Q1-Q2 2013 Interim Report

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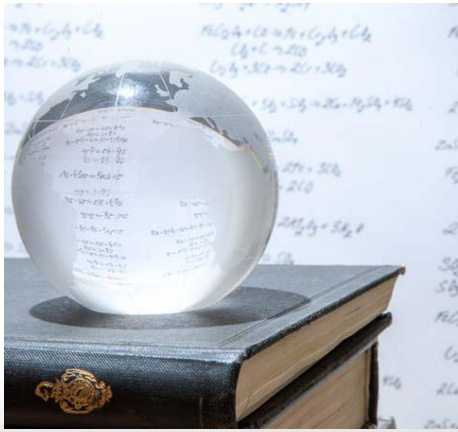
President and CEO

July 31, 2013

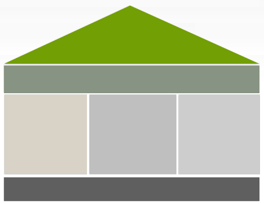
Outotec

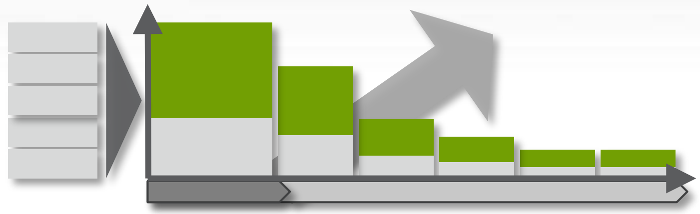
Significant differences in market activity between regions and applications

- Market for copper, gold, sulfuric acid, and aluminum solutions remained good - more subdued for iron, zinc, and nickel
- Differences between markets:
  - North and South America and Australia weaker
  - Customers in the Middle East and emerging markets continued developing projects
- Decision making of large investments was slower due to global market uncertainty
- Continued demand for alternative and renewable energy solutions - low energy prices and uncertainties in subsidy regulation slowed down decision-making
- Financing for good projects continued to be available
- In general, local legislation, tighter permitting, lower metal prices, and the complexity of financing packages impacted sales negotiations



Progress of Outotec's 2013 focus areas





Focus area	Progress in Jan-June	Status
Ensure continuous sales growth through order intake and services growth as well as earnings logic enhancement	• Services sales +25% year-on-year • Life cycle solution for Tominsky copper concentrator (Capex 50M€, Services >100M€) • Delays in large orders due to market uncertainties but strong prospects funnel	
Improve profitability through value based pricing, supply savings and sales mix improvement	• Value pricing and supply savings actions progressing, share of services growing but some weaker services projects in the portfolio in 1H2013	
Continue making acquisitions to strengthen the offering portfolio and accelerate growth	• Good funnel of acquisition prospects	
Continue investments in developing and rolling out global platforms to ensure future growth and profitability improvement	• New operating model as of July 1, 2013 • Process harmonization and implementation of global platforms progressing	

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Strong growth in services orders, solid demand for equipment and small-to-mid sized process solutions, delays in closing large orders

Order intake in Q1-Q2 2013 totaled EUR **856.7** (1,160.8) million, -26% YoY

Services order intake in Q1-Q2 2013 totaled EUR **272.0** (222.6) million, +22% YoY

Order intake in Q2 2013 totaled EUR **365.6** (735.5) million, -50% YoY

Americas 22%	EMEA 57%	Asia Pacific 21%

Copper concentrator for Russian Copper Company, EUR 50 million

Long-term Operation & Maintenance contract with Russian Copper Company, EUR 100 million (during H2/2014-2020)

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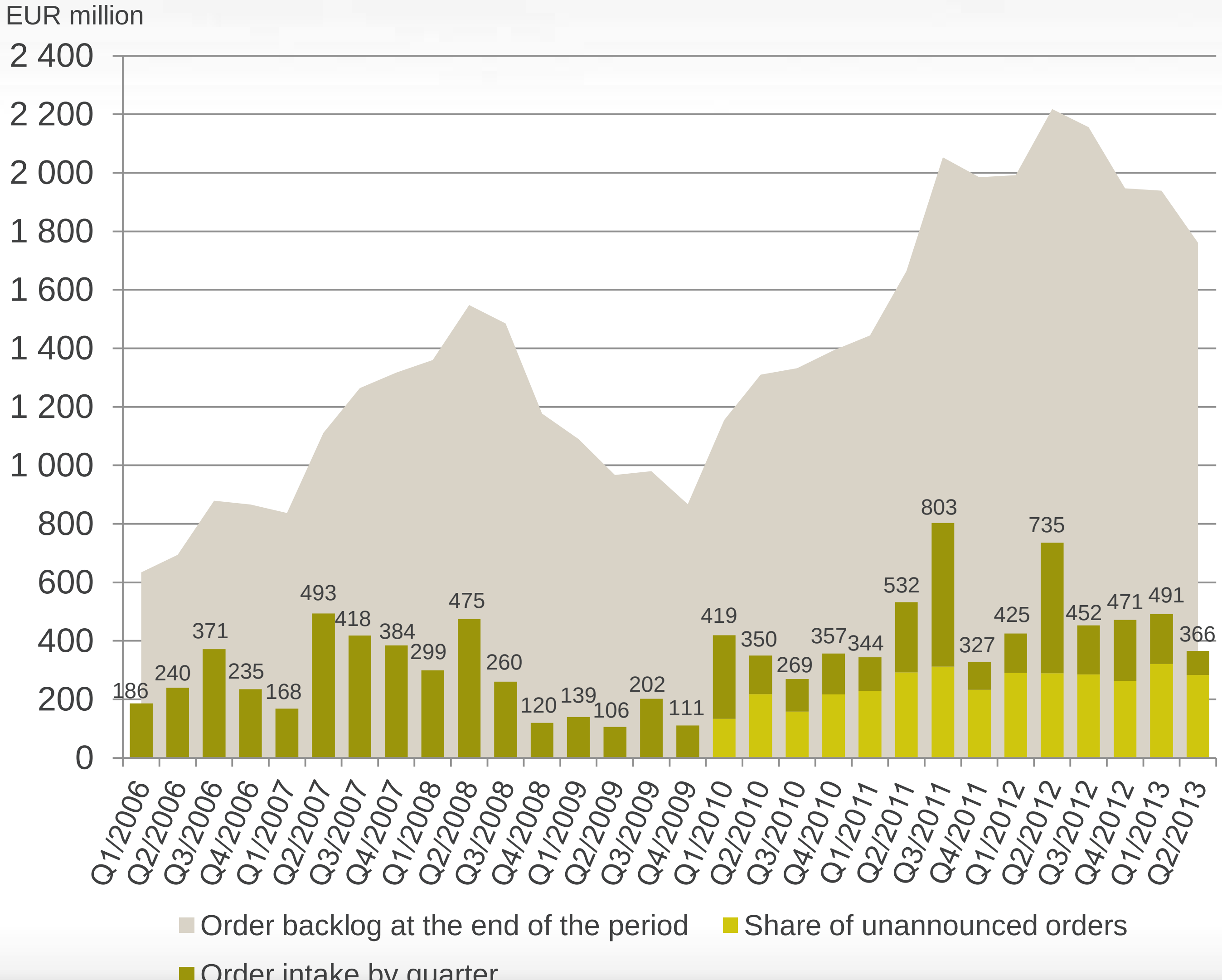
Amount of unannounced orders grew some 7% from the comparison period, delays in large order negotiations



- Order backlog at the end of Q2: EUR **1,761.3** (2,218.4) million
- Services of the total backlog at the end of Q2: EUR **209.1** (225.2) million
- **37** projects with value in excess of EUR 10 million, accounting for **66**% of the backlog
- Roughly **53**% (or approx. EUR **930** million) of the backlog is estimated to be delivered in 2013

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Sales grew due to good project execution and Services, profitability affected by some service projects, fewer project completions and less licence fee income

EUR million	**Q1-Q2 2013**	Q1-Q2 2012	Change %	**Q2 2013**	Q2 2012
Sales	**1,014.3**	934.8	+9	**511.4**	524.4
Gross margin, %	**20.0**	20.9	-	**20.9**	20.4
Operating profit from business operations	**78.3**	75.1	+4	**43.3**	44.5
- one-time items*)	**-0.2**	-0.7	-	**-0.1**	-0.7
- PPA amortization	**-6.6**	-6.0	-	**-3.3**	-3.0
Reported operating profit	**71.5**	68.4	+5	**39.9**	40.8
FX impact (unrealized, realized)	**3.3**	-3.8	-	**1.9**	-3.7
Operating profit margin, %	**7.1**	7.3	-	**7.8**	7.8
- from business operations, %	**7.7**	8.0	-	**8.5**	8.5

*) One-time costs related to M&A

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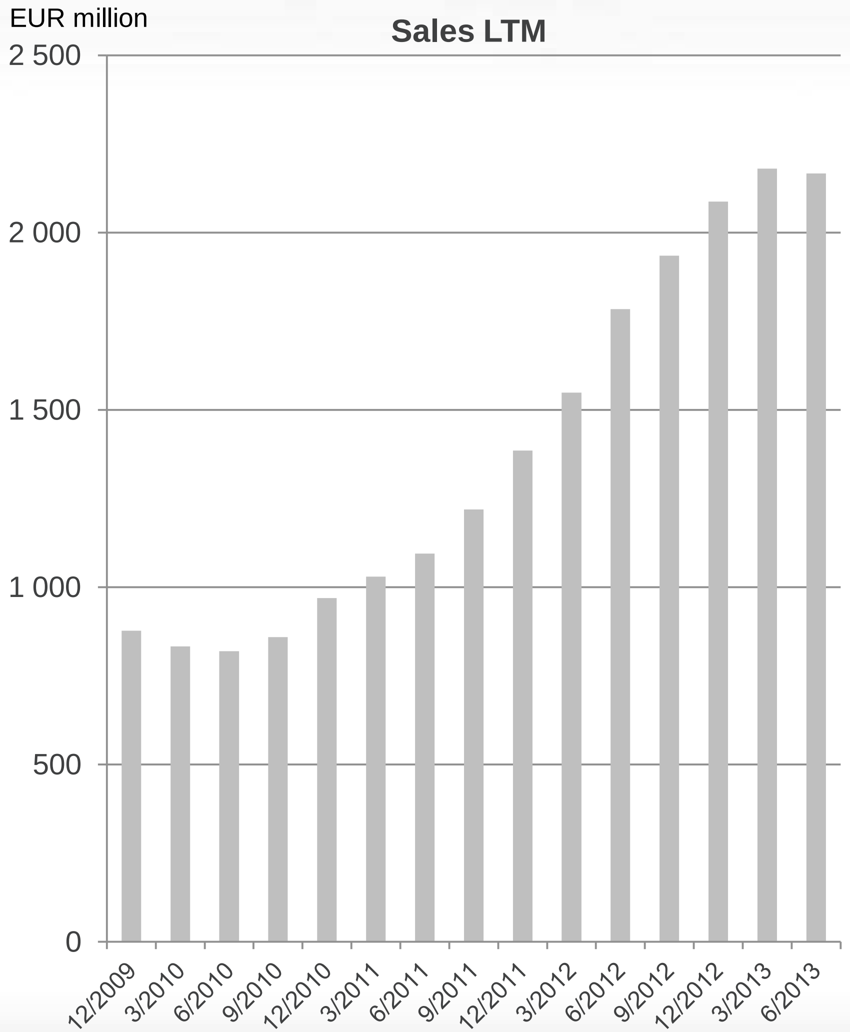
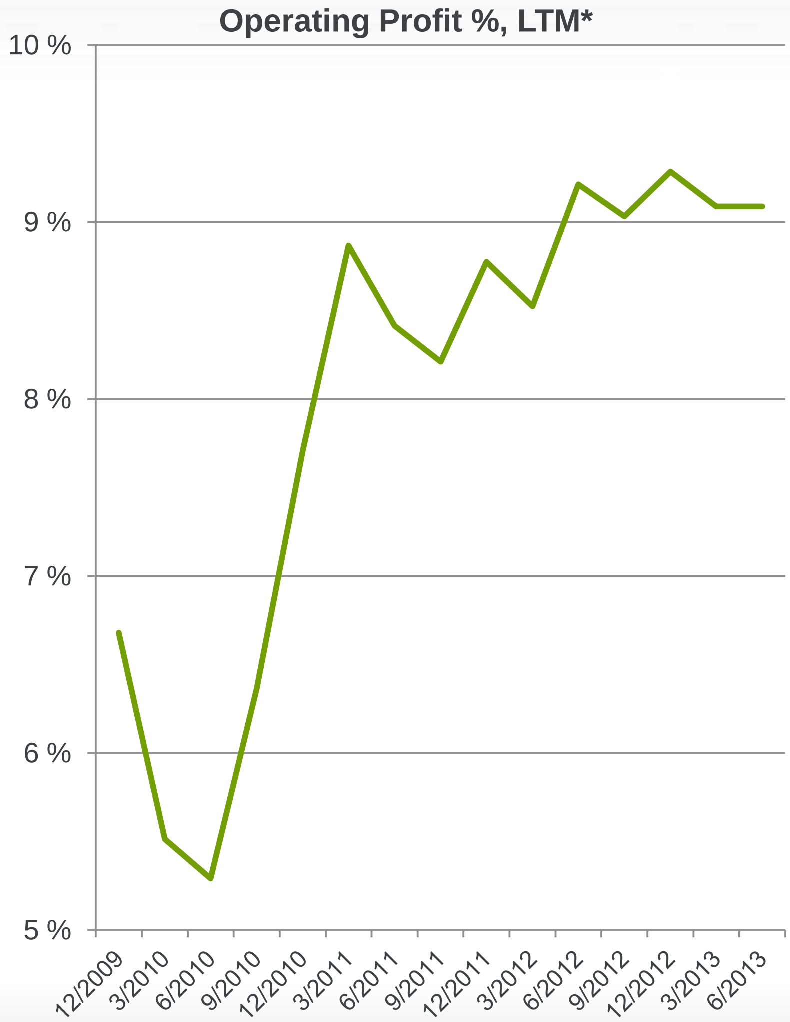
Development of Outotec's sales and operating profit from business operations (last twelve months)

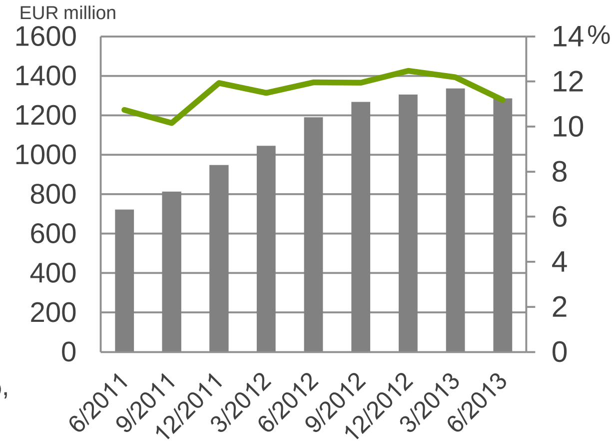




*) from business operations excl. one-time items and PPA amortizations

Non-ferrous: strong services growth, weaker profitability due to some service projects

Non-ferrous Solutions



*) from business operations excl. one time items and PPA

EUR million	Q1-Q2 2013	Q1-Q2 2012	Chg %	Q2 2013	Q2 2012
Sales	**576.7**	**596.5**	-3	**285.8**	335.9
Operating profit from business operations *)	**43.1**	**62.2**	-31	**16.8**	36.0
Operating profit margin from business operations, %	**7.5**	**10.4**	-	**5.9**	10.7

*)The unrealized and realized exchange gains related to currency forward contracts increased profitability by EUR 2.7 (-1.0) million in Q1- Q2.

Q1-Q2/2013 highlights

- Strong services sales growth, smaller sales from capex
- Two large long-term O&M service contracts
- Profitability affected by certain service projects taken over in an acquisition
- Scanalyse acquisition

Focus in 2013 is to

- Win new orders and larger scopes
- Continue strong growth in services

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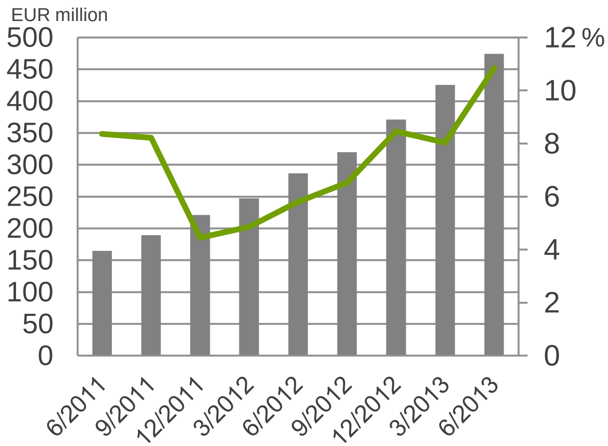
Ferrous: strong sales growth due to good execution of large projects

Ferrous Solutions



*) from business operations excl. one time items and PPA

EUR million	Q1-Q2 2013	Q1-Q2 2012	Chg %	Q2 2013	Q2 2012
Sales	**254.9**	**151.8**	+68	**130.6**	81.8
Operating profit from business operations *)	**28.2**	**8.2**	+245	**20.0**	2.7
Operating profit margin from business operations, %	**11.1**	**5.4**	-	**15.3**	3.3

*)The unrealized and realized exchange gains related to currency forward contracts decreased profitability by EUR -0.2 (-0.4) million in Q1-Q2.

Q1-Q2/2013 highlights

- Good execution of large turnkey delivery resulted to strong sales growth and profitability increase

Focus in 2013 is to

- Further develop service offering
- Ensure solid execution of large turnkey deliveries
- Leverage new opportunities in India and China due to environmental legislation
- Expand mid-tier business

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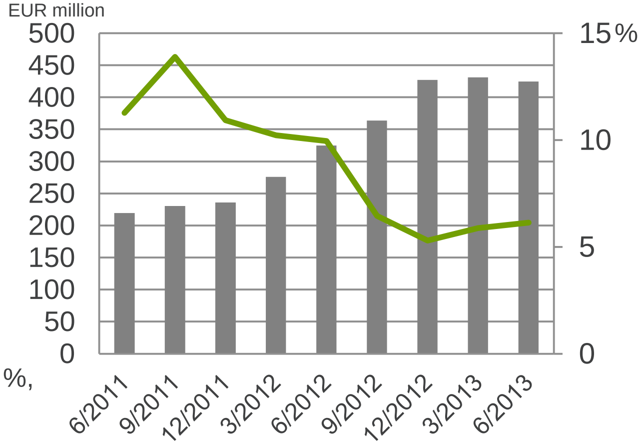
ELE: improving profitability

Energy, Light Metals and Environmental Solutions



*) from business operations excl. one time items and PPA

EUR million	Q1-Q2 2013	Q1-Q2 2012	Chg %	Q2 2013	Q2 2012
Sales	**190.5**	**192.7**	-1	**100.6**	106.8
Operating profit from business operations *)	**18.9**	**15.4**	+22	**10.2**	9.5
Operating profit margin from business operations, %	**9.9**	**8.0**	-	**10.2**	8.9

*)The unrealized and realized exchange gains related to currency forward contracts increased profitability by EUR 0.9 (-2.1) million in Q1-Q2.

Q1-Q2/2013 highlights

- Good project execution resulted to improved profitability
- Order for bioethanol plant waste-to-energy solution

Focus in 2013 is to

- Focus on winning large environmental solutions orders
- Expand renewable energy solutions market reach
- Increase sales of Industrial Water Treatment solutions

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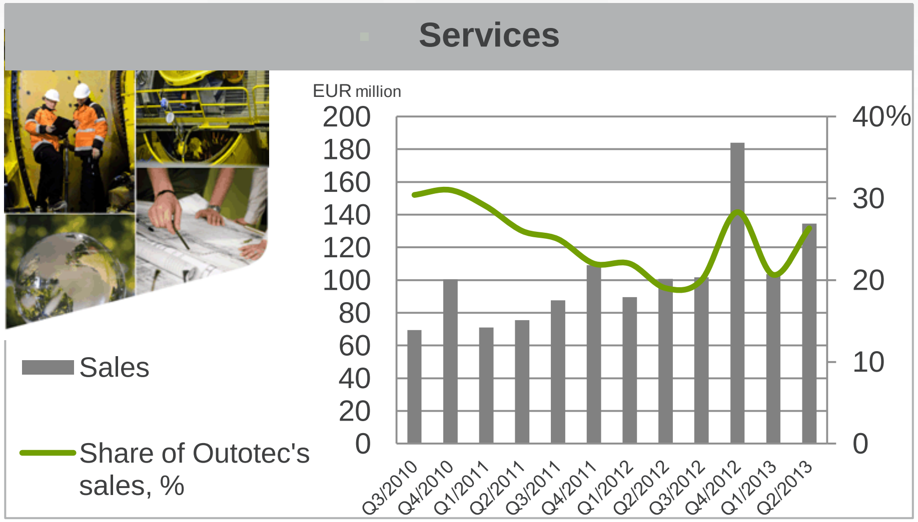
Strong Services order intake and sales growth continued



Q1-Q2/2013 highlights

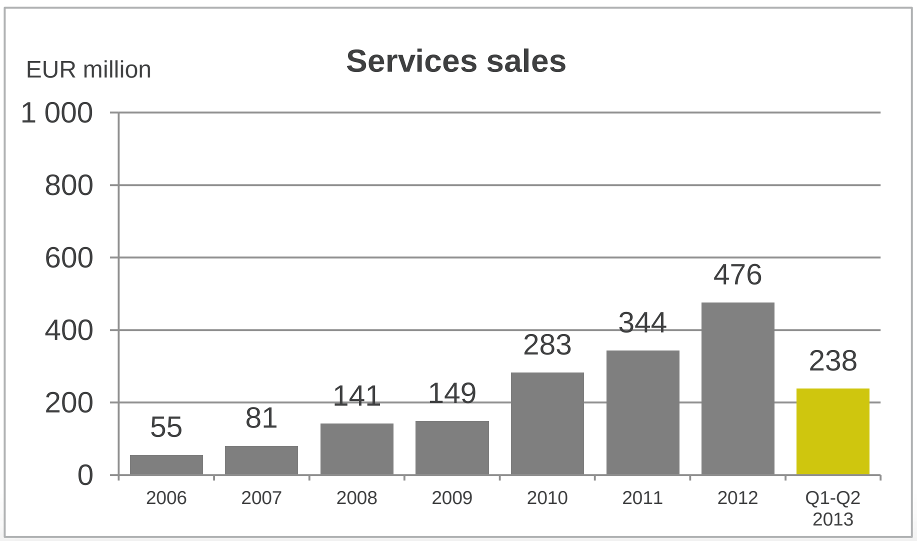
- Services sales EUR 238.4 (190.2) million, +25%
- Services orders EUR 272.0 (222.6) million, +22%
- Profitability affected by certain projects taken over in an acquisition

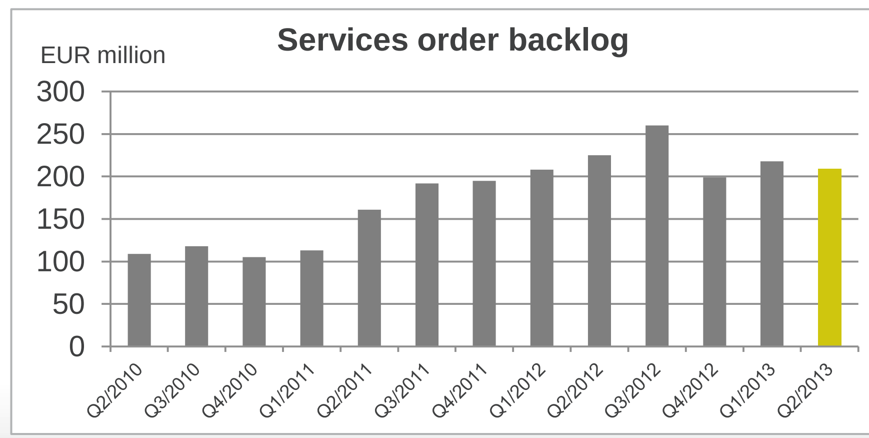
Focus in 2013 is to

Continue growth by

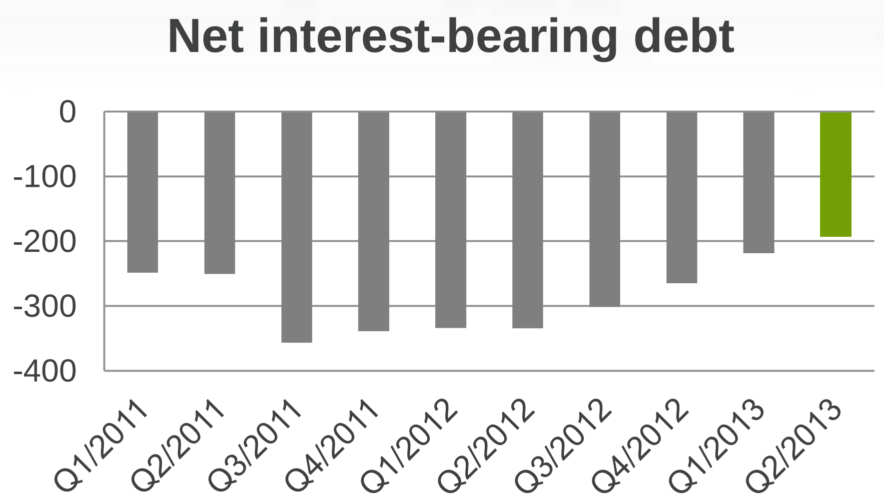
- Further penetrating to installed base
- Leveraging O&M and shutdown services offering
- Enhancing global footprint and offering through M&A

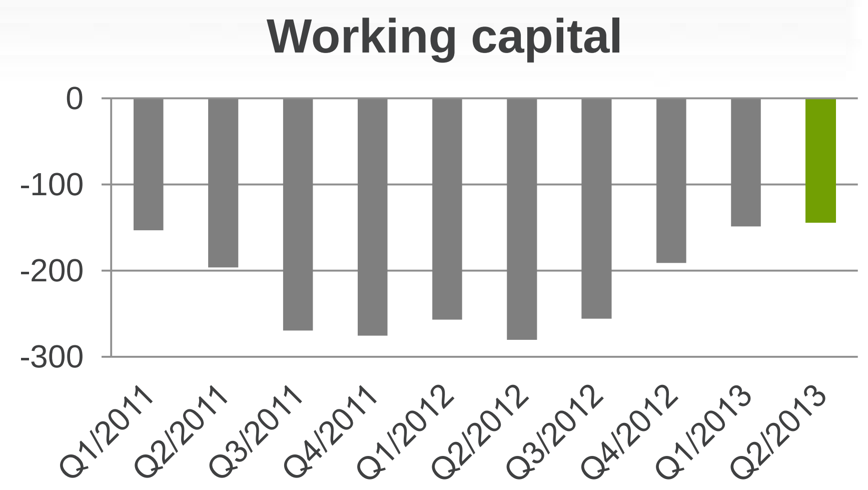
Improve profitability by addressing weak projects

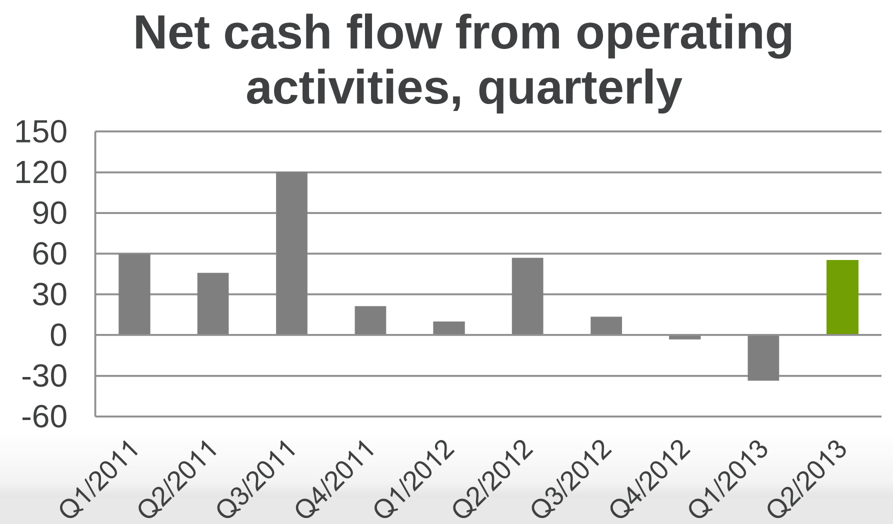




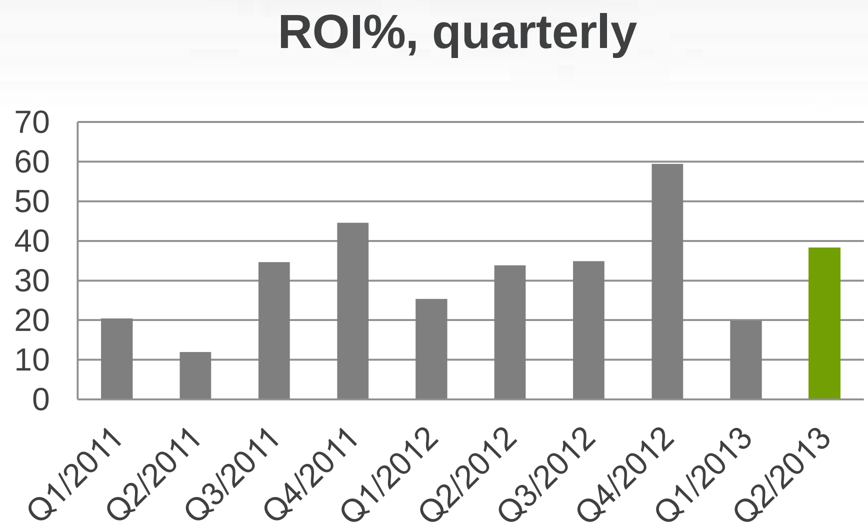
Strong financing structure and good liquidity

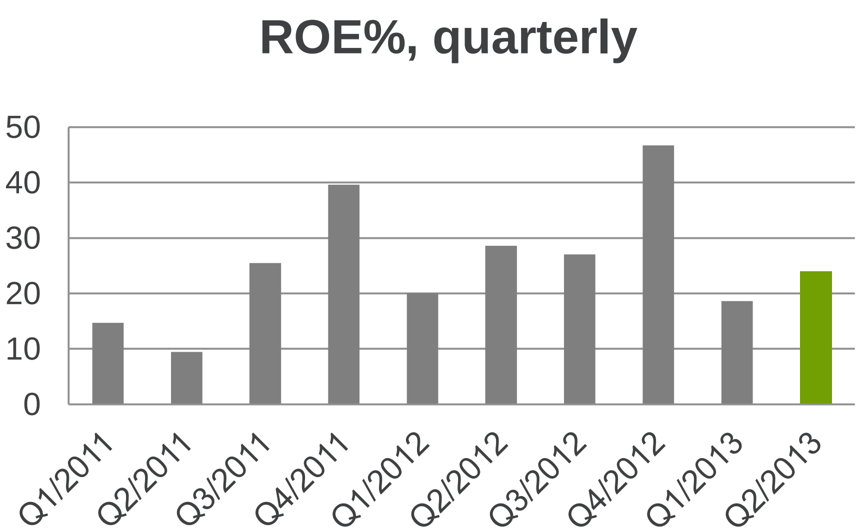






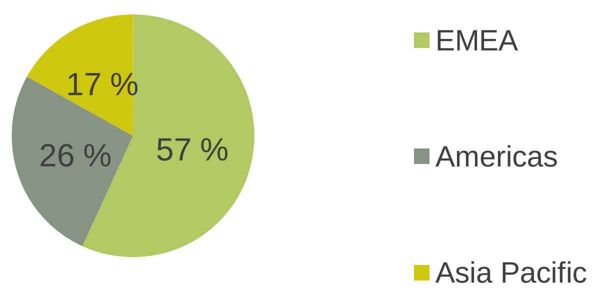
ROI and ROE reflect quarterly profit fluctuation



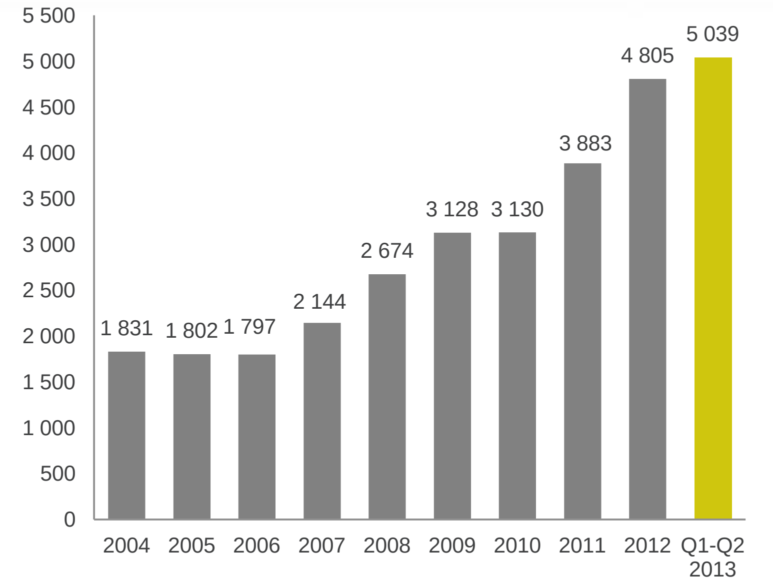


Personnel increased due to acquisitions and selected recruitments to services and project delivery

Personnel by region at the end of the period



Personnel at the end of the period



- Increase from acquisitions: **183** YoY, **36** from December-end
- Temporary personnel: **9** (10) %
- FTE contracted people: some **600** (660)

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Market drivers provide opportunities for Outotec, macroeconomic uncertainty continues

- Lower growth projections in China and uncertainty in the global economy may lead to continued weakness in metal prices
- Customers are seeking ways to
  - Reduce risks in their investments
  - Increase their existing capacity
  - Reduce operating costs
- Market for services is expected to remain solid
- New capacity is needed to fulfill the growing long-term metals demand as ore grades decline
- Tightening environmental regulations increase demand for sustainable technology
- Overall demand for alternative energy and waste-to-energy solutions is growing globally

CAPEX is shifting from greenfield to brownfield, large greenfield prospects in certain markets

Changing customer demands offer opportunities for Outotec to provide:

- guaranteed performance
- predictable investment cost and schedule
- license to operate

Opportunity to grow services by further penetrating to the installed base and by leveraging new services solutions

Macroeconomic uncertainties may delay customers' decisions to invest in new capacity

Significant differences in market sentiment by regions and application areas, opportunities exist

- Market in the Middle East remains positive as countries in the region are seeking to diversify their economy outside oil and gas industry
- Africa remains attractive, especially for energy-efficient solutions
- Europe has a vast installed base - good services opportunities
- CIS is active in gold, copper and nickel projects
- Americas outlook is weak with hesitance in decision-making
- APAC facing slowdown – slower growth in China and slowdown in Australia
- Especially in the UK, South America, Southeast Asia and Australia are in need for waste-to-energy solutions

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Financial guidance for 2013 reiterated

Based on the strong order backlog, current market outlook and the 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 operations*) will be approximately 9.5-10.5%.

*) excluding one-time items and PPA amortizations

In 2013, PPA amortizations from completed acquisitions is estimated to be approximately EUR 13 million.

Q&A