

OPTION SCHEME

2008

RUUKKI GROUP PLC

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Ruukki Group Plc's (hereinafter the "Company") Extraordinary General Meeting held on [●] [October] 2008 decided on the issue of the option rights (the "Option Rights") to the company Kermas Limited (registration number 504889) under the following terms and conditions:

I TERMS AND CONDITIONS OF OPTION RIGHTS

1. Number of Option Rights

A total of 73,170,731 Option Rights will be issued and they will entitle the recipients to subscribe for a maximum total of 73,170,731 shares in the Company.

2. Option Rights

The Option Rights will be issued without delay after the Option Scheme has been approved.

3. Directing Option Rights

The Option Rights will be issued without consideration to the company Kermas Limited.

The Company has weighty financial reasons to issue Option Rights, because the Option Rights are intended to form a part of the transaction agreed with Kermas Limited. The Option Rights are based on the Master Purchase Agreement undersigned 9. October 2008 between the parties and on the Profit Share defined in that Agreement.

4. Issuing of Option Rights

The Board will send the recipient of Option Rights a written notification of Option Rights being issued. The Option Rights will be issued when the recipient of Option Rights has declared in writing that it will accept the Option Rights.

5. Transfer of and Option Rights

Option Rights are not transferable.

6. Expiration of Option Rights

Unused Option Rights shall become null and void on December 31, 2014 without any further compensation.

II TERMS AND CONDITIONS OF SHARE SUBSCRIPTION

1. Right to Subscribe for or Purchase New Shares

Each Option Right is entitling to one (1) share in the Company.

The Option Rights holders will primarily be entitled to new shares in the Company. If the Company has treasury shares at the time of subscription, the Board of Directors can decide that the Option Right holders will be entitled, either entirely or in part, to treasury shares.

The number of shares in the Company can be increased by at maximum of 73,170,731 new shares as a result of share subscriptions.

2. Subscribing for and Payment of Shares

The precondition for Share subscription is that Kermas Limited is entitled to the Profit Share in accordance with the Master Purchase Agreement. The Profit Share will be defined annually as determined in the Master Purchase Agreement.

The Company's Board decides on the number of the shares to be subscribed for annually after the Profit Share has been deemed to be approved as set forth in the Master Agreement. The Board will send the recipient of Option Rights a written notification of the subscription.

The subscription period for the shares occurs annually within 30 Business Days after the approval of the Profit Share and it ends on December 31, 2014 ("Subscription Period").

If the Option Rights holder does not exercise its subscription right during the Subscription Period, the Option Rights will expire and the share subscription right will no longer exist.

The shares will be subscribed for at the Company's head office or possibly at another location to be announced later. If the Option Rights have been entered into the book-entry system, Option Rights used for share subscription will be removed from the subscriber's book-entry account.

The subscription price will be paid by off-setting it with an approved Profit Share receivable Kermas Limited has from the Company.

The Board will decide on all measures related to the share subscription.

3. Share Subscription Price

The share subscription price per a share is EUR 2.30. The subscription price of a share is defined by using as reference the share issue of summer 2007 that was executed as an auction and in which EUR 2,30 was set as the price of the share of the Company.

The subscription price for shares to be subscribed for based on the Option Rights may be amended in the special circumstances mentioned under section III.

The subscription price for shares will be credited to the paid-up unrestricted equity reserve.

4. Registration of Shares

The subscribed and fully paid shares will be registered in the subscriber's book-entry account.

5. Shareholder Rights

Shares will entitle their holder to dividends and carry other shareholder rights as of their registration in the case of new shares, and as of the transfer of title in the case of treasury shares.

III RIGHTS IN CERTAIN SPECIAL CASES

1. Dividends and Distribution of Assets

If the Company distributes dividends or funds from its unrestricted equity before share subscription, the Subscription Price shall be lowered by the share-specific amount of the dividends paid or the unrestricted equity distributed on the Record Date of each distribution of dividends or refund of capital. However, the maximum amount of cumulative share-specific dividend adjustment shall be twenty-five cents (EUR 0.25).

In the event that the Company decreases its share capital by distributing share capital to shareholders, the subscription price of shares subscribed for based on Option Rights will be decreased by the share capital to be distributed, which will be decided after the beginning of the determination period of the subscription price and before the share subscription on the date of record of the refund of share capital.

The position of Option Right holders will not be affected by the acquisition or redemption of treasury shares or the acquisition of option rights or other special rights entitling to shares by the Company. However, in the event that the Company decides to acquire or redeem treasury shares from all its shareholders, an equal offer shall be made to the Option Right holders.

2. Share Issues, Special Rights and Events Entitling to Subscribe for Shares Prior to Share Subscription

In the event that the Company decides to issue shares, new option rights, or other special rights entitling to shares prior to the share subscription, Option Right holders will have the same or equal rights as the shareholder. Equal treatment will be ensured in a manner decided by the Board through amendment to the amounts or prices of the shares available for subscription, or both.

In the event that the Company decides to merge with another company as a merging company or with a company formed in a combination merger or decides to demerge, Option Right holders will be given the right to subscribe for shares during a period set by the Board prior to the merger or demerger. After this period, the share subscription right will no longer exist. In the situations referred to above, Option Right holders will not have the right to demand that the Company redeem their Option Rights at a fair price.

In the event that the Company is placed into liquidation or deregistered prior to the share subscription, Option Right holders will be provided an opportunity to exercise their share subscription right during a period determined by the Board prior to the beginning of liquidation or deregistration. If the Option Rights holder does not exercise its right during the specified period, the share subscription right will no longer exist.

3. Redemption Events

In the event that, prior to the end of the subscription period, any of the Company's shareholders becomes entitled or liable to redeem all the shares in the Company in accordance with Chapter 18, section 1 of the Companies Act based on such shareholder holding over 90 percent of the shares and votes in the Company, Option Right holders will be given an opportunity to exercise their subscription right during a period set by the Board or will be given an opportunity equal to the shareholders to sell the Option Rights to the redeemer. A shareholder whose proportion of the shares and votes carried by such shares in the Company exceeds 90 percent will have the right to purchase the Option Rights of the holder at a fair price.

4. Other Events

If the Company is delisted from the NASDAQ OMX Helsinki Plc or on any other marketplace, the Option Rights holder will be given the opportunity to exercise their subscription rights before the delisting during a period determined by the Board.

IV OTHER TERMS

These terms and conditions are governed by the laws of Finland. Any disputes arising out of or in relation to the Option Rights shall be settled in arbitration under the Rules of Arbitration of the Arbitration Institute of the Central Chamber of Commerce of Finland. The arbitration tribunal shall consist of three arbitrators and the arbitration shall be held in Helsinki, Finland. The arbitral proceedings shall be conducted in the English language, but the evidence can also be submitted in Finnish.

The Board may decide at a later date on the transfer of the Option Rights to the book-entry system and on technical amendments to be made to these terms and conditions due to such transfer, as well as on any other amendments and specifications to be made to these terms and conditions, provided that they are not material.

The Company may, without hearing the recipient of the Option Rights, take any measures it deems necessary in order to meet its statutory obligations related to the option rights and to contribute to the administration of the Option Scheme.

Should an Option Right holder breach these terms and conditions or the stipulations issued by the Company hereunder or any applicable laws or official regulations, the Company will have the right to redeem without consideration any Option Rights of the Option Right holder that have not been transferred or exercised for share subscription.

All notices between the Company and the Option Right holders related to these Option Right terms and conditions may be delivered either by mail or e-mail.

These terms and conditions of the Option Rights have been drafted in the Finnish and English languages. In the event of any discrepancies between the Finnish and English versions of the terms and conditions, the Finnish version shall prevail.

Other issues related to the Option Rights will be resolved by the Board.