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Today’s attendees of Outokumpu

Mika Seitovirta
CEO

Reinhard Florey
CFO

Johanna Henttonen
SVP – Investor Relations
## Contents

1. 2014 overview and strategic priorities
2. Financial performance
3. Outlook and guidance
2014 shows continued progress

- EUR 289 million underlying EBIT improvement
- Clear improvement in all BAs, but Quarto Plate lagging behind
- Stable volumes, 16% growth in Americas
- Solid progress in efficiency programs
  - EUR 385 million savings vs. 2012
  - EUR 351 million release of NWC vs. 2012
- Stronger balance sheet as a result of divestment of Terni and VDM, successful debt refinancing and the rights issue
- Net debt below EUR 2 billion, gearing 93%
- Q4: strong operating cash flow, underlying EBIT EUR -9 million

- Negative operating cash flow EUR -126 million, but recovery towards year-end
- Unsatisfactory performance in Calvert and Quarto Plate due to technical and delivery performance issues

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1) EBITDA excluding non-recurring items, other than impairments; raw material-related inventory gains/losses and as of I/14 metal derivative gains/losses, unaudited.
2) Q4/13 includes positive effect of EUR 20 million EEG refund
3) Source: CRU September 2014, price for 2mm sheet cold rolled 304 grade
Continued growth for stainless steel globally

Outokumpu market share 2014:
EMEA ~30% (vs. 35% in 2013)
NAFTA ~22% (20%)
APAC ~1% (1%)

Data source: SMR, January 2015
Real demand for total stainless steel (rolled & forged products, excl. 13Cr tubes, profiles)
Improvement in stainless base prices
Europe softening towards year-end, US stabilizing

European base prices 304 stainless steel (EUR) ¹)

US base prices 304 stainless steel (USD) ¹)

1) 2mm sheet cold rolled 304 grade

Source: CRU January 2015
Stainless market volatility showed in both nickel price rally and record-high imports

Nickel price and stocks 1)

Third-country imports into Europe 2)

1) Source: Nickel Cash LME Daily Official
2) Cold rolled imports from 3rd countries into EU28. Source: Eurofer, January 2015
Balance sheet strengthened

- Significantly reduced net debt through divestment of Terni and VDM in which the EUR 1.3 billion loan note was used as consideration
- New EUR 500 million committed syndicated secured liquidity facility, maturity in 2017
- New secured revolving credit facility of EUR 900 million, maturity in 2017
- Extension/amendment of the bilateral loan portfolio of ~EUR 600 million, maturity in 2017
- EUR 640 million net proceeds from the rights issue to further strengthen balance sheet and liquidity

Strengthened and deleveraged balance sheet as well as enhanced liquidity enabling Outokumpu to execute its turnaround to profitability
Good progress in efficiency programs, further potential remains

Realized and planned savings from all programs

Cash flow from working capital change

EUR 385 million cumulated savings vs 2012

P300 program completed successfully

February 12, 2015
EBITDA development per business area

Coil EMEA
- Clear improvement in profitability
- Restructuring continued; next milestone Bochum closure mid-2015
- Ferrochrome investment ramp-up finalized

Coil Americas
- Robust market environment in 2014
- Market share gains
- Calvert technical ramp-up completed: full potential in 2 years
- Reduced losses; improvement in performance targeted

APAC
- Turbulent markets in 2014
- Higher volumes and stable performance

Quarto Plate
- Ramp-up of Degerfors ongoing
- High raw material costs and rework hitting earnings
- Step change in profitability targeted along with the ramp-up

Long Products
- Profitability driven by good volumes and performance in the US
- EUR 6 m positive one-off in Q4
Contents

1. 2014 overview and strategic priorities
2. Financial performance
3. Outlook and guidance
Q4 and FY14 key financials overview

Q4
• Stable base prices and good progress in savings programs in Q4: improved profitability
• Negative impact from low delivery volumes
• NRI of EUR 21 million in Coil Americas and EUR 6 million in Coil EMEA
• Strong focus on NWC resulted in EUR 122 million operating cash flow

FY2014
• Stable deliveries in 2014
• Improved performance driven by Coil EMEA and Coil Americas
• CAPEX at EUR 127 million
• Operating cash flow impacted by NWC build up in Q2, partly reversed at year-end

**Group key figures**

<table>
<thead>
<tr>
<th>EUR million</th>
<th>III/14</th>
<th>IV/14</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stainless steel deliveries, kt</td>
<td>634</td>
<td>568</td>
<td>2,585</td>
<td>2,554</td>
</tr>
<tr>
<td>Sales</td>
<td>1,799</td>
<td>1,674</td>
<td>6,745</td>
<td>6,844</td>
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<tr>
<td>Underlying EBITDA 1)</td>
<td>48</td>
<td>72</td>
<td>-32</td>
<td>232</td>
</tr>
<tr>
<td>Underlying EBIT 2)</td>
<td>-28</td>
<td>-9</td>
<td>-377</td>
<td>-88</td>
</tr>
<tr>
<td>EBIT</td>
<td>-9</td>
<td>-36</td>
<td>-510</td>
<td>-243</td>
</tr>
<tr>
<td>EBIT excl. NRI</td>
<td>3</td>
<td>-9</td>
<td>-432</td>
<td>-57</td>
</tr>
<tr>
<td>Operating cash flow</td>
<td>23</td>
<td>122</td>
<td>34</td>
<td>-126</td>
</tr>
<tr>
<td>Capex (accounting)</td>
<td>25</td>
<td>54</td>
<td>183</td>
<td>127</td>
</tr>
<tr>
<td>Personnel at end of period 3)</td>
<td>12,385</td>
<td>12,125</td>
<td>12,561</td>
<td>12,125</td>
</tr>
</tbody>
</table>

Non-recurring items (EUR million)

-78

| 138 |

| 186 |

1) EBITDA excl. non-recurring items, other than impairments; raw material-related inventory gains/losses and as of I/14 metal derivative gains/losses, unaudited
2) EBIT excl. non-recurring items, raw material-related inventory gains/losses and as of I/14 metal derivative gains/losses, unaudited
3) Continuing operations, excl. summer trainees
Good progress in cost saving programs

- Good progress in synergies, Q4 savings at EUR 25 million
- Synergies fully visible in 2015
- P250 above expectations, Q4 EUR 20 million savings
- Additional EUR 85 million savings in 2015 to reach EUR 470 million
- EMEA restructuring impacts from H2/2015 onwards
- Total cash cost estimate unchanged for all three programs at about EUR 220 million
- Cash out of EUR 90 million in 2015 with significant outflow in Q1
Coil EMEA

EMEA key figures

<table>
<thead>
<tr>
<th>EUR million</th>
<th>III/14</th>
<th>IV/14</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stainless steel deliveries¹, kt</td>
<td>395</td>
<td>369</td>
<td>1,854</td>
<td>1,666</td>
</tr>
<tr>
<td>Ferrochrome deliveries, kt</td>
<td>33</td>
<td>49</td>
<td>212</td>
<td>133</td>
</tr>
<tr>
<td>Sales</td>
<td>1,134</td>
<td>1,055</td>
<td>5,067</td>
<td>4,520</td>
</tr>
<tr>
<td>EBITDA excl. NRI</td>
<td>85</td>
<td>68</td>
<td>110</td>
<td>278</td>
</tr>
<tr>
<td>EBIT excl. NRI</td>
<td>38</td>
<td>19</td>
<td>-111</td>
<td>78</td>
</tr>
<tr>
<td>Capex</td>
<td>18</td>
<td>22</td>
<td>81</td>
<td>67</td>
</tr>
<tr>
<td>Operating capital</td>
<td>2,535</td>
<td>2,405</td>
<td>2,609</td>
<td>2,405</td>
</tr>
</tbody>
</table>

- Focus on higher margin products is paying off but impacting delivery volumes slightly negative
- Achieved base price increase about EUR 30/t in 2014
- FY14 EBITDA excl. NRI doubled to EUR 278 million
  - Savings programs yielding results
  - Variable costs down
  - Better pricing and product mix
- Ferrochrome investment ramp-up completed
  - Production 441 kt in 2014
  - Production estimated at 500 kt in 2015

¹ Stainless steel deliveries for I-III/14 and ferrochrome deliveries for III/14 have been corrected.

February 12, 2015
Coil Americas

Americas key figures

<table>
<thead>
<tr>
<th>EUR million</th>
<th>III/14</th>
<th>IV/14</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stainless steel deliveries¹, kt</td>
<td>137</td>
<td>126</td>
<td>465</td>
<td>541</td>
</tr>
<tr>
<td>Sales</td>
<td>316</td>
<td>297</td>
<td>906</td>
<td>1,158</td>
</tr>
<tr>
<td>EBITDA excl. NRI</td>
<td>-12</td>
<td>19</td>
<td>-193</td>
<td>-11</td>
</tr>
<tr>
<td>EBIT excl. NRI</td>
<td>-29</td>
<td>-0</td>
<td>-262</td>
<td>-82</td>
</tr>
<tr>
<td>Capex</td>
<td>3</td>
<td>8</td>
<td>44</td>
<td>15</td>
</tr>
<tr>
<td>Operating capital</td>
<td>1,170</td>
<td>1,195</td>
<td>1,040</td>
<td>1,195</td>
</tr>
</tbody>
</table>

EBITDA excl. NRI (EUR million)

-193
-11
19

-38
-70
-50
-35

-19
-12
1

-1/13 - II/13 - III/13 - IV/13 - I/14 - II/14 - III/14 - IV/14

• Progress in Calvert ramp-up in 2014
  • Technical ramp-up completed
  • Issues with CR lines and delivery performance in H2
  • All lines now operational

• Total deliveries grew 16% to 541 kt
• Market shares up: US 15->18%, NAFTA 20->22%
• Achieved base price increase about USD 120/t in 2014

• EBITDA excl. NRI improved by EUR 182 million, but break-even target missed
• NRI of EUR -21 million regarding cold rolling issues in Q4

• In 2015 deliveries of 620 kt and improved profitability targeted

1) Deliveries for III/14 have been corrected
**APAC**

### APAC key figures

<table>
<thead>
<tr>
<th>EUR million</th>
<th>III/14</th>
<th>IV/14</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stainless steel deliveries, kt</td>
<td>60</td>
<td>54</td>
<td>184</td>
<td>220</td>
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<tr>
<td>Sales</td>
<td>124</td>
<td>114</td>
<td>388</td>
<td>444</td>
</tr>
<tr>
<td>EBITDA excl. NRI</td>
<td>2</td>
<td>4</td>
<td>9</td>
<td>8</td>
</tr>
<tr>
<td>EBIT excl. NRI</td>
<td>-2</td>
<td>1</td>
<td>-7</td>
<td>-6</td>
</tr>
<tr>
<td>Capex</td>
<td>0</td>
<td>1</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Operating capital</td>
<td>200</td>
<td>184</td>
<td>189</td>
<td>184</td>
</tr>
</tbody>
</table>

- Turbulent stainless markets
- Soft demand and volatile prices; regional overcapacity
- Deliveries up to 220 kt in 2014
  - Increased volumes with distributors
  - Improved local raw material sourcing
- EBITDA excl. NRI stable at EUR 8 million
Quarto Plate key figures

<table>
<thead>
<tr>
<th>EUR million</th>
<th>III/14</th>
<th>IV/14</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deliveries, kt</td>
<td>24</td>
<td>24</td>
<td>83</td>
<td>98</td>
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<tr>
<td>Sales</td>
<td>113</td>
<td>120</td>
<td>406</td>
<td>450</td>
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<tr>
<td>EBITDA excl. NRI</td>
<td>-1</td>
<td>-4</td>
<td>1</td>
<td>-7</td>
</tr>
<tr>
<td>EBIT excl. NRI</td>
<td>-5</td>
<td>-9</td>
<td>-17</td>
<td>-26</td>
</tr>
<tr>
<td>Capex</td>
<td>2</td>
<td>7</td>
<td>33</td>
<td>16</td>
</tr>
<tr>
<td>Operating capital</td>
<td>251</td>
<td>218</td>
<td>247</td>
<td>218</td>
</tr>
</tbody>
</table>

- Deliveries grew 18% to 98 kt in 2014 along with Degerfors ramp-up
- Unsatisfactory performance
  - High raw material and ramp-up costs in Degerfors
- Step change in profitability targeted via cost reduction and volume growth along the ramp-up
Long Products

Long Products key figures

<table>
<thead>
<tr>
<th></th>
<th>III/14</th>
<th>IV/14</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUR million</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deliveries, kt</td>
<td>60</td>
<td>43</td>
<td>214</td>
<td>248</td>
</tr>
<tr>
<td>Sales</td>
<td>171</td>
<td>129</td>
<td>556</td>
<td>651</td>
</tr>
<tr>
<td>EBITDA excl. NRI</td>
<td>10</td>
<td>12</td>
<td>-3</td>
<td>40</td>
</tr>
<tr>
<td>EBIT excl. NRI</td>
<td>8</td>
<td>11</td>
<td>-10</td>
<td>33</td>
</tr>
<tr>
<td>Capex</td>
<td>2</td>
<td>2</td>
<td>9</td>
<td>6</td>
</tr>
<tr>
<td>Operating capital</td>
<td>151</td>
<td>167</td>
<td>117</td>
<td>167</td>
</tr>
</tbody>
</table>

- Relatively healthy demand and pricing in 2014
- Deliveries grew by 16% to 248 kt reflecting increase in internal deliveries
- EBITDA excl. NRI at EUR 40 million
  - Higher deliveries
  - Improved capacity utilization at Sheffield melt shop
  - Strong performance in the US
  - One-off reversal of EUR 6 million in the US pipe business

February 12, 2015
### Operating cash flow

<table>
<thead>
<tr>
<th>EUR million</th>
<th>III/14</th>
<th>IV/14</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net cash from operating activities</td>
<td>23</td>
<td>122</td>
<td>34</td>
<td>-126</td>
</tr>
<tr>
<td>Net cash from investing activities</td>
<td>-13</td>
<td>-39</td>
<td>-108</td>
<td>-162</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>10</td>
<td>83</td>
<td>-74</td>
<td>-289</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>400</td>
<td>191</td>
<td>607</td>
<td>191</td>
</tr>
</tbody>
</table>

- Measures to improve working capital efficiency continued in Q4 resulting in strong operating cash flow
- Operating cash flow FY2014 negative due to seasonal build-up in inventories and changes in nickel price in H1/14
- Q1/15 operating cash flow estimated to be negative due to higher volumes and cash outflow from restructuring provisions
P300 closed above target, EUR 133 million NWC release in Q4. Additional potential in 2015

Cash flow from working capital change 1)

<table>
<thead>
<tr>
<th>Year</th>
<th>I/13</th>
<th>II/13</th>
<th>III/13</th>
<th>IV/13</th>
<th>2014</th>
<th>2015 target</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>351</td>
<td>248</td>
<td>133</td>
<td>351</td>
<td>400</td>
<td>351</td>
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</tbody>
</table>

Inventory days development 2)

<table>
<thead>
<tr>
<th>Year</th>
<th>I/13</th>
<th>II/13</th>
<th>III/13</th>
<th>IV/13</th>
<th>I/14</th>
<th>II/14</th>
<th>III/14</th>
<th>IV/14</th>
<th>2015 target</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>106</td>
<td>114</td>
<td>101</td>
<td>88</td>
<td>85</td>
<td>96</td>
<td>105</td>
<td>107</td>
<td>86</td>
</tr>
<tr>
<td>2014</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>86</td>
</tr>
<tr>
<td>2015</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>86</td>
</tr>
</tbody>
</table>

P400 program for further NWC release in 15

2014 actual at 98 vs. target 91

---

1) Graph shows change in accounts payables, accounts receivables and inventories and differs from the change in working capital as presented in CF statement which also includes provisions. Change in provisions included in CF statement for III/14 are EUR -14 million (II/14: EUR -15 million).
2) Figures exclude FeCr operations.
3) NWC/sales calculation based on annualized sales volume of that quarter.
4) 86 days target is an estimate based on similar sales configuration as 2014.
Contents

1. FY 2014 overview and strategic priorities
2. Financial performance
3. Outlook and guidance
Market forecast shows stainless steel demand increase in EMEA in Q1 2015 vs. Q4 2014

EMEA total stainless steel real demand

1,000 tonnes

Q1 2014 | Q2 | Q3 | Q4 | Q1 2015

1,450 | 1,500 | 1,550 | 1,600 | 1,650 | 1,700 | 1,750 | 1,800 | 1,850 | 1,900 | 1,950

+12%

Americas total stainless steel real demand

1,000 tonnes

Q1 2014 | Q2 | Q3 | Q4 | Q1 2015

500 | 600 | 700 | 800 | 900 | 1,000 |

+1%

1) Total stainless = rolled & forged products, excl. 13Cr tubes, profiles
2) Annual change in total stainless steel real demand: EMEA +3.8%, Americas +4.7%
Business and financial outlook for Q1 2015

- Stainless steel demand has improved from the year-end 2014 lows but outlook for the first quarter varies by region.
  - In EMEA, order intake is improving and underlying demand remains relatively healthy
  - Asia remains soft in the beginning of the year
  - In Americas the pace for placing new orders is somewhat subdued with the uncertainty over the nickel price, but overall market conditions remain promising
  - In both key regions, distributors are still digesting high stocks partly due to recent high third-country import ratios

Outokumpu estimates higher delivery volumes quarter-on-quarter and base prices to be slightly down.
Continued improvement in profitability is expected, resulting in slightly positive underlying EBIT for the first quarter.
With current price, the net impact of raw material-related inventory and metal hedging gains/losses on profitability is expected to be EUR 5-10 million negative.

Outokumpu’s operating result may be impacted by non-recurring items associated with the ongoing restructuring programs.
This outlook reflects the current scope of operations.

February 12, 2015
Clear priorities for 2015

1. Further profitability improvement and debt reduction
2. Progress in Calvert towards full potential
3. Completion of the EMEA restructuring
4. Enhanced delivery reliability
5. Further progress in savings programs
6. NWC management and cash flows

Bringing Outokumpu back to sustainable profitability
Q&A
For more information, call Outokumpu Investor Relations or visit www.outokumpu.com/investors

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Next IR events

Annual General Meeting  
March 26, 2015

Q1/15 Interim Report  
April 29, 2015

Capital Markets Day in Berlin  
May 27, 2015
Appendix
## Outokumpu balance sheet

<table>
<thead>
<tr>
<th>Assets (MEUR)</th>
<th>31.12.14</th>
<th>30.09.14</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intangible assets</td>
<td>567</td>
<td>569</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>3,138</td>
<td>3,142</td>
</tr>
<tr>
<td>Investments in associated companies and joint ventures</td>
<td>78</td>
<td>71</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>29</td>
<td>26</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>44</td>
<td>52</td>
</tr>
<tr>
<td>Defined benefit plan assets</td>
<td>36</td>
<td>0</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>12</td>
<td>19</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td>3,904</td>
<td>3,879</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inventories</td>
<td>1,527</td>
<td>1,621</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>40</td>
<td>34</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>749</td>
<td>851</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>191</td>
<td>400</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>2,507</td>
<td>2,907</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>6,411</td>
<td>6,785</td>
</tr>
</tbody>
</table>

- Q-o-q decrease mainly due to repayment of EUR 500 liquidity facility with the proceeds from the bond
- Increase due to changes in plan asset values (mostly UK and German)
### Outokumpu balance sheet

<table>
<thead>
<tr>
<th>Equity and liabilities (MEUR)</th>
<th>31.12.14</th>
<th>30.09.14</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total equity</strong></td>
<td>2,132</td>
<td>2,144</td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long-term debt</td>
<td>1,597</td>
<td>1,852</td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td>18</td>
<td>13</td>
</tr>
<tr>
<td>Deferred tax liabilities</td>
<td>31</td>
<td>44</td>
</tr>
<tr>
<td>Defined benefit and other long-term employee benefit obligations</td>
<td>372</td>
<td>379</td>
</tr>
<tr>
<td>Provisions</td>
<td>198</td>
<td>206</td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>47</td>
<td>48</td>
</tr>
<tr>
<td><strong>Total non-current liabilities</strong></td>
<td>2,262</td>
<td>2,543</td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current debt</td>
<td>569</td>
<td>616</td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td>87</td>
<td>61</td>
</tr>
<tr>
<td>Provisions</td>
<td>26</td>
<td>35</td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>1,335</td>
<td>1,386</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td>2,016</td>
<td>2,098</td>
</tr>
<tr>
<td><strong>Total equity and liabilities</strong></td>
<td>6,411</td>
<td>6,785</td>
</tr>
</tbody>
</table>
Debt maturity profile

- Positive cash flow and reduction in cash led to reduction of debt by EUR 300 million in Q4
- Liquidity facility, revolving credit facility, most bilateral loans as well as the outstanding notes are entitled to a security package

* Short-term debt includes current portion of long-term debt (to be repaid within 12 months). This comprises of pensions, commercial papers, leases and EUR 150 million bond
Cost analysis 2014

Operative cost components 1)

- Raw materials account for around 60% of the total operative costs of the Group
- Energy and other consumables account for some 10-15% of the total operative costs
- Personnel expenses some 10% of the total operative costs
- Other cost of sales includes e.g. freight, maintenance and rents and leases

Comments

1) Operative costs = Sales – EBIT (excl. non-recurring items), management estimates
Headcount reductions

Total headcount reduction 1)

- 2014 reduction target of >700 jobs was delayed by approx. 1 quarter for various organizational and legal reasons → Expected to be back on track by latest mid-2015
- Overall target is to reduce global headcount by up to 3,500 between 2013–2017

Personnel per BA at the end of 2014

1) 2012: Total Group excl. OSTP, Terni remedy assets, VDM, certain service centers (Willich initial remedy headcount)
### Capacities and production flow following restructuring

<table>
<thead>
<tr>
<th>Melting</th>
<th>Coil EMEA</th>
<th>[kt p.a.]</th>
<th>Quarto Plate (QP)</th>
<th>[kt p.a.]</th>
<th>Long Products (LP)</th>
<th>[kt p.a.]</th>
</tr>
</thead>
<tbody>
<tr>
<td>TORNIO</td>
<td>TORNIO</td>
<td>1,450</td>
<td>DEGERFORS</td>
<td>150</td>
<td>SHEFFIELD</td>
<td>450</td>
</tr>
<tr>
<td>(FIN)</td>
<td>(FIN)</td>
<td></td>
<td>(SWE)</td>
<td></td>
<td>(UK)</td>
<td></td>
</tr>
<tr>
<td>AVESTA</td>
<td>AVESTA</td>
<td>450</td>
<td>NEWCASTLE</td>
<td>60</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(SWE)</td>
<td>(SWE)</td>
<td>900</td>
<td>(US)</td>
<td></td>
<td>RICHBURG</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(US)</td>
<td></td>
<td>(SWE)</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(UK)</td>
<td></td>
<td>(US)</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### NOTES

Today:
- Avesta melt shop main supplier to QP production in SWE and US
- Avesta will increase supply to Coil EMEA units after Bochum melt shop closure in 2015
- Avesta hot rolling manned by 50%

Today:
- Degerfors is ramping-up capacity from 110 kt to 150 kt
- Degerfors mainly supplied by Avesta supported by Sheffield. Sheffield will take over major part after Bochum closure
- Newcastle is currently supplied mainly by Sheffield.

Today:
- Sheffield melt shop operating at below full capacity
- Supplying not only to LP production but also to QP as a “swing plant” to support Avesta
- Supply to QP to increase after Bochum closure in 2015 → increasing utilization in Sheffield
- Wildwood: Pipe production

---

All capacity figures depending on product mix / Figures represent realistic capacity if fully manned (what is possible under fully manned scenario with usual product mix)

EMEA: Not including Dahlerbrück precision strip production of ~20kt

QP: As of yet there is no firm decision what the future split of supply from Avesta and Sheffield to Quarto Plate production will look like. But for technical reasons there will definitely be some volumes coming from both Avesta and Sheffield.
### Capacities and production flow (‘to be’ state)

<table>
<thead>
<tr>
<th>MELTING</th>
<th>HOT ROLLING</th>
<th>PLATE &amp; LONG</th>
<th>FINISHED GOODS (Cold rolled + HBW)</th>
<th>NOTES</th>
</tr>
</thead>
</table>
| [kt p.a.] | CALVERT (US) 900 | CALVERT (US) 870 | CALVERT (US) 350+150 | Today:  
  - Calvert integrated stainless steel mill still in the ramp-up phase, commercial ramp-up to full capacity until 2016  
  - Hot rolling in Calvert is conducted by Arcelor Mittal and Nippon Steel & Sumitomo Metal Corporation under a hot rolling toll processing agreement  
  - Mexinox: CR mill running at full capacity |

<table>
<thead>
<tr>
<th>TOTAL Group capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.3m tonnes</td>
</tr>
<tr>
<td>3.2m tonnes</td>
</tr>
<tr>
<td>0.3m tonnes</td>
</tr>
<tr>
<td>2.7m tonnes</td>
</tr>
</tbody>
</table>

**REALISTIC CAPACITY IF FULLY MANNED (WHAT IS POSSIBLE UNDER FULLY MANNED SCENARIO WITH USUAL PRODUCT MIX)**
Balanced customer base across industries

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

Sales by customer segment

- Distributors: 47% (45%)
- End users & processors: 53% (55%)

Sales by end-customer segment

- Consumer goods & Medical: 19% (21%)
- Automotive: 20% (18%)
- Architecture, Building & Construction: 5% (5%)
- Chemical, petrochemical and energy: 5% (5%)
- Heavy industries: 23% (24%)
- Metal processing & Tubes: 22% (22%)
- Other: 8% (5%)

1) Management estimates FY 2014, for continuing operations. FY 2013 figures in parenthesis.
Broadest product portfolio across stainless steel

- 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

### Deliveries by product grade

- **Austenitic (CrNi):** 56% (58%)
- **Austenitic (CrNiMo):** 17% (17%)
- **Ferritic:** 21% (19%)
- **Duplex:** 4% (3%)
- **Other:** 2% (3%)

### All product forms offered

1) Management estimates FY 2014, for continuing operations. FY 2013 figures in parenthesis
2) Standalone Outokumpu had only a 5% share of ferritics vs. ~20% for the combined entity.
Balanced customer base and comprehensive service center network in Europe

Coil EMEA sales by customer segment

- End users and processors direct sales: 44%
- End users and processors through internal service centers: 15%
- Distributors through internal service centers: 8%
- Distributors direct sales: 33%

Total stainless market size in 2014

Total Europe: 5,810

Outokumpu core market
- Nordic: 440
- Eskilstuna: 380
- Alfortville: 270
- Sheffield: 270
- Germany: 1,580
- Dabrowa Gornica: 630
- Wilnsdorf: 380
- Sachsenheim: 340
- Castelleone: 380
- E-Europe: 630
- Italy: 1,430
- Spain: 340
- Turkey: 400

Outokumpu non-core market

1) Coil EMEA sales 2014, for continuing operations.
Industrial production as the major driver for stainless growth...

**Industrial Production**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>APAC</td>
<td>100</td>
<td>105</td>
<td>110</td>
<td>115</td>
<td>120</td>
<td>125</td>
<td>130</td>
<td>135</td>
</tr>
<tr>
<td>Americas</td>
<td>100</td>
<td>105</td>
<td>110</td>
<td>115</td>
<td>120</td>
<td>125</td>
<td>130</td>
<td>135</td>
</tr>
<tr>
<td>EMEA</td>
<td>100</td>
<td>105</td>
<td>110</td>
<td>115</td>
<td>120</td>
<td>125</td>
<td>130</td>
<td>135</td>
</tr>
</tbody>
</table>

**Growth p.a. 2014 - 2017**

- APAC: +4%
- Americas: +3%
- EMEA: +3%

**Economic Growth Prospects**

- Fundamental growth
- Recovery from economic crisis and continued growth
- Recovery from economic crisis

*Source: ISSF December 2014*
... leads to growing stainless consumption mainly in APAC, and to some extent in Americas and EMEA

[Total stainless steel real demand in million tonnes]

<table>
<thead>
<tr>
<th>Year</th>
<th>APAC</th>
<th>Americas</th>
<th>EMEA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>18.5</td>
<td>3.2</td>
<td>6.4</td>
</tr>
<tr>
<td>2011</td>
<td>20.0</td>
<td>3.1</td>
<td>6.8</td>
</tr>
<tr>
<td>2012</td>
<td>22.5</td>
<td>3.3</td>
<td>6.9</td>
</tr>
<tr>
<td>2013</td>
<td>24.5</td>
<td>3.4</td>
<td>7.0</td>
</tr>
<tr>
<td>2014</td>
<td>26.0</td>
<td>3.6</td>
<td>7.2</td>
</tr>
<tr>
<td>2015 (f)</td>
<td>27.4</td>
<td>3.7</td>
<td>7.4</td>
</tr>
<tr>
<td>2016 (f)</td>
<td>29.1</td>
<td>3.9</td>
<td>7.6</td>
</tr>
<tr>
<td>2017 (f)</td>
<td>30.7</td>
<td>4.0</td>
<td>7.8</td>
</tr>
</tbody>
</table>

Ø Growth p.a. 2014-2017

- APAC: +5.7%
- Americas: +3.4%
- EMEA: +2.4%

Source: SMR January 2015
Total stainless = rolled & forged products, excl. 13Cr tubes, profiles
f=forecast

February 12, 2015
Nickel price development

- Price was rallying during the first half of 2014, driven by the future concerns on the availability of laterite nickel ore in China, as a result of Indonesian ore export ban, and secondly by the strong demand from western stainless steel mills. Price hit the highest level of the year of 21,200 USD/tonne in mid-May.
- Starting from September, price mainly retreated during the rest of the year, as the short-term fundamentals were weakening and the outlook for commodities broadly was deteriorating as a result of slowing economic growth, strengthening US dollar and plummeting oil prices. The average price of the year of 16,864 USD/tonne, was 12% higher than 15,012 USD/tonne in 2013.
- LME stocks still close to all-time highs, and up 58% in 2014, though much of the increase relates to exports from bonded warehouses in China to the LME – effectively a shift from invisible to visible stocks.

Update: February 3, 2015
Raw materials - price development

**Nickel**

- 3 Feb 15: 15,375 USD/t
- Data source: Nickel Cash LME Daily Official

**Ferrochrome**

- European contract price: 01/15 1.08 USD/lb
- European spot price: 29 Jan 15 0.82 USD/lb
- Data source: MetalBulletin - Ferro-chrome Lumpy CR charge basis 52% & Cr quarterly major European destinations Cr; Spot: Platts Charge Chrome 52% DDP Europe

**Molybdenum**

- 3 Feb 15: 8.7 USD/lb
- Data source: MetalBulletin - Molybdenum Drummed molybdic oxide Free market Mo in warehouse

**Carbon steel scrap**

- 3 Feb 15: 283 USD/t
- Data source: Ferrous Scrap Index HMS 1&2 (80:20 mix) $ per tonne fob Rotterdam

---

Data source: 1) Nickel Cash LME Daily Official 2) Contract - MetalBulletin - Ferro-chrome Lumpy CR charge basis 52% & Cr quarterly major European destinations Cr; Spot: Platts Charge Chrome 52% DDP Europe 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
Change in the definition of underlying profitability from Q1/14 onwards

- Change in underlying definition following the change in Outokumpu’s metal hedging policy in the beginning of 2014
- **New**: Deduction of metal derivative result in underlying
- Historical figures are not adjusted because change in hedging policy took place in the beginning of 2014
- Net impact of raw material-related inventory and metal derivative gains/losses:
  - Q1/14: EUR -3 million
  - Q2/14: EUR 3 million
  - Q3/14: EUR 31 million
  - Q4/14: EUR 0 million

<table>
<thead>
<tr>
<th>Reported EBIT/EBITDA</th>
<th>Operating profit</th>
<th>Non-recurring items</th>
<th>Metal derivatives</th>
<th>Realized timing</th>
<th>Net realizable value (NRV)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Old definition</td>
<td>Operating profit</td>
<td>Non-recurring items</td>
<td>Metal derivatives</td>
<td>Realized timing</td>
<td>Net realizable value (NRV)</td>
</tr>
<tr>
<td>New definition</td>
<td>Operating profit</td>
<td>Non-recurring items</td>
<td>Metal derivatives</td>
<td>Realized timing</td>
<td>Net realizable value (NRV)</td>
</tr>
</tbody>
</table>

Net of raw material related inventory gains/losses

<table>
<thead>
<tr>
<th>Operating profit</th>
<th>Non-recurring items</th>
<th>Metal derivatives</th>
<th>Realized timing</th>
<th>Net realizable value (NRV)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating profit</td>
<td>Non-recurring items</td>
<td>Metal derivatives</td>
<td>Realized timing</td>
<td>Net realizable value (NRV)</td>
</tr>
<tr>
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<td>Metal derivatives</td>
<td>Realized timing</td>
<td>Net realizable value (NRV)</td>
</tr>
</tbody>
</table>

Raw material-related inventory gains/losses
Ramp-up of the Ferrochrome business completed

- Unique low cost position as Europe’s only ferrochrome producer with access to the only known chromite reserves in the EU – the Kemi mine 1).
- The ramp-up of new capacity completed:
  - Production of 441 kt in 2014
  - Annual production range between 500-530 kt going forward
  - 2015 production target 500 kt

---

1) The proved chrome ore reserves at Kemi amount to 50 million tonnes, enabling long term operations.
2) Contract - MetalBulletin - Ferro-chrome Lumpy CR charge basis 52% & Cr quarterly major European destinations Cr ; Spot: Platts Charge Chrome 52% DDP Europe