



Strong focus on cash generation during challenging market conditions

Outokumpu Q3 2024 results

Kati ter Horst, President & CEO

Marc-Simon Schaar, CFO

October 30, 2024

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Honored to lead Outokumpu to its next strategy phase

Kati ter Horst - President and CEO of Outokumpu

- Joined Outokumpu from Aliaxis, S.A (Divisional CEO EMEA)
- Long career at Stora Enso, EVP Paper Division
- Member of Outokumpu Board of Directors since 2016

Ensuring smooth transition

Building future strategy

Maintaining sustainability leadership

Delivering total shareholder value



Solid third-quarter EBITDA driven by business areas Europe and Ferrochrome

Kati ter Horst, President & CEO

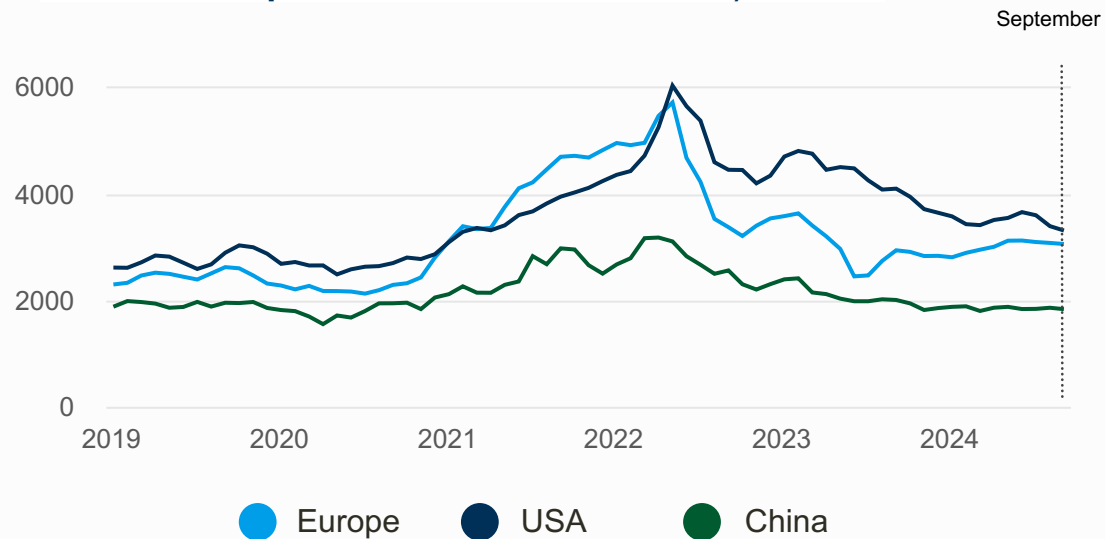
Solid performance in challenging market conditions

Adjusted EBITDA totaled
EUR 86 million
in the third quarter of 2024

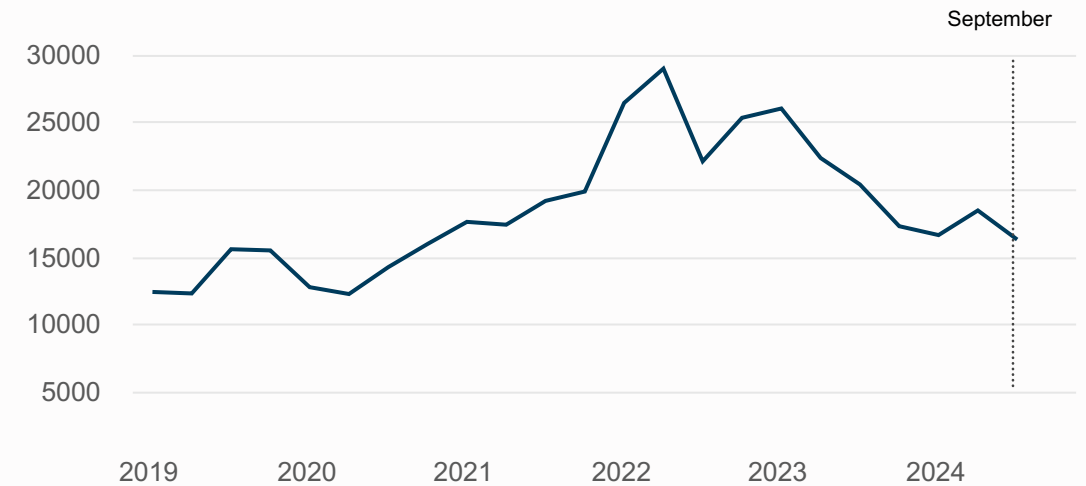
- Stainless steel deliveries were stable, in line with guidance
- BA Americas' result reflects deteriorated market conditions
- BA Europe's profitability improved due to good margin management
- BA Ferrochrome delivered solid operational performance
- Scrap market started to ease towards the end of the quarter
- On track with profitability improvement program
- Firm progress in sustainability

Stainless steel prices under pressure in both Europe and the U.S.

Transaction prices 304 stainless, USD/tonne*



Nickel LME cash, USD/tonne

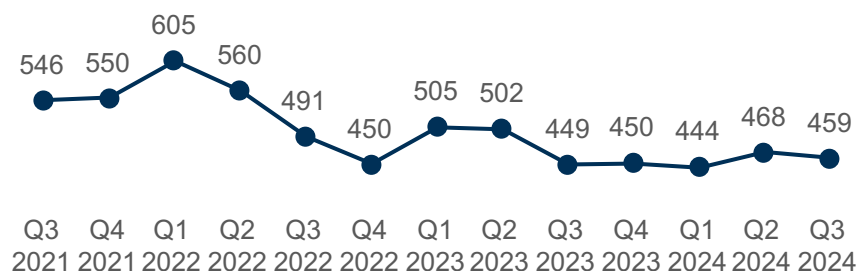


Source: CRU Stainless Steel Flat Products Monitor September 2024
Nickel: London Metal Exchange (LME) Nickel Cash Official
Stainless transaction prices 304 monthly figures, nickel quarterly figures

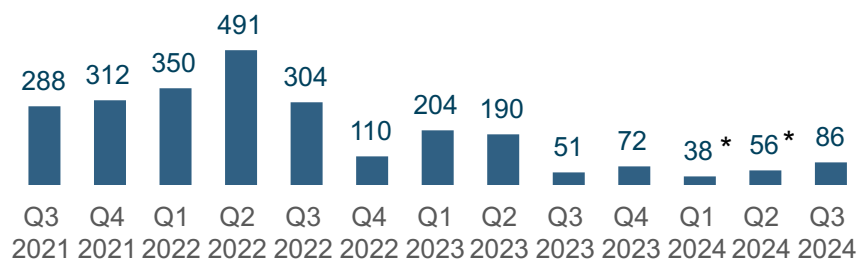
*EUR/USD FX rate impacting USD transaction prices

Improved profitability driven by business areas Europe and Ferrochrome

Deliveries, kt

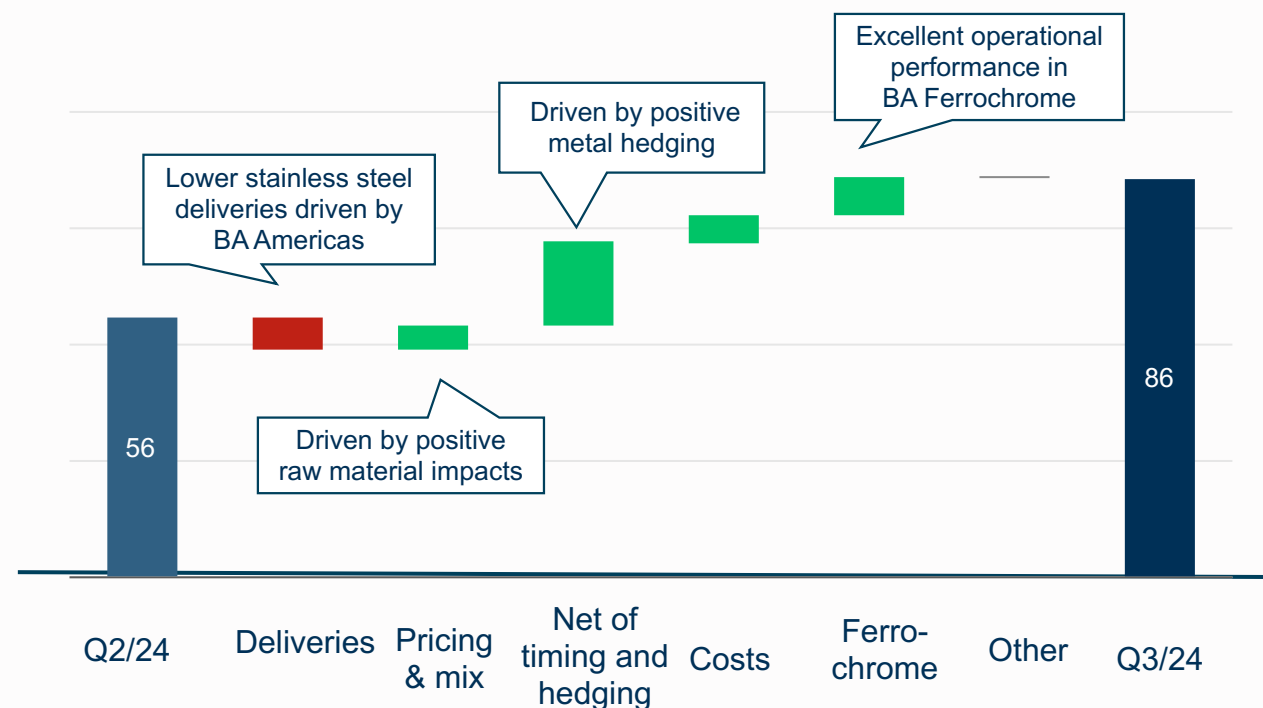


Group adjusted EBITDA, EUR million



* Negative financial impact of EUR 30 million both in Q1/24 and Q2/24 due to the political strike in Finland

Adjusted EBITDA quarter-on-quarter comparison¹, EUR million

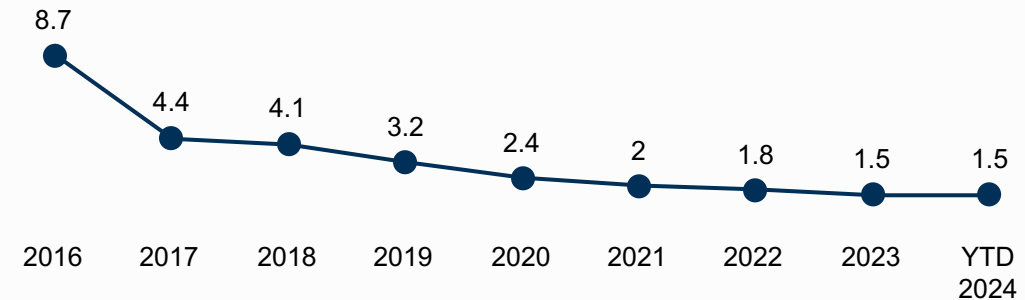


1) Indicative columns based on management estimates

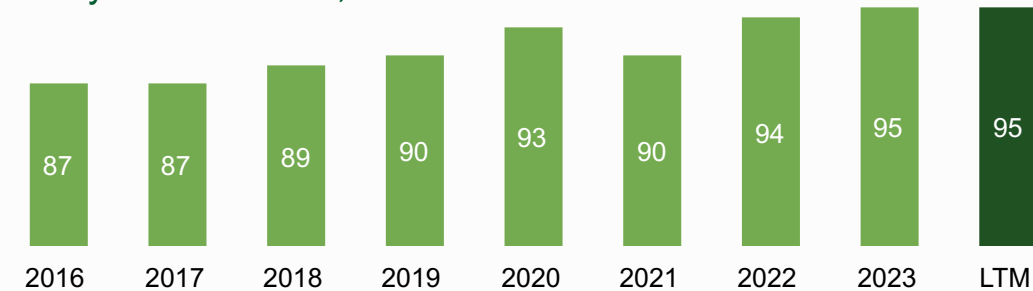
Undisputed sustainability leader in the industry - strong progress with emission reductions

- Safety performance at world-class level
- Recycled material content remained at 95%, highest in the industry
- Good progress towards SBTi climate target
- Advancing carbon neutrality at Kemi mine
- Outokumpu took part in the UN General Assembly and partnered with the Climate Week to advocate for the pivotal role of stainless steel in green transition

Safety performance, TRIFR



Recycled materials, %



TRIFR = Number of total recordable incidents per million working hours 2021 and 2022 numbers include only continuing operations
Recycled material content is 12 month rolling average, LTM = last 12 months

Focus on cash flow and financial discipline

Marc-Simon Schaar, CFO

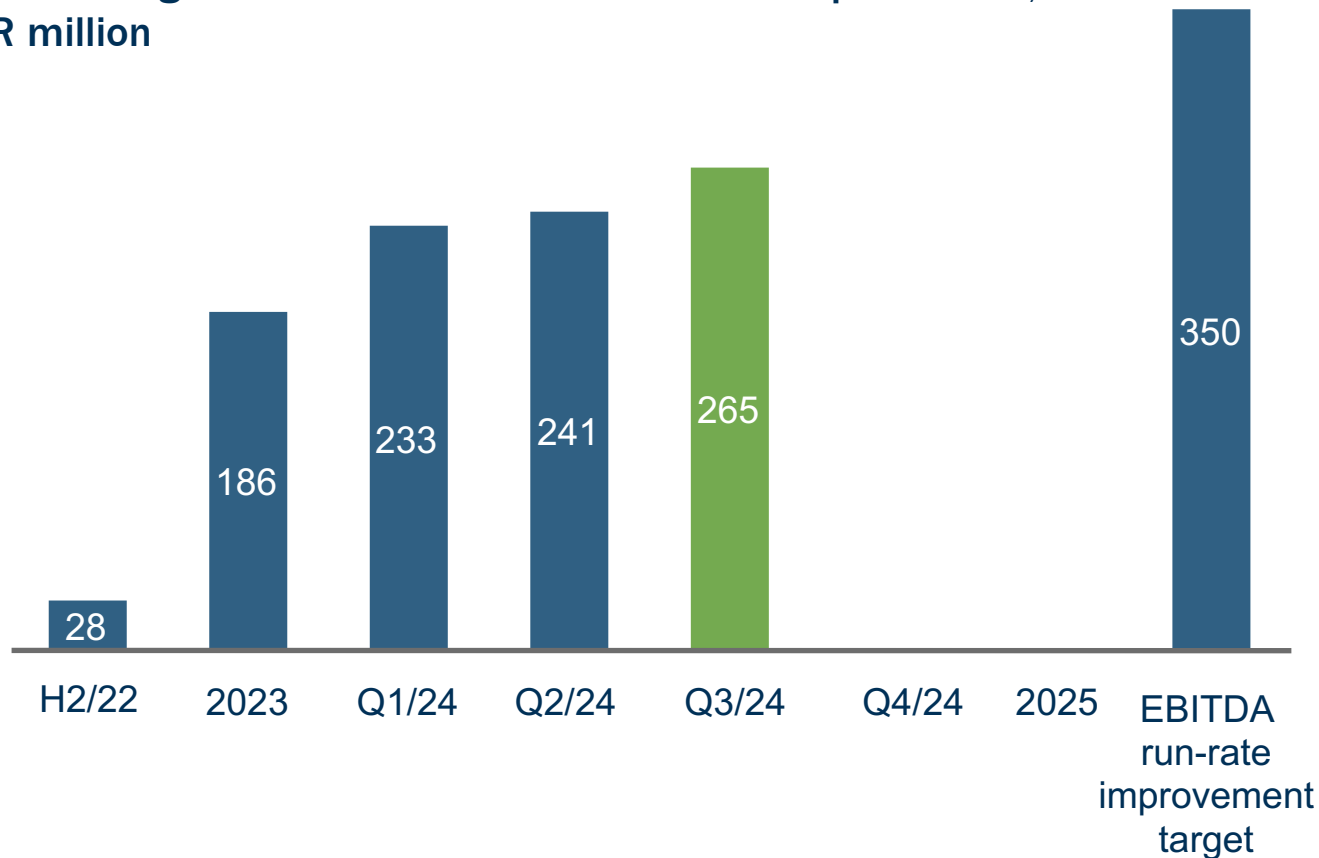


Resilience in challenging market conditions

- Net debt EUR 212 million, driven by an increase in net working capital
- Cash and cash equivalents EUR 241 million, total liquidity reserves EUR 1.0 billion
- Planned 2024 annual capex EUR 210 million
- 2023-2025 capex frame remains at EUR 600 million, taking market conditions into consideration
- Total shareholder returns remain a priority

On track to reach EUR 350 million EBITDA run-rate improvement by the end of 2025

Cumulative gross annualized EBITDA run-rate improvement, EUR million



EUR 24 million EBITDA run-rate improvement reached in Q3 2024, mainly driven by actions in business area Europe

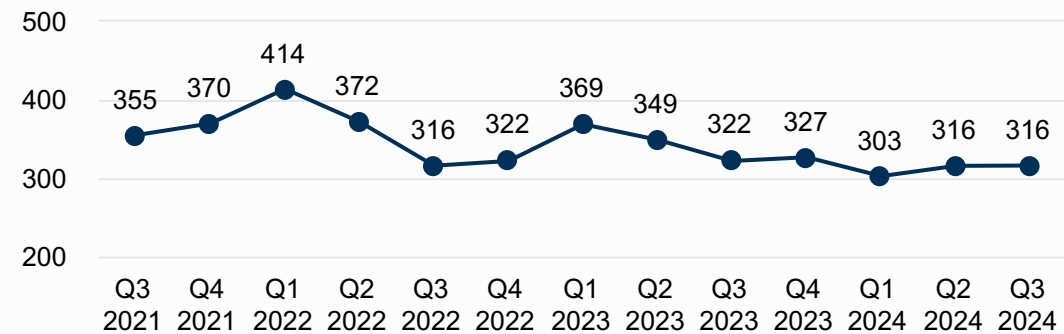
- Improved raw material efficiencies in stainless steel specialty grades, similar initiatives taken on other meltshops
- More incremental yield improvements achieved in Mexico, continuing to extend non-truck shipments in business area Americas

BA Europe

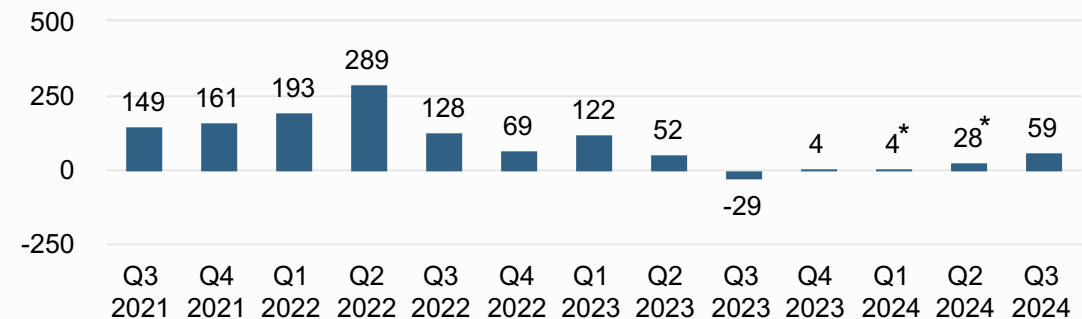
Stable stainless steel deliveries,
significant improvement in profitability

- Recovery from the political strike in Finland
- Market started to deteriorate during Q3, ensuring cost competitiveness is crucial
- Distributor inventories slightly higher, while the share of imports also increased

Europe's stainless steel deliveries, 1,000 tonnes



Europe's adjusted EBITDA, EUR million



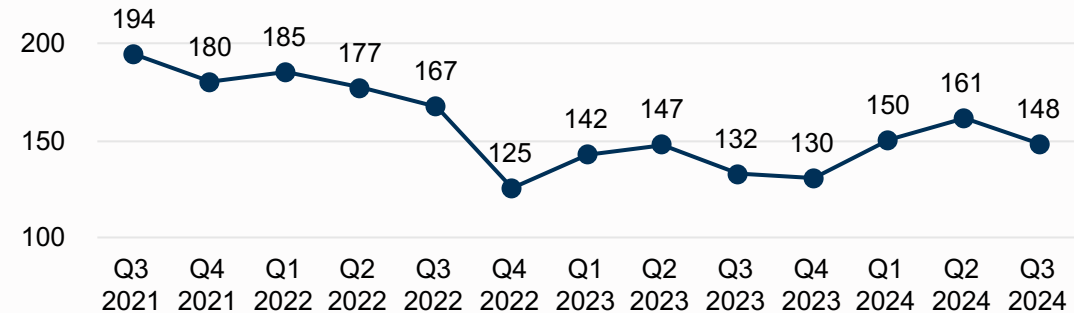
* Total impact of the political strike in H1 2024 approx. EUR -40 million

BA Americas

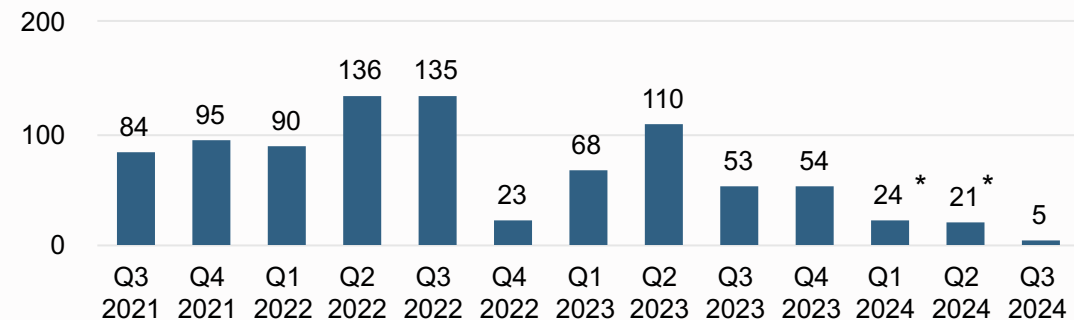
Result reflects deteriorated market, long-term view remains positive

- Stainless steel deliveries in Q3 impacted by the flooding in Mexico, postponements of customer deliveries
- Imports into the North American market continued to increase
- Maintained market share and #2 market position

Americas' stainless steel deliveries, 1,000 tonnes



Americas adjusted EBITDA, EUR million



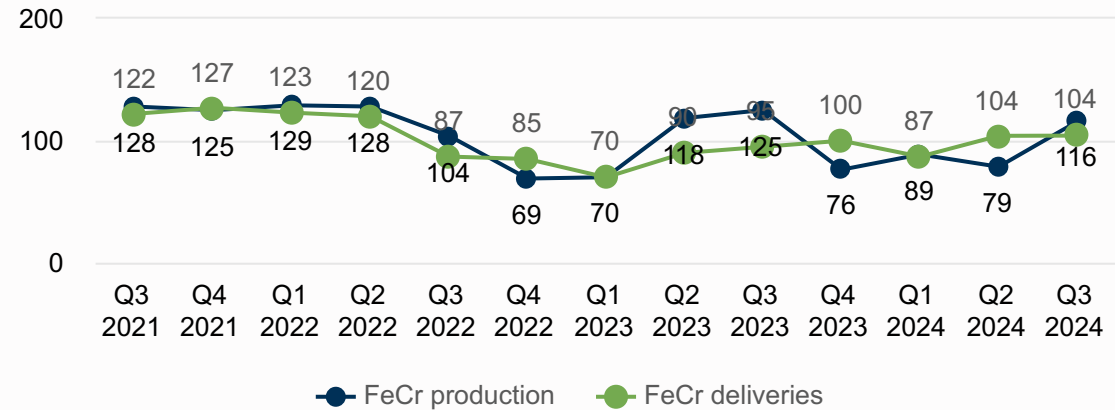
* Total impact of the political strike in H1 2024 approx. EUR -10 million

BA Ferrochrome

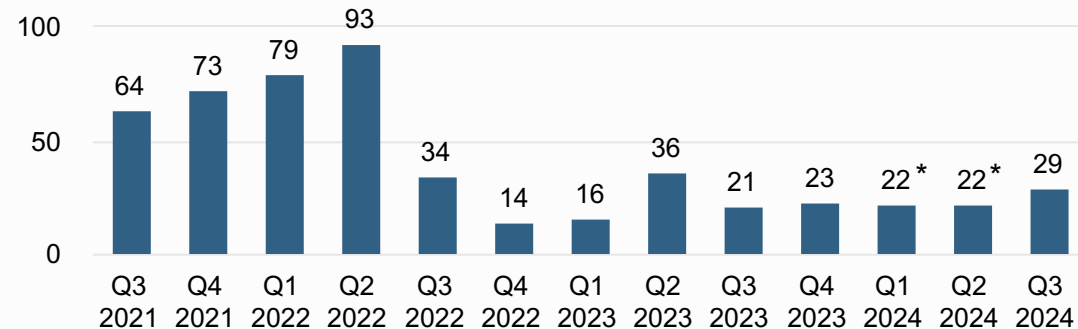
Solid result delivered through efficient operational performance

- Demand for our low emission ferrochrome remained resilient during Q3
- Third ferrochrome furnace ramped up in October in order to optimize electricity usage, production in Q4 not expected to increase
- Solid progress towards carbon neutrality at our chrome mine in Finland - the only one in the EU area

Ferrochrome, 1,000 tonnes



Ferrochrome's adjusted EBITDA, EUR million

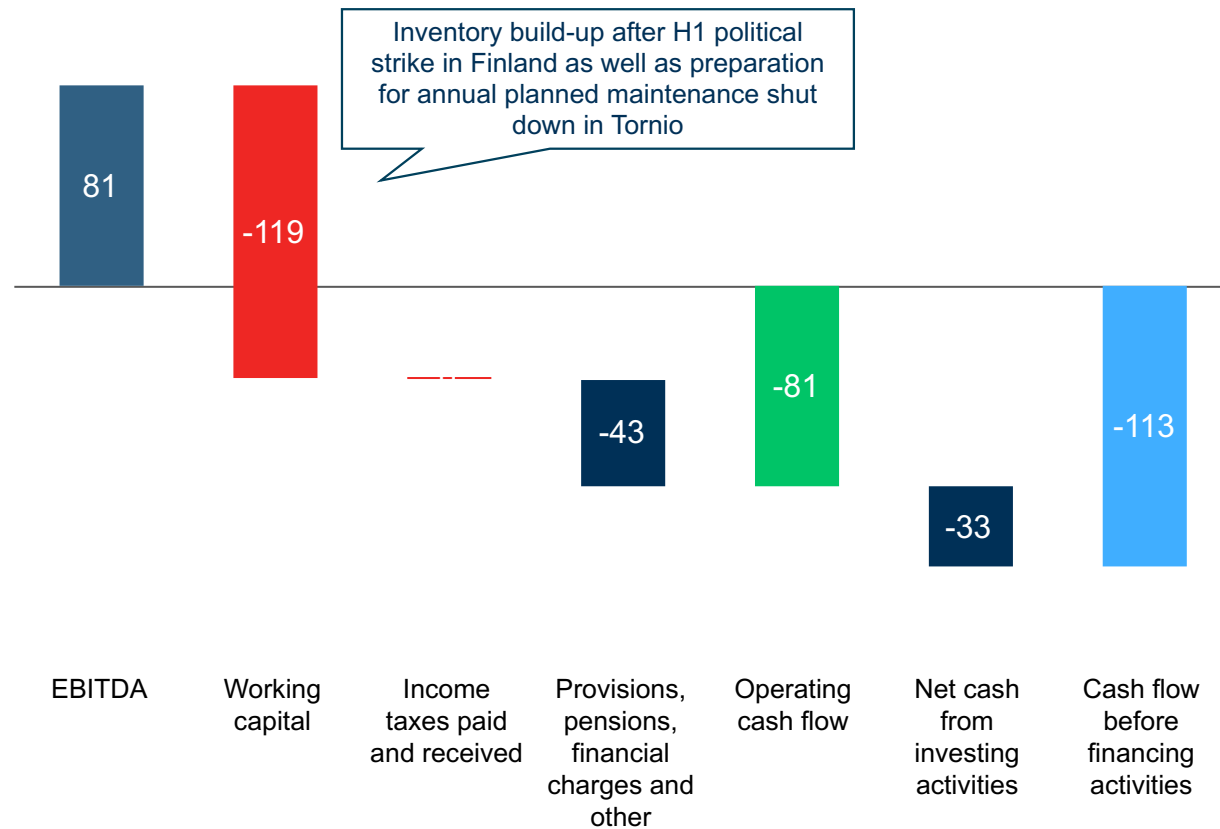


* Total impact of the political strike in H1 2024 approx. EUR -10 million

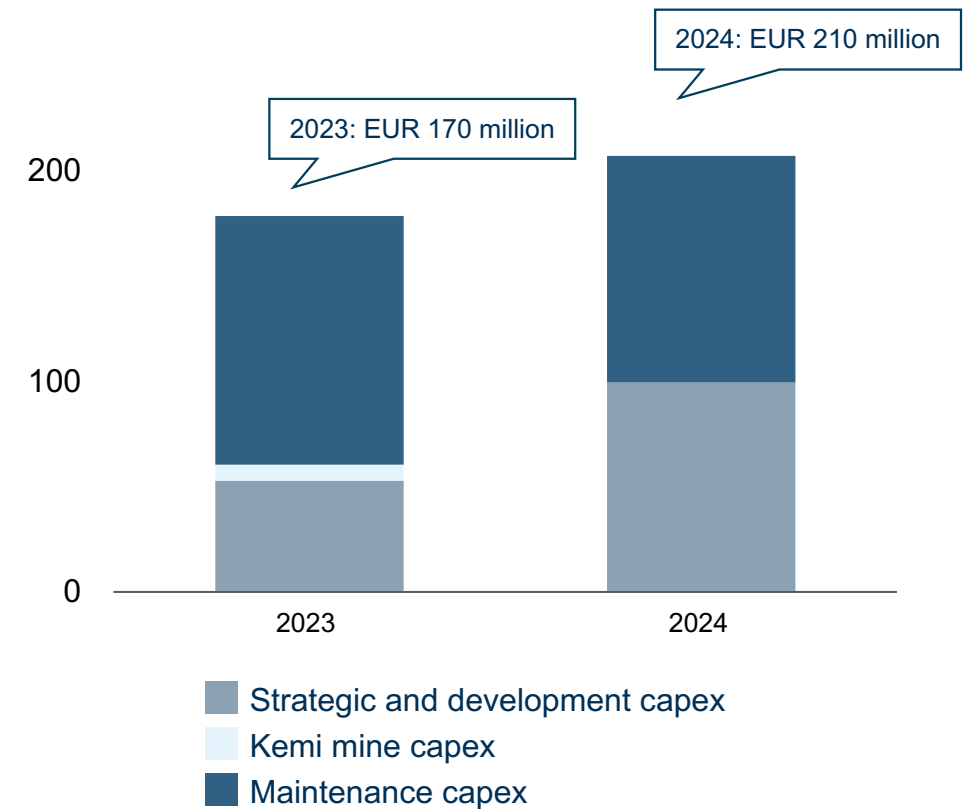
Temporarily higher net working capital led to an increase in net debt

Q3/24 cash flow

EUR million



Capex frame EUR 600 million for years 2023–2025





Strong foundation to create value over the cycle

Kati ter Horst, President & CEO

Outlook for Q4 2024

Group stainless steel deliveries in the fourth quarter are expected to decrease by 0–10% compared to the third quarter, driven by deteriorating markets for both business areas Europe and Americas.

The planned maintenance break in Tornio, Finland is expected to have approximately EUR -10 million impact on business area Europe's adjusted EBITDA.

Energy costs for business area Europe are expected to increase by approximately EUR 5 million.

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

Guidance for Q4 2024:

Adjusted EBITDA in the fourth quarter of 2024 is expected to be lower compared to the third quarter.

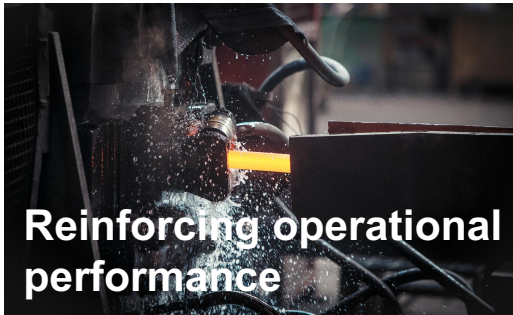


Ensuring a smooth transition and continuing to deliver on strategy phase 2

- Solid EUR 86 million adjusted EBITDA in challenging market conditions
- Strong market position maintained in Europe and the U.S.
- Good progress towards the EUR 350 million profitability improvement target
- Steering business towards cash flow and total shareholder value
- Sustainability leadership and a strong balance sheet - a good foundation on which to build our future success



Our way forward



- World-class safety performance
- Operational excellence
- Product quality
- Reliable and efficient supply chain



- Continuous improvement of cost competitiveness
- Commercial excellence
- Customer driven innovation



- Acting promptly in a changing market environment
- Maintaining healthy balance sheet
- Delivering total shareholder value



- Reducing emissions in line with SBTi target
- Leveraging the unique advantage of having our own low emission chrome mine in Finland
- Building partnerships for greater impact

Thank you!

Questions & answers



Our ambition in sustainability has been globally recognized



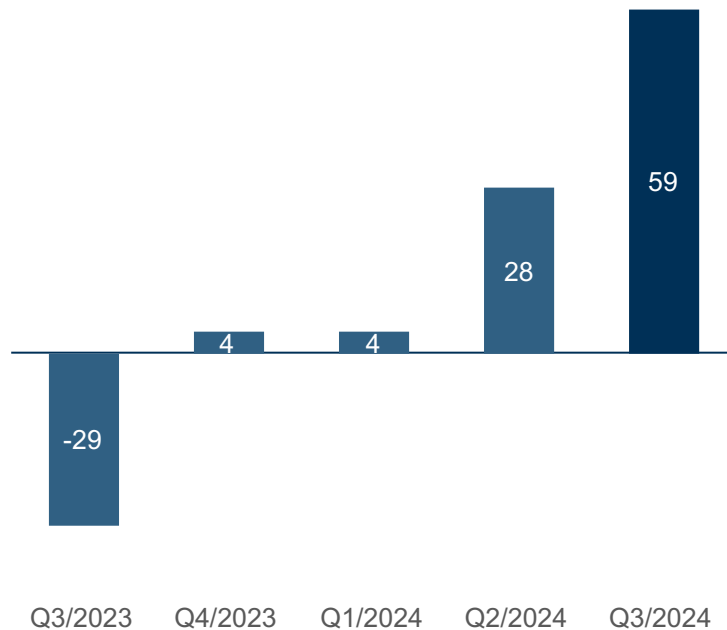
Key financials for Q3 2024

- Adj. EBITDA EUR 86 million
- Net result EUR 20 million
- Earnings per share EUR 0.05
- ROCE -7.1%, negatively impacted by the significant impairment related to the renegotiated hot rolling contract in business area Americas at the end of 2023

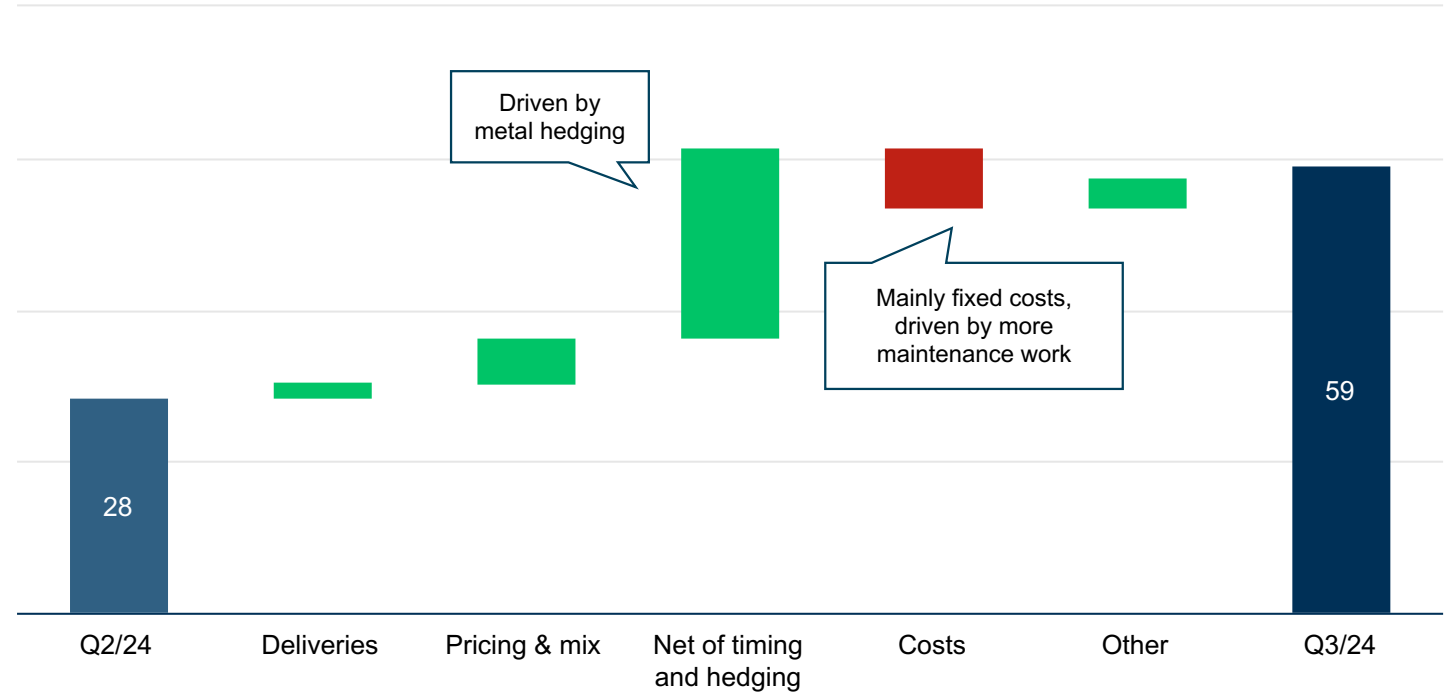
Key figures		Q3 2024	Q3 2023	Q2 2024	2023
Sales	EUR million	1,518	1,531	1,540	6,961
EBITDA	EUR million	81	18	56	416
Adjusted EBITDA	EUR million	86	51	56	517
EBIT	EUR million	32	-45	1	-100
Adjusted EBIT	EUR million	31	-12	1	274
Result before taxes	EUR million	22	-60	-7	-133
Net result	EUR million	20	-55	-5	-111
Earnings per share	EUR	0.05	-0.13	-0.01	-0.26
Return on capital employed, ROCE	%	-7.1	5.3	-8.7	-2.1
Capital expenditure	EUR million	37	31	37	170
Free cash flow	EUR million	-113	-24	35	290
Stainless steel deliveries	1,000 tonnes	459	449	468	1,906
Net result for the period from all operations incl discontinued operations	EUR million	20	-56	-5	-106

BA Europe's adjusted EBITDA increased to EUR 59 million in Q3 2024

Adjusted EBITDA, EUR million



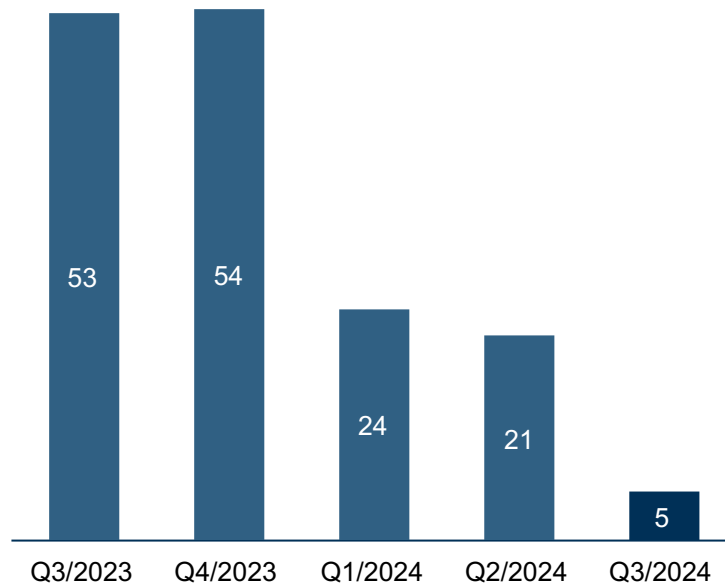
Adjusted EBITDA quarter-on-quarter comparison¹, EUR million



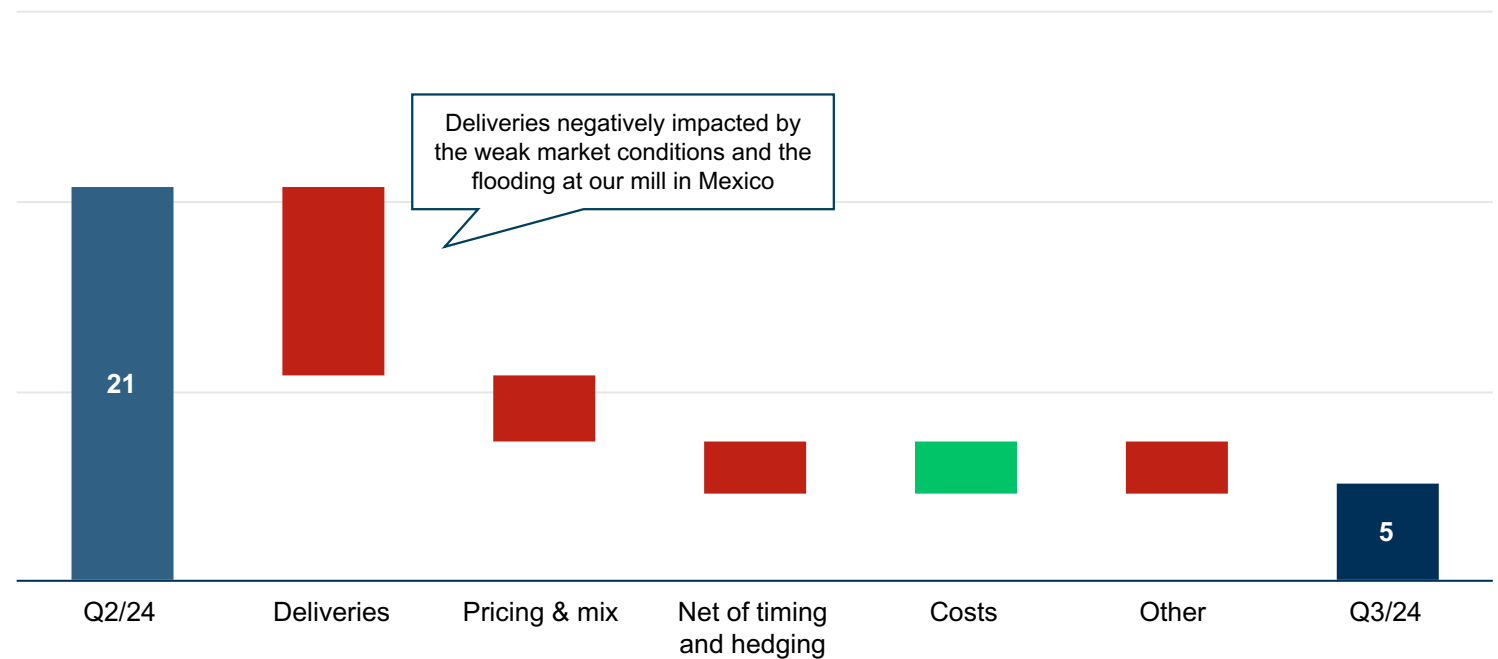
1) Indicative columns based on management estimates

BA Americas' adjusted EBITDA was EUR 5 million in Q3 2024

Adjusted EBITDA, EUR million



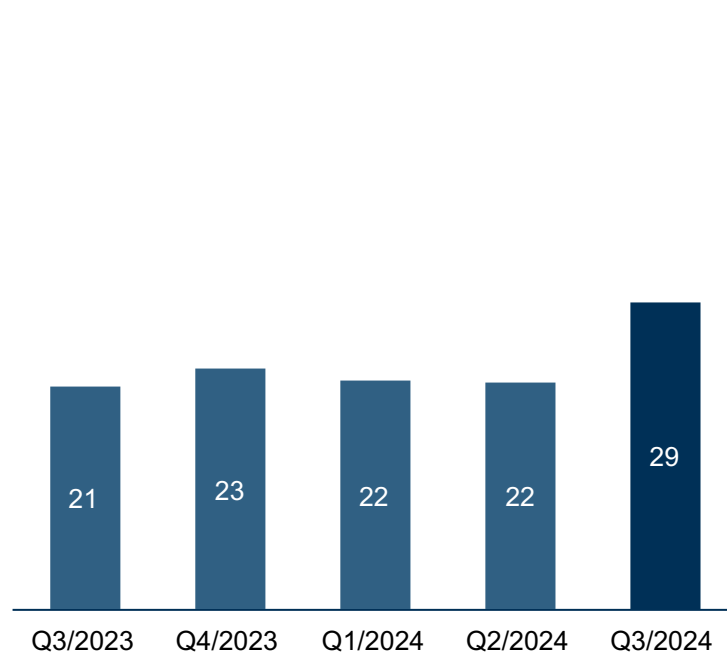
Adjusted EBITDA quarter-on-quarter comparison¹, EUR million



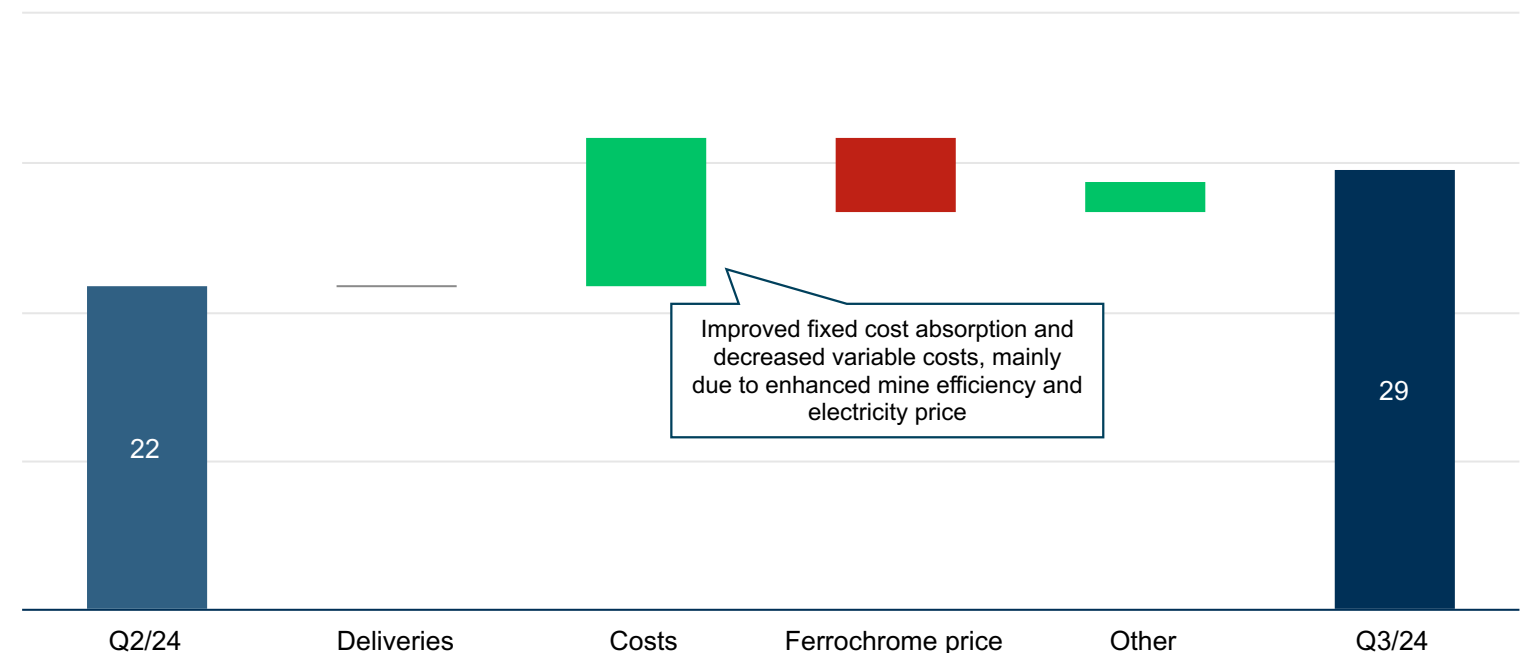
1) Indicative columns based on management estimates

BA Ferrochrome's adjusted EBITDA was EUR 29 million in Q3 2024

Adjusted EBITDA, EUR million



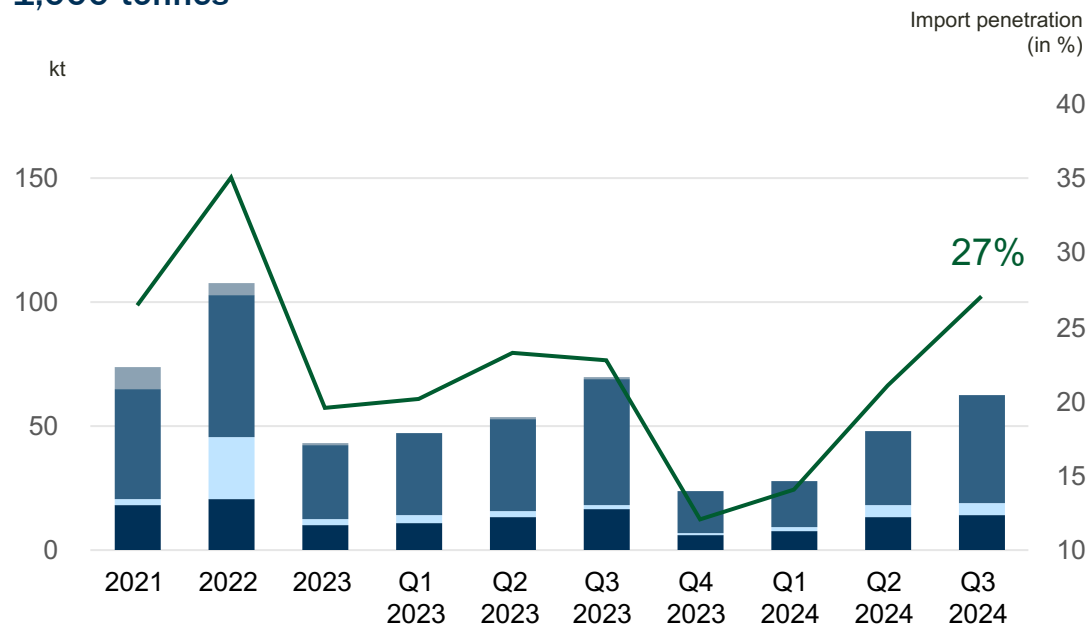
Adjusted EBITDA quarter-on-quarter comparison¹, EUR million



1) Indicative columns based on management estimates

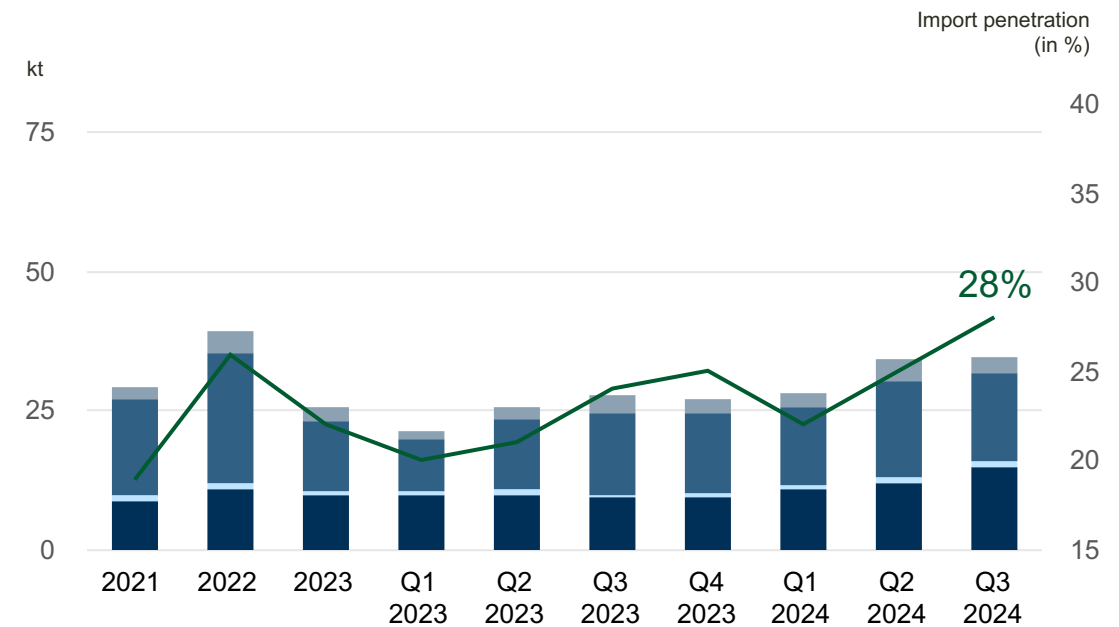
Imports increased both in Europe and the U.S. in Q3 2024

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



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

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



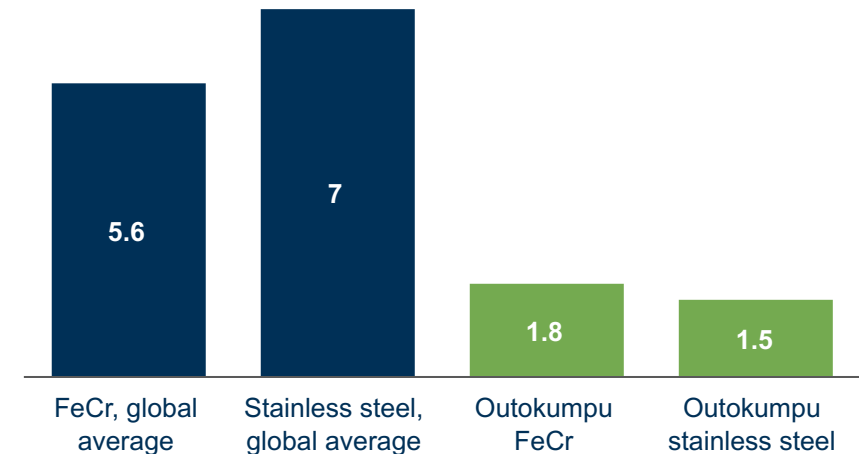
- From rest of world
- From rest of Asia
- From Indonesia
- From China
- Import penetration

1. Cold rolled, monthly average. Source: Eurofer, June 2024
 2. Cold rolled, monthly average. Source: AISI, June 2024

Outokumpu uniquely positioned to capture value from Carbon Border Adjustment Mechanism – low carbon ferrochrome production a competitive asset for Outokumpu

- The EU's Carbon Border Adjustment Mechanism (CBAM) approved in April 2023 aiming to reduce carbon leakage and encourage greener production
- Iron and steel sector – including stainless steel – main sectors to be impacted by CBAM
- Outokumpu's position is strong due to own ferrochrome production in Finland and low carbon footprint - assumption based on EY's position paper* made in January 2024
- End-products not included which might impact on production being transferred outside Europe

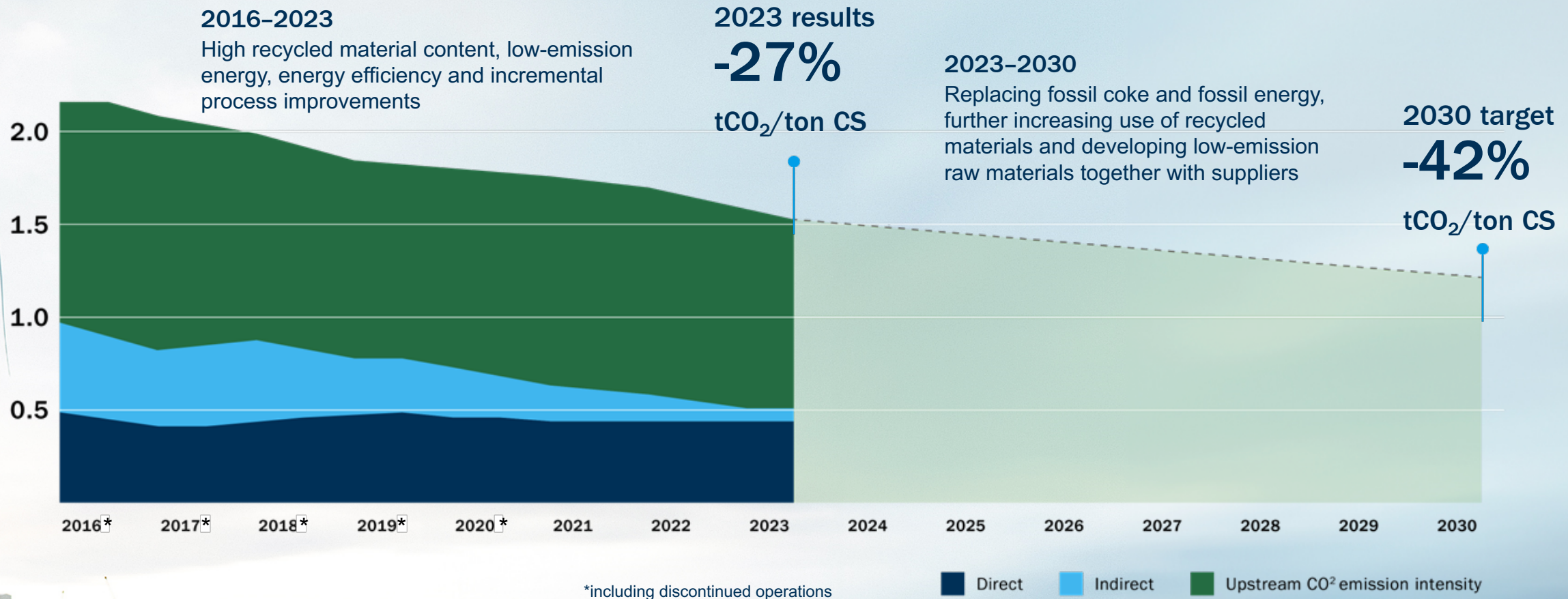
Outokumpu's CO2 emissions (scopes 1, 2, 3) per tonne



Sources: based on Outokumpu's 2023 Sustainability Review; data collected from worldstainless; 3rd party estimate of European peer average emissions in scope 3 for 2019; ICDA calculation for global ferrochrome carbon footprint 2021; Environmental Product declaration Ferrochrome

* www.outokumpu.com/en/CBAM

Outokumpu committed in the decarbonization strategy aligned with 1.5 degrees – circularity and innovation at the core



Strong partnerships with customers to drive the green transition forward in stainless steel industry



FISKARS
EST. GROUP 1649



klöckner & co

PUREM
by Eberspächer

BOYSEN
INNOVATIONEN ABGASTECHNOLOGIE

SVERDRUP
STEEL

NORDIC STEEL
part of great solutions

Fissler



STALA
TUBE



STAHLKREUZ
our steel. YOUR BUSINESS.

SIEMENS



Up to 93% lower carbon footprint compared to the industry average*

*Global average CO₂ emissions (2023): 7 kilos of CO₂e per kg of stainless steel (based on data provided by CRU and worldstainless). Outokumpu Circle Green CO₂ emissions: down to 0.5 kilos of CO₂e per kg of stainless steel.