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OUTOKUMPU: TEMPORARY LAYOFFS AT TORNIO PLANT AVOIDED, THE SAME LEVEL OF SAVINGS ACHIEVED BY OTHER ACTIONS

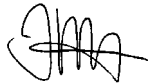
Outokumpu has concluded the statutory negotiations on full or part-time temporary layoffs at the Tornio plant. The proposal on initiating the negotiations was given on November 10, 2008 due to the current low order load. The company and the employee representatives were actively seeking for alternatives to temporary layoffs. They agreed on a solution where temporary layoffs can be now avoided by substantial cost savings, performing more of the maintenance work by Outokumpu's own people, investing time in training, operational improvement programs and encouraging the use of flexible working hours and other leaves. The cost savings can be achieved by cutting the expensive weekend shifts, freezing the production bonus system and by a general cost cutting program. The actions that have now been agreed will result to almost the same level of savings as were targeted in the original proposal for negotiations.

If the market situation continues to be difficult, Outokumpu will take additional action to improve its profitability. Outokumpu Group employs 8700 people, of which 2300 at the Tornio Works in Finland.

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