

Shaping the future for stainless steel

Investor presentation August 2020

Table of contents

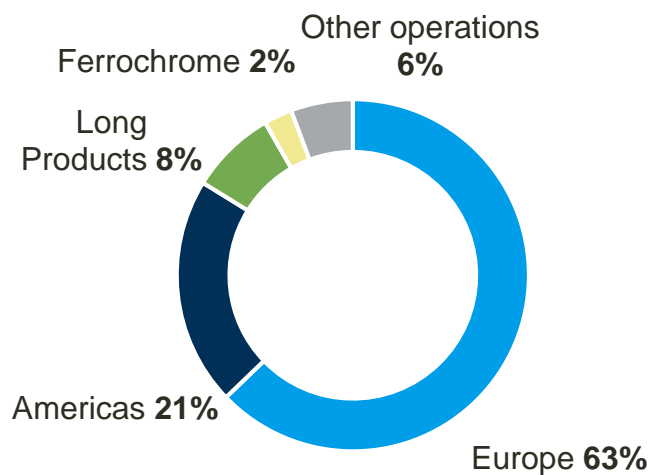
- 1. Outokumpu in brief (slide 3)**
- 2. Business areas (slide 18)**
- 3. Markets (slide 25)**
- 4. Sustainability (slide 33)**
- 5. Ferrochrome (slide 44)**
- 6. R&D (slide 48)**
- 7. Latest financials Q2 2020 (slide 53)**
- 8. Appendix (slide 68)**

Outokumpu in brief

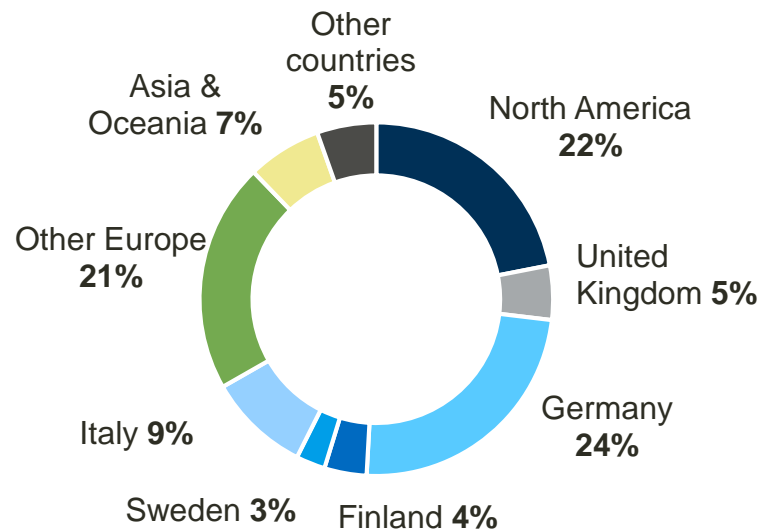
Outokumpu – global stainless steel producer



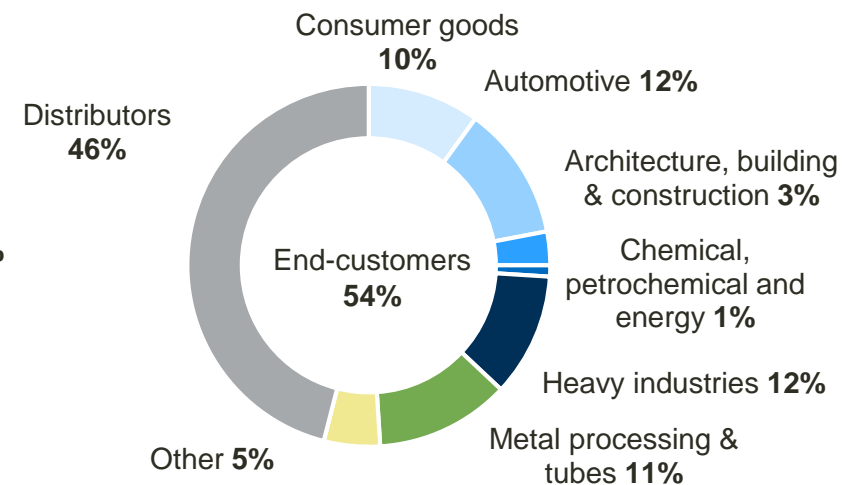
Sales by business area*



Sales by destination*



Sales by customer segment*



Vision 2020

Best value creator
in stainless steel
by 2020 through
customer orientation
and efficiency

Customers
Shareholders
Employees

Time bound:
sense of urgency

Back to basics

We have improved our performance in many fronts

Cultural shift
from silos into one
company with
uniform processes
and ways of working

Americas' financial
and operational
step change

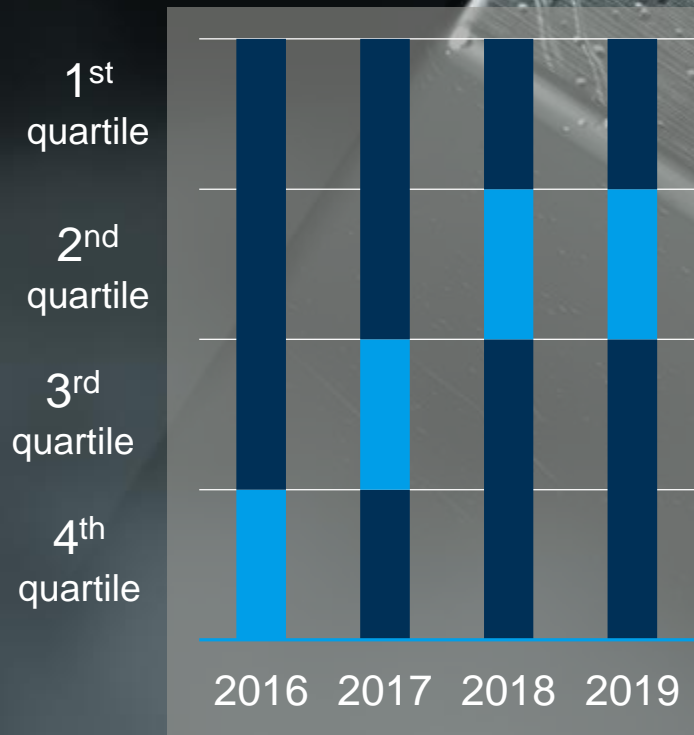
Commercial excellence –
enhanced mix and
margins

Improved cost
competitiveness and
productivity

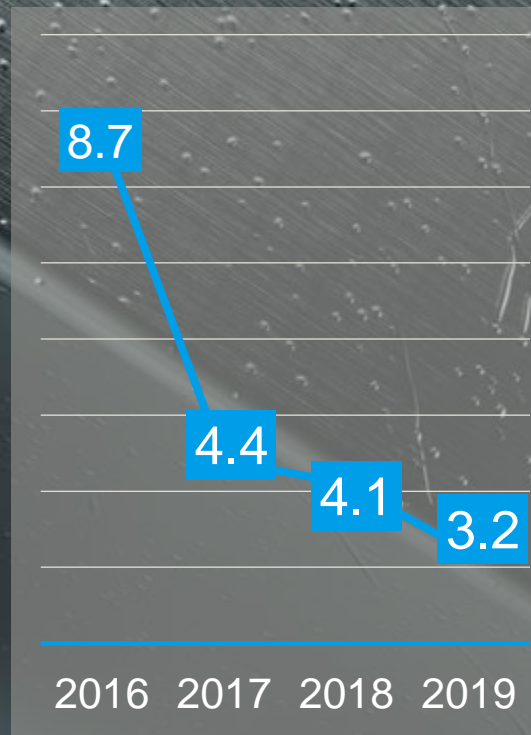
Digital transformation

We take care of our employees and our customer satisfaction is by far the highest in the industry

Organizational health index¹



Safety development²



Customer satisfaction³

Competitors
58%

Outokumpu
72%
Absolutely or very satisfied customers³

- 1) McKinsey organizational health index
- 2) Total recordable injury frequency
- 3) Percentage, Outokumpu customer satisfaction survey 2019

Financial development in 2016–2019

Net debt
below

€1.1

billion*

Cumulative
adjusted EBITDA

€1.7

billion

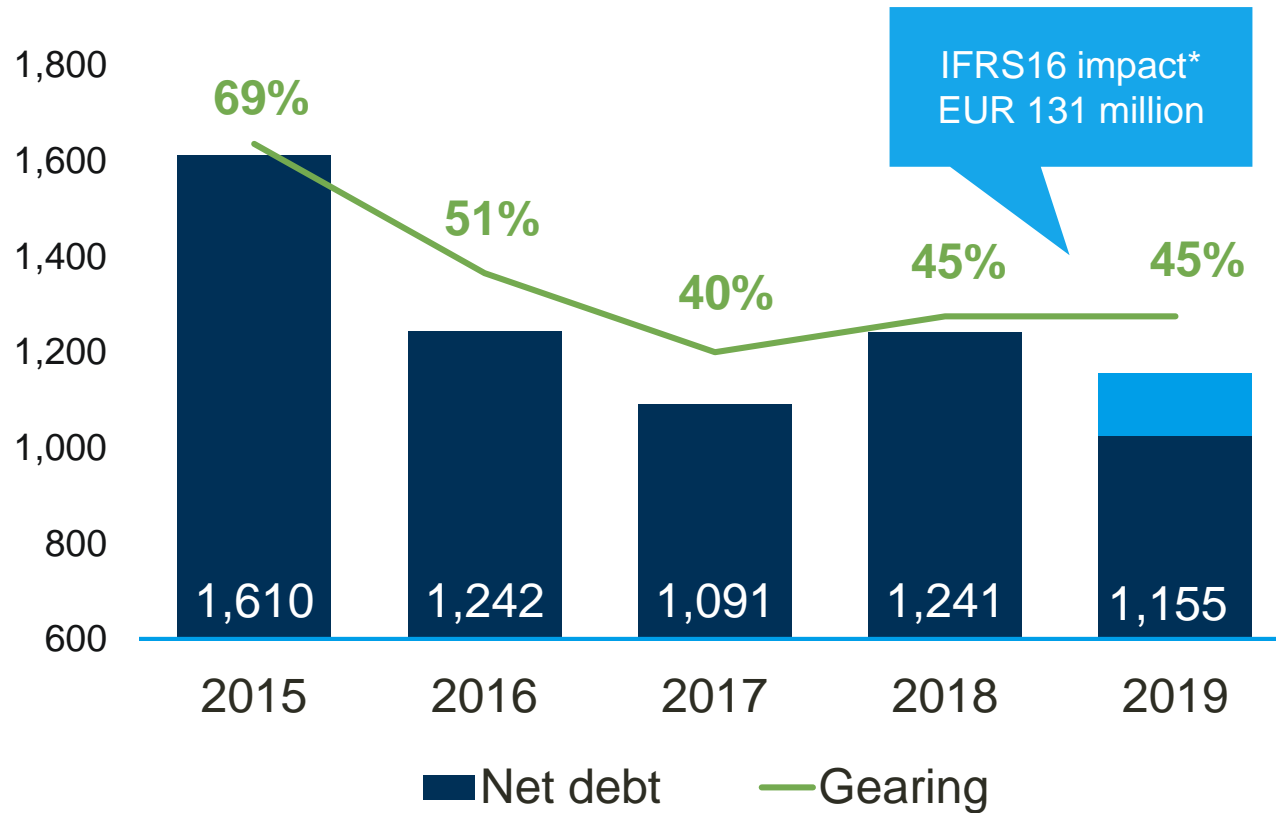
Gearing
improved by

35%

* At the end of 2019, excluding IFRS16 adjustment; implementation impact on January 1, 2019

We continue to strengthen our balance sheet and reduce net debt

Net debt, EUR



Strong focus on cash generation

Efficient net working capital management

Divestment of non-core assets



* Implementation impact on Jan 1, 2019

We have a firm foundation for future growth

**Solid
operations
and
financials**

**Wide
product
range**

**Leadership in
sustainability**

**Digitally
enabled**

**Best
customer
service**

Stainless steel is the future for sustainable modern society with its unbeatable features



Corrosion resistant

Sustainable

Heat resistant

Hygienic

High strength

Aesthetic

Durable

Cost efficient



The world needs long lasting, hygienic and sustainable solutions



Economic and population growth

Healthcare, clean water, appliances..



Infrastructure, mobility and urbanization

Buildings, elevators, trains, bridges,...



Climate change and limited resources

Energy investments, resource efficiency,...

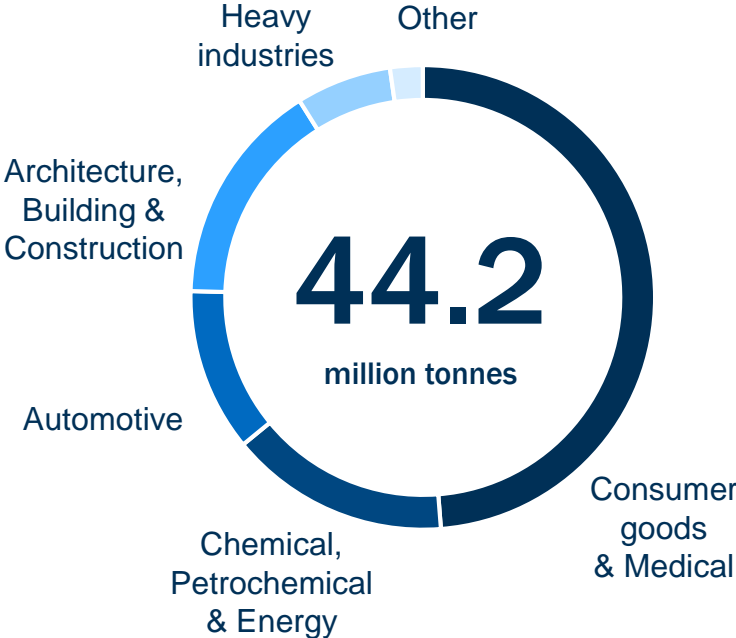


Sustainable stainless steel

Long-lasting, recyclable solutions

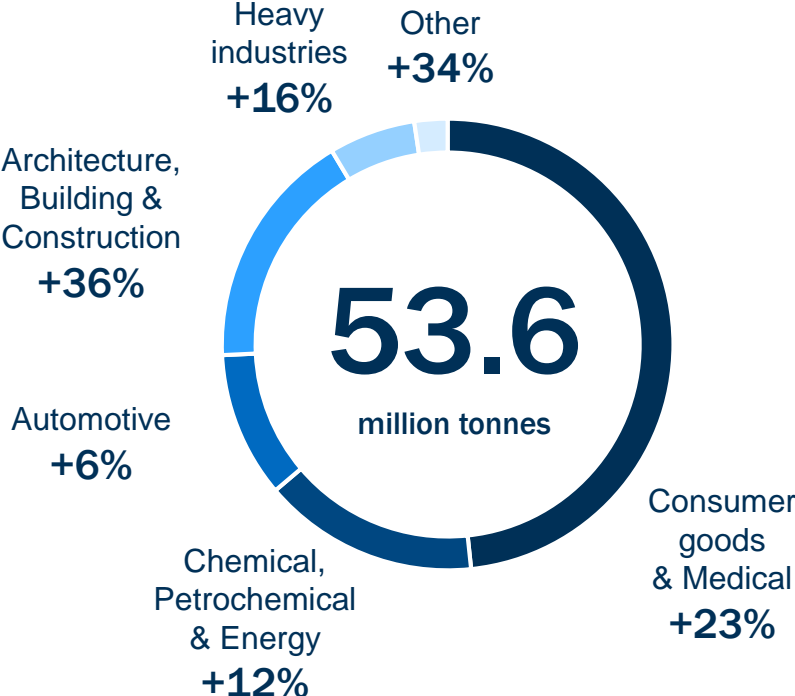
Expectations for real demand growth lowering

Global stainless steel real demand in 2019

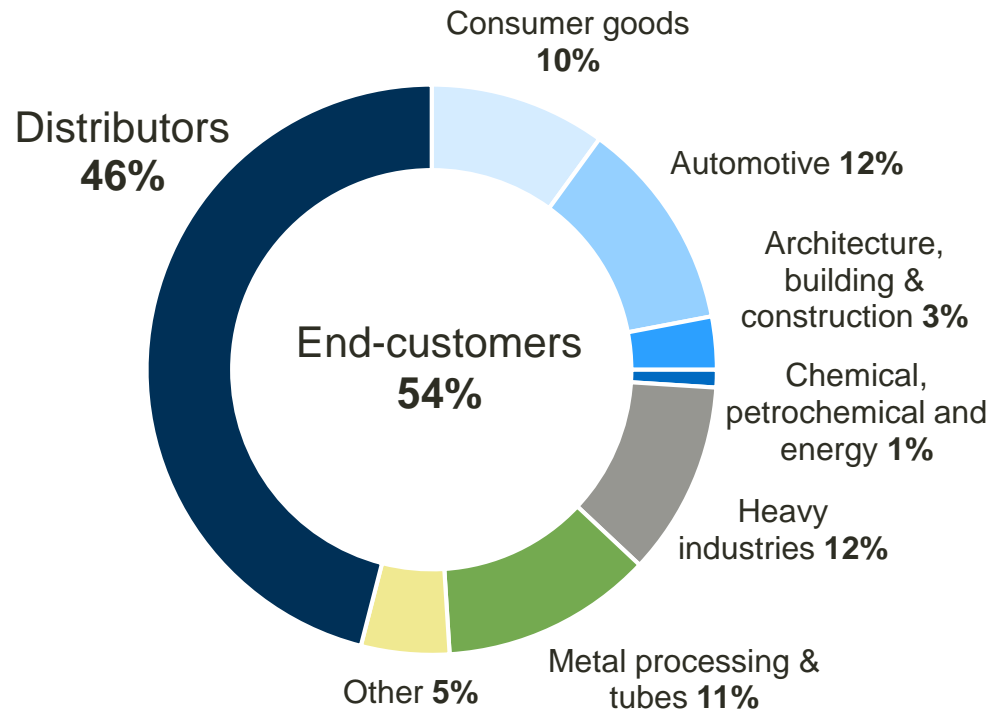


+21%

Expected stainless steel real demand in 2025



We have a balanced customer portfolio*



End-customers

54%

- Long term contracts
- Large quantities
- Special grades
- Ferritics and duplex
- Technical advice
- Develop relationships & receive volume discounts

Distributors

46%

- Spot contracts
- Standard products and grades
- Austenitic cold rolled and tubular products
- Speculative behaviour
- Value added services

*Sales in 2019

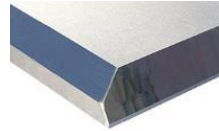
Outokumpu has the broadest product portfolio globally.

The use of our steel reduces the carbon footprint of our customers' products.

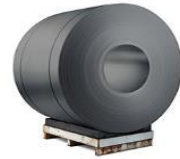
Flat products



Slab



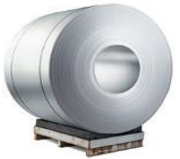
Quarto plate



Hot rolled black coil



Cold rolled white coil



Hot rolled white coil



Precision strip

Long products



Cast semis



Bar



Rolled and forged billet



Rebar



Wire rod



Wire

Ferrochrome

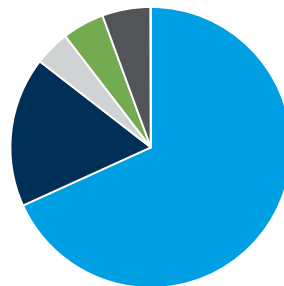


Chrome is the most important raw material used in stainless steel production.

Outokumpu has its own chrome mine and ferrochrome works and this makes us uniquely self-sufficient. Ferrochrome contains 50–54% of chrome. Most of our ferrochrome is used in our own melt shops and approximately 25% is sold to other producers.

Outokumpu is the only producer of Ferrochrome in Europe.

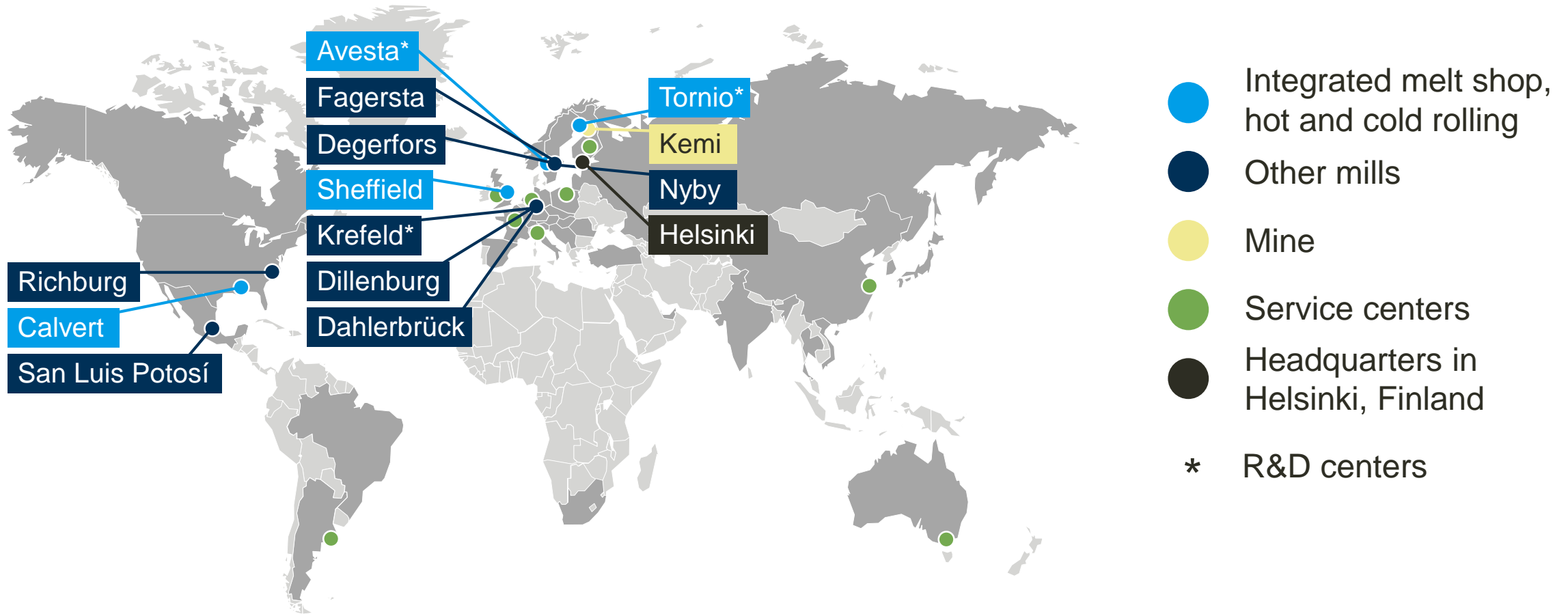
Outokumpu stainless steel deliveries by product form*



- Cold rolled **69%**
- Hot rolled white coil **17%**
- Quarto plate **4%**
- Long products **5%**
- Semi finished stainless steel products **6%**

* Sales in 2019

We have a solid presence in key regions



Fully integrated production asset base

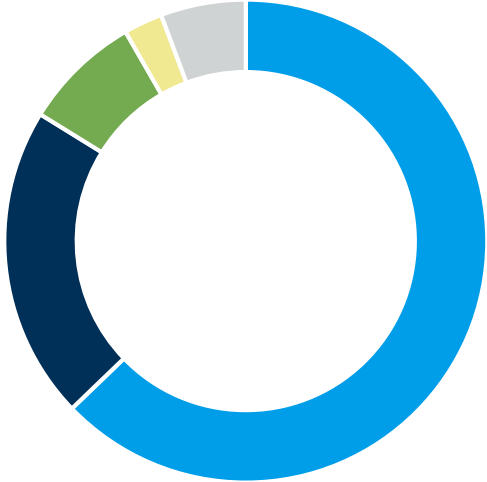
	Europe				Americas		Long Products				Total
1,000 tonnes	Tornio Finland	Avesta + Nyby Sweden	Krefeld + Dillenburg Germany	Degerfors Sweden	Calvert USA	Mexinox Mexico	Sheffield UK	Richburg USA	Degerfors Sweden	Fagersta Sweden	
Melting	1,450	450			900		450				3,250
Hot rolling	1,450	900			870						3,220
Finishing											2,720
Cold rolling	750	130	500		350	250					
Hot white band	150	120			150						
Quarto plate				150							
Long products							25	40	40	65	

Business areas

Outokumpu's assets work as one integrated system



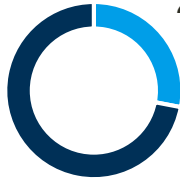
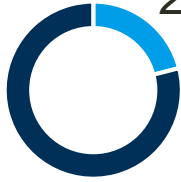


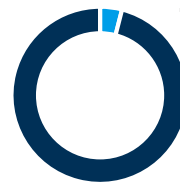












Sales by business area in 2019
€ 6,403 million



- Europe
- Americas
- Long Products
- Ferrochrome



#1 stainless steel producer in Europe, #2 in the US

Business area	EUROPE	AMERICAS	LONG PRODUCTS	FERROCHROME
Market share	#1  28%	#2  21%	US  11% Europe  10%	#6  4%
Production facilities	Finland, Sweden & Germany	US & Mexico	UK, Sweden & US	Finland
Largest customer segments	Distributors Automotive Appliances Heavy industries	Distributors Appliances Automotive Pipes & tubes	Distributors Metal processing Heavy industries Tubes	Stainless steel producers
Main competitors	  	  	  	  

State-of-the-art production facilities – Europe

Outokumpu's assets work as one integrated system with large integrated sites in Tornio, Finland and Avesta, Sweden feeding rest of the mills Europe. Outputs include a wide range of austenitic and ferritic standard stainless steel grades and tailored and high performance products.

Tornio

- Largest single site stainless steel production facility in Europe by cold rolling capacity
- Only stainless steel facility in the world fully integrated with ferrochrome
- Most sustainable stainless steel mill in the world and largest recycling center in Europe
- Unique rolling, annealing and pickling ("RAP") line producing minimum thickness tolerance, high surface quality and corrosion resistance

Avesta

- Fully integrated site with focus on high performance stainless grades
- Inventor of duplex stainless steel grades
- Prefab and press plate special manufacturing units
- Delivers hot band to Nyby and sites in Germany for cold rolling and slabs to Degerfors for quarto plate production

Degerfors

- Site producing quarto plate in high performance stainless steel
- Plate service center for complex projects
- Also part of BA Long Products

Nyby

- Cold rolling mill focusing in duplex, high-alloyed austenitic and heat resistant special grades

Dillenburg

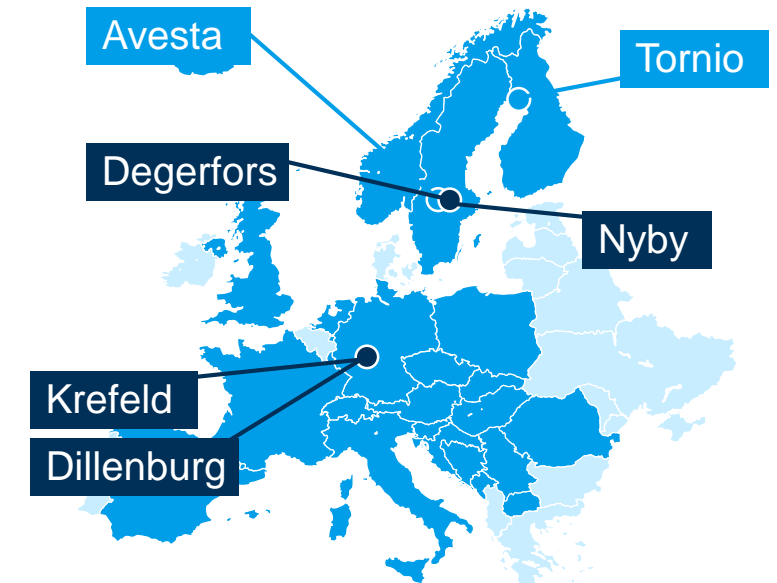
- Cold rolling mill specialized in customized finishing processes for unique decorative surfaces

Krefeld

- Cold rolling mill producing comprehensive range of grades, dimensions and surface finishes

Dahlerbruck

- Cold rolling mill producing precision strip



1,000 tonnes	Tornio Finland	Avesta + Nyby Sweden	Krefeld + Dillenburg Germany	Degerfors Sweden
Melting	1,450	450		
Hot rolling	1,450	900		
Finishing				
• Cold rolling	750	130	500	
• Hot white band	150	120		
• Quarto plate				150

State-of-the-art production facilities – Americas

The Americas' production units are located in Alabama, US and San Luis Potosí, Mexico. The production sites are supported by distribution centers in Illinois, Pennsylvania and California, US and a service center in Argentina. The business area produces standard austenitic and ferritic grades as well as tailored products.

Calvert, US

- Fully integrated site with comprehensive product portfolio
- Most technically advanced mill in the USA
- Feeds hot rolled coils to Mexinox
- Austenitic and duplex grades, ferritics capabilities built by 2020

San Luis Potosí, Mexico

- Cold rolling mill specialized in ferritic stainless steel grades
- Only stainless steel mill in Mexico serving both domestic market and supplying ferritics back to the USA



1,000 tonnes	Calvert	San Luis Potosí
Melting	900	
Hot rolling	870	
Finishing		
• Cold rolling	350	250
• Hot white band	150	

State-of-the-art production facilities – Long Products

The integrated mill in Sheffield, UK feeds semi-finished products to finishing facilities in Sweden and US. Long Products' product offering consists of a broad range of bars, wire-rod, wire, rebar and semi-finished products in standard and tailored grades.

Sheffield

- Melt shop & continuous casting, a bar finishing facility and wire rod mill
- Inventor of martensitic stainless steel grades
- Feeds Long Products' other mills with blooms and billets and BA Europe with slabs
- Also houses a stocking, processing and distribution center

Degerfors

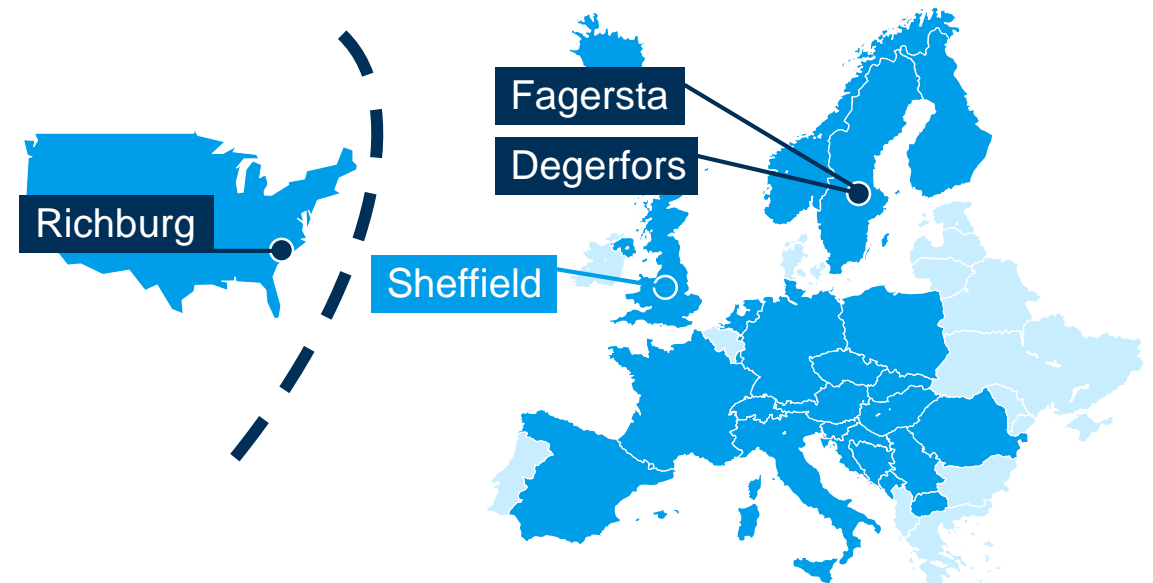
- Hot rolling mill that is a global supplier of high quality bars as well as rolled and forged billets in a wide range of stainless steel grades

Richburg

- Cold finished long products manufacturing facility serving the American market
- Flexible high quality production of comprehensive range of long products

Fagersta

- Global wire rod supplier in a broad range of stainless steel grades and sizes.
- Belongs to the world's leading producers of stainless wire rod with a flexible and high quality manufacturing program



1,000 tonnes	Sheffield UK	Richburg US	Degerfors Sweden	Fagersta Sweden
Melting	450			
Finishing				
• Long Products	45	40	40	65

State-of-the-art production facilities – Ferrochrome

Ferrochrome is an integral part of Outokumpu's operations, and supported by our Kemi mine. It is a clear competitive advantage to us. Majority of the produced ferrochrome is consumed internally by our own mills, and approximately 25% is sold to other producers outside the company.

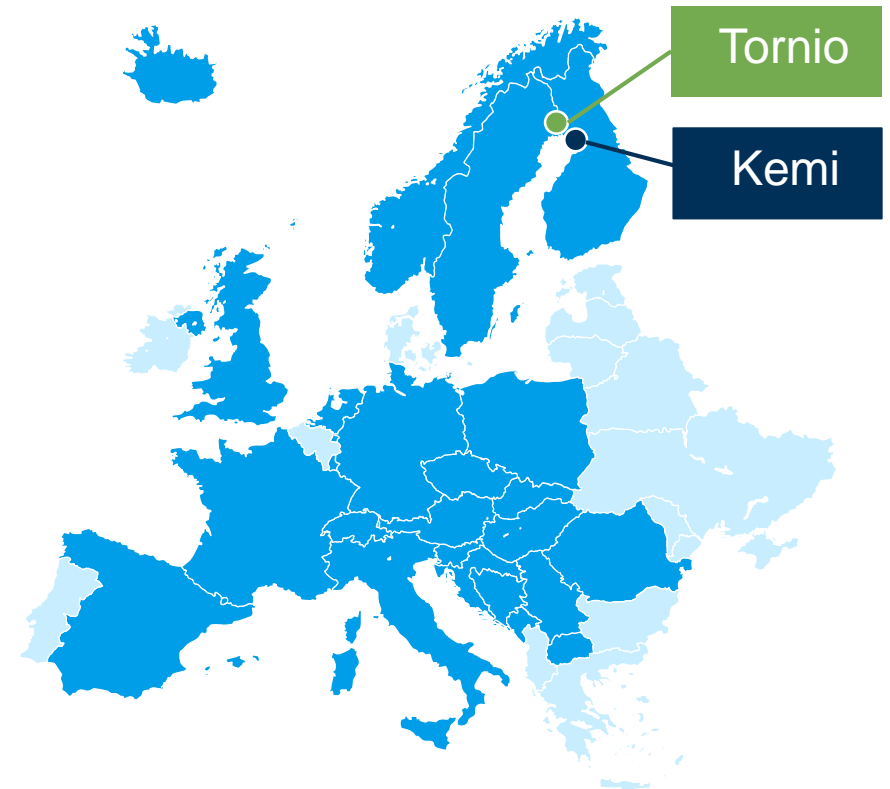


Tornio

- Ferrochrome works with three smelting furnaces – at the same site as our integrated stainless steel mill
- Integrated operations in Tornio allow ferrochrome to be transferred to stainless steel melt shop in liquid form enabling considerable cost and energy savings
- Annual ferrochrome production capacity 530kt

Kemi

- The only chrome mine in the EU area
- One of the most cost competitive ferrochrome producers globally
- Low carbon footprint
- Expansion extends the underground mining activities to 1,000 meters to secure continuous chrome supply for coming decades



Markets

High import penetration, price pressure and low demand have changed the market dynamics

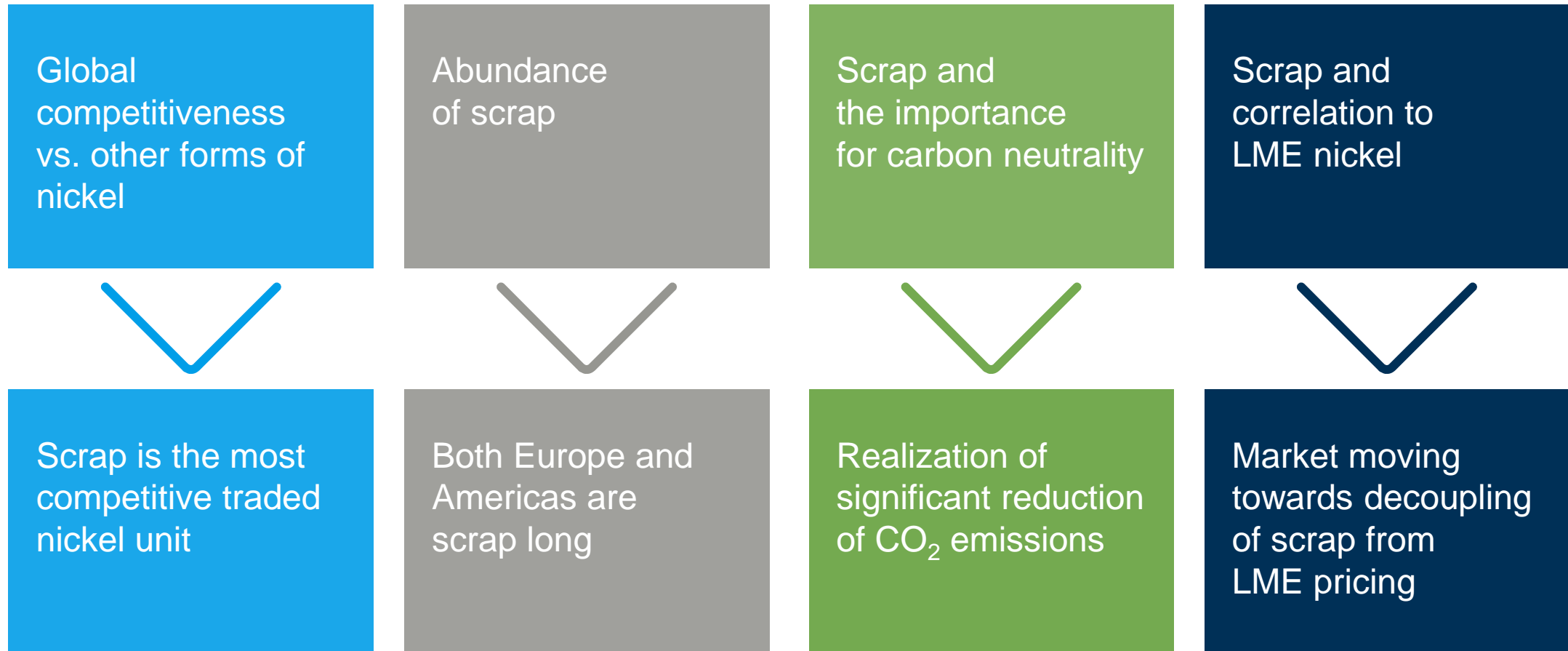
Unfair trade practices and growing competition from Asian producers

Trade wars have led to market disruption

New pricing mechanisms: from alloy surcharge to transaction pricing

Shift towards NPI leads to a change in scrap pricing

Scrap is a competitive advantage and driver for sustainability



Market balance must be restored by addressing unfair market practices

Stronger safeguards

needed in Europe
also beyond current
period

Trade defence tools

anti-dumping &
anti-subsidy
investigations

EU's WTO complaint

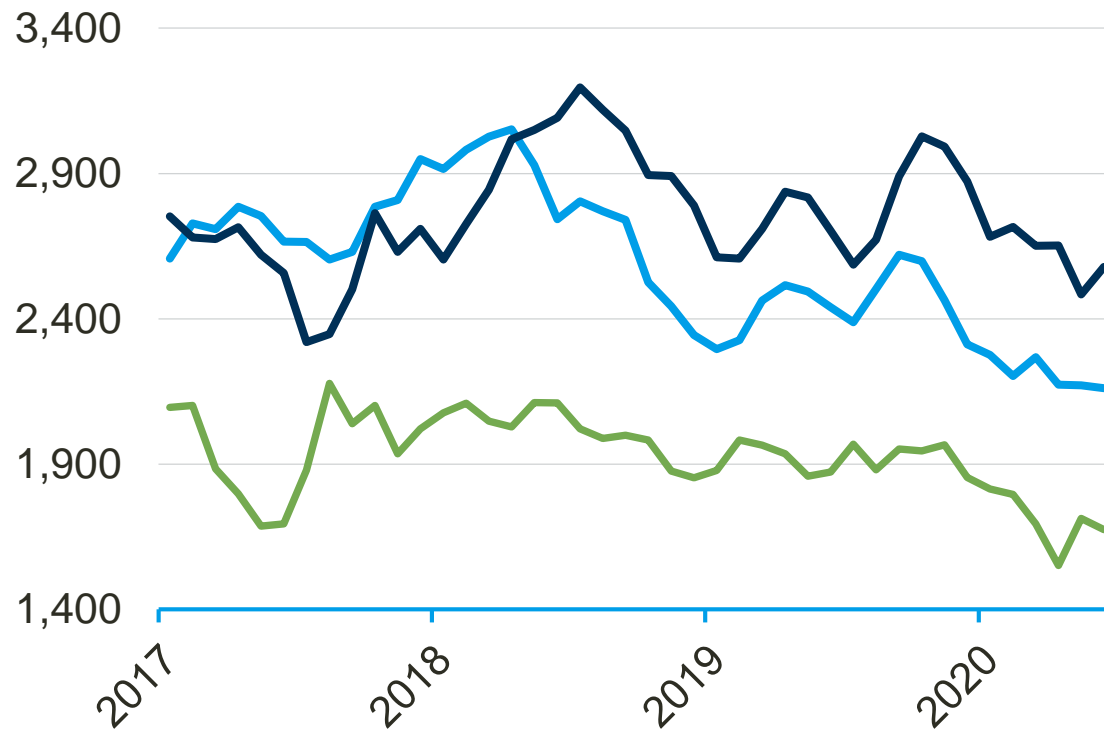
against Indonesia's
ore export ban and
preferential pricing

Carbon Border Adjustment

to prevent carbon
leakage

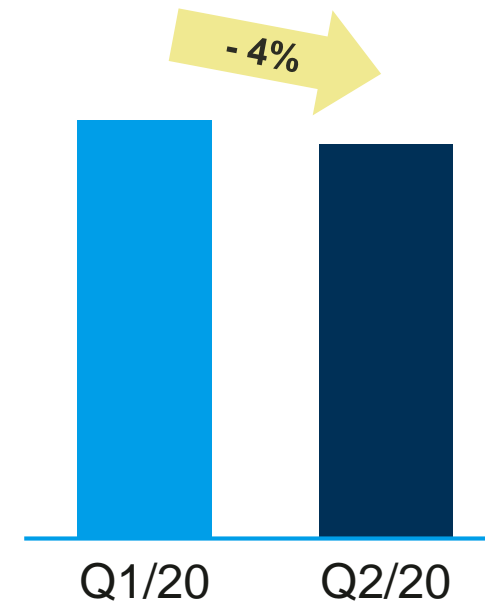
Stainless prices remain under pressure in 2020

Transaction prices 304 stainless, USD/tonne

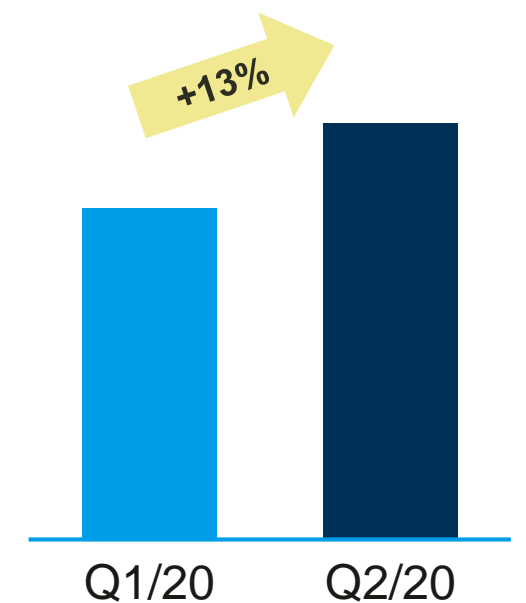


● Europe ● USA ● China

Average nickel price, USD/tonne



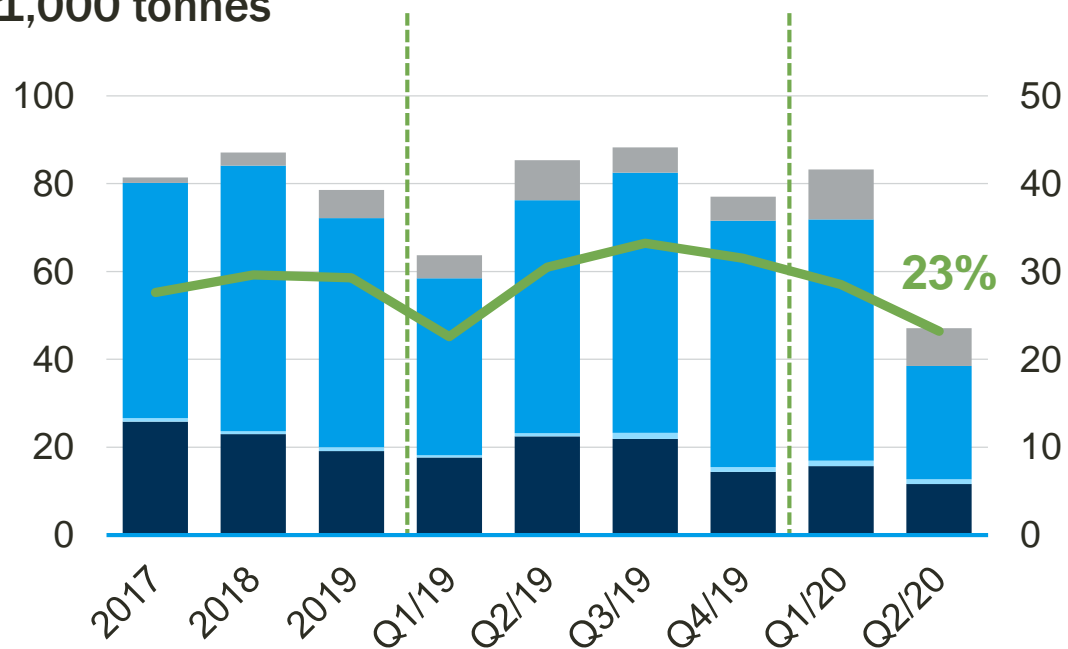
Ferrochrome benchmark price, USD/lb.



Source: CRU

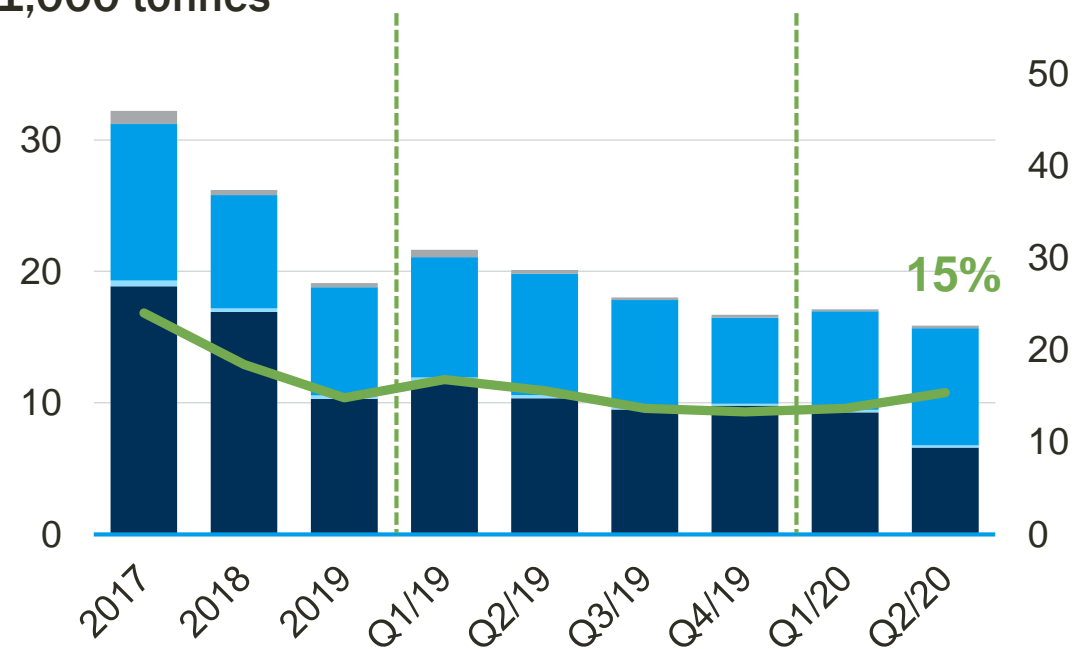
Import pressure combined with weak demand continue to damage the European steel market

Third-country cold rolled imports¹ into Europe, 1,000 tonnes



- From rest of world
- From rest of Asia
- From China
- From Indonesia
- Import penetration

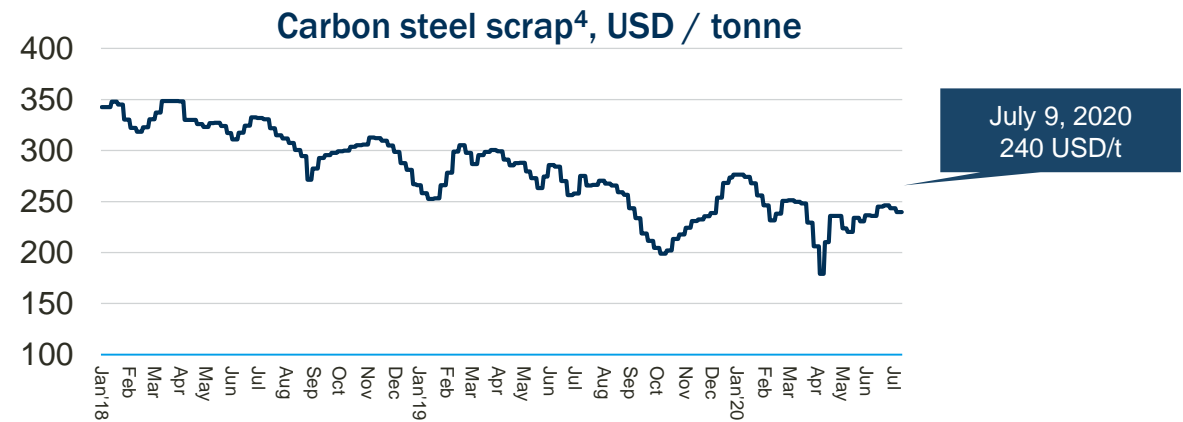
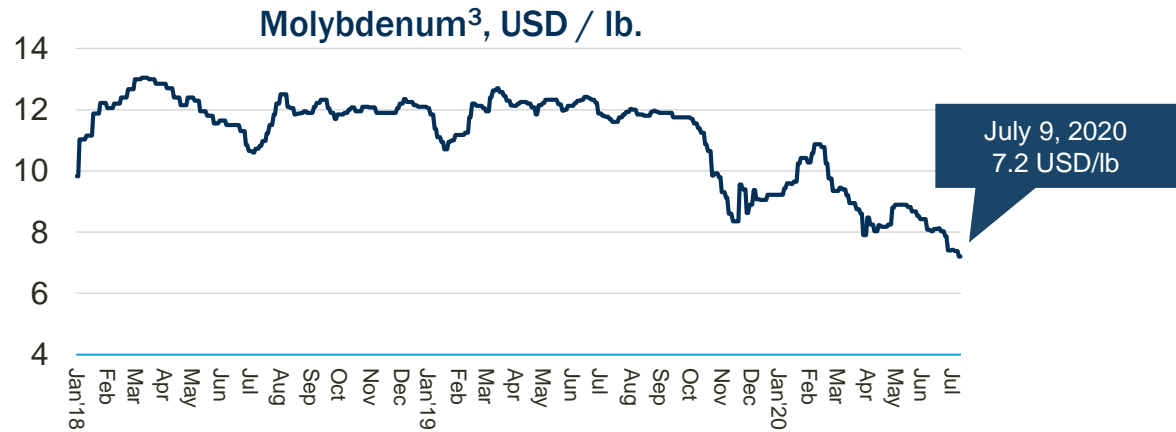
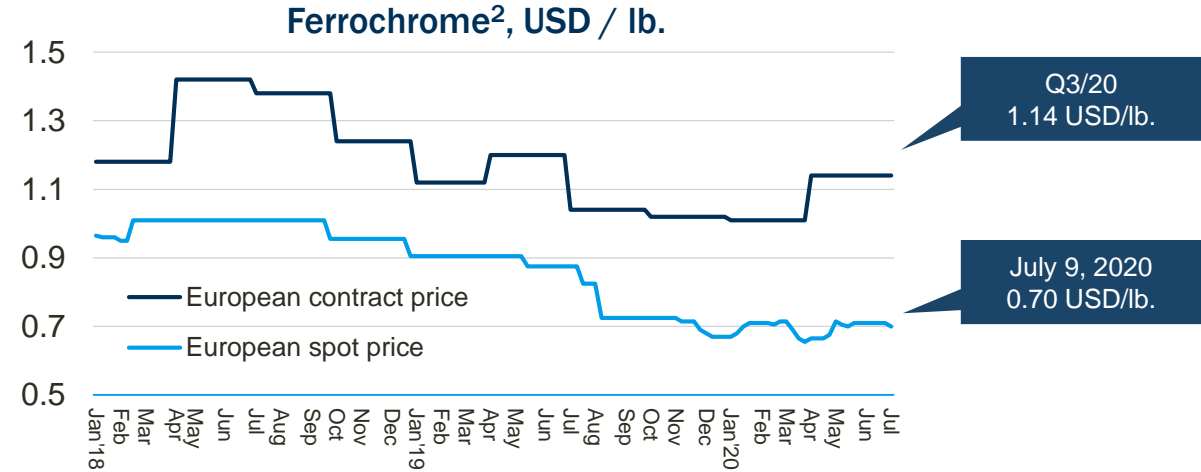
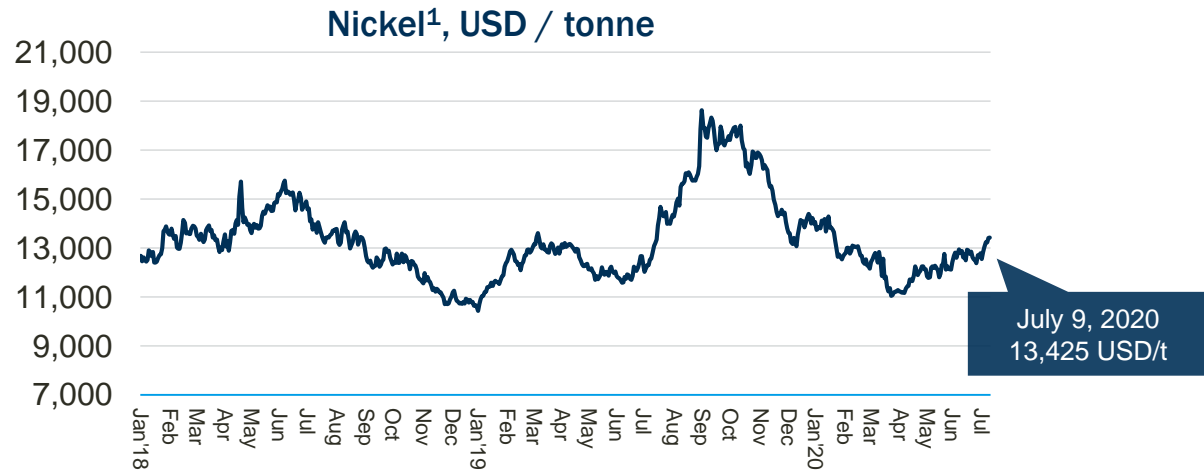
Third-country cold rolled imports² into the US, 1,000 tonnes



- From rest of world
- From rest of Asia
- From China
- From Indonesia
- Import penetration

1. Cold rolled, monthly average. Source: Eurofer, July 2020 (Q2'20 based on April-May actuals and June forecast)
 2. Cold rolled, monthly average. Source: Foreign Trade Statistics, American Iron & Steel Institute, June 2020 (Q2'20 based on April-May)

Raw materials - price development



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

Stainless steel market

Major stainless steel producers

Million tonnes	2019	2018
Tsingshan	9.8	10.2
TISCO	4.5	5.5
POSCO (incl. ZPSS)	3.3	3.3
Acerinox	3.3	3.2
Outokumpu	3.2	3.3
Aperam	3.0	2.1

Outokumpu's market share

	2019
Europe	28%
NAFTA	21%
Globally	~6%



Sustainability

Sustainability is at heart of our strategy

VISION 2020:

To be the best value creator in stainless steel by 2020 through customer orientation and efficiency.

Safety

Operational
excellence

Sustainability

Commercial
excellence

Americas

Digital transformation

High-performing organization

We are committed to reaching carbon neutrality by 2050 in-line with EU Green Deal targets

20% lower
carbon footprint
by 2023

Carbon neutral by
2050 ¹

1) Our carbon neutrality commitment relates to scope 1+2.
Regarding scope 3, we're working closely with our RM suppliers
to ensure that they identify opportunities to reach carbon neutrality by 2050

We are the leading producer of sustainable stainless steel globally and we have the lowest carbon footprint in the industry

Carbon footprint less than

30%

of the global industry average

Industry leading recycled content globally

90%

Low ferrochrome carbon footprint:

42%

of industry average

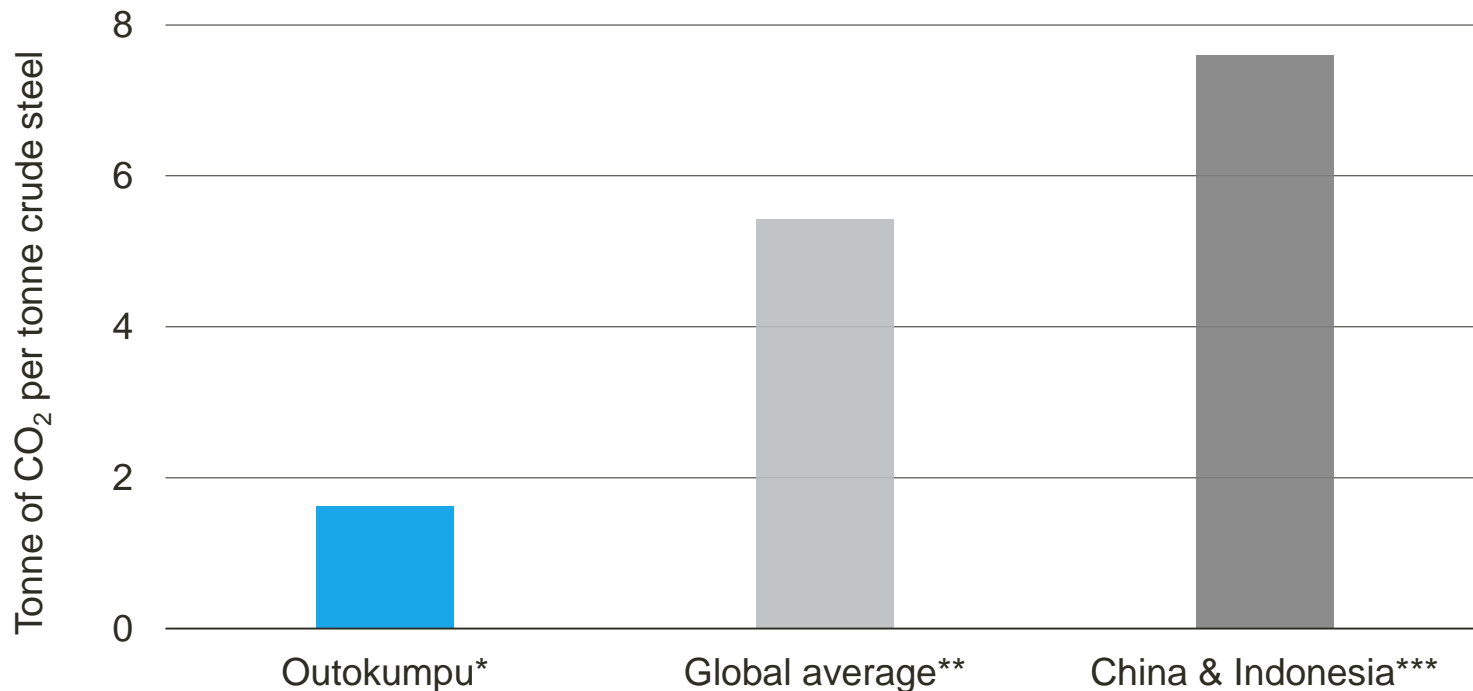
High usage of carbon neutral electricity in Europe

+80%

Energy and material efficiency

Stainless steel from China and Indonesia has up-to five times higher carbon footprint

CO₂ emissions of stainless steel producers



Drivers of high carbon footprint for Chinese and Indonesian stainless steel

1. Low utilization of recycled material
2. Low nickel content ore and high emissions from blast furnaces
3. Use of coal as main electricity source

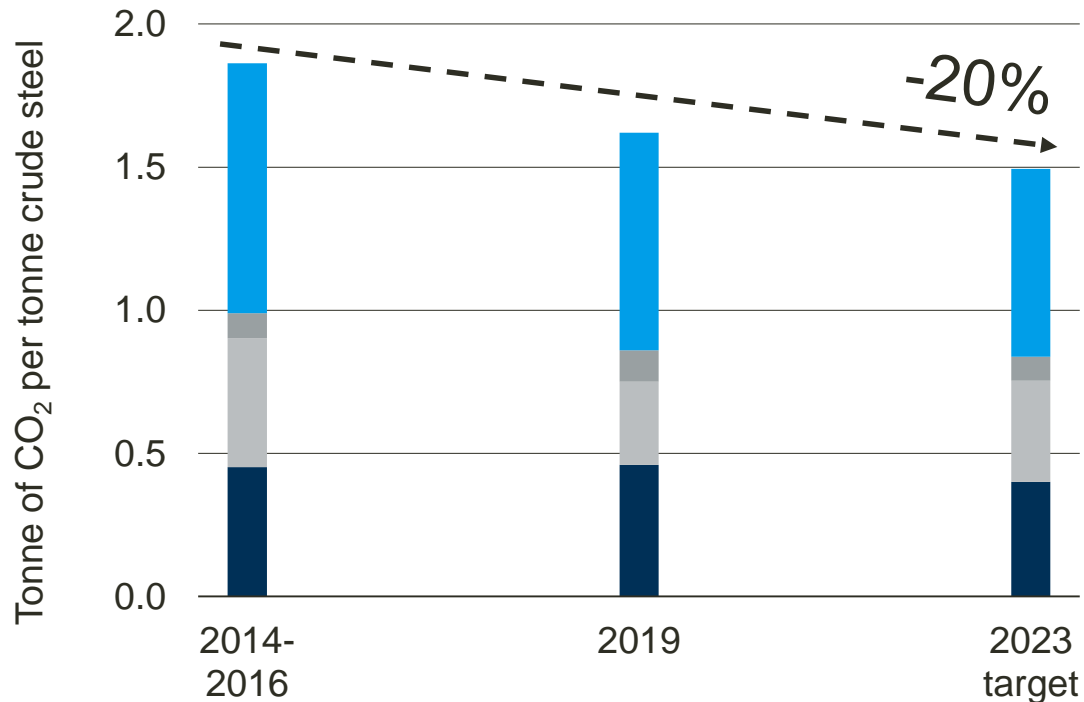
*) Source: Outokumpu January 2020

**) Average of ISSF study 2018 and China and Indonesia

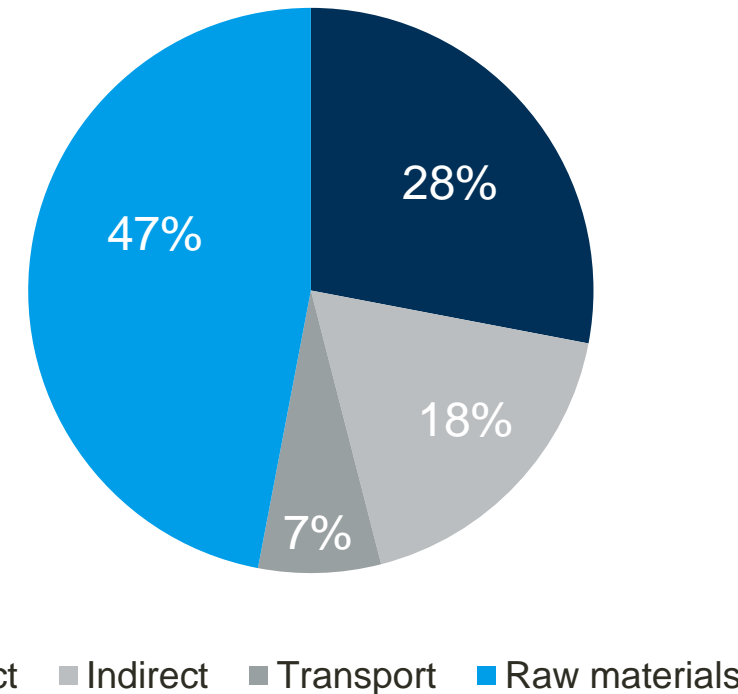
***) Outokumpu estimates for China and Indonesia

We are on track to reach our science based target 20% lower carbon footprint by 2023

Outokumpu CO₂ emissions intensity ¹



Outokumpu CO₂ footprint by category (2019)



1) CO₂ emissions per ton of stainless steel

Our commitment to sustainability has been recognised...



Gold rating – top 5% performer – from supplier sustainability platform EcoVadis

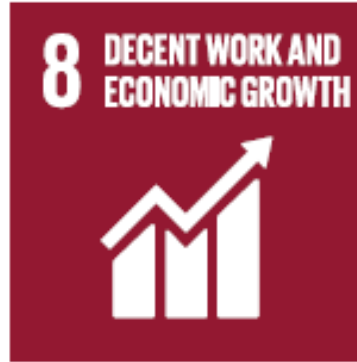
ROBECOSAM 
We are Sustainability Investing.

Outokumpu is included in the Sustainability Yearbook 2020 indicating we are in the top 15% sustainability performers of steel industry.

...and we have clear priorities to do more

Carbon neutral roadmap	Sustainability credentials	Lobbying to achieve a level playing field
<ul style="list-style-type: none">• Energy efficiency improvements• Selected capex• Green electricity sourcing• Carbon Capture Utilization• EU Green deal funding	<ul style="list-style-type: none">• Customer engagement• Develop sustainability certificates• ResponsibleSteel™ membership	<ul style="list-style-type: none">• Secure legislation that supports our business• Trade defense• EU safe guards• Energy taxation• Carbon border adjustment

We focus on 6 UN Sustainable Development Goals



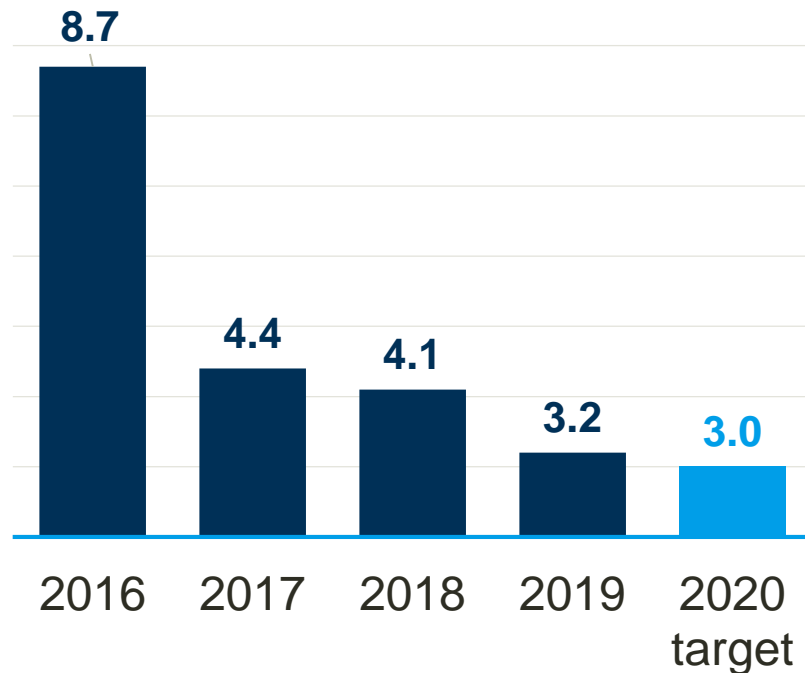
Outokumpu business is based on recycling and is a part of circular economy. Company focuses on resource efficiency as recycled content, the use of by-products to replace natural resources, as well as increasing the energy efficiency in production process. This sustainable approach is supported by several key performance indicators which focus on efficiency.

Products: Stainless steel is long lasting, requires low maintenance and is 100% recyclable. The main raw material is recycled steel. This makes stainless steel products a solution for responsible consumption.

We are committed to the United Nation's Sustainable Development Goals (SDGs) and our focus was realigned with the updated strategy during 2019. We have selected six SDGs that are the most relevant to us in terms of our contribution.

Safety of our employees is our undisputed priority

Total recordable injury frequency rate (TRIFR)



TRIFR target
for 2020

<3.0



We aim to be among the industry leaders in safety with the ultimate goal of zero accidents.

Ferrochrome

Own ferrochrome production is an important strategic asset for us

Positive outlook for 2020 despite low ferrochrome pricing

Deep mine project secures our ore availability for the future

Ferrochrome market expected to be short 2020–2021

Global capacity cuts and shutdowns will change the market

CO₂ footprint of our ferrochrome is only

42%

of the industry average

We extract significant value through integrated ownership of mines and smelters

Competitive
cost base

Predictable
cost and quality

Fast response
to changes

Efficient inventory
management

Deepening of Kemi mine in 2018–2021, we can secure future long-term supply

EUR 250 million investment in vertical mine expansion

New main level at 1,000 meters depth:
new ore handling and hoisting system

On schedule and budget

- First ore feed already in 2020
- Full production by the end of 2021

R&D

We are using R&D and technology to increase our customers' competitiveness

Our R&D vision 2023

Being the industry benchmark in profitable stainless steel solutions and becoming the development partner of choice for our customers.

Our unmatched technical competence creates extraordinary value and attracts new talents

Current and future product demands

Product support and problem solving capabilities

New process technologies

Ensuring and improving process efficiency

Digital tools and data science

R&D expenses EUR 17 million in 2019 (0.3% of net sales)

Automotive applications for major OEMs



Enabler for battery packs

- Qualified by major OEMs
- H-Series stainless steel
- Higher passenger protection

Fuel cell technology

- New design by Outokumpu
- Close collaboration with a German OEM

Weldable Sandwich

- Sound dampening
- High strength
- Formable

Marine applications for demanding environments



Exhaust cleaning (Scrubbers)

- Excellent corrosion performance
- Long lifetime in harsh conditions
- Close collaboration with market leaders

Ocean thermal energy

- Heat exchanger with superior corrosion resistance
- Improved heat transfer

Oil, Gas & Off-Shore

- High corrosion resistance
- Highly durable
- Tests in > 2 km Atlantic depth

Process development for higher efficiency

Inclusion Reduction

- Smart melt shop treatment to reduce inclusions
- Excellent results with up to 40% reduction

Surface quality

- Substantial scratch defect reduction in German operations
- Frequency reduced by 70%

Digital Manufacturing

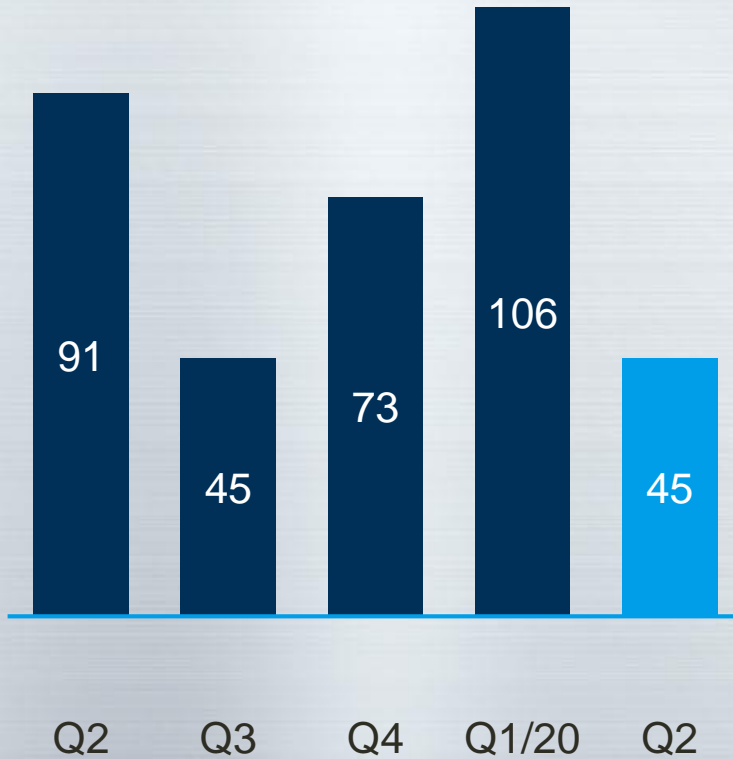
- Connected quality inspection along process route
- Artificial Intelligence
- Digitally enabled process improvements

Latest financials

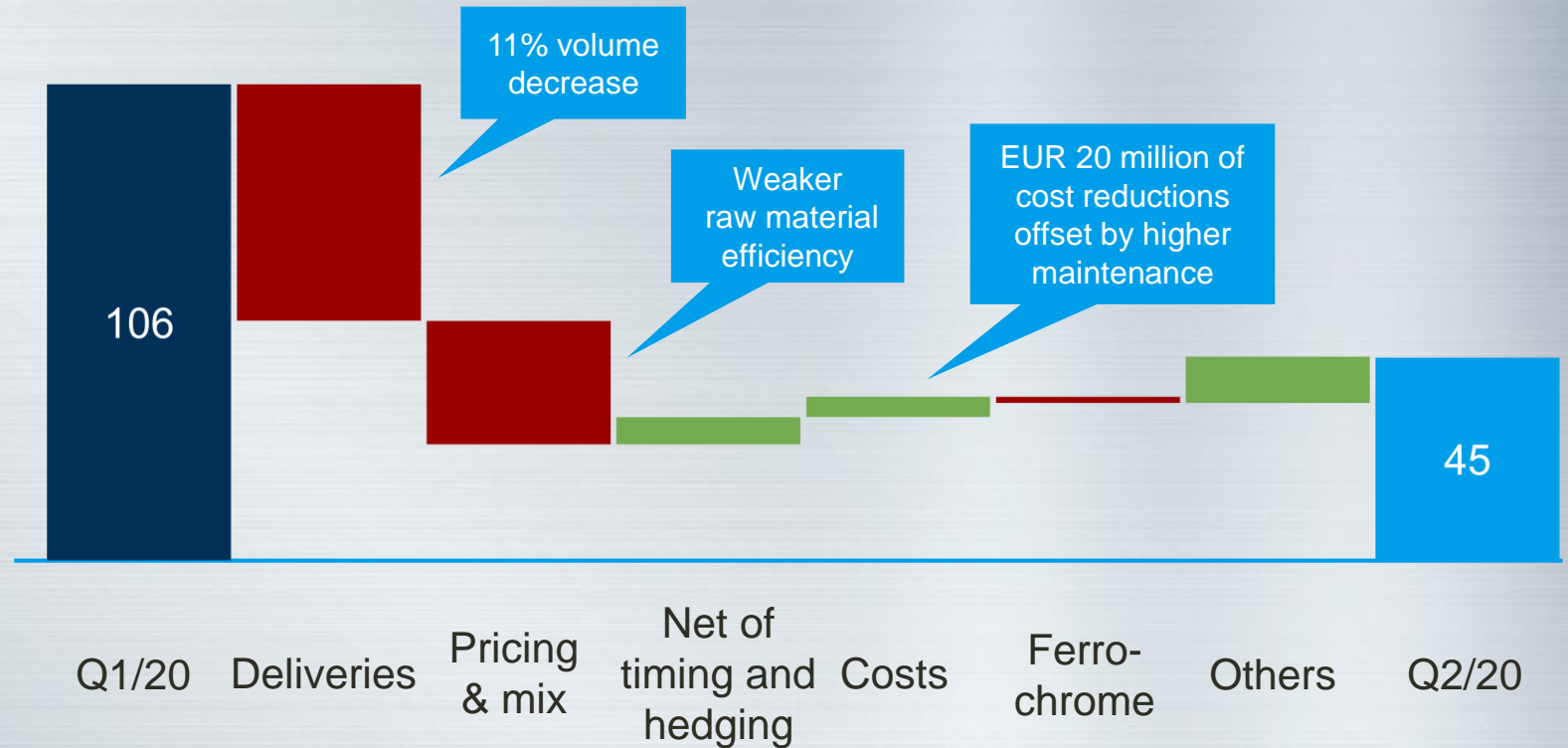
Q2 2020

Second-quarter EBITDA burdened by weak global demand caused by COVID-19 pandemic

Group adjusted EBITDA, EUR million



Adjusted EBITDA quarter-on-quarter comparison¹, EUR million



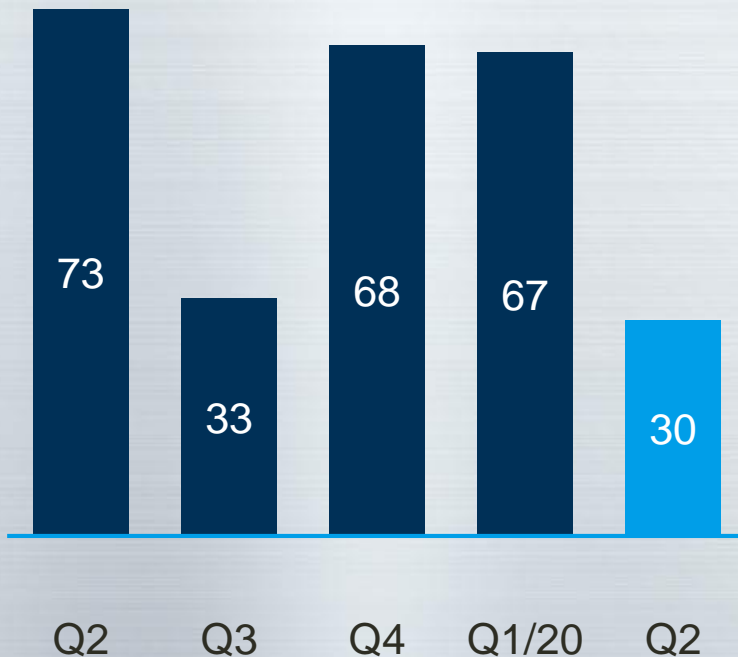
1) Indicative columns based on management estimates

Key figures		Q2/20	Q2/19	Q1/20
Stainless steel deliveries	1,000 tonnes	523	584	588
Sales	EUR million	1,420	1,701	1,615
Adjusted EBITDA	EUR million	45	91	106
Net result	EUR million	-37	6	22
Earnings per share	EUR	-0.09	0.01	0.05
Operating cash flow	EUR million	72	177	-32
Net debt	EUR million	1,243	1,307	1,249
Gearing	%	49.2	49.8	48.0
Capital expenditure*	EUR million	52	46	58
Return on capital employed, ROCE	%	1.1	2.9	2.3
Personnel at the end of the period		10,213	10,483	10,315

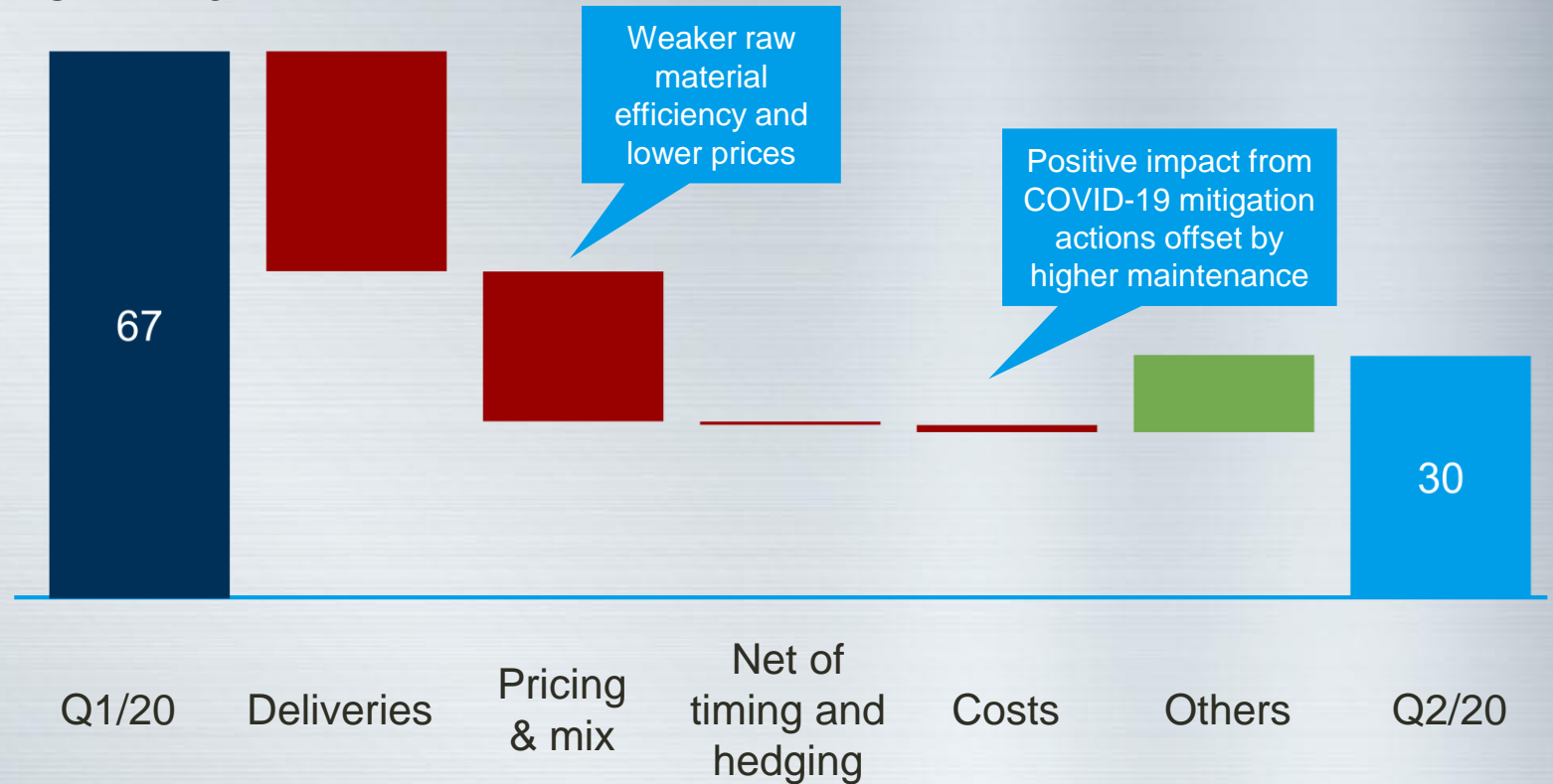
*Capex cash flow

BA Europe – challenging quarter with low volumes and weaker raw material efficiency

Europe adjusted EBITDA,
EUR million



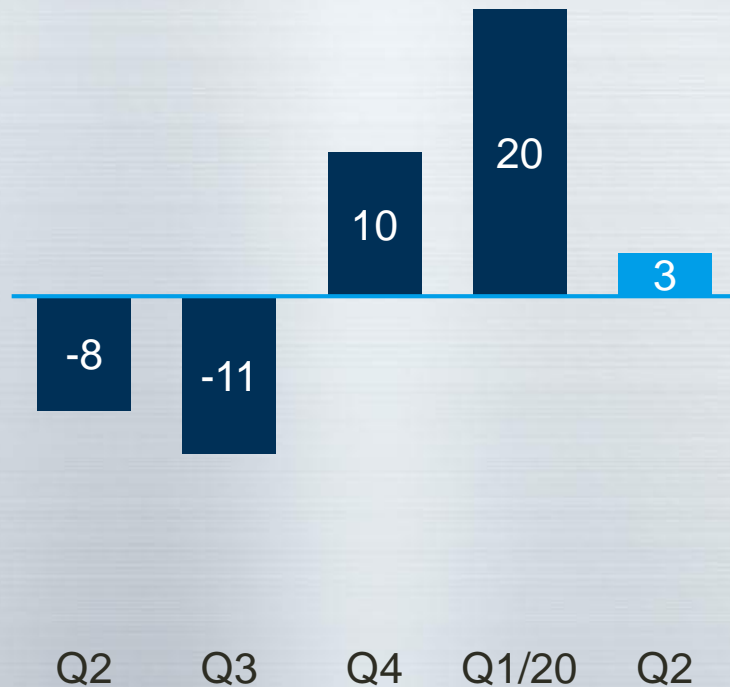
Adjusted EBITDA quarter-on-quarter comparison¹,
EUR million



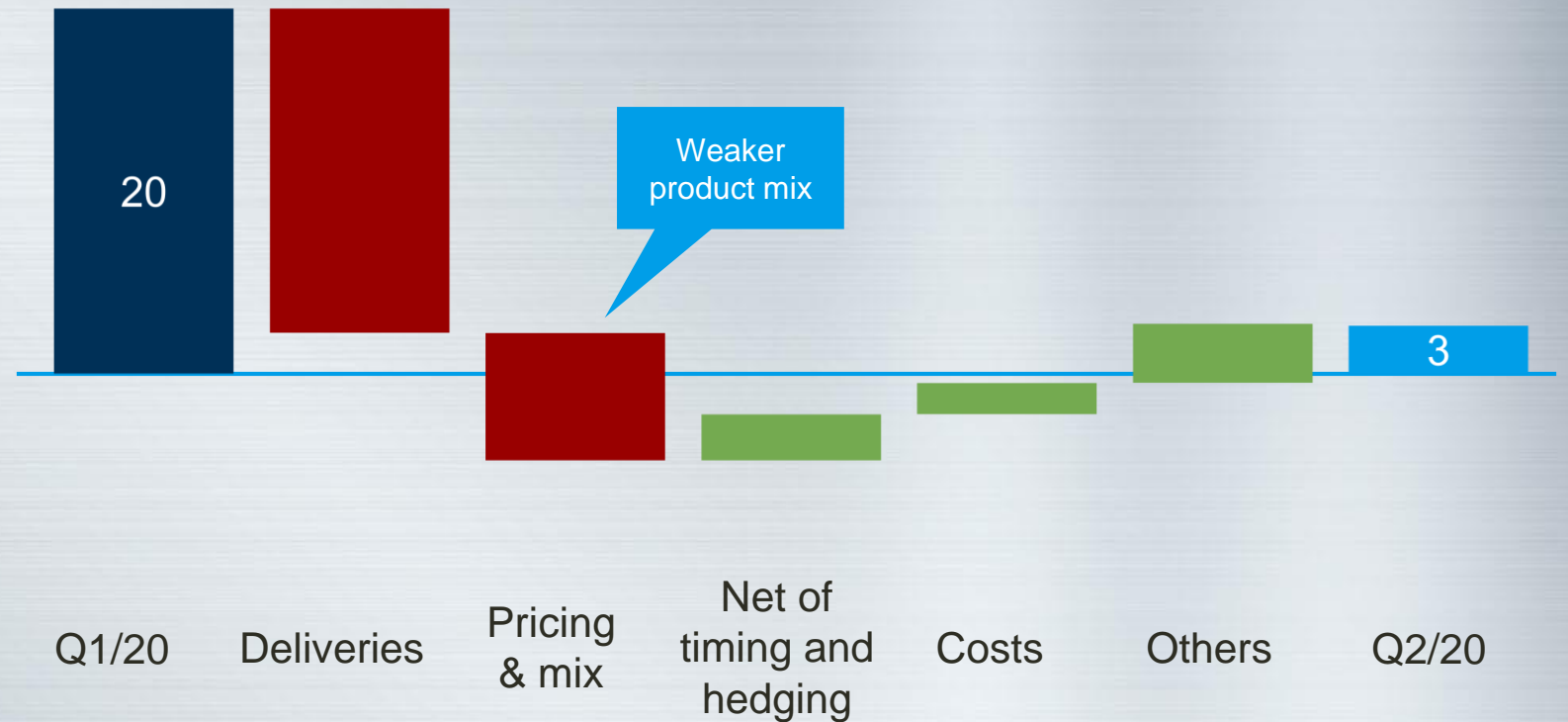
1) Indicative columns based on management estimates

BA Americas – major volume drop but significantly improved break-even level

Americas adjusted EBITDA,
EUR million



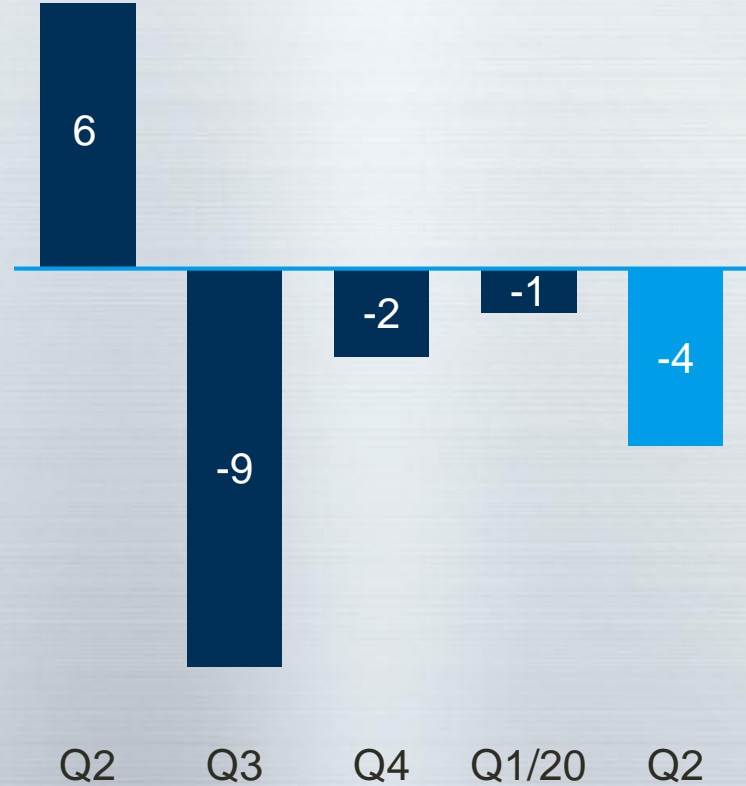
Adjusted EBITDA quarter-on-quarter comparison¹,
EUR million



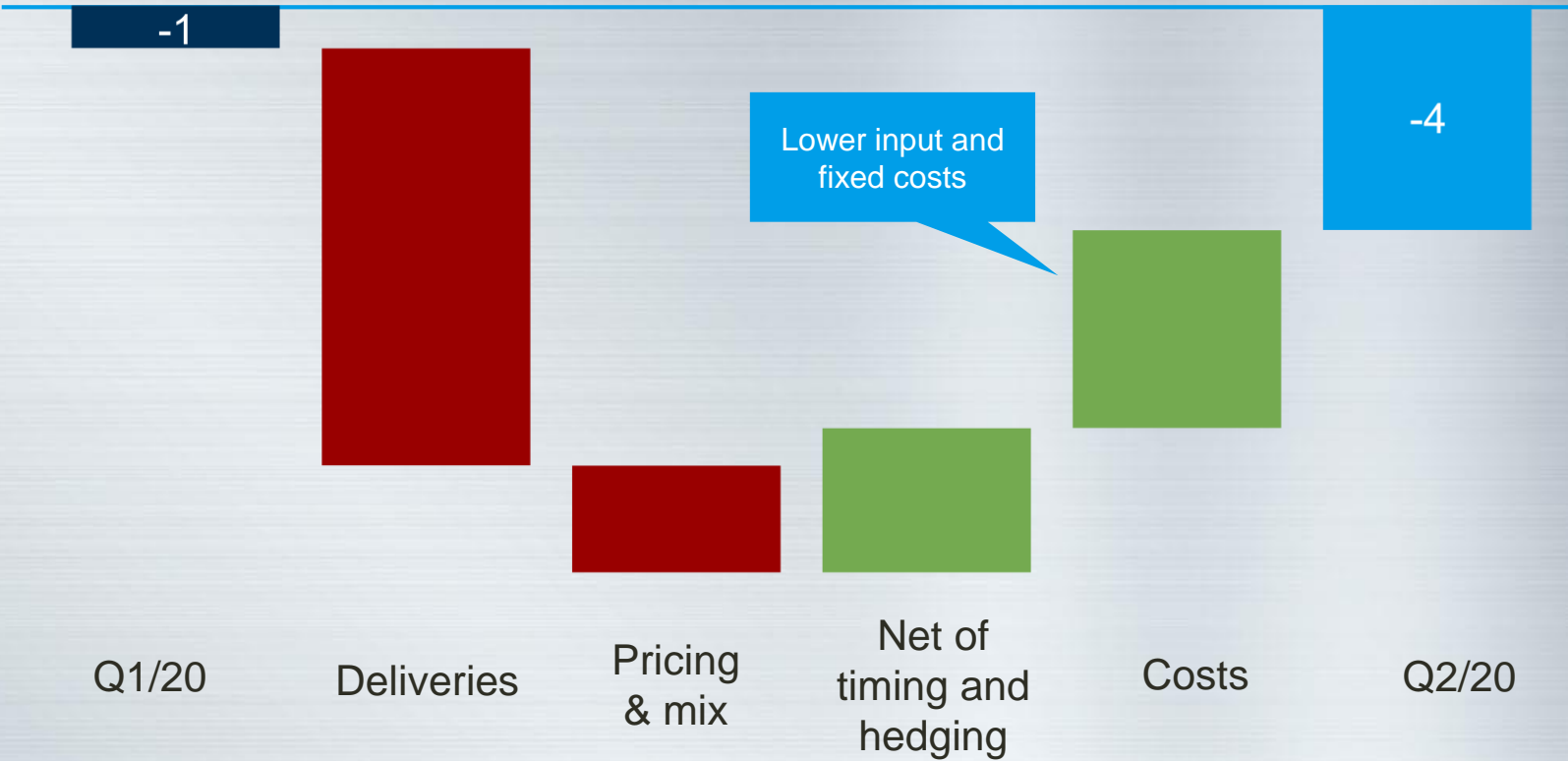
1) Indicative columns based on management estimates

BA Long Products – result driven by weak demand

Long Products adjusted EBITDA, EUR million



Adjusted EBITDA quarter-on-quarter comparison¹, EUR million



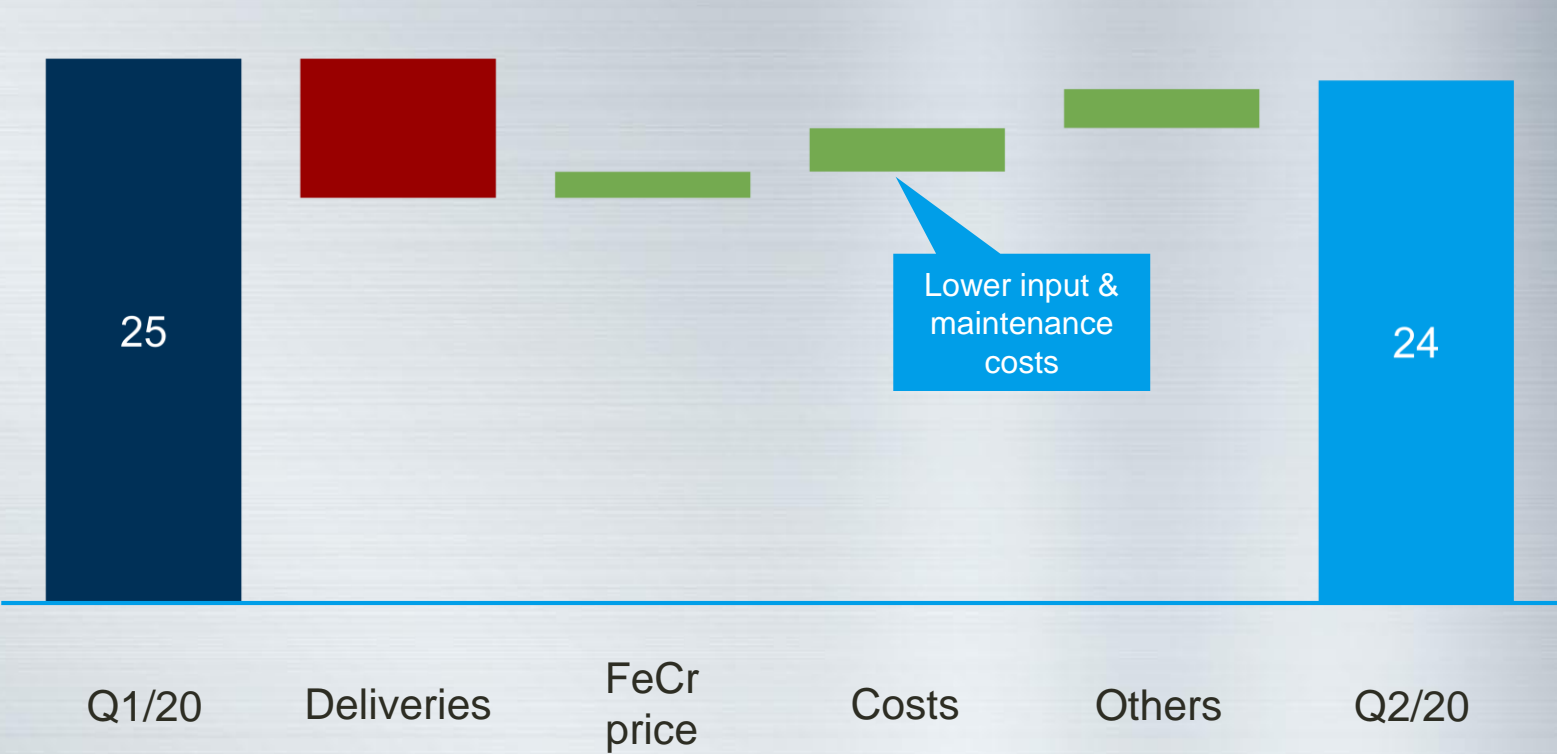
1) Indicative columns based on management estimates

BA Ferrochrome – impact from higher benchmark price partly offset by bigger share of spot sales

Ferrochrome adjusted EBITDA, EUR million



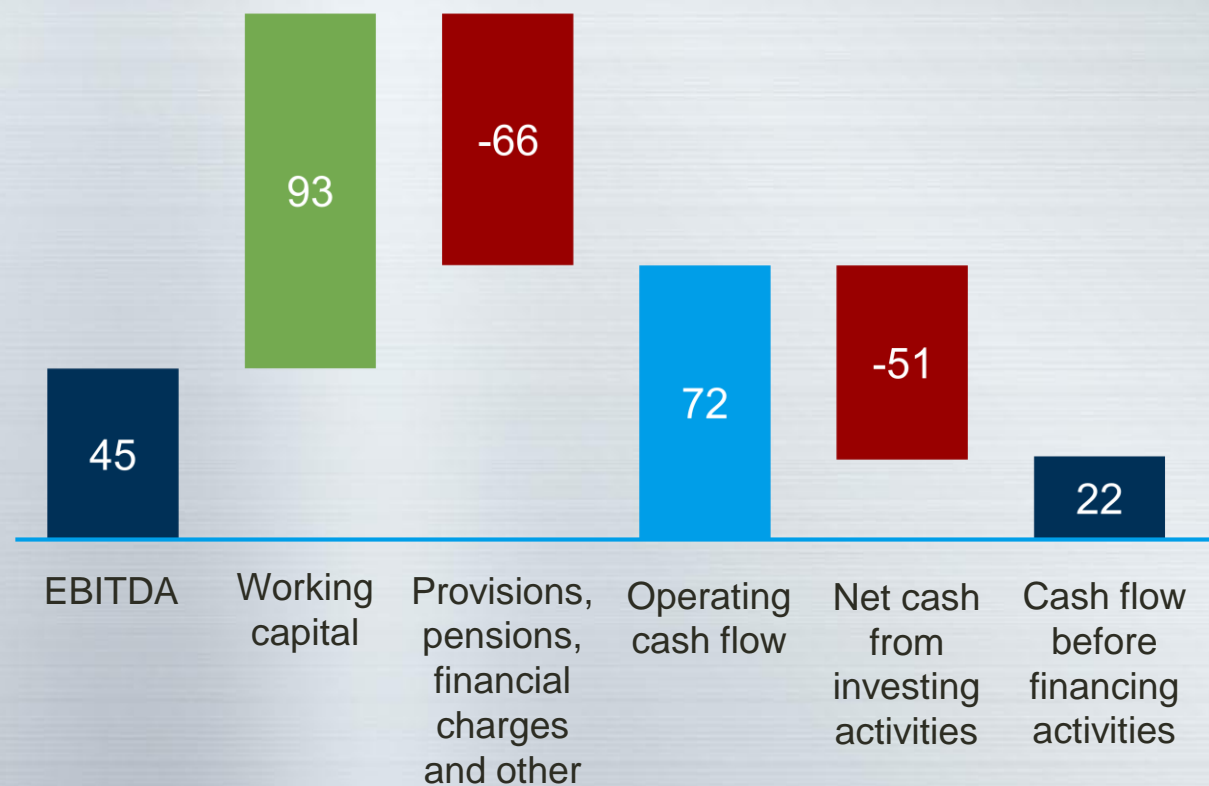
Adjusted EBITDA quarter-on-quarter comparison¹, EUR million



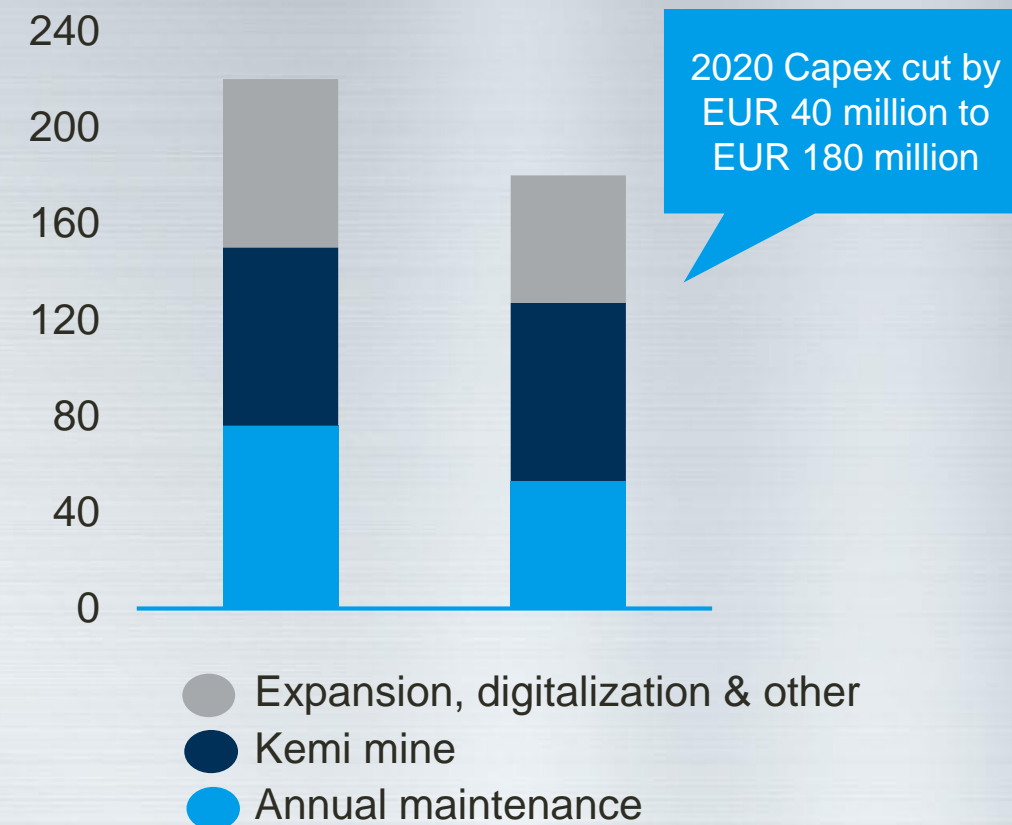
1) Indicative columns based on management estimates

Efficient net working capital management supported cash flow in the second quarter

Q2 cash flow, EUR million

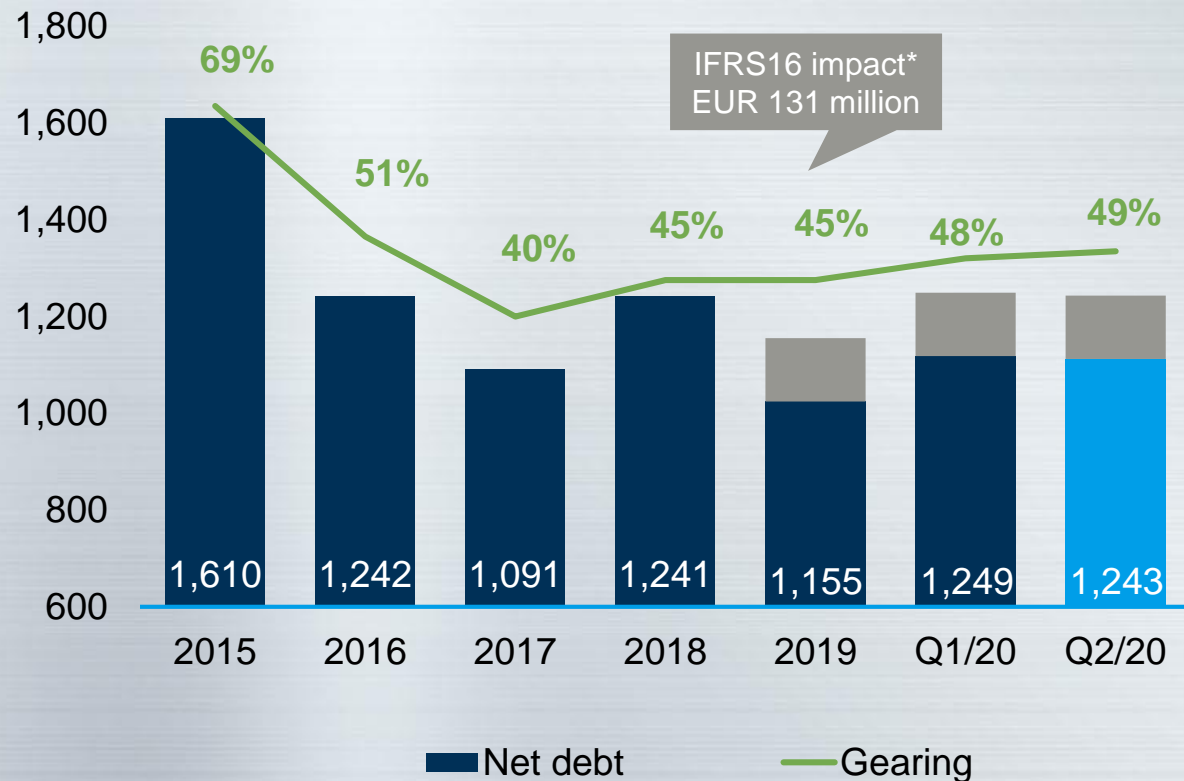


Capex estimate 2020, EUR million



COVID-19 related issues delayed net debt reduction

Net debt, EUR million

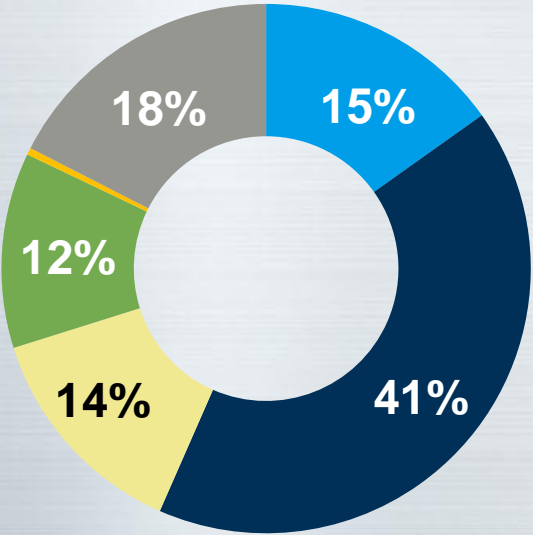


Net debt/LTM adjusted EBITDA



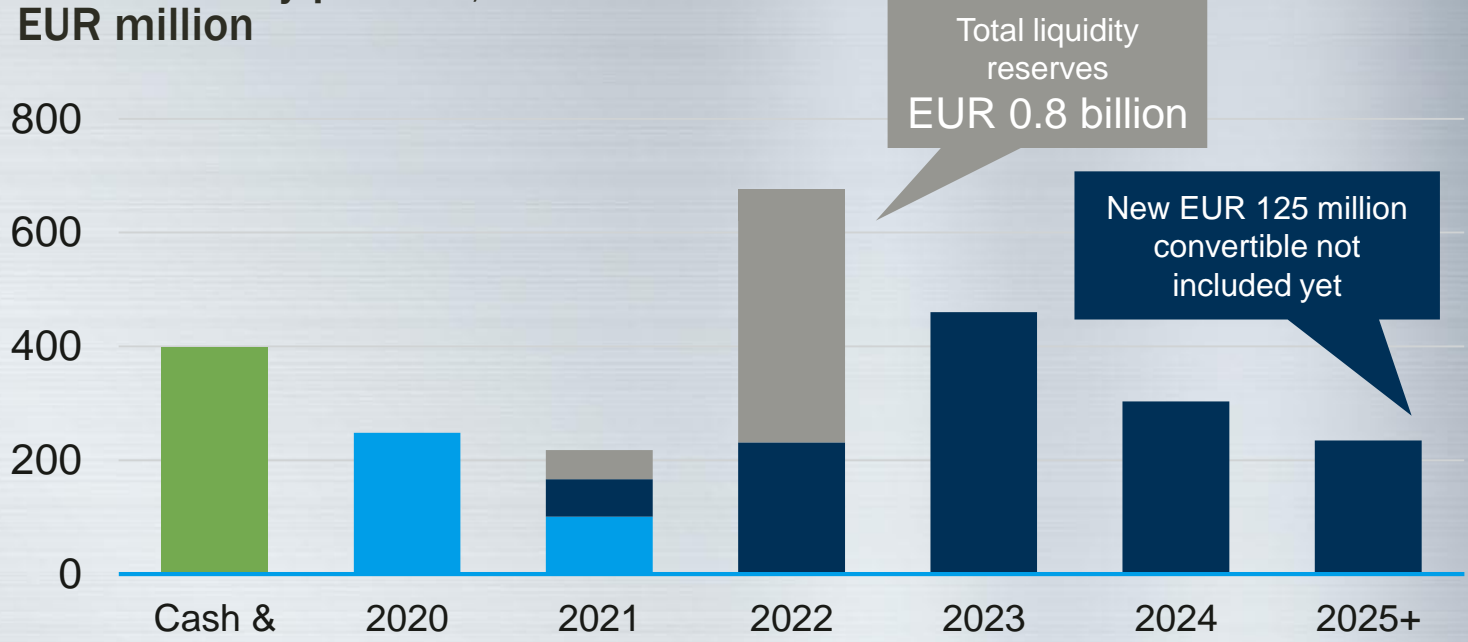
New EUR 125 million convertible bond issued in July

Debt structure*



- Bonds
- Pension loans
- Short term loans
- Long term loans
- Financial leases
- Commercial papers

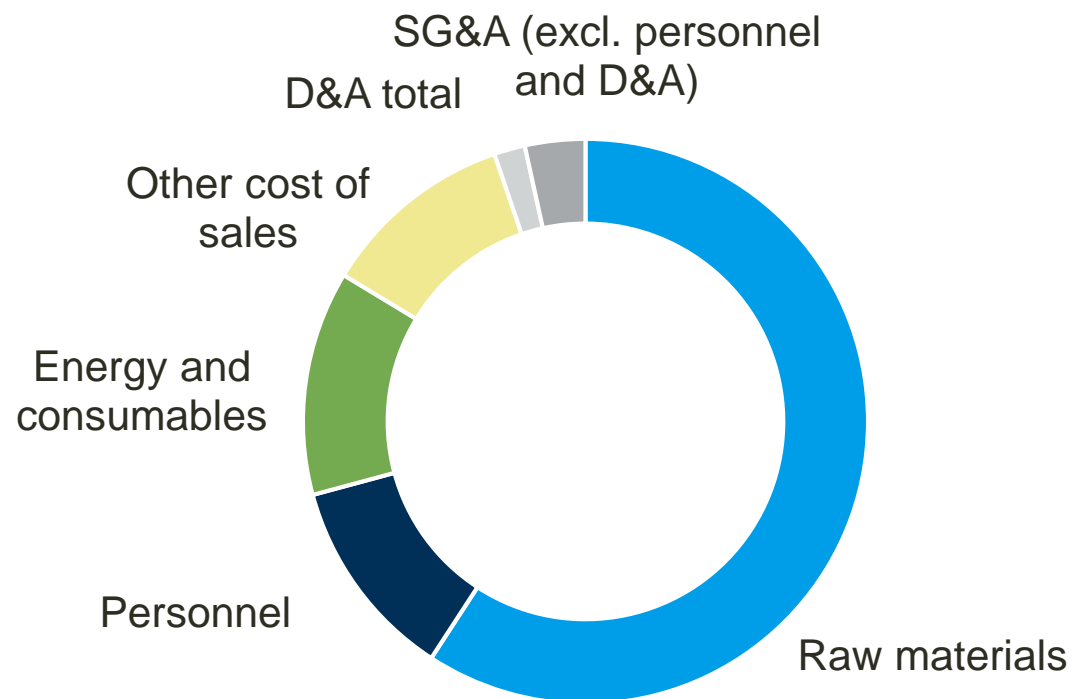
Debt maturity profile*, EUR million



- Current debt
- Non-current debt
- Unutilized facilities

* June 30, 2020

Outokumpu operative cost components*



- Raw materials 60%
- Energy and other consumables 10–15%
- Personnel expenses 10–15%
- Other cost of sales includes e.g. freight, maintenance and rents and leases

*Cost components in 2019

Over 4% productivity improvement in 2019 – more to come in 2020



Productivity improvement is based on numerous local projects

Raw material excellence

Reduction of net working capital

Procurement initiatives

Continuous debottlenecking of key equipment

Moving towards a single operating system

Reliability

Outlook for Q3 2020

Due to the global economic uncertainty caused by the COVID-19 pandemic, Outokumpu will not give quarterly guidance on adjusted EBITDA until further notice.

The COVID-19 pandemic and related measures are expected to have a significant impact on the stainless steel industry throughout 2020.

Due to seasonally low quarter, especially in Europe, combined with the continuing COVID-19 situation, Outokumpu expects its stainless steel deliveries to decrease in the third quarter for the whole Group by approximately 10% compared to the second quarter. The European stainless steel market remains challenging as a result of continuing import and price pressure.

The planned maintenance work at the Ferrochrome mill in Tornio, Finland is expected to have approximately EUR 15 million negative impact on the third-quarter result.

Outokumpu strategy review

- The current Vision 2020 expires this year
- Company-wide assessment of strategy, performance and structures was initiated in June
- New vision, strategy and targets for Outokumpu will be communicated before the announcement of the third quarter results

For more information, call Outokumpu Investor Relations or visit www.outokumpu.com/investors

Marja Mäkinen

VP – Investor Relations

Mobile +358 40 6712 999

E-mail: marja.makinen@outokumpu.com

Linda Häkkilä

Investor Relations Manager

Mobile: +358 40 071 9669

E-mail: linda.hakkila@outokumpu.com

Päivi Laajaranta

Executive Assistant

Phone +358 9 421 4070

Mobile +358 400 607 424

E-mail: paivi.laajaranta@outokumpu.com

Q3 result

November 5, 2020

Q4 result

The date will be confirmed later

Appendix

Production steps – cold rolled coil

Kemi mine

Underground mine Hoisting

Crushing Heavy medium separation

Grinding Spiral concentration

Ferrochrome works

Sintering furnace

Smelter

Storage

Steel melting shop

Liquid ferrochrome Recycled steel

Ferrochrome Converter Electric Arc Furnace

AOD Converter

Continuous Casting Machine

Hot rolling mill

Walking Beam Furnace

Roughing Mill

Steckel Mill

Tandem Mill Bell Furnace

Cold rolling plant

Hot annealing and pickling line

Sendzimir Mill

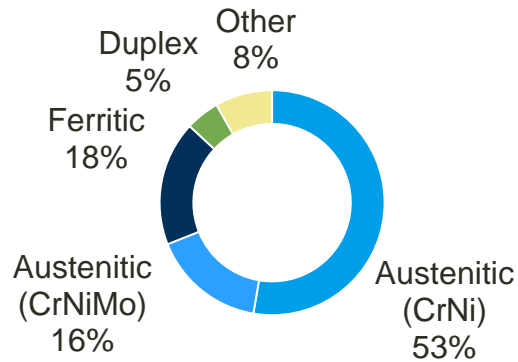
Cold annealing and pickling line

Polishing line

Slitting Line Cut-to-length Line

Outokumpu is a global leader of advanced solutions and our stainless steels can be divided in four groups

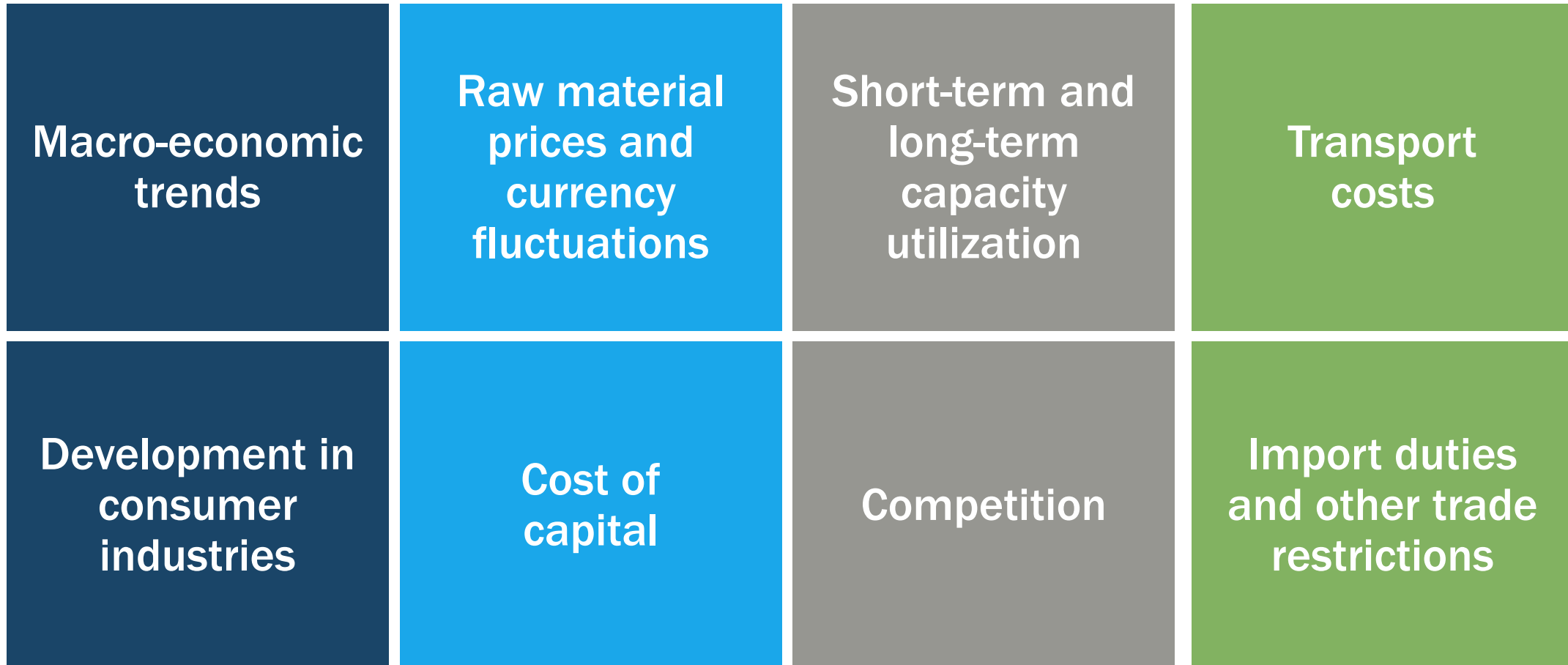
Deliveries by product group in 2019



Stainless steels are iron-chromium (Fe-Cr) alloys often with nickel (Ni) additions that "do not rust in sea water", "are resistant to concentrated acids" and "do not scale at temperatures up to 1100 °C". Molybdenum (Mo) and other alloying elements are sometimes added to achieve specific properties. Over the years ever since the development of stainless steel, the number of grades have increased rapidly.

	Austenitics	Ferritics	Duplex	Martensitic
	Nickel content Non-magnetic	No nickel Magnetic	Low nickel content Magnetic	No nickel Magnetic
Corrosion resistance				
Strength / Hardness				
Deformability				
Surface aesthetics				
Raw material costs				
	Versatile stainless steels with good combination of properties for wide range of applications	Applications which have lower requirements regarding corrosion and deformability	Applications which require a high resistance to stress, corrosion, cracking and/or strength	Applications which require high strength and hardness

Stainless steel prices reflect various factors



Traditional stainless steel base price model consists of three components



Base price

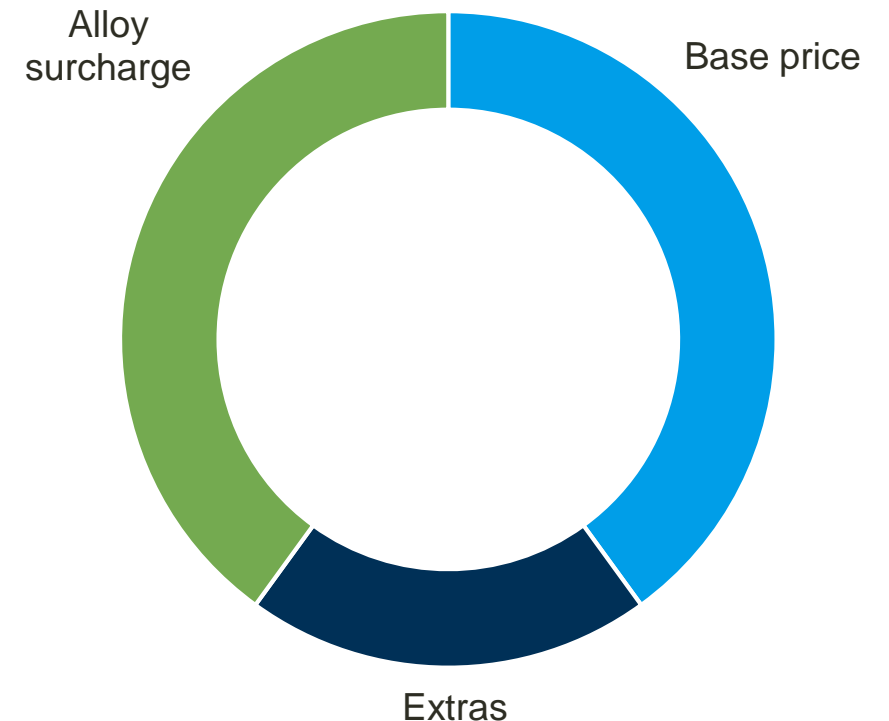
Customer-specific, usually monthly base price

Extras

Material-specific charges for non-standardized products

Alloy surcharge

Product-specific instrument to pass alloy costs along the value chain



The logics behind our net of timing and hedging

	Underlying position	Exposure	Hedging
Metal hedging	Committed* sales	Short	100%
Net realizable value NRV, accounting principle	Committed** purchases	Long	100%
	Excess stock	Long	100%
	Base stock	Long	Balance between managing earnings & cash flow volatility
Timing Pricing in, pricing out			

* priced-out or pricing out
** priced-in or pricing in

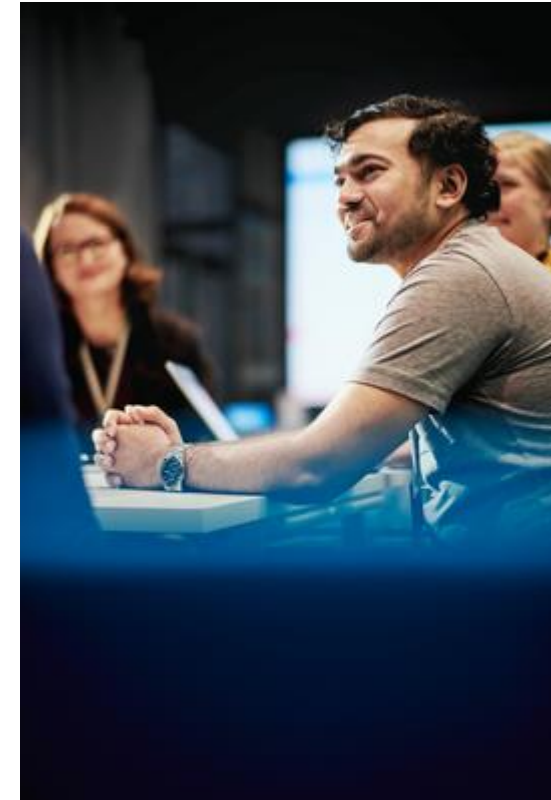
Corporate Governance

Outokumpu Oyj, the Group's parent company, is a public limited liability company, listed on Nasdaq Helsinki and incorporated and domiciled in Finland. In its corporate governance and management, Outokumpu Oyj complies with the laws and regulations applicable to Finnish public companies, the company's Articles of Association and the Corporate Governance Policy approved by the company's Board of Directors.

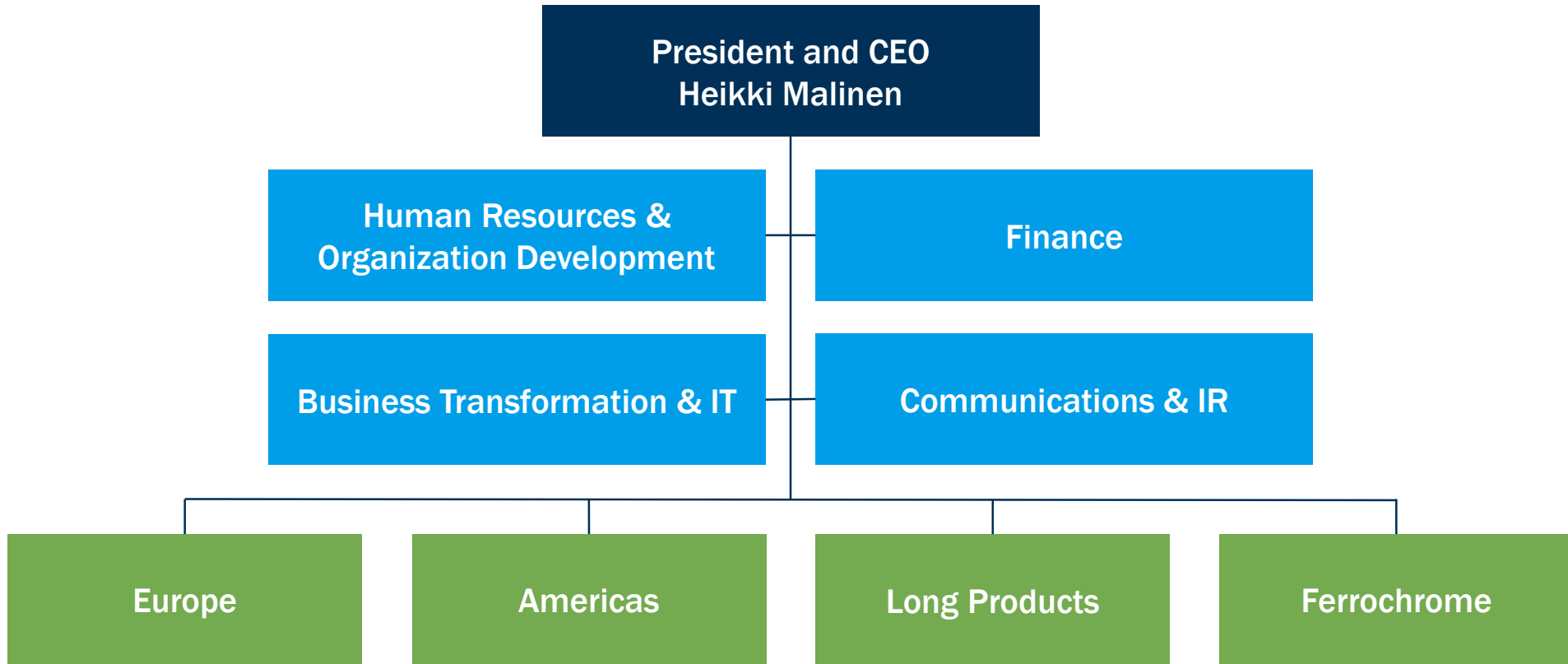
Outokumpu Oyj follows the Finnish Corporate Governance Code, effective as of January 1, 2016. The Finnish Corporate Governance Code is issued by the Finnish Securities Market Association and adopted by Nasdaq Helsinki.

The governing bodies of the parent company Outokumpu Oyj, i.e. the General Meeting of Shareholders, the Board of Directors, and the President and Chief Executive Officer (CEO), have the ultimate responsibility for the management and operations of the Outokumpu Group ("the Group"). The Outokumpu Leadership Team supports and assists the CEO in the efficient management of the Group's operations. The latest Corporate Governance Statement and other updated corporate governance information can be found on the Group's Corporate Governance website.

The General Meeting of Shareholders convenes at least once a year. Under the Finnish Companies Act, certain important decisions such as the approval of financial statements, decisions on dividends and increases or reductions in share capital, amendments to the Articles of Association, and election of the Board of Directors and auditors, fall within the exclusive domain of the General Meeting of Shareholders

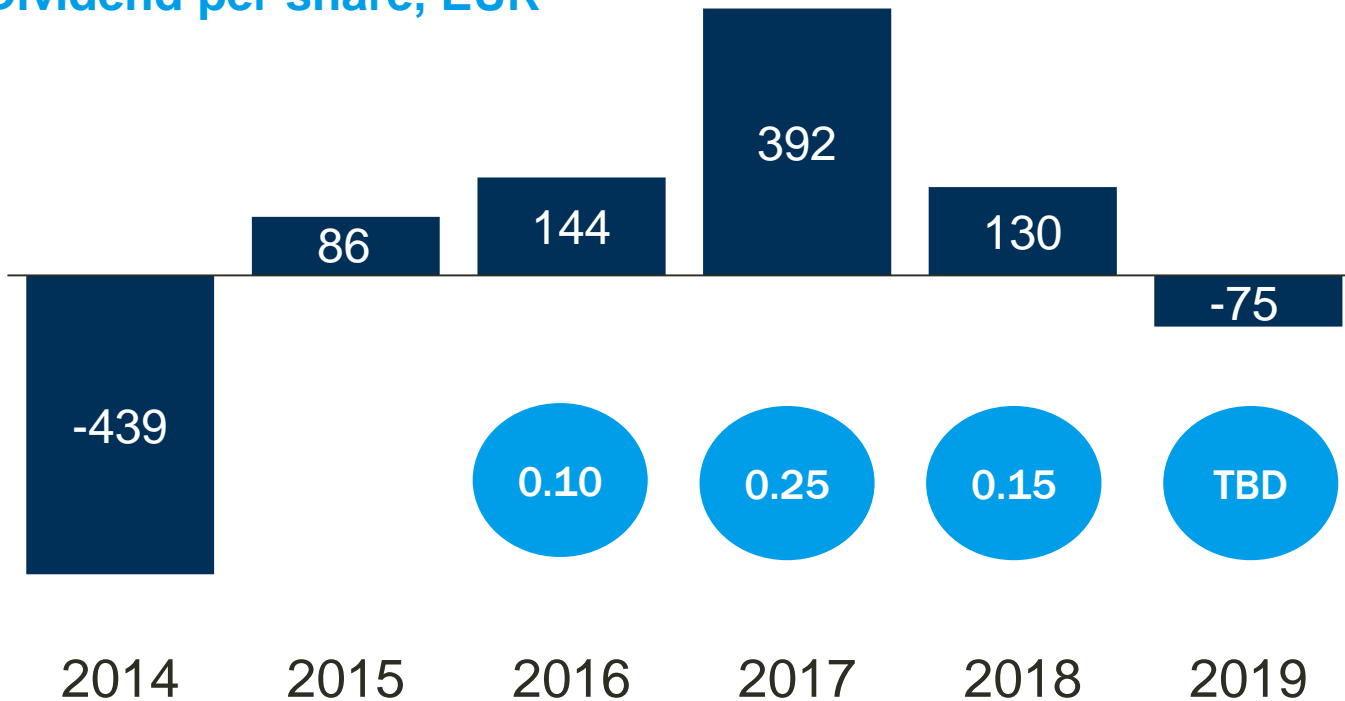


Outokumpu organization



Dividend pay-out ratio throughout a business cycle will be approximately 30-50% of net income

Net income, EUR million
Dividend per share, EUR



Dividend from 2019 financial year to be decided.

The Annual General Meeting 2020 authorized the Board of Directors to decide at a later stage on a dividend payment in one or several instalments of a total maximum of EUR 0.10 per share.

Ownership structure & major shareholders



- Nominee registered and non-Finnish holders **24%**
- Finnish institutions, companies and foundations **23%**
- Solidium **22%**
- Households **31%**

#	Name	Shares	Share %
1	Solidium Oy	90,324,385	21.69 %
2	Ilmarinen Mutual Pension Insurance Company	10,377,916	2.49 %
3	The Social Insurance Institution of Finland	9,298,652	2.23 %
4	State Pension Fund	7,327,142	1.76 %
5	Keskinäinen Työeläkevakuutusyhtiö Elo	5,710,988	1.37 %
6	Varma Mutual Pension Insurance Company	5,453,112	1.31 %
7	Mandatum Henkivakuutusosakeyhtiö	3,439,471	0.83 %
8	Tutkimuksen Vaikuttavuuden Tukisäätiö Sr	2,820,000	0.68 %
9	Nordea Henkivakuutus Suomi Oy	2,644,713	0.64 %
10	Keva	1,765,000	0.42 %

1) Directly registered shareholders on June 30, 2020

Solidium and governance

- Holding company wholly owned by the State of Finland AA
- Major shareholder in 12 listed companies including SSAB, Elisa, Sampo, Nokia, Tieto, Metso and Valmet
- Mission is to strengthen and stabilize Finnish ownership in nationally important companies and to increase the value of their holdings in the long term
- Shareholder of Outokumpu following its takeover of the 31.1% government stake in 2009
- Participated in the Outokumpu rights issues in 2012 and 2014
- Currently no seat in Outokumpu Board of Directors but they use power via Shareholder's Nomination Board work.

Board of Directors

Chairman of the Board of Directors



Kari Jordan
Chairman of the Remuneration Committee

Members of the Board of Directors



Kati ter Horst
Member of the Audit Committee



Eeva Sipilä
Chairman of the Audit Committee



Vesa-Pekka Takala
Member of the Audit Committee



Pierre Vareille
Member of the Remuneration Committee



Julia Woodhouse
Member of the Audit Committee

Outokumpu Leadership Team



**Heikki
Malinen**

Chief Executive
Officer



**Pia
Aaltonen-
Forsell**

Chief Financial
Officer



**Maciej
Gwozdz**

President –
Europe



**Johann
Steiner**

Executive Vice
President – Human
Resources and
Organization
Development



**Olli-Matti
Saksi**

President –
Americas



**Reeta
Kaukiainen**

Executive Vice
President –
Communications
and Investor
Relations



**Jan
Hofmann**

Executive Vice
President –
Business
Transformation &
IT

Group key financials

Key figures		2019	2018	2017 ³⁾	2016	2015
Stainless steel deliveries	1,000 tonnes	2,196	2,428	2,448	2,444	2,381
Sales	€ million	6,403	6,872	6,356	5,690	6,384
Adjusted EBITDA	€ million	263	485	631	309	165
Net result	€ million	-75	130	392	144	86
Return on equity ¹⁾	%	-2.8	4.8	15.4	6.4	3.9
Return on capital employed ¹⁾	%	0.8	7.0	11.3	2.6	5.3
Operating cash flow ²⁾	€ million	371	214	328	389	-34
Net debt	€ million	1,155	1,241	1,091	1,242	1,610
Gearing	%	45.1	45.1	40.1	51.4	69.1
Capital expenditure ²⁾	€ million	221	260	174	164	154
Personnel at the end of the period	headcount	10,390	10,449	10,485	10,977	11,833

1) Key figure definition changed in 2016. Figures for 2015 have been restated. Figures for 2014 have not been restated

2) 2014 presented for continuing operations.

3) Figures for 2017 have been restated due to IFRS 15 adoption. Figures for 2014–2016 have not been restated.

Balance sheet

Assets (EUR million)	2019	2018
Non-current assets		
Intangible assets	607	585
Property, plant and equipment	2,767	2,659
Investments in associated companies and joint ventures	38	53
Financial assets at fair value	31	86
Derivative financial instruments	5	2
Deferred tax assets	229	247
Defined benefit plan assets	68	72
Trade and other receivables	2	2
Total non-current assets	3,747	3,706
Current assets		
Inventories	1,424	1,555
Investments at fair value	13	13
Derivative financial instruments	15	15
Trade and other receivables	514	640
Cash and cash equivalents	325	68
Total current assets	2,291	2,292
TOTAL ASSETS	6,038	5,998

Equity and liabilities (EUR million)	2019	2018
Equity attributable to the equity holders of the Company	2,562	2,750
Non-current liabilities		
Non-current debt	1,053	798
Derivative financial instruments	-	1
Deferred tax liabilities	12	12
Defined benefit and other long-term employee benefit obligations	335	318
Provisions	85	65
Trade and other payables	29	35
Total non-current liabilities	1,514	1,229
Current liabilities		
Current debt	427	511
Derivative financial instruments	17	20
Provisions	25	5
Current tax liabilities	17	12
Trade and other payables	1,475	1,471
Total current liabilities	1,962	2,019
TOTAL EQUITY AND LIABILITIES	6,038	5,998

Share-related key figures

Key figures		2019	2018	2017	2016	2015
Earnings per share ^{1) 2)}	€	-0.18	0.32	0.95	0.35	0.23
Cash flow per share	€	0.90	0.52	0.79	0.94	-0.08
Equity per share ^{1) 2)}	€	6.22	6.70	6.59	5.84	5.60
Dividend per share	€	0.10 ³⁾	0.15	0.25	0.10	-
Dividend yield	%	3.6	4.7	3.2	1.2	-
Price/earnings ratio ^{1) 2)}		neg.	10.00	8.15	24.31	11.85
Trading price at the end of the period	€	2.81	3.20	7.74	8.51	2.73
Market cap at the end of the period	€ million	1,155	1,312	3,223	3,541	1,138
Number of shares at the end of the period ⁴⁾		411,774,715	410,563,719	412,671,549	413,860,600	415,489,308
Trading volume ⁵⁾	1,000 shares	884,254	826,636	1,021,607	955,682	1,345,515

1) IFRS 16 – Leases has been adopted on January 1, 2019 using the modified retrospective approach. Comparative information has not been restated.

2) Figures for 2017 have been restated due to IFRS 15 adoption in 2018. Figures for 2014–2016 have not been restated.

3) The Board of Directors' proposal to the Annual General Meeting

4) Excluding treasury shares

5) Includes only Nasdaq Helsinki trading

Cash flow

Key figures

		2019	2018	2017	2016
Net result for the financial year	€ million	-75	130	392	144
Total adjustments	€ million	330	313	259	134
Change in working capital	€ million	218	-112	-180	307
Provisions, pensions, financial charges and other	€ million	-97	-112	-135	-187
Income taxes paid	€ million	-5	-5	-8	-9
Operating cash flow	€ million	371	214	328	389
Net cash from investing activities	€ million	-65	-229	-63	-81
Cash before financing activities	€ million	306	-14	264	308

Business area Europe

Key figures		2019	2018	2017	2016	2015
Stainless steel deliveries	1,000 tonnes	1,459	1,547	1,592	1,625	1,578
Sales	€ million	4,089	4,267	4,156	3,767	4,156
of which intra-group	€ million	66	97	81	93	120
Adjusted EBITDA	€ million	216	248	404	295	203
Adjustments to EBITDA	€ million	17	10	-	-26	-25
EBITDA	€ million	233	259	404	270	177
Adjusted EBIT	€ million	82	134	281	143	38
Depreciation and amortization	€ million	-134	-114	-123	-160	-165
Capital expenditure	€ million	44	76	70	81	85
Operating capital	€ million	1,901	1,934	1,848	1,808	2,061
Personnel at the end of period	headcount	6,753	6,806	6,748	7,038	7,394

Business area Americas

Key figures		2019	2018	2017	2016	2015
Stainless steel deliveries	1,000 tonnes	601	762	742	690	533
Sales	€ million	1,346	1,715	1,546	1,325	1,214
of which intra-group	€ million	3	45	33	21	37
Adjusted EBITDA	€ million	-27	-5	21	-27	-120
Adjustments to EBITDA	€ million	-	-	-	21	-17
EBITDA	€ million	-27	-5	21	-6	-136
Adjusted EBIT	€ million	-84	-56	-31	-81	-200
Depreciation and amortization	€ million	-56	-51	-52	-54	-80
Capital expenditure	€ million	20	18	18	17	19
Operating capital	€ million	914	1,084	1,072	1,127	1,279
Personnel at the end of period	headcount	1,934	1,991	2,094	2,219	2,265

Business area Long Products

Key figures		2019	2018	2017	2016	2015
Stainless steel deliveries	1,000 tonnes	226	285	264	245	213
Sales	€ million	642	740	591	487	551
of which intra-group	€ million	137	220	186	153	162
Adjusted EBITDA	€ million	-7	25	16	-1	10
Adjustments to EBITDA	€ million	-	-	-	19	-
EBITDA	€ million	-7	25	16	18	10
Adjusted EBIT	€ million	-16	18	10	-8	2
Depreciation and amortization	€ million	-8	-6	-7	-7	-8
Capital expenditure	€ million	18	30	8	8	7
Operating capital	€ million	157	179	113	139	151
Personnel at the end of period	headcount	883	892	584	628	658

Business area Ferrochrome

Key figures		2019	2018	2017	2016	2015
Ferrochrome production	1,000 tonnes	505	497	415	469	457
Sales	€ million	461	542	610	371	410
of which intra-group	€ million	293	345	483	269	295
Adjusted EBITDA	€ million	96	210	217	80	107
Adjustments to EBITDA	€ million	-	-	-	-0	-
EBITDA	€ million	96	210	217	80	107
Adjusted EBIT	€ million	67	179	187	48	76
Depreciation and amortization	€ million	-29	-30	-29	-29	-31
Capital expenditure	€ million	103	79	34	20	21
Operating capital	€ million	692	640	648	617	634
Personnel at the end of period	headcount	472	441	437	426	428

Disclaimer

This presentation contains, or may be deemed to contain, statements that are not historical facts but forward-looking statements. Such forward-looking statements are based on the current plans, estimates and expectations of Outokumpu's management based on information available to it on the date of this presentation. By their nature, forward-looking statements involve risks and uncertainties, because they relate to events and depend on circumstances that may or may not occur in the future. Future results of Outokumpu may vary from the results expressed in, or implied by, the forward-looking statements, possibly to a material degree. Factors that could cause such differences include, but are not limited to, the risks described in the "Risk factors" section of Outokumpu's latest Annual Report and the risks detailed in Outokumpu's most recent financial results announcement. Outokumpu undertakes no obligation to update this presentation after the date hereof.