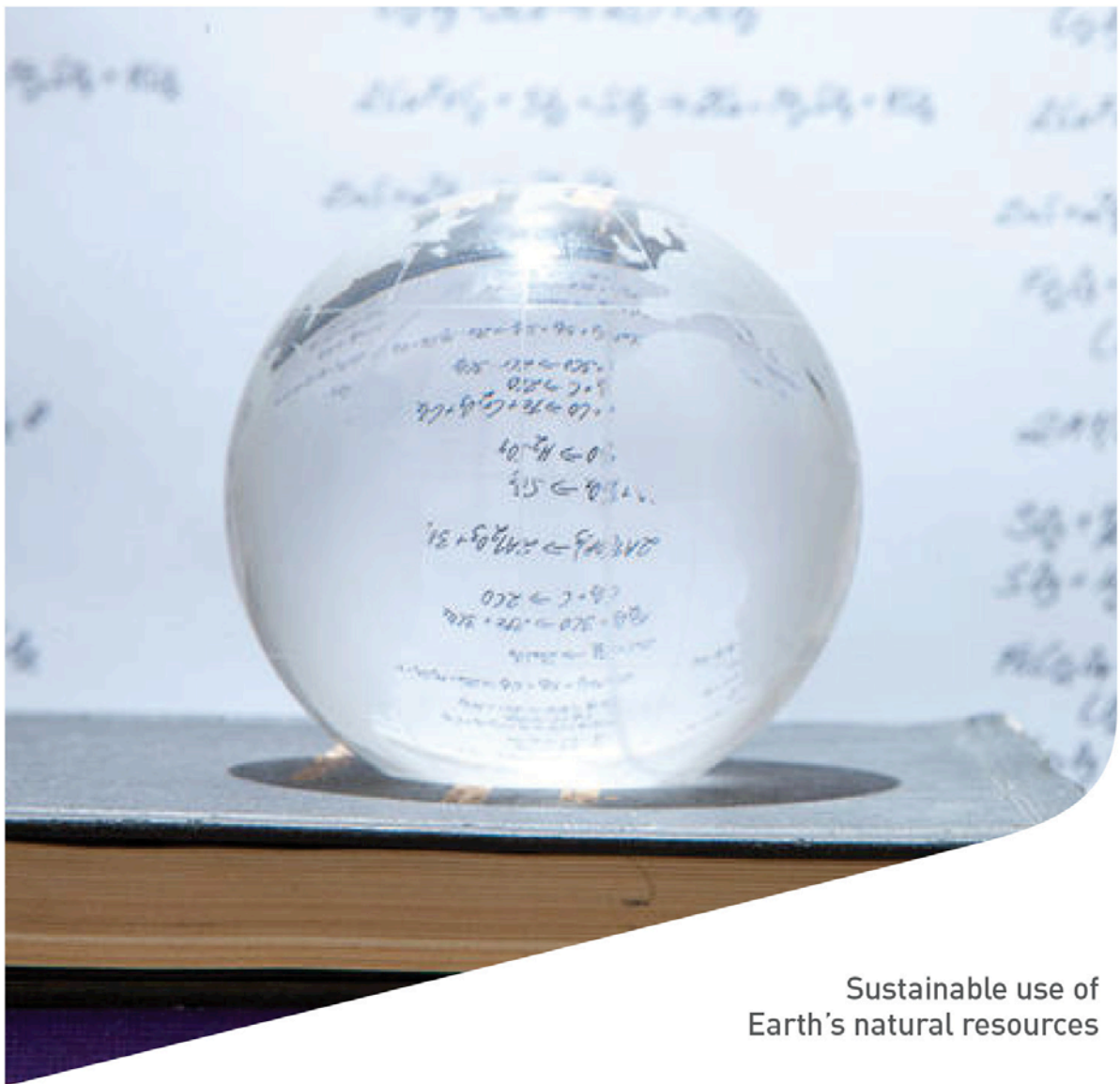


INTERIM REPORT

January–June 2013



Sustainable use of
Earth's natural resources

Outotec

JULY 31, 2013

INTERIM REPORT JANUARY-JUNE 2013

Strong services sales growth, less large orders

Reporting period January-June 2013 in brief (2012 corresponding period):

- Order intake: EUR 856.7 (1,160.8) million, -26%
- Order backlog: EUR 1,761.3 (2,218.4) million, -21%
- Sales: EUR 1,014.3 (934.8) million, +9%
- Services sales: EUR 238.4 (190.2) million, +25%
- Operating profit from business operations¹⁾: EUR 78.3 (75.1) million, +4%

April-June 2013 in brief (2012 corresponding period):

- Order intake: EUR 365.6 (735.5) million, -50%
- Sales: EUR 511.4 (524.4) million, -2%
- Services sales: EUR 134.6 (100.7) million, +34%
- Operating profit from business operations¹⁾: EUR 43.3 (44.5) million, -3%

Financial guidance for 2013 reiterated

Based on the strong order backlog, current market outlook and customer tendering activity, the management expects that in 2013:

- Sales will be approximately EUR 2.1-2.3 billion, and
- Operating profit margin from business operations¹⁾ will be approximately 9.5-10.5%

¹⁾ Excluding one-time items and purchase price allocations (PPA) amortizations

Summary of key figures	Q2 2013	Q2 2012	Q1-Q2 2013	Q1-Q2 2012	Last 12 months	Q1-Q4 2012
Sales, EUR million	511.4	524.4	1,014.3	934.8	2,166.9	2,087.4
Gross margin, %	20.9	20.4	20.0	20.9	20.4	20.8
Operating profit from business operations, EUR million	43.3	44.5	78.3	75.1	196.9	193.8
Operating profit from business operations, %	8.5	8.5	7.7	8.0	9.1	9.3
Operating profit, EUR million	39.9	40.8	71.5	68.4	187.4	184.3
Operating profit, %	7.8	7.8	7.1	7.3	8.6	8.8
Profit before taxes, EUR million	37.8	40.1	67.7	67.9	179.6	179.7
Net cash from operating activities, EUR million	55.2	57.0	21.6	66.9	31.8	77.1
Net interest-bearing debt at the end of the period, EUR million	-192.4	-334.7	-192.4	-334.7	-192.4	-264.7
Gearing at the end of period, %	-42.5	-81.8	-42.5	-81.8	-42.5	-56.0
Working capital at the end of the period, EUR million	-143.8	-280.5	-143.8	-280.5	-143.8	-191.3
Return on investment, %	38.4	33.8	30.2	30.0	40.0	37.0
Return on equity, %	24.0	28.6	20.8	23.5	29.8	29.4
Order backlog at the end of the period, EUR million	1,761.3	2,218.4	1,761.3	2,218.4	1,761.3	1,947.1
Order intake, EUR million	365.6	735.5	856.7	1,160.8	1,780.3	2,084.4
Personnel, average for the period	4,979	4,384	4,902	4,202	4,805	4,456
Earnings per share, EUR	0.15	0.15	0.27	0.26	0.71	0.70

President and CEO Pertti Korhonen:

"I am very pleased that despite the market uncertainties, the demand for Outotec's services grew strongly and the demand for equipment as well as for small-to-mid sized process solutions continued to be solid. Consequently, we were able to grow the amount of unannounced orders by some 7% compared to the comparison period. The uncertainty about global economy and declined metal prices slowed down our customers' investment decision making and we experienced delays in closing large orders. Due to these delays, and the fact that the comparison period's order intake was unusually high attributable to the Cristal Global order for EUR 350 million, our total order intake in the second quarter was clearly lower. However, we did not lose any large prospects. Our sales grew in line with our plans due to very strong service sales growth and smooth project delivery. The operating profit margin in the first half of 2013 was lower than in the comparison period due to certain services projects as well as timing of project completions and license fee income.

Going forward, our focus is on growing the order intake to secure a strong order backlog and to continue to grow our sales. We expect the demand for services including long-term service contracts to grow further and anticipate the demand for process equipment to continue solid. I expect services to contribute favorably to the profitability in the second half of the year due to the growth in service order intake and increased resources. Number of sales prospects and the overall value of our sales funnel remains on a high level. We continue to see very good large order prospects particularly in environmental area and we are optimistic about being able to close significant large orders in the coming quarters. Due to the continued uncertainty of the market, we will take further actions to improve profitability through supply savings and cost management.

Since 2010 we have been successfully developing our operating model as a platform for growth, and as a further step on this path, the new business structure and organization became effective as of July 1. With this change, we seek to continue to grow our business in all geographic regions and business areas."

CHANGES IN SEGMENT REPORTING

Outotec's two new business areas will form the IFRS 8 operating segments. The new reporting segments will be effective starting from the January-September Interim Report 2013, which will be published on October 30, 2013. Restated Q1-Q2 2013 figures will be published by October 1. > [Stock exchange release on April 9, 2013](#).

FREE SHARE ISSUE (SPLIT)

The shares issued in the free share issue (split) approved by Outotec's AGM on March 26, 2013, were entered in the share register on April 2, 2013. The total amount of Outotec's shares increased to 183,121,492 as shareholders were issued with three new shares for each old share. The free share issue (split) did not affect the company's share capital or capital structure. Share-based key figures have been restated to reflect the increased number of shares. > [Stock exchange release on April 2, 2013](#).

CHANGES IN THE OPERATING STRUCTURE

From July 1, 2013, Outotec's business structure consists of three geographical regions and two business areas. The regions are the Americas, EMEA (including Europe, the Middle East, Africa and CIS countries) and APAC (including Asia Pacific, China and India), and the business areas are Metals, Energy & Water and Minerals Processing. Specific focus on the development of services will continue as both business areas will deliver lifecycle solutions with continuously growing services element. > [Stock exchange release on April 9, 2013](#).

DISSOLUTION OF OUTOTEC MANAGEMENT OY

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FURTHER INFORMATION

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FINANCIAL CALENDAR 2013

- Interim Report for January-September 2013: October 30 (according to the new segment reporting structure published on April 9, 2013)
- Field trip to Outotec's R&D center in Frankfurt: September 6
- Capital Markets Day – Dec 4, 2013 in London. Details to be published at a later date.

DISTRIBUTION

NASDAQ OMX Helsinki Ltd

Main media

www.outotec.com

INTERIM REPORT JANUARY-JUNE 2013

OPERATING ENVIRONMENT

The market for copper, gold, sulfuric acid, and aluminum solutions remained good but was more subdued for iron, zinc, and nickel solutions. The demand for Outotec's solutions, especially in small-to-mid sized orders as well as services, grew in the second quarter of 2013 despite declined metal prices and mining companies' Capex and Opex budget cuts. Large order negotiations developed slower due to global uncertainty. Markets in the North and South America as well as Australia were weaker while customers in the Middle East and many emerging markets continued developing projects.

Toward the end of the second quarter, some project suspensions materialized in gold and copper. These suspensions were mainly related to customers' cash flow optimization, site-related matters, financing and permitting.

There was continued interest in and demand for alternative and renewable energy solutions, but low energy prices, for instance, in the USA as well as uncertainties in subsidy regulation for alternative and renewable energy solutions in certain countries slowed down decision-making.

Competitive landscape in certain product categories has increased toward the end of the reporting period. The availability of project financing remained relatively unchanged and financing continued to be available for good projects. In general, local legislation, tighter permitting, lower metal prices, and the complexity of financing packages impacted sales negotiations.

ORDER INTAKE

Order intake in the second quarter totaled EUR 365.6 (735.5) million, down 50% from the comparison period. The comparison period's order intake included the Cristal Global ilmenite smelter order (EUR 350 million). Order intake in the reporting period totaled EUR 856.7 (1,160.8) million, down 26% from the comparison period. Calculated with the comparison period's foreign exchange rates, the order intake at June-end 2013 would have been 2% higher. Service order intake in the second quarter continued to grow and totaled EUR 138.5 (112.6) million, up 23% from the comparison period. Service order intake in the reporting period totaled EUR 272.0 (222.6) million, up 22% from the comparison period. The growth from the comparison period came mainly from spare parts and technical services. In the reporting period, orders from Europe including the CIS, the Middle East and Africa (EMEA) represented 57%, the Americas 22%, and Asia Pacific 21% of the total order intake.

Published orders in the second quarter:

Project	Customer	Project location	Value, EUR million (booked in order intake)	BA	Expected delivery time
Indurating furnace for a new iron ore pelletizing plant	Baotou Steel International Economic & Trading Co. Ltd	China	n/a, similar deliveries worth typically approx. 30 (Q1/2013)	FER	by the end of 2014
Grinding mills and filters for three new concentrators	Industrias Peñoles	Mexico	approx. 30 (Q1/2013)	NFE	by the end of 2013
Copper concentrator	Russian Copper Company	Russia	over 50 (Q2/2013)	NFE	during 2014
Operation and maintenance of copper concentrator	Russian Copper Company	Russia	approx. 100 (split between H2/2014-2020)	NFE	H2/2014-2020

ORDER BACKLOG

The order backlog at the end of the reporting period was EUR 1,761.3 (2,218.4) million, down 21% from the comparison period. Services represented EUR 209.1 (225.2) million of the total order backlog. At the end of the reporting period, Outotec had 37 (44) projects with an order backlog value in excess of EUR 10 million, accounting for 66 (73)% of the total backlog. Based on the quarter-end project evaluation, management estimates that roughly 53 (42)% (approximately EUR 930 (930) million) of the June-end order backlog value will be delivered in 2013 and the rest in 2014 and beyond. At the end of June 2013, the order backlog included 6 suspended projects with the total value of approximately EUR 60 million which accounted for approximately 3% of the total backlog. The suspensions were related to customers' cash flow optimization, site-related matters, financing and permitting, as well as the optimizing of project schedules. A suspended project is a project that has been discontinued for a reason independent of Outotec's scope, and in addition the suspension and related charges have been agreed with the customer.

SALES AND FINANCIAL RESULT

Sales and financial result EUR million	Q2 2013	Q2 2012	Q1-Q2 2013	Q1-Q2 2012	Last 12 months	Q1-Q4 2012
Sales	511.4	524.4	1,014.3	934.8	2,166.9	2,087.4
Services sales ¹⁾	134.6	100.7	238.4	190.2	524.2	476.0
Share of Services sales, %	26.3	19.2	23.5	20.3	24.2	22.8
Gross margin, %	20.9	20.4	20.0	20.9	20.4	20.8
Operating profit from business operations	43.3	44.5	78.3	75.1	196.9	193.8
- one-time costs (related to M&A)	-0.1	-0.7	-0.2	-0.7	3.6	3.0 ⁴⁾
- PPA amortization ²⁾	-3.3	-3.0	-6.6	-6.0	-13.1	-12.5
Reported operating profit	39.9	40.8	71.5	68.4	187.4	184.3
FX impact (realized and unrealized) ³⁾	1.9	-3.7	3.3	-3.8	9.2	2.1
Operating profit, %	7.8	7.8	7.1	7.3	8.6	8.8
- from business operations, %	8.5	8.5	7.7	8.0	9.1	9.3

¹⁾ Included in the sales figures of the three reporting segments

²⁾ In 2013, the estimated total impact for PPA amortizations from acquisitions is approximately EUR 13 million

³⁾ Unrealized and realized exchange gains and losses related to currency forward contracts

⁴⁾ One-time items in 2012 totaled a gain of EUR 3.0 million including acquisition related costs of EUR 2.7 million, restructuring related costs of EUR 0.6 million and the positive impact of EUR 6.3 million reduction from EPI earn-out payment liability of EUR 8.8 million

Sales in the reporting period increased 9% from the comparison period as a result of good project execution and continued growth in service sales. The service sales growth came mainly from acquisitions completed in the last quarter of 2012, further penetration to the installed base as well as demand for spare parts and technical services. Sales from EMEA (incl. the CIS) represented 53%, the Americas 30%, and Asia Pacific 17% of the total sales. Calculated with the comparison period's foreign exchange rates sales would have been 1% higher.

In the reporting period, the operating profit margin from business operations decreased compared to the comparison period due to low profitability in certain labor-intensive service projects taken over in an acquisition. In addition, less project completions and license fee income as well as EUR 13.2 million increase in fixed costs decreased the operating profit margin from business operations. Fixed costs in the reporting period were EUR 134.9 (121.8) million, which was primarily due to higher administrative cost, related mainly to expansion of the sales and marketing network, investments in R&D activities, as well as acquisitions.

Profit before taxes in the reporting period was EUR 67.7 (67.9) million. It included net finance expenses of EUR 3.8 (0.5) million. The increase from the comparison period was primarily due to the valuation of financial hedges as well as lower cash position and related lower interest income. Net profit for the reporting period was EUR 48.2 (47.3) million. Taxes totaled EUR 19.6 (20.5) million. Earnings per share were EUR 0.27 (0.26).

BALANCE SHEET, FINANCING AND CASH FLOW

Balance sheet, financing and cash flow EUR million	Q2 2013	Q2 2012	Q1-Q2 2013	Q1-Q2 2012	Last 12 months	Q1-Q4 2012
Net cash from operating activities	55.2	57.0	21.6	66.9	31.8	77.1
Net interest-bearing debt at the end of the period	-192.4	-334.7	-192.4	-334.7	-192.4	-264.7
Equity at the end of the period	452.9	409.0	452.9	409.0	452.9	472.7
Equity-to-assets ratio at the end of the period, %	38.1	38.3	38.1	38.3	38.1	37.1
Gearing at the end of the period, %	-42.5	-81.8	-42.5	-81.8	-42.5	-56.0
Working capital at the end of the period	-143.8	-280.5	-143.8	-280.5	-143.8	-191.3
Return on investment, %	38.4	33.8	30.2	30.0	40.0	37.0
Return on equity, %	24.0	28.6	20.8	23.5	29.8	29.4
Earnings per share, EUR	0.15	0.15	0.27	0.26	0.71	0.70

The consolidated balance sheet total was EUR 1,521.3 (1,533.1) million at the end of the reporting period. The equity to shareholders of the parent company was EUR 452.9 (407.8) million, representing EUR 2.50 (2.24) per share.

The reporting period's net cash flow from operating activities declined from the comparison period due to an increase in working capital. Change in working capital was due to decreased order intake and related advance payments, and large projects being in the execution phase with less milestone payments received than in the comparison period. The advance and milestone payments at the end of the reporting period were EUR 331.1 (465.2) million, representing a decrease of 29% from the comparison period. The advance and milestone payments paid to subcontractors at the end of the reporting period were EUR 21.4 (38.7) million.

At the end of the reporting period, Outotec's cash and cash equivalents totaled EUR 293.7 (June 30, 2012: 393.7, December 31, 2012: 358.6) million. Cash and cash equivalents was affected by the dividend payment of EUR 54.9 (38.9, April 2012) million in April 2013. In the reporting period,

cash outflow relating to the acquisition was EUR 12.2 (11.6) million and cash inflow from emissions of Finnish short-term certificates of deposits totaling EUR 15.0 (0.0) million. The company invests its excess cash in short-term money market instruments such as bank deposits and corporate commercial certificates of deposit.

Outotec's financing structure is strong and liquidity good. Net interest-bearing debt at the end of the reporting period was EUR -192.4 (June 30, 2012: -334.7, December 31, 2012: -264.7) million. The change was due to EUR 100 million decrease in cash and cash equivalents compared to June-end 2012 related to dividend payment, acquisitions and lower advance payments. Outotec's equity-to-assets ratio was 38.1 (38.3)%. The company's capital expenditure in the reporting period was EUR 27.7 (34.0) million including mainly acquisition, as well as investments in R&D-related equipment.

Outotec's return on equity for the reporting period was 20.8 (23.5)%, and the return on investment was 30.2 (30.0)%.

At the end of the reporting period, guarantees for commercial commitments, including advance payment guarantees issued by the parent and other Group companies were EUR 627.2 (513.9) million.

CORPORATE STRUCTURE

On May 2, 2013, Outotec announced the opening of its office in Jakarta, Indonesia.

On March 19, 2013, Outotec completed the acquisition of the Australian-based Scanalyse Holdings Pty Ltd. Scanalyse is a software technology company that provides services in process equipment condition and performance monitoring. The acquisition price was not disclosed.

In 2013, the estimated total impact for PPA amortizations from completed acquisitions is approximately EUR 13 million.

RESEARCH AND TECHNOLOGY DEVELOPMENT

In the reporting period, Outotec's research and technology development expenses totaled EUR 23.9 (18.8) million, an increase of 27% from the comparison period and representing 2.4 (2.0)% of sales. Outotec filed 36 (30) new priority applications, and 151 (109) new national patents were granted. At the end of the reporting period, Outotec had 669 (601) patent families, including a total of 6,076 (5,520) national patents or patent applications.

On May 15, 2013, Outotec announced collaboration with Global Oil Shale in the development of a commercial scale concentration process for kerogen, a mixture of organic material contained in surface mineable oil shale deposits. The parties will initially focus on Global Oil Shale's existing oil shale resources, such as a 2.18 billion barrels oil shale project in Julia Creek, Queensland, Australia and other deposits under evaluation and acquisition in North Africa, the Middle East and elsewhere.

On April 24, 2013, Outotec announced collaboration with OAO Severstal, Kemira, and Lahti Region Development LADEC Ltd in the area of establishing the Industrial Waters Excellence Center IWEC to address issues related to industrial water consumption in Russia.

Enefit Outotec Technology (EOT), a joint venture of Estonia's energy group Enefit and Outotec, announced that it had brought a pilot plant based on the Enefit solid heat carrier process into

operation in Outotec's R&D Center in Frankfurt in June 2013. The purpose of the pilot plant is to test the Enefit shale oil production process with different types of oil shale, collect data for adapting the process, and produce test batches of shale oil for further analysis. The hot commissioning of the pilot plant was conducted with Estonian oil shale. Over 1,200 liters of shale oil was produced during the commissioning. Enefit Pilot Plant retort throughput is 1 tonne of material per hour and its thermal capacity is 2 MW.

PERSONNEL

At the end of the reporting period, Outotec had a total of 5,039 (4,525) employees. Personnel were primarily recruited for service business and project implementation. Acquisitions increased personnel by 183 from June-end 2012 and by 36 in the reporting period. Outotec had on average 4,902 (4,202) employees. The average number of personnel grew by 700 over the comparison period. Temporary personnel accounted for approximately 9 (10)% of the total number of employees.

Personnel by region	Jun 30, 2013	Jun 30, 2012	Change %	Dec 31, 2012
EMEA (including CIS)	2,865	2,561	12	2,642
Americas	1,322	1,351	-2	1,400
Asia Pacific	852	613	39	763
Total	5,039	4,525	11	4,805

At the end of the reporting period, the company had, in addition to its own personnel, 603 (660) full-time equivalent, contracted professionals working in project execution. The number of contracted workers at any given time changes with the active project mix and project commissioning, local legislation and regulations, as well as seasonal fluctuations.

In the reporting period, salaries and other employee benefits totaled EUR 201.5 (164.3) million. The increase from the comparison period was due to personnel additions in all market areas and wage increases.

CHANGES IN TOP MANAGEMENT

On June 17, 2013, Outotec announced the appointment of Mr Olli Nastamo as Senior Vice President, Operational Excellence and member of the Executive Board as of August 1, 2013.

On April 9, 2013, Outotec announced the appointments of two new members to the Executive Board Mr Kimmo Kontola, EVP, President of APAC Region and Ms Pia Káll, SVP, Strategy and M&A as well as other changes in its Executive Board effective as of July 1, 2013.

On January 24, 2013, Outotec announced the appointment of Ms Nina Kiviranta as General Counsel and member of the Executive Board as of March 18, 2013.

Outotec's Executive Board members as of July 1, 2013:

Pertti Korhonen, President and CEO
Jari Rosendal, Executive Vice President, President of Americas Region
Peter Weber, Executive Vice President, President of EMEA Region
Kimmo Kontola, Executive Vice President, President of APAC Region
Robin Lindahl, Executive Vice President, President of Metals, Energy & Water business area
Kalle Härkki, Executive Vice President, President of Minerals Processing business area
Michael Frei, Senior Vice President, Supply
Kari Knuutila, Chief Technology Officer
Olli Nastamo, Senior Vice President, Operational Excellence (from August 1, 2013)
Tapio Niskanen, Senior Vice President, Business Infrastructure (until July 31, 2013)
Minna Aila, Senior Vice President, Communications and Corporate Responsibility
Mikko Puolakka, Chief Financial Officer
Kirsi Nuotto, Senior Vice President, Human Resources
Nina Kiviranta, Senior Vice President, Chief Legal Counsel
Pia Käll, Senior Vice President, Strategy and M&A

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SHORT-TERM RISKS AND UNCERTAINTIES

Outotec's global business operations are subject to various political, economic, and social conditions, as well as site-related impacts. In the current economic environment, conditions may rapidly change and have a negative impact on Outotec's customers. Customers may postpone order placement, delay project execution, and suspend projects. Services sales may fluctuate depending on customers' capacity utilization rates and cash flow optimization. Outotec may

operate in politically unstable areas where potential economic sanctions or trade restrictions may cause project delays and cancellations or even prevent Outotec's business operations.

As part of its overall project delivery, Outotec often gives process performance guarantees and takes liabilities for the warranty period defects. Projects in Outotec's order backlog may contain risks related to delivery, quality, functionality or costs. Large turnkey projects may involve more risks, due to their complex scope, long delivery times, and contractual liabilities. Operation and maintenance service contracts may include risks related to performance, personnel, and working capital. In order to manage these risks, Outotec has developed close management of both the project itself and, in particular, the supply chain. Outotec aims to mitigate project risks through contract management, advance and milestone payments, and in some cases gradual booking of orders in the backlog according to actual project progress. According to standard practice, all unfinished projects are evaluated quarterly and provisions for performance guarantees and warranty period guarantees are updated.

Outotec follows the percentage of completion method for project revenue and profit recognition. Based on project time schedules, management estimates the revenues to be recognized from the order backlog for the calendar year. As a result, deviations in project time schedules may have an impact on the company's financial projections. Quarterly and annual financial results may also fluctuate due to changes in the sales mix and the relative share of services, changes in foreign exchange rates, timing of new orders, license income associated with certain technologies, and project completions. The nature of international business, and different interpretations of international and local tax rules and regulations may cause additional direct or indirect taxes for Outotec, thus reducing the company's profit for the period.

Outotec's business model is primarily based on customer advance and milestone payments as well as on-demand guarantees issued by Outotec's relationship banks. Securing the continuity of Outotec's business operations and supporting the strategic objectives requires that the company has sufficient funding available under all circumstances. Cash held by the company is primarily invested in short-term bank deposits and in Finnish corporate short-term certificates of deposit. Outotec's customers and subcontractors may experience financial difficulties and a lack of financing may result in lower sales as well as project and payment delays or credit losses.

Currency fluctuations may create volatility in profitability. Approximately 60% of Outotec's total cash flow was denominated in euros. The rest is divided among various currencies, including the US dollar, Australian dollar, Brazilian real, Canadian dollar, and South African rand. The weight of any given currency in new projects can substantially fluctuate, but most cash-flow-related risks are hedged over the short-term and long-term. Natural hedging is used as widely as possible and the remaining open foreign exchange exposures related to committed cash flows are fully hedged using primarily forward agreements.

Outotec is involved in a few arbitral and court proceedings. Management expects that these cases and their outcomes will have no material effect on Outotec's financial position.

The most relevant risks related to Outotec's business are presented in more detail on the company's website at www.outotec.com.

MARKET OUTLOOK

Lower growth projections in China and increasing uncertainty in the global economy can lead to continued weakness in metal prices. In the short-term, these matters may cause delays in order placement and suspensions in ongoing projects. Project cost overruns in large greenfield projects are causing the mining and metal companies to seek ways to reduce their investment risks as well as capital and operational spending, optimize cash flows, and focus on increasing the capacity of their existing operations. As a result, the industry's capital expenditure is shifting from large greenfield projects to brownfield modernization and capacity enhancements. However, large project prospects continue to exist in certain markets. Demand for services is expected to remain solid, correlating to the high capacity utilization rates and need to improve operational efficiency. We see good opportunities to continue to grow our services business by further penetrating to the installed base and by leveraging our new services solutions. Project financing continues to be available for solid projects and interest rate levels are expected to stay low. However, there are differences in the market sentiment and financing conditions between regions, companies, and metals.

The market in the Middle East remains positive as the companies have access to competitive energy, and countries in the region are seeking to diversify their economies outside oil and gas industry. Therefore, large greenfield projects in energy-intensive production such as aluminum are being developed. In addition, the fertilizer industry is growing as the Middle East is utilizing local raw materials, including phosphate rock. The market in Africa, particularly in Sub-Saharan areas, remains attractive, especially for energy-efficient, non-ferrous processing solutions. The European market has a vast installed base of all types of mining and metallurgical processing plants, which offer a solid base for services as well as for upgrades improving plant's efficiency and environmental friendliness. In the CIS, the market is expected to continue solid for Outotec's copper, gold, and nickel processing solutions.

The outlook for the Americas region is weak due to the increased hesitance in decision-making. Certain regions in South America are imposing stricter environmental regulations and socioeconomic requirements, thus slowing down project development.

In the APAC region, investments for example in ferrous metals capacity are under development but there is hesitation due to slower growth in China and market slowdown in Australia.

Especially in the UK, South America, Southeast Asia and Australia, there is a need for waste-to-energy solutions, where several raw materials can be used to create energy for solving a local waste problem.

The mid-to-long term market outlook for minerals and metals - as well as alternative energy and industrial water treatment - is positive, due to the favorable global megatrends. In minerals and metals processing, new investments are needed, as current production capacity and ongoing investments in new capacity are not sufficient to fulfill long-term demand. In addition, declining ore grades and more complex ores require investments in capacity and advanced technology to enable sufficient recovery of metals. Tightening environmental regulations, increasing energy efficiency requirements, and the scarcity of fresh water also increase the need for sustainable technology. All in all, industrial companies are increasingly focusing on the social and environmental impacts of their operations and thus increasing the demand for sustainable processing technologies. These trends create favorable opportunities for Outotec's life cycle

solutions, which provide the best return on the customer's investment with predictable cost, time to market, and process performance reducing the overall risks of the investment.

FINANCIAL GUIDANCE FOR 2013 REITERATED

Based on the strong order backlog, current market outlook and customer tendering activity, the management expects that in 2013:

- Sales will be approximately EUR 2.1-2.3 billion, and
- Operating profit margin from business operations¹⁾ will be approximately 9.5-10.5%

¹⁾ Excluding one-time items and purchase price allocations (PPA) amortizations

Espoo, July 31, 2013

Outotec Oyj
Board of Directors

INTERIM FINANCIAL STATEMENTS (unaudited)

Consolidated Statement of Comprehensive Income

EUR million

	Q2 2013	Q2 2012	Q1-Q2 2013	Q1-Q2 2012	Q1-Q4 2012
Sales	511.4	524.4	1,014.3	934.8	2,087.4
Cost of sales	-404.7	-417.3	-811.6	-739.9	-1,653.9
Gross profit	106.7	107.1	202.7	194.9	433.6
Other income	2.2	0.1	4.3	0.2	9.3
Selling and marketing expenses	-26.8	-26.1	-51.6	-49.8	-103.1
Administrative expenses	-29.7	-25.8	-59.4	-53.2	-110.0
Research and development expenses	-12.3	-9.7	-23.9	-18.8	-41.6
Other expenses	-0.1	-4.7	-0.5	-4.9	-3.6
Share of results of associated companies	-0.1	-0.1	-0.1	-0.1	-0.3
Operating profit	39.9	40.8	71.5	68.4	184.3
Finance income and expenses					
Interest income and expenses	0.9	1.2	1.4	3.1	5.1
Market price gains and losses	-1.7	-0.8	-2.6	-0.4	-2.6
Other finance income and expenses	-1.2	-1.2	-2.5	-3.2	-7.0
Net finance income	-2.1	-0.7	-3.8	-0.5	-4.6
Profit before income taxes	37.8	40.1	67.7	67.9	179.7
Income tax expenses	-10.9	-12.1	-19.6	-20.5	-51.9
Profit for the period	26.9	28.0	48.2	47.3	127.8
Other comprehensive income					
Exchange differences on translating foreign operations	-18.4	5.9	-11.7	4.7	-0.6
Cash flow hedges	0.8	-2.4	-3.6	-0.7	9.4
Actuarial losses on defined benefit pension plans	-	-2.0	-0.1	-4.1	-8.1
Available for sale financial assets	-0.1	-0.1	-0.1	-0.1	-0.1
Income tax relating to components of other comprehensive income	-0.2	1.4	-0.2	1.4	1.9
Other comprehensive income for the period	-18.0	2.7	-15.7	1.3	2.5
Total comprehensive income for the period	8.9	30.7	32.4	48.6	130.2
Profit for the period attributable to:					
Equity holders of the parent company	26.9	28.0	48.2	47.3	127.8
Non-controlling interest	-	-	-	-	-
Total comprehensive income for the period attributable to:					
Equity holders of the parent company	8.9	30.7	32.4	48.6	130.2
Non-controlling interest	-	-	-	-	-
Earnings per share for profit attributable to the equity holders of the parent company:					
Basic earnings per share, EUR	0.15	0.15	0.27	0.26	0.70
Diluted earnings per share, EUR	0.15	0.15	0.27	0.26	0.70

All figures in the tables have been rounded and consequently the sum of individual figures may deviate from the sum presented. Key figures have been calculated using exact figures.

Condensed Consolidated Statement of Financial Position EUR million	June 30, 2013	June 30, 2012	December 31, 2012
ASSETS			
Non-current assets			
Intangible assets	333.8	305.1	335.0
Property, plant and equipment	76.6	67.5	75.3
Deferred tax asset	56.4	53.1	57.1
Non-current financial assets			
Interest-bearing	4.0	2.4	3.8
Non interest-bearing	2.1	1.9	2.4
Total non-current assets	473.0	430.0	473.6
Current assets			
Inventories ¹⁾	169.9	197.8	180.8
Current financial assets			
Interest-bearing	0.2	1.6	0.2
Non interest-bearing	584.5	510.1	619.7
Cash and cash equivalents	293.7	393.7	358.6
Total current assets	1,048.3	1,103.2	1,159.3
TOTAL ASSETS	1,521.3	1,533.1	1,632.9
EQUITY AND LIABILITIES			
Equity			
Equity attributable to the equity holders of the parent company	452.9	407.8	471.5
Non-controlling interest	-	1.2	1.2
Total equity	452.9	409.0	472.7
Non-current liabilities			
Interest-bearing	67.7	41.9	74.3
Non interest-bearing	122.0	107.1	118.3
Total non-current liabilities	189.7	149.0	192.6
Current liabilities			
Interest-bearing	37.8	21.2	23.6
Non interest-bearing			
Advances received ²⁾	331.1	465.2	358.8
Other non interest-bearing liabilities	509.8	488.8	585.1
Total current liabilities	878.7	975.1	967.6
Total liabilities	1,068.4	1,124.1	1,160.2
TOTAL EQUITY AND LIABILITIES	1,521.3	1,533.1	1,632.9

¹⁾ Of which advances paid for inventories amounted to EUR 21.4 million at June 30, 2013 (June 30, 2012: EUR 38.7 million, December 31, 2012: EUR 46.4 million).

²⁾ Gross advances received before percentage of completion revenue recognition amounted to EUR 1,880.0 million at June 30, 2013 (June 30, 2012: EUR 1,560.1 million, December 31, 2012: EUR 1,672.1 million).

Condensed Consolidated Statement of Cash Flows	Q1-Q2	Q1-Q2	Q1-Q4
EUR million	2013	2012	2012
Cash flows from operating activities			
Profit for the period	48.2	47.3	127.8
Adjustments for			
Depreciation and amortization	17.6	14.8	31.4
Other adjustments	13.0	18.9	64.4
Decrease (+), increase (-) in working capital	-32.2	1.3	-93.0
Interest received	2.7	4.0	7.4
Interest paid	-1.0	-1.1	-2.4
Income tax paid	-26.7	-18.3	-58.4
Net cash from operating activities	21.6	66.9	77.1
Purchases of assets	-17.9	-21.1	-47.5
Acquisition of subsidiaries and business operations, net of cash	-12.2	-11.6	-34.6
Proceeds from sale of assets	0.2	0.1	0.9
Cash flows from other investing activities	-0.4	-0.1	-2.5
Net cash used in investing activities	-30.3	-32.6	-83.8
Cash flow before financing activities	-8.7	34.3	-6.6
Repayments of non-current debt	-6.7	-4.5	-8.7
Borrowings of non-current debt	-	-	40.0
Decrease in current debt	-0.6	-1.4	-9.2
Increase in current debt	15.9	0.6	3.0
Purchase of treasury shares	-	-	-19.3
Related party net investment to Outotec Oyj shares	-	-0.2	-0.2
Dividends paid	-54.9	-38.9	-38.9
Cash flows from other financing activities	-0.6	-0.5	-0.0
Net cash used in financing activities	-46.9	-44.9	-33.2
Net change in cash and cash equivalents	-55.7	-10.6	-39.9
Cash and cash equivalents at the beginning of the period	358.6	402.5	402.5
Foreign exchange rate effect on cash and cash equivalents	-9.3	1.8	-4.0
Net change in cash and cash equivalents	-55.7	-10.6	-39.9
Cash and cash equivalents at the end of the period	293.7	393.7	358.6

Consolidated Statement of Changes in Equity

EUR million	Attributable to the equity holders of the parent company									
	Share capital	Share premium fund	Other reserves	Fair value reserves	Treasury shares	Reserve for invested non-restricted equity	Cumulative translation differences	Retained earnings	Non-controlling interest	Total equity
Equity at January 1, 2012	17.2	20.2	0.4	-5.0	-7.5	87.7	25.1	256.5	1.1	395.7
Dividends paid	-	-	-	-	-	-	-	-38.9	-	-38.9
Management incentive plan for Outotec Executive Board ¹⁾	-	-	-	-	-0.2	-	-	-	0.1	-0.1
Share-based compensation	-	-	-	-	1.5	-	-	1.9	-	3.4
Total comprehensive income for the period	-	-	-	-3.4	-	-	4.7	47.3	-	48.6
Other changes	-	-	0.0	-	-	-	-	0.4	-	0.4
Equity at June 30, 2012	17.2	20.2	0.5	-8.4	-6.2	87.7	29.8	267.2	1.2	409.0
Equity at January 1, 2013	17.2	20.2	0.5	-1.9	-25.5	87.7	24.5	348.9	1.2	472.7
Dividends	-	-	-	-	-	-	-	-54.9	-	-54.9
Dissolution of Management incentive plan for Outotec Executive Board ¹⁾	-	-	-	-	4.3	1.4	-	-4.5	-1.2	-
Share-based compensation	-	-	-	-	3.1	-	-	-1.3	-	1.9
Total comprehensive income for the period	-	-	-	-4.0	-	-	-11.7	48.2	-	32.4
Other changes	-	-	-	-	-	-	-	0.9	-	0.9
Equity at June 30, 2013	17.2	20.2	0.5	-6.0	-18.1	89.1	12.7	337.3	-	452.9

¹⁾ The Board of Directors of Outotec executed the AGM authorization and decided on May 8, 2013 to execute a share exchange where Outotec allocates 442,115 existing Outotec Oyj shares to the shareholders of Outotec Management Oy (established on 21 May, 2010) against the shares of Outotec Management Oy. The number of shares allocated to the Executive Board members was based on the individual's ownership share of Outotec Management Oy. The number of shares given in the share exchange was determined on the basis of Outotec Management Oy's net assets on May 7, 2013 and divided with trade volume-weighted average quotation of Outotec share on the NASDAQ OMX Helsinki on May 7, 2013.

Group key figures	Q2 2013	Q2 2012	Q1-Q2 2013	Q1-Q2 2012	Last 12 months	Q1-Q4 2012
Sales, EUR million	511.4	524.4	1,014.3	934.8	2,166.9	2,087.4
Gross margin, %	20.9	20.4	20.0	20.9	20.4	20.8
Operating profit, EUR million	39.9	40.8	71.5	68.4	187.4	184.3
Operating profit margin, %	7.8	7.8	7.1	7.3	8.6	8.8
Profit before taxes, EUR million	37.8	40.1	67.7	67.9	179.6	179.7
Profit before taxes in relation to sales, %	7.4	7.7	6.7	7.3	8.3	8.6
Net cash from operating activities, EUR million	55.2	57.0	21.6	66.9	31.8	77.1
Net interest-bearing debt at the end of period, EUR million	-192.4	-334.7	-192.4	-334.7	-192.4	-264.7
Gearing at the end of period, %	-42.5	-81.8	-42.5	-81.8	-42.5	-56.0
Equity-to-assets ratio at the end of period, %	38.1	38.3	38.1	38.3	38.1	37.1
Working capital at the end of period, EUR million	-143.8	-280.5	-143.8	-280.5	-143.8	-191.3
Capital expenditure, EUR million	9.3	20.0	27.7	34.0	70.0	76.2
Capital expenditure in relation to sales, %	1.8	3.8	2.7	3.6	3.2	3.7
Return on investment, %	38.4	33.8	30.2	30.0	40.0	37.0
Return on equity, %	24.0	28.6	20.8	23.5	29.8	29.4
Order backlog at the end of period, EUR million	1,761.3	2,218.4	1,761.3	2,218.4	1,761.3	1,947.1
Order intake, EUR million	365.6	735.5	856.7	1,160.8	1,780.3	2,084.4
Personnel, average for the period	4,979	4,384	4,902	4,202	4,805	4,456
Profit for the period in relation to sales, %	5.3	5.3	4.7	5.1	5.9	6.1
Research and development expenses, EUR million	12.3	9.7	23.9	18.8	46.8	41.6
Research and development expenses in relation to sales, %	2.4	1.8	2.4	2.0	2.2	2.0
Earnings per share, EUR	0.15	0.15	0.27	0.26	0.71	0.70
Equity per share, EUR	2.50	2.24	2.50	2.24	2.50	2.61

Definitions for Key Financial Figures

Net interest-bearing debt	=	Interest-bearing debt - interest-bearing assets	
Gearing	=	Net interest-bearing debt	× 100
		Total equity	
Equity-to-assets ratio	=	Total equity	× 100
		Total assets - advances received	
Return on investment	=	Operating profit + finance income	× 100
		Total assets – non interest-bearing debt (average for the period)	
Return on equity	=	Profit for the period	× 100
		Total equity (average for the period)	
Research and development expenses	=	Research and development expenses in the statement of comprehensive income (including expenses covered by grants received)	
Earnings per share	=	Profit for the period attributable to the equity holders of the parent company	
		Average number of shares during the period, as adjusted for stock split	
Dividend per share	=	Dividend for the financial year	
		Number of shares at the end of the period, as adjusted for stock split	

NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME AND FINANCIAL POSITION

Outotec has applied the following revised or new standards and interpretations since the beginning of 2013:

- IAS 1 – Financial statement presentation. The main change resulting from these amendments is a requirement for entities to group items presented in ‘other comprehensive income’ (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The amendments do not address which items are presented in OCI.
- IAS 19 – Employee benefits. From January 1, 2013, Outotec adopted the amendments to IAS 19 (revised) Employee benefits. The most significant changes relate to the accounting for defined benefit obligations and plan assets. The amendments require the recognition of changes in benefit obligations and in fair value of plan assets when they occur, and hence eliminate the corridor approach permitted under the previous version of IAS 19 and accelerate the recognition of past service costs. The amendments require all actuarial gains and losses to be recognized immediately through other comprehensive income in order for the net pension asset or liability recognized in the consolidated statement of financial position to reflect the full value of the plan deficit or surplus. Amounts recorded in profit or loss are limited to current and past service costs, gains or losses on settlements, and net interest income (expense). The opening statement of financial position 2012 and other comparative figures have been restated accordingly.
- IFRS 13 – Fair value measurement. The standard provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs.

Use of estimates

IFRS requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities, as well as the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of income and expenses during the reporting period. Accounting estimates are employed in the financial statements to determine reported amounts, including the realizability of certain assets, the useful lives of tangible and intangible assets, income taxes, provisions, pension obligations, and impairment of goodwill. These estimates are based on the management’s best knowledge of current events and actions; however, it is possible that the actual results may differ from the estimates used in the financial statements.

Reporting segment - Non-ferrous Solutions

EUR million	Q2 2013	Q2 2012	Q1-Q2 2013	Q1-Q2 2012	Change %	Q1-Q4 2012
Sales	285.8	335.9	576.7	596.5	-3	1,305.5
Operating profit from business operations ¹⁾	16.8	36.0	43.1	62.2	-31	163.2
Operating profit from business operation, %	5.9	10.7	7.5	10.4		12.5
Operating profit	15.5	35.0	40.7	60.4	-33	157.5
Operating profit, %	5.4	10.4	7.1	10.1		12.1
FX impact ²⁾	0.7	-1.8	2.7	-1.0		1.8

¹⁾ Excluding one-time items and PPA amortizations

²⁾ Unrealized and realized exchange gains and losses related to currency forward contracts

Reporting segment - Ferrous Solutions

EUR million	Q2 2013	Q2 2012	Q1-Q2 2013	Q1-Q2 2012	Change %	Q1-Q4 2012
Sales	130.6	81.8	254.9	151.8	+68	371.2
Operating profit from business operations ¹⁾	20.0	2.7	28.2	8.2	+245	31.4
Operating profit from business operation, %	15.3	3.3	11.1	5.4		8.5
Operating profit	19.9	2.2	28.1	7.6	+269	30.0
Operating profit, %	15.3	2.6	11.0	5.0		8.1
FX impact ²⁾	0.7	-0.3	-0.2	-0.4		0.6

¹⁾ Excluding one-time items and PPA amortizations

²⁾ Unrealized and realized exchange gains and losses related to currency forward contracts

Reporting segment - Energy, Light Metals and Environmental Solutions

EUR million	Q2 2013	Q2 2012	Q1-Q2 2013	Q1-Q2 2012	Change %	Q1-Q4 2012
Sales	100.6	106.8	190.5	192.7	-1	427.0
Operating profit from business operations ¹⁾	10.2	9.5	18.9	15.4	+22	22.6
Operating profit from business operation, %	10.2	8.9	9.9	8.0		5.3
Operating profit	8.1	7.3	14.6	11.2	+31	20.3
Operating profit, %	8.1	6.9	7.7	5.8		4.8
FX impact ²⁾	0.5	-1.5	0.9	-2.1		-0.6

¹⁾ Excluding one-time items and PPA amortizations

²⁾ Unrealized and realized exchange gains and losses related to currency forward contracts

Major non-recurring items in operating profit

EUR million	Q1-Q2 2013	Q1-Q2 2012	Q1-Q4 2012
One-time costs related to reorganization of business	-	-	-0.6
Costs related to acquisitions	-0.2	-0.7	-2.7
Reversal of earn-out liability from acquisition of Energy Products of Idaho LP	-	-	6.3

Income tax expenses

EUR million	Q1-Q2 2013	Q1-Q2 2012	Q1-Q4 2012
Current taxes	-17.9	-32.6	-64.6
Deferred taxes	-1.7	12.0	12.6
Total income tax expenses	-19.6	-20.5	-51.9

Property, plant and equipment	June 30,	June 30,	December 31,
EUR million	2013	2012	2012
Historical cost at the beginning of the period	166.7	144.8	144.8
Translation differences	-3.6	1.0	-0.1
Additions	9.5	9.9	21.2
Disposals	-0.3	-0.9	-3.3
Acquired subsidiaries	0.2	1.3	5.2
Reclassifications	-0.4	-1.0	-1.0
Impairment during the period	-0.0	-	-
Historical cost at the end of the period	172.2	154.9	166.7
Accumulated depreciation and impairment at the beginning of the period	-91.4	-82.2	-82.2
Translation differences	1.5	-0.5	-0.0
Disposals	0.1	0.7	2.6
Reclassifications	0.5	0.1	0.1
Depreciation during the period	-6.3	-5.6	-11.8
Accumulated depreciation and impairment at the end of the period	-95.6	-87.4	-91.4
Carrying value at the end of the period	76.6	67.5	75.3

Commitments and contingent liabilities	June 30,	June 30,	December 31,
EUR million	2013	2012	2012
Pledges and mortgages	-	0.2	-
Guarantees for commercial commitments	303.3	187.6	273.5
Minimum future lease payments on operating leases	156.3	156.5	157.8

No securities or collateral have been pledged. Commercial guarantees are related to performance obligations of project and equipment deliveries. These are issued by financial institutions or Outotec Oyj on behalf of group companies. The total value of commercial guarantees above does not include advance payment guarantees issued by the parent or other group companies or guarantees for financial obligations. The total amount of guarantees for financing issued by group companies amounted to EUR 22.4 million at June 30, 2013 (June 30, 2012: EUR 22.9 million, December 31, 2012: 22.4 million) and for commercial guarantees including advance payment guarantees EUR 627.2 million at June 30, 2013 (June 30, 2012: EUR 513.9 million, December 31, 2012: 570.6 million). High exposure of on-demand guarantees may increase the risk of claims that may have an impact on the liquidity of Outotec.

Derivative instruments

Currency and interest derivatives	June 30,	June 30,	December 31,
EUR million	2013	2012	2012
Fair values, net	4.4 ¹⁾	-10.9 ²⁾	11.6 ³⁾
Nominal values	766.3	745.8	871.3

¹⁾ Of which EUR 2.4 million designated as cash flow hedges (EUR 2.0 million from currency derivatives, EUR 0.4 from interest derivatives).

²⁾ Of which EUR -2.9 million designated as cash flow hedges (EUR -2.9 million from currency derivatives, no interest derivatives).

³⁾ Of which EUR 10.1 million designated as cash flow hedges (EUR 10.0 million from currency derivatives, EUR 0.0 million from interest derivatives).

Carrying amounts of financial assets and liabilities by categories
June 30, 2013

EUR million	Financial assets at fair value through profit or loss	Loans and receivables	Available-for-sale financial assets	Financial liabilities at fair value through profit or loss	Financial liabilities measured at amortized cost	Carrying amounts by balance sheet item	Fair value
Non-current financial assets							
Derivative assets							
- foreign exchange forward contracts	1.7	-	-	-	-	1.7	1.7
- interest rate swaps	0.4	-	-	-	-	0.4	0.4
Other shares and securities	-	-	1.1	-	-	1.1	1.1
Trade and other receivables							
- interest-bearing	-	2.9	-	-	-	2.9	2.9
- non interest-bearing	-	0.0	-	-	-	0.0	0.0
Current financial assets							
Derivative assets							
- foreign exchange forward contracts	11.3	-	-	-	-	11.3	11.3
Trade and other receivables							
- interest-bearing	-	0.2	-	-	-	0.2	0.2
- non interest-bearing	-	573.2	-	-	-	573.2	573.2
Cash and cash equivalents	-	293.7	-	-	-	293.7	293.7
Carrying amount by category	13.4	870.1	1.1	-	-	884.6	884.6
Non-current financial liabilities							
Loans from financial institutions	-	-	-	-	61.0	61.0	61.0
Loans from pension institutions	-	-	-	-	3.6	3.6	3.6
Derivative liabilities							
- foreign exchange forward contracts	-	-	-	0.3	-	0.3	0.3
Other non-current loans	-	-	-	-	3.2	3.2	3.2
Other non-current liabilities	-	-	-	-	4.9	4.9	4.9
Current financial liabilities							
Loans from financial institutions	-	-	-	-	11.2	11.2	11.2
Loans from pension institutions	-	-	-	-	6.3	6.3	6.5
Derivative liabilities							
- foreign exchange forward contracts	-	-	-	8.7	-	8.7	8.7
Other current loans	-	-	-	-	20.4	20.4	20.4
Trade payables	-	-	-	-	127.4	127.4	127.4
Carrying amount by category	-	-	-	9.0	237.8	246.8	247.0

December 31, 2012

	Financial assets at fair value through profit or loss	Loans and receivables	Available-for-sale financial assets	Financial liabilities at fair value through profit or loss	Financial liabilities measured at amortized cost	Carrying amounts by balance sheet item	Fair value
Non-current financial assets							
Derivative assets							
- foreign exchange forward contracts	2.3	-	-	-	-	2.3	2.3
- interest rate swaps	0.0	-	-	-	-	0.0	0.0
Other shares and securities	-	-	1.3	-	-	1.3	1.3
Trade and other receivables							
- interest-bearing	-	2.5	-	-	-	2.5	2.5
- non interest-bearing	-	0.0	-	-	-	0.0	0.0
Current financial assets							
Derivative assets							
- foreign exchange forward contracts	18.0	-	-	-	-	18.0	18.0
Trade and other receivables							
- interest-bearing	-	0.2	-	-	-	0.2	0.2
- non interest-bearing	-	601.7	-	-	-	601.7	601.7
Cash and cash equivalents	-	358.6	-	-	-	358.6	358.6
Carrying amount by category	20.3	963.1	1.3	-	-	984.7	984.7
Non-current financial liabilities							
Loans from financial institutions	-	-	-	-	64.3	64.3	64.3
Loans from pension institutions	-	-	-	-	6.7	6.7	6.8
Derivative liabilities							
- foreign exchange forward contracts	-	-	-	0.4	-	0.4	0.4
Other non-current loans	-	-	-	-	3.3	3.3	3.3
Other non-current liabilities	-	-	-	-	3.9	3.9	3.9
Current financial liabilities							
Loans from financial institutions	-	-	-	-	12.0	12.0	12.0
Loans from pension institutions	-	-	-	-	6.3	6.3	6.6
Derivative liabilities							
- foreign exchange forward contracts	-	-	-	8.2	-	8.2	8.2
Other current loans	-	-	-	-	5.3	5.3	5.3
Trade payables	-	-	-	-	175.9	175.9	175.9
Carrying amount by category	-	-	-	8.6	277.7	286.4	286.8

Fair value hierarchy
June 30, 2013

EUR million	Level 1	Level 2	Level 3	Total
Available for sale financial assets	0.1	-	1.1	1.1
Derivative financial assets	-	13.4	-	13.4
	0.1	13.4	1.1	14.5
Derivative financial liabilities	-	9.0	-	9.0
	-	9.0	-	9.0
December 31, 2012				
Available for sale financial assets	0.2	-	1.2	1.3
Derivative financial assets	-	20.3	-	20.3
	0.2	20.3	1.2	21.6
Derivative financial liabilities	-	8.6	-	8.6
	-	8.6	-	8.6

Available-for-sale financial assets (level 3 of fair value hierarchy)

EUR million	Q1-Q2 2013	Q1-Q2 2012	Q1-Q4 2012
Carrying value at January 1	1.2	0.9	0.9
Translation differences	0.0	0.0	0.0
Additions	-	-	0.2
Carrying value at June 30	1.1	1.0	1.2

Related party transactions

Transactions and balances with associated companies

EUR million	Q1-Q2 2013	Q1-Q2 2012	Q1-Q4 2012
Sales	2.5	-	0.2
Other income	0.1	0.0	0.0
Purchases	-0.0	-0.1	-0.4
Trade and other receivables	1.0	0.3	0.3
Current liabilities	0.9	1.6	2.5
Loan receivables	2.9	1.6	2.5

Business combinations

Scanalyse Holdings Pty Ltd

Outotec has acquired the Australian-based Scanalyse Holdings Pty Ltd. The acquisition was completed in March 2013. Scanalyse is a software technology company that provides services in process equipment condition and performance monitoring.

The purchase price has been allocated to technologies. The remaining goodwill of approximately EUR 7.0 million is mainly based on experienced personnel of Scanalyse and synergy benefits. Purchase price allocation is preliminary and will be finalized during 2013.

Unaudited June 2012 and December 2012 restated for amended IAS 19 Employee Benefits

From January 1, 2013, Outotec adopted the amendments to IAS 19 (revised) Employee benefits. The most significant changes relates to the accounting for defined benefit obligations and plan assets. The amendments require the recognition of changes in benefit obligations and in fair value of plan assets when they occur, and hence eliminate the corridor approach permitted under the previous version of IAS 19 and accelerate the recognition of past service costs. The amendments require all actuarial gains and losses to be recognized immediately through other comprehensive income in order for the net pension asset or liability recognized in the consolidated statement of financial position to reflect the full value of the plan deficit or surplus. Amounts recorded in profit or loss are limited to current and past service costs, gains or losses on settlements, and net interest income (expense).

The opening statement of financial position 2012 and other comparative figures have been restated accordingly. The below table summarizes the effects in the June 2012 and December 2012 financial statements

June 30, 2012

Statement of Comprehensive Income

EUR million	Reported	Adjustment	Restated
Remeasurement of defined pension plan booked to other comprehensive income	-	-4.1	-4.1
Income tax effect	-	1.2	1.2

Statement of Financial Position

EUR million	Reported	Adjustment	Restated
Deferred tax assets	50.3	2.8	53.1
Remeasurement of defined pension plan booked to equity	-	-6.7	-6.7
Defined benefit pension liabilities	26.8	9.4	36.2

December 31, 2012

Statement of Comprehensive Income

EUR million	Reported	Adjustment	Restated
Remeasurement of defined pension plan booked to other comprehensive income	-	-8.1	-8.1
Income tax effect	-	2.4	2.4

Statement of Financial Position

EUR million	Reported	Adjustment	Restated
Deferred tax assets	53.2	3.9	57.1
Remeasurement of defined pension plan booked to equity	-	-9.5	-9.5
Defined benefit pension liabilities	27.2	13.5	40.7

Reporting segments' sales and operating profit by quarters

EUR million	Q2/11	Q3/11	Q4/11	Q1/12	Q2/12	Q3/12	Q4/12	Q1/13	Q2/13
Sales									
Non-ferrous Solutions	191.4	235.5	358.8	260.7	335.9	312.5	396.5	290.9	285.8
Ferrous Solutions	42.6	60.0	74.8	70.0	81.8	92.9	126.4	124.3	130.6
Energy, Light Metals and Environmental Solutions	57.7	61.4	70.9	85.9	106.8	100.1	134.1	90.0	100.6
Unallocated items ¹⁾ and intra-group sales	-3.4	-4.1	-7.7	-6.2	0.0	-2.7	-7.3	-2.3	-5.5
Total	288.4	352.8	496.8	410.4	524.4	502.8	649.8	502.9	511.4
Operating profit									
Non-ferrous Solutions	12.6	24.6	52.4	25.4	35.0	33.7	63.4	25.3	15.5
Ferrous Solutions	-1.9	6.0	-0.6	5.5	2.2	9.9	12.5	8.2	19.9
Energy, Light Metals and Environmental Solutions	5.2	11.7	3.6	3.8	7.3	0.6	8.6	6.5	8.1
Unallocated ²⁾ and intra-group items	-5.0	-9.1	-6.5	-7.2	-3.6	-3.2	-9.5	-8.3	-3.7
Total	10.9	33.2	48.9	27.6	40.8	41.0	74.9	31.7	39.9

¹⁾ Unallocated items primarily include invoicing of group management and administrative services.

²⁾ Unallocated items primarily include group management and administrative services.

RESOLUTIONS OF THE 2013 ANNUAL GENERAL MEETING

Outotec Oyj's Annual General Meeting (AGM) was held on March 26, 2013, in Helsinki, Finland.

Financial Statements

The AGM approved the parent company and the consolidated Financial Statements, and discharged the members of the Board of Directors and the President and CEO from liability for the financial year 2012.

Dividend

The AGM decided that a dividend of EUR 1.20 per share be paid for the financial year ended on December 31, 2012 (the dividend of EUR 54.9 (April 11, 2012: 38.9) million was paid on April 16, 2013).

The Board of Directors

The AGM decided on the number of Board members, including the Chairman and Vice Chairman, to be seven (7). Ms. Eija Ailasmaa, Mr. Tapani Järvinen, Mr. Hannu Linnoinen, Mr. Timo Ritakallio and Mr. Chaim (Poju) Zabłudowicz were re-elected as members of the Board of Directors. Dr. Matti Alahuhta and Ms. Anja Korhonen were elected as new Board members for the term expiring at the end of the next AGM. Furthermore, the AGM elected Dr. Matti Alahuhta as the Chairman of the Board of Directors.

The AGM confirmed the annual remunerations to the Board members as follows: EUR 72,000 for the Chairman of the Board of Directors and EUR 36,000 for each of the other members of the Board of Directors, as well as an additional EUR 12,000 for both the Vice Chairman of the Board, and the Chairman of the Audit Committee; and that the members of the Board each be paid EUR 600 for attendance at each Board and committee meeting as well as reimbursement for direct costs arising from Board work.

Of the annual remuneration, 60% would be paid in cash and 40% in the form of Outotec Oyj shares, which would be acquired for the members from the stock exchange, within one week of the AGM 2013 date, in amounts corresponding to EUR 28,800 for the Chairman, EUR 19,200 for the Vice Chairman and Chairman of the Audit Committee each, and EUR 14,400 for each of the other members. The part of the annual fee payable in cash corresponds to the approximate sum necessary for the payment of the income taxes on the remunerations and would be paid no later than April 30, 2013. The annual fees shall encompass the full term of office of the Board of Directors.

Auditors

Public Accountants PricewaterhouseCoopers Oy, was re-elected as the company's auditor.

Free share issue (split)

The AGM resolved to give a free share issue (split) as follows:

- Three new shares were issued for each existing share in accordance with shareholders' pre-emptive rights, altogether 137,341,119 new shares were issued.
- Each shareholder, who was registered on the record date on Tuesday, April 2, 2013, in the shareholders' register of the company, was entitled to receive shares on the basis of the free share issue (split).
- The new shares were registered on Tuesday, April 2, 2013. The new shares generated shareholder rights as of the said date. No dividend decided upon by the AGM was paid to the new shares for the year 2012.

The free share issue (split) was executed in the book-entry system and required no actions from the shareholders. The free share issue (split) did not affect the company's share capital or capital structure.

Board's authorizations

The AGM authorized the Board of Directors to resolve upon the repurchase of the company's own shares as follows:

- The company may repurchase the maximum number of 18,312,148 shares using free equity and deviating from the shareholders' pre-emptive rights to the shares, provided that the number of own shares held by the company will not exceed ten (10) percent of all shares of the company.
- The shares are to be repurchased in public trading at the NASDAQ OMX Helsinki at the price established in the trading at the time of acquisition.

The authorization shall be in force until the next AGM. The Board has not executed this authorization as of July 31, 2013.

The AGM authorized the Board of Directors to resolve upon issuance of shares and other special rights entitling to shares as follows:

- The authorization includes the right to issue new shares, distribute own shares held by the company, and the right to issue special rights referred to in Chapter 10, Section 1 of the Companies Act.
- The total number of new shares to be issued and own shares held by the company to be distributed under the authorization may not exceed 18,312,148 shares. The Board of Directors may deviate from the shareholders' pre-emptive subscription rights.
- The Board of Directors is entitled to decide on the terms of the share issue.

The authorization shall be in force until the next AGM. On May 8, 2013, Outotec's Board exercised this authorization and dissolved Outotec Management Oy through a share exchange. Outotec allocated 442,115 Outotec Oyj shares to the shareholders of Outotec Management Oy against the shares of Outotec Management Oy.

The AGM further authorized the Board of Directors to donate an aggregate amount of EUR 100,000 to non-profit purposes or to universities. The authorization shall be in force until December 31, 2013.

Shareholders' Nomination Board

The Annual General Meeting decided to establish a permanent Shareholders' Nomination Board. Its duties consist of successor candidate search, preparation and presentation of member candidates, and remuneration matters. The Nomination Board consists of the three biggest shareholders, and the Chairman of the Board of Directors.

Board's assembly meeting

In its assembly meeting the Board of Directors elected Timo Ritakallio as the Vice Chairman of the Board of Directors. In addition, the Board elected Anja Korhonen, Hannu Linnoinen, Timo Ritakallio and Chaim (Poju) Zabłudowicz as members of the Audit and Risk Committee. Hannu Linnoinen acts as the Chairman of the Audit and Risk Committee.

Eija Ailasmaa, Matti Alahuhta and Tapani Järvinen will act as members of the Human Capital Committee with Matti Alahuhta as the Chairman of the Committee.

LEGAL DISPUTES

On January 24, 2013, Outotec submitted an application for summons against Outokumpu Oyj in a patent dispute regarding a new invention in ferroalloys technology.

SUSTAINABILITY

Outotec's approach to sustainability is defined in the company's mission, strategy, values, corporate responsibility policy, and management system documents. Outotec's most significant impact on sustainability occurs indirectly through its customers' operations. "Sustainable use of Earth's natural resources" is the mission the company works towards achieving, in cooperation with the customers. According to its core value "committed to sustainability", Outotec intends to incorporate sustainability into all aspects of its operations, comprising the social, economic, and environmental elements of sustainability.

On March 25, 2013, Outotec published its sustainability report 2012. Key achievements in 2012 include a comprehensive Code of Conduct, new long-term targets set for the sustainability work, and a high proportion 89% (2011: 87%) of environmental goods and services (EGS) in the 2012 order intake.

In January, Outotec was ranked 12th in The Global 100 list of the world's most sustainable companies by Corporate Knights. Overall, The Global 100 drew companies from 22 countries on six continents and this was the first time Outotec was included in the index. The Corporate Knights media and investment research company has screened all global mid and large cap listed companies for The Global 100 list. Of these 4,000 companies, the 350 most sustainable were selected for further analysis, measuring their performance against 12 indicators.

SHARES AND SHARE CAPITAL

Outotec's shares are listed on the NASDAQ OMX Helsinki (OTE1V). At the end of the reporting period, Outotec's share capital was EUR 17,186,442.52 consisting of 183,121,492 shares. Each share entitles its holder to one vote at the company's general shareholder meetings.

OUTOTEC OYJ OWN SHAREHOLDING

At the end of the reporting period, the company held directly a total of 1,299,613 Outotec shares (including third party agreement), which represents a relative share of 0.7% of Outotec Oyj's shares and votes.

Outotec possesses the shares owned by Outotec Management Oy, which has been consolidated into the Group's balance sheet. At the end of the reporting period, Outotec Management Oy held 813,736 or 0.44% of Outotec shares, which have been accounted for as treasury shares on Outotec's balance sheet.

Third party agreement

Outotec has an agreement with a third-party service provider concerning administration and hedging of the share-based incentive program for key personnel. These shares are accounted for as treasury shares in Outotec's consolidated balance sheet. At the end of the reporting period, the amount of these treasury shares was 18,680.

TRADING, MARKET CAPITALIZATION AND SHAREHOLDERS

The figures in the table below have been adjusted to reflect the increased number of shares after the free share issue (split).

Shares on NASDAQ OMX Helsinki Ltd

January-June 2013	No. of shares traded	Total value EUR	High EUR	Low EUR	Average EUR ¹⁾	Close EUR
OTE1V	105,903,864	1,790,159,683	13.03	9.00	11.24	9.21

¹⁾ Volume weighted average

	June 30, 2013	June 30, 2012
Market capitalization, EUR million	1,686	1,644
No. of shareholders	23,985	14,308
Nominee registered shareholders (15), %	35.6	50.7
Finnish households, %	14.0	10.5

CHANGES IN SHAREHOLDINGS

On March 20, 2013, the holdings of Solidium Oy (business code 2245475-9) in shares of Outotec Oyj (OTE1V) exceeded 10% and amounted to 4,592,373 shares, which represents 10.03% of the share capital and votes in the company.

SHARE-BASED INCENTIVE PROGRAMS AND EMPLOYEE SHARE SAVINGS PLAN

Share-based Incentive Program 2013-2015

On January 16, 2013, Outotec announced that the Board of Directors had decided to adopt a new Share-based Incentive Program for the company's key personnel. The program comprises three earning periods starting 2013, 2014 and 2015. Each earning period can be from one to three years. The first earning period, which commenced on January 1, lasts for the calendar year 2013. The Board of Directors determines on an annual basis the maximum amount of shares to be allocated in each calendar year, participants in the program, the amount of the maximum reward for each individual, the length of earning period and the earning criteria, and the targets established for them.

A precondition for Executive Board members being eligible for the Share-based Incentive Program is that they participate in Outotec's Employee Share Savings Plan.

Earning period 2013

The Board of Directors approved 170 individuals for the Program's 2013 earning period and set targets for earnings per share, order intake, and sales growth compared to key competitors. The maximum share reward for the 2013 earning period equals 806,500 Outotec shares and a cash payment that equals income taxes.

Share-based Incentive Program 2010-2012

Outotec's Board of Directors decided on April 23, 2010, to adopt a share-based incentive program 2010-2012 for the company's key personnel. The costs related to these periods are allocated over three years.

Earning period 2010

A total of 552,576 Outotec shares were allocated for the 2010 earning period with a cost of approximately EUR 9.6 million, which was booked for the financial periods 2010-2012.

Earning period 2011

A total of 505,996 Outotec shares were allocated for the 2011 earning period with a cost of approximately EUR 9.3 million, which is booked for the financial periods 2011-2013.

Earning period 2012

A total of 514,160 Outotec shares were allocated for the 2012 earning period with a cost of approximately EUR 10.2 million, which is booked for the financial periods 2012-2014.

Employee Share Savings Plan

Outotec's Board of Directors decided on September 25, 2012, to launch an Employee Share Savings Plan for Outotec employees globally. The plan commenced on January 1, 2013, with the first savings period being one calendar year. The following savings periods are subject to a separate board decision. Approximately 34% of employees in 22 countries have signed up. Participation in Finland, Sweden, and five other countries exceeds 50% of the employees.

Outotec in brief:

Outotec provides leading technologies and services for the sustainable use of Earth's natural resources. As the global leader in minerals and metals processing technology, Outotec has developed over decades many breakthrough technologies. The company also provides innovative solutions for industrial water treatment, the utilization of alternative energy sources and the chemical industry. With a global network of sales and service centers, research facilities and approximately 5,000 experts, Outotec generated annual sales of approximately EUR 2 billion in 2012. Outotec shares are listed on NASDAQ OMX Helsinki. www.outotec.com