



September 22, 2015 at 9.00 am EET

## OUTOKUMPU LOWERS ITS THIRD-QUARTER FINANCIAL GUIDANCE

Outokumpu lowers its financial guidance for the third-quarter of 2015. The negative change is mostly driven by weaker than expected stainless steel deliveries and very low nickel price resulting in further pressure on base prices, scrap costs, and order intake: In both key markets, Europe and USA, destocking continues and distributors continue to hold back orders. Due to the seasonally subdued markets and the earlier production challenges in Tornio, the delivery volumes have been lower than forecasted especially in Coil EMEA. Furthermore, the Tornio operations were shut down for 24 hours during a nation-wide, political demonstration in Finland on September 18, 2015 causing further negative impact on the Coil EMEA profitability. Outokumpu's ongoing savings programs as well as the special turnaround measures in the Coil Americas business area continue as planned.

### **New financial guidance:**

Outokumpu estimates its third-quarter delivery volumes to be around 10% lower than in the second quarter, largely driven by Coil EMEA. Based on the lower delivery outlook and the negative impacts of the low nickel price, Outokumpu expects the Group's underlying EBIT loss to be higher than in the second quarter. With current prices, the net impact of raw material-related inventory and metal derivative gains/losses on profitability is expected to be EUR 10–15 million negative.

### **Previous financial guidance:**

Outokumpu estimates somewhat lower delivery volumes quarter-on-quarter with seasonal decline in Europe and gradual increase in Americas. The Group's underlying EBIT for the third quarter is estimated to improve from the second quarter, but to remain negative mostly due to seasonal impacts. In addition to the ongoing savings programs, special measures are taken to improve profitability in Coil Americas. With current prices, the net impact of raw material-related inventory and metal derivative gains/losses on profitability is expected to be EUR 10–15 million negative.

For more information:

Investors: Johanna Henttonen, tel. +358 9 421 3804, mobile +358 40 530 0778

Media: Saara Tahvanainen, tel. +358 40 589 0223

### **Outokumpu Group**

**Outokumpu** is a global leader in stainless steel. We create advanced materials that are efficient, long lasting and recyclable – thus building a world that lasts forever. Stainless steel, invented a century ago, is an ideal material to create lasting solutions in demanding applications from cutlery to bridges, energy and medical equipment: it is 100% recyclable, corrosion-resistant, maintenance-free, durable and hygienic. Outokumpu employs more than 12 000 professionals in more than 30 countries, with headquarters in Espoo, Finland and shares listed in Nasdaq Helsinki. [www.outokumpu.com](http://www.outokumpu.com)