

**PROPOSAL BY THE BOARD OF DIRECTORS TO THE ANNUAL GENERAL MEETING OF
OUTOKUMPU OYJ TO AUTHORIZE THE BOARD OF DIRECTORS TO ISSUE SHARES AND
OPTION RIGHTS AND OTHER SPECIAL RIGHTS ENTITLING TO SHARES**

The Board of Directors of Outokumpu Oyj proposes to the Annual General Meeting to be held on March 30, 2010 that the Board of Directors be authorized to resolve to issue shares and option rights and other special rights entitling to shares, as specified in Chapter 10 Section 1 of the Finnish Companies Act, as follows:

Pursuant to the authorization the Board of Directors has the right to resolve to issue a maximum of 36 000 000 shares through one or several share issues and/or by issuing option rights and other special rights entitling to shares, excluding option rights to the Company's management and personnel under an incentive plan.

Through the share issue and/or by issuing option rights or other special rights entitling to shares, a maximum of 18 000 000 new shares may be issued, which currently represent approximately 9.89% of the Company's total number of registered shares, and additionally a maximum of 18 000 000 treasury shares may be transferred, which currently represent approximately 9.89% of the Company's total number of registered shares.

The authorization includes the right to resolve upon all other terms and conditions of the share issue and of the issue of option rights and other special rights entitling to shares. The Board of Directors shall have the authority to issue shares and option rights and other special rights entitling to shares in deviation of the pre-emptive subscription right of the shareholders (directed issue).

The authorization is valid until the end of the next Annual General Meeting, however no later than May 31, 2011.

Espoo, February 2, 2010

OUTOKUMPU OYJ

Board of Directors