



IR Newsletter

Year 2023 has ended, and it is time to wrap up the last quarter of the year in anticipation of the silent period starting on Tuesday, January 9. Outokumpu will publish its financial statements release 2023 on Thursday, February 8.

Outlook for Q4 2023 (published on November 7, 2023):

Group stainless steel deliveries in the fourth quarter are expected to increase by 0-10% compared to the third quarter as we see some recovery in Europe.

The planned maintenance break in business area Ferrochrome is expected to have an approximately EUR 10 million negative impact on the business area's adjusted EBITDA.

With current raw material prices, some raw material related inventory and metal derivative losses are expected to be realized in the fourth quarter.

Guidance for Q4 2023: Adjusted EBITDA in the fourth quarter of 2023 is expected to be at a similar or higher level compared to the third quarter.

Main announcements in the fourth quarter of 2023:

- On January 3, 2024, after the reporting period, Outokumpu announced that it increases its ownership in Rajakivi wind farm in Tornio, Finland. With this investment, Outokumpu's ownership in the 45MW wind farm rises to a level of close to 9MW and 19.9% of the shares. Read more [from the release](#).
- On January 2, 2024, after the reporting period, Outokumpu announced that due to weak ferrochrome market conditions, it plans to temporarily close one of its three ferrochrome furnaces and one of the two sintering plants in Tornio, Finland. The plan would be to keep the ferrochrome furnace and one sintering plant closed until autumn 2024. Ferrochrome production will continue at about 80% of its full capacity during the temporary closure. Read more [from the release](#).
- On December 15, 2023, Outokumpu announced that as part of its strategy to strengthen the leadership in sustainability and secure access to high-quality raw materials, it has decided to invest in a pelletizing plant to produce biocoke at its site in Tornio, Finland. The investment is approximately EUR 30 million and the aim is to start production mid-2025. Read more [from the release](#).
- On November 29, 2023, Outokumpu launched a share buyback program of up to EUR 50 million and a maximum of 11 million shares. The program commenced on December 1, 2023, and ends no later than on March 21, 2024. Read more [from the release](#). By January 4, 2024, Outokumpu has repurchased a total of 3,691,883 shares under the share buyback program and holds a total of 26,733,173 treasury shares.
- On November 29, 2023, Outokumpu announced it has successfully negotiated a long-term extension to its hot rolling partnership with AM/NS in the U.S. until 2051. As a next step, Outokumpu continues to assess the possible cold rolling capacity expansion in the U.S. to meet the increasing demand for locally produced sustainable stainless steel. Read more [from the release](#).
- On November 13, 2023, Outokumpu announced it has signed an agreement to become a shareholder in Envigas AB, a leading European producer of biocarbon, with an ownership share of 20%. Outokumpu has agreed to invest EUR 9.9 million into the company and with the investment, Outokumpu secures a right to 50% of Envigas' production. Read more [from the release](#).
- On November 7, 2023, Outokumpu announced it aims to streamline its operations in Germany. The planned restructuring measures are expected to impact close to 200 people in Germany and would entail yearly savings of approximately EUR 15 million. Read more [from the release](#).
- On November 7, 2023, Outokumpu announced it has signed an agreement to acquire a 10% minority interest in CRONIMET, expanding collaboration to further secure the sourcing and retain the supply of high-quality scrap within Northeastern Europe. The transaction will be carried out as a share sale. Read more [from the release](#).

More exciting news in the fourth quarter of 2023:

- On December 22, 2023, Outokumpu announced that EcoVadis, sustainability rating platform, has ranked Outokumpu among the top 1% of companies assessed with a Platinum rating! This is not the first time Outokumpu receives the Platinum recognition, but this year, Outokumpu scored its all-time high points.
- A lot of exciting collaborations have been announced regarding the Outokumpu CircleGreen® product during the quarter! Outokumpu joins forces with **ZWILLING and STAHL KREBS** to reduce carbon footprint of knives, with **Siemens** to reduce carbon emissions in the production of medium-voltage switchgear and with **Alfa Laval**, the world leader in heat transfer, centrifugal separation and fluid handling.

Operating environment in the fourth quarter of 2023:

- Stainless steel market:** Market environment in Europe remained challenging in the fourth quarter. Bottom of the cycle is already behind, but market recovery is expected to be gradual and take time. Closer to the end of the year, also market environment in the Americas started to clearly weaken. Group stainless steel deliveries in the fourth quarter were expected to increase by 0-10% compared to the third quarter but the increase will be closer to the lower end of the range.
- Operations:** The planned maintenance break in business area Ferrochrome was completed successfully during the fourth quarter.
- Net of timing and hedging:** As stated in the outlook, some raw material related inventory and metal derivative losses are expected to be realized in the fourth quarter.
- Impairment booking:** The extended hot rolling agreement with AM/NS results in a non-cash impairment booking of approx. USD 280 million in the fourth quarter as business area Americas' normalized annual EBITDA run-rate has decreased from USD 200 million to USD 170 million. The booking has a negative impact on EBIT but not on EBITDA.

Outokumpu financial reports in 2024:

- financial statements release 2023 on Thursday, February 8, 2024.
- interim report for January–March 2024 on Wednesday, May 8, 2024.
- half-year report for January–June 2024 on Thursday, August 8, 2024, and
- interim report for January–September 2024 on Wednesday, October 30, 2024.

Outokumpu will publish its annual report 2023 during the week 9. Outokumpu's Annual General Meeting is tentatively scheduled for Thursday, April 4, 2024. The Board of Directors will decide on the summoning of the Annual General Meeting later.

The Q4/2023 pre-silent call hosted by CFO Pia Aaltonen-Forsell was arranged on Thursday, January 4, 2023. The recording of the call can be found from our [website](#).

For more information, please contact Head of Investor Relations, [Linda Häkklila](#) or visit our website www.outokumpu.com/investors.

Wishing you all a successful year 2024!

Best regards,
Outokumpu IR team

Working towards a world that lasts forever

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