangement in relation to RCS and TMS. Operating cash flow in the second quarter improved substantially to EUR 13.5 (-5.8) million. Ruukki's gearing at the end of the second quarter was 11.3% (6.2%) (31 March 2012: 8.5%). Net interest-bearing debt was EUR 26.8 (15.9) (31 March 2012: 20.4) million.

Total assets on 30 June 2012 were EUR 394.0 (499.0) (31 March 2012: 420.1) million. The equity ratio was 60.3% (51.1%) (31 March 2012: 57.2%).

INVESTMENTS, ACQUISITIONS AND DIVESTMENTS

Capital expenditure for the second quarter of 2012 was EUR 1.2 (1.4) million and related primarily to sustaining capital expenditure at the processing plants 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 second quarter 2012, Ruukki had 762 (781) employees. The average number of employees during the second quarter of 2012 was 767 (777).

Number of employees by segment:

	30.6.2012	**30.6.2011**	**Change**	**31.12.2011**
Speciality Alloys	432	418	3.3%	442
FerroAlloys	321	353	-9.1%	345
Other operations	9	10	-10.0%	10
Continuing operations total	**762**	**781**	**-2.4%**	**797**

SAFETY, HEALTH AND SUSTAINABLE DEVELOPMENT

The Group's target this year 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 will take the majority of the year to roll out as it will involve a specific training programme for the Group's employees and contractors.

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 30 June 2012, the business had 432 (418) employees.

Production:

Tonnes	**Q2/12**	**Q2/11**	**Change**	**H1/12**	**H1/11**	**Change**	**FY/11**
Mining*	**17,729**	20,631	-14.1%	36,983	40,630	-9.0%	82,154
Processing	**7,484**	7,209	3.8%	14,225	14,090	1.0%	25,908

* Including both chromite concentrate and lumpy ore production

Production decreased slightly to 25,213 (27,840) tonnes for the second quarter 2012, compared to the both the Q1 2011 and the equivalent period in 2011. Mining at TMS was negatively impacted by bad weather conditions, however this did not affect EWW's operations since there were sufficient stockpiles for the processing plant to run at nearly full capacity for the quarter.

EUR million	**Q2/12**	**Q2/11**	**Change**	**H1/12**	**H1/11**	**Change**	**FY/11**
Revenue	**22.3**	21.1	5.9%	43.6	41.3	5.6%	83.6
EBITDA	**4.5**	3.5	27.5%	7.7	8.6	-10.6%	13.8
EBITDA margin	**20.2%**	16.8%		17.6%	20.8%		16.5%
EBIT	**0.4**	-1.0		-0.9	-0.3		-3.8
EBIT margin	**1.6 %**	-4.7%		-2.1%	-0.8%		-4.6%

Revenue for the second quarter increased by 5.9% to EUR 22.3 (21.1) million and included sales of finished stock produced during Q1 2012. EBITDA increased substantially, up 27.5% to EUR 4.5 (3.5) million due to an increase in the sales volumes and the change in the product mix of speciality alloys, Ultra Low Carbon and Low Carbon. EBIT also improved and was positive for the quarter.

FERROALLOYS BUSINESS

The FerroAlloys business consists of the Stellite mine, the alloy processing plant Mogale, 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 30 June 2012, the business had 321 (353) employees.

Production:

Tonnes	**Q2/12**	**Q2/11**	**Change**	**H1/12**	**H1/11**	**Change**	**FY/11**
Mining*	**38,144**	35,669	6.9%	93,377	67,657	38.0%	159,455
Processing	**10,824**	29,340	-63.1%	20,762	58,282	-64.4%	86,445

* Including both chromite concentrate and lumpy ore production

The Stellite mine performed well during the quarter from an operational perspective and a new reef was opened up to increase mining flexibility, although production was down substantially compared to the previous quarter in response to lower chrome ore prices and an oversupply of the global chrome ore market. The significant decrease in processing volumes was directly attributable to the decision to shut down the majority of the furnaces at Mogale and sell back the excess power to Eskom. This electricity buyback programme has now stopped and production has resumed at Mogale. Overall production for the segment decreased 24.7% to 48,968 (65,009) tonnes in the second quarter.

EUR million	Q2/12	Q2/11	Change	H1/12	H1/11	Change	FY/11
Revenue	**9.0**	23.5	-61.8%	34.5	38.1	-9.5%	75.4
EBITDA	**1.3**	0.1	1 938.0%	2.7	0.1	2 291.9%	-3.9
EBITDA margin	**14.4%**	0.3%		7.7%	0.3%		-5.2%
EBIT	**-1.1**	-2.5		-2.2	-5.0		-14.0
EBIT margin	**-12.2%**	-10.5%		-6.3%	-13.2%		-18.6%

Revenue for the second quarter decreased to EUR 9.0 (23.5) million compared to the equivalent period in 2011, representing a decrease of 61.8%, due to the weak chrome ore market and Company's decision to participate into Eskom's electricity buyback program in South Africa. Although revenue decreased significantly compared to equivalent period in 2011, the buyback programme with Eskom compensated for the loss in profits. EBITDA was also impacted by the provision of a rehabilitation contingency relating to the opening up a new reef at Stellite.

UNALLOCATED ITEMS

For the second quarter of 2012, the EBITDA from unallocated items was EUR -1.9 (-2.1) million including a EUR 0.2 (0.2) million non-cash expense for the share-based payments.

LITIGATION

As disclosed previously Ruukki and Rautaruukki Plc have a number of on-going litigation processes in relation to the right to use the Ruukki name. One of the processes dealt with the validity of Rautaruukki's trademarks in Finland. The district court of Helsinki rendered a ruling during Q2 according to which the trademarks are valid. Ruukki has decided to appeal the ruling and the matter will next be handled at the court of appeal.

ANNUAL GENERAL MEETING

Ruukki's Annual General Meeting ("AGM") was held on 10 May 2012. All the AGM resolutions were published in a stock exchange release on 10 May 2012 and are available on Ruukki's website, www.ruukkigroup.com.

The AGM adopted the financial statements and the group financial statements and discharged the members of the Board of Directors and the CEO from liability for the financial period 2011. The AGM resolved that no dividend is paid for 2011.

The AGM resolved that there are eight (8) members on the Board of Directors. Philip Baum, Paul Everard, Markku Kankaala, Danko Koncar, Jelena Manojlovic, Chris Pointon, Barry Rourke and CEO Thomas Hoyer were re-elected to the Board. The Board of Directors appointed Jelena Manojlovic as Chairman and Chris Pointon as Deputy Chairman and elected the chairmen and members of the Audit Committee, Nomination Committee, Remuneration Committee and the Safety, Health and Sustainable Development Committee.

The AGM approved the Board of Directors and the board committees' remuneration as proposed by the Nomination Committee. Following the recommendation by the Audit committee the Authorised Public Accountant Firm Ernst & Young Oy was re-elected as the Auditor of the Company.

The AGM accepted the proposal by the Board of Directors that the arrangements, as detailed in the circular published on 18 April 2012 (the "Circular") between the company and Kermas Limited, relating to the proposed Transaction (each as defined in the Circular) were approved.

The AGM resolved the Board of Directors to decide on the share issue and on the issuing of stock options and other special rights that entitle to shares. By virtue of the authorisation, shares can be emitted in one or more tranches in total a maximum of 24,843,200 new shares or shares owned by the company. The authorisation may be used, among other things, for financing purposes, enabling corporate and business acquisitions or other arrangements, investments or in the incentive programmes for personnel.

The AGM authorised the Board of Directors to decide upon acquiring a maximum of 15,000,000 of the company's own shares. The authorisation replaces all previous authorisations and is valid 18 months from the decision of the Annual General Meeting.

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 30 June 2012, the registered number of Ruukki Group Plc shares was 248,432,000 (248,207,000) and the share capital was EUR 23,642,049.60 (23,642,049.60).

On 30 June 2012, the Company had 4,414,682 (7,790,895) own shares in treasury, which was equivalent to 1.78% (3.14%) of the issued share capital. The total amount of shares outstanding, excluding the treasury shares held by the Company on 30 June 2012, was 244,017,318 (240,416,105).

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 0.66 and GBP 0.54 respectively. During the second quarter of 2012 the Company's share price on NASDAQ OMX Helsinki ranged from EUR 0.63 to 0.90 per share and the market capitalisation, as at 30 June 2012, was EUR 164.0 (1 Jan 2012: 221.1) million. For the same period on the London Stock Exchange the share price range was GBP 0.54 to 0.73 per share and the market capitalisation was GBP 134.2 (1 Jan 2012: 218.6) million, as at 30 June 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 the first half of 2012.

NOTIFICATION OF TRANSACTIONS OF DIRECTORS, PERSONS DISCHARGING MANAGERIAL RESPONSIBILITY OR CONNECTED PERSONS

On 19 July 2012 Ruukki received a notification that Philip Baum, Non-executive Director, has sold 150,000 ordinary shares in the Company at the price of GBP 0.55 per share on 12 July 2012. The trades were made on the London Stock Exchange. Accordingly, Philip Baum holds now no shares in Ruukki Group Plc.

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 2012 and which could considerably impact the Company's revenue and financial performance in 2012.

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. Changes in the South African Rand exchange rate could also have an effect on the Euro value of the deferred purchase consideration of Mogale Alloys. 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.

2012 OUTLOOK

The global economic outlook for 2012 is uncertain as the Eurozone crisis continues and demand for commodities, primarily driven by Chinese consumption, remains weak. After a period of very high fluctuations on the ferroalloy market it is now expected to be less volatile going forward. The Group remains prepared for price fluctuations and will continue to adapt its production levels and product mix accordingly. The market for speciality alloy products is estimated to be more stable, although some uncertainty remains.

The Board has updated the outlook for the Company's financial performance for 2012. Ruukki expects its revenue for the full year 2012 to be in line with 2011 and the Company's financial performance for the full year 2012 to be better than 2011 because of more stable market conditions, improved cost efficiency across the operations, and favourable exchange rates. Due to the seasonal nature of the business, the Company's performance for Q3 2012 is not expected to be as positive as Q2 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.

The previous outlook, published in the first quarter interim results on 10 May 2012, was:

The global economic outlook for 2012 is uncertain 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 productions levels accordingly. At Mogale, part of the FerroAlloys division, the decision has been taken to put majority of furnaces on care and maintenance for the first half of the year. This decision will be reviewed during the second quarter. The market for speciality alloy products is estimated to be more stable, however, uncertainty remains in 2012 too. In light of this and until the market for its products improve, the Group expects its financial performance for the full year 2012 to be comparable to 2011.

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.

Helsinki, 15 August 2012

RUUKKI GROUP PLC

BOARD OF DIRECTORS

FINANCIAL REPORTING IN 2012

	Closed period	Date
Q3 Interim Report 2012	8.10.-7.11.2012	7 November 2012

FINANCIAL TABLES

FINANCIAL DEVELOPMENT AND ASSETS AND LIABILITIES BY SEGMENT

H1/12 6 months EUR '000	Speciality Alloys	Ferro Alloys	Unallocated items	Eliminations	Continuing operations total
Revenue	43,552	34,476	419	-400	78,046
EBITDA	7,673	2,668	-3,647	1	6,695
EBIT	-911	-2,178	-3,667	1	-6,757
Segment's assets	169,886	211,392	25,366	-12,620	394,024
Segment's liabilities	47,946	113,833	6,404	-11,438	156,745

H1/11 6 months EUR '000	Speciality Alloys	Ferro Alloys	Unallocated items	Eliminations	Continuing operations total
Revenue	41,250	38,086	348	-348	79,337
EBITDA	8,586	112	-3,778	215	5,136
EBIT	-328	-5,038	-3,805	215	-8,956
Segment's assets	199,353	234,038	77,220	-18,865	491,746
Segment's liabilities	76,280	132,875	54,078	-19,351	243,882

FY/11 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	**Q2/12**	**Q2/11**	**H1/12**	**H1/11**	**FY/11**
Continuing operations					
Revenue	**31,307**	**44,538**	**78,046**	**79,337**	**159,087**
Other operating income	5,082	295	8,818	635	1,173
Operating expenses	-32,485	-43,140	-80,175	-75,042	-159,128
Depreciation and amortisation	-6,539	-7,069	-13,451	-14,092	-27,853
Impairment	0	0	0	0	-15
Items related to associates (core)	2	-15	5	206	272
Operating profit	**-2,633**	**-5,390**	**-6,757**	**-8,956**	**-26,464**
Financial income and expense	111	-494	1,660	-1,015	830
Items related to associates (non-core)	0	0	0	196	196
Profit before tax	**-2,523**	**-5,884**	**-5,096**	**-9,775**	**-25,439**
Income tax	254	2,015	758	2,795	7,081
Profit for the period from continuing operations	**-2,269**	**-3,869**	**-4,338**	**-6,980**	**-18,358**
Discontinued operations					
Profit for the period from discontinued operations	0	4,137	0	47,124	41,086
Profit for the period	**-2,269**	**268**	**-4,338**	**40,144**	**22,729**
Profit attributable to:					
Owners of the parent	-1,554	170	-3,345	39,902	23,664
Non-controlling interests	-715	97	-993	241	-935
Total	-2,269	268	-4,338	40,144	22,729
basic (EUR), Group total	-0.01	0.00	-0.01	0.17	0.10
diluted (EUR), Group total	-0.01	0.00	-0.01	0.15	0.09
basic (EUR), continuing operations	-0.01	-0.02	-0.01	-0.03	-0.07
diluted (EUR), continuing operations	-0.01	-0.02	-0.01	-0.03	-0.07

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR ‘000	**Q2/12**	**Q2/11**	**H1/12**	**H1/11**	**FY/11**
Profit for the period	**-2,269**	**268**	**-4,338**	**40,144**	**22,729**

Other comprehensive income					
Exchange differences on translating foreign operations	-1,964	-1,899	549	-10,518	-13,785
Income tax relating to other comprehensive income	1,152	378	361	5,436	6,640
Other comprehensive income, net of tax	**-812**	**-1,521**	**911**	**-5,082**	**-7,145**
Total comprehensive income for the period	**-3,081**	**-1,253**	**-3,428**	**35,062**	**15,583**
Total comprehensive income attributable to:					
Owners of the parent	-2,217	-1,074	-2,571	36,283	18,738
Non-controlling interests	-864	-179	-857	-1,221	-3,154

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, SUMMARY

EUR '000	**30.6.2012**	**30.6.2011**	**31.12.2011**
ASSETS			
Non-current assets			
Investments and intangible assets			
Goodwill	102,365	122,673	96,269
Investments in associates	77	65	77
Other intangible assets	56,960	77,617	65,215
Investments and intangible assets total	159,401	200,355	161,561
Property, plant and equipment	72,691	77,827	71,902
Other non-current assets	44,120	44,991	47,840
Non-current assets total	**276,212**	**323,173**	**281,303**
Current assets			
Inventories	41,112	51,406	44,011
Receivables	31,733	35,349	30,616
Cash and cash equivalents	44,968	21,817	65,878
Bank deposits	0	60,000	0
Liquid funds total	44,968	81,817	65,878
Current assets total	**117,812**	**168,573**	**140,504**
Assets held for sale	0	7,239	0
Assets held for sale total	**0**	**7,239**	**0**
Total assets	**394,024**	**498,985**	**421,807**
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital	23,642	23,642	23,642
Share premium reserve	25,740	25,740	25,740
Paid-up unrestricted equity reserve	245,128	241,318	245,128
Translation reserves	9,770	10,302	8,995
Retained earnings	-77,847	-62,197	-77,695
Equity attributable to owners of the parent	**226,432**	**238,805**	**225,811**
Non-controlling interests	**10,847**	**16,298**	**14,348**
Total equity	**237,280**	**255,103**	**240,158**
Liabilities			

Non-current liabilities	**128,556**	**197,205**	**150,326**
Current liabilities			
Advances received	363	0	550
Other current liabilities	27,826	46,677	30,773
Current liabilities total	**28,189**	**46,677**	**31,323**
Total liabilities	**156,745**	**243,882**	**181,649**
Total equity and liabilities	**394,024**	**498,985**	**421,807**

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

EUR '000	**30.6.2012**	**30.6.2011**	**31.12.2011**
Liquid funds	**44,968**	**81,817**	**65,878**
Interest-bearing receivables			
Current	3,183	1,915	1,124
Non-current	33,852	29,138	33,896
Interest-bearing receivables	**37,035**	**31,053**	**35,021**
Interest-bearing liabilities			
Current	949	2,639	1,109
Non-current	70,861	95,060	84,334
Interest-bearing liabilities	**71,810**	**97,700**	**85,443**
NET TOTAL	**10,193**	**15,170**	**15,455**

Excluding interest-bearing assets and liabilities classified as held for sale

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	2,832	8,845
Disposals	-108	-1,706
Reclass between items	25	378
Effect of movements in exchange rates	450	-12,435
Acquisition cost 30.6.2012	129,921	295,563
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

CONSOLIDATED STATEMENT OF CASH FLOWS, SUMMARY

EUR '000	**H1/12**	**H1/11**	**FY/11**

Profit for the period	-4,338	40,144	22,729
Adjustments to profit for the period	9,900	-30,794	-21,584
Changes in working capital	9,823	-13,382	-11,799
Discontinued operations	-225	2,002	8,241
Net cash from operating activities	**15,159**	**-2,030**	**-2,412**
Acquisition of subsidiaries and associates, net of cash acquired	-25,091	-500	-500
Acquisition of joint ventures, net of cash acquired	0	-1,598	-1,598
Disposal of subsidiaries and associates, net of cash sold	0	81,776	83,276
Capital expenditure and other investing activities	-3,128	-1,957	-4,147
Proceeds from repayments of loans and loans given	-2,730	-2,949	-7,122
Discontinued operations	0	-77	-77
Net cash from investing activities	**-30,949**	**74,695**	**69,832**
Capital redemption	0	-9,617	-9,617
Dividends paid to non-controlling interests	0	-64	-84
Proceeds from borrowings	53	12,128	10,004
Repayment of borrowings, and other financing activities	-5,309	-11,947	-20,148
Discontinued operations	0	-339	-339
Net cash used in financing activities	**-5,256**	**-9,840**	**-20,184**
Net increase in cash and cash equivalents	**-21,045**	**62,825**	**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	-613	-613
Total comprehensive income 1-6/2011					-3 620	39 902	36 283	-1 221	35 062
Share-based payments						479	479		479
Share subscriptions based on option rights				86			86		86
Capital redemption				-9 617			-9 617		-9 617
Acquisitions and disposals of subsidiaries			-2 193			2 193	0	-6 649	-6 649
Equity at 30.6.2011	**23 642**	**25 740**	**0**	**241 318**	**10 302**	**-62 197**	**238 805**	**16 298**	**255 103**

Dividend distribution							0	-17	-17
Total comprehensive income 7-12/2011					-1 306	-16 239	-17 545	-1 933	-19 478
Share-based payments						741	741		741
Share subscriptions based on option rights				3 810			3 810		3 810
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 1-6/2012					775	-3 345	-2 571	-857	-3 428
Share-based payments						409	409	2	410
Acquisitions and disposals of subsidiaries						2 784	2 784	-2 646	139
Equity at 30.6.2012	**23 642**	**25 740**	**0**	**245 128**	**9 770**	**-77 847**	**226 432**	**10 847**	**237 280**

RELATED PARTY TRANSACTIONS DURING THE REVIEW PERIOD

During the first half of 2012 the Group sold goods and rendered services to related parties and joint ventures worth EUR 0.3 (3.4) million. The Group also made raw material purchases from a joint venture amounting to EUR 1.1 (0.5) million and accrued interest on loans from a related party amounting to EUR 0.2 (0.3) million. Interest income from a joint venture company totalled EUR 0.5 (0.2) million during the review period.

On 30 June the Group had loans and other receivables from joint venture companies totalling EUR 20.1 (15.1) million and loan receivables from a related party amounting to EUR 10.0 (10.1) million. The Group's loans from a related party amounted to EUR 0.0 (6.0) million and the Group's joint venture's loans from a related party to EUR 11.6 (10.3) million. The Group's trade and other payables to joint venture companies totalled EUR 0.5 (0.0) million.

During the second quarter 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

	H1/12	H1/11	FY/11
Return on equity, % p.a.	-3.6%	32.7%	9.5%
Return on capital employed, % p.a.	-2.0%	23.4%	7.0%
Equity ratio, %	60.3%	51.1%	57.0%
Gearing, %	11.3%	6.2%	8.1%
Personnel at the end of the period	762	781	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

	H1/12	H1/11	FY/11
TRY	2.3361	2.2081	2.3378
USD	1.2965	1.4032	1.3920
ZAR	10.2942	9.6856	10.097

Balance sheet rates

	30.6.2012	30.6.2011	31.12.2011
TRY	2.2834	2.3500	2.4432
USD	1.259	1.4453	1.2939
ZAR	10.3669	9.8569	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 Interim Report 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 Interim Report 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 Interim Report data are unaudited.

Share-related key figures

		Q2/12	**Q2/11**	**H1/12**	**H1/11**	**FY/11**
Share price development in London Stock Exchange						
Average share price*	EUR	0.76	1.60	0.79	1.76	1.50
	GBP	0.62	1.41	0.65	1.53	1.30
Lowest share price*	EUR	0.67	1.52	0.66	1.54	0.96
	GBP	0.54	1.34	0.54	1.34	0.83
Highest share price*	EUR	0.90	1.81	1.05	1.84	1.84
	GBP	0.73	1.60	0.86	1.60	1.60

Share price at the end of the period**	EUR	0.67	1.48	0.67	1.48	1.05
	GBP	0.54	1.34	0.54	1.34	0.88
Market capitalisation at the end of the period**	EUR million	166.3	368.5	166.3	368.5	261.7
	GBP million	134.2	332.6	134.2	332.6	218.6
Share trading development						
Share turnover	thousand shares	43	11	57	93	151
Share turnover	EUR thousand	33	17	45	164	227
Share turnover	GBP thousand	27	15	37	142	197
Share turnover	%	0.0%	0.0%	0.0%	0.0%	0.1%
Share price development in NASDAQ OMX Helsinki						
Average share price	EUR	0.78	1.56	0.90	1.67	1.33
Lowest share price	EUR	0.63	1.40	0.63	1.40	0.81
Highest share price	EUR	0.90	1.80	1.02	2.03	2.03
Share price at the end of the period	EUR	0.66	1.62	0.66	1.62	0.89
Market capitalisation at the end of the period	EUR million	164.0	402.1	164.0	402.1	221.1
Share trading development						
Share turnover	thousand shares	731	3,623	2,638	5,707	11,344
Share turnover	EUR thousand	568	5,639	2,368	9,534	15,138
Share turnover	%	0.3%	1.5%	1.1%	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.