

## **The result of Outokumpu's redemption offer and the redemption claim under Chapter 14, Section 19 of the Finnish Companies Act**

Outokumpu's redemption offer regarding the shares and warrants in AvestaPolarit expired on October 11, 2002. Through the redemption offer Outokumpu has redeemed a total of 35 974 136 shares from the shareholders of AvestaPolarit. Together with shares purchased from the market Outokumpu owns approximately 99.8 percent of the shares and votes in AvestaPolarit. Outokumpu has redeemed 1 460 000, i.e. 100 percent, of the warrants subject to the offer.

Since Outokumpu owns more than nine tenths (9/10) of the shares and votes in AvestaPolarit, Outokumpu is, on the basis of Chapter 14, Section 19 of the Finnish Companies Act, entitled to redeem the shares held by other shareholders in AvestaPolarit at fair value.

Outokumpu has today, October 14, 2002 notified AvestaPolarit, that it will exercise its redemption right under the Finnish Companies Act and redeem the shares held by the remaining shareholders in AvestaPolarit. Outokumpu's claim based on the redemption right is the following:

### **1. Redemption Price of the Shares**

The redemption price is EUR 6.55 per share, which in Outokumpu's view shall be considered as the fair value of the shares according to the Finnish Companies Act.

The redemption price corresponds to the consideration offered by Outokumpu in the mandatory redemption offer for AvestaPolarit's shares announced on August 19, 2002.

The volume weighted average share price paid for AvestaPolarit's shares on the main list of the Helsinki Exchanges during the 12 months prior to the triggering of the redemption obligation under Chapter 6, Section 6 of the Finnish Securities Market Act is EUR 6.01.

### **2. Transfer Tax and Payments**

Outokumpu will be responsible for possible transfer tax payable in Finland deriving from the redemption of the shares as well as for the payments and charges arising from the book-entry registrations carried out as a consequence of the redemption.

The background of Outokumpu's redemption claim has been presented in the redemption offer document, which is available at the offices of D. Carnegie AB and the Outokumpu head office

In accordance with this redemption claim Outokumpu will initiate arbitration as provided in the Finnish Companies Act. AvestaPolarit will on basis of Outokumpu's redemption claim file an application to the District Court of Espoo, Finland, in which it requests a trustee to be appointed in order to supervise the interests of absent shareholders during the redemption and arbitral procedures.

Outokumpu's intention is that AvestaPolarit will apply for delisting of its share from the main list of the Helsinki Exchanges and the A-list of the Stockholm Exchange at the latest after Outokumpu has become the legal owner to all the issued and outstanding shares in AvestaPolarit.

Contact:

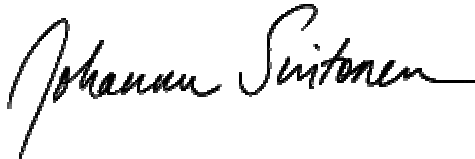
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