



Q3/2009 Interim Report



5 November 2009

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Q3 Highlights

- New management structure for both wood processing and minerals divisions
- Post-merger integration of Mogale Alloys in South Africa
- Termination of Sylvania acquisition
- Restructuring of wood processing business (disposal of Lappipaneli sawmill)
- Cost of mining production in Turkey coming down
- Even though large-scale shutdowns in ferroalloys industry furnaces, Mogale Alloys continuing at close to full capacity

Management Changes

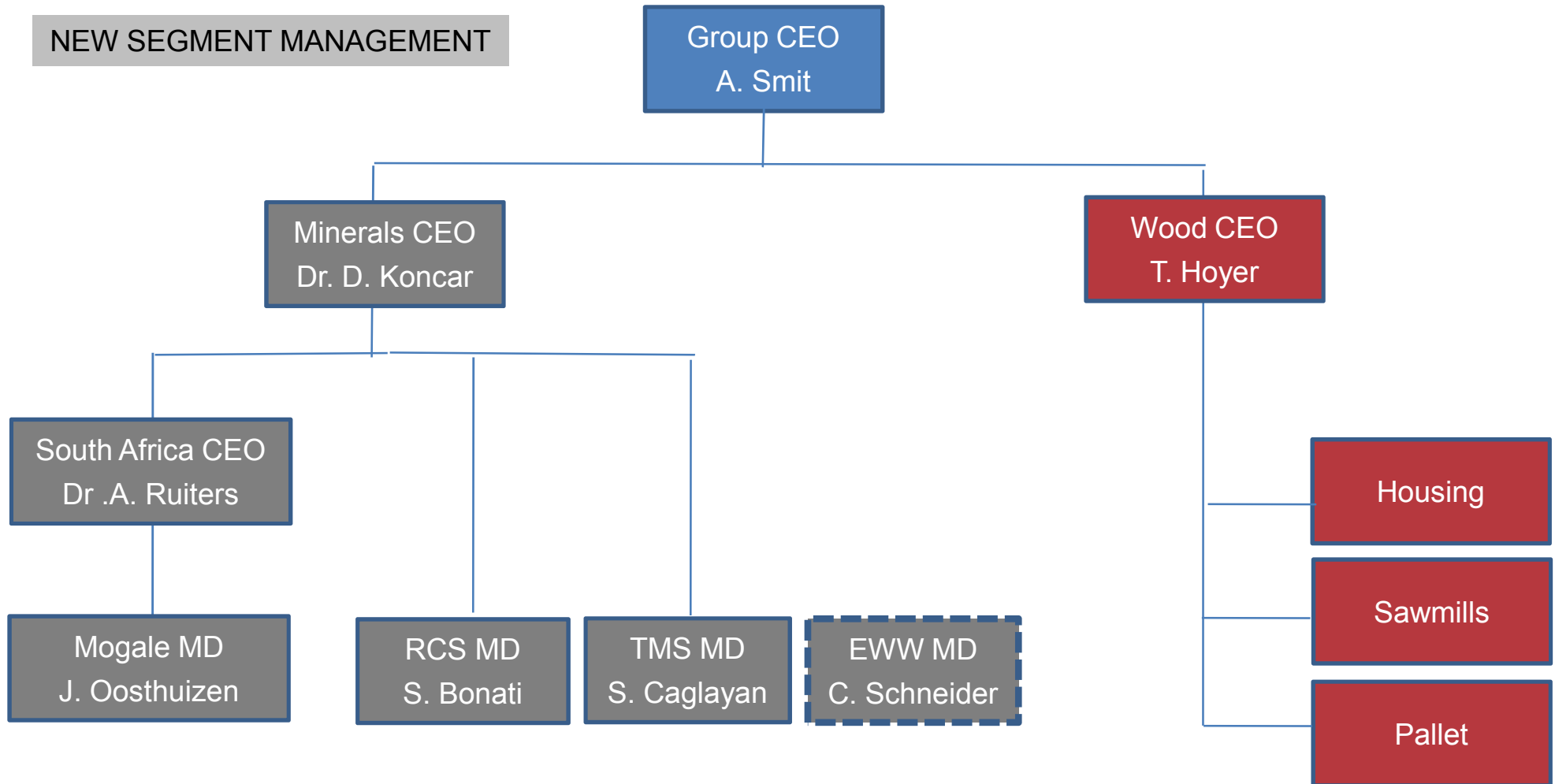
Corporate Restructuring

Results

Future Outlook

Management Changes

NEW SEGMENT MANAGEMENT



Management Changes



Dr Danko Koncar

Dr Koncar is not leaving the mining industry but joining forces with Ruukki to get back into it. His wealth of experience and depth of knowledge will be significant contributors to Ruukki's future success and growth. Dr Koncar's heavyweight presence in the industry will be a key driving force when it comes to new ventures and investment opportunities.

Dr Alistair Paul Ruiters



After completing his academic studies in 1993, Dr Ruiters served as a public servant in the new democratic government from 1994 to 2005. He held numerous senior positions including the Commissioner of the Competition Commission and the Director General of the Department of Trade and Industry. In 2005, Dr Ruiters joined the private sector and is currently the CEO of The Sediko Group, a diversified investment holdings company. Dr Ruiters currently serves as the chairperson of the Pebble Bed Module Reactor. In addition to these positions he serves on the Board of Sylvania Resources, Umcebo Mining, Accor Services South Africa and Sediko Holdings.

He is quoted as saying "Ruukki has made significant investments in South Africa which prove they are a growth oriented company. I am excited to be working with them and to also contribute to their growing success. I look forward to new investment opportunities which will further my career in the mining industry."

Management Changes

Corporate Restructuring

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Corporate Restructuring

MINERALS EXPANSION PLANS

Brownfield

- Investment in expansion of Turkish beneficiation plants
- Increasing capacity at existing furnace operations
- Potential retrofit of furnaces into PGMs

Greenfield

- Looking into opportunities to acquire additional minerals resources
- Evaluating power generation options
- New furnaces, feasibility study expected in November

Corporate Restructuring

RCS

- RCS Malta to be exclusive distributor of all minerals production
- Treasury function
- Funding structure

Corporate Restructuring

WOOD BUSINESS

- Refocusing the business with a target to move up the value chain, with more emphasis on house building
- Divestment of Lappipaneli sawmill

Management Changes

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Results

Group total

EUR million	1-9/2009	1-9/2008
Revenue	133.2	110.2
EBITDA	1.3	1.1
EBIT	- 18.0	- 26.9
PBT	- 16.5	- 18.1
EPS	- 0.04	- 0.07
Operating cash flow *	+ 0.9	+1.3
Share buy-back cash flow	- 64.0	0.0
<i>•Including EUR 6.5 million outflow into Mogale management trust</i>		
	30.9.2009	
Net cash position	41.9	
Balance sheet	607.6	
Equity ratio	49.3 %	

Results

Minerals

EUR million	1-9/2009 9 months	11-12/2008 2 months
Revenue	43.7	12.3
EBITDA	2.6	1.9
EBIT	- 12.6	- 1.0

Results

Wood

EUR million	1-9/2009 9 months	1-9/2008 9 months
Revenue	89.5	108.5
EBITDA	5.6	11.6
EBIT	1.5	-13.6

Results

Non-segment

EBITDA 1-9/2009

Headquarters and group administration	- 3.6 *
Russian wood processing projects	- 3.4 **
Associated (<50 %share) companies	0.1
Total non-segment	- 6.9

* includes EUR 0.9 million non-cash option expenses

** to major extent relating to write-off of intercompany loans when closing Russian subsidiaries

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Future Outlook

EBITDA GUIDANCE

EBITDA EUR million	Wood Processing	Minerals	Non-segments / eliminations	Group total
Actual 1-9/2009	5.6	2.6	-6.9	1.3
Guidance 1-12/2009				
original, announced 26 Feb 2009	5.0	10.0	-5.0	10.0
revised, announced 25 May 2009	5.0	15.0	-5.0	15.0
revised, announced 6 Aug 2009	7.0	15.0	-7.0	15.0
revised, announced 7 Oct 2009	7.0	10.0	-7.0	10.0

Future Outlook

INDUSTRY OUTLOOK

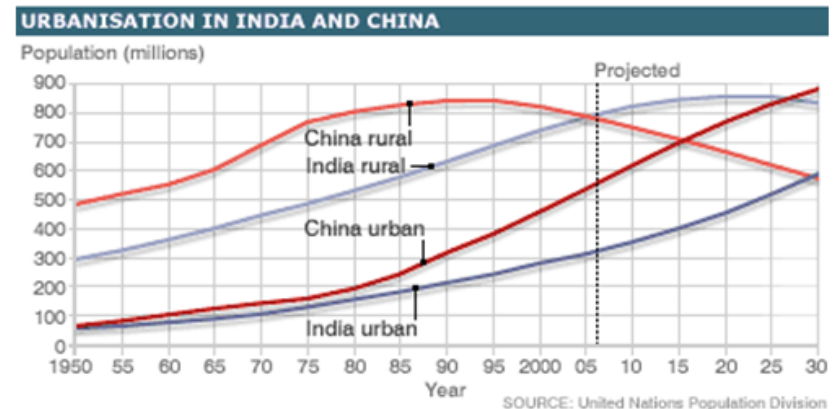
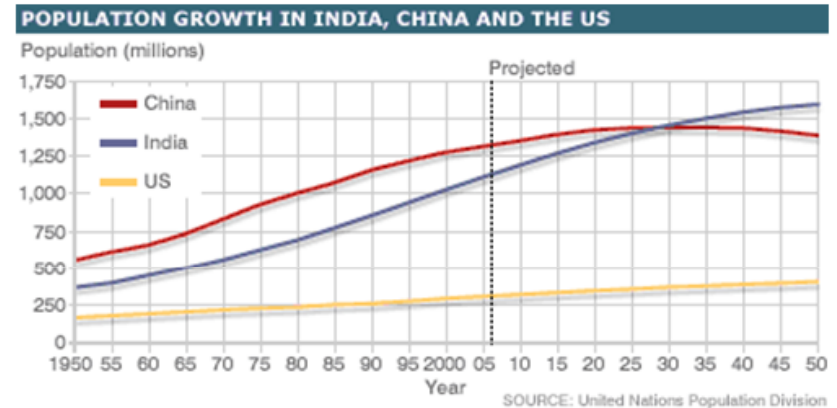
- Positive short-term development seen in the ferrochrome sector, prices recovering somewhat offsetting increasing costs, but demand outlook still uncertain
- Longer-term demand in ferrochrome expecting to be strong in comparison to capacity
- Sawmills still struggling, even though short-term market price development promising
- House building new sales recovering, will positively contribute to H2/2010 performance

Future Outlook

ONE THIRD RULE

China & India are the driving force of the World economy, and they will continue to consume more and more raw material.

- One in three people worldwide lives in either China, the largest communist country, or India, the largest democracy.
- For the moment, China remains the most populous nation, with 1.3 billion inhabitants, followed by India, which is home to 1.1 billion.
- But India's higher fertility rate means the gap is narrowing and the UN expects it to overtake China before 2030.
- Both countries are also experiencing rapid growth in their urban populations.
- In China, the number of people in towns and cities is likely to exceed the number in the countryside by 2015.

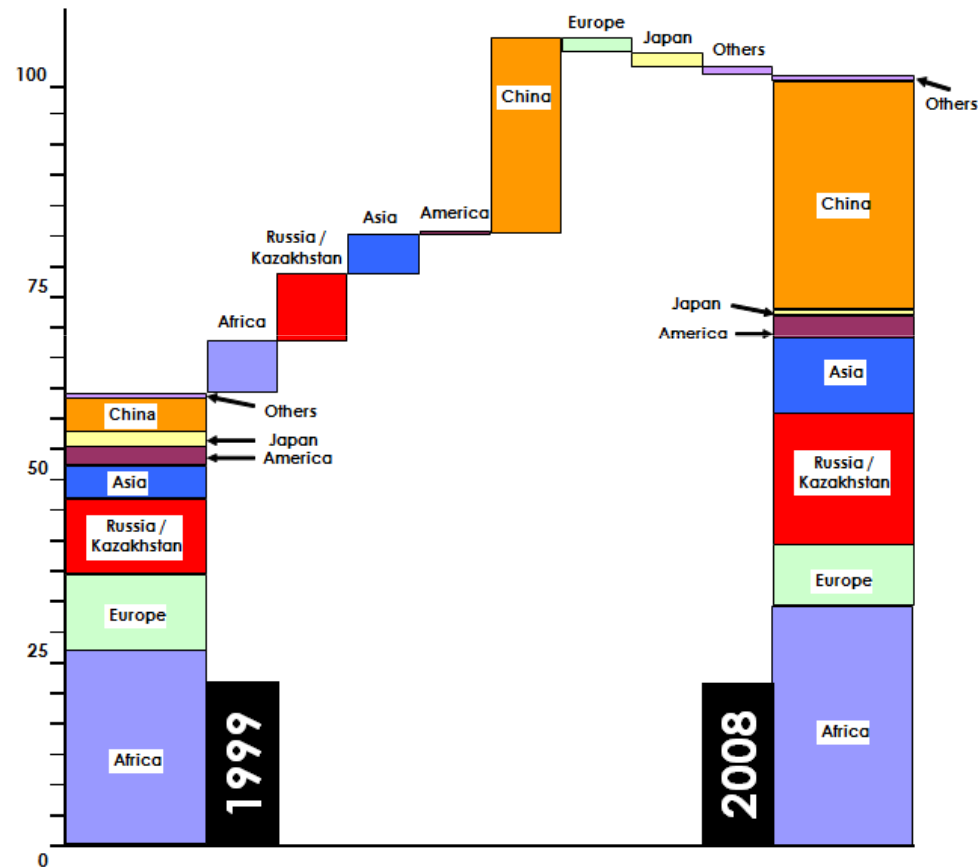


Future Outlook

CONSUMPTION OF
AFRICAN ORES

Consumption of African Ores

BENEFICIATION of Africa's vast resources is the **KEY** to its economic development.



Future Outlook

CHINA'S INFLUENCE

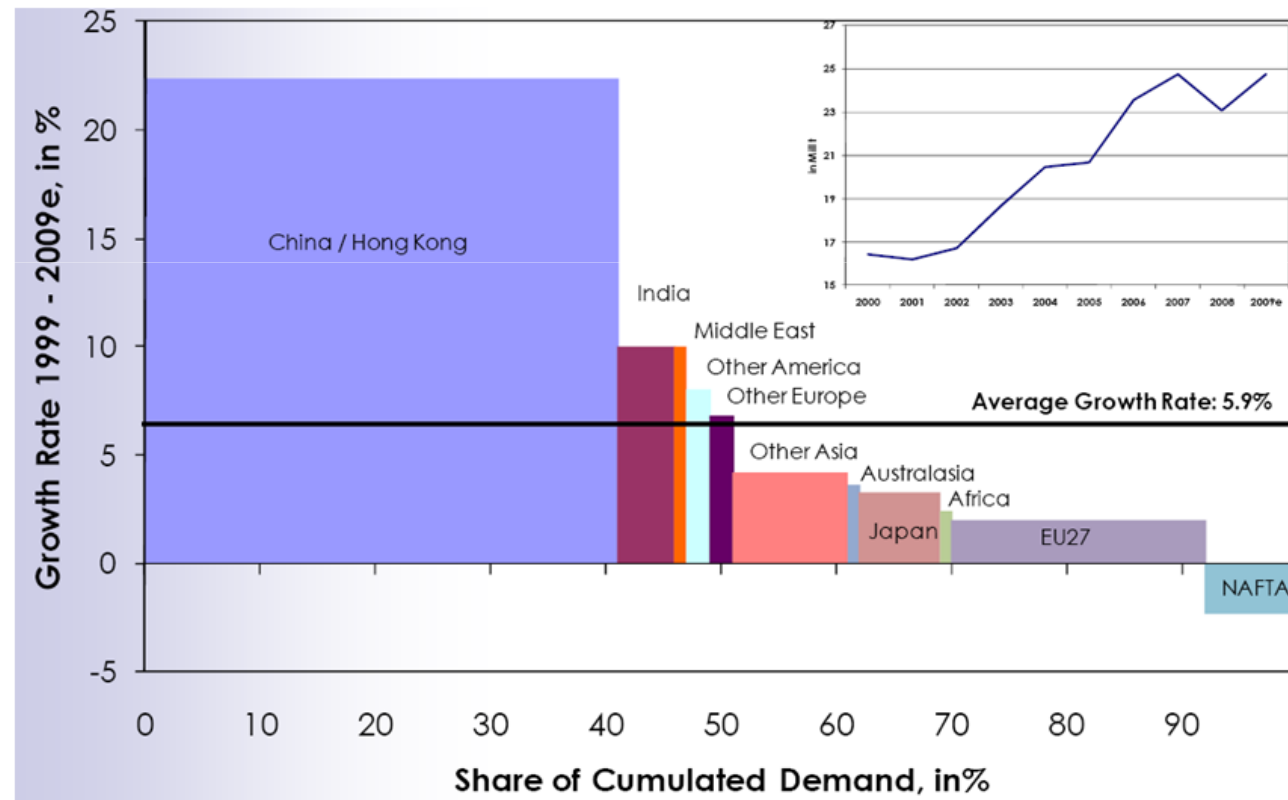
For calendar year until August 2009,
Chinese imports of:

- Chrome Ore - Down 23%
- Ferrochrome (High Carbon)
- Up 65%

Source: Chinese statistics

Steel & Stainless Steel World Demand

will continuously increase due to rapid urban population growth in China and India.



Summary

- Corporate restructuring proceeding in both Wood and Minerals business
- Wood Processing Business refocusing its operations with less emphasis on sawmilling
- Minerals Business targeting to become larger fully vertically integrated mine-to-metals producer
- New management structure implemented
- Positive operational cash flow
- Share buy-back continued, reducing Group's cash resources