INTERIM REPORT
JANUARY–JUNE 2005

27 July 2005

PROFIT BEFORE TAXES OF EUR 376 MILLION; EXCELLENT PROFITABILITY CONTINUED

- Net sales: EUR 1,953 million (1,705 million in January-June 2004).
- Operating profit: EUR 381 million (199 million).
- Share of associated companies' profit: EUR 13 million (1).
- Profit before taxes: EUR 376 million (173).
- Earnings per share (diluted): EUR 2.02 (1.04).
- Gearing ratio: 50.5 per cent (91.0).

Key figures	2005*	2004	2005*	2004	2004
	4-6**	4-6	1-6**	1-6	1-12
Net sales, EUR millions	939	911	1953	1705	3564
Operating profit, EUR millions	180	123	381	199	493
Operating profit margin, %	19.2	13.5	19.5	11.7	13.8
Profit before taxes, EUR millions	182	108	376	173	443
Earnings/share, diluted, EUR	0.97	0.69	2.02	1.04	2.40***

*Ovako has been included as an associated company in Rautaruukki's consolidated financial statements as from 1 May 2005.
**Metalplast has been included in Rautaruukki's consolidated financial statements as from 1 June.
***The reduction in the deferred tax liability resulting from the change in Finnish tax legislation increased EPS by EUR 0.13.

Second-quarter highlights

- The market situation in the key customer sectors remained good.
- Selling prices were mainly at the previous quarter's level.
- The Ovako arrangement decreased reported net sales compared with the first quarter. Excluding the Ovako units, net sales grew somewhat.
- Excellent profitability continued.
- Production was adjusted in line with profitable demand.
- The effect of the US dollar on operating profit was a gain of EUR 12 million (compared with 4-6/2004).
- Oy Ovako Ab, the new company jointly owned by Rautaruukki, SKF and Wärtsilä, began operations on 10 May 2005.
- Rautaruukki's stake in Metalplast increased to 99.8 per cent.

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President and CEO Sakari Tamminen:

“The market situation has remained strong in Ruukki’s key customer sectors. Construction activity in our main market areas is good, and especially on the central eastern and eastern European markets the growth of demand is strong. The order books of the engineering industry customers continue to be strong. The good market situation has reflected in Ruukki’s cabin business in particular, which has headed for strong growth. The price level of steel products has been strong in our main market areas and prices are at a significantly higher level compared with the same period of last year. Due to destocking among wholesalers the steel product prices are expected to decrease somewhat in the third quarter.

Work on refining our business model is moving ahead and we are continually developing new components and solutions together with a number of customers. We are also continuing work to step up the efficiency of the company’s business processes, and the focus of operations is now squarely on the company’s main market areas in the Nordic countries, the Baltic area and central eastern Europe. During the second quarter we saw two major M&A arrangements to completion: Oy Ovako Ab began operations on 10 May, and Metalplast was consolidated in the Group’s financial statements as from 1 June.

The Group’s full-year earnings outlook is good. In 2005 comparable net sales are expected to increase on the previous year and comparable operating profit is estimated to improve clearly on last year’s figure. The primary factors of uncertainty for the earnings trend relate to the normalisation of wholesale inventories in Europe as well as the trend in demand in the Asian market and its impact on the market prices of basic steel products.”

FOR ADDITIONAL INFORMATION, CONTACT

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Press conference

Rautaruukki will arrange a press conference regarding the Interim Report on 27 July 2005 at 10.30 a.m. at Radisson SAS Royal Hotel, Finland Room, address: Runeberginkatu 2, 00100 Helsinki.

Webcast and conference call

The webcast and conference call for investors and analysts can be viewed live on the company's website at www.ruukki.com/investors today 27 July 2005, at 3.00 p.m. Those desiring to participate in the conference call can phone +44 20 7162 0093, password: Rautaruukki, about 5-10 minutes before the conference starts.

The Interim Report for January-June 2005 is available on the company's website, www.ruukki.com/investors

Rautaruukki Corporation

Taina Kyllönen
VP, Corporate Communications

Transition to international financial reporting standards (IFRS)
Rautaruukki adopted International Financial Reporting Standards (IFRS) from the beginning of 2005. Additional information and a more detailed discussion of the effects of the transition on the balance sheet and profit and loss account were given in the company's stock exchange release of 26 April 2005 and they can be read on Rautaruukki's website at www.ruukki.com/investors. This Interim Report has been prepared in accordance with the recognition and measurement rules under International Financial Reporting Standards (IFRS).

Net sales and result for January-June 2005 (comparative figures for 2004)
Oy Ovako Ab, the new company jointly owned by Rautaruukki Corporation, AB SKF and Wärtsilä Oyj Abp, began operations on 10 May 2005. Rautaruukki has a 47per cent stake in Ovako. Ovako has been included as an associated company in Rautaruukki's consolidated financial statements as from 1 May 2005. The units that transferred to Ovako are included in the reported figures up to 30 April 2005.

The company's stake in Metalplast-Oborniki Holding Sp. z o.o increased to 99.8 per cent in the report period. The company has been included in Rautaruukki's consolidated financial statements as from 1 June.

Consolidated net sales in January-June 2005 were EUR 1,953 million, up 15 per cent on the net sales reported for January-June 2004 (1,705). Net sales were boosted by a markedly higher price level. Delivery volumes declined by about 17 per cent compared with the same period a year earlier. The fall in delivery volumes was attributable to the non-inclusion of the units that transferred to Ovako in financial reporting as from 1 May 2005 as well as to the company's internal measures to improve the sales structure and the destocking among wholesalers that began towards the end of the first quarter. Of net sales, 28 per cent came from Finland (25) and 31 per cent from the other Nordic countries (28). Central eastern Europe accounted for 9 per cent of net sales (10), the rest of Europe for 29 per cent (34) and other countries for 3 per cent (3).

Operating profit was EUR 381 million (199), or 19.5 (11.7) per cent of net sales. Operating profit was lifted by the rise in product prices coupled with an improvement in the sales structure and cost-effectiveness. Agreements on raw materials used in steel manufacture were made in the first part of the year at substantially higher prices than a year ago. The new prices began to affect earnings in the second quarter. The change in the exchange rate of the US dollar added EUR 17 million to operating profit compared with the same period a year earlier.

Net financial expenses amounted to EUR 19 million (27). Net interest expenses totalled EUR 18 million (23) and the net effect of foreign exchange gains and losses was EUR 0 million (-1).

The share of associated companies' profit was EUR 13 million (1).

The profit before taxes was EUR 376 million (173).

The Group's taxes amounted to EUR -98 million (-31), including an increase of EUR 8 million in deferred taxes (13).

Net profit for the financial period was EUR 278 million (142).

Earnings per share were EUR 2.02 (1.04).

The return on capital employed over the past twelve months was 35.2 per cent (13.7) and the return on equity was 41.3 per cent (19.2).

Balance sheet
Total assets in the consolidated balance sheet grew by EUR 211 million from the end of June of last year and by EUR 71 million from the turn of the financial year to stand at EUR 2,783 million.

Cash flow and financing
Cash flow from operations was EUR 258 million (172) and cash flow before financing was EUR 196 million (147).

Interest-bearing net debt at the end of June totalled EUR 661 million (855). At the end of 2004, interest-bearing net debt stood at EUR 761 million. Working capital grew by EUR 142 million in January-June (66) owing to the increase in trade debtors and stocks.

The equity ratio was 47.3 per cent (36.7) and the gearing ratio 50.5 per cent (91.0). At the end of June the Group’s liquid assets amounted to EUR 63 million and it had a total of EUR 300 million of committed unused revolving credit facilities with banks. Shareholders’ equity stood at EUR 1,311 million at the end of June (941), or EUR 9.65 per share (6.93).

Personnel
The average number of personnel employed by the Group in the January-June period was 11,924 people (12,280). At the end of June the entire payroll was 11,982 employees (13,062). The change in the number of employees was a decrease of 1,080 people. The acquisition of Velsa Oy increased the Group’s payroll by 396 employees and the acquisition of Metalplast by 726 employees. The number of Group staff who transferred to the employ of Ovako was 1,900.

Structural changes in the Group
On 22 April 2005, Rautaruukki Corporation, AB SKF and Wärtsilä Corporation signed a binding agreement to combine their long steel products businesses into a jointly owned new company. The European Commission gave its approval for the arrangement at the beginning of May and the new company, Oy Ovako Ab, began operations on 10 May. Ovako’s owners exchanged their shareholdings in the transferring companies for Ovako shares. The units that were transferred from Rautaruukki to Ovako were the long steel products companies Fundia Special Bar, Fundia Wire and Fundia Bar & Wire Processing with their subsidiaries.

Ovako has been included as an associated company in Rautaruukki’s consolidated financial statements as from 1 May 2005. Rautaruukki has a 47 per cent stake in Ovako. The capital invested by Rautaruukki in Ovako at 1 May 2005 amounted to about EUR 278 million. Of this amount, EUR 160 million consists of shareholders’ equity, EUR 38 million is a debenture loan and EUR 80 million comprises other loan receivables. At the end of June, other loan receivables amounted to EUR 50 million, which according to plans are expected to be returned to Rautaruukki after Ovako has replaced them with external bank financing. Additional information on the effects of the arrangement (pro forma) on Rautaruukki’s balance sheet and profit and loss account were given in the company’s stock exchange release of 6 June 2005, which can be accessed on Rautaruukki’s website at www.ruukki.com/investors.

Rautaruukki Oyj announced in January that it was exercising its pre-emptive right under the Articles of Association to acquire the 50 per cent holding of an international private equity group in Metalplast-Oborniki Holding Sp. z o.o. The competition authorities gave their approval for the arrangement in May. Rautaruukki’s stake in Metalplast rose from 16.6 per cent to 68.7 per cent following a purchase of shares from a private equity group and individual shareholders on 31 May 2005. In addition, on 23 June 2005 Rautaruukki purchased the Polish State’s 31 per cent holding in Metalplast, raising Rautaruukki’s stake to 99.8 per cent. The remaining 0.2 per cent of the shares are held by individual shareholders.

Capital expenditure

Total capital expenditure in January-June amounted to EUR 67 million (51), of which EUR 19 million went for acquisitions. Disposals of property, plant and equipment during the report period totalled EUR 7 million (8). Full-year net capital expenditures in 2005 excluding acquisitions are expected to come to less than EUR 100 million.

During the report period a decision was taken on modernising the direct quench equipment at the Raahe works. The investment is expected to be completed in 2007 at an estimated cost of about EUR 24 million. The investment will raise the proportion of high-strength steels within Rautaruukki's steel products palette and support Ruukki Engineering's business in the fast-growing lifting, handling and transport equipment sector.

Shares and share capital

The trading volume of the Rautaruukki Oyj share on the Helsinki Stock Exchange in January-June was EUR 949 million (397). The share registered a high of EUR 12.47 in June and a low of EUR 8.02 in January. The average share price was EUR 10.29. The price of the share at the end of the report period on 30 June 2005 was EUR 12.35 and the company had a market capitalisation of EUR 1,715 million.

The company's registered share capital at 30 June 2005 stood at EUR 236.1 million. The number of Series K shares issued was 138,886,445. The company held 3,072,960 of its own shares (treasury shares). The treasury shares had a market value at 30 June 2005 of EUR 38 million.

Rautaruukki Corporation's Annual General Meeting held on 23 March 2005 authorised the Board of Directors to decide on buying back a maximum of 3,800,000 of the company's own Series K shares (2.74 per cent of the shares outstanding). The Annual General Meeting furthermore authorised the Board of Directors to decide on transferring a maximum of 6,872,960 Series K treasury shares. The Board of Directors has not exercised these authorisations to date.

In addition to the above, the Board of Directors does not have a valid authorisation to issue convertible bonds and/or bonds with warrants or to increase the company's share capital.

Environmental issues

The EU's internal emissions trading started on 1 January 2005. Of Rautaruukki's plants, Raahe and Hämeenlinna in Finland fall within the scope of the EU's emissions trading. Smedjebacken in Sweden, Alblasserdam in the Netherlands and Koverhar in Finland became a part of Oy Ovako Ab, which began operations on 10 May. A similar system has been developed in Norway, and it will be linked to the EU's emissions trading. The Norwegian system will apply to the Mo i Rana Works.

In the initial allocation of emissions allowances, Rautaruukki received a total of about 18.6 million tonnes of carbon dioxide allowances, of which about 6.2 million tonnes were for 2005. Of these, the portion for the units that transferred to Ovako amounted to a total of 3.2 million tonnes, and the portion of emissions allowances allocated for 2005 about 1.08 million tonnes. As part of its efforts to control the carbon dioxide emissions balance, Rautaruukki Corporation is participating in the World Bank's "Community Development Carbon Fund" by taking a four million dollar stake in the fund. The CDCF fund produces certified emission reductions according to the Kyoto Protocol that can be converted into emissions allowances under the EU emissions trading system.

Recording of emissions allowances in the profit and loss account and balance sheet (IFRS)

At its meeting held on 22-23 June, IASB (International Accounting Standards Board) decided to withdraw the interpretation set out in IFRIC 3 (Emission rights) concerning the treatment in financial statements of emissions allowances. As a consequence of this, Rautaruukki has changed its accounting policy for emissions allowances and reversed the EUR 8 million charge for emissions allowances made in the first quarter in reporting operating profit for January-March. In order to cover the obligations related to emissions allowances, Rautaruukki has booked a provision that is measured at the probable market price. The difference between actual emissions and the emissions allowances received is recognised in operating profit. The EUR 86 million increase in total assets in the consolidated balance sheet at 31 March 2005 resulting from the recording of emissions rights received free of charge in the initial allocation under the EU emissions trading scheme has been reversed.

January-March figures in accordance with the changed accounting policy:

EUR millions	Previously reported	Changed
Operating profit	192	201
Net profit	139	145
Non-current assets	1,484	1,398
Shareholders' equity	1,206	1,165
Current liabilities	834	789

Near term outlook

The demand is expected to remain good in the latter part of the year in the company's most important customer industries. Construction activity in the Nordic countries, the Baltic area and central eastern Europe is good, and customers in the engineering industry have strong order books. Destocking among wholesalers has lowered deliveries by the steel industry, which has increased uncertainty regarding the trend in the steel product markets in Europe. The stock situation is expected to normalise during the autumn. The Group has prepared to continue to adjust production in line with profitable demand.

The Group's full-year earnings outlook is good. In 2005 comparable net sales are expected to increase on the previous year. The increased raw material prices began to have an effect on earnings in the second quarter and the impact will show up in profits to the full extent beginning in the third quarter. On the other hand, the use of purchased steel slabs is forecast to come in this year at only about a quarter of the volume used last year, thus reducing manufacturing costs. Steel product prices are expected to decrease somewhat in the third quarter. Comparable operating profit for the full year is estimated to improve clearly on last year's figure. The primary factors of uncertainty for the earnings trend relate to the normalisation of wholesale inventories in Europe as well as the trend in demand in the Asian market and its impact on the market prices of basic steel products.

This Interim Report has not been audited.

Helsinki, 27 July 2005

Rautaruukki Corporation
Board of Directors

DIVISIONS

The Ruukki Fabrication functions were made a part of the other divisions as from 1 January 2005. The 2004 figures for the individual divisions have been adjusted accordingly in line with the new organisational structure.

Ruukki Construction

EUR million	I/2004	II/2004	III/2004	IV/2004	2004	I/2005	II/2005
Net sales	70	109	124	116	418	103	148
Operating profit	2	17	24	18	61	14	23
as % of net sales	2.2	16.0	19.8	15.5	14.7	13.7	15.8

Net sales in January-June totalled EUR 251 million, up 41 per cent on the same period a year earlier (179). The division's share of consolidated net sales was 13 per cent. Apart from the buoyant market, net sales have also been lifted by the active efforts to expand our operations. Operating profit was EUR 37 million (19). Operating profit was lifted by the good price level coupled with stepped-up production efficiency and an improved sales structure. Metalplast-Oborniki Holding Sp. z o.o., Poland's leading manufacturer of metal-based construction panels has been consolidated as part of the Ruukki Construction division as from 1 June 2005.

The market situation on Ruukki Construction's core markets continued to be good. The seasonal upswing in construction was also reflected in the division's net sales and profitability in the second quarter. The commercial construction market continued to be good, particularly in the countries of central eastern and eastern Europe, where there is strong growth in the demand for industrial, retail and logistics buildings. The acquisition, and particularly the sandwich panel business that received a boost from it, will significantly strengthen Ruukki Construction's position as well as its delivery and service capability in the commercial construction markets in central eastern and eastern Europe. There was stronger demand for total facade deliveries in the Nordic countries too and sales of total facade packages got off to a good start in the Swedish market. The division is continually developing deliveries for commercial construction. Within infrastructure projects, the demand situation was good in the main markets. Sales of ready-to-install supporting wall structures used in foundation construction of harbours have shown good progress. In the infrastructure sector, demand for steel pile foundations and gas pipelines has remained strong. Within residential construction, the start of the season was postponed from the end of the first quarter to the start of the second quarter owing to the exceptionally cold weather in the early winter months. Thereafter the market situation in residential construction has developed normally.

Ruukki Engineering

EUR million	I/2004	II/2004	III/2004	IV/2004	2004	I/2005	II/2005
Net sales	63	78	74	113	329	124	114
Operating profit	9	15	10	19	53	22	23
as % of net sales	14.6	19.3	13.7	16.6	16.2	18.1	20.5

Net sales in January-June totalled EUR 238 million, up 68 per cent on the same period a year earlier (141). The increase in net sales compared with last year stemmed not only from the good market situation but also from the integration of Velsa Oy into Ruukki Engineering from the beginning of November 2004. The units that transferred to Ovako have been removed from the division's figures as from 1 May 2005. The division's share of consolidated net sales was 12 per cent. Operating profit was EUR 45 million (24). Operating profit was lifted by higher prices coupled with efficiency-boosting and an improved sales structure.

The market situation in customer sectors was good during the report period. This was reflected in Ruukki Engineering's sales, where the cabin business is headed for especially strong growth. Because of increased demand, and with the aim of boosting production efficiency, it has been decided to expand cabin production capacity at the Kurikka unit. The objective is to have the new capacity come on stream in the first quarter of 2006. Of the other industries, the order books of European shipyards are at a very good level, and the demand in the pulp and paper and energy sectors was also good during the report period.

The division has made strong inputs into developing components and turn-key deliveries together with a number of customers. The second quarter saw the first deliveries of cabins for underground use in mining vehicles. The cabins were designed in co-operation with the customer. The operational concept of the service centres is being developed to be better in line with the challenges identified in Ruukki's strategy, and investments have also been made in their machinery.

Ruukki Metals

EUR million	I/2004	II/2004	III/2004	IV/2004	2004	I/2005	II/2005
Net sales	659	723	653	773	2809	788	675
Operating profit	72	107	104	136	420	175*	145
as % of net sales	11.0	14.9	16.0	17.6	15.0	22.2*	21.6

*Figures have been adjusted in line with the new accounting policy for recording emissions allowances.

Net sales in January-June totalled EUR 1,462 million, up 6 per cent on the same period a year earlier (1,382). The units that transferred to Ovako have been removed from the division's figures as from 1 May 2005. The division's share of consolidated net sales was 75 per cent. Operating profit was EUR 320 million (180). Operating profit was lifted by higher prices coupled with efficiency-boosting and an improved sales structure.

For the most part, demand held up well. Towards the end of the second quarter, destocking among wholesalers lowered demand, leading to a drop in deliveries. The prices of steel products were at a considerably higher level in the report period than at the same period a year ago. A factor that contributed to raising the average price level was the entry into effect of new annual agreements at the beginning of the year. Prices of flat steel products in the second quarter largely held steady at the level seen in the first quarter or rose slightly. The fall in the price of recycled steel and destocking among wholesalers depressed prices of reinforcement products.

Ruukki Metals is pushing ahead with work to improve efficiency and the cost structure. From the start of the year, the division's steering model has been based on customer and market-specific performance management. Development of the sales structure was continued by focusing operations on the core market areas in the Nordic countries, the Baltic Rim and central eastern Europe and, additionally, by adjusting the product range to optimise profitability. In areas outside our core markets, operations are based on a speciality product strategy.

Ruukki Production

1000 tonnes	I/2004	II/2004	III/2004	IV/2004	2004	I/2005	II/2005
Steel production	1184	1198	985	1184	4549	1176	982

Output in the January-June period totalled 2,159,000 tonnes (2,382,000). The units that transferred to Ovako have been removed from the production figures as from 1 May 2005. Production went smoothly during the report period.

Agreements on raw materials used in steel manufacture were made in the first part of the year at substantially higher prices than a year ago. The increased raw material prices began to have an effect on earnings in the second quarter and the impact will show up in profits to the full extent beginning in the third quarter. On the other hand, the use of purchased steel slabs is forecast to come in this year at only about a quarter of the volume used last year, thus reducing manufacturing costs.

The first stage of the modernised automation system at the Raahe hot rolling mill went into production in February and a new slab heating furnace became operational at the beginning of April. Both capital expenditures will improve the quality-producing ability of the production line significantly.

During the report period a decision was taken on modernising the direct quench equipment at the Raahe works. The investment is expected to be completed in 2007 at an estimated cost of about EUR 24 million. The investment will raise the proportion of high-strength steels within Rautaruukki's steel products palette and support Ruukki Engineering's business in the fast-growing lifting, handling and transport equipment sector.

The Group has prepared to continue to adjust production in line with profitable demand.

TABLES

Individual figures and grand totals presented in the tables have been rounded off to full millions of euros from exact figures, which mean that when added together or subtracted they will not always tally.

CONSOLIDATED PROFIT AND LOSS ACCOUNT (CONDENSED)

EUR million	4-6/05	4-6/04	1-6/05	1-6/04	2004
Net sales	939	911	1953	1705	3564
Other operating income	-3	3	12	8	19
Operating expenses	-716	-745	-1503	-1425	-2915
Depreciation	-39	-46	-81	-89	-175
Operating profit	180	123	381	199	493
Financing income and expenses	-10	-16	-19	-27	-51
Share of results in associated companies	12	1	13	1	2
Profit before taxes	182	108	376	173	443
Taxes	-49	-13	-98	-31	-114
Profit for the period	133	94	278	142	330
Attributable to:					
Equity holders of the company	133	94	278	142	329
Minority interest	0	0	0	0	1
EPS, diluted, e	0.97	0.69	2.02	1.04	2.40
EPS, basic, e	0.98	0.69	2.04	1.05	2.42
Operating profit, % of net sales	19.2	13.5	19.5	11.7	13.8

CONSOLIDATED BALANCE SHEET (CONDENSED)

EUR million	30 Jun 2005	30 Jun 2004	31 Dec 2004
ASSETS			
Non-current assets	1503	1382	1417
Current assets			
Inventories	605	526	651
Trade and other receivables	613	586	584
Cash and cash equivalents	63	77	60
	2783	2572	2712
EQUITY AND LIABILITIES			
Equity			
Capital attributable to Company's equity holders	1310	940	1126
Minority interest	1	1	1
Non-current liabilities			
Interest bearing	440	648	625
Other	235	206	224
Current liabilities			
Interest bearing	284	285	195
Other	513	491	541
	2783	2572	2712

CASH FLOW STATEMENT (CONDENSED)

EUR million	1-6/05	1-6/04	2004
Profit for the period	278	142	330
Adjustments	199	133	306
Cash flow before working capital changes	477	275	636
Change in working capital	-142	-66	-128
Financing items and taxes	-77	-38	-122
Cash flow from operations	258	172	386
Cash flow from investing activities	-62	-25	-118
Cash flow before financing	196	147	268
Dividends paid	-109	-27	-27
Other net cash flow from financing	-84	-92	-231
Change in cash and cash equivalents	3	28	10

KEY FIGURES	4-6/05	4-6/04
Net sales, Me	939	911
Operating profit, Me	180	123
as % of net sales	19.2	13.5
Profit before taxes, Me	182	108
as % of net sales	19.4	11.9

KEY FIGURES	1-6/05	1-6/04	2004
Net sales, Me	1,953	1,705	3,564
Operating profit, Me	381	199	493
as % of net sales	19.5	11.7	13.8
Profit before taxes, Me	376	173	443
as % of net sales	19.2	11.1	12.4
Return on capital employed*, %	35.2	13.7	26
Return on equity*, %	41.3	19.2	33.8
Equity ratio, %	47.3	36.7	41.7
Gearing ratio, %	50.5	91.0	68.0
Interest bearing net debt, Me	661	855	761
Equity per share, e	9.65	6.93	8.29
Personnel on average	11,924	12,280	12,273
Number of shares	138,886,445	138,886,445	138,886,445
- not counting own shares	135,813,485	135,616,445	135,813,485
- diluted	137,213,485	137,016,445	137,213,485

* based on previous 12 months

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 1-6/2004
EUR million

	Attributable to equity holders of the Company						
	Share capital	Share premium account	Fair value and other reserves	Trans-lation Differ-ences	Re-tained earn-ings	Total	Minority interest
EQUITY 1.1.	236	220	1	-5	369	820	1
Change in translation difference				1		1	
Share based compensation			0			0	
Direct bookings in retained earnings					3	3	
Dividend distribution					-27	-27	
Profit for the period					142	142	
EQUITY 30.6.	236	220	1	-4	487	940	1

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 1-6/2005
EUR million

	Attributable to equity holders of the Company						
	Share capital	Share premium account	Fair value and other reserves	Trans-lation Differ-ences	Re-tained earn-ings	Total	Minority interest
EQUITY 1.1.	236	220	2	-2	671	1126	1
Changes from IAS 39 and 32:							
Cash flow hedging			2		-2		0
ADJUSTED EQUITY 1.1.	236	220	4	-2	670	1126	1
Cash flow hedging							
Increase (hedging reserve)			19			19	
Deferred taxes' share of period movements			-5			-5	
Change in translation difference				-4		-4	
Share based compensation			2			2	
Dividend distribution					-109	-109	
Profit for the period					278	278	
EQUITY 30.6.	236	220	21	-6	839	1310	1

NET SALES BY DIVISION

EUR million	1-6/05	1-6/04	Change %	2004
Ruukki Construction	251	178	+40	418
Ruukki Engineering	238	141	+68	329
Ruukki Metals	1462	1382	+6	2809
Other units	2	3		8
Consolidated net sales	1953	1705	+15	3564

OPERATING PROFIT BY DIVISION

EUR million	1-6/05	1-6/04	2004
Ruukki Construction	37	19	61
Ruukki Engineering	46	24	53
Ruukki Metals	320	180	420
Group management and other units	-22	-24	-42
Consolidated operating profit	381	199	493

NET SALES BY QUARTER

EUR million	I/04	II/04	III/04	IV/04	I/05	II/05
Ruukki Construction	70	109	124	116	103	148
Ruukki Engineering	63	78	74	113	124	114
Ruukki Metals	659	723	653	773	788	675
Other units	1	1	3	2	0	2
Consolidated net sales	794	911	854	1005	1014	939

OPERATING PROFIT BY QUARTER

EUR million	I/04	II/04	III/04	IV/04	I/05	II/05
Ruukki Construction	2	17	24	18	14	23
Ruukki Engineering	9	15	10	19	22	23
Ruukki Metals	72	107	104	136	175*	145
Group management and other units	-7	-17	-12	-7	-10	-12
Consolidated operating profit	76	123	128	166	201	180

*Figures have been adjusted in line with the new accounting policy for recording emissions allowances.

CONTINGENT LIABILITIES

	Group		Rautaruukki Oyj	
EUR million	6/05	12/04	6/05	12/04
Mortgaged real estates	27	30	27	27
Collateral given on behalf of				
Group companies			104	124
associated companies	17	2	17	2
others	6	2		0
Leasing and rental liabilities	149	166	132	149
Other financial liabilities	1	2	0	1

VALUES OF DERIVATIVE CONTRACTS
30 June 2005, EUR million

CASH FLOW HEDGES INCLUDED IN HEDGE ACCOUNTING	Nominal value	Fair value
Interest rate derivatives		
Interest rate swaps	115	-1.7
Zinc derivatives		
Forward contracts	44,100*	5.7
Electricity derivatives		
Forward contracts	2,527**	18.9

DERIVATIVES NOT INCLUDED IN HEDGE ACCOUNTING	Nominal value	Fair value
Interest rate derivatives		
Interest rate swaps	353	-4.1
Foreign currency derivatives		
Forward contracts	568	7.2
Options		
Bought	95	2.4
Sold	95	1.7
	190	4.1

*tonnes
**GWh
The unrealised profit/loss of the cash flow hedges are booked to equity, if the hedge is effective. Other fair value changes are booked to profit and loss.