



Q1 Interim report 2012

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President and CEO

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Outotec



Q1 Financial information

Outotec

Positive momentum continued

- The overall market activity was good and customer negotiation activity remained strong in all market areas
- Positive long-term outlook for metals demand continues - copper, gold, aluminum and iron ore prices continued to be on a good level
- Outotec succeeded well in scaling up its delivery capacity
- Delivery times lengthened somewhat but had no material impact on delivery schedules or negotiations
- Competitive landscape remained unchanged but varying by country and technology - industry consolidations continued
- Tightening environmental regulations were reflected in increasing demand for Outotec's sustainable technology solutions
- Financing was available for companies with strong cash flows and balance sheets



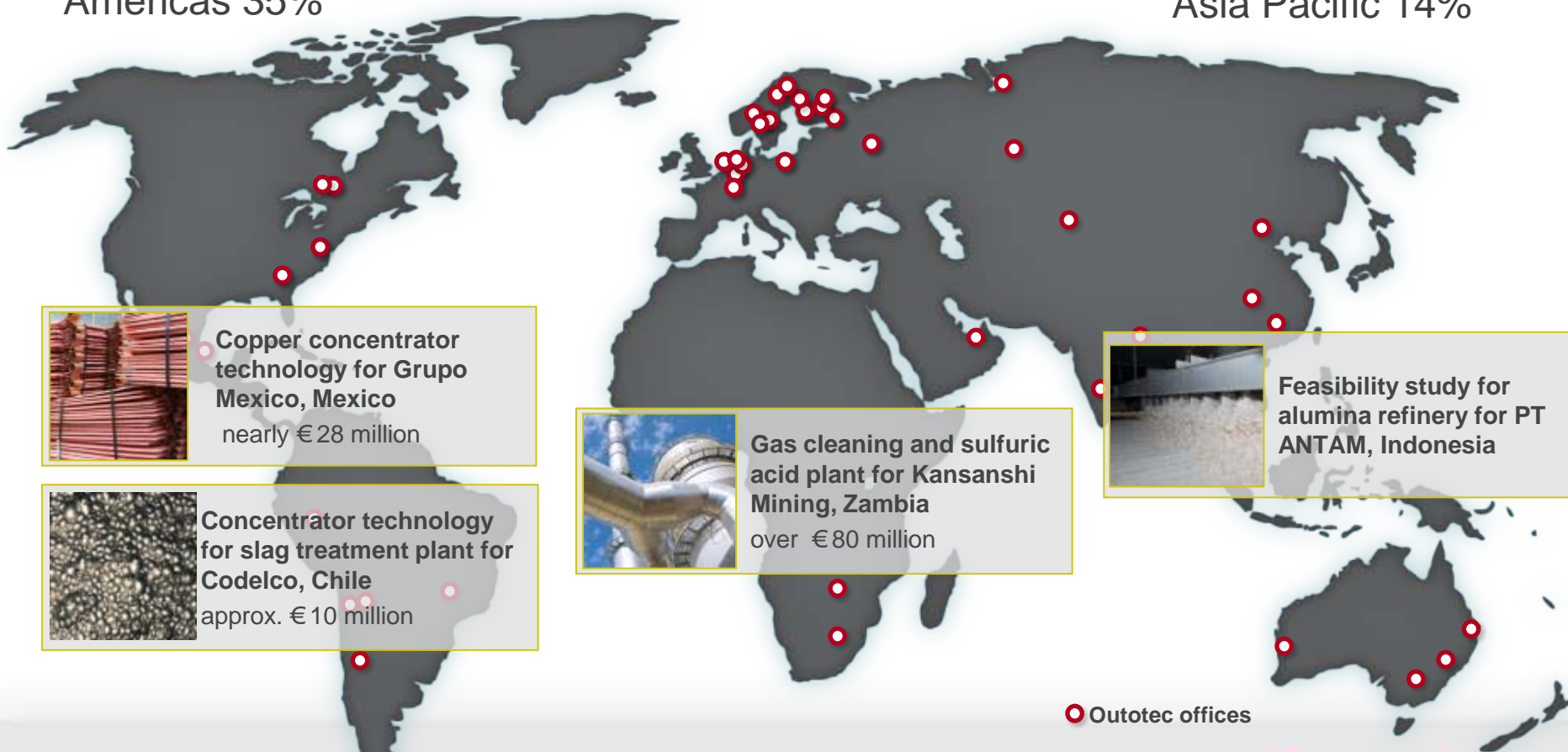
Strong sales activity in all technology and market areas

- Order intake in Q1/2012 EUR 425.4 million (Q1/2011: EUR 343.7 million), +24%

Americas 35%

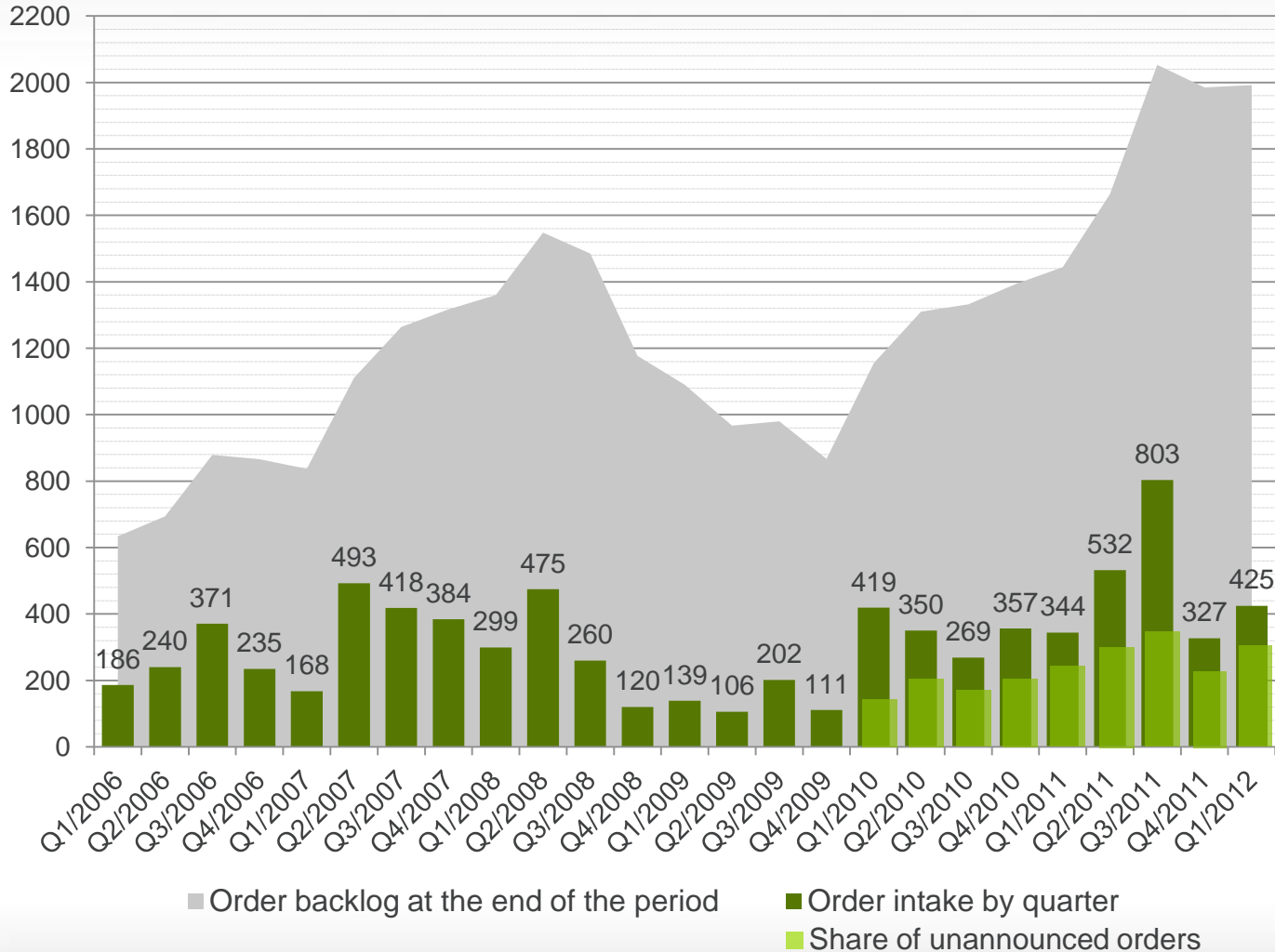
EMEA (including CIS) 50%

Asia Pacific 14%



Order backlog continued to strengthen due to strongest ever Q1 order intake

EUR million



- Order backlog at the end of Q1/2012 was EUR **1,991.8** (1,444.4) million, 38% higher than at the end of Q1/2011
- 37** projects with value in excess of EUR 10 million, accounting for **65%** of the backlog
- Roughly **60%** (or approx. EUR **1,190** million) of the backlog is estimated to be delivered in 2012 and the rest in 2013 and beyond

Strong sales growth reflects successful execution and capability to scale up

EUR million	Q1 2012	Q1 2011	Change %	Last 12 months	2011
Sales	410.4	247.5	+66	1,548.5	1,385.6
Gross margin, %	21.4	26.6	-	22.9	24.0
Operating profit from business operations	30.6	20.2	+52	131.9	121.5
- one-time costs (M&A)	-0.1	-	-	-4.7	-4.7
- PPA amortization	-3.0	-1.2	-	-6.6	-4.9
Reported operating profit	27.6	19.0	+45	120.5	111.9
FX impact (unrealized, realized)	-0.0	+3.8	-	-2.1	+1.7
Operating profit margin, %	6.7	7.7	-	7.8	8.1
- from business operations	7.5	8.2	-	8.5	8.8

Non-ferrous Solutions



Q1 highlights:

- Solid market demand continued
- Strong order intake
- Very strong sales growth
- Good profitability
- Continued good development in service sales

EUR million	Q1 2012	Q1 2011	Change %	2011
Sales	260.7	162.0	+61	947.6
Operating profit from business operations *)	26.3	19.1	+37	113.1
Operating profit*)	25.4	18.1	+41	107.7
Operating profit margin from business operations, %	10.1	11.8	-	11.9
Operating profit margin, %	9.7	11.1	-	11.4

*) unrealized and realized foreign exchange gains EUR 0.9 million (Q1/2011: gain of EUR 3.9 million)

Ferrous Solutions



Q1 highlights:

- Low order intake (timing of large sales projects)
- Very strong sales growth
- Improving profitability

EUR million	Q1 2012	Q1 2011	Change %	2011
Sales	70.0	43.6	+61	221.1
Operating profit from business operations*)	5.5	3.2	+68	9.8
Operating profit*)	5.5	3.2	+68	6.7
Operating profit margin from business operations, %	7.8	7.5	-	4.4
Operating profit margin, %	7.8	7.5	-	3.1

*) unrealized and realized foreign exchange losses EUR 0.1 million (Q1/2011: loss of EUR 0.1 million)

Energy, Light Metals and Environmental Solutions



Q1 highlights:

- Solid order intake
- Very strong sales growth
- Lower operating profit margin reflecting the progress of large projects in an early stage of completion when profit recognition is low

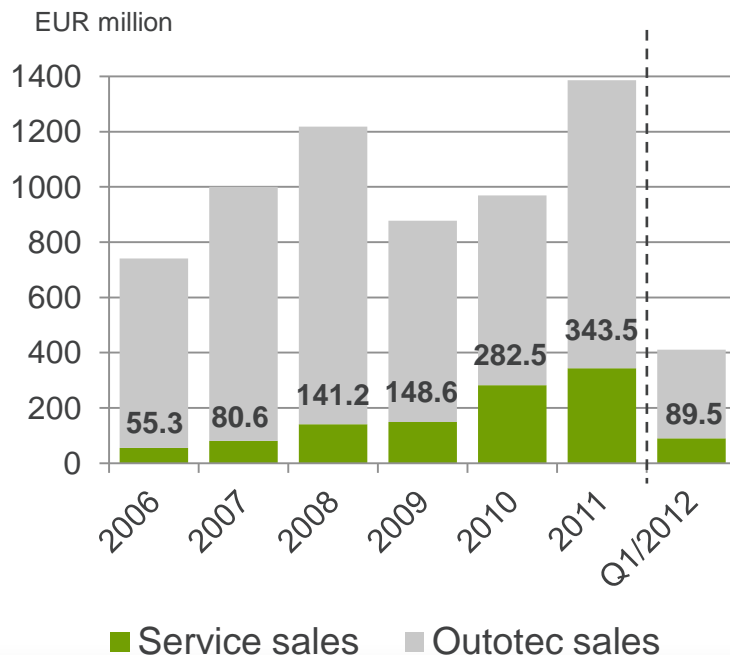
EUR million	Q1 2012	Q1 2011	Change %	2011
Sales	85.9	46.1	+87	236.1
Operating profit from business operations*)	6.0	3.5	+71	25.8
Operating profit*)	3.8	3.3	+15	23.8
Operating profit margin from business operations, %	6.9	7.6	-	10.9
Operating profit margin, %	4.5	7.3	-	10.1

*) unrealized and realized foreign exchange losses EUR 0.5 million (Q1/2011: gain of EUR 0.1 million).

Strong Services sales growth due to successful strategy execution and high capacity utilization rates of customers



- Service sales in Q1/2012 were EUR 89.5 million (Q1/2011: 71.1 million), up 26%
 - Further penetration to installed base
 - New service offerings
 - Scaling up sales and delivery capability
- Service business represented 22% of sales (Q1/2011: 29%)
- Ahead of schedule in reaching long-term Services sales target of EUR 500 million by the end of 2015



Strong balance sheet enables further acquisitions

EUR million	Q1 2012	Q1 2011	Last 12 months	2011
Net cash from operating activities	9.9	59.8	197.2	247.0
Net interest-bearing debt ^{*)}	-334.2	-248.7	-334.2	-339.1
Equity ^{*)}	380.6	327.6	380.6	399.5
Equity-to assets ratio, % ^{*)}	36.4	36.6	36.4	39.1
Gearing, % ^{*)}	-87.8	-75.9	-87.8	-84.9
Working capital ^{*)}	-249.6	-153.0	-249.6	-270.3
ROI, %	25.1	20.4	27.7	26.4
ROE, %	19.8	14.7	24.3	20.9
Earnings per share, EUR	0.42	0.28	1.89	1.75

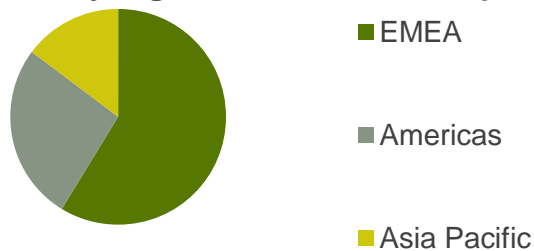
^{*)} At the end of the period

Personnel

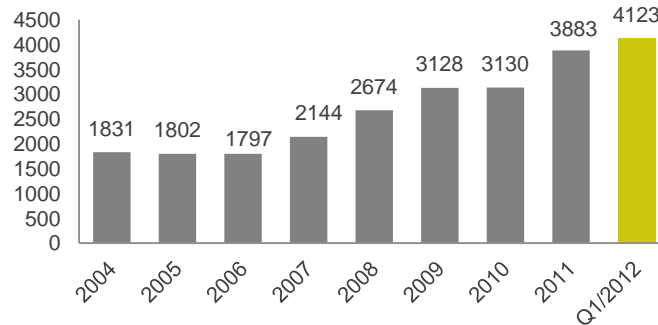
- At the end of Q1/2012, Outotec had **4,123** employees (Q1/2011: 3,274)
- The increase was mainly due to acquisitions and personnel recruited for:
 - Project implementation
 - Service business
- Temporary personnel accounted for **11.3%** (March 31, 2011: 7.5%) of the total number of employees
- Additionally some **729** FTE contracted people in projects (March 31, 2011: 349)



Personnel by region at the end of the period



Personnel at the end of the period



Events after the reporting period

- Iron ore pelletizing plant for Gol-E-Gohar Mining & Industrial Co., Iran (April 18, 2012)
 - value approx. EUR 80-85 million
 - approx. EUR 25 million booked in Outotec's Q2/2012 order intake
- Outotec got exclusive rights to sell the Tower Mills (STM) grinding technology as Outotec® HIGmill (April 5, 2012)
- Outotec published its sustainability report 2011 (April 3, 2012)
- April 18, 2012 holdings of BlackRock, Inc. in shares of Outotec Oyj exceeded 5% (April 20, 2012)







Priorities in 2012 - Q1 progress

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Focus in 2012 – progress in Q1

Objective	Status
Order intake, scalability and execution excellence to ensure continuous growth	
Value based pricing, supply savings and scalability to ensure profitability improvement	
Solution offering and services to strengthen earnings logic	
M&A to strengthen offering portfolio and accelerate growth	

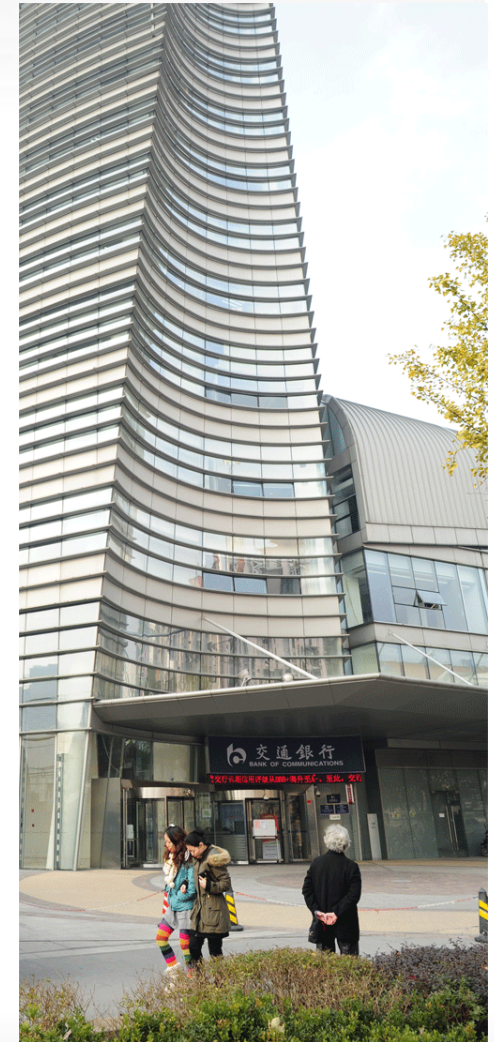


Market outlook and reiterated financial guidance for 2012

Outotec

Market outlook

- The long-term outlook for metals demand is expected to remain good and support further investments
- Ongoing investments in new capacity are not sufficient to fulfill the future metals demand
- Industry-specific trends increase the need for modern technology
- Many countries are developing new export regulations to increase value capture from natural resources
- Financing is available for good projects and for companies with strong cash flows and balance sheets
- Export financing agencies are actively involved
- Service business growth is mainly driven by
 - further penetration to Outotec's large installed base
 - new CAPEX orders
 - customers' capacity utilization rates



Financial guidance for 2012 reiterated

Based on strong order backlog at the end of 2011, market outlook and customer tendering activity, management expects that in 2012:

- sales will grow to approximately EUR 1.7-1.9 billion, and
- operating profit margin from business operations will be approximately 9-10% (excluding one-time items and PPA amortizations).

The achievement of the guidance is subject to overall development of world economy and financial markets, progress in projects in the order backlog, exchange rates, product mix, timing of new orders, license fee income and project completions.



Q&A

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