

Q3 2011 Interim Results

RUUKKI | GROUP

Thomas Hoyer, CEO



An integrated chrome
producer
focused
on sustainable growth

Overview

- Q3 significantly impacted by downturn in global economic sentiment
 - Market for chrome products was an early casualty
 - Charge Chrome products were most affected, prices fell about 15% compared to Q2
- Group's diversified product range offered some protection against weakening Charge Chrome prices
 - Demand for speciality alloys products remained relatively firm and prices were comparable to Q2
 - Whilst the South African rand softened significantly during Q3, it was not sufficient to offset the impact of falling chrome prices
- At an operational level, TMS, EWW and Stellite mine delivered strong production result, in spite of the annual maintenance shutdowns

Group Financial Performance

- Revenue rose due to increased production volumes
- Balance sheet remained strong with cash at EUR 74.2 million

EUR millions	Q3 2011	Q3 2010	Q1 – Q3 2011	Q1 – Q3 2010	FY2010
Revenue	42.4	29.0	121.8	98.6	123.3
EBITDA	-2.7	-1.6	2.5	-1.5	-8,4
EBITDA margin	-6.3%	-5.4%	2.0%	-1.5%	-6.8%
EBIT	-9.6	-8.7	-18.5	-21.4	-75.6
EBIT margin	-22.5%	-29.9%	-15.2%	-21.7%	-61.3%
Profit for the period, discontinued operations	-0.2	3.8	46.9	7.6	14.2
Profit for the period	-6.7	-2.6	33.4	-6.7	-51.1

Speciality Alloys Performance

- 23% increase in production compared to Q3 2010
- Taking into account annual maintenance shut downs, both TMS & EWW operated at full capacity

Production (tonnes)	Q3 2011	Q3 2010	Q1 – Q3 2011	Q1 – Q3 2010	FY2010
Mining*	21,958	17,764	62,588	38,069	54,917
Processing	5,247	4,302	19,337	13,047	17,994
Total	27,205	22,066	81,925	51,116	72,911

* Mining includes both chromite concentrate and lumpy ore production.

Speciality Alloys Performance

- Demand for Speciality Alloys products was reasonably firm during the quarter
- Prices remained relatively comparable for the quarter, compared to Q2
- Q3 revenue rose 20% to EUR 21.9 (18.2) million
- Profitability impacted by weaker prices

(EUR millions)	Q3 2011	Q3 2010	Q1 – Q3 2011	Q1 – Q3 2010	FY2010
Revenue	21.9	18.2	63.2	52.3	69.0
EBITDA	2.0	2.8	10.5	6.4	7.8
EBITDA margin	9.0%	15.1%	16.7%	12.3%	11.3%
EBIT	-2.4	-2.0	-2.8	-6.8	-10.0
EBIT margin	-11.2%	-11.1%	-4.4%	-13.0%	-14.5%

FerroAlloys Performance

- Significant improvement in operational performance at Stellite mine during the quarter, new operating team in place
- Production levels at Mogale were lower due to annual maintenance & 2 furnace shutdowns
- Charge Chrome stock levels high
- Mogale successfully completed 1st phase of ISO 9001 audit, targeting ISO 9001 accreditation in 2012

Production (tonnes)	Q3 2011	Q3 2010	Q1-Q3 2011	Q1 – Q3 2010	FY2010
Mining*	46,006	N/A	113,663	N/A	N/A
Processing	13,189	9,191	71,471	52,952	65,040
Total	59,195	9,191	185,134	52,952	65,040

*Mining includes both chromite concentrate and lumpy ore production.

FerroAlloys Performance

- Charge Chrome prices remained weak, with further 15% fall quarter on quarter which negatively impacted EBITDA
- South African rand weakened during the quarter
- Increase in chrome ore sales not sufficient to compensate for seasonal increase in electricity prices or impact of two furnace shutdowns at Mogale

(EUR millions)	Q3 2011	Q3 2010	Q1 – Q3 2011	Q1 – Q3 2010	FY2010
Revenue	20.5	10.8	58.6	46.0	54.0
EBITDA	-2.1	-1.4	-2.0	4.7	-1.0
EBITDA margin	-10.3%	-12.8%	-3.4%	10.3%	-1.8%
EBIT	-4.6	-3.7	-9.6	-1.9	-50.2
EBIT margin	-22.3%	-34.3%	-16.4%	-4.1%	-93.0%

Outlook for Q4 2011

- Uncertainty in global financial markets & the Eurozone continues to negatively impact prices, however demand still expected to hold for a large part of Ruukki's product range
- Ruukki has adjusted its production levels accordingly
- Strong cash position enables Ruukki to weather this current slowdown
- Potential even to take advantage of distressed pricing of mining assets in the execution of growth strategy