

## Outokumpu changes its reporting practices as of first quarter 2017: Adjusted EBITDA to become the main performance indicator

Outokumpu is changing its financial reporting practices as of the first quarter 2017 interim report onwards. Going forward, Outokumpu will consider EBITDA as its main performance indicator. Furthermore, Outokumpu replaces underlying figures with adjusted figures.

“After a thorough analysis, we have come to consider adjusted EBITDA to be the most relevant performance indicator. Given our focus on cash generation and net debt reduction, we see EBITDA to be the best metric to follow the development of our businesses going forward,” says Outokumpu CFO Chris de la Camp.

Adjusted EBITDA and adjusted EBIT will not exclude raw material related inventory gains/losses and metal derivative gains/losses unlike current underlying figures. Material income and expense items such as restructuring costs, impairments, and gains or losses on sale of assets or businesses will be excluded from the adjusted figures as they have also been excluded from the underlying figures.

The fourth-quarter and full-year 2016 results will be reported with the current method using the underlying EBIT as main performance indicator. The new practice will be implemented from first quarter 2017 onwards. Thus, the outlook given in connection with Annual Accounts 2016 will be based on the new practice. Consequently, Outokumpu will discontinue reporting underlying EBITDA and underlying EBIT figures from its first-quarter interim report onwards.

Attached the historical adjusted EBITDA and adjusted EBIT figures for the Group and business areas.

### Adjusted EBITDA

EUR million	I/15	II/15	III/15	IV/15	2015	I/16	II/16	III/16
Europe	98	108	35	71	311	81	76	107
Americas	-7	-43	-27	-42	-120	-37	-3	12
Long Products	5	8	3	-6	10	-4	-1	2
Other operations and intra-group items	-12	-18	-4	-2	-36	-11	-6	-4
Group total adjusted EBITDA	83	55	6	21	165	29	66	116

### Adjusted EBIT

EUR million	I/15	II/15	III/15	IV/15	2015	I/16	II/16	III/16
Europe	46	57	-17	29	115	40	36	44
Americas	-29	-65	-49	-56	-200	-50	-16	-1
Long Products	3	5	1	-8	2	-6	-3	-0
Other operations and intra-group items	-12	-23	-9	-6	-49	-12	-8	-5
Group total adjusted EBIT	8	-26	-74	-40	-132	-29	9	38

Other operations' figures for 2015 include the divested SKS operations.

For more information:

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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 11,000 professionals in more than 30 countries, with headquarters in Helsinki, Finland and shares listed in Nasdaq Helsinki. [www.outokumpu.com](http://www.outokumpu.com) [outokumpu.com/stainless-news](http://outokumpu.com/stainless-news) [choosestainless.outokumpu.com](http://choosestainless.outokumpu.com)