



The purpose of this newsletter is to summarize and iterate the key points of the first quarter in anticipation of the silent period.

Guidance for Q1/21:

The stainless steel market has begun to recover after the global downturn caused by the COVID-19 pandemic. The demand for stainless steel is strengthening and both business areas Europe and Americas are expected to see a seasonal increase in volumes.

Consequently, Outokumpu expects its stainless steel deliveries for the whole Group to increase in the first quarter by 10-20% compared to the fourth quarter.

Adjusted EBITDA for the first quarter of 2021 is expected to be higher compared to the fourth quarter of 2020.

Highlights in the first quarter of 2021:

- **Stainless steel market:** The demand for stainless steel started to recover at the end of last year and has strengthened further in the first quarter of 2021 in almost all segments. Outokumpu remains committed to its volume guidance and group stainless steel deliveries are expected to increase by 10-20% in Q1 compared to the previous quarter. Our capacity utilizations have been on a good level and lead times have lengthened well into Q3. According to CRU data, stainless steel prices have also increased.
- **Ferrochrome:** European benchmark price was settled at USD 1.175/lb for Q1/21. For Q2/21 the benchmark price increased by 32% to USD 1.56/lb, which is the highest level since 2017.
- **Raw material impacts:** Raw material-related inventory and metal derivative gains are expected to have a positive impact in the first quarter of 2021.
- **Finnwatch report:** Outokumpu is taking actions to further develop the monitoring of its suppliers and to increase the transparency of its sourcing. After the report of the Finnish NGO Finnwatch in February, the company has also decided to audit Vale, one of its ferronickel suppliers.
- **Safeguards:** New Safeguard period with reset quotas started on April 1. On February 26, it was announced that European Commission has initiated the review of the Safeguard measures to investigate whether these measures should be renewed after the end of June.
- **Anti-dumping & anti-subsidy:** EU initiated an anti-subsidy investigation on cold rolled stainless steel from Indonesia and India on February 17. On March 3, it was announced that the EU has started the registration of imports in the anti-dumping case on cold rolled stainless steel from India and Indonesia. This will mean that the EC will have a chance to collect the potential anti-dumping duties retroactively, if the level of imports in the period of registration exceeds the level in the period of investigation.
- **Annual report 2020:** Outokumpu published its Annual report on March 2. Annual report, the zip file, Corporate Governance statement and Remuneration report are available at www.outokumpu.com/en/investors/materials.
- **COVID-19 pandemic:** Outokumpu monitors the situation closely.

Our silent period starts on April 6, 2021 and continues until the first-quarter result is published on May 6, 2021.

Q1/21 pre-silent conference call was arranged on April 1, 2021 and the recording of the call can be found from our website:

<https://www.outokumpu.com/en/investors/investor-calendar-and-events/webcasts>

For more information, please contact Head of Investor Relations, Linda Häkkilä linda.hakkila@outokumpu.com or visit our website www.outokumpu.com/investors

Best regards,

Outokumpu IR team

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