RUUKKI | GROUP

07:00 London, 09:00 Helsinki, 24 February 2012 - Ruukki Group Plc ("Ruukki" or "the Company") (LSE: RKKI, OMX: RUG1V) Financial Statements Review

RUUKKI GROUP PLC'S FINANCIAL STATEMENTS REVIEW FOR 1 JANUARY–31 DECEMBER 2011

Q4 HIGHLIGHTS (October-December 2011):

- Production increased by 156.5% to 86,903 (Q4/2010: 33,883) tonnes
- Revenue from continuing operations increased by 50.6% to EUR 37.3 (Q4/2010: 24.8) million
- EBITDA from continuing operations was EUR -1.1 (Q4/2010: -7.0) million and the EBITDA margin was -2.9% (Q4/2010: -28.1%)
- EBIT from continuing operations was EUR -8.0 (Q4/2010: -54.2) million
- Profit for the period from continuing operations totalled EUR -4.9 (Q4/2010: -51.0) million
- Cash flow from operations was EUR 5.0 (Q4/2010: 1.6) million and liquid funds at 31 December 2011 were EUR 65.9 (31 December 2010: 8.6) (30 September 2011: 74.2) million

FULL YEAR HIGHLIGHTS (January-December 2011):

- Full year production increased by 156.6% to 353,962 tonnes (FY/2010: 137,951 tonnes)
- Revenue from continuing operations increased by 29.0% to EUR 159.1 (FY/2010: 123.3) million
- EBITDA from continuing operations was EUR 1.4 (FY/2010: -8.4) million and the EBITDA margin was 0.9% (FY/2010: -6.8%)
- EBIT from continuing operations was EUR -26.5 (FY/2010: -75.6) million
- Profit for the period from continuing operations totalled EUR -18.4 (FY/2010: -65.3) million
- Cash flow from operations was EUR -2.4 (FY/2010: 10.6) million

- Divestment of the wood processing businesses during the first half of 2011 for a total consideration of EUR 90.6 million
- Integration of the Chromex assets, acquired in December 2010, into FerroAlloys business
- Appointment of Thomas Hoyer as Chief Executive Officer on 4 May 2011

Dividend proposal

The Board of Directors proposes to the Annual General Meeting which will be held on 10 May 2012 that no dividend would be distributed.

KEY FIGURES						
EUR million	**Q4/11**	**Q4/10**	**Change**	**FY/11**	**FY/10**	**Change**
Revenue	37.3	24.8	50.6%	159.1	123.3	29.0%
EBITDA	-1.1	-7.0		1.4	-8.4	
EBITDA margin	-2.9%	-28.1%		0.9%	-6.8%	
EBIT	-8.0	-54.2		-26.5	-75.6	
EBIT margin	-21.3%	-218.7%		-16.6%	-61.3%	
Earnings before taxes	-7.2	-54.3		-25.4	-76.3	
Earnings margin	-19.4%	-219.2%		-16.0%	-61.8%	
Profit for the period, continuing operations	-4.9	-51.0		-18.4	-65.3	
Profit for the period, discontinued operations	-5.8	6.6		41.1	14.2	189.6%
Profit for the period	-10.7	-44.5		22.7	-51.1	
Earnings per share, basic, EUR	-0.04	-0.19		0.10	-0.22	
Return on equity, % p.a.	-	-		9.5%	-19.6%	
Return on capital employed,	-	-		7.0%	-15.2%	

% p.a.						
Equity ratio, %	-	-		57.0%	44.3%	
Gearing, %	-	-		8.1%	46.6%	
Personnel at the end of the period	-	-		797	722	

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.

Commenting on the full year and fourth quarter results, Thomas Hoyer, CEO, said:

"I am pleased to report a clear improvement by the Group for 2011, despite challenging and volatile market conditions. Production for the year improved by a substantial 156.6% to 353,962 tonnes, mainly due to the acquisition of Chromex Mining and the ramp up in production at the Stellite mine, revenue increased by 29% to EUR 159.1 million for the year and EBITDA grew by EUR 9.8 million to 1.4 million, compared to our 2010 performance.

The completion of our strategic transformation from a mini-conglomerate into a vertically integrated ferroalloys producer enabled us to re-deploy the cash proceeds from the wood assets, totalling over EUR 80 million, into the ferroalloys business to provide flexibility and strengthen the Group's balance sheet.

This, along with our diversified product range enabled us to weather the difficult market conditions during year driven by the global macro-economic sentiment. Whilst the market for chrome ore consistently decreased throughout the year and demand remained weak, the market for our speciality alloy products was more stable, with prices remaining relatively firm.

Turning to our fourth quarter performance, market conditions remained tough, particularly for the FerroAlloys division with processing volumes adjusted to match demand. This situation is forecast to continue for the first half of the year and coincides with ESKOM's offer to buy back electricity from energy intensive industries. Accordingly Ruukki has taken advantage of this offer and placed Mogale's furnaces on care and maintenance. The situation will be reviewed in the second quarter.

Our balance sheet and cash position remain strong and we believe this will offer some protection against the uncertain market conditions as we enter 2012."

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. 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 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 new disclosure procedure enabled by Standard 5.2b published by the Finnish Financial Supervision Authority, and hereby publishes its Financial Statements Review for 2011 enclosed to this stock exchange release. The Financial Statements Review for 2011 is attached to this release and is also available on the Company's website at www.ruukkigroup.com.

Financial Statements, Corporate Governance Statement and Annual Report

The Company's complete Financial Statements, the Corporate Governance Statement and the Annual Report for 2011 will be published during the week commencing 26 March 2012 and will be available on the Company's website: www.ruukkigroup.com and at the Company's offices.

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Financial reports and other investor information are available on the Company's website.

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
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RUUKKI | GROUP

RUUKKI GROUP PLC: FINANCIAL STATEMENTS REVIEW FOR 1 JANUARY–31 DECEMBER 2011

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 2010 are presented in brackets, unless otherwise explicitly stated.

RUUKKI GROUP'S FINANCIAL PERFORMANCE

REVENUE AND PROFITABILITY

EUR million	**Q4/11**	**Q4/10**	**Change**	**FY/11**	**FY/10**	**Change**
Revenue	37.3	24.8	50.6%	159.1	123.3	29.0%
EBITDA	-1.1	-7.0		1.4	-8.4	
EBITDA margin	-2.9%	-28.1%		0.9%	-6.8%	
EBIT	-8.0	-54.2		-26.5	-75.6	
EBIT margin	-21.3%	-218.7%		-16.6%	-61.3%	
Profit for the period, discontinued operations	-5.8	6.6		41.1	14.2	189.6%
Profit for the period	-10.7	-44.5		22.7	-51.1	

Discontinued operations include the house building, pallet and sawmill businesses.

Fourth Quarter (October–December) 2011

Revenue for the fourth quarter 2011 increased by 50.6% to EUR 37.3 (24.8) million. The increase, compared to the equivalent period in 2010, was mainly due to the rise in production volumes in the FerroAlloys segment, following the acquisition of Chromex Mining, as well as increased volumes at Mogale Alloys during the first half of the year, until processing volumes were adjusted to match sales.

EBITDA for the fourth quarter was EUR -1.1 (-7.0) million and profit for the period was EUR -10.7 (-44.5) million. The improvement in EBITDA, compared to the equivalent period in 2010, was due to increased profitability in both the Speciality Alloys and the FerroAlloys segments due to increased sales volumes. Profit for the period includes EUR 5.7 million impairment loss related to discontinued operations.

Earnings per share for the fourth quarter was EUR -0.04 (-0.19).

Full Year (January–December) 2011

Revenue for the full year 2011 increased by 29.0% to EUR 159.1 (123.3) million. The increase in revenue, compared to the equivalent period in 2010, was mainly attributable to the increased production volumes across the production units, particularly the FerroAlloys segment following the acquisition of Chromex Mining in December 2010.

EBITDA for the full year was EUR 1.4 (-8.4) million and profit for the period was EUR 22.7 (-51.1) million. The increase in EBITDA was mainly due to increased volumes in the Speciality Alloys segment with both the mining and processing facilities running almost at full capacity throughout the year. The profit for the period includes EUR 44.5 million net gains on disposals on the wood processing businesses and a EUR 5.7 million impairment loss related to discontinued operations.

The full year earnings per share was EUR 0.10 (-0.22).

BALANCE SHEET, CASH FLOW AND FINANCING

The Group's liquidity, as at 31 December 2011, when taking into account cash and cash equivalents as well as short-term deposits, remained strong at EUR 65.9 (8.6) (30 September 2011: 74.2) million. Operating cash flow in the fourth quarter was EUR 5.0 (1.6) million and in the full year EUR -2.4 (10.6) million. Ruukki’s gearing at the end of the fourth quarter was 8.1% (46.6%) (30 September 2011: 6.4%). Net interest-bearing debt was EUR 19.6 (98.2) (30 September 2011: 15.8) million.

The Group entered into a new USD 55 million loan facility agreement, in December 2011. This facility is available to be drawn until 31 December 2014 and the loan term will be from the first drawn-down date until 31 December 2015. The new agreement replaced the old agreement for the same amount and was due on 31 December 2011.

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 8 million. The loan agreement includes financial covenants some of which were breached during the third quarter of 2011. At the end of this review period none of the covenants were breached and based on 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 during the previous review period.

Total assets on 31 December 2011 were EUR 421.8 (557.0) (30 September 2011: 457.9) million. The equity ratio was 57.0% (44.3%) (30 September 2011: 54.3%).

INVESTMENTS, ACQUISITIONS AND DIVESTMENTS

Capital expenditure for the fourth quarter 2011 totalled EUR 1.2 (3.4) million and in the full year 2011 EUR 4.5 (17.8) million. The expenditure related primarily to exploration drilling at Ruukki’s mines and yearly maintenance of its processing plants.

On 20 January 2011 Ruukki announced that it had signed an agreement to sell its Finnish house building business, Pohjolan Design-Talo Oy, to funds managed by CapMan. The sale was completed in March 2011. The consideration paid in cash was EUR 76.2 million.

On 1 March 2011 Ruukki announced that it has signed an agreement to sell the shares of its Finnish pallet business, Oplax Oy for a total consideration of approximately EUR 8.4 million. The sale was completed in April 2011. The consideration was paid in cash and with a vendor note of EUR 1.5 million.

On 24 May 2011 Ruukki announced that it had signed a definitive agreement to sell its 51 percent holding in Junnikkala Oy to Junnikkala Oy's minority shareholders. The total consideration of EUR 6 million was paid in cash. The transaction was completed in June 2011.

On 5 September 2011 Ruukki transferred a total of 2,976,213 ordinary shares as an earn-out consideration for the speciality alloys business acquired in 2008. The profit share calculation for the earn-out consideration was confirmed for the years 2009 and 2010. Ruukki paid the 2009 earn-out in full and 50 per cent of the 2010 earn-out. The subscription price of EUR 3,809,552.64 was accounted for in whole in the Company's paid-up unrestricted equity reserve.

PERSONNEL

At the end of the fourth quarter 2011, Ruukki’s employees in continuing operations increased to 797 (722). The number of employees increased in both the Speciality Alloys and the FerroAlloys segments. The average number of employees during the fourth quarter of 2011 was 801 (696).

Number of employees by segment:

	31.12.2011	31.12.2010	Change
Speciality Alloys	442	396	11.6%
FerroAlloys	345	316	9.2%
Other operations	10	10	0%
Continuing operations total	**797**	**722**	**10.4%**

SAFETY, HEALTH AND SUSTAINABLE DEVELOPMENT

Work continued to introduce standardised health, safety and environmental policies and procedures across the Group's operations. Alongside this, the Group has started a programme focused on pro-active safety and environmental measurements as part of its aim to achieve "Zero Harm". This will be rolled out across all the operations during 2012 to all its employees, contractors and neighbouring communities.

In February 2012 Mogale Alloys was awarded the ISO 9001 certification. This ISO accreditation will complement EWW, which has already received ISO 9001 and underlines the quality of the Group's ferroalloy products.

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. The environmental studies at its South African processing facilities were completed in the fourth quarter of 2011. The Group has reviewed the findings and is currently preparing a roadmap in order to further improve its actions on environmental issues.

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 Ultralow Carbon Ferrochrome. Excess chrome ore is exported from TMS mainly to China. As at 31 December 2011, the business had 442 (396) employees.

Production:

Tonnes	**Q4/11**	**Q4/10**	**Change**	**FY/11**	**FY/10**	**Change**
Mining*	19,566	16,848	16.1%	82,154	54,917	49.6%
Processing	6,571	4,947	32.8%	25,908	17,994	44.0%

* Including both chromite concentrate and lumpy ore production

Production increased 19.9% to 26,137 (21,795) tonnes for the fourth quarter 2011, compared to the fourth quarter 2010. Both the TMS and EWW operations ran almost at full capacity during the quarter. The annual production increased by 48.2% to 108,062 (72,911) tonnes which was mainly due to increased volumes at the Turkish mining operations.

EUR million	**Q4/11**	**Q4/10**	**Change**	**FY/11**	**FY/10**	**Change**
Revenue	20.5	16.7	22.4%	83.6	69.0	21.2%
EBITDA	3.3	1.4	140.3%	13.8	7.8	77.0%
EBITDA margin	15.9%	8.1%		16.5%	11.3%	
EBIT	-1.1	-3.2		-3.8	-10.0	
EBIT margin	-5.2%	-19.2%		-4.6%	-14.5%	

Fourth Quarter (October–December) 2011
Revenue for the fourth quarter was EUR 20.5 (16.7) million, representing an increase of 22.4% and EBITDA was EUR 3.3 (1.4) million. The increase both in revenue and EBITDA, compared to the equivalent period in 2010, was due to increase in the sales volumes. Chrome prices weakened slightly in the fourth quarter of 2011 compared to the fourth quarter in 2010.

Full Year (January–December) 2011
Revenue for the full year 2011 was EUR 83.6 (69.0) million, representing an increase of 21.2% and EBITDA was EUR 13.8 (7.8) million. The rise in revenue and EBITDA was due to increased production volumes, with both the mining and processing operations was running at nearly full capacity throughout the year, except for the planned yearly maintenance shutdown in July. Prices for the speciality products remained, on average, at the same level as in 2010.

FERROALLOYS BUSINESS

The FerroAlloys business consists of the Stellite mine, the alloy processing plant Mogale and the

Mecklenburg mine development project in South Africa, as well as the Zimbabwean mine development project Waylox. The business produces chrome ore, Plasma Charge Chrome, Silico Manganese and Stainless Steel Alloy (chromium-iron-nickel alloy) and exports chrome ore directly to global markets, particularly to China. As at 31 December 2011, the business had 345 (316) employees.

Production:

Tonnes	**Q4/11**	**Q4/10**	**Change**	**FY/11**	**FY/10**	**Change**
Mining*	45,792	N/A		159,455	N/A	
Processing	14,974	12,088	23.9%	86,445	65,040	32.9%

* Including both chromite concentrate and lumpy ore production

Production increased considerably to 60,766 (12,088) tonnes for the fourth quarter of 2011, mainly due to the acquisition of Chromex Mining and the successful ramp-up of the Stellite mine to an annualised run of mine rate of 360,000 tonnes. This is also reflected in the full year production volumes, which increased by 278.1% to 245,900 (65,040) tonnes.

Processing volumes were flat quarter on quarter due to the lack of demand.

EUR million	**Q4/11**	**Q4/10**	**Change**	**FY/11**	**FY/10**	**Change**
Revenue	16.8	8.1	109.1%	75.4	54.0	39.7%
EBITDA	-1.9	-5.7		-3.9	-1.0	
EBITDA margin	-11.2%	-70.7%		-5.2%	-1.8%	
EBIT	-4.4	-48.3		-14.0	-50.2	
EBIT margin	-26.2%	-600.3%		-18.6%	-93.0%	

Fourth Quarter (October–December) 2011

Revenue for the fourth quarter increased substantially to EUR 16.8 (8.1) million, representing an increase of 109.1%. The rise was driven by an increase in sales in both ferrochrome as well as chrome ore exports from the Stellite mine. EBITDA for the fourth quarter was EUR -1.9 (-5.7) million including a EUR 0.4 (0.0) million non-cash expense for the share based payments and EUR 0.7 (0.9) million of costs related to the feasibility studies for the proposed two new DC furnaces and a power plant. The increase in EBITDA was driven by the increase in sales.

Charge Chrome prices remained weak during the quarter and were almost at same level as the previous quarter, although compared to the equivalent period in 2010, prices have decreased by approximately 15%. Two of the furnaces at Mogale remained on care and maintenance during the quarter, after their shutdown for yearly maintenance in July.

Full Year (January–December) 2011

Revenue for the full year increased to EUR 75.4 (54.0) million, representing a rise of 39.7%. The increase was driven by the rise in sales, following the acquisition of Stellite mine, as well as increased production volumes at Mogale Alloys.

EBITDA for the full year was EUR -3.9 (-1.0) million including a EUR 0.4 (0.0) million non-cash expense for the share based payments and EUR 6.2 (2.4) million of costs related to the feasibility studies for the proposed two new DC furnaces and a power plant. However, despite the increase in sales volumes, it was not sufficient to compensate for the combined effect of the decrease in prices and the increase in electricity prices.

DISCONTINUED OPERATIONS

Ruukki completed the divestments of its wood processing businesses during the first half of 2011. On the Group’s income statement these businesses have been presented as discontinued operations. Profit for the period from discontinued operations was EUR -5.8 (6.6) million. Full year profit from discontinued operations was EUR 41.1 (14.2) million, including EUR 44.5 million net gains on disposals on the wood processing business and a EUR 5.7 million impairment loss related to sawmill equipment which was acquired in 2008 for the Russian sawmill project.

UNALLOCATED ITEMS

For the fourth quarter of 2011, the EBITDA from unallocated items was EUR -2.5 (-2.5) million including a EUR 0.2 (0.3) million non-cash expense for the share-based payments. The full year EBITDA from unallocated items was EUR -8.5 (-15.4) million.

PLEDGES AND CONTINGENT LIABILITIES, CHANGES DURING THE REVIEW PERIOD

On 31 December 2011, the Group's subsidiaries had given business mortgages as collateral for loans and other liabilities totalling EUR 0.0 (31 December 2010: 14.0) million. Of the parent company's EUR 4.2 million business mortgages, EUR 0.0 (1.7) million had been pledged as security with external financial institutions. Equipment and real estate mortgages amounted to EUR 20.6 (21.5) million and the book value of other pledges was EUR 27.7 (11.1) million. Ruukki Group Plc has given guarantees in connection with certain borrowings of Junnikkala Oy, the Group's former subsidiary which was divested in June 2011. These guarantees will continue to be in force until 30 June 2018. As part of the terms of the disposal it was agreed that Junnikkala will pay a fee of two per cent per annum to Ruukki Group Plc in consideration for the continuation of these guarantees. As at 31 December 2011 the indebtedness subject to these guarantees was EUR 1.6 million in aggregate.

CHANGES IN MANAGEMENT

Thomas Hoyer was appointed as Chief Executive Officer on 4 May 2011. He was previously Group CFO and CEO of Ruukki's Wood Processing Business. Dr Danko Koncar, previously Acting Managing Director, was appointed Enterprise Director.

SHAREHOLDERS' MEETINGS

Ruukki Group Plc's Annual General Meeting (AGM) was held on 11 May 2011 and all the resolutions proposed were passed, as announced in the stock exchange release on 11 May 2011. 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 2010.
- that no dividend would be paid for 2010.
- the Company would make a capital repayment from the paid-up unrestricted equity reserve to shareholders in such a way that assets to be distributed totalled EUR 0.04 per share.
- that the Board of Directors would comprise of eight members and Philip Baum, Paul Everard, Markku Kankaala, Danko Koncar, Jelena Manojlovic, Chris Pointon and Barry Rourke were re-elected to the Board.
- the election of the Company's CEO Thomas Hoyer to the Board
- the Board members' remuneration for the year.
- the re-election of Ernst & Young Oy as the Company's Auditor for 2011 and the payment of the Auditor's invoice on approval.
- that the provision concerning the trade name and the registered office of the Company (Article 1) be amended in respect of the registered office. In addition, the AGM resolved that the provision concerning the notice of the Meeting (Article 8) be amended.
- that as a part of the rewarding and incentive plan the Company would give, in deviation from the shareholders´ pre-emptive right of subscription, in total a maximum 6,900,000 option rights.
- authorisation for the Board to issue a maximum of 460,000 new shares or shares from the Company's treasury shares, by a directed free issue to the members of the Board as a part of their remuneration package.
- 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 24,820,700 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.

The Company held an Extraordinary General Meeting (EGM) on 16 June 2011. The EGM approved the disposal of the Group's interest in Junnikkala Oy. The resolutions of the EGM were announced in a stock exchange release on 16 June 2011 and are available on the Company's website: www.ruukkigroup.com.

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 2011, 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 31 December 2011, the Company had 4,414,682 (8,740,895) own shares in treasury, which was equivalent to 1.78% (3.52%) of the issued share capital. The total amount of shares outstanding, excluding the treasury shares held by the Company on 31 December 2011, was 244,017,318 (239,466,105).

During 2011 the Company's share price on NASDAQ OMX Helsinki ranged from EUR 0.81 to 2.03 per share and the market capitalisation, as at 31 December 2011, was EUR 221.1 (1 Jan 2011: 422.0) million. For the same period on the London Stock Exchange the share price range was GBP 0.83 to 1.60 per share and the market capitalisation was GBP 218.6 (1 Jan 2011: 358.7) million, as at 31 December 2011.

Based on the resolution at the AGM on 11 May 2011, the Board is authorised to buy-back up to a maximum of 15,000,000 of its own shares. This authorisation is valid until 11 November 2012. The Company did not carry out any share buy-back during 2011.

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

On 8 December 2011 Ruukki received a notification that Markku Kankaala, non-executive Director, has sold 13,500 ordinary shares in the Company at an average price of EUR 0.9248 per share between 2 December 2011 and 7 December 2011. The trade was made on the NASDAQ OMX Helsinki Exchange.

On 13 December 2011 Ruukki received a notification that Markku Kankaala, non-executive Director, has sold 400,000 ordinary shares in the Company at an average price of EUR 0.90 per share on 8 December 2011. The trade was made on the NASDAQ OMX Helsinki Exchange.

On 27 December 2011 Ruukki received a notification that Markku Kankaala, non-executive Director, has sold 984 ordinary shares in the Company at an average price of EUR 0.9163 per share between 21 December 2011 and 22 December 2011. The trade was made on the NASDAQ OMX Helsinki Exchange.

Accordingly Markku Kankaala holds as at 31 December 2011 voting rights attached to 7,066,116 shares, representing 2.90% of the issued share capital of the Company excluding treasury shares.

DIRECTED FREE ISSUE OF SHARES

As announced on 30 December 2011, 400,000 treasury shares were awarded to Dr Alistair Ruiters, Executive Chairman of Ruukki South Africa. The shares are issued under the authorisation given at the Company's AGM 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 are offered free of charge and in derogation of the pre-emptive subscription right of shareholders. The shares are issued in accordance with a lock-up agreement that includes transfer restrictions until 31 December 2012. After the lock-up period the shares shall be freely tradable.

SHARE SUBSCRIPTIONS UNDER OPTIONS

A total of 225,000 ordinary shares were subscribed to based on B series stock options under the Option Program I/2005. According to the terms of the Option Programme, the subscription period ended on 30

June 2011 and the subscription price was EUR 0.38 per share. The subscription price was entered in whole in the Company's paid-up unrestricted equity reserve.

A total of 2,976,213 ordinary shares of no par value were subscribed to on 5 September 2011 based on option rights held by Factorwood Ltd. According to the terms of the option rights, the subscription price was EUR 2.18 per share. The subscription was made using the Company's treasury shares and the subscription price of EUR 3,809,552.64 was accounted for in whole in the Company's paid-up unrestricted equity reserve.

SHAREHOLDER NOTIFICATIONS

Ruukki received the following shareholder notifications during or after the review period 1 January–31 December 2011, which can also be found on the Company website: www.ruukkigroup.com.

On 30 March 2011, Hanwa Co. Ltd announced that it had signed a share transfer agreement with Finaline Business Limited concerning a sale and transfer of 27,000,000 shares in the Company. After completion the transaction will result in Hanwa falling below the 5 per cent threshold and will become a 1.21 per cent holder of the shares and voting rights in Ruukki.

On 31 March 2011, Finaline Business Limited announced that it had signed a share transfer agreement with Hanwa Co. Ltd concerning a sale and transfer of 27,000,000 shares in Ruukki. After completion the transaction will result in Finaline increasing above the 5 per cent threshold and becoming a 10.87 per cent holder of the shares and voting rights in Ruukki.

On 23 December 2011, Hanwa Co. Ltd announced that it had completed a share transfer agreement with Finaline Business Limited concerning a sale and transfer of 27,000,000 shares in Ruukki. As a result of the transaction, Hanwa fell below the 5 per cent threshold and became a 1.21 per cent holder of the shares and voting rights in Ruukki.

On 27 December 2011, Finaline Business Limited announced that it had completed a share transfer agreement with Hanwa Co. Ltd concerning a sale and transfer of 27,000,000 shares in Ruukki. The transaction resulted in Finaline Business Limited increasing above 10 per cent and becoming a 10.87 per cent holder of the shares and voting rights in Ruukki.

On 8 February 2012, Hino Resources Co. Ltd announced that its ownership has exceeded the 5 per cent threshold and it had become a 5.08 per cent holder of the shares and voting rights in Ruukki on 29 April 2011.

MOST SIGNIFICANT 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 2010 Annual Report and will be published in the 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.

The Group is considering a number of options to grow the Company’s resources, mining and processing operations, including organic growth as well as mergers and acquisitions. These growth options could expose the Group to funding, implementation and integration related risks.

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. 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 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.

EVENTS AFTER THE FINANCIAL YEAR 2011

On 19 January 2012 Ruukki announced that Theuns de Bruyn, Chief Operating Officer, had resigned to pursue other business opportunities.

DIVIDEND PROPOSAL

The Board of Directors proposes to the Annual General Meeting which will be held on 10 May 2012 that no dividend would be distributed.

Helsinki, 23 February 2012

RUUKKI GROUP PLC

BOARD OF DIRECTORS

FINANCIAL REPORTING IN 2012

	Closed period	Date
Annual Report 2011		Week 13
Annual General Meeting		10 May 2012
Q1 Interim Report 2012	10.4.-10.5.2012	10 May 2012
Q2 Interim Report 2012	17.7.-16.8.2012	16 August 2012
Q3 Interim Report 2012	8.10.-7.11.2012	7 November 2012

FINANCIAL TABLES

FINANCIAL DEVELOPMENT AND ASSETS AND LIABILITIES BY SEGMENT

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

FY 2010 12 months EUR '000	Speciality Alloys	Ferro Alloys	Unallocated items	Eliminations	Continuing operations total
Revenue	69,017	54,006	967	-643	123,347

EBITDA	7,803	-972	-15,369	99	-8,439
EBIT	-10,009	-50,216	-15,433	99	-75,559
Segment's assets	182,347	248,011	15,919	-10,616	435,661
Segment's liabilities	77,265	136,702	51,918	-6,840	259,045

CONSOLIDATED INCOME STATEMENT, SUMMARY

EUR '000	**Q4/11**	**Q4/10**	**FY/11**	**FY/10**
Continuing operations				
Revenue	**37,319**	**24,780**	**159,087**	**123,347**
Other operating income	271	532	1,173	1,248
Operating expenses	-38,667	-32,450	-159,128	-133,424
Depreciation and amortisation	-6,871	-7,122	-27,853	-27,023
Impairment	-15	-40,097	-15	-40,097
Items related to associates (core)	5	173	272	390
Operating profit	**-7,958**	**-54,183**	**-26,464**	**-75,559**
Financial income and expense	724	-128	830	-595
Items related to associates (non-core)	0	4	196	-99
Profit before tax	**-7,234**	**-54,307**	**-25,439**	**-76,253**
Income tax	2,356	3,268	7,081	10,942
Profit for the period from continuing operations	**-4,878**	**-51,040**	**-18,358**	**-65,311**
Discontinued operations				
Profit for the period from discontinued operations	-5,830	6,583	41,086	14,186
Profit for the period	**-10,708**	**-44,456**	**22,729**	**-51,125**
Profit attributable to:				
Owners of the parent	-10,077	-44,486	23,664	-52,611
Non-controlling interests	-632	30	-935	1,486
Total	-10,708	-44,456	22,729	-51,125
Earnings per share (counted from profit attributable to owners of the parent):				
basic (EUR), Group total	-0.04	-0.19	0.10	-0.22
diluted (EUR), Group total	-0.04	-0.19	0.09	-0.22
basic (EUR), continuing operations	-0.02	-0.21	-0.07	-0.27
diluted (EUR), continuing operations	-0.02	-0.21	-0.07	-0.27

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR '000	**Q4/11**	**Q4/10**	**FY/11**	**FY/10**

Profit for the period	**-10,708**	**-44,456**	**22,729**	**-51,125**
Other comprehensive income				
Exchange differences on translating foreign operations	1,709	6,586	-13,785	19,412
Income tax relating to other comprehensive income	87	-4,364	6,640	-9,815
Other comprehensive income, net of tax	**1,796**	**2,222**	**-7,145**	**9,597**
Total comprehensive income for the period	**-8,912**	**-42,234**	**15,583**	**-41,528**
Total comprehensive income attributable to:				
Owners of the parent	-8,749	-43,009	18,738	-44,854
Non-controlling interests	-163	775	-3,154	3,327

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, SUMMARY

EUR '000	**31.12.2011**	**31.12.2010**
ASSETS		
Non-current assets		
Investments and intangible assets		
Goodwill	96,269	129,120
Investments in associates	77	284
Other intangible assets	65,215	94,154
Investments and intangible assets total	161,561	223,559
Property, plant and equipment	71,902	87,468
Other non-current assets	47,840	44,022
Non-current assets total	**281,303**	**355,050**
Current assets		
Inventories	44,011	45,160
Receivables	30,616	26,853
Cash and cash equivalents	65,878	8,598
Current assets total	**140,504**	**80,611**
Assets held for sale	0	110,809
Cash and cash equivalents held for sale	0	10,561
Assets held for sale total	**0**	**121,369**
Total assets	**421,807**	**557,030**
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	23,642	23,642
Share premium reserve	25,740	25,740
Revaluation reserve	0	2,193
Paid-up unrestricted equity reserve	245,128	250,849
Translation reserves	8,995	13,921
Retained earnings	-77,695	-104,772
Equity attributable to owners of the parent	**225,811**	**211,574**

Non-controlling interests	**14,348**	**24,781**
Total equity	**240,158**	**236,355**
Liabilities		
Non-current liabilities	150,326	216,556
Current liabilities		
Advances received	550	0
Other current liabilities	30,773	42,489
Current liabilities total	31,323	42,489
Liabilities classified as held for sale	**0**	**61,630**
Total liabilities	**181,649**	**320,675**
Total equity and liabilities	**421,807**	**557,030**

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

EUR '000	**31.12.2011**	**31.12.2010**
Liquid funds	**65,878**	**8,598**
Interest-bearing receivables		
Current	1,124	2,200
Non-current	33,896	28,865
Interest-bearing receivables	**35,021**	**31,065**
Interest-bearing liabilities		
Current	1,109	4,577
Non-current	84,334	102,244
Interest-bearing liabilities	**85,443**	**106,821**
NET TOTAL	**15,455**	**-67,157**

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 1.1.2011	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
Acquisition cost 1.1.2010	127,541	337,547
Additions	51,968	8,231*
Disposals	-4,044	0
Transfer to assets held for sale	-49,614	-26,519

Reclass between items	298	-240
Effect of movements in exchange rates	6,566	35,201
Acquisition cost 31.12.2010	132,715	354,221

* Including changes in earn-out liabilities

CONSOLIDATED STATEMENT OF CASH FLOWS, SUMMARY

EUR '000	**FY/11**	**FY/10**
Profit for the period	22,729	-51,125
Adjustments to profit for the period	-21,584	57,700
Changes in working capital	-11,799	4,604
Discontinued operations	8,241	-616
Net cash from operating activities	**-2,412**	**10,563**
Acquisition of subsidiaries and associates, net of cash acquired	-500	-21,855
Acquisition of joint ventures, net of cash acquired	-1,598	-20,372
Payments of earn-out liabilities	0	-65
Disposal of subsidiaries and associates, net of cash sold	83,276	1,640
Capital expenditure and other investing activities	-4,147	-14,229
Proceeds from repayments of loans and loans given	-7,122	-11,222
Discontinued operations	-77	10,885
Net cash from investing activities	**69,832**	**-55,218**
Acquisition of own shares	0	-10
Capital redemption	-9,617	-9,570
Dividends paid to non-controlling interests	-84	-129
Deposits and interest received on investments	0	2,509
Proceeds from borrowings	10,004	23,312
Repayment of borrowings, and other financing activities	-20,148	-2,037
Discontinued operations	-339	-6,585
Net cash used in financing activities	**-20,184**	**7,491**
Net increase in cash and cash equivalents	**47,236**	**-37,165**

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 1.1.2010	**23 642**	**25 740**	**2 193**	**260 357**	**6 165**	**-49 953**	**268 144**	**17 878**	**286 022**
Dividend distribution							0	-357	-357
Total comprehensive income					7 756	-52 611	-44 854	3 327	-41 528
Share-based payments						1 688	1 688		1 688
Share subscriptions based on option rights				72			72		72
Acquisition of own shares				-10			-10		-10
Capital redemption				-9 570			-9 570		-9 570
Acquisitions and disposals of subsidiaries						-3 916	-3 916	3 933	17
Other changes						20	20		20
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								-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			2 193		-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**

RELATED PARTY TRANSACTIONS DURING THE REVIEW PERIOD

During the financial year 2011 the Group has sold goods and rendered services to related parties and joint ventures worth EUR 5.2 (5.5) million. The Group had also made raw material purchases from a joint venture amounting to EUR 0.8 (0.0) million and accrued interest on loans from a related party amounting to EUR 0.5 (0.0) million. Other financing expenses to a related party totalled EUR 0.3 (0.1) million and interest income from a joint venture company totalled EUR 0.7 (0.0) million during the financial year 2011.

On 31 December the Group had loan and other receivables from joint venture companies totalling EUR 20.0 (11.6) million and loan receivables from a related party amounting to EUR 10.0 (10.0) million. The Group's loans from a related party amounted to EUR 0.0 (12.6) million and the Group's joint venture's loans from a related party to EUR 11.5 (11.1) million. The Group also had an acquisition related earn-out liability to a related party amounting to EUR 9.7 (35.0) million.

The Group has entered into a USD 55 million standby loan facility agreement with its major shareholder Kermas Ltd. This loan facility is available until 31 December 2014 and the loan term will be from the first draw-down until 31 December 2015. At the end of the financial year 2011, the Group has not drawn down any of the loan.

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

	FY/11	**FY/10**
TRY	2.3378	1.9965
USD	1.392	1.3257
ZAR	10.097	9.6984

Balance sheet rates

	31.12.2011	31.12.2010
TRY	2.4432	2.0694
USD	1.2939	1.3362
ZAR	10.483	8.8625

FORMULAS FOR FINANCIAL INDICATORS

Financial ratios and indicators have been calculated with the same principles as applied in the 2010 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 2010 financial statements with the exception that from the beginning of 2011 the Company has applied a new reporting business segment structure. The new reporting business segments are the FerroAlloys and the Speciality Alloys segments. In 2010 the Company had two reporting segments: Wood Processing Business and Minerals Business. The Company has published the comparative financial information for the new segments on 28 April 2011.

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

		Q4/11	Q4/10	FY/11	FY/10

Share price development in London Stock Exchange*					
Average share price**	EUR	1.10	1.59	1.50	1.64
	GBP	0.94	1.37	1.30	1.39
Lowest share price**	EUR	0.97	1.58	0.96	1.60
	GBP	0.83	1.36	0.83	1.36
Highest share price**	EUR	1.55	1.90	1.84	2.10
	GBP	1.33	1.63	1.60	1.78
Share price at the end of the period***	EUR	1.05	1.68	1.05	1.68
	GBP	0.88	1.45	0.88	1.45
Market capitalisation at the end of the period***	EUR million	261.7	416.7	261.7	416.7
	GBP million	218.6	358.7	218.6	358.7
Share trading development					
Share turnover	thousand shares	58	639	151	712
Share turnover	EUR thousand	64	1,032	227	1,168
Share turnover	GBP thousand	55	875	197	990
Share turnover	%	0.0%	0.3%	0.1%	0.3%
Share price development in NASDAQ OMX Helsinki					
Average share price	EUR	0.94	1.72	1.33	1.59
Lowest share price	EUR	0.83	1.57	0.81	1.00
Highest share price	EUR	1.02	1.89	2.03	2.30
Share price at the end of the period	EUR	0.89	1.70	0.89	1.70
Market capitalisation at the end of the period	EUR million	221.1	422.0	221.1	422.0
Share trading development					
Share turnover	thousand shares	2,598	2,136	11,344	21,042
Share turnover	EUR thousand	2,454	3,681	15,138	33,414
Share turnover	%	1.0%	0.9%	4.6%	8.5%

* Ruukki's shares have been listed on the London Stock Exchange as of 26 July 2010. Therefore, share information on the LSE is available only from that day onwards.

** 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.