

Interim Review Q1 2006

April 26, 2006

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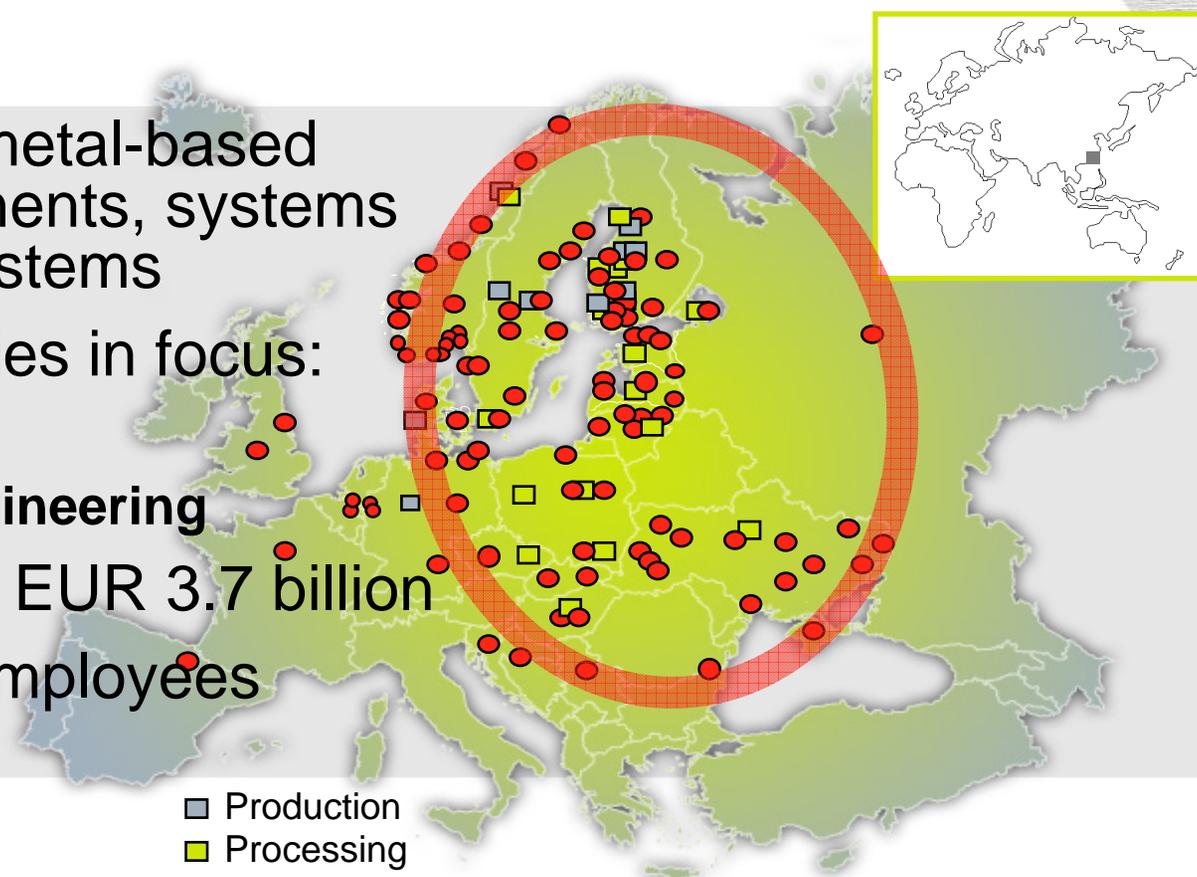
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- **Strategy Moving Ahead**
 - **Recent Structural Changes**
 - **Business Environment**
 - **Financials 1-3/2006**
 - **Near-term Outlook**
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Strategy Moving Ahead

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Ruukki today

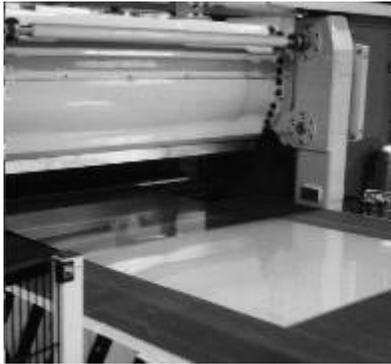
- Ruukki supplies metal-based products, components, systems and integrated systems
- Customer industries in focus:
 - construction
 - mechanical engineering
- Net sales in 2005 EUR 3.7 billion
- Approx. 12,000 employees in 23 countries



■ Production
■ Processing
● Sales and service

Ruukki delivers a comprehensive range of solutions to customers' needs

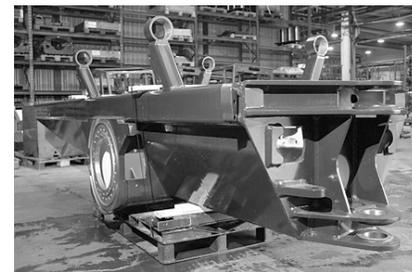
Metal based products, parts and components



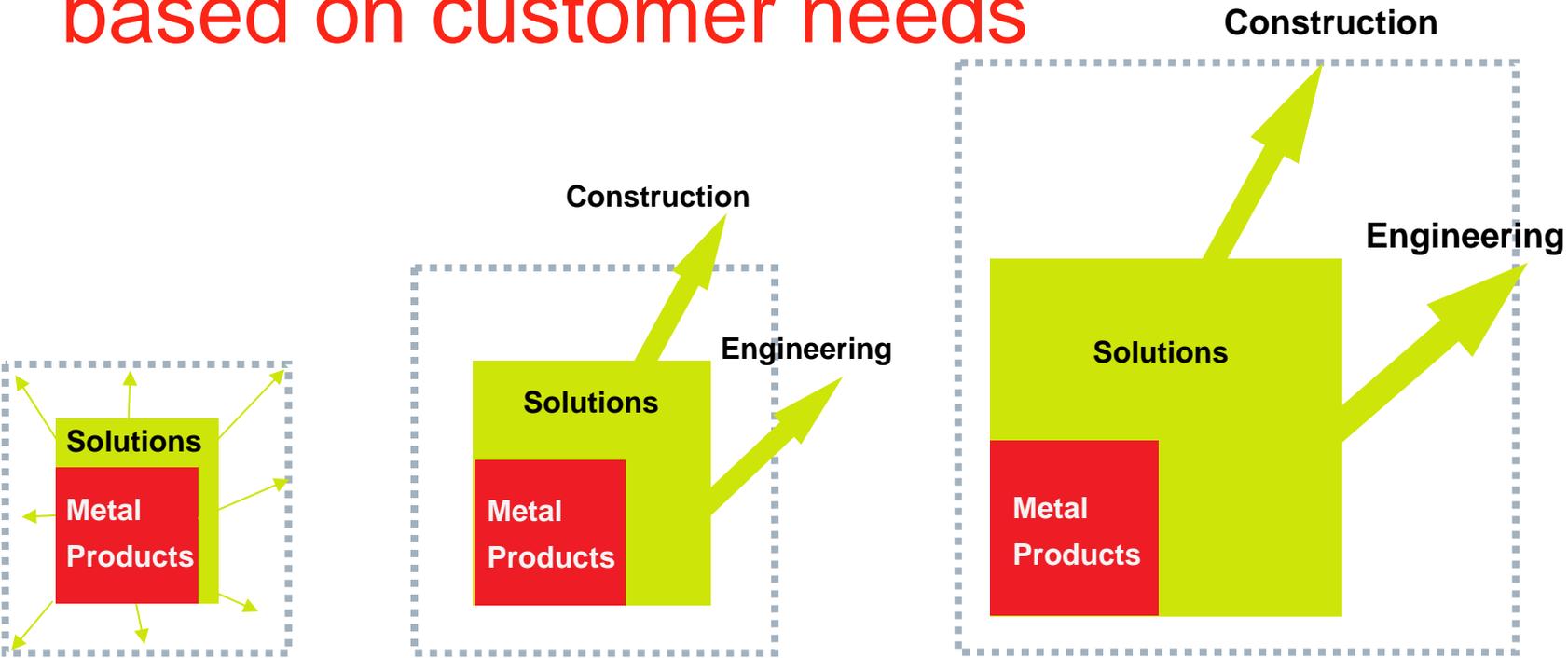
Manufactured parts, components, systems and integrated systems which are used in
Construction



Mechanical engineering



Our vision: solutions for specific segments based on customer needs



2003
Reliable steel producer

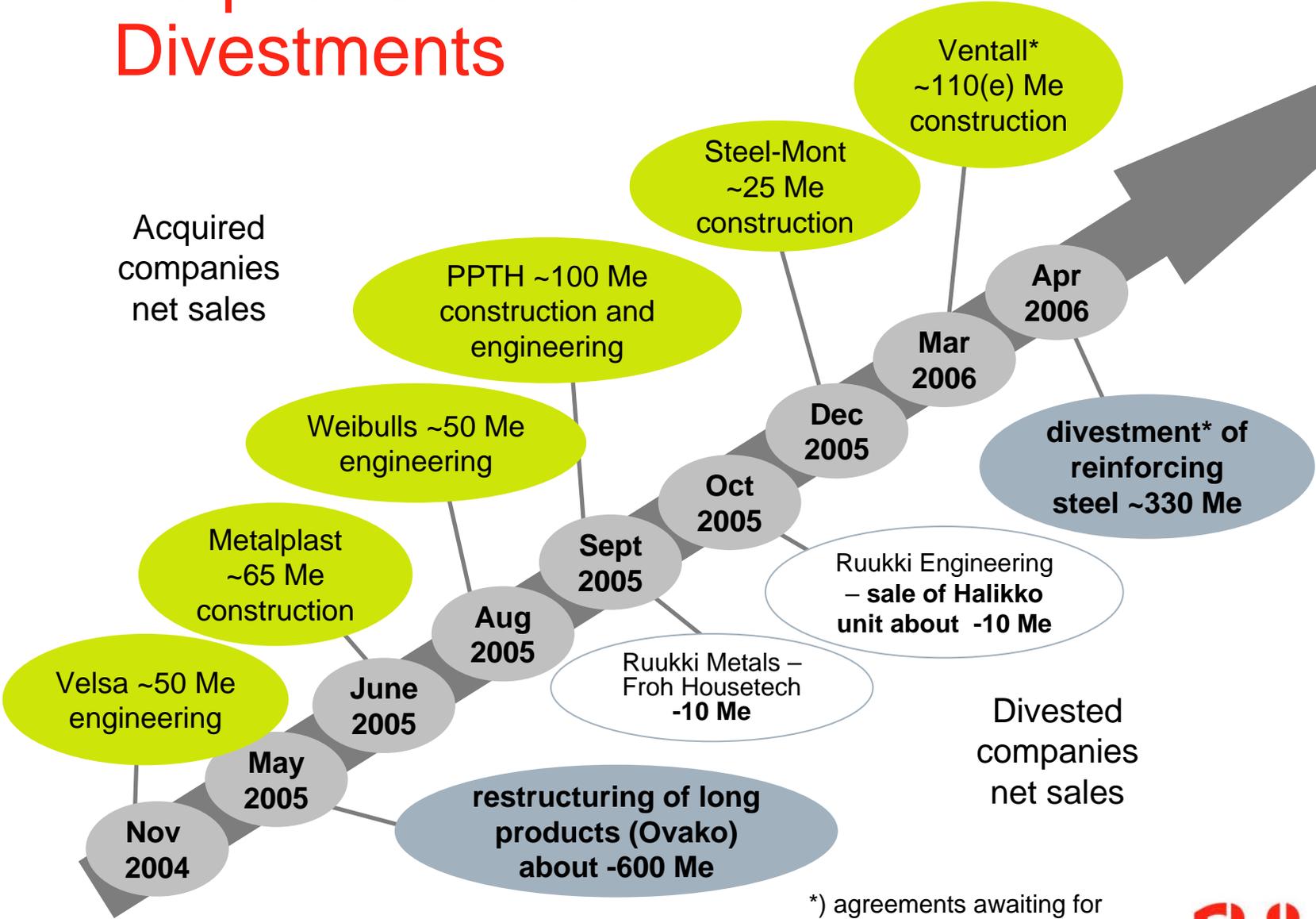


2008-2010
The most desired solution
supplier

Recent Structural Changes

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Acquisition and Divestments



*) agreements awaiting for regulatory approvals

Acquisition of OOO Ventall*, Russia



* The transaction still requires the approval of competition authorities and is expected to be finalised in May 2006

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Ventall* – the leading steel constructor in Russia

- Key figures in 2005
 - net sales EUR 70 million
 - EBIT EUR 15.5 million
 - employees 1,238
- Estimated net sales in 2006 EUR 110 million
- Designs, manufactures and supplies steel frame structures and sandwich elements
- Most of the EUR 30 million expansion program completed
 - triples production capacity and enables significant growth



Ventall* strengthens our delivery capabilities in Russia and Ukraine

- Ruukki's existing focus on construction markets in Nordic, Baltic and CEE countries
- Ventall
 - brings strong market presence and manufacturing in Russia
 - designs and supplies steel frame structures and sandwich elements
- Combined design expertise and product range
 - significant increase in our delivery capabilities in Russia and Ukraine

Acquisition strengthens our delivery capabilities in Russia and Ukraine



prefabricated wall elements



load-bearing profiles



roofing products



steel frames

Nordic, Baltic and CEE countries

+

Ventall in Russia



facades



steel frames



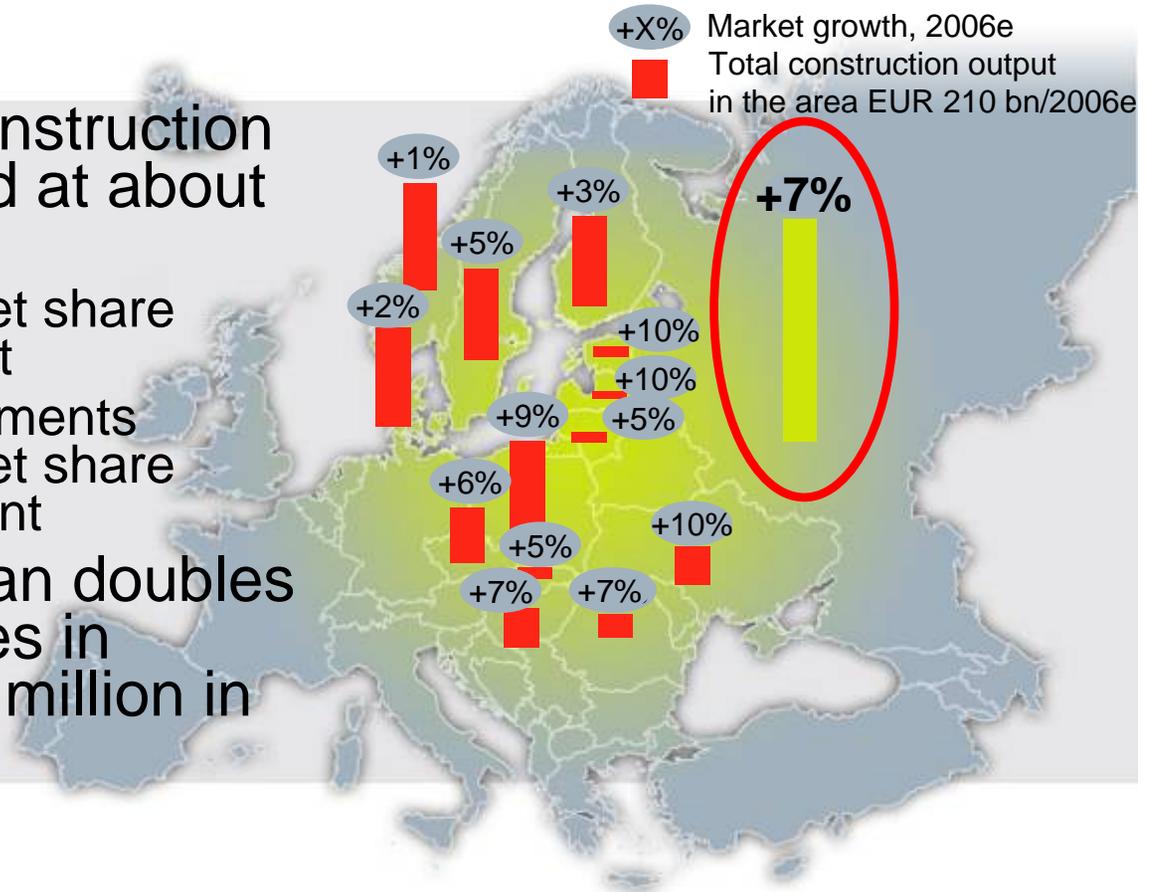
sandwich panels



sandwich panels

Commercial construction growing considerably in Russia

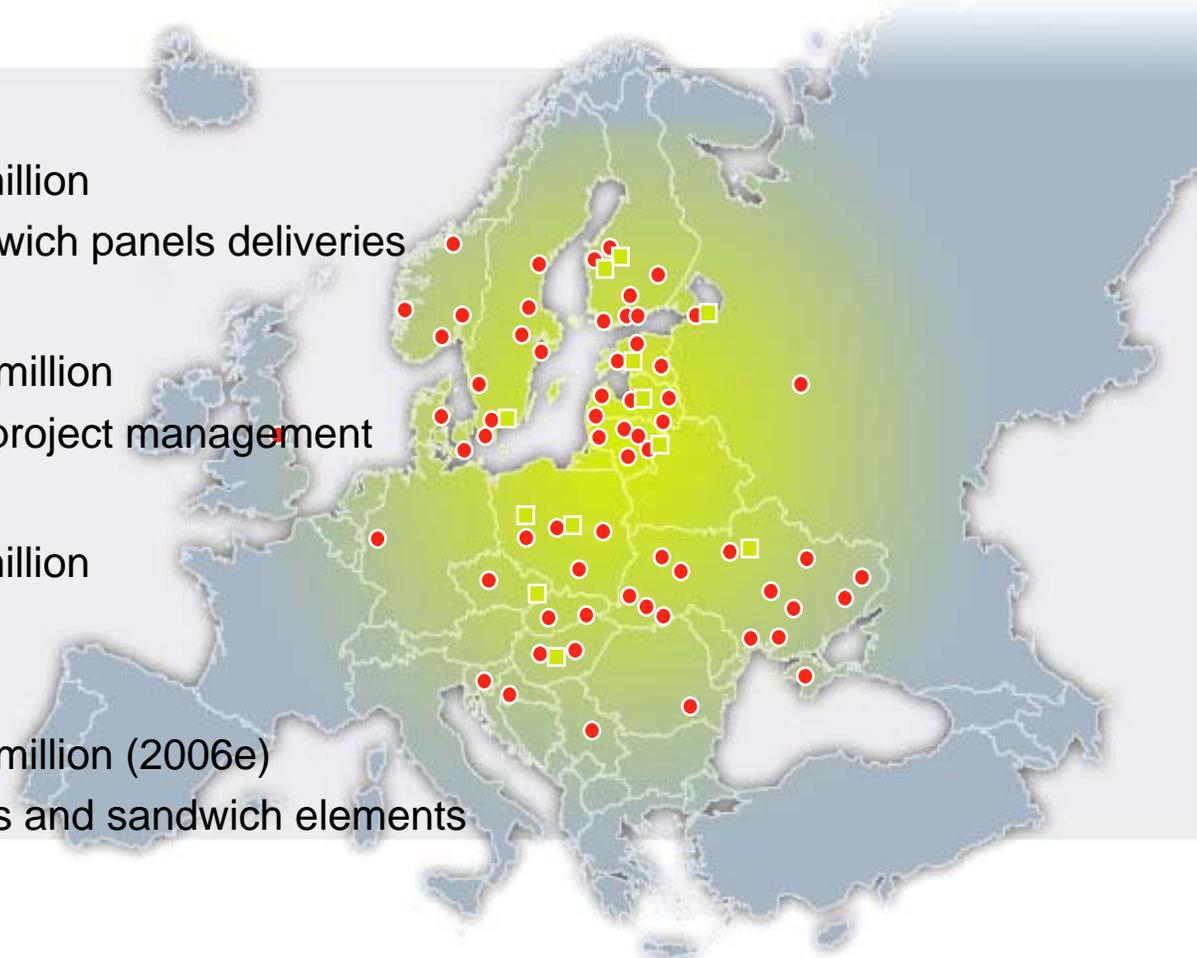
- Russian steel construction market estimated at about EUR 700 million
 - Ventall's* market share about 7 per cent
 - in sandwich elements Ventall's* market share about 15 per cent
- Ventall* more than doubles Ruukki's net sales in Russia (EUR 70 million in 2005)



Source: Euroconstruct, VTT, Buildecon

Ruukki's construction operations have been strengthened by acquisitions

- **Metalplast, Poland**
 - net sales EUR ~65 million
 - complementing sandwich panels deliveries
- **PPTH, Finland**
 - net sales EUR ~100 million
 - steel structures and project management
- **Steel-Mont, Slovakia**
 - net sales EUR ~25 million
 - steel structures
- **Ventall*, Russia**
 - net sales EUR ~110 million (2006e)
 - steel frame structures and sandwich elements



Divestment* of Nordic Reinforcing Business

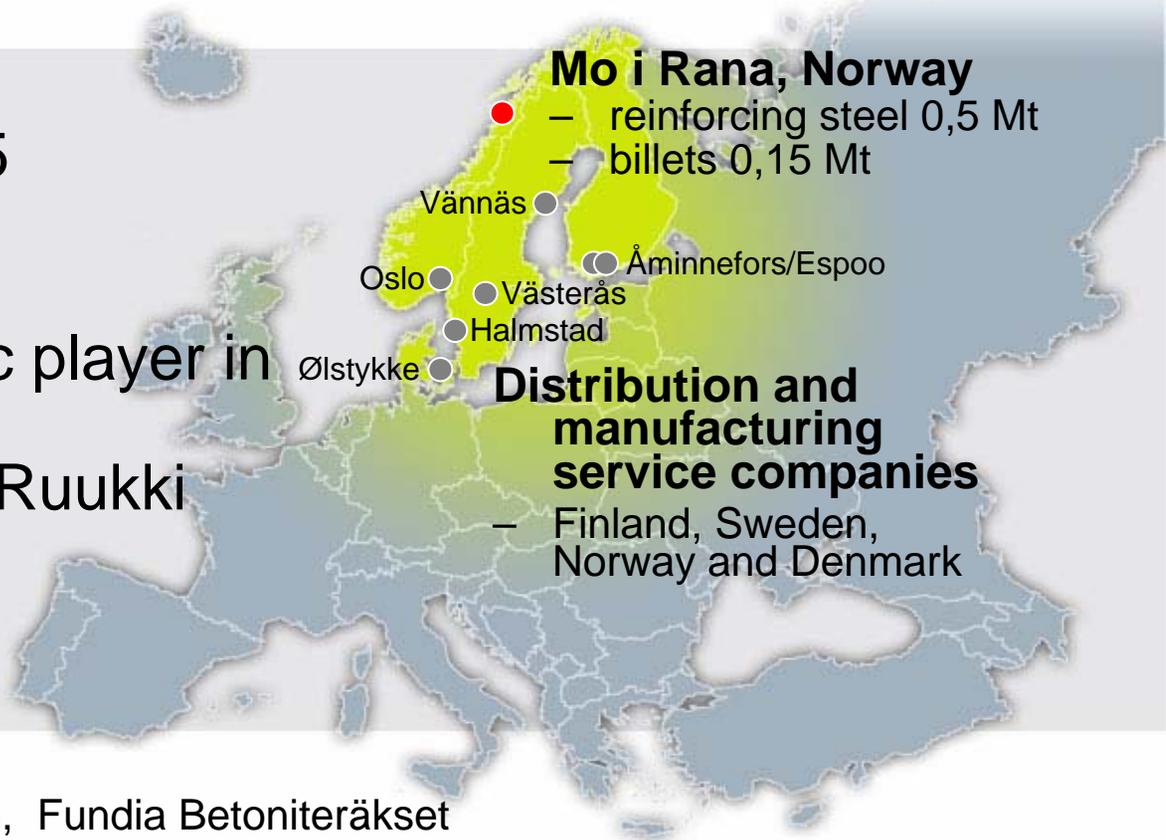


*)The transaction is subject to relevant regulatory approvals and it is expected to close by June 30, 2006

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Streamlining the corporate structure

- Net sales in 2005
EUR 328 million
- Employees 689
- Significant Nordic player in
reinforcing steel
- Currently part of Ruukki
Metals (*)



*) Fundia Armeringsstål AS, Fundia Betoniteräkset Oy, Fundia Armering AB, Fundia Armering AS ja Fundia Armering A/S

Divestment* of non-strategic operation

- The majority of the long steel products were spun off into Oy Ovako Ab already in 2005
- Current restructuring
 - completes the arrangements to exit from long steel business
 - further gears the company operations towards solutions business
- Reinforcing has no operational synergies with the solution businesses
- Transaction value corresponds to the book value of EUR 123 million at the end of March, 2006

Business Environment

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Overall demand continued good

- Underlying demand in **construction** developing well
 - normal low season in construction activity during the first quarter
 - business expected to pick up during the second quarter
- Continued strong order books in **engineering** industry
 - demand in Lifting, Handling and Transportation very strong
 - strong order books in Marine and Offshore
- Steel product markets strengthening
 - demand and prices improving
 - inventory levels low/normal

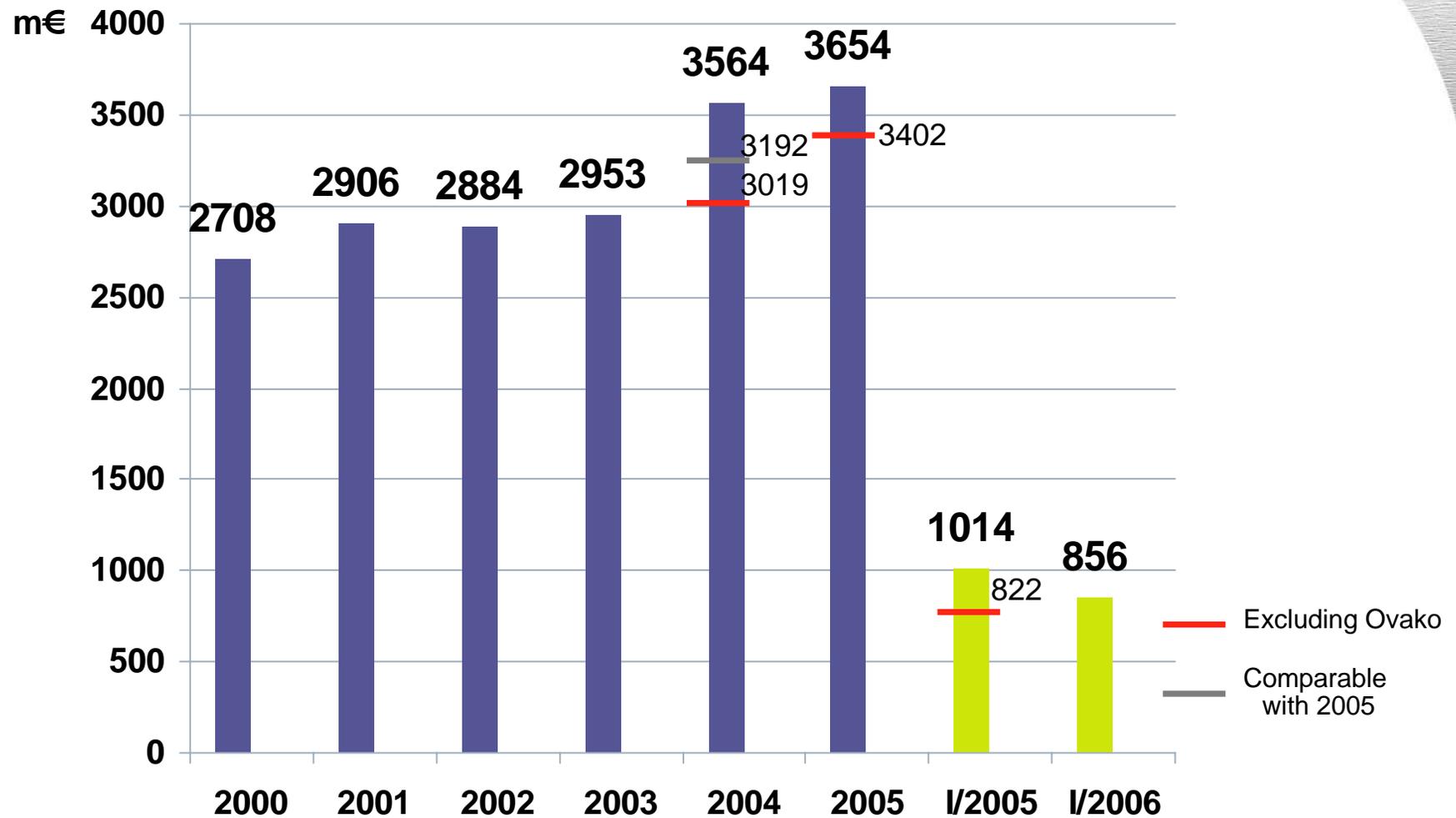
Financials 1-3/2006

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Profitability was at a good level but decreased compared with year before

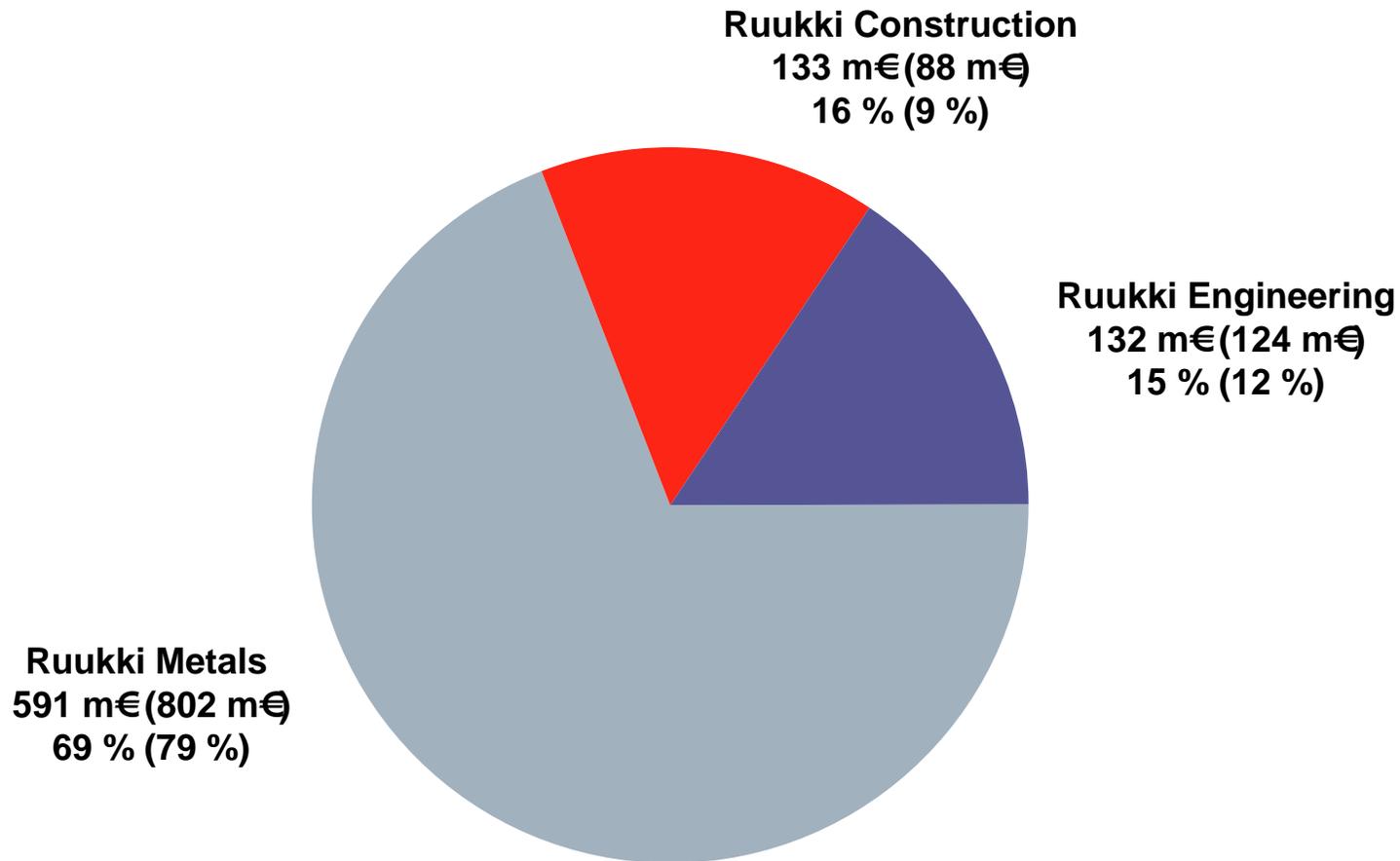
- Rolling 12-month's ROCE 29.5 % (33.7)
- Gearing 19,6 %
- Comparable net sales increased by 4 %
- Share of the solution businesses increased to 31 % (21) of net sales
- Profitability decreased from 1-3/2005
 - average sales prices decreased
 - steel making raw material costs increased
 - first quarter 2005 exceptionally strong
 - US-dollar EUR -13 million
- Other items
 - share bonus schemes EUR -19 million (of which EUR -14 million due to share price increase during the first quarter)

Net sales, Group total

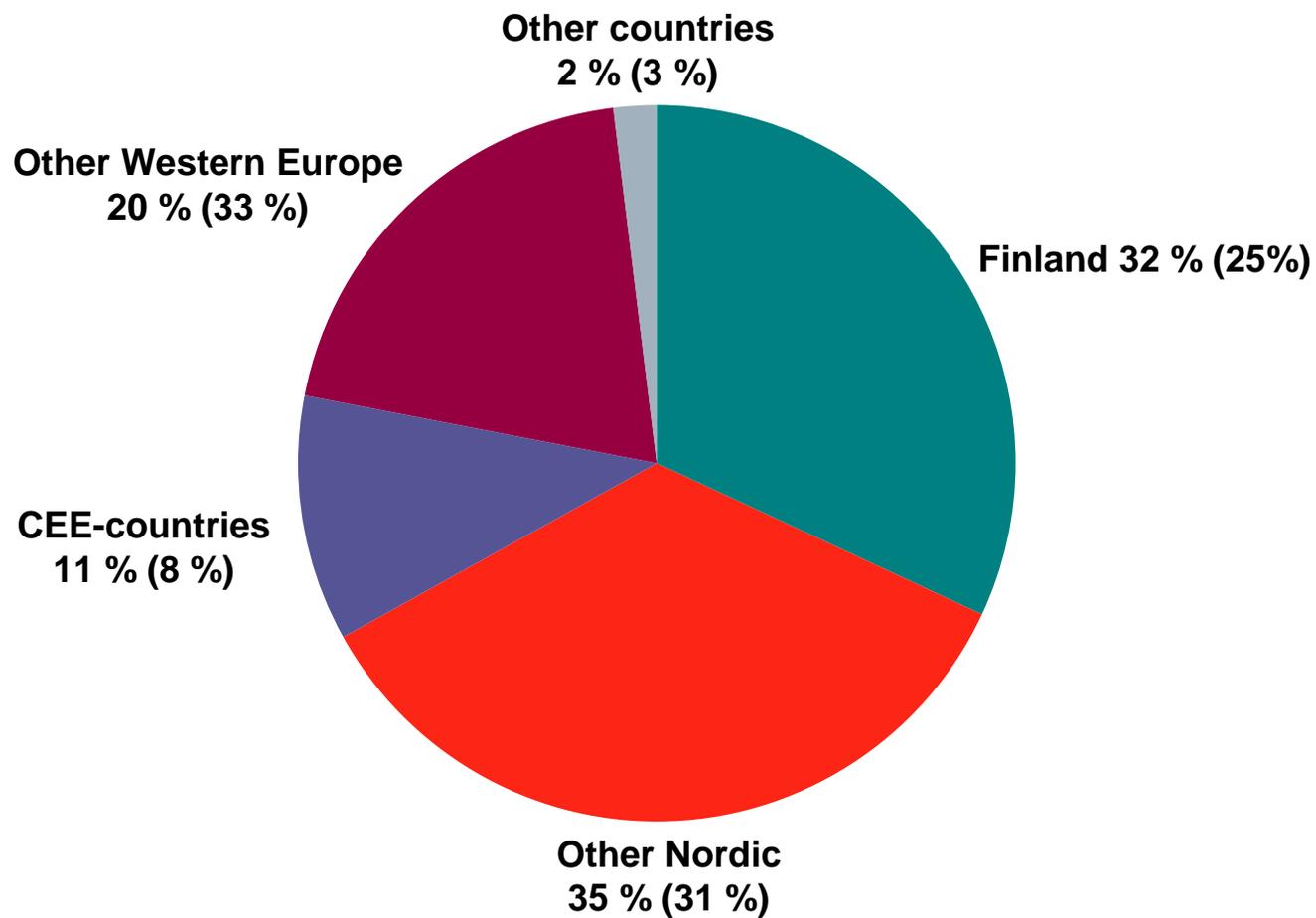


Years 2000 – 2003 according to FAS and from 2004 according to IFRS.

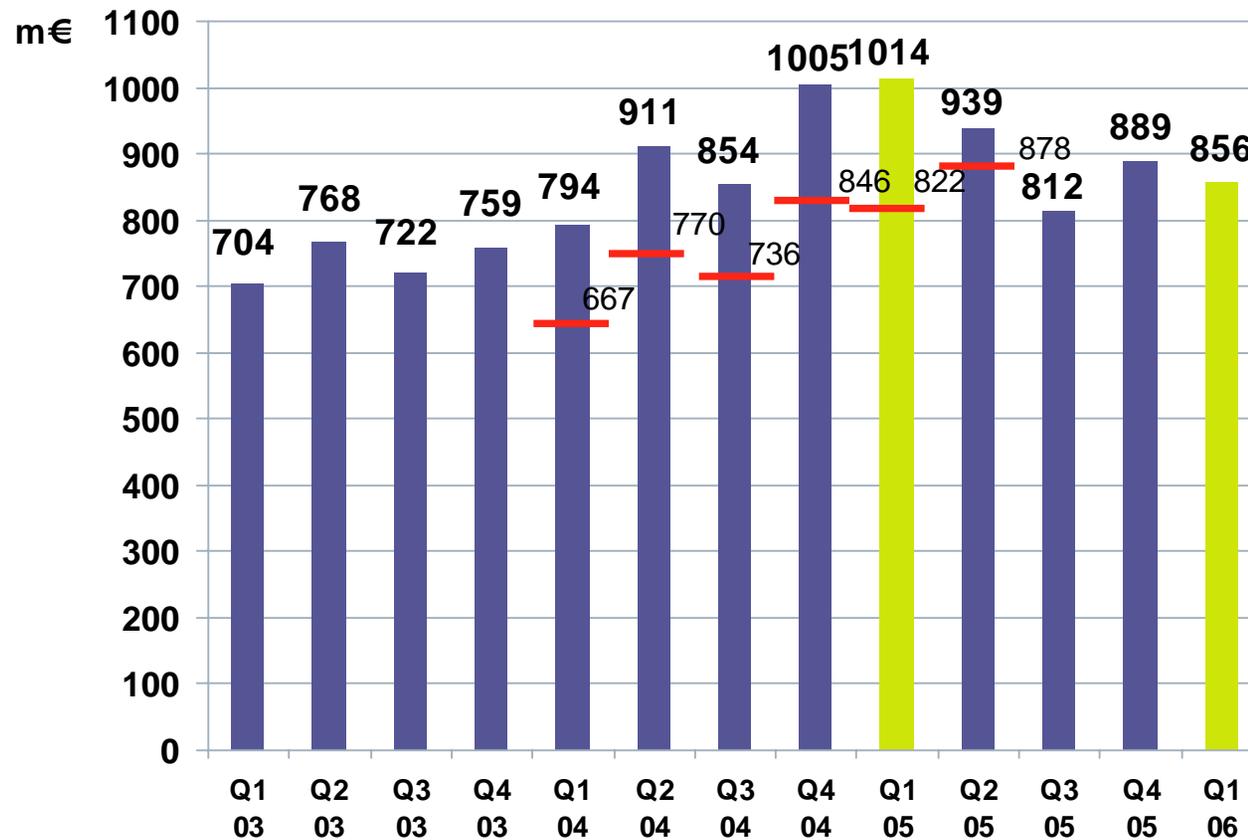
Group net sales by division Q1/2006 (Q1/2005)



Group net sales by area Q1/2006 (Q1/2005)



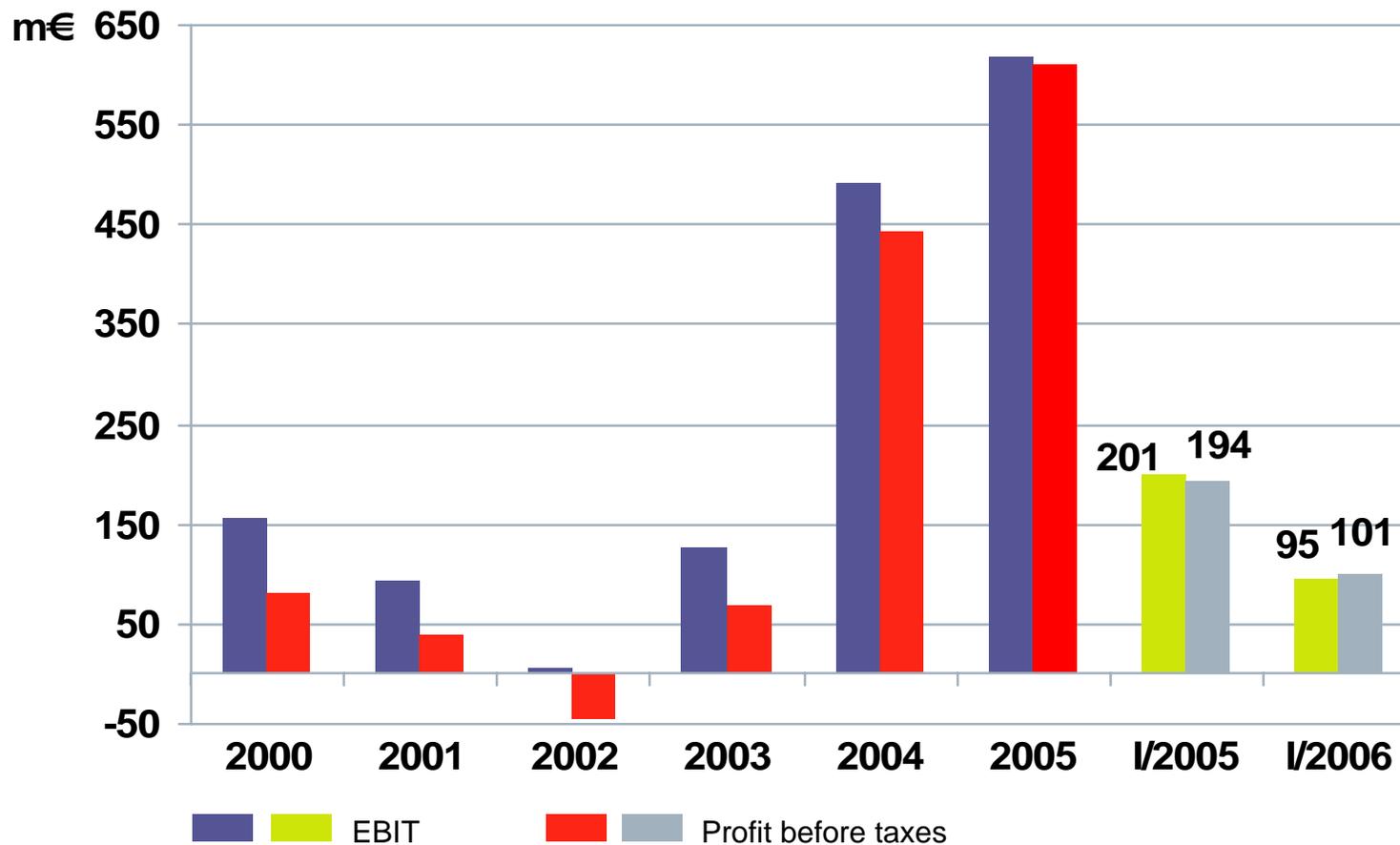
Quarterly net sales, Group total



— without Ovako

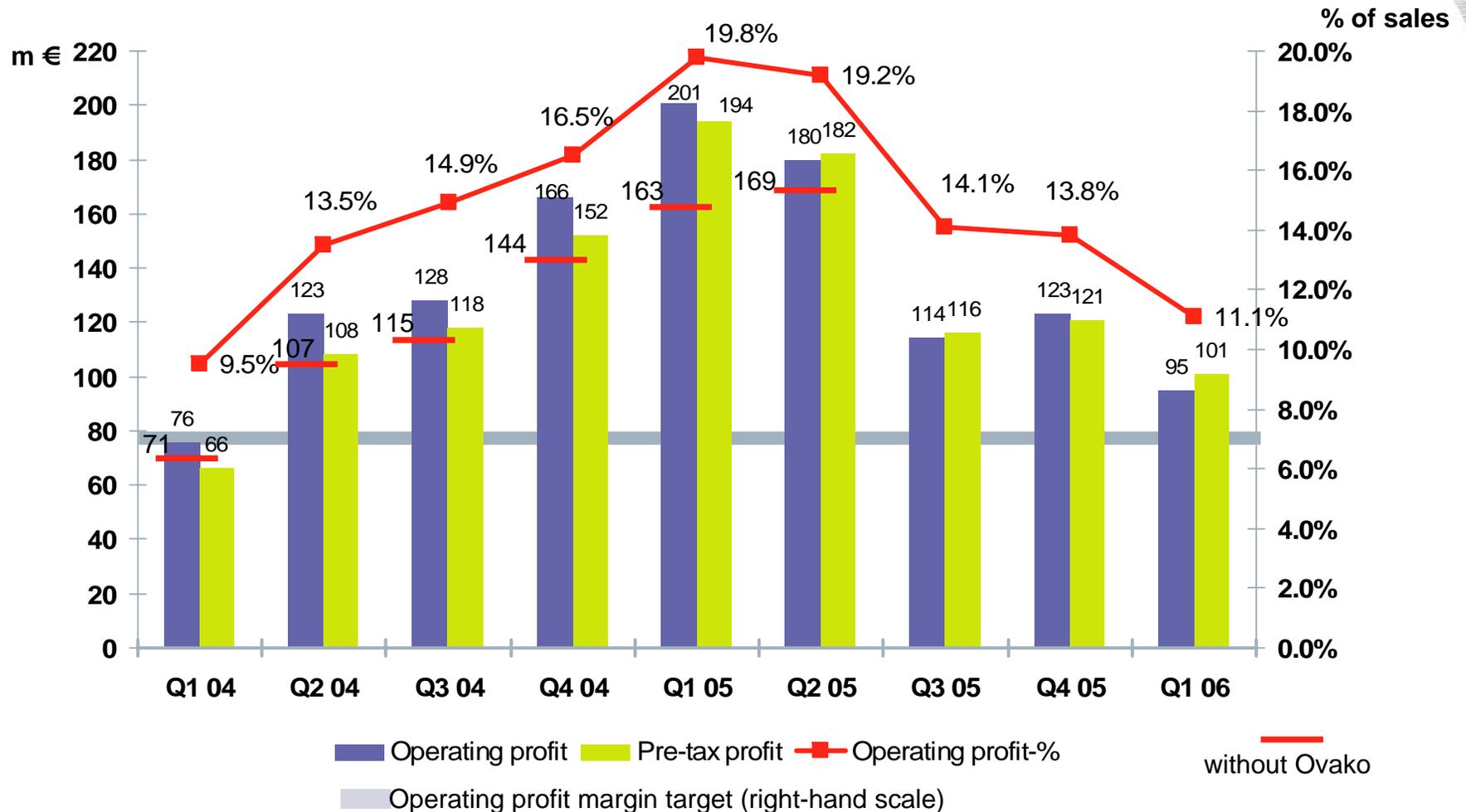
Years 2000 – 2003 according to FAS and from 2004 according to IFRS.

EBIT and profit before taxes 2000 – Q1/2006

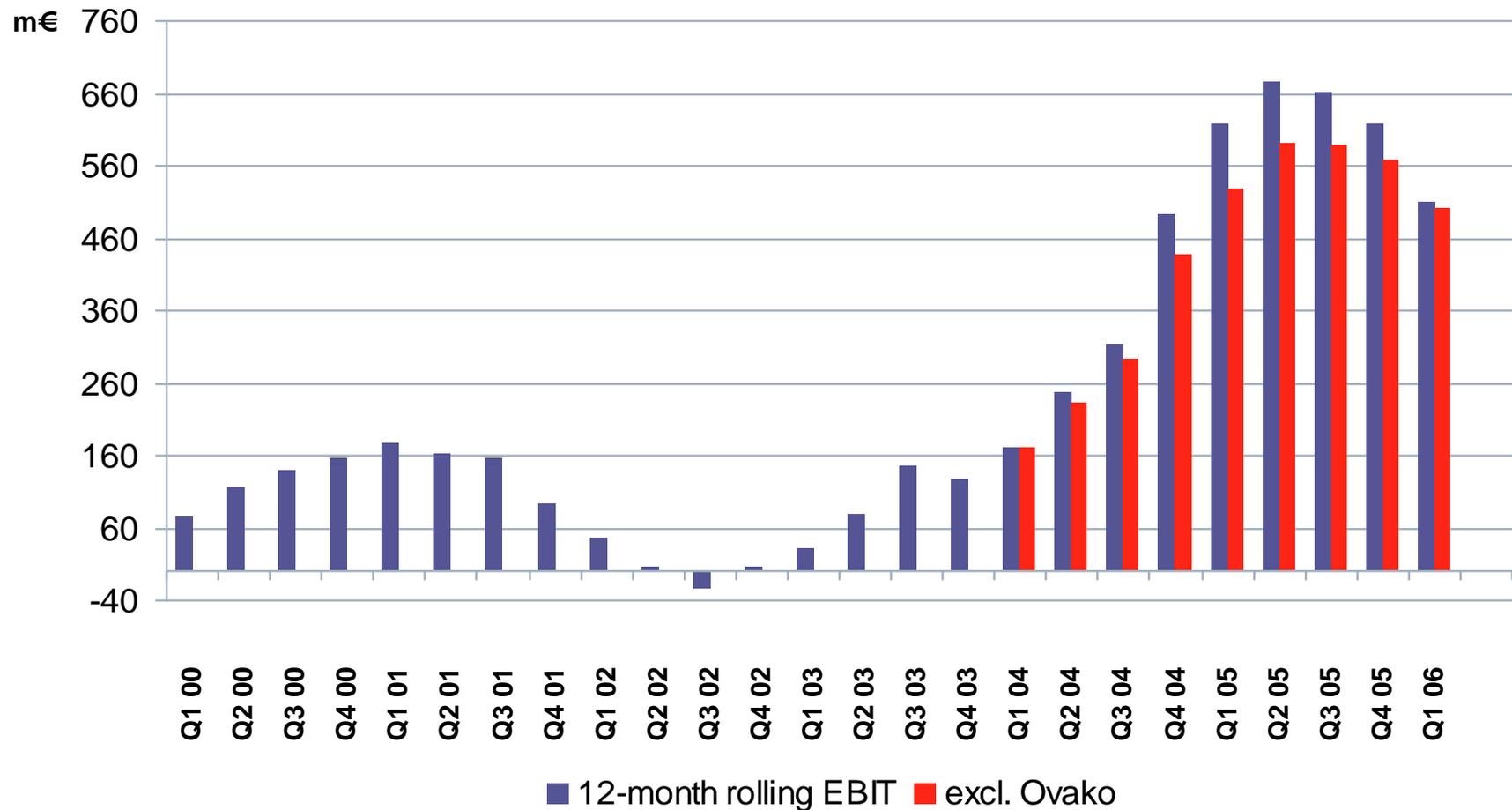


Years 2000 – 2003 according to FAS and from 2004 according to IFRS.

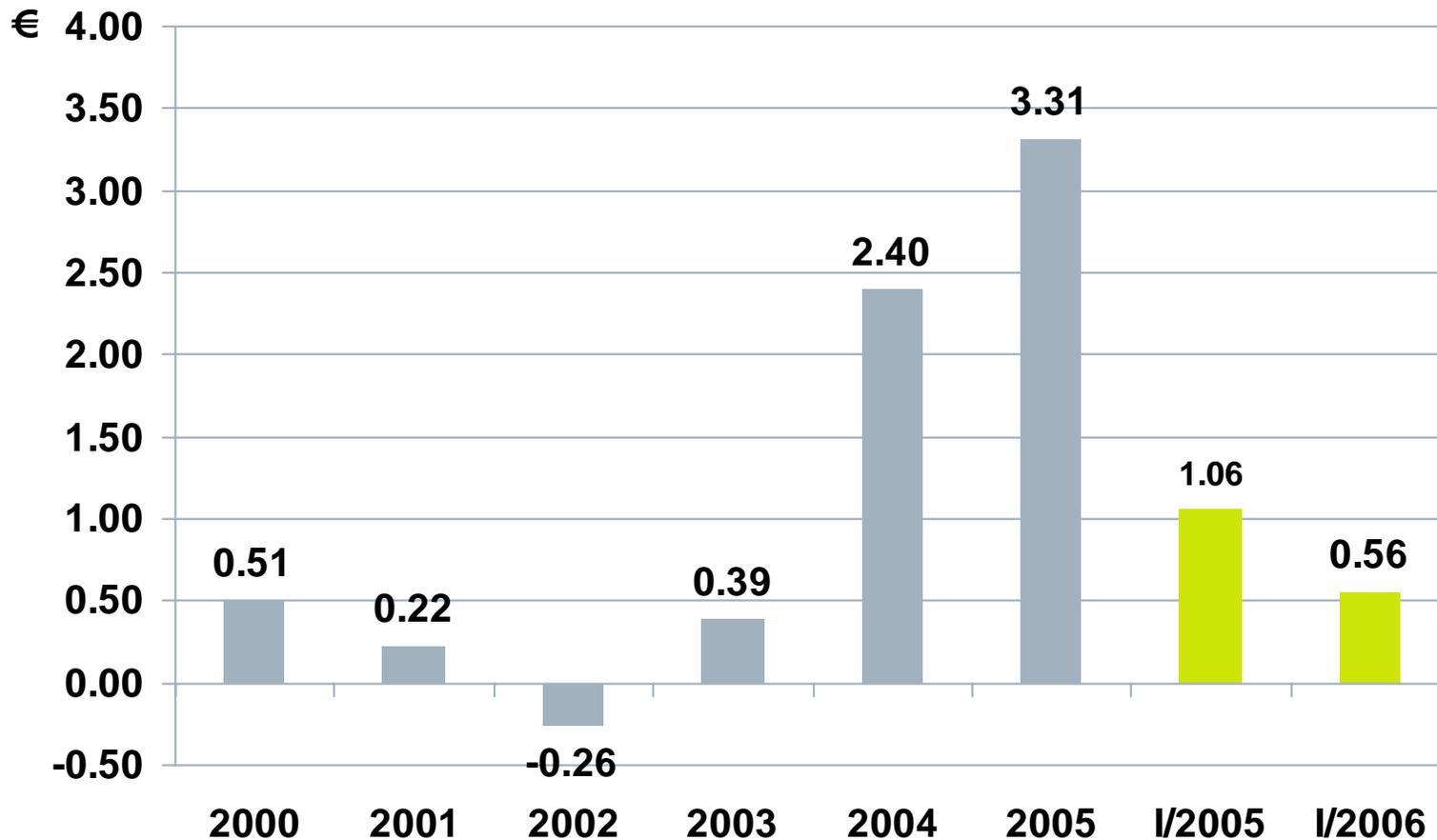
Quarterly EBIT and profit before taxes, Group total



12-Month rolling EBIT 2000-2006

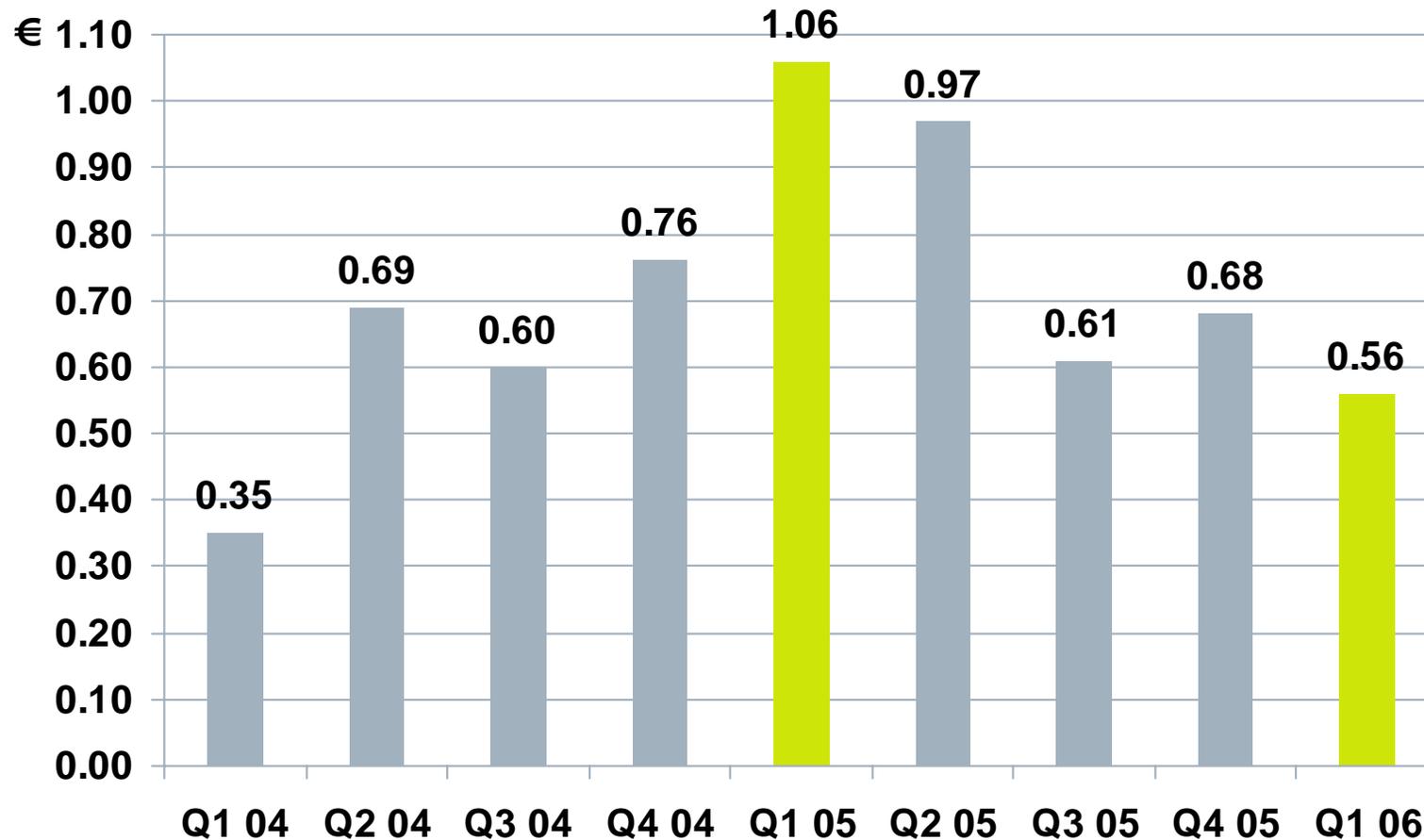


Earnings per share

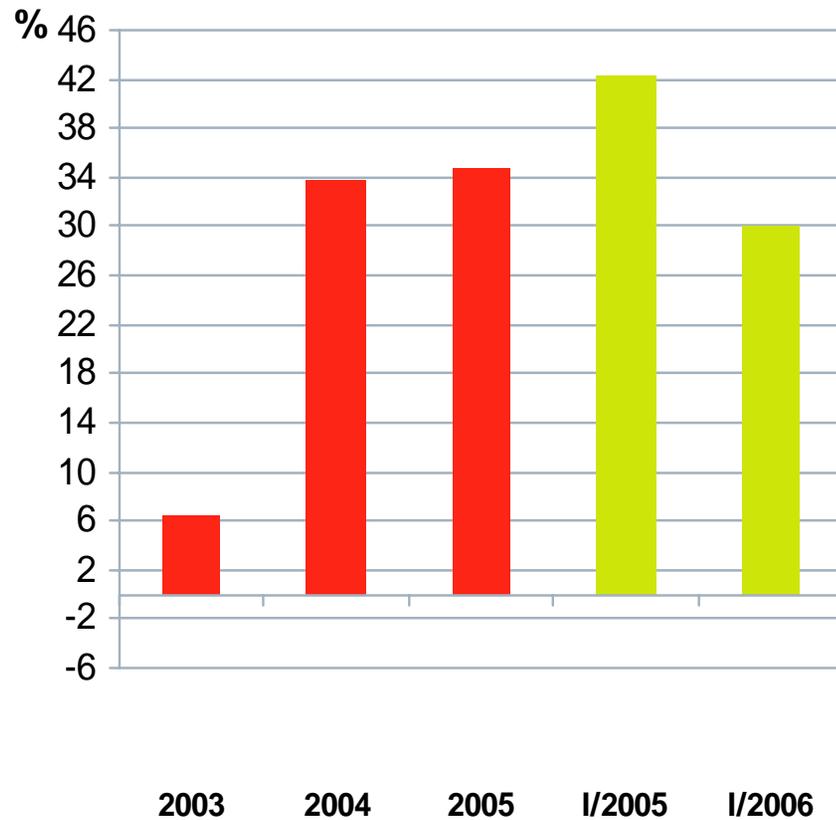


Years 2000 – 2003 according to FAS and from 2004 according to IFRS.

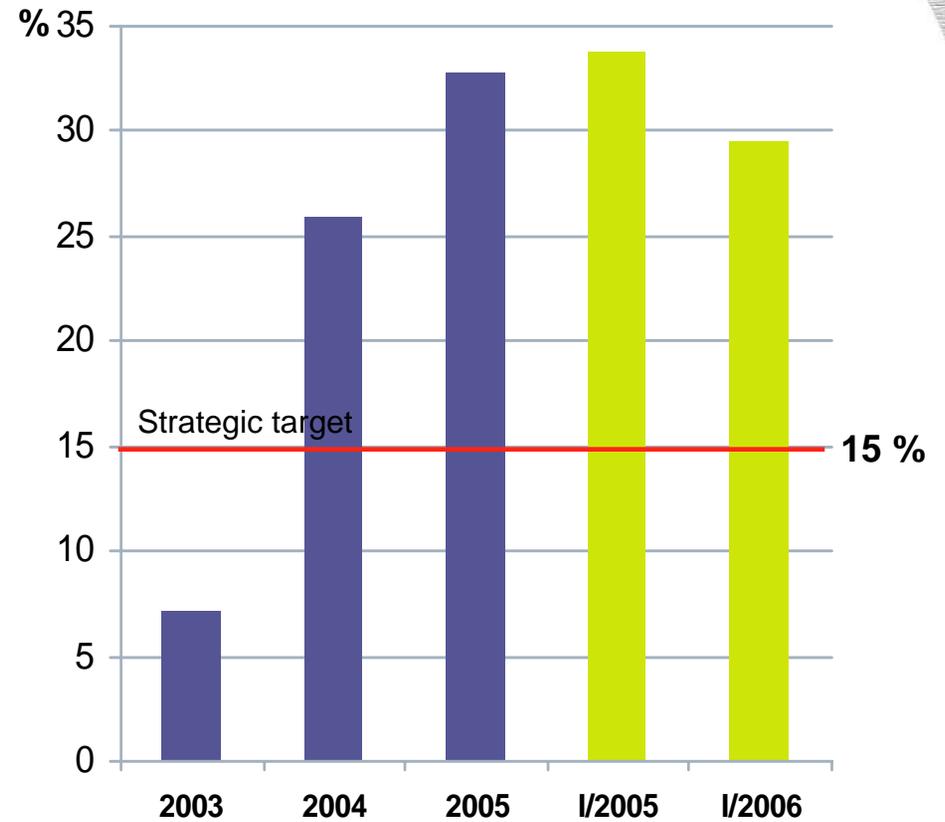
Quarterly earnings per share



Return on equity

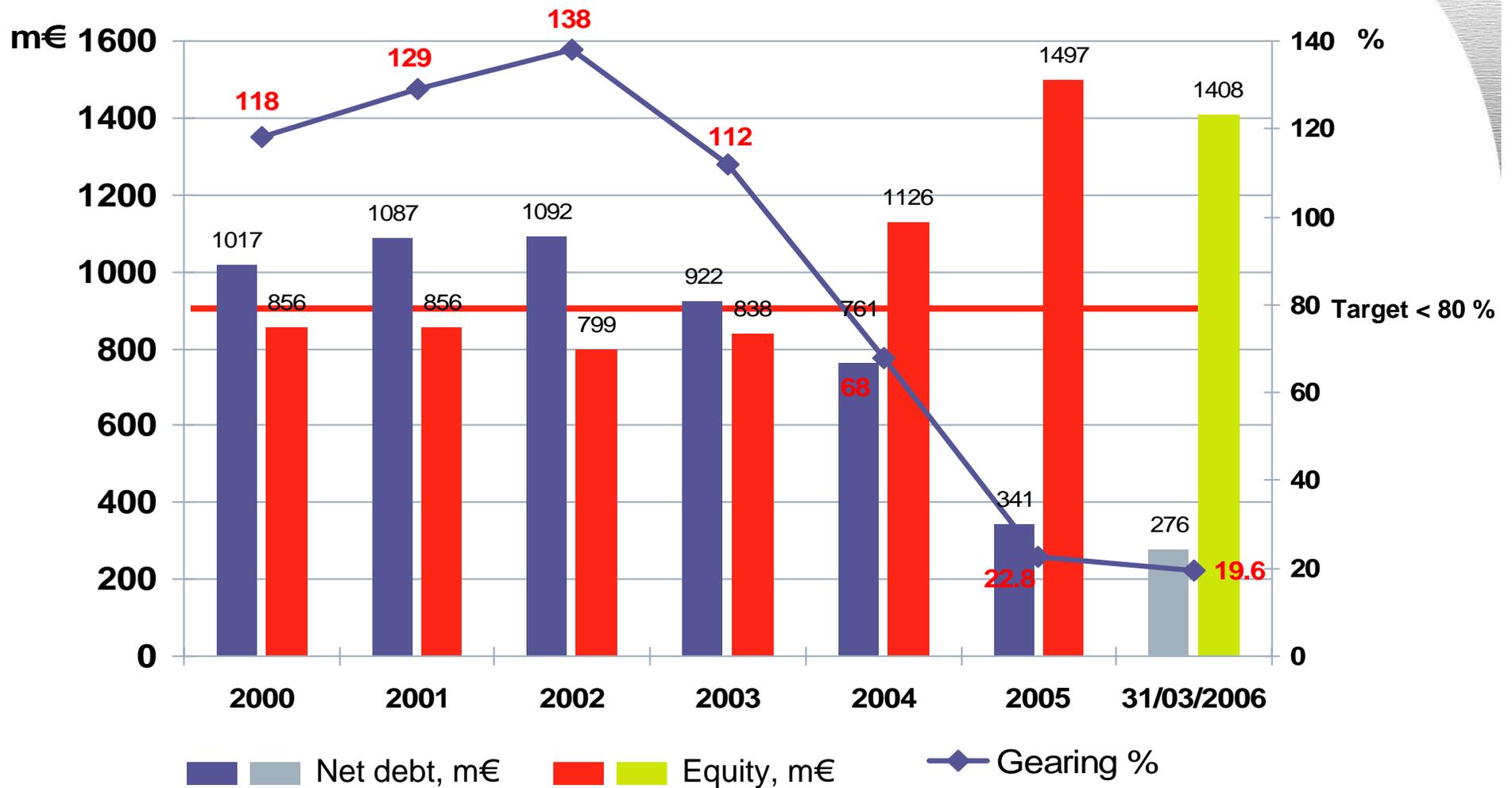


ROCE



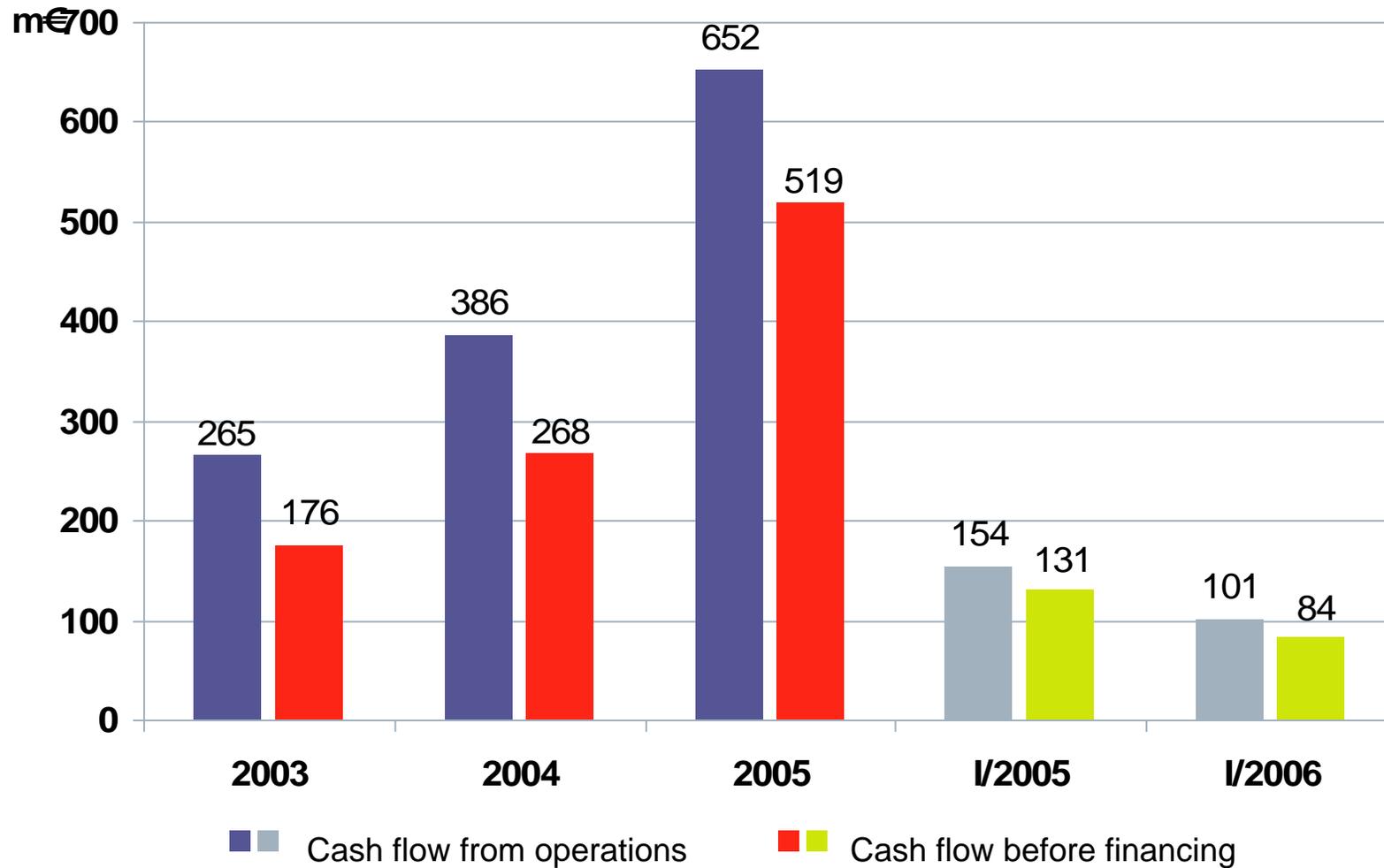
Year 2000 – 2003 according to FAS and from 2004 according to IFRS.

Net debt, equity, gearing



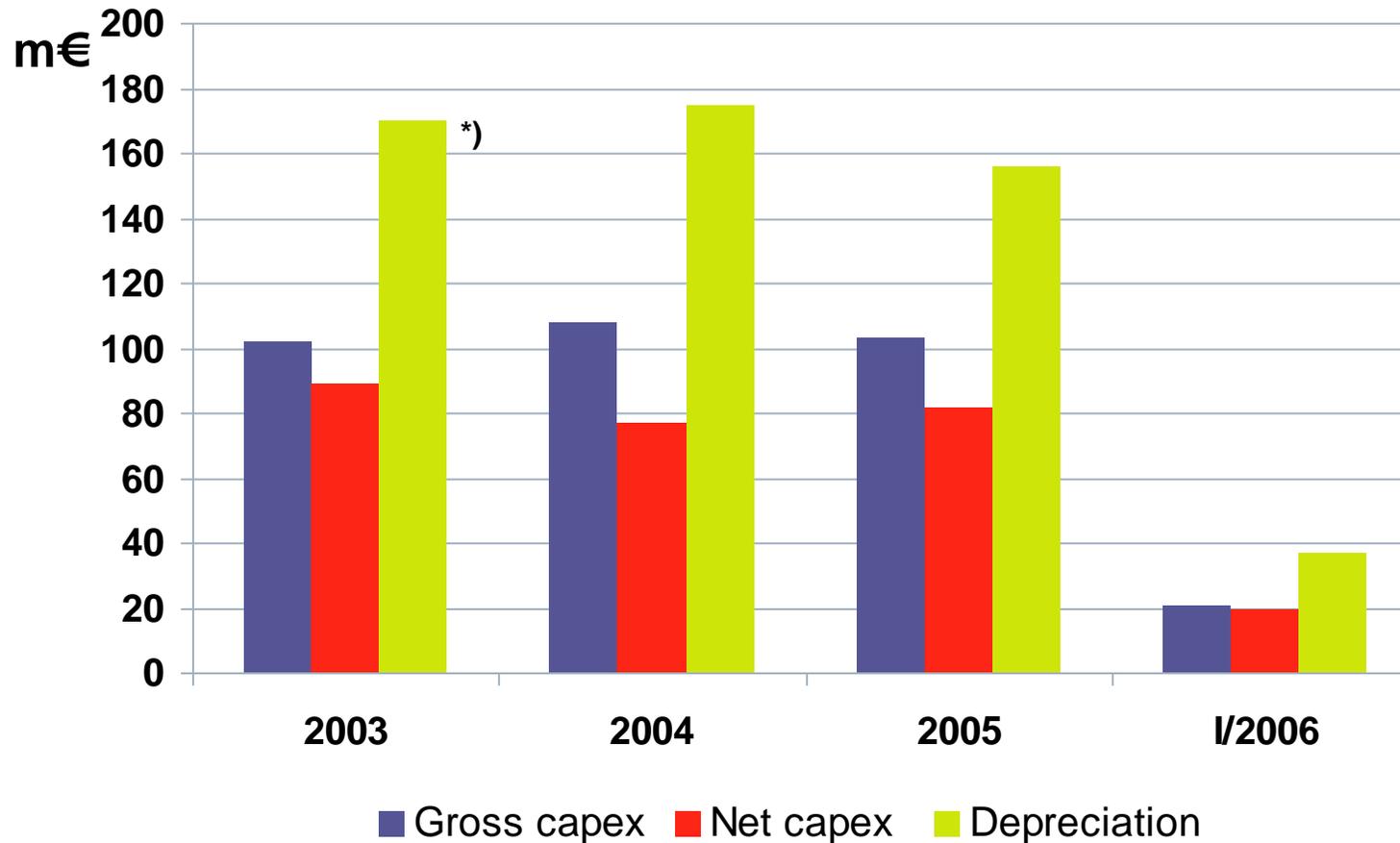
Years 2000 – 2003 according to FAS and from 2004 according to IFRS.

Cash flow



Year 2000 – 2003 according to FAS and from 2004 according to IFRS.

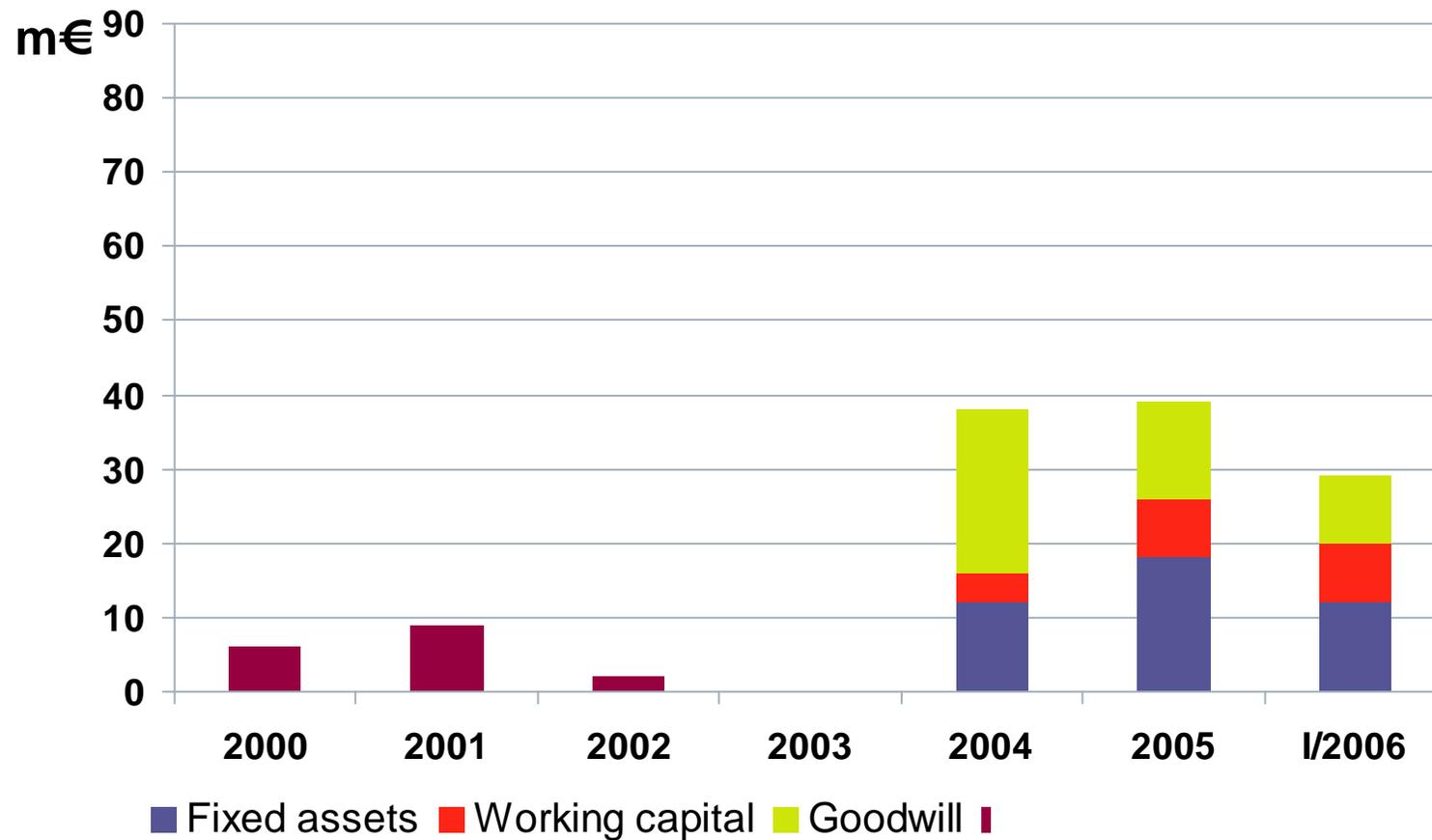
Capex vs. depreciation



Years 2000 – 2003 according to FAS and from 2004 according to IFRS.

*) Excl. value reductions 33 m€

Acquisitions



Years 2000 – 2003 according to FAS and from 2004 according to IFRS.

Near-term Outlook

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Near-term outlook

- Demand is expected to remain firm within construction and engineering industry
- Prices of steel products are set to strengthen further over the spring and summer
- Raw material costs estimated to remain at the level seen in the second half of 2005
- Full-year net sales in 2006 are expected to be higher than comparable net sales in 2005
- The first half EBIT estimated to be at the good level posted in the second half of last year and to improve somewhat during the latter part of the year

Summary

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Summary

- First major step to utilise growth opportunities in Russia
- Contract of reinforcing steel divestment
- Strong demand expected to continue in the main customer industries and steel prices strengthening
- The first half EBIT estimated to be at the good level posted in the second half of last year and to improve somewhat during the latter part of the year



NUUKIKI

more with metals