Interim Report
Q2 2013

CEO Mika Seitovirta
July 24, 2013
Disclaimer

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Today’s attendees of Outokumpu

Mika Seitovirta
CEO

Esa Lager
CFO

Kari Parvento
President – BA Americas

Kari Tuutti
EVP – Marketing, Communications and IR
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2. 2013 priorities
3. Market environment
4. Q3 outlook
H1 2013 overview

Headwinds

• Weak economy and stainless steel demand
• 20% decline in nickel price
• Inventory related issues with the Americas business

Tailwinds

• Ferrochrome ramp-up
• Synergy and P150 related savings
• Tornio performance
Continued growth for stainless steel globally–Europe will decline in 2013

Orange = Change 2010-2011
Green = Change 2011-2012
Blue = Forecast 2013

Data source: SMR, July 2013
Real demand for total stainless (rolled & forged, excl. 13Cr Tubes)

7/24/2013
Q2 overview

- Q2 2013 stainless steel deliveries declined by 7% to 656,000 tonnes compared to Q1 2013
- Q2 underlying EBIT was EUR -80 million; in line with expectations
- Q2 EBIT includes EUR -46 million non-recurring items and EUR -38 million raw material-related inventory effects
- Synergy savings of EUR 39 million achieved in H1 2013
- Ferrochrome ramp-up has progressed as planned with production of 112,000 tonnes in Q2 2013
- Operating cash flow was EUR -160 million mainly driven by the negative operating result and increased working capital

<table>
<thead>
<tr>
<th></th>
<th>Q2/13</th>
<th>Q1/13</th>
<th>Q2/12 comparable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stainless steel deliveries 1)</td>
<td>656</td>
<td>703</td>
<td>720</td>
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<tr>
<td>Sales</td>
<td>2,064</td>
<td>2,221</td>
<td>2,551</td>
</tr>
<tr>
<td>Underlying EBITDA 2)</td>
<td>12</td>
<td>17</td>
<td>17</td>
</tr>
<tr>
<td>Underlying EBIT 3)</td>
<td>-80</td>
<td>-77</td>
<td>-72</td>
</tr>
<tr>
<td>EBIT</td>
<td>-164</td>
<td>-82</td>
<td>-190</td>
</tr>
<tr>
<td>Operating cash flow, continuing operations 4)</td>
<td>-160</td>
<td>-46</td>
<td>n. a.</td>
</tr>
<tr>
<td>Capex, continuing operations 4)</td>
<td>42</td>
<td>82</td>
<td>168</td>
</tr>
</tbody>
</table>

1) External deliveries, 1,000 tonnes, excl. ferrochrome deliveries, incl. high performance alloy deliveries
2) EBITDA excl. non-recurring items, other than impairments; and inventory gains/losses, unaudited
3) EBIT excl. non-recurring items and inventory gains/losses, unaudited
4) Terni (remedy assets) is reported as a discontinued operation
The realized timing gain or loss per tonne of stainless steel is estimated based on the difference between the purchase price and invoice price of each metal in EUR per tonne times the average metal content in stainless steel. The unrealized timing impact consists of the change in net realizable value — NRV — during each quarter. If there is a significant negative change in metal prices during the quarter, inventories are written down to NRV at the end of the period to reflect lower expected transaction prices for stainless steel in the future. As this timing impact is expected to be realized in the cash flow of Outokumpu only after the raw material has been sold, it is referred to as being unrealized at the time of the booking.
Sales and deliveries by Business Areas

Q2 2013 external sales by BA

Group sales EUR 2.1 billion

- EMEA 44%
- Americas 12%
- APAC 11%
- HPSA 31%

Q2 2013 external stainless deliveries by BA

Group deliveries 656,000 tonnes

- EMEA 54%
- Americas 18%
- APAC 10%
- HPSA 18%

1) Split by BA are based on management estimates. APAC figures include also direct sales and deliveries from other BAs to the region.
2) Incl. high performance alloy deliveries, excl. ferrochrome deliveries.
EBITDA and EBIT by Business Areas

EBITDA excl. NRI \(^1\) per Business Area

<table>
<thead>
<tr>
<th>Business Area</th>
<th>Q2/13</th>
<th>Q1/13</th>
<th>Q4/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>EMEA</td>
<td>20</td>
<td>26</td>
<td>-12</td>
</tr>
<tr>
<td>Americas</td>
<td>5</td>
<td>4</td>
<td>-44</td>
</tr>
<tr>
<td>APAC</td>
<td>3</td>
<td>17</td>
<td>-70</td>
</tr>
<tr>
<td>HPSA</td>
<td>-28</td>
<td>-20</td>
<td>-58</td>
</tr>
</tbody>
</table>

EBIT excl. NRI \(^1\) per Business Area

<table>
<thead>
<tr>
<th>Business Area</th>
<th>Q2/13</th>
<th>Q1/13</th>
<th>Q4/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>EMEA</td>
<td>0</td>
<td>0</td>
<td>-0</td>
</tr>
<tr>
<td>Americas</td>
<td>0</td>
<td>0</td>
<td>-27</td>
</tr>
<tr>
<td>APAC</td>
<td>-55</td>
<td>-58</td>
<td>-87</td>
</tr>
<tr>
<td>HPSA</td>
<td>14</td>
<td>-5</td>
<td>-27</td>
</tr>
</tbody>
</table>

\(^1\) NRI = Non-recurring items
Operating cash flow impacted by Calvert ramp-up and BA EMEA

<table>
<thead>
<tr>
<th>EUR million</th>
<th>Q2/13</th>
<th>Q1/13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net cash from operating activities</td>
<td>-160</td>
<td>-46</td>
</tr>
<tr>
<td>Net cash from investing activities</td>
<td>-54</td>
<td>-186</td>
</tr>
<tr>
<td>Net cash from financing activities</td>
<td>256</td>
<td>295</td>
</tr>
<tr>
<td>Net change in cash and cash equivalents</td>
<td>42</td>
<td>63</td>
</tr>
</tbody>
</table>

- Negative operating cash flow of EUR 160 million mainly driven by the negative operating result and increased working capital of EUR 91 million
- The working capital increase was caused by EMEA and the ramp-up in the US
## Capital structure

<table>
<thead>
<tr>
<th>EUR million</th>
<th>Q2/13</th>
<th>Q1/13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net interest-bearing debt</td>
<td>3,041</td>
<td>2,891</td>
</tr>
<tr>
<td>Equity</td>
<td>2,522</td>
<td>2,799</td>
</tr>
<tr>
<td>Equity-to-assets ratio, %</td>
<td>26.2</td>
<td>28.0</td>
</tr>
<tr>
<td>Debt-to-equity ratio (gearing), %</td>
<td>120.6</td>
<td>103.3</td>
</tr>
</tbody>
</table>

- Net interest-bearing debt increased to EUR 3,041 million leading to a gearing of 120.6%. Increase was driven by the losses of the second quarter as well as the negative cash flow due to working capital changes.
- Liquidity reserves in excess of EUR 800 million taking into account the successful refinancing of the revolving credit facilities.
- Refinancing of syndicated loans completed by mid of July by signing a EUR 900 million committed revolving credit facility.
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New Outokumpu Strategy Roadmap

**Restructuring**
- Deliver on synergies
- New efficiency projects
- Transform company structure
- Ensure financial stability

**Growth**
- Ramp-up US presence
- Expand Ferrochrome
- Leverage HPSA
- Double production
- Achieve self-sufficiency
- Optimize efficiency

**Performance**
- Full integration and new culture

1) SKS: Shanghai Krupp Stainless, Outokumpu's cold rolling mill in China.
Update synergy savings – EUR 39 million achieved in H1 2013

- EUR 39 million synergy savings achieved in H1 2013
- Annual synergy savings expected to exceed EUR 50 million in 2013
- Contributions by raw material procurement, accelerated Krefeld melt shop ramp-down, cross selling and optimization of the combined sales network
- Up to EUR 150 million of the annual savings expected to be achieved during the first 2 years

Note: synergy saving target of EUR 200 million includes closures of Krefeld and Bochum melt shops but excludes possible savings from closures in Sweden. Total expected implementation and non-recurring cumulative cash costs of up to EUR 160 million incurred in 2013-2017.
Ramp-down of Krefeld melt shop is on plan

- Significant volumes successfully transferred to Bochum melt shop
- Transfers to Tornio progressing according to plan and to reach 130kt during 2013
- Shift reductions: October 2012 from 3 to 2 shifts, July 2013 from 2 to 1 shift
- Total cost savings during 2013 expected to be around EUR 8 million higher than original plan
- Synergy savings:
  - EUR 18 million in 2013
  - EUR 50 million in 2014 and beyond

Financial performance of Tornio operations clearly improved due to the restructuring and integration efforts implemented during the past 18 months.
Headcount reduction progresses according to plan

- Target is to reduce headcount by 2,500 between 2013-2017
- H1 2013 headcount reduction: 339 positions
- Target to reduce headcount by 770 in 2013

Personnel at the end of reporting period 1)

1) 2011 and 2012: Total Group excl. remedy assets and OSTP (~770 people)
Q2/13 excl. some 700 summer trainees
P300: Target to reduce net working capital of EUR 300 million by the end of 2014

Inventory days development

- Inventory tones and value have been reduced significantly during Q2
- Inventory days increased by 9 due to lower sales volumes
- Target to reach working capital reduction of EUR 150 million for 2013 is unchanged

1) Change in working capital of EUR -91 million for Q2 2013 includes EUR -21 million provisions
Update: Remedy divestment process and VDM strategic review

Terni remedy process

- The Terni divestiture continues with an extended time frame that the European Commission has granted.
- Discussions continue with a number of interested parties. In addition, Terni has instigated both cost saving and working capital management programs, each in the range of EUR 70 million, to improve Terni’s financial standing.
- Outokumpu is working intensively to complete the divestment and targets to sign a transaction during the second half of the year.

VDM strategic review

- The strategic review of VDM operations continues as planned.
- As part of this review process the company is assessing divestment options, and thereby engaged in discussions with several potential buyer candidates.
- The review is still ongoing and thus all options are open; no decisions have yet been made.
Update: US ramp-up

- The ramp-up of the Calvert mill missed profitability targets mainly due to large inventory write-offs related to the weakening of nickel price.
- The ramp-up of the cold rolling mill is proceeding, but production reliability issues are having a negative impact on the financial performance.
- The melt shop ramp-up continues to proceed ahead of plans. Target to largely ramp-down hot band imports from Europe by end of 2013.

We expect continued progress in the Calvert operational ramp-up in H2, but estimate no clear improvement in the Calvert profitability in 2013 mainly due to the high inventories leading to significant inventory related losses at current metal prices.

Key profitability levers for Americas business:

1. Expanding product portfolio and customer base
2. Increasing capacity utilization
3. Discontinuation of hot band supply from Europe
4. Increasing yields to reduce costs

<table>
<thead>
<tr>
<th>Key figures, BA AMERICAS</th>
<th>Q2/13</th>
<th>Q1/13</th>
<th>Q2/12 comparable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deliveries (1,000 tonnes)</td>
<td>116</td>
<td>102</td>
<td>90</td>
</tr>
<tr>
<td>Sales</td>
<td>231</td>
<td>202</td>
<td>246</td>
</tr>
<tr>
<td>EBITDA</td>
<td>-70</td>
<td>-38</td>
<td>-39</td>
</tr>
<tr>
<td>EBIT</td>
<td>-87</td>
<td>-55</td>
<td>-51</td>
</tr>
</tbody>
</table>
Update: Ferrochrome operations

- Unique low cost position as Europe’s only ferrochrome producer with access to the only known chromite reserves in the EU
- Ferrochrome production of at least 400,000 tonnes expected for 2013 (2012: 230,000 tonnes)
- The performance and profitability of the ferrochrome operations continued on a strong level:
  - Production volume of 209,000 tonnes reached for H1 2013 – ahead of plan
- The Q3 2013 benchmark price for ferrochrome settled at 1.125 USD/lb (Q1 2013: 1.27 USD/lb)

Ore reserves: 33 million tonnes and additional mineral resources of 105 million tonnes
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Further decrease in transaction and base prices

Transaction prices 304 stainless steel (USD) ¹

Base prices 304 stainless steel (EUR) ¹

Source: CRU July 2013
1) 2mm sheet cold rolled 304 grade
Market to remain weak in Q3 2013

EMEA total stainless steel real demand

Source: SMR July 2013
1) Total stainless = rolled & forged, excl. 13Cr Tubes
Raw materials – last 6 months

Data source: METAL BULLETIN – 1) Nickel Cash LME Daily Official; 2) Contract - MetalBulletin - Ferro-chrome Lumpy CR charge basis 52% & Cr quarterly major European destinations Cr; Spot: MetalBulletin - Ferro-chrome 6-8% C basis 60% Cr max. 1.5% Si major European destinations $ per lb Cr; 3) MetalBulletin - Molybdenum Drummed molybdic oxide Free market Mo in warehouse; 4 Ferrous Scrap Index HMS 1&2 (80:20 mix) $ per tonne fob Rotterdam

1. Nickel
   - Price range: $13,000 to $19,000 USD/t
   - High: 22 Jul 14,055 USD/t
   - Low: 2013 Feb 1.0 USD/lb

2. Ferrochrome
   - European contract price
   - European spot price
   - Price range: 0.9 to 1.3 USD/lb
   - High: Q3'2013 1.125 USD/lb
   - Low: 19 Jul 0.92 USD/lb

3. Molybdenum
   - Price range: $9.0 to $12.5 USD/lb
   - High: 19 Jul 9.2 USD/lb

4. Carbon steel scrap
   - Price range: $230 to $400 USD/t
   - High: 19 Jul 341 USD/t

7/24/2013
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Business outlook – Third quarter 2013

• Outokumpu lowers its expectation of improvements in underlying EBIT during the second half of 2013. This is due to the continued deterioration of the nickel price, the weak market demand, especially in Europe, in a seasonally sluggish quarter and weaker performance of the Americas business.

• For the third quarter, company expects the EBIT to be on approximately the same level as in the second quarter. This includes, at current metal prices, further raw material related timing losses and further non-recurring items associated with Group’s ongoing restructuring programs. The underlying EBIT is expected to be worse than in the second quarter.
Key targets updated

**Capex**
Capital expenditure is expected to decline to approximately EUR 350 million in 2013 (FY 2012: EUR 821\(^1\) million).

**Ferrochrome**
Ferrochrome production targeted to grow to approximately 400,000 tonnes in 2013 (FY 2012: 230,000 tonnes).

**Costs**
Synergy savings connected with the Inoxum integration expected to exceed EUR 50 million during 2013. Savings from P100 to reach the full EUR 100 million in 2013. Savings from the P150 program expected to exceed EUR 50 million in 2013; and to reach the full targeted EUR 150 million for full year 2015.

**BA Americas**
We expect continued progress in the Calvert operational ramp-up in H2, but estimate no clear improvement in the Calvert profitability in 2013 mainly due to the high inventories leading to significant inventory related losses at current metal prices.

**Overall**
Continued weak performance expected during the second half of 2013, driven by weak markets, low nickel price as well as continued ramp-up at Calvert. The positive effect of the ferrochrome ramp-up will mitigate this to some effect but not to the extent to offset the negative factors mentioned above.

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1) Includes EUR 79 million asset purchase and finance lease done in 2012 by former Inoxum entities, excludes Inoxum acquisition of EUR 2,720 million.
Transformation of Outokumpu – good progress but more work to be done

On solid path

• Synergy savings (EUR 150 million in 2014 and EUR 200 million by 2017)
  o Restructuring of European production and sales network
• P150 program (cost savings of EUR 150 million by end of 2014)
• Ferrochrome ramp-up
• Introduction of daily alloy surcharge pricing model

Further work to be done

• Americas financial performance
• P300 program (working capital reduction)
• Further cost savings in Europe
• Business model to be less dependent on nickel volatility
Q&A

Thank you for your attention!
Outokumpu balance sheet

<table>
<thead>
<tr>
<th>Assets (MEUR)</th>
<th>30.6.13</th>
<th>31.12.12</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intangible assets</td>
<td>623</td>
<td>629</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>3,605</td>
<td>3,697</td>
</tr>
<tr>
<td>Interest bearing assets</td>
<td>257</td>
<td>234</td>
</tr>
<tr>
<td>Other receivables</td>
<td>23</td>
<td>8</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>90</td>
<td>89</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td>4,599</td>
<td>4,658</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inventories</td>
<td>2,162</td>
<td>2,308</td>
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<tr>
<td>Interest bearing assets</td>
<td>91</td>
<td>121</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>1,122</td>
<td>1,037</td>
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<tr>
<td>Cash and cash equivalents</td>
<td>327</td>
<td>222</td>
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<tr>
<td><strong>Total current assets</strong></td>
<td>3,702</td>
<td>3,687</td>
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<tr>
<td><strong>Assets held for sale</strong></td>
<td>1,335</td>
<td>1,326</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>9,636</td>
<td>9,671</td>
</tr>
</tbody>
</table>

- Goodwill is at EUR 479 million (including the Inoxum transaction goodwill of EUR 7 million).
- Assets held for sale and liabilities related to the assets held for sale, containing the remedy assets and related liabilities are EUR 1,335 million and EUR 764 million, respectively. The net value of Terni and Willich on the balance sheet is EUR 571 million.
Outokumpu balance sheet

<table>
<thead>
<tr>
<th>Equity and liabilities (MEUR)</th>
<th>30.6.13</th>
<th>31.12.12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total equity</td>
<td>2,522</td>
<td>2,952</td>
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<tr>
<td>Non-current liabilities</td>
<td></td>
<td></td>
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<tr>
<td>IB&lt;sup&gt;1)&lt;/sup&gt; liabilities</td>
<td>2,786</td>
<td>2,974</td>
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<tr>
<td>Deferred tax liabilities</td>
<td>85</td>
<td>90</td>
</tr>
<tr>
<td>Provisions&lt;sup&gt;2)&lt;/sup&gt;</td>
<td>511</td>
<td>542</td>
</tr>
<tr>
<td>Payables and other non IB&lt;sup&gt;1)&lt;/sup&gt; liabilities</td>
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<td>5</td>
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<tr>
<td>Total non-current liabilities</td>
<td>3,389</td>
<td>3,611</td>
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<tr>
<td>Current liabilities</td>
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<td>IB&lt;sup&gt;1)&lt;/sup&gt; liabilities</td>
<td>1,501</td>
<td>763</td>
</tr>
<tr>
<td>Provisions</td>
<td>51</td>
<td>36</td>
</tr>
<tr>
<td>Trade payables and other non IB&lt;sup&gt;1)&lt;/sup&gt; liabilities</td>
<td>1,409</td>
<td>1,522</td>
</tr>
<tr>
<td>Total current liabilities</td>
<td>2,961</td>
<td>2,321</td>
</tr>
<tr>
<td>Liabilities directly attributable to assets held for sale</td>
<td>764</td>
<td>786</td>
</tr>
<tr>
<td>Total equity and liabilities</td>
<td>9,636</td>
<td>9,671</td>
</tr>
</tbody>
</table>

- The total non-current interest bearing liabilities of EUR 2,786 million include the ThyssenKrupp loan note of EUR 1,256 million.
- The increase of EUR 13 million compared to March 31, 2013 is capitalized interest.

1) IB = interest bearing
2) Includes defined benefit and other long term employee benefit obligations
Outokumpu global production overview Dec. 31, 2012 - healthy balance between hot and cold with planned closures

**Melting**
- Thousand tonnes
- 3,500

**Finished products**
- Thousand tonnes
- 3,250
- Cold rolled
- 2,795
- Plate & Long
- 325

**Capacity reduction**
- 1,400

**Balance for hot and cold**

1) Sales of least profitable finished products to be potentially scaled down if capacity constrains emerge.

2) Melting capacity shown after Krefeld and Bochum meltshop closures in 2013 and 2016 and after full ramp-up of Calvert meltshop. Outokumpu management will conduct a final review and decision on Bochum meltshop closure in 2015.
Overcapacity of melting capacity in stainless production—prior to planned Bochum melt shop closure (July 2013)

<table>
<thead>
<tr>
<th>EMEA Coil</th>
<th>HPSA</th>
<th>Americas Coil</th>
<th>APAC</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finland</td>
<td>Sweden</td>
<td>UK &amp; USA</td>
<td>Calvert</td>
<td>Calvert</td>
</tr>
<tr>
<td>1,600</td>
<td>500</td>
<td>500</td>
<td>900</td>
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</tr>
<tr>
<td>Germany 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>800</td>
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</tr>
<tr>
<td>700</td>
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<tr>
<td>865</td>
<td>425</td>
<td>105</td>
<td>350</td>
<td>270</td>
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<tr>
<td>750</td>
<td>Coil</td>
<td>Long Products</td>
<td>Coil</td>
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<tr>
<td>1,600</td>
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<td>800</td>
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<td>700</td>
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<tr>
<td>3,970</td>
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<tr>
<td>3,055</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

1) After Krefeld melt shop closure in 2013, Actual capacities will vary according to product mix and manning.
Balanced stainless production structure – after the planned Bochum melt shop closure (July 2013)

<table>
<thead>
<tr>
<th>EMEA Coil</th>
<th>HPSA</th>
<th>Americas Coil</th>
<th>APAC</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finland</td>
<td>Sweden</td>
<td>UK &amp; USA</td>
<td>Calvert</td>
<td>San Luis Potosí</td>
</tr>
<tr>
<td>Germany 1</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Melting 2</td>
<td>1,600</td>
<td>500</td>
<td>500</td>
<td>900⁰</td>
</tr>
<tr>
<td>HR</td>
<td>1,600</td>
<td>700</td>
<td>870</td>
<td></td>
</tr>
<tr>
<td>CR</td>
<td>750</td>
<td>425</td>
<td>350</td>
<td>270</td>
</tr>
<tr>
<td>Coil</td>
<td>865</td>
<td>105</td>
<td>350</td>
<td>270</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Coil, Plate, Long</td>
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<td></td>
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</table>

1) Outokumpu management will conduct a final review and decision on Bochum melt shop closure in 2015. Actual capacities will vary according to product mix and manning.
Balanced customer base across industries

Healthy balance between end-customer segments across both investment and consumer driven industries

Sales by customer segment

- Distributors: 41%
- End users & processors: 59%

Sales by end-customer segment

- Chemical, petrochemical and energy: 17%
- Metal processing & Tubes: 27%
- Architecture, Building & Construction: 10%
- Automotive: 9%
- Consumer goods & Medical: 17%
- Other: 12%
- Heavy industries: 8%

Cost analysis Q2 2013

Operative cost components 1) 2)

- Raw materials account for around 60-65% of the total operative costs of the Group
- Share of Ni from total raw material cost is around 60%
- Share of Cr from total stainless raw material cost is around 15-20%, but due to the captive supply, the share of Cr from the Group’s raw material cost is now around 10-15%
- Energy and other consumables account for some 10% of the total operative costs
- Personnel expenses also some 10% of the total operative costs
- Other cost of sales includes e.g. freight, maintenance and rents and leases

1) Operative costs = Sales - EBIT (excl. non-recurring items)
2) Management estimates
Broadest product portfolio across stainless steel

Deliveries by product grade

- Austenitic (CrNi) 50%
- Ferritic 21%
- Duplex 3%
- High Performance Alloys 2%
- Other 5%

- New Outokumpu has a broad product portfolio to serve all customers
- Significantly higher share of ferritic grades leads into reduced sensitivity to Nickel price volatility
- Outokumpu product mix closely resembles the overall market mix by grade

All product forms offered

1) Management estimates Q2 2013, excl. Terni
2) Standalone Outokumpu had only a 5% share of ferritics vs. 22% for the combined entity.
Continued strong Ferritics capabilities for new Outokumpu in EMEA

Possible bottlenecks from closure of Bochum can be counterbalanced by Tornio and Krefeld/Benrath

**Melting** today done at Terni, Tornio, Bochum and Krefeld (580kt of Ferritic melting in 2011)

**Hot rolling** today done at Terni, Tornio, and Bochum.

**Cold rolling** centers of competence today are Benrath, Terni and Tornio.

**Ferritic competence today**

**Ferritic options for the future**

- Melting will continue at Bochum.
- Tornio will increase its ferritic load: its liquid ferrochrome feed in Line 1 is very well suited for ferritic melting. Capacity of 500-600kt.

- Hot rolling options being reviewed.
- Expand Tornio's existing hot rolling to include Bright Annealed products.
- Other options are Calvert or toll rolling.
- The combined group has 4 years before Bochum is closed and excellent ferritic know how.

- Cold rolling will continue in Benrath and Tornio.
- Benrath is planned to be relocated to the Krefeld site.
Industrial production as the major driver for stainless growth...

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<tbody>
<tr>
<td>APAC</td>
<td></td>
<td></td>
<td></td>
<td>Fundamental growth</td>
</tr>
<tr>
<td>Americas</td>
<td></td>
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<td></td>
<td>Recovery from economic crisis and continued growth</td>
</tr>
<tr>
<td>EMEA</td>
<td></td>
<td></td>
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<td>Recovery from economic crisis</td>
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Source: ISSF June 2013
... leads to growing stainless consumption mainly in APAC, and to some extent in Americas and EMEA

[Total stainless real demand in million tonnes]

<table>
<thead>
<tr>
<th>Year</th>
<th>APAC</th>
<th>Americas</th>
<th>EMEA</th>
<th>☕ Growth p.a. 2013-2015</th>
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<tbody>
<tr>
<td>2010</td>
<td>27.5</td>
<td>18.7</td>
<td>6.4</td>
<td>+3%</td>
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<tr>
<td>2011</td>
<td>30.2</td>
<td>20.2</td>
<td>6.8</td>
<td>+4%</td>
</tr>
<tr>
<td>2012</td>
<td>31.4</td>
<td>21.2</td>
<td>6.9</td>
<td>+6%</td>
</tr>
<tr>
<td>2013 (f)</td>
<td></td>
<td>22.3</td>
<td>3.4</td>
<td>+6%</td>
</tr>
<tr>
<td>2014 (f)</td>
<td></td>
<td>23.6</td>
<td>3.5</td>
<td>+6%</td>
</tr>
<tr>
<td>2015 (f)</td>
<td>36.0</td>
<td>3.7</td>
<td>7.3</td>
<td>+6%</td>
</tr>
</tbody>
</table>

Source: SMR July 2013
Total stainless = rolled & forged, excl. 13Cr Tubes

7/24/2013
Liquidity and maturity profile of debt

Debt maturities June 30, 2013, MEUR
Liquidity reserves

Definition

Cash and cash equivalents

+ Available long term syndicated credit facilities

+ Available short term credit facilities

+ Available Finnish pension loans

+ Other agreed and undrawn loans

= Total liquidity reserves

Change vs. previous definition