

Stockholm, March 12, 2018

Ovako publishes Annual Report for 2017 and presents updated strategy and new financial targets

Ovako Group AB today published its Annual Report for 2017 including the Company's updated strategy and new financial targets. The strategy is based on three areas of development aimed to drive operational excellence, grow in key segments and build a platform for the future. Based on the updated strategy, Ovako has set the following financial targets to be achieved by 2020:

- Sales volume above 850 thousand metric tons per year
- EBITDA margin above 13%
- Net debt (excluding pension liabilities) to equity ratio below 40%*

The annual report also highlights Ovako's operational and financial performance and the company's investments in operations and products to contribute to the development of its customer's offerings.

"We ended 2017 in a better position than in a long time, with lower structural costs, new business, increased market shares, higher demand and an updated strategy in place that will continue to create growth for Ovako. We are also extremely proud to have launched an entirely new steel family, Hybrid Steel®, ideal for demanding applications. Put together the outlook for Ovako the upcoming years looks very strong" says Marcus Hedblom, President and CEO at Ovako.

Ovako's sustainability report has been integrated to the Annual Report. The Annual Report is now available in Swedish and English versions on the corporate website www.ovako.com. A print version of the Annual Report can be ordered via communications@ovako.com.

**In the financial plan, assuming the financial targets are met, this corresponds to net debt (excluding pension liabilities) in relation to EBITDA below 1.*

- - -

About Ovako

Ovako develops high-tech steel solutions for, and in cooperation with, its customers in the bearing, transport and manufacturing industries. Our steel makes our customers' end products more resilient and extends their useful life, ultimately resulting in smarter, more energy-efficient and more environmentally-friendly products.

Our production is based on recycled scrap and includes steel in the form of bar, tube, ring and pre-components. Ovako is represented in more than 30 countries, and has sales offices in Europe, North America and Asia. Ovako's sales in 2017 amounted to EUR 921 million, and the company had 3,040 employees at year-end. For more information, please visit us at www.ovako.com

Further information can be obtained from:

Stina Thorman, Head of Investor Relations

T: +46 (0)8 622 1338

E: stina.thorman@ovako.com

This information is information that Ovako AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 12.00 CET on March 12, 2018.