

30 January 2001

Launching AvestaPolarit

Today marks the public launch of AvestaPolarit, a new leading world-class stainless steel company, formed by the merger of Outokumpu Steel and Avesta Sheffield.

The company's new logotype is presented and it is the first day of trading in AvestaPolarit shares on the OM Stockholm Exchange and the HEX, Helsinki Exchanges. The launch is being celebrated at AvestaPolarit sites in more than 20 countries, all over the world.

AvestaPolarit will be the world's second largest stainless steel producer in terms of slab melting capacity. The company employs over 8,900 people in more than 20 countries, and its annual sales amount to about EUR 3.5 billion.

The combination brings together the complementary strengths of the cost-efficient, integrated production of Outokumpu Steel and the broad product range and extensive distribution network of Avesta Sheffield in a perfect fit. AvestaPolarit's overall objective is to secure a significant and sustained increase in value for its shareholders by creating an independent, world-class, focused, profitable and growth-oriented stainless steel company with strong potential and ambition to become the leader in the global stainless steel industry. AvestaPolarit's clearly stated vision is to become the "Best in stainless". This embraces a commitment by management to offer:

- **customers** manufacturing excellence, quality and reliability, a broad product range, as well as partnerships in design and materials selection.
- **employees** – current as well as potential – constant challenges in R&D, sales, new customer applications and leading-edge production technology.
- **investors** focus on the high growth stainless steel market, targeting over 10% annual growth in earnings and an average return on capital employed of more than 15% over a business cycle.

"The goals set for AvestaPolarit are high, but I am happy to say that we also have a clearly formulated path to reach them. Our objectives and strategies are clear, the direction is set and we have all the prerequisites for success: manufacturing excellence, quality products and a broad distribution network, in addition to cutting-edge competence and major ongoing investments to establish a solid platform for future growth and global expansion," says Ossi Virolainen, President and CEO of AvestaPolarit.

AvestaPolarit will project a corporate single brand in all its product markets. The new logo recounts AvestaPolarit origins – symbolising two powerful forces becoming one entity. The basic shape of the logo derives from the symbol for iron and from the round shape of a stainless steel coil – AvestaPolarit's core product. The logo is also a reminder of dynamics; that stainless steel is fully recyclable and that AvestaPolarit must constantly be on the move to respond swiftly to customer needs.

Also launched today is the new AvestaPolarit corporate website – www.avestapolarit.com - where more information about the new company can be found, including downloadable press kit material.

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