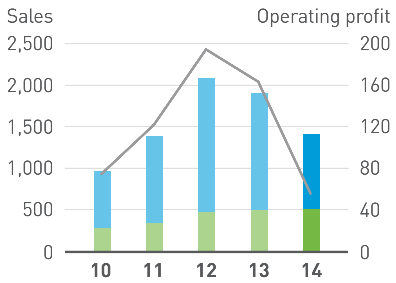
FINANCIAL STATEMENTS 2014

Sustainable use of
Earth's natural resources

Outotec

CONTENT

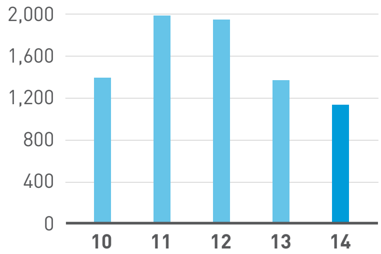
SALES AND OPERATING PROFIT*), EUR MILLION



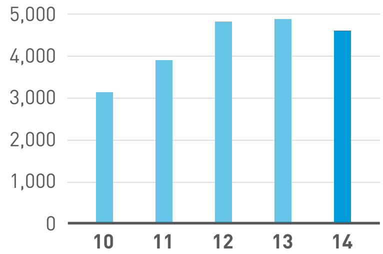
Sales Service Sales
— Operating profit

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

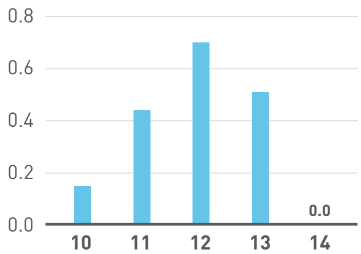
ORDER BACKLOG, EUR MILLION



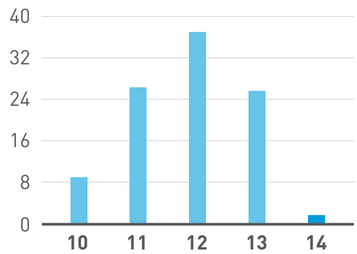
PERSONNEL



EARNINGS PER SHARE, EUR



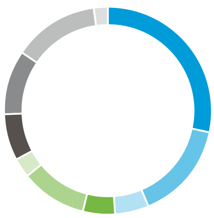
RETURN ON INVESTMENT, %



SALES BY REGION, %

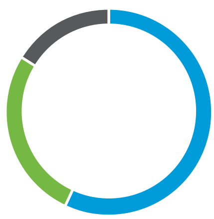
- EMEA (incl. CIS) 58 (54)
- Americas 23 (27)
- APAC 19 (19)

SALES BY MATERIALS, %



- Copper 28 (33)
- Iron 15 (11)
- Aluminum 5 (6)
- Ferroalloys 5 (14)
- Precious metals 10 (8)
- Zinc 3 (2)
- Nickel 7 (3)
- Other metals 10 (6)
- Energy & environmental solutions (incl. water, sulfuric acid and off-gas) 13 (15)
- Others 5 (2)

PERSONNEL BY REGION, %



- EMEA (incl. CIS) 57 (60)
- Americas 27 (24)
- APAC 16 (17)

President and CEO Pertti Korhonen:

CHALLENGING CAPEX MARKET, GROWTH IN SERVICE SALES

Continued uncertainties in the global economy, geopolitical conflicts, China's lower growth projections and sharp decline in metal and energy prices pressed the markets in 2014. Mining and metals companies focused on maximizing their free cash flow by minimizing investments and operating costs. We estimate that our addressable Capex market reduced by some 30% in 2014. The modest investments were focused on brownfield projects, and greenfield investments were rare. As there were few large investment projects, the equipment sales to EPCM contractors was very low, resulting to reduced level of our unannounced orders. The market for services leveled off as customers sought to cut their operating costs. The demand for various environmental and water treatment solutions remained solid, but due to the collapse of fossil energy prices the market for sustainable energy solutions was very weak.

Despite the tough market environment, we were able to close several modernization deals in the fourth quarter. Our full year order intake declined some 20% as a result of the very weak Capex market. There were no order cancellations, and the margins in new orders were healthy. Our sales contracted from 2013 due to a low opening order backlog for 2014 and a weak order intake in the plant and equipment businesses. I am pleased that in the challenging market environment our service sales increased 9% from 2013 in comparable currencies and represented 37% of sales.

Our profitability in 2014 was weak due to lower sales and execution issues in some large customer projects. The profitability improved sequentially in the third and fourth quarters due to increased share of services in sales, project completions and improved execution, and reduced fixed operating costs. The Minerals Processing business area continued to deliver good profitability from business operations despite lower sales. The Metals, Energy & Water business area returned to profitability during the second half of the year due to improved project execution and growth of the service business. As a result of cost saving actions, our fixed operating costs were reduced by EUR 65 million from the comparison period. In addition, our cash flow improved significantly, supported by the stabilizing working capital. Our balance sheet remained solid.

All in all, I am pleased about our organization's capability to counteract the contraction of sales stemming from the extremely difficult market. As a result of all actions taken, we were able to deliver 4% profit from business operations and slightly positive net profit despite 27% lower sales and significant one time restructuring costs.

The market outlook for 2015 is highly uncertain due to volatile metal prices, continued global macroeconomic uncertainty and geopolitical instability. Investments in the mining and metals sector are estimated to be somewhat lower than in 2014. Outotec's market is, however, heterogenous and there is demand for sustainable solutions in specific markets and segments. Our sales funnel is solid with good prospects in several geographies and we expect that investments in base metals, sulfuric acid, and alumina will gradually start to revitalize to compensate for reducing capacity. We expect that investments in the iron ore value chain will continue on a low level. We see good demand for environmental solutions including industrial water treatment due to continuously tightening regulation. The short-term outlook for alternative and waste-to-energy solutions is weak due to low fossil energy prices and uncertainties in subsidy regulation. The timing of new orders continues to be the biggest source of uncertainty in our order intake, especially if the metals prices continue on a deflationary trend.

Despite the challenging market outlook, our number one goal in 2015 is to improve profitability. The planned cost savings under the ongoing EUR 45 million program aim at counterbalancing inflation and lower sales, as well as improving profitability. Furthermore, in order to reduce our exposure to mining and metals Capex market volatility, we will continue to grow our service business in line with our long-term targets, and continue to further strengthen our business portfolio through acquisitions.

I would like to extend my thanks to all Outotec employees for their great dedication to work and their support for the necessary changes during 2014. Cooperation with the employee representatives was also characterized by a spirit of mutual trust. As much as 27% of our employees globally are also shareholders of Outotec through our Employee Share Savings Plan and I'm very grateful for the commitment of all these individuals and all other shareholders to the company.

I would also like to express special thanks to our customers and business partners, who gave us their trust and confidence. In line with our mission, Sustainable use of Earth's natural resources, we'll continue to provide sustainable solutions for them in future as well.

Pertti Korhonen
President & CEO

REPORT BY THE BOARD OF DIRECTORS

OPERATING ENVIRONMENT

Weakened global macroeconomic outlook, impact of geopolitical crises, China's lower growth projections, weak metal price development, and pressures to maximize free cash flows resulted into a further reduction of the mining and metals industry's Capex investments. Outotec estimated that in 2014 the company's addressable Capex market reduced by some 30%. Postponement of planned investments continued across the industry due to the weak short-term outlook, and larger investments were implemented in stages.

Demand for services was impacted as a result of customers' actions to minimize operating costs by saving on service activities, reducing their spare part inventories, and postponing larger periodic maintenance services. The company estimated that the services market was flat at 2013 level.

Equipment sales through EPCM companies continued to be very slow due to few greenfield investments in the industry.

Low fossil energy prices and uncertainties in subsidy regulation further slowed down alternative and renewable energy investments.

Competition in the weak market continued to intensify, therefore increasing pricing pressures.

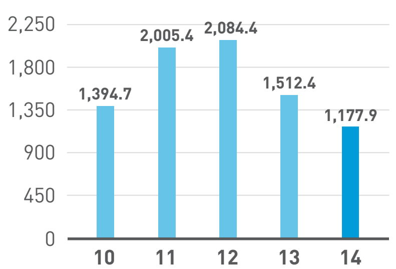
ORDER INTAKE

Order intake in 2014 decreased 22% from the previous year. Calculated with comparable currencies, the decrease was 18%. Service order intake in 2014 remained flat, with comparable currencies, the service order intake increased by 7%.

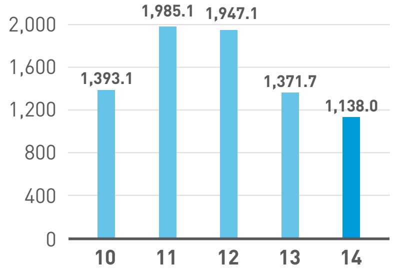
In order to improve the transparency of Outotec's service business, the long-term service contracts, which have a production-based, volume-dependent variable portion are recognized in the order intake with the estimated sales value of the next 12 months. The fixed value contracts are recognized as full value when the order becomes effective. According to old principles, the current calendar year's portion of the long-term service contract was booked once per year into the order intake. The change of service order intake reporting principles as of January 1, 2014 increased the total order intake in 2014 by approximately EUR 42.3 million. With comparable currencies the increase for 2014 was EUR 47.9 million. Excluding the reporting principle change and calculating with comparable rates, the full year service order intake declined by 1%.

Order intake by region, %	2014	2013
EMEA (including the CIS)	**40**	59
Americas	**37**	19
APAC	**23**	21
Total	**100**	100

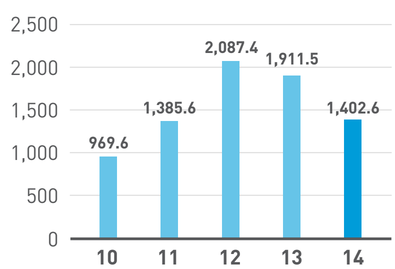
ORDER INTAKE, EUR MILLION



ORDER BACKLOG, EUR MILLION



SALES, EUR MILLION



Published orders in 2014: Project	Customer	Project location	Value, EUR million (booked in order intake)	Business area	Expected delivery time
Gas cleaning technology for a zinc refinery	Votorantim Metais	Peru	Approx. 16 (Q4/2014, published in 2015)	Metals, Energy & Water	2015-2016
Modernization and rebuild of nickel flash smelter	Norilsk Nickel	Russia	Not published but typically 30-50 (Q4/2014)	Metals, Energy & Water	Not disclosed
Modernization of nickel flash smelter and O&M agreement	BCL	Botswana	Over 17 (Q4/2014)	Metals, Energy & Water	Not disclosed
Revamp and upgrade of a copper smelter and sulfuric acid plant	Codelco	Chile	Approx. 64 (Q3/2014: 21, Q4/2014: 42)	Metals, Energy & Water	Not disclosed
Outotec® Ausmelt technology to copper smelter modernization	OJSC Svyatogor	Russia	Approx. 10 (Q4/2014)	Metals, Energy & Water	Not disclosed
Coated titanium anodes for copper production	Cobre del Mayo	Mexico	Below 10 (Q3/2014)	Metals, Energy & Water	Not disclosed
Grinding mill and service orders	Multiple customers	EMEA region	Approx. 12 in total (Q3/2014)	Minerals Processing	2014-2015
Technology and equipment for copper concentrator	Norilsk Nickel	Russia	Not disclosed but typically 40-60 (Q3/2014)	Minerals Processing	Mid 2016
High purity alumina technology	Orbite Aluminae	Canada	Below 10 (Q1/2014)	Metals, Energy & Water	In the beginning of 2015
Iron ore pelletizing technology	Not disclosed	India	Approx. 70 (Q2/2014)	Metals, Energy & Water	Not disclosed
Shut down services contract (3 years)	Samarco	Brazil	Not disclosed (Q2/2014)	Metals, Energy & Water	2014-2016
Filtration plant for alumina refinery	Alunorte	Brazil	approx. 50 (Q2/2014)	Minerals Processing	March 2016
Smelting technology	Nyrstar	Australia	Not disclosed (Q2/2014)	Metals, Energy & Water	Not disclosed
Operation and maintenance services (3 years)	Kalagadi Manganese	South Africa	Approx. 17 (Q2/2014)	Metals, Energy & Water	Not disclosed
Operation and maintenance services	Cristal	Saudi Arabia	Approx. 20 divided to 4 years (10 booked in Q4/2013)	Metals, Energy & Water	2014-2018
Technology for beneficiation of chromite tailings	Tata Steel	India	Not disclosed (Q1/2014)	Minerals Processing	By mid 2015

ORDER BACKLOG

The order backlog at the end of 2014 was EUR 1,138.0 (1,371.7) million, a decrease of 17% from the previous year. Services represented EUR 246.9 (218.8) million of the total order backlog.

At the end of 2014, Outotec had 19 (29) projects with an order backlog value in excess of EUR 10 million, accounting for 58 (65)% of the total backlog. Based on management estimates, roughly 81 (80)% (approximately EUR 925 (1,100) million) of the year-end order backlog value will be delivered in 2015.

At the end of 2014, the order backlog included 1 suspended project with a value of approximately EUR 4.6 million. The suspension was due to the customer's site-related matters.

Sales and financial result EUR million	2014	2013
Sales	**1,402.6**	1,911.5
Service sales[1]	**519.0**	505.9
Share of service in sales, %	**37.0**	26.5
Gross margin, %	**21.0**	20.7
Operating profit from business operations	**56.0**	162.9
- one-time costs[2]	**-37.2**	-8.0
- PPA amortization[2]	**-8.4**	-13.0
Reported operating profit	**10.4**	141.9
Unrealized and realized exchange gains and losses3)	**-8.8**	9.6
Operating profit, %	**0.7**	7.4
- from business operations, %	**4.0**	8.5

[1] Included in the sales figures of the two reporting segments
[2] In January-December 2014, one-time items totaled EUR -37.2 million including acquisition-related costs of EUR 0.7 million, and cost efficiency program-related costs of EUR 36.6 million. In 2013, one-time items totaled EUR -8.0 million, including acquisition-related costs of EUR 0.3 million, cost efficiency program-related costs of EUR 12.8 million, and the positive impact of EUR 5.1 million related to past acquisitions.
[3] Related to currency forward contracts and bank accounts

Sales by region EUR million	2014	2013	% 2014	Change %
EMEA (including CIS)	**809.2**	1,038.5	**58**	-22.1
Americas	**327.0**	508.0	**23**	-35.6
APAC	**266.5**	365.1	**19**	-27.0
Total	**1,402.6**	1,911.5	**100**	-26.6

Sales by materials %	2014	2013
Copper	**28**	33
Nickel	**7**	3
Zinc	**3**	2
Ferroalloys	**5**	14
Aluminum	**5**	6
Iron	**15**	11
Precious metals	**10**	8
Other metals	**10**	6
Energy and environmental solutions (incl. water, sulfuric acid and off-gas)	**13**	15
Others	**5**	2
Total	**100**	100

Sales in 2014 decreased 27% from the previous year, with comparable currencies the decrease was 23%. The main reasons for the decline were a low opening backlog for 2014 in Capex business and a weak Capex order intake during 2014. Sales from the CIS countries, mainly Russia, accounted for 11% of 2014 sales.

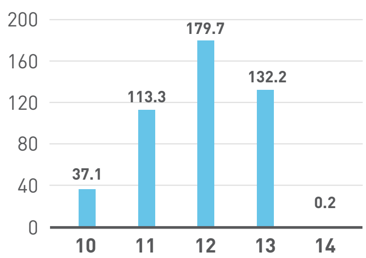
In 2014, service sales grew 3% from previous year, with comparable currencies the growth was 9%. Service growth came from upgrade and O&M services. Service sales represented 37 (26)% of the total sales.

Operating profit in 2014 was impacted by approximately EUR 33 million cost overruns in five large Capex projects in the Metals, Energy & Water business area, having 2.4 percentage units' negative impact on the Group 2014 full year operating profit margin. Two of the five projects have been completed by year-end 2014. Despite lower sales, the successful deliveries and project completions as well as high share of services kept the Minerals Processing segment's profitability on a good level.

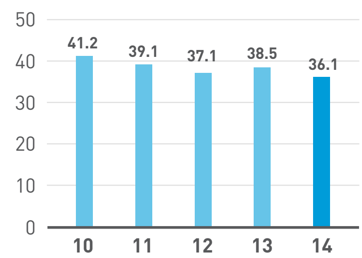
In 2014, operational fixed costs, including selling and marketing, administrative, R&D and fixed delivery expenses, were EUR 331.5 (396.9) million. The EUR 65 million reduction includes savings from the efficiency improvement program, as well as continuous operational improvement actions.

Profit before taxes in 2014 was EUR 0.2 (132.2) million. It included net finance expenses of EUR 10.2 (9.7) million, and one-time items of EUR 37.2 (8.0) million. Net profit for 2014 was EUR 0.2 (92.1) million. Taxes totaled EUR 0.1 (40.2) million, corresponding effective tax rate of 28.7 (30.4)%. Decreased tax rate from 2013 was due to geographical distribution of sales. Earnings per share were EUR 0.00 (0.51).

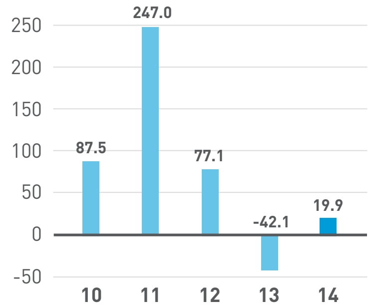
PROFIT BEFORE TAXES, EUR MILLION



EQUITY RATIO, %



NET CASH FROM OPERATING ACTIVITIES, EUR MILLION



Balance sheet, financing and cash flow EUR million	**2014**	2013
Net cash from operating activities	**19.9**	-42.1
Net interest-bearing debt at the end of the period	**-5.8**	-87.1
Equity at the end of the period	**445.3**	477.4
Equity-to-assets ratio at the end of the period, %	**36.1**	38.5
Gearing at the end of the period, %	**-1.3**	-18.2
Working capital at the end of the period	**-28.2**	-14.0

The consolidated balance sheet total was EUR 1,442.1 (1,530.3) million at the end of 2014. The equity was EUR 445.3 (477.4) million, representing EUR 2.47 (2.64) per share. Equity was impacted by a dividend payment of EUR 36.6 (54.9) million paid on April 17, 2014.

In 2014, the net cash from operating activities improved and totaled EUR 19.9 (-42.1) million. The improvement was driven by the change in the working capital. The advance and milestone payments at the end of 2014 were EUR 207.6 (291.6) million, representing a decrease of 29% from 2013, due to lower order intake. The advance and milestone payments paid to subcontractors at the end of 2014 were EUR 34.7 (31.1) million.

Outotec's cash and cash equivalents at the end of 2014 totaled EUR 281.9 (323.7) million. Cash and cash equivalents was impacted mainly by a dividend payment of EUR 36.6 (54.9) million and EUR 65.2 (57.3) million payments relating to investing activities, of which acquisition-related payments totaled EUR 8.0 (11.8) million. Outotec 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 solid but has been impacted by the declining order backlog and subsequent decline in advance payments. Net interest-bearing debt at the end of 2014 was

EUR -5.8 (-87.1) million. In 2014, Outotec drew in full the EUR 45 million European Investment Bank term loan (signed in 2012). The existing interest bearing debt (total of EUR 273.3 million) has a relatively long maturity profile and a major part (EUR 175.7 million) is maturing on Q3/2020 or later. On December 3, 2014 Outotec signed a EUR 100 million Multicurrency Revolving Credit Facility. The 5-year facility was put in place to refinance the previous EUR 50 million revolving credit facility and to provide liquidity for general corporate purposes. At the end of 2014, Outotec had available EUR 160 million unused, committed credit facilities and a EUR 100 million commercial paper program, of which EUR 15.0 million was in use. Equity-to-assets ratio was 36.1 (38.5)%.

The company's capital expenditure in 2014 was EUR 68.5 (53.0) million including investments in information systems, like the company-wide Enterprise Resource Planning system, R&D related equipment, and acquisitions.

At the end of 2014, guarantees for commercial commitments, including advance payment guarantees issued by the parent and other Group companies, were EUR 511.0 (549.7) million.

COST SAVINGS PROGRAMS

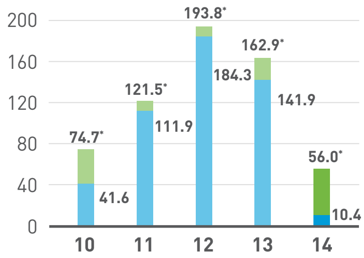
EUR 50 million program closed

Outotec introduced an efficiency improvement program on October 17, 2013 targeting up to EUR 50 million annualized savings in operating costs by the end of 2014, compared to the Q3 2013 situation. The company had achieved the targeted savings at the end of September 2014 and closed the program on October 30, 2014.

In January–September 2014, a total of EUR 15.5 (in 2013: 12.8) million of one-time costs were booked, after which cumulative one-time costs booked to the savings program totaled EUR 28.3 million. One-time costs in the third quarter of 2014 included EUR 10.1 million write-down related to IT systems. The rest of the one-time costs were mainly cash-based terminations of employment agreements.

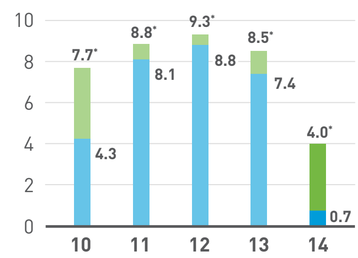
Annualized savings of the program by the end of September 2014 totaled EUR 50.3 (in 2013: 12.0) million. Savings are

OPERATING PROFIT, EUR MILLION



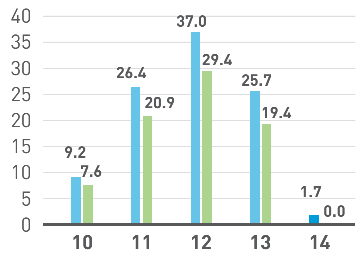
*) from business operations excluding one-time items and PPA amortizations

OPERATING PROFIT MARGIN, %



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

RETURN ON INVESTMENT AND EQUITY, %



mainly related to permanent and temporary lay-offs (EUR 30.3 million), reduction in external services (EUR 11.0 million), and traveling (EUR 6.6 million). Personnel have been reduced by a total of 470 between September 2013 and September 2014 as part of the efficiency improvement program. The majority of the personnel reductions were in Chile, Finland, and Australia.

In addition to the EUR 50.3 million saving, EUR 5.0 million cost reduction was achieved through voluntary resignations and retirements (an additional 100 persons).

EUR 45 million program for 2015

On October 30, 2014, Outotec launched a new program targeting approximately EUR 45 million savings (gross) in operating costs during 2015, compared to 2014 full year cost level. The savings are expected to contribute in full to 2015 profitability. The estimated one-time costs from the program for 2014 and 2015 will be at maximum EUR 40 million. In 2014, a total of EUR 21.0 million of one-time costs were booked related to this program. The costs were mainly related to personnel lay-offs and termination of property leases. Up to 400 full time equivalent employees or contractors are expected to be reduced as part of the program. By the end of 2014, 179 employment contracts have been terminated as part of the program.

The planned profitability enhancement measures include the restructuring of Outotec's operations in sales, delivery and global functions, as well as integrating offices. To streamline the way of operating and improve efficiency, Outotec plans to consolidate engineering work into engineering hubs, consolidate project implementation capabilities into fewer locations, consolidate purchasing into supply hubs, as well as establish service centers and resource pools for administrative functions.

The measures include redundancies, early retirements, and discontinuing fixed-term agreements. In addition, temporary lay-offs may be used to achieve the targeted savings, depending on capacity utilization.

Since September 2013, Outotec has reduced in total 749 persons (482 from Capex business and shared functions, and 267 in services) as a result of the two cost efficiency programs. At the same time, 342 persons have been recruited, mainly to services, resulting to a total headcount decrease of 407.

The EUR 45 million savings program did not impact 2014 fixed costs. The full impact of the savings program will materialize during 2015.

CORPORATE STRUCTURE

On July 28, 2014, Outotec announced that it had purchased the assets of KALOGEO Anlagenbau GmbH in Leobersdorf, Austria. KALOGEO has provided solutions for biomass, sludge and waste water treatment and designed, built, and operated several mid-size thermal sludge treatment plants based on fluidized bed technology. Altogether five of KALOGEO's former employees will transfer to Outotec.

In 2014, Outotec opened local entities and service centers in Denver, USA, the Philippines, Turkey, Morocco, and New Caledonia.

On April 7, 2014, Outotec announced that it had acquired the business and IPRs of Republic Alternative Technologies Inc., a premium coated titanium anode engineering and fabrication company based in Cleveland, Ohio, USA. The acquisition price was not disclosed. Republic Alternative Technologies has 18 employees and its sales in 2013 were approximately EUR 9 million. The transaction was completed on April 4, 2014.

PPA amortizations from completed acquisitions were EUR 8.4 million in 2014. PPA amortizations in 2015 from completed acquisitions are expected to be EUR 8.2 million.

RESEARCH AND TECHNOLOGY DEVELOPMENT

In 2014, Outotec's research and technology development expenses totaled EUR 37.3 (48.7) million, a decrease of 23% from the previous year and representing 2.7 (2.6)% of sales. Outotec filed 62 (101) new priority applications, and 370 (419) new national patents were granted. At the end of 2014, Outotec had 749 (702) patent families, including a total of 6,769 (6,147) national patents or patent applications. According to the Finnish Patent and Registration Office, of the domestic companies Outotec had the highest number (55) of patent applications in Finland in 2014.

On May 14, 2014, Outotec agreed on the delivery of a complete filtration plant for Alumina do Norte do Brasil S.A.'s new red mud dry storage process at their alumina refinery in Brazil. The red mud dry storage solution, based on Outotec's filter plant concept, is environmentally the most sustainable and safe solution for red mud disposal. Red mud is caustic residual material from the bauxite refining process to produce alumina. Additional benefits will be achieved by a reduced storage area, resulting in a longer lifetime of the disposal area, as well as by maximized water and caustic recovery for reuse in the refining process. This new concept is an important reference also for other alumina refineries.

On April 7, 2014, Outotec announced that it had agreed on cooperation with Tomra Sorting GmbH in the supply of Outotec-branded sorting solutions for the mining and metallurgical industry. Sorting is used to separate ore from waste rock at mine sites in order to increase throughput and reduce energy consumption and the amount of process water in concentrator processing.

On April 4, 2014, Outotec completed the acquisition of the business and IPRs of Republic Alternative Technologies Inc., a premium coated titanium anode engineering and fabrication company based in Cleveland, Ohio, USA. Republic Alternative Technologies is the world's first producer of innovative mixed metal oxide-coated titanium anodes, which are used as an alternative to conventional lead anodes in electrowinning operations to produce copper, zinc, and other metals. Thanks to low cell voltage, these coated titanium anodes consume less energy than conventional lead anodes. They are currently used in industrial copper electrowinning plants in Arizona, New Mexico, and South America.

Product launches

On December 17, 2014, Outotec launched a new environmentally-sustainable and resource-efficient solution for copper refining – the Outotec Copper Chloride Leaching Process. This new chloride-based process maximizes mine lifetime and profitability through flexible and efficient operations. This highly flexible process can accept a wide variety of raw material feeds, including both primary and secondary sulfidic sources. In addition to excellent copper recovery, the process boasts outstanding precious metals recovery and low waste volumes.

On October 15, 2014 Outotec launched the latest addition to its leading flotation portfolio; The Outotec TankCell® e630. With an effective volume of 630 m^3 as standard, and volumes of close to 700 m3 achievable depending on the chosen configuration, it is the largest flotation cell in the world. The TankCell e630 outperforms its predecessors and smaller cells in terms of energy efficiency while enabling a significant increase in production capacity.

On October 6, 2014, Outotec launched a Gypsum Removal Plant Unit, which is a complete solution for controlled gypsum removal when treating calcium-saturated raw materials. Gypsum is removed by cooling the solution and precipitating the gypsum into particles suitable for thickening. This minimizes the common problem of gypsum scaling in process pipes and other equipment downstream. Controlled gypsum removal decreases maintenance costs and improves the quality of the end-product.

On August 27, 2014, Outotec announced the launch of a major update to HSC Chemistry software. HSC 8.0 – the latest version of the world's most popular thermodynamic calculation software with more than 20,000 user licenses.

On June 25, 2014, Outotec launched a Nickel Matte Chloride Leaching process which can be used for treating a wide variety of raw material feeds. Besides the nickel matte, it can easily be modified to treat different nickel-containing concentrates and intermediates. At the heart of the process is the regeneration of ammonia and hydrochloric acid, which decreases operational expenses while simultaneously providing excellent metal recovery.

On January 30, 2014, Outotec announced the delivery of the first Outotec TankCell® e500 to First Quantum Minerals' Kevitsa operation in Finland. Outotec TankCell® e500 is one of the world's largest flotation cells based on the highly-reputated technologies with an effective volume of over 500 m^3.

SUSTAINABILITY

Outotec's approach to sustainability is defined in the company's mission, strategy, values, code of conduct, and management system documents. Outotec's most significant impact on sustainability occurs indirectly through its customers' more resource-efficient operations. "Sustainable use of Earth's natural resources" is the mission the company works towards achieving, in cooperation with 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 September 11, 2014, Outotec was selected for the second consecutive year to the Dow Jones Sustainability Europe Index for 2014–2015.

On May 12, 2014, Outotec announced that it had agreed on a partnership with World Wide Fund for Nature (WWF) Finland focusing on promoting the green economy and the sustainable use of natural resources. As a part of the partnership Outotec and WWF organized a high-level national seminar on green economy and the implications of WWF's Living Planet Report 2014 on November 25, 2014 in Helsinki. The partnership was made for three years and the forms of future collaboration will be developed, based on the experiences gained throughout the program.

On March 26, 2014, Outotec published its annual sustainability report, which describes the company's approach to sustainability, performance and achievements during the year as well as future targets. Key achievements in 2013 include the 'One Outotec' globally-integrated QEHS management certification, calculating the carbon footprint of the supply chain, significantly increased health and safety training for employees and subcontractors, new ambitious long-term target set for people development and the larger positive effect (5.4 million tonnes CO_2-e emissions avoided) from using Outotec's metals-related technologies. The report conforms to GRI Application Level B+ and is third-party assured by Ecobio Ltd. For the third consecutive year, Outotec's sustainability report received Readers' Choice award, this year by Investors, in the competition evaluating 138 corporate responsibility reports of Finnish companies.

On January 22, 2014, Outotec announced that it was ranked 3rd in The Global 100 list of the world's most sustainable companies by Corporate Knights. This was the second consecutive year Outotec was included in the index (12th in 2013).

PERSONNEL

At the end of 2014, Outotec had a total 4,571 (4,855) employees of whom 1,507 (1,500) were service-related employees. The total reduction, including the impact from both savings programs, was 284 persons. Reductions were made mainly in Capex business and shared functions. Acquisitions increased headcount by 23. The majority of the personnel reductions were in Chile, Finland, Germany, and Australia. Outotec had on average 4,845 (4,927) employees. Temporary personnel accounted for 8 (8)% of the total personnel. At the end of 2014, the company had, in addition to its own personnel, 454 (495) full-time equivalent, contracted professionals working mainly 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.

Since September 2013, Outotec has reduced total 749 persons (482 from capex business and shared functions and 267 in services) as a result of the two cost efficiency programs. At the same time 342 persons have been recruited, mainly to services, resulting to a total headcount decrease of 407.

In 2014, salaries and other employee benefits totaled EUR 362.8 (385.8) million, a decrease of 6% from the comparison period.

Personnel by region

	December 31, 2014	December 31, 2013	**Change**
EMEA (including CIS)	**2,627**	2,891	**-264**
Americas	**1,214**	1,144	**70**
APAC	**730**	820	**-90**
Total	**4,571**	4,855	**-284**

CHANGES IN TOP MANAGEMENT

On October 1, 2014, Adel Hattab, M.Sc. (Eng), MBA was appointed as the Executive Vice President and President of EMEA region. He will be a member of Outotec's Executive Board. Dr Peter Weber, who has been responsible for Outotec's EMEA region, left the company on September 30, 2014.

On January 10, 2014, Outotec announced the appointment of Mr. Kimmo Kontola to succeed Jari Rosendal as President of Outotec's Americas region as of March 1, 2014. In addition, Mr. Stuart Sneyd was appointed as Executive Vice President, President of the APAC region, as well as a new member of Outotec's Executive Board as of March 1, 2014.

On January 7, 2014, Outotec announced that Mr. Jari Rosendal, Executive Vice President and President of Outotec's Americas region will leave Outotec on April 30, 2014 to become CEO of Kemira Oyj.

RESOLUTIONS OF THE 2014 ANNUAL GENERAL MEETING

Outotec Oyj's Annual General Meeting (AGM) was held on March 31, 2014, 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 2013.

Dividend

The AGM decided that a dividend of EUR 0.20 per share be paid for the financial year ended on December 31, 2013. The dividend EUR 36.6 (54.9) million was paid on April 17, 2014.

The Board of Directors

The AGM decided that the number of the Board members, including Chairman and Vice Chairman, shall be eight (8). Mr. Matti Alahuhta, Ms. Eija Ailasmaa, Mr. Tapani Järvinen, Ms. Anja Korhonen, Mr. Hannu Linnoinen, Mr. Timo Ritakallio and Mr. Poju Zabludowicz were re-elected as members of the Board of Directors, and Mr. Björn Rosengren was elected as a new member of the Board, for the term expiring at the end of the next AGM. The AGM elected Mr. 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 the other members of the Board of Directors each, as well as an additional EUR 12,000 for both the Vice Chairman of the Board, and the Chairman of the Audit and Risk Committee; and that the members of the Board each be paid EUR 600 for attendance at each Board and committee meeting, as well as be reimbursed for the direct costs arising from Board work.

Of the annual remuneration, 60% would be paid in cash and 40% in Outotec Oyj shares, which were acquired from the stock exchange within one week from the date of the AGM, in amounts corresponding to EUR 28,800 for the Chairman, EUR 19,200 for the Vice Chairman of the Board and the Chairman of the Audit and Risk Committee each, and EUR 14,400 for each of the other members of the Board of Directors. The part of the annual fee payable in cash corresponds to the approximate sum necessary for the payment of the income taxes on the annual remuneration and would be paid no later than on April 30, 2014. The annual fees shall encompass the full term of office of the Board of Directors. The attendance fee shall be paid in cash.

Auditors

Public Accountants PricewaterhouseCoopers Oy was re-elected as the company's auditor. The auditor will be paid remuneration against the auditor's reasonable invoice approved by the company.

Board's authorizations

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

- Maximum number of the company's own shares to be repurchased is 18,312,149 (corresponds to approximately 10% of all the current shares of the company).
- Own shares may be repurchased on the basis of this authorization only by using unrestricted equity.
- Own shares can be repurchased at a price formed in public trading on the date of the repurchase or otherwise at a price formed on the market.

- Own shares may be repurchased otherwise than in proportion to the shares held by the shareholders (directed repurchase).
- The authorization is effective until the closing of the next AGM.

As of February 6, 2015, the Board has not executed this authorization.

The AGM authorized the Board of Directors to decide on the issuance of shares and the issuance of special rights entitling to shares referred to in Chapter 10, Section 1 of the Companies Act as follows:

- The maximum number of shares to be issued is 18,312,149 shares (corresponds to approximately 10 percent of all the current shares of the company).
- The Board of Directors is entitled to decide on the terms of the issuance of shares and of special rights entitling to shares and it is entitled to deviate from the shareholders' pre-emptive subscription rights (directed issue).
- The authorization applies to both the issuance of new shares and the distribution of own shares held by the company.
- The authorization is effective until the closing of the next AGM.

On April 29, 2014, Outotec announced that the Board of Directors has used this authorization and decided on issuance of a total maximum number of 19,027 shares held by the company for payment of the reward of the Share-based Incentive Program 2013–2015 from the 2013 earning period.

The AGM further authorized the Board of Directors to decide on donations in the aggregate amount of EUR 100,000 to universities, institutions of higher education, or other non-profit purposes. In accordance with the authorization, a total of EUR 100,000 has been donated to various causes in 2014. The biggest donations were 50,000 euros to WWF Finland to promote green economy in Finland and 20,000 euros to UNICEF to fight Ebola.

Amendment of Articles of Association

The AGM decided to amend the Articles of Association so that the maximum number of members of the Board of Directors is 10, and that in addition to the Chairman of the Board of Directors, the AGM shall elect the Vice Chairman of the Board of Directors.

Amendment of the Charter of the Nomination Board

The AGM decided to amend the Charter of the Nomination Board so that the Nomination Board shall submit its proposals to the Board of Directors at the latest on January 31, preceding the AGM.

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 Poju Zabludowicz 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.

MEMBERS OF THE SHAREHOLDERS' NOMINATION BOARD

On October 2, 2014, Outotec Oyj's three largest shareholders on October 1, 2014 and the Chairman of the Board of Directors nominated the following persons as members of the Nomination Board of Outotec: Kari A.J. Järvinen (Solidium Oy), Harri Sailas (Ilmarinen Mutual Pension Insurance Company), Poju Zabludowicz (Tamares Nordic Investments B.V.), and Matti Alahuhta, Chairman of the Board of Directors.

The Nomination Board's proposals were announced on January 13, 2015.

LEGAL DISPUTES

No new legal disputes were started in Q4 2014.

Outotec has the following legal disputes ongoing:

Yanggu Xiangguang Copper Co., Ltd, China, a dispute regarding license agreements in the Flash Smelting and Flash Converting technologies (April 2, 2014).

MMX Sudeste Mineração S.A., Brazil, a dispute regarding the delivery of 17 filters (December 27, 2013).

Sarda Energy and Minerals Ltd, India, a dispute regarding a filter delivery (September 27, 2013.)

Outokumpu Oyj, Finland, a patent dispute regarding a new invention in ferroalloys technology (January 24, 2013).

Outotec's management estimates that the outcome of the disputes will not have material effect on Outotec's financial position.

SHARES AND SHARE CAPITAL

Outotec's shares are listed on the Nasdaq Helsinki (OTE1V). At the end of 2014, 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.

CHANGES IN SHAREHOLDINGS

On October 30, 2014, Outotec announced that it had received notice from Varma Mutual Pension Insurance Company that its holdings in shares of Outotec Oyj (OTE1V) on October 30, 2014 has exceeded 5% and were 9,828,363 shares, which represents 5.37% of the share capital and votes in the company.

On April 16, 2014, Outotec announced that it had received notice from Franklin Templeton Investment Management Limited that its Franklin Templeton Investment Funds' holdings in shares of Outotec Oyj (OTE1V) on April 15, 2014 has exceeded 5% and were 9,548,160 shares, which represents 5.21% of the share capital and votes in the company.

OUTOTEC OYJ OWN SHAREHOLDING

At the end of 2014, the company held directly a total of 2,104,411 Outotec shares, which represents a relative share of 1.15% of Outotec Oyj's shares and votes.

Outotec has an agreement with a third-party service provider concerning the administration and hedging of the Share-based Incentive Program for key personnel. At the end of 2014, the number of these shares was 18,034.

TRADING, MARKET CAPITALIZATION, AND SHAREHOLDERS

Shares on Nasdaq Helsinki January–December 2014	No. of shares traded	Total value EUR	High EUR	Low EUR	Average EUR[1]	Last paid EUR
OTE1V	255,600,000	1,753,936,924	9.28	4.19	6.88	4.39

[1] Volume-weighted average

	December 31, 2014	December 31, 2013
Market capitalization, EUR million	**803**	1,394
No. of shareholders	**32,408**	29,231
Nominee registered shareholders (11), %	**27.9**	33.9
Finnish households, %	**19.0**	16.2

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 in 2013, 2014, and 2015. Each earning period can be from one to three years. The Board of Directors determines on an annual basis the maximum amount of shares to be allocated in each calendar year, the participants in the program, the amount of the maximum reward for each individual, the length of the 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

A total of 37,898 Outotec shares were allocated for the 2013 earning period with a cost of approximately EUR 0.6 million, which is booked for the financial periods 2013–2015.

Earning period 2014

The Board of Directors set targets for earnings per share, order intake, and sales growth compared to key competitors, as well as authorized the CEO to decide on the individuals for the Program's 2014 earning period. At the end of 2014, there were 169 participants with a right to earn a maximum number of 794,500 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 498,072 Outotec shares were allocated for the 2011 earning period with a cost of approximately EUR 9.2 million, which was booked for the financial periods 2011–2013.

Earning period 2012

A total of 490,766 Outotec shares were allocated for the 2012 earning period with a cost of approximately EUR 9.0 million, which was 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 (global participation rate 34%) and continued in 2014 (September 4, 2013, global participation rate 33%) and the Board of Directors decided to continue the plan also in 2015 (October 17, 2014, global participation rate 27%). The following saving periods are subject to a separate Board decision. The total savings of employees have been capped to EUR 7 million in 2013 and EUR 6 million in 2014 and 2015.

OTHER ANNOUNCEMENTS IN Q4

On November 27, 2014, Outotec's Board of Directors revised the company's long-term financial targets to better reflect the current market environment. The new long-term financial targets are:

- Sales growing faster than the market
  - Based on several market institutes' estimates, metals demand is expected to grow on average 3–6% per annum in line with global GDP growth.
- Annual average service sales growth 10–20%
- EBITA margin (excluding one-time costs) 10% in 3–5 years time
- Dividends on average 40% of annual net income
  - Potential mergers and acquisitions may impact the payout of dividends.
- Gearing at maximum 50%

Previous long-term financial targets set in 2010 and 2012 and Outotec's performance

- Annual average sales growth of 10-20% (in 2010-2013, Outotec's average growth rate was 25.4%)
- Service sales EUR 500 million by the end of 2015 (target set in 2010, target was achieved in 2013.
- Service sales EUR 1 billion by the end of 2017 (target set in 2012, in 2010-2013, Outotec's average service sales growth rate was 21.4%)
- Operating profit margin from business operations on average 10% (in 2011-2013, the average of 8.9% was reached)
- Dividend policy at least 40% of annual net income (for years 2011-2013, Outotec has paid 43.9% dividends on average)
- Maintaining strong balance sheet (in 2011-2013, Outotec has been net cash positive)

Reiterating 2020 sustainability targets set in 2012 and 2013

- Share of Environmental Goods and Services in Outotec's order intake permanently over 90% (87% in 2013)
- 50% reduction in fresh water consumption per 1 tonne of ore in non-ferrous metals concentrators delivered by Outotec
- Customers generate 20% less CO_2 emissions through Outotec's metals-related technologies
- 5% improvement in Outotec's employee engagement and performance enablement indices

On October 17, 2014, Outotec announced that the Board of Directors has decided to continue Outotec's Employee Share Savings Plan (announced on September 25, 2012) for the calendar year 2015.

SHORT-TERM RISKS AND UNCERTAINTIES

Outotec operates in markets, such as Russia and the Middle East where the geopolitical situation, sanctions or changes in social, environmental, as well as financial conditions may postpone customers' decisions for new investments and cause delays, suspensions or cancelations of already received orders.

Volatility in commodity prices and currencies as well as availability of financing may prevent customers from investing in new projects or buying services.

Outotec delivers equipment, process solutions, plants and services that are complex in terms of subcontractor performance management and technology, and may involve risks related to health & safety. Especially large turnkey projects may involve liabilities and risks related to time schedule, functionality, quality, and performance of the processing solution. In difficult market environment, risks about disagreement concerning the scope or performance may increase. Disagreements may lead to legal disputes and higher costs, deviations from agreed payment schedule, claiming on-demand bonds, or increase risks related to accounts receivables. Different interpretations of international and local tax regulations may cause additional direct or indirect taxes for Outotec.

Outotec is involved in few arbitral and court proceedings or administrative hearings. Different interpretations of international contracts and laws may cause uncertainty in estimating the final outcome of the disputes. Outotec makes provisions for the amounts related to the claims, when an unfavorable outcome is probable and the amount can be reasonably estimated.

Outotec has made investments in the development of alternative energy technologies. Low energy prices or unclarity about energy producers' subsidies may keep the short-term demand for such technologies subdued.

For more information about Outotec's business risks and risk management, please refer to the Notes to the Financial Statements, as well as company's website at www.outotec.com.

EVENTS AFTER DECEMBER END

On January, 29, 2015, Outotec announced that Franklin Templeton Investment Management Limited's Franklin Templeton Investment Funds' holdings in shares of Outotec Oyj (OTE1V) on January 27, 2015 has fallen below 5% and were 8,862,083 shares, which represents 4.84% of the share capital and votes in the company.

On January 23, 2015 Outotec announced that Edinburgh Partners Limited's (27-31 Melville Street, Edinburgh, Scotland, UK, EH3 7JF) holdings in shares of Outotec Oyj (OTE1V) on January 21, 2015 has exceeded 5% and were 9,231,529 shares, which represents 5.04% of the share capital. Of these shares voting authority applies for 6,303,343 (3.44%).

On January 22, 2015, Outotec announced that it was ranked 12th on the 2015 Global 100 Most Sustainable Corporations in the World (Global 100) Index. This was the third consecutive year Outotec was included in the index (ranking 3rd in 2014).

On January 13, 2015 Outotec's Nomination Board gave its proposal for composition and remuneration of the Board of Directors.

On January 12, 2015, Outotec announced that it has agreed to acquire Kempe Engineering's aluminum smelter technologies, as well as its service and spare parts businesses in the Middle East and Africa. The acquisition is expected to be closed in February 2015. Kempe is an Australian privately-owned company providing technology for aluminum smelters, operation and maintenance services, modernization services and spare parts. The parties have agreed not to disclose the acquisition price. The acquisition will strengthen Outotec's technology and service business in the Middle East and Africa, doubling the installed base and providing new capabilities to expand the service business in the region. A large amount of Kempe's proprietary equipment will complement Outotec's aluminum product portfolio and enable further growth of Outotec's equipment and spare parts business globally.

On January 2, 2015, Outotec announced that it has been awarded a contract to supply gas cleaning technology for Votorantim Metais to the Cajamarquilla zinc refinery in Peru. The value of the order is approximately EUR 16 million and it has been booked in Outotec's fourth quarter 2014 order intake. The deliveries are scheduled to take place in 2015-2016.

MARKET OUTLOOK

Based on several market institutes' estimates, metals demand is expected to grow on average three to six percent per annum in line with global GDP growth. This will drive the need for investments to new capacity. However, the capital investments are very cyclical and the current markets are significantly lower than the 2013 peak level.

The market outlook for 2015 is highly uncertain due to volatile metal prices, continued global macroeconomic uncertainty and geopolitical instability. Investments in the mining and metals sector are estimated to be somewhat lower than in 2014. Outotec's market is, however, heterogenous and there is demand for sustainable solutions in specific markets and segments. Our sales funnel is solid with good prospects in several geographies and we expect that investments in base metals, sulfuric acid, and alumina will gradually start to revitalize to compensate for reducing capacity. We expect that investments in the iron ore value chain will continue on a low level.

The service business is expected to continue to develop in line with the industry's production volumes and productivity improvement needs. However, the customers' need to reduce operational spending is expected to cause continued pressure on pricing and postponements in periodic maintenance activities.

The outlook for industrial water treatment solutions continues solid, as the mining and metals industry is the world's second-biggest user of water. The scarcity of water and tightening environmental regulations are increasing operating costs and causing pressures to invest in better water treatment technologies. Also, emission regulations are getting stricter. Outotec has developed environmental technologies to solve these problems.

There is demand for waste-to-energy, renewable and alternative energy solutions in select markets, however, the short-term market outlook is weak due to low fossil energy prices and uncertainties in subsidy regulation.

FINANCIAL GUIDANCE 2015

Based on the 2014 year-end backlog and current operating environment, the management estimates that in 2015:

- Sales will be approximately EUR 1.2-1.4 billion, and
- EBITA (excluding one-time items) will be approximately 5-7%.

BOARD OF DIRECTORS PROPOSAL FOR PROFIT DISTRIBUTION

The Board of Directors of Outotec proposes to the Annual General meeting that a dividend of EUR 0.10 per share be paid from Outotec Oyj's distributable funds for December 31, 2014, and that any remaining distributable funds be allocated to retained earnings. The suggested dividend record date is April 1, 2015, with the dividend to be paid on April 17, 2015. According to the financial statement for December 31, 2014, the parent company distributable funds total EUR 317.1 million. There have been no substantial changes in the financial position of the company after the balance sheet date. According to the Board of Directors, the liquidity of the company is good and the proposed profit sharing will not affect the solvency of the company.

CORPORATE GOVERNANCE STATEMENT

Corporate governance statement has been given as a separate statement and it is available on Outotec's internet pages, www.outotec.com.

Espoo, February 6, 2015

Outotec Oyj

Board of Directors
Matti Alahuhta (chairman)
Timo Ritakallio (Vice chairman)
Eija Ailasmaa
Tapani Järvinen
Anja Korhonen
Hannu Linnoinen
Björn Rosengren
Chaim (Poju) Zabludowicz

Pertti Korhonen, President and CEO

CONSOLIDATED FINANCIAL STATEMENTS, IFRS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR million	Note	**2014**	2013
Sales	3, 5	**1,402.6**	1,911.5
Cost of sales	8	**-1,108.6**	-1,516.1
Gross profit		**294.0**	395.4
Other income	6	**1.6**	17.7
Selling and marketing expenses	8	**-95.6**	-98.2
Administrative expenses	8	**-104.7**	-109.9
Research and development expenses	8	**-37.3**	-48.7
Other expenses	7	**-47.2**	-14.2
Share of results of associated companies	16	**-0.3**	-0.1
Operating profit		**10.4**	141.9
Finance income	11	**6.0**	5.6
Finance expenses	11	**-14.4**	-10.0
Market price gains and losses	11	**-1.8**	-5.4
Net finance income		**-10.2**	-9.7
Profit before income taxes		**0.2**	132.2
Income tax expenses	12	**-0.1**	-40.2
Profit for the period		**0.2**	92.1
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit obligations		**-7.5**	1.0
Income tax relating to items that will not be reclassified to profit or loss		**2.2**	-0.3
Items that may be subsequently reclassified to profit or loss			
Exchange differences on translating foreign operations		**8.7**	-32.7
Cash flow hedges		**-1.6**	-5.0
Available for sale financial assets		**-0.1**	-0.1
Income tax relating to items that may be reclassified to profit or loss		**0.0**	-0.3
Other comprehensive income for the period		**1.8**	-37.4
Total comprehensive income for the period		**1.9**	54.6
Profit for the period attributable to:			
Equity holders of the parent company		**0.2**	92.1
Total comprehensive income for the period attributable to:			
Equity holders of the parent company		**1.9**	54.6
Earnings per share for profit attributable to the equity			
Basic earnings per share, EUR	13	**0.00**	0.51
Diluted earnings per share, EUR		**0.00**	0.51

The Notes on pages 20 to 60 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR million	Note	**December 31, 2014**	December 31, 2013
ASSETS			
Non-current assets			
Intangible assets	14	**350.5**	321.1
Property, plant and equipment	15	**78.1**	78.9
Deferred tax assets	12	**70.5**	52.9
Investments in associated companies	16	**0.4**	0.1
Available-for-sale financial assets [1]	17	**2.2**	0.8
Derivative financial instruments	19	**6.5**	2.4
Trade and other receivables	21		
Interest-bearing [1]		**1.4**	1.8
Non interest-bearing		**2.4**	0.0
Total non-current assets		**512.0**	458.0
Current assets			
Inventories	20	**170.0**	180.2
Derivative financial instruments	19	**6.2**	13.6
Trade and other receivables	21		
Interest-bearing [1]		**0.2**	0.2
Non interest-bearing		**471.8**	554.5
Cash and cash equivalents [1]	22	**281.9**	323.7
Total current assets		**930.1**	1,072.3
TOTAL ASSETS		**1,442.1**	1,530.3

[1] Included in net interest-bearing debt

The Notes on pages 20 to 60 are an integral part of these consolidated financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR million	Note	**December 31, 2014**	December 31, .2013
EQUITY AND LIABILITIES			
Equity attributable to the equity holders of the parent company			
Share capital		**17.2**	17.2
Share premium fund		**20.2**	20.2
Treasury shares		**-18.0**	-18.1
Reserve for invested non-restricted equity		**93.0**	92.7
Other reserves		**-13.1**	-6.2
Retained earnings		**345.8**	279.5
Profit for the period		**0.2**	92.1
		445.3	477.4
Total equity	23	**445.3**	477.4
Non-current liabilities			
Interest-bearing debt [1]	26	**242.6**	208.8
Derivative financial instruments	19	**0.4**	0.1
Deferred tax liabilities	12	**36.7**	44.7
Employee benefits	24	**50.7**	41.1
Provisions	25	**17.4**	21.8
Trade and other payables	27	**10.3**	5.6
Total non-current liabilities		**358.1**	322.1
Current liabilities			
Interest-bearing debt [1]	26	**30.7**	28.7
Derivative financial instruments	19	**8.3**	3.5
Current tax liabilities		**21.5**	38.2
Provisions	25	**48.0**	26.4
Trade and other payables	27	**530.1**	634.1
Total current liabilities		**638.7**	730.8
Total liabilities		**996.9**	1,052.8
TOTAL EQUITY AND LIABILITIES		**1,442.1**	1,530.3

[1] Included in net interest-bearing debt.

The Notes on pages 20 to 60 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

EUR million	Note	2014	2013
Cash flows from operating activities			
Profit for the period		**0.2**	92.1
Adjustments for			
Taxes	12	**0.1**	40.2
Depreciation and amortization	14, 15	**32.6**	36.0
Impairment	14, 15, 21	**10.1**	5.7
Share of results of associated companies	16	**0.3**	0.1
Gains and losses on sale of property, plant and equipment	6, 7	**0.0**	0.0
Interest income	11	**-5.4**	-5.4
Interest expense	11	**9.2**	4.2
Other adjustments		**7.5**	5.9
		54.4	86.7
Change in working capital			
Decrease (+) in trade and other receivables		**82.4**	42.1
Increase (-) and decrease (+) in inventories		**11.5**	-10.6
Decrease (-) in trade and other payables		**-121.8**	-201.2
Increase (+) in provisions		**26.8**	9.5
		-1.2	-160.2
Interest received		**5.6**	4.9
Interest paid		**-8.7**	-2.4
Income tax paid		**-30.3**	-63.1
Net cash from operating activities		**19.9**	-42.1
Cash flows from investing activities			
Acquisition of subsidiaries and business operations	4	**-8.0**	-11.8
Purchases of property, plant and equipment	15	**-18.3**	-23.8
Purchases of intangible assets	14	**-38.9**	-22.3
Proceeds from sale of property, plant and equipment	15	**1.7**	0.8
Change in other non-current receivables		**-1.8**	-0.1
Net cash used in investing activities		**-65.2**	-57.3
Cash flows from financing activities			
Repayments of non-current debt		**-13.7**	-13.8
Borrowings of non-current debt		**45.0**	148.6
Decrease in current debt (-)		**-2.5**	-0.3
Increase in current debt (+)		**6.1**	8.4
Dividends paid		**-36.6**	-54.9
Repayments of finance lease liabilities		**-0.0**	-0.0
Change in other financing activities		**0.4**	-2.0
Net cash used in financing activities		**-1.3**	86.0
Net change in cash and cash equivalents		**-46.6**	-13.3
Cash and cash equivalents at January 1		**323.7**	358.6
Foreign exchange rate effect on cash and cash equivalents		**4.8**	-21.6
Net change in cash and cash equivalents		**-46.6**	-13.3
Cash and cash equivalents at December 31	22	**281.9**	323.7

The Notes on pages 20 to 60 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

		Attributable to the equity holders of the Company									
EUR million	Note	Share capital	Share premium fund	Other reserves	Fair value reserves	Treasury shares	Reserve for invested non-resticted equity	Cumulative translation differences	Retained earnings	Non-controlling interest	Total equity
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
Profit for the period		-	-	-	-	-	-	-	92.1	-	92.1
Other comprehensive income for the period	11	-	-	-	-4.7	-	-	-32.7	-	-	-37.4
Total comprehensive income for the period		-	-	-	-4.7	-	-	-32.7	92.1	-	54.6
Dividends paid	23	-	-	-	-	-	-	-	-54.9	-	-54.9
Dissolution of management incentive plan for Outotec Executive Board [1]	23	-	-	-	-	4.3	1.4	-	-4.5	-1.2	-
Share-based compensation	10	-	-	-	-	3.1	3.6	-	-2.6	-	4.1
Other changes		-	-	-	-	-	-	-	0.9	-	0.9
Equity at December 31, 2013		**17.2**	**20.2**	**0.5**	**-6.7**	**-18.1**	**92.7**	**-8.2**	**379.8**	**-**	**477.4**
Profit for the period		-	-	-	-	-	-	-	0.2	-	0.2
Other comprehensive income for the period	11	-	-	-	-6.9	-	-	8.7	-	-	1.8
Total comprehensive income for the period		-	-	-	-6.9	-	-	8.7	0.2	-	1.9
Dividends paid	23	-	-	-	-	-	-	-	-36.6	-	-36.6
Share-based compensation	10	-	-	-	-	0.1	0.4	-	1.7	-	2.2
Other changes		-	-	-0.0	-	-	-	-	0.4	-	0.4
Equity at December 31, 2014		**17.2**	**20.2**	**0.4**	**-13.6**	**-18.0**	**93.0**	**0.4**	**345.5**	**-**	**445.3**

[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 May 21, 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 Helsinki on May 7, 2013. On December 31, 2013, Outotec Management Oy was merged to Outotec Oyj.

The Notes on pages 20 to 60 are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Outotec Oyj ("the company" or "Parent company") is a Finnish public limited liability company organized under the laws of Finland with its registered office in Espoo. The parent company, Outotec Oyj, has been listed on the Nasdaq Helsinki since 2006.

Outotec is a leading global provider of process solutions, technologies, and services for the mining and metallurgical industries. The company utilizes its extensive experience and advanced process know-how by providing plants, equipment, and services based mainly on proprietary technologies. Outotec works in close partnership with its customers and provides environmentally sound and energy saving solutions.

Outotec and its subsidiaries (collectively "the Group" or "Outotec") operate through two business areas which are also reporting segments: Minerals Processing and Metals, Energy & Water. The service business is reported under the two segments. However, its sales volume, order intake and order backlog are also reported separately.

In 2014, Outotec had 4,571 employees in 27 countries and generated sales of EUR 1,402.6 million. A copy of the financial statements of Outotec is available at the Group's website www.outotec.com.

The Board of Directors has authorized the Consolidated Financial Statements for issue on February 6, 2015. According to Finnish Limited Liability Companies Act the shareholders have right to approve or to reject the Consolidated Financial Statements in the Annual General Meeting held after issuing. The Annual General Meeting also has the right to make the decision to change the Consolidated Financial Statements.

2. ACCOUNTING PRINCIPLES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Basis of preparation

The consolidated financial statements of Outotec have been prepared in compliance with International Financial Reporting Standards (IFRS) as adopted by the European Union by applying the IAS and IFRS standards as well as SIC and IFRIC interpretations in force at December 31, 2014. Notes to the consolidated financial statements have been prepared also in accordance with Finnish accounting Standards and Finnish corporate legislation. The consolidated financial statements are presented in millions of euros and have been prepared on the historical cost basis, unless otherwise stated in the accounting principles or disclosures.

Adoption of new and amended standards

Outotec has applied the following revised or new standards and interpretations since the beginning of 2014:

- IAS 28 – Investments in Associates and Joint Ventures. Amended standard includes requirements for treatment of both associates and joint ventures using equity method along with the new IFRS 11 standard. The standard did not have impact on Outotec's financial statements.

- IAS 32 - Financial instruments: Presentation. These amendments are to the application guidance to the standard and clarify some of the requirements for offsetting financial assets and financial liabilities on the balance sheet. The standard did not have impact on Outotec's financial statements.

- IAS 36 – Impairment of Assets. The amendment specifies disclosure requirements for such cash flow generating entities were impairments have been made. The standard did not have impact on Outotec's financial statements.

- IAS 39 – Financial Instruments: Recognition and Measurement. The amendment handles the application of hedge accounting in circumstances, where the derivative contact is transferred to so called central counter party. The amendment allows hedge accounting to be continued, when certain conditions are met in the transfer situation. The standard did not have impact on Outotec's financial statements.

- IFRS 10 – Consolidated financial statements. The new standard establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. It defines the principle of control and establishes control as the basis for determining which entities are consolidated in the consolidated financial statements. The standard did not have material impact on Outotec's financial statements.

- IFRS 11 – Joint arrangements. The new standard establishes principles for financial reporting by parties to a joint arrangement. It requires a party to a joint arrangement to determine the type of joint arrangement in which it is involved by assessing its rights and obligations arising from the arrangement. There are two types of joint arrangements: a joint operation whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. The standard did not have impact on Outotec's financial statements.

- IFRS 12 – Disclosures of interests in other entities. The new standard applies to entities that have an interest in a subsidiary, a joint arrangement, an associate or an unconsolidated structured entity. The standard requires entity to disclose information that enables users of financial statements to evaluate the nature of, and risks associated with, its interests in other entities and the effects of those interests on its financial position, financial performance and cash flows. The standard did not have material impact on Outotec's financial statements.

The following new standards and interpretations have been published, but they are not effective in 2014, neither has Outotec early adapted them:

- IFRS 9 – Financial Instruments. New standard replaces current standard IAS 39 Financial Instruments: Recognition and measurement. It addresses the classification, measurement and recognition of financial assets and financial liabilities. Based on IFRS 9, financial assets are required to be classified into into three measurement categories: amortized cost, fair value though other comprehensive income or fair value through profit or loss. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. Standard also changes the recognition of impairment losses and the application of hedge accounting. Outotec is assessing the impact of IFRS 9 and intends to fully adopt it in 2018.

- IFRS 15 – Revenue from Contracts with Customers. New standard aims to establish principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. It includes five step instructions to recognition of revenue from contracts with customers and replaces IAS 18 and IAS 11 standards and related interpretations. Outotec is assessing the full impact of IFRS 15 and intends to adopt it in 2017.

Use of estimates

The preparation of the financial statements in accordance with IFRS requires management to make estimates and assumptions that 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, revenue recognition of long-term construction contracts, income taxes, project liabilities pension obligations, and impairment of goodwill. The basis for the estimates is described in more detail in these accounting principles and in connection with the relevant disclosure to the financial statement. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from the estimates used in the financial statements.

Principles of consolidation

The consolidated financial statements include the parent company Outotec Oyj and all subsidiaries where the parent company is in control of the company. The group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has ability to affect those returns through its power over the entity. Disposed subsidiaries are included in the consolidated financial statement until the controlling right is finished and acquired subsidiaries from the date where the Group has gained the control. Associated companies, in which Outotec has significant influence, but not control, over the financial and operating policies, are included in the consolidated financial statements using the equity method. When Outotec's share of losses exceeds the interest in the associated company, the carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred obligations in respect of the associated companies. The interest in an associated company is the carrying amount of the investment under the equity method together with any long-term interest that, in substance, forms part of the investor's net investment in the associated company. The Group's share of the result of the associated companies has been presented as separate item in the statement of comprehensive income. The Group's share of changes in associated companies' other comprehensive income have been booked similarly. Associated companies of the Group have not had other comprehensive income items in the reporting period 2013 or 2014.

Acquired companies are accounted for using the purchase method, according to which the assets, liabilities, and contingent liabilities of the acquired company are measured at fair value at the date of acquisition. Goodwill arising on an acquisition represents the excess of the cost of the acquisition, non-controlling interest and previous ownership at the acquired subsidiary over the fair value of the net identifiable assets, liabilities, and contingent liabilities acquired. The share of the non-controlling interest is recognized at the fair value or value which corresponds with the relative share of the acquired entity's net assets. Subsidiaries acquired during the year are included in the consolidated financial statements from the date of their acquisition and disposed subsidiaries are included up to the date of sale.

The purchase price related to subsidiary acquisitions includes possible assets at the fair value, liabilities of the acquirer for the earlier owners of the company and issued equity shares. Also possible contingent liabilities or assets at the fair value are considered as a part of the payment. Costs related to the acquisition are recognized in profit or loss when incurring or when services are rendered.

All intra-group transactions, receivables, liabilities, and unrealized margins, as well as distribution of profits within the Group, are eliminated in the consolidation. Net profit or loss for the reporting period and comprehensive income items are allocated to the parent company's shareholders and non-controlling interest parties and are presented in the comprehensive income. The share of the non-controlling interest is disclosed separately from the equity belonging to the shareholders of the parent company. The comprehensive income is allocated to the shareholders of the parent company and non-controlling parties even if this concludes to a negative share for the non-controlling interest unless non-controlling interest has no conclusive application to cover the loss exceeding the investment. Changes in subsidiary shares that do not conclude the loss of the control are reported as changes in equity.

In consolidated financial statements translation differences, that arise from translating hedging instruments of net investments in foreign operations, debts, and similar investments, are booked to other comprehensive income and cumulative translation difference is presented in equity. Translation reserve and post acquisition cumulative translation differences from acquired foreign companies are booked to other comprehensive income and presented as a separate item in equity.

Operating segments

An operating segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other operating segments. The operating segments are based on the Group's internal organization and financial reporting structure.

The reportable operating segments according to IFRS 8 are Minerals Processing and Metals, Energy & Water. Outotec's highest operative decision maker (according to IFRS 8) is the President and CEO of the parent company of Outotec Group with the support of the Executive Board. The President and CEO assess the Group's financial position and its development as a whole and based on the two business areas.

Geographical information is based on the three main areas where the Group has activities. The Regions are Americas, EMEA (including Europe, Middle East, Africa and CIS countries) and APAC (including Asia Pacific, China and India).

Foreign currency transactions
Items of each subsidiary included in the consolidated financial statements are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that subsidiary ("the functional currency"). The consolidated financial statements are presented in euros, which is the functional currency of the parent company. Group companies' foreign currency transactions are translated into functional currencies using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into functional currencies at the exchange rates prevailing at the reporting date. Foreign exchange gains and losses resulting from the settlement or translation of monetary interest-bearing assets and liabilities denominated in foreign currencies and related derivatives are recognized in financial income and expenses. Foreign exchange differences arising in respect of other financial instruments are included in operating profit under sales, purchases or other income and expenses. Comprehensive income and cash flows of subsidiaries, whose functional and reporting currencies is not euro, are translated into euros at the average exchange rates during the financial period. Their statements of financial positions are translated at the exchange rates prevailing at the reporting date. The differences between average exchange rates and reporting date rates are entered into equity and the change entered in other comprehensive income.

Revenue recognition
Sales are recognized after the significant risks and rewards that are connected with ownership have been transferred to the buyer, and the Group retains neither a continuing managerial involvement to the degree usually associated with ownership, nor effective control of those goods. Revenues from services are recorded when the service has been performed. Sales are shown net of indirect sales taxes and discounts.

Revenue from long-term construction contracts is recognized based on the stage of completion when the outcome of the project can be reliably measured. The outcome of the project can be measured reliably, when total contract revenues and expenses can be measured reliably and when the progress of the project can be measured reliably and it is probable that the economic benefits associated with the project will flow to the Group. When the outcome of the project cannot be measured reliably, revenue shall be recognized only to the extent of contract costs incurred that is probable that they will be recoverable.

The stage of completion is measured by using the cost-to-cost method under which the percentage of completion is defined as the ratio of costs incurred to total estimated costs. Revenue recognition according to the stage of completion is based on the estimates of anticipated contract revenues and expenses and on the reliable measurement of the project progress. Revenue recognized and result will be adjusted if the estimates of the project outcome change. The cumulative effect of a change in the estimates will be recorded in the financial period in which the change was first time estimated and known.
The expected loss of the project shall be recognized as an expense immediately.

All unfinished projects under the method of the percentage of completion are reviewed and the needed project liabilities are updated. In projects where the stage of completion is close to 100%, liabilities for performance guarantees, warranty period guarantees, possible provisions for project losses, and changes in accruals for project expenses are evaluated and made. Risks related to new commercialized products are also evaluated and quantified, and the necessary accruals are reserved.

License income is recognized on an accrual basis in accordance with the substance of the relevant technology transfer agreement.

Research and development expenses
Research expenses are expensed as they are incurred. Development costs are capitalized when it is probable that a development project will generate future economic benefits, and certain criteria, including commercial and technological feasibility, have been met. Capitalized development expenses comprise mainly materials, supplies, direct labor, and related overhead costs. The carrying value of capitalized development expenses in the statement of financial position represents the cost less accumulated depreciation and any impairment charges. Capitalized development expenses are amortized on a systematic basis over their expected useful live. If the carrying value of capitalized development expenses exceeds the amount of the cash flows expected to be generated by the asset, the difference shall be recognized as an expense immediately.

Operating profit
Operating profit is the net amount that equals to sales less cost of sales, added with other operating income, less selling and marketing, administration and research and development expenses, less other operating expenses and added with the share of the result of the associated companies.

Income tax expenses
The Group income tax expense includes taxes of the Group companies based on taxable profit for the period, together with tax adjustments for previous periods and the change in deferred income taxes. The income tax effects of items recognized directly in equity or in other comprehensive income are similarly recognized. The share of results of associated companies is reported in the statement of comprehensive income as calculated from net profit and thus includes the income tax charge. Deferred income taxes are stated using the liability method, as measured with enacted tax rates, to reflect the net tax effects of all temporary differences between the financial reporting and tax bases of assets and liabilities. The main temporary differences arise from timing differences in revenue recognition, depreciation differences, provisions for operating expenses and other items, project provisions and tax losses carried forward. Deductible temporary differences are recognized as a deferred tax asset to the extent that it is probable that future taxable profits will be available, against which the deductible temporary difference can be utilized.

Non-recurring items
Non-recurring or one-time items are unusual items in the statement of comprehensive income that do not occur regularly and thus are not normal business operations in Outotec. They are one-time expenses or income that the management does not expect to encounter again. Non-recurring items are reported under other operating expenses or income and defined in the Note 8.

Goodwill and other intangible assets
Goodwill arising on an acquisition represents the excess of the cost of the acquisition over the fair value of the net identifiable assets, liabilities, and contingent liabilities acquired. Goodwill is stated at

cost and is not amortized, but tested annually for impairment. In respect of associated companies, the carrying amount of goodwill is included in the carrying amount of the investment.

Other intangible assets include customer relationships, capitalized development expenses, patents, copyrights, licenses, and software. The valuation of intangible assets acquired in a business combination is based on fair value. Development costs or acquisition costs of new software clearly associated with an identifiable product, which will be controlled by the Group and has probable economic benefit exceeding its cost beyond one year, are recognized as an intangible asset and depreciated over the software's expected useful life. Associated costs include staff costs of the development team. An intangible asset is recognized only if it is probable that the future economic benefits that are attributable to the asset will flow to the Group, and the cost of the asset can be measured reliably. All other expenditure is expensed as incurred.

Periods of amortization used for intangible assets are:

Intangible rights	3–20 years
Software	3–10 years

Property, plant and equipment

Property, plant and equipment acquired by Group companies are stated at historical cost, less impairment, except the assets of acquired companies that were stated at their fair values at the date of acquisition. Depreciation is calculated based on the useful lives of the assets. The carrying value of the property, plant and equipment in the statement of financial position represents the cost less accumulated depreciation and any impairment charges.

Depreciation is based on the following expected useful lives:

Buildings	10–20 years
Machinery and equipment	5–20 years
Research and development equipment	3–10 years

Land is not depreciated.

The expected useful lives of non-current assets are reviewed at each reporting date and, where they differ significantly from previous estimates, depreciation periods are changed accordingly. Ordinary repairs and maintenance costs are charged to the statement of comprehensive income during the financial year in which they are incurred. The cost of major renovations is included in the asset's carrying amount when it is probable that the Group will derive future economic benefits in excess of the originally assessed standard of performance of the existing asset. Major renovations are depreciated over the useful lives of the related assets. Gains and losses on sales and disposals are determined by comparing the received proceeds with the carrying amount and are included in operating profit.

Government grants

Government or other grants are recognized as income on a systematic basis over the periods necessary to match them with the related costs, which they are intended to compensate. Investment grants are recognized as revenue on a systematic basis over the useful life of the asset. In the statement of financial position, investment grants are deducted from the value of the asset they relate to.

Impairments

Property, plant and equipment and other non-current assets, including goodwill and intangible assets, are reviewed for potential impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Goodwill and intangible assets which are not yet available for use are tested at least annually. For the purposes of assessing impairment, assets are grouped at the lowest cash generating unit level for which there is separately identifiable, mainly independent, cash inflows and outflows. An impairment loss is the amount by which the carrying amount of the assets exceeds the recoverable amount. The recoverable amount is the asset's value in use. The value in use is determined by reference to discounted future cash flows expected to be generated by the asset. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount. However, the reversal must not result in the adjusted value being higher than the carrying amount that would have been determined if no impairment loss had been recognized in prior years. Impairment losses recognized for goodwill are not reversed.

Leases

Leases of property, plant and equipment, where the Group has substantially all the rewards and risks of ownership, are classified as finance leases. Finance leases are capitalized at the commencement of the lease term at the lower of the fair value of the leased property or the estimated present value of the underlying lease payments. Each lease payment is allocated between the capital liability and finance charges, to achieve a constant interest rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in interest-bearing liabilities with the interest element of the finance charge being recognized in the statement of comprehensive income over the lease period. Property, plant and equipment acquired under finance lease contracts are depreciated over the shorter of the useful life of the asset or lease period. Leases of assets where the lessor retains all the risks and benefits of ownership are classified as operating leases. Payments made under other rental agreements, are expensed on a straight-line basis over the lease periods.

Financial instruments

Financial instruments are classified as loans and receivables, held-to-maturity investments, available-for-sale financial assets, financial liabilities at amortized cost, and financial assets and liabilities at fair value through profit and loss. Equity investments are classified as available-for-sale financial assets. Interest-bearing securities and convertible loan receivables are classified as financial assets at fair value through profit and loss. However, highly liquid marketable securities with maturity not exceeding three months are classified as cash equivalents.

According to the IFRS 7 standard, the company is required to classify available-for-sale financial assets into the following fair value hierarchy levels:

- Level 1 - fair values are measured using quoted prices (unadjusted) in active markets for identical instruments

- Level 2 - fair values are measured using directly or indirectly observable inputs, other than those included in Level 1

- Level 3 - fair values are measured using inputs that are not based on observable market data.

Available-for-sale financial assets, as well as financial assets and liabilities at fair value through profit and loss, are measured at fair value and the valuation is based on quoted rates and market prices and appropriate valuation models. Unlisted equity securities for which fair value cannot be reliably measured are recognized at cost less impairment. The unrealized fair value changes of available-for-sale financial assets are recognized in other comprehensive income and presented in fair value reserve of equity net of taxes. In the event such an asset is disposed of, the accumulated fair value changes are released from equity to financial income and expenses in the statement of comprehensive income. Impairments of available-for-sale financial assets are recognized in the statement of comprehensive income. Purchases and sales of available-for-sale financial assets are recognized at the trade date.

Loans and receivables as well as all financial liabilities, except for derivatives, are recognized at the settlement date and measured at amortized cost using the effective interest rate method. Transaction costs are included in the initially recognized amount. The need for impairment is assessed separately for each loan receivable and when realized it is deducted from the carrying value. The impairment shall be based on evidence that it is probable that the Group will not be able to collect the loan receivable according to initial terms. Financial assets and liabilities at fair value through profit and loss are recognized at the trade date and measured at fair value.

All derivatives, including embedded derivatives, are initially recognized at fair value on the date Outotec has entered into the derivative contract, and are subsequently re-measured at fair value. Determination of fair values is based on quoted market prices and rates, discounting of cash flows, and option valuation models.

Fair values of currency forwards and swaps are determined by discounting the future nominal cash flows with relevant interest rates and then converting the discounted cash flows to the base currency using spot rates. The fair value of currency options is determined by utilizing commonly applied option valuation models.

The majority of Outotec's derivatives are hedging underlying operative transactions although in accordance with the IAS 39 standard they are not classified as hedging instruments as they do not meet the IAS 39 standard criteria for hedge accounting. The fair value changes of these derivatives are recognized in operating profit under other income and expenses. However, if the derivative is assigned to financial items, the fair value changes are recognized in financial income and expenses.

For those projects where cash flow hedge accounting is applied, the effectiveness of the hedge is tested and documented according to IAS 39. The hedge results are recognized in the statement of comprehensive income in the same periods as the project revenue. The hedged cash flows are mainly customer prepayments that are recognized as revenue in the statement of comprehensive income using the percentage of completion method. The respective proportion of the hedge results has been recognized in the statement of comprehensive income as an adjustment to sales, and the remaining part in the other comprehensive income and presented in the cash flow hedge reserve in equity. The amounts in the cash flow hedge reserve also include a respective proportion of the realized result of hedges of customer prepayments that have already taken place but not recognized in statement of comprehensive income.

All recognized fair value changes to equity are net of tax.

Commitments and contingent liabilities

Outotec Oyj has issued commercial guarantees in connection with long-term construction contracts on its own and on behalf of its subsidiaries. Guarantees have been given in order to secure customers' advance payments or counter secure commercial guarantees given by a bank to a customer or financing needs of local subsidiaries. Certain guarantees relate also to other commercial contractual obligations.

Guarantees, pledges, and mortgages have been presented as commitments and contingent liabilities in notes to the consolidated financial statements.

Guarantees issued will be discharged as agreed under the terms of the commercial contract and the contract of guarantee.

Inventories

Inventories are stated at the lower of cost or net realizable value. Cost is determined by the weighted average cost method or FIFO method (first-in, first-out). The cost of finished goods and work in progress comprises raw materials, direct labor, other direct costs, and related production overheads, but excludes borrowing costs. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Trade receivables

Trade receivables are carried at their anticipated realizable value, which is the original invoice amount less an estimated valuation allowance for impairment of these receivables. A valuation allowance for impairment of trade receivables is made when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Trade receivables are classified in compliance with IFRS 7 to loans and receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are included within borrowings in current liabilities in the statement of financial position.

Treasury shares

The purchase of treasury shares with associated transaction costs has been deducted from shareholder's equity in the consolidated financial statements. Accordingly assigning of the treasury shares increases the shareholder's equity with a fair value.

Provisions

Provisions are recognized in the statement of financial position when Outotec has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions can arise from warranty period guarantees or provisions for project losses, restructuring plans, litigation, tax or from environmental plans.

Employee benefits

Pension obligations

Group companies in different countries have various pension plans in accordance with local conditions and practices. The plans are classified as either defined contribution plans or defined benefit plans.

Defined contribution plan is a pension plan under which the group pays fixed contributions into a separate entity the group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognized in the balance sheet in respect of defined benefit pension plans is the present values of the defined benefit obligation at the end of the reporting period less the fair value of the plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past-service costs are recognized immediately in income.

Share-based payments

The fair value of share-based payment is measured on the day on which the share-based payment plan is agreed upon between the counterparties. Since the person is not entitled to receive dividends during the earning period, the dividends expected to be paid have been deducted from the share price of the grant date when measuring the fair value. The component settled in shares will be recognized in shareholders' equity and the payment settled in cash in liabilities. Correspondingly, the fair value of the liability incurred in respect of a cash-settled transaction is re-measured on each reporting date until the reward payment, and the fair value of the liability will thus change in accordance with the Outotec share price.

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 lasted for the calendar year 2013. The second earning period for the calendar year 2014. 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.

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.

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. In September 2013, Outotec's Board of Directors decided to continue the Employee Share Savings Plan for the calendar year 2014 and in October 2014, for the calendar year 2015. The following saving periods are subject to a separate Board decision.

Dividends

The dividend proposed by the Board of Directors is not deducted from distributable equity until approved by the annual General meeting of Shareholders.

Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to the equity holders of the parent company by the outstanding weighted average number of shares during the period, excluding the number of purchased treasury shares. Also shares given based on share-based incentive programs are excluded, if the restriction period is still on going. Diluted earnings per share is calculated by taking into account the diluting effect of empployee share saving plan and share-based incentive programs. In addition to the weighted average number of shares outstanding, the denominator includes the shares earned in the programs. Earned shares have been proportioned to the average market price during the period if they haven't been given out yet.

3. OPERATING SEGMENTS

Outotec's business operations are divided into operating segments. The operating segments are based on the Group's internal organization and financial reporting structure. Outotec's reportable operating segments are: Minerals Processing and Metals, Energy & Water. Outotec's highest operative decision maker (Chief Operating Decision maker according to IFRS 8) is the President and CEO of the parent company of Outotec Group with the support of the Executive Board. The President and CEO assess the Group's financial position and its development as a whole and based on the two operating segments.

Pricing of inter-segment transactions is based on current market prices. Segment assets and liabilities are operative items, which are used in a segment's business operations or which can on a reasonable basis be allocated to the segments. Unallocated items include taxes, financial items, and items which are common for the whole group. Investments consist of additions in intangible and tangible assets, which are used on during more than one financial year.

Minerals Processing

Outotec provides the mining industry with sustainable mineral processing solutions, from pre-feasibility studies to complete plants and life cycle services. Outotec's comprehensive offering makes the efficient and profitable treatment of virtually all ore types possible.

In 2014 , there were no acquisitions to Minerals Processing business area.

Metals, Energy & Water

Outotec provides sustainable solutions for metal processing, renewable energy production and industrial water treatment.

Metals include extensive range of metal processing solutions for processing virtually all types of ores and concentrates to refined metals.

Energy includes innovative solutions for biomass, coal, sludge, agricultural and industrial by-products as well as oil shale and phosphorus recycling from sewage sludge ashes.

Water includes solutions producing water that meets environmental discharge standards, maximize water recycling, and reduce water and energy consumption.

In 2014, Republic Alternative Technologies Inc. and KALOGEO Anlagenbau GmbH were acquired to Metals, Energy & Water business area.

3.1 OPERATING SEGMENTS

2014 EUR million	Metals, Energy & Water	Minerals Processing	Reportable segments total	Unallocated items	Eliminations	Group
External sales	**743.1**	**659.6**	**1,402.6**	**-**	**-**	**1,402.6**
Inter-segment sales	**-**	**-**	**-**	**33.7**	**-33.7**	**-**
Sales	**743.1**	**659.6**	**1,402.6**	**33.7**	**-33.7**	**1,402.6**
Share of results of associated companies	**-0.3**	**-**	**-0.3**	**-**	**-**	**-0.3**
Operating profit	**-18.2**	**45.9**	**27.6**	**-17.4**	**-**	**10.4**
Financial income and expenses	**-**	**-**	**-**	**-**	**-**	**-10.2**
Profit before taxes	**-**	**-**	**-**	**-**	**-**	**0.2**
Income taxes	**-**	**-**	**-**	**-**	**-**	**-0.1**
Net profit for the financial year	**-**	**-**	**-**	**-**	**-**	**0.2**
Depreciation and amortization	**-15.5**	**-16.8**	**-32.3**	**-0.3**	**-**	**-32.6**
Impairments	**-**	**-**	**-**	**-10.1**	**-**	**-10.1**
Non interest-bearing assets	**455.0**	**545.2**	**1,000.2**	**72.4**	**-16.8**	**1,055.8**
Investments in associated companies	**0.4**	**-**	**0.4**	**-**	**-**	**0.4**
Other interest-bearing assets	**-**	**-**	**-**	**-**	**-**	**285.7**
Income tax receivable	**-**	**-**	**-**	**-**	**-**	**29.7**
Deferred tax assets	**-**	**-**	**-**	**-**	**-**	**70.5**
Total assets	**-**	**-**	**-**	**-**	**-**	**1,442.1**
Non interest-bearing liabilities	**368.2**	**265.4**	**633.6**	**31.7**	**0.0**	**665.3**
Interest-bearing liabilities	**-**	**-**	**-**	**-**	**-**	**273.3**
Income tax liabilities	**-**	**-**	**-**	**-**	**-**	**21.5**
Deferred tax liabilities	**-**	**-**	**-**	**-**	**-**	**36.7**
Total liabilities	**-**	**-**	**-**	**-**	**-**	**996.9**
Capital expenditure	**11.9**	**34.2**	**46.1**	**22.5**	**-**	**68.5**

2013 EUR million	Metals, Energy & Water	Minerals Processing	Reportable segments total	Unallocated items	Eliminations	Group
External sales	1,105.2	806.7	1,911.9	-0.3	-	1,911.5
Inter-segment sales	-	-	-	51.5	-51.5	-
Sales	1,105.2	806.7	1,911.9	51.2	-51.5	1,911.5
Share of results of associated companies	-0.1	-	-0.1	-	-	-0.1
Operating profit	79.7	84.2	163.9	-22.0	0.0	141.9
Financial income and expenses	-	-	-	-	-	-9.7
Profit before taxes	-	-	-	-	-	132.2
Income taxes	-	-	-	-	-	-40.2
Net profit for the financial year	-	-	-	-	-	92.1
Depreciation and amortization	-20.3	-13.6	-33.9	-2.1	-	-36.0
Impairments	-	-	-	-5.6	-	-5.6
Non interest-bearing assets	512.7	532.0	1,044.6	80.4	-11.4	1,113.5
Investments in associated companies	0.1	-	0.1	-	-	0.1
Other interest-bearing assets	-	-	-	-	-	326.5
Income tax receivable	-	-	-	-	-	37.3
Deferred tax assets	-	-	-	-	-	52.9
Total assets	-	-	-	-	-	1,530.3
Non interest-bearing liabilities	416.9	297.4	714.3	21.1	-3.0	732.4
Interest-bearing liabilities	-	-	-	-	-	237.5
Income tax liabilities	-	-	-	-	-	38.2
Deferred tax liabilities	-	-	-	-	-	44.7
Total liabilities	-	-	-	-	-	1,052.8
Capital expenditure	6.2	25.2	31.4	21.6	-	53.0

3.2 INFORMATION ABOUT GEOGRAPHICAL AREAS

EUR million	AMER	EMEA	APAC	Inter-area eliminations	Investments in associated companies	**Consolidated**
2014						
Sales by destination [1]	327.0	809.2	266.5	-	-	**1,402.6**
Sales by origin [2]	310.2	1,070.6	292.0	-270.2	-	**1,402.6**
Non-current assets [2]	58.9	284.9	40.3	44.6	0.4	**429.0**
Capital expenditure [2]	4.8	61.3	2.4	-	-	**68.5**
2013						
Sales by destination [1]	508.0	1,038.5	365.0	-	-	1,911.5
Sales by origin [2]	452.2	1,354.9	377.3	-272.8	-	1,911.5
Non-current assets [2]	55.1	258.6	41.1	45.2	0.1	400.1
Capital expenditure [2]	3.9	36.8	12.3	-	-	53.0

[1] Sales by destination is presented for external sales.
[2] Sales, non-current assets and capital expenditure are presented by the location of the company.

3.3 INFORMATION ABOUT MAJOR CUSTOMERS

In 2014 there were no such external customers from which recognized sales would have been over ten percent of Group's total sales. In 2013 sales generated from one customer in the Metals, Energy & Water segment totaled EUR 240.0 million euros, which corresponds approximately 13 percent of the Group's total sales.

4. BUSINESS COMBINATIONS

Acquisitions during 2014

Outotec has acquired the business and IPRs of Republic Alternative Technologies Inc., a premium coated titanium anode engineering and fabrication company based in Cleveland, Ohio, USA. The acquisition was completed in April 2014. Republic Alternative Technologies is the world's first producer of innovative mixed metal oxide coated titanium anodes, which are used as an alternative to conventional lead anodes in electrowinning operations to produce copper, zinc, and other metals. Republic Alternative Technologies has 18 employees and its sales in 2013 were approximately EUR 9 million. The purchase price has been allocated to technologies. The remaining goodwill of approximately EUR 4.0 million is mainly based on the personnel knowhow and synergy benefits.

Outotec has purchased the assets of KALOGEO Anlagenbau GmbH in Leobersdorf, Austria in July 2014. KALOGEO has provided solutions for biomass, sludge and waste water treatment and designed, built, and operated several mid-size thermal sludge treatment plants based on fluidized bed technology. The purchase price has been allocated mainly to technologies.

EUR million	Note	Fair values recorded on acquisition at Dec 31, 2014	Carrying amounts prior to acquisition
Customer contracts and related customer relationships		**0.0**	-
Intangible assets	14	**4.2**	-
Property, plant and equipment	15	**0.2**	0.2
Inventories	20	**0.6**	0.6
Trade and other receivables	21	**0.2**	0.2
Cash and cash equivalents	22	**0.0**	0.0
Total assets		**5.1**	1.0
Deferred tax liabilities	12	**0.7**	-
Trade and other payables	27	**1.0**	1.0
Total liabilities		**1.7**	1.0
Net assets		**3.4**	0.0
Acquisition cost	14	**7.9**	
Exchange differences		**-0.5**	
Goodwill*)		**3.9**	
Acquisition cost paid		**7.2**	
Cash and cash equivalents in subsidiary acquired		**0.0**	
Exchange differences		**0.2**	
Cash flow effect at December 31, 2014		**7.5**	
Earn-out liability December 31, 2014		**0.8**	

Effect of acquired business combinations on Outotec Group's sales and profit for the period in 2014

Outotec's sales for January 1, 2014- December 31, 2014 would have been EUR 1,403.2 million and loss for the period EUR -0.1 million if the acquisition of Republic Alternative Technologies Inc would have been on January 1, 2014.

5. CONSTRUCTION CONTRACTS

EUR million	2014	2013
Revenue from construction contracts recognized as income during the financial year	**819.2**	1,132.7
Incurred costs and profits (less recognized losses) related to work in progress constructions contracts at the end of financial year	**1,809.1**	2,319.7
Advances received related to work in progress construction contracts [1]	**1,533.3**	1,727.4
Gross amount due from customers related to work in progress construction contracts	**172.7**	238.8
Gross amount due to customers related to work in progress construction contracts [2]	**109.5**	163.6

[1] Includes gross advances received related to work in progress construction contracts.
[2] Includes net advances received after percentage of completion revenue recognition.

6. OTHER INCOME

EUR million	2014	2013
Gains on sale of intangible and tangible assets	**0.6**	0.2
Reversal of earn-out liability from acquisitions	**-**	4.1
Market price gains from derivatives	**-**	9.6
Other income	**1.0**	3.8
	1.6	17.7

7. OTHER EXPENSES

EUR million	2014	2013
Losses on disposals of intangible and tangible assets	**-0.3**	-0.3
Impairments of intangible assets and property,plant and equipment	**-11.3**	-5.6
One-time costs related to reorganization of business	**-25.6**	-7.6
Costs related to acquisitions	**-0.7**	-0.3
Market price gains from derivatives	**-8.8**	-
Other expenses	**-0.7**	-0.5
	-47.2	-14.2

8. FUNCTION EXPENSES BY NATURE

EUR million	2014	2013
Merchandise and raw materials	**-516.6**	-851.7
Logistics expenses	**-26.3**	-54.9
Employee benefit expenses	**-362.8**	-385.8
Rents and leases	**-32.7**	-26.1
Depreciation and amortization[1]	**-32.6**	-36.0
Change in inventories	**-31.9**	27.0
Services purchased [2]	**-217.1**	-312.1
Other expenses [3]	**-126.3**	-133.3
	-1,346.3	-1,772.9

[1] Purchase price allocation amortizations related to acquisitions were 8.4 million in 2014 (2013: EUR 13 million).
[2] Services purchased includes audit fees of EUR 0.9 million (2013: EUR 0.9 million) and fees for ancillary services of EUR 0.5 million (2013: EUR 0.6 million) paid to the companies operated by the firm of independent public accountants PWC (2013: to PWC), in different countries.
[3] Includes grants received EUR 2.3 million in 2014 (2013: EUR 2.6 million).

Expenses by function include cost of sales, selling and marketing, administrative as well as research and development expenses.

Other income and expenses comprise following non-recurring items, which have affected financial performance for the period:

Non-recurring items EUR million	2014	2013
One-time costs related to reorganization of business [1] [2]	**-36.6**	-12.8
Impairment of available for sale shares	**-**	-0.4
Costs related to acquisitions [1]	**-0.7**	-0.3
Purchase price adjustment related to acquisitions [1]	**-**	0.9
Reversal of earn-out liability from acquisitions [1]	**-**	4.1

[1] Excluded from operating profit from business operations
[2] Includes impairments related to intangible, tangible and other long-term assets EUR 11.4 million (in 2013: EUR 5.2 million), personnel related restructurings EUR 20.1 million (2013: EUR 2.4 million) and other restructuring related costs EUR 5.1 million (2013: EUR 3.2 million). In segment reporting the one-time related costs related to the restructuring costs related to the restructuring program have been divided to Metals, Energy& Water EUR 12.2 million (2013: EUR 3.2 million), Minerals Processing EUR 13.9 million (2013: EUR 2.1 million) and unallocated items EUR 10.5 million (2013: EUR 7.5 million).

9. EMPLOYEE BENEFIT EXPENSES

EUR million	2014	2013
Wages and salaries	**-297.7**	-314.4
Share-based payments	**-2.5**	-8.2
Termination benefits	**-1.7**	-1.6
Social security costs	**-27.2**	-28.5
Pension and other post-employment benefits		
Defined benefit plans	**-2.5**	-2.5
Defined contribution plans	**-26.6**	-25.9
Other post-employment benefits	**-0.3**	-0.2
Other personnel expenses	**-3.4**	-4.6
	-361.7	-385.8

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 in 2013, 2014, and 2015. Each earning period can be from one to three years. The first earning period was 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, the participants in the program, the amount of the maximum reward for each individual, the length of the 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
A total of 37,898 Outotec shares were allocated for the 2013 earning period with a cost of approximately EUR 0.6 million, which is booked for the financial periods 2013-2015.

Earning period 2014
The Board of Directors set targets for earnings per share, order intake, and sales growth compared to key competitors, as well as authorized the CEO to decide the individuals for the Program's 2014 earning period. At the end of 2014, there were 169 participants with a right to earn a maximum number of 794,500 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 498,072 Outotec shares were allocated for the 2011 earning period with a cost of approximately EUR 9.2 million, which was booked for the financial periods 2011-2013.

Earning period 2012
A total of 490,766 Outotec shares were allocated for the 2012 earning period with a cost of approximately EUR 9.0 million, which was 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 and continued in 2014 (September 4, 2013) and the Board of Directors decided to continue the plan also in 2015 (October 17, 2014). The following saving periods are subject to a separate Board decision. The total savings of employees have been capped to EUR 7 million in 2013 and EUR 6 million in 2014 and 2015. Globally approximately 34% of Outotec employees in 2013 and 33% in 2014 were participating in Employee Share Savings Plan and in 2015, the participation rate is 27%.

For information about key management employee benefits, please see Note 31. Related party transactions.

10. SHARE-BASED PAYMENTS

Share-based payments include share-based incentive program for key personnel and employee share savings plan.

Share-based incentive program
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 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.

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 were allocated over three years.

The reward paid on the basis of the share ownership plan will be paid in the spring of the year following the close of the earning period as a combination of shares and a cash. The cash proportion is intended for covering taxes and tax-related payments. The reward will not be paid if the person's employment ends before the close of the earning period. The person must also hold the earned shares and remain employed for at least two years after the close of the earning period.

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 and continued in 2014 (September 4, 2013) and the Board of Directors decided to continue the plan also in 2015 (October 17, 2014). The following saving periods are subject to a separate Board decision. The total savings of employees have been capped to EUR 7 million in 2013 and EUR 6 million in 2014 and 2015. Globally approximately 34% of Outotec employees in 2013 and 33% in 2014 were participating in Employee Share Savings Plan and in 2015, the participation rate is 27%. The following saving periods are subject to a separate Board decision.

The shares are purchased to employees once per quarter. Outotec gives one free share against each purchased share after three years ownership period for the savings period 2013 and one free share against two purchased share for the savings period 2014. Shares are given to the participants after the three years ownership period has ended. Free shares are granted to the persons if person owns the shares until the end of the vesting period and is employed by the company.

Key characteristics of the share based payments are listed in the table below

Basic data	Employee Share Savings Plan			Share-based Incentive Program 2013-2015		Share-based Incentive Program 2010-2012
December 31, 2014	Savings period 2015	Savings period 2014	Savings period 2013	Earning period 2014	Earning period 2013	Earning period 2012
Grant dates	Dec 10, 2014	Dec 11, 2013	Dec 14, 2012	Jun 12, 2014	May 30, 2013	Mar 28, 2012
				Nov 27, 2014	Oct 22, 2013	Aug 27, 2012
Form of the reward	Equity and cash	Equity and cash	Equity and cash	Equity and cash	Equity and cash	Equity and cash
Target group	Personnel	Personnel	Personnel	Key personnel	Key personnel	Key personnel
Beginning of earning period	Jan 1, 2015	Jan 1, 2014	Jan 1, 2013	Jan 1, 2014	Jan 1, 2013	Jan 1, 2012
End of earning period	May 15, 2018	May 15, 2017	May 15, 2016	Dec 31, 2014	Dec 31, 2013	Dec 31, 2012
Vesting conditions	Share ownership, employment until the end of the ownership period	Share ownership, employment until the end of the ownership period	Share ownership, employment until the end of the ownership period	Net order intake, EPS, sales growth	Net order intake, EPS, sales growth	Net order intake, EPS, sales growth
				Employment until the end of the restriction period	Employment until the end of the restriction period	Employment until the end of the restriction period
End of restriction period	May 15, 2018	May 15, 2017	May 15, 2016	Jan 1, 2017	Jan 1, 2016	Jan 1, 2015
Maximum contractual life, years	3.4	3.4	3.4	2.6	2.6	2.8
Remaining contractual life, years	3.4	2.4	1.4	2.0	1.0	0.0
Number of persons at 31 December 2014	1,186	1,448	1,559	169	164	138

The changes in the amounts of share based payments in the 2014 financial year are presented in the table below. Since the cash component of the share reward is also recognised as a share-based expence, the amounts below are presented in gross terms, i.e. the share reward figures include both the reward paid in shares and a number of shares corresponding to the amount of the reward paid in cash. The number of shares outstanding at the beginning of the period has been adjusted with the effect of the free share issue (split) with the effect of the free share issue (split).

Changes in the 2014 financial year	Savings period 2015	Savings period 2014	Savings period 2013	Earning period 2014	Earning period 2013	Earning period 2012	Total	Weighted remaining contractual life in years
Gross amounts at January 1, 2014*								
Outstanding at the beginning of the period	0	221,926	417,413	0	824,125	1,285,400	**2,748,864**	
Changes during the period								
Share reward granted	312,817	54,301	9,617	2,011,250	0	0	**2,387,985**	
Share reward forfeited	0	93,364	3,023	10,000	745,845	23,394	**875,626**	
Share reward exercised	0	0	0	0	0	915,206	**915,206**	
Share reward expired	0	0	0	0	0	222,289	**222,289**	
Gross amounts at December 31, 2014*								
Outstanding at the end of the period	312,817	182,863	424,007	2,001,250	78,280	124,511	**3,123,728**	2.0
Exercisable at the end of the period	312,817	182,863	424,007	2,001,250	78,280	124,511	**3,123,728**	

* Number of shares include cash-settled payments of the plan (in terms of number of shares). The amount of cash to be paid in conjunction with the plans corresponds to an assumption of the plan terms maximum number, i.e. 1.5 times the value of shares at the time of transfer.

Fair value determination

IFRS 2 requires an entity to measure the shares granted to employees at their fair value at the day at which the share-based payment is agreed upon between the counterparties. Since the person is not entitled to receive dividends during the earning period, the dividends expected to be paid have been deducted from the share price of the grant date when measuring the fair value. Since the share reward is paid as a combination of shares and cash, the measurement of the fair value of the reward consists of two parts under IFRS 2: the component settled in shares and the component settled in cash. The component settled in shares will be recognized in shareholders' equity and the payment settled in cash in liabilities. Correspondingly, the fair value of the liability incurred in respect of a cash-settled transaction is remeasured at each reporting date until the reward payment, and the fair value of the liability will thus change in accordance with the Outotec share price. Inputs to the fair value determination of the rewards expensed during the financial year 2014 are listed in the below table. The total fair value of the rewards is based on the company's estimate on December 31, 2014 as to the number of share to be eventually vesting. The fair value of granted share rewards during the financial year are presented as weighted average values.

Measurement of fair value of the share reward	Granted 2014	Granted 2013	Granted 2012
Share price at the grant date, EUR	6.93	9.93	9.99
Expected dividends, EUR	1.31	0.33	0.21
Fair value per share accounted for as equity-settled reward, EUR	6.79	9.60	9.86
Fair value per share of the cash-settled reward at the settlement date/at the end of the period, EUR	4.39	7.61	10.59
Fair value at Dec 31, 2014, EUR million	2.3	1.8	11.7

Effect on earnings during the period and financial position at Dec 31, 2014

EUR million	2014	Granted 2014	Granted 2013	Granted 2012
Expense recognized for the period from share-based payments	3.5	0.2	0.1	3.1
Expense accounted for as equity-settled share-based payment	2.2	0.1	0.1	2.0
Value of liability for cash-settled share-based payments Dec 31, 2014	1.1	0.1	0.4	0.6

Effect on earnings during the period and financial position at Dec 31, 2013

EUR million	2013	Granted 2013	Granted 2012	Granted 2011
Expense recognized for the period from share-based payments	8.2	0.7	4.4	3.1
Expense accounted for as equity-settled share-based payment	4.1	0.4	2.1	1.6
Value of liability for cash-settled share-based payments Dec 31, 2013	0.8	0.3	0.5	0.0

11. FINANCE INCOME AND EXPENSES

Recognized in profit or loss

EUR million	2014	2013
Interest income on bank deposits and commercial papers	**3.5**	4.5
Interest income on loans and receivables	**0.4**	0.4
Interest income on derivatives	**1.5**	0.5
Other finance income	**0.6**	0.2
Total finance income	**6.0**	5.6
Interest expenses		
Financial liabilities measured at amortized cost		
Current and non-current debt	**-8.8**	-3.9
Finance lease arrangements	**-**	-0.0
Financial liabilities at fair value through profit or loss		
Derivatives	**-0.5**	-0.3
Other finance expenses	**-5.1**	-5.8
Total finance expenses	**-14.4**	-10.0
Exchange gains and losses	**-1.8**	-5.1
Fair value changes from interest rate derivatives	**4.2**	2.0
Change in fair value revaluation reserve	**0.5**	-0.2
Other fair value changes	**-4.7**	-2.0
Other market price gains and losses	**0.0**	-0.1
Total market price gains and losses	**-1.8**	-5.4
Total finance income and expenses	**-10.2**	-9.7

Exchange gains and losses recognized in profit or loss

EUR million	2014	2013
In sales	**-4.8**	15.5
In purchases	**-1.7**	-9.4
In other income and expenses	**-8.8**	9.6
In finance income and expenses	**-1.8**	-5.1
	-17.1	10.5

Recognized in other comprehensive income

EUR million	2014	2013
Exchange differences on translating foreign operations	**8.7**	-32.7
Cash flow hedges	**-1.6**	-5.0
Income tax related to cash flow hedges	**-0.1**	-0.3
Available for sale financial assets	**0.0**	-0.1
	7.0	-38.1

12. INCOME TAX EXPENSES

Income tax expenses recognized in profit or loss

EUR million	2014	2013
Current taxes		
Accrued taxes for the year		
Finnish companies	**-4.0**	-11.3
Companies outside Finland	**-10.7**	-24.3
Tax adjustments for prior years		
Finnish companies	**0.0**	-0.1
Companies outside Finland	**-6.5**	-11.1
	-21.2	-46.8
Deferred taxes		
Deferred taxes		
Finnish companies	**5.1**	2.7
Companies outside Finland	**14.3**	-3.7
Effect of consolidation and eliminations	**1.7**	7.5
	21.1	6.6
Total income tax expenses	**-0.1**	-40.2

Income taxes recognized in other comprehensive income

EUR million	2014	2013
Income tax related to cash flow hedges	**0.0**	-0.3
Income tax related to available for sale investment	**2.2**	-0.3

The difference between income taxes at the statutory tax rate in Finland (20.0% in 2014 and 24.5% in 2013) and income taxes recognized in the combined income statement is reconciled as follows:

EUR million	**2014**	2013
Hypothetical income taxes at Finnish tax rate on consolidated profit before tax	**0.0**	-32.4
Effect of different tax rates outside Finland	**-0.2**	-4.2
Non-credited foreign withholding taxes	**-1.2**	-1.6
Tax effect of non-deductible expenses and tax exempt income	**2.4**	1.6
Tax effect of losses and temporary differences for which no deferred tax asset is recognized	**-0.9**	-0.9
Previous year losses for which deferred tax asset is recognized	**0.1**	–
Utilization of tax losses for which no deferred tax asset was recognized	**0.3**	0.5
Effect of consolidation and eliminations	**-1.3**	0.0
Taxes for prior years	**-6.5**	-11.2
Adjustments to prior years' deferred taxes	**7.0**	11.7
Effect of enacted change in future tax rates	**0.2**	-3.5
Share-based payment plan tax deduction in excess of IFRS cost	**-0.2**	-0.3
Other items	**0.1**	0.2
Income taxes recognized in profit or loss	**-0.1**	-40.2

Deferred taxes in consolidated statement of financial position

EUR million	**2014**	2013
Deferred tax assets	**70.5**	52.9
Deferred tax liabilities	**36.7**	44.7
	33.8	8.2

Deferred taxes have been reported as a net balance of those companies that file a consolidated tax return or that may otherwise be consolidated for current tax purposes.

Changes in deferred tax assets and liabilities during the financial year 2014

EUR million	January 1	Recognized in profit or loss	Recognized in other comprehensive income	Acquired subsidiaries	Translation differences	December 31
Deferred tax assets						
Tax losses carried forward	2.4	7.9	-	-	1.0	11.3
Timing difference in revenue recognition	3.7	2.2	-	-	0.6	6.5
Pension provisions	0.3	1.5	-	-	-	1.8
Depreciation difference	16.3	0.5	-	-	-	16.8
Project provisions	11.2	0.4	-	-	0.2	11.8
Effects of consolidation and eliminations	3.9	1.3	-	-	-	5.1
Valuation loss on assets and derivative instruments	3.9	0.0	2.0	-	0.0	6.0
Provisions for operating expenses and other items	13.3	-1.0	-	-	0.4	12.7
Purchase price allocation	0.1	0.1	-	-	-	0.2
Netting of deferred tax	-2.2	0.4	-	-	-	-1.8
	52.9	13.3	2.0	-	2.2	70.5
Deferred tax liabilities						
Timing difference in revenue recognition	18.1	0.0	-	-	0.0	18.1
Depreciation difference	5.0	0.8	-	-	-	5.8
Other untaxed reserves	1.1	-0.3	-	-	-	0.8
Purchase price allocation	10.9	-1.0	-	-	-	9.9
Valuation gain on assets and derivative instruments	0.2	0.0	-0.2	-	-	0.0
Other temporary differences	11.7	-7.8	-	-	-	3.9
Netting of deferred tax	-2.2	0.4	-	-	-	-1.8
	44.7	-7.8	-0.2	-	0.0	36.7
Net deferred tax asset	**8.2**	**21.1**	**2.2**	**-**	**2.2**	**33.8**

Changes in deferred tax assets and liabilities during the financial year 2013

EUR million	January 1	Recognized in profit or loss	Recognized in other comprehensive income	Acquired subsidiaries	Translation differences	December 31
Deferred tax assets						
Tax losses carried forward	1.0	1.5	-	-	-	2.4
Timing difference in revenue recognition	22.2	-17.6	-	-	-0.9	3.7
Pension provisions	0.2	0.1	-	-	-	0.3
Depreciation difference	2.9	13.4	-	-	-	16.3
Project provisions	19.0	-6.9	-	-	-0.8	11.2
Effects of consolidation and eliminations	3.6	0.2	-	-	-	3.9
Valuation losses	4.5[1]	-	-0.6	-	-	3.9
Provisions for operating expenses and other items	14.0	-0.1	-	-	-0.5	13.3
Purchase price allocation	0.1	0.0	-	-	-	0.1
Netting of deferred tax	-10.3	8.1	-	-	-	-2.2
	57.1	-1.3	-0.6	-	-2.2	52.9
Deferred tax liabilities						
Timing difference in revenue recognition	37.8	-20.0	-	-	0.3	18.1
Depreciation difference	4.5	0.5	-	-	-	5.0
Other untaxed reserves	1.5	-0.4	-	-	-	1.1
Purchase price allocation	11.6	-1.3	-	0.7	-	10.9
Valuation gain on assets and derivative instruments	0.1	-	0.0	-	-	0.2
Other temporary differences	6.3	5.3	-	-	-	11.7
Netting of deferred tax	-10.3	8.1	-	-	-	-2.2
	51.6	-7.9	0.0	0.7	0.3	44.7
Net deferred tax asset	5.5	6.6	-0.7	-0.7	-2.6	8.2

[1] Includes restatement in accordance with revised IAS 19

Deferred tax assets of EUR 14.3 million (2013: EUR 10.8 million (previously reported EUR 9.6 million)) have not been recognized in the consolidated financial statements as the realization of the tax benefit included in these assets is not probable. Majority of these unrecognized deferred tax assets relate to tax losses and tax credits amounting to EUR 33.3 million (2013: EUR 28.8 million), of which EUR 3.0 million will expire within five years and EUR 30.4 million after five years.

The consolidated balance sheet includes net deferred tax assets of EUR 14.9 million (2013: EUR 11.6 million) in subsidiaries, which have generated losses in current or in prior year. The recognition of the assets is based on result estimates, which indicate that the realization of these deferred tax assets is probable.

Deferred tax liability on the undistributed earnings of subsidiaries, to the extent that the decision to distribute has not already been made, has not been recognized on the consolidated balance sheet as distribution of the earnings is in the control of Outotec and such distribution is not probable within foreseeable future. The amount of such undistributed earnings in subsidiaries, which may attract withholding or other tax consequenses upon distribution, was at the end of the year 2014 EUR 211.0 million (2013: EUR 206.7 million).

13. EARNINGS PER SHARE

	2014	2013
Profit attributable to the equity holders of the parent company, EUR million	**0.2**	92.1
Weighted average number of shares, in thousands	**180,469**	180,828
Weighted average number of shares, dilution adjusted, in thousands	**181,549**	180,929
Earnings per share for profit attributable to the equity holders of the parent company:		
Basic earnings per share, EUR	**0.00**	0.51
Diluted earnings per share, EUR	**0.00**	0.51

Basic earnings per share are calculated by dividing the net profit attributable to equity holders of the parent company by the weighted average number of shares outstanding. Diluted earnings per share is calculated by adjusting the weighted average number of shares by the effect of diluting shares of employee share saving plan and share-based incentive programs.

14. INTANGIBLE ASSETS

EUR million	Intangible asset, internally generated [1]	Intangible asset, acquired [2, 3]	Goodwill	Advances paid and construction work in progress	Total
Historical cost at January 1, 2014	1.2	185.9	197.6	16.5	401.2
Translation differences	-0.0	4.0	0.5	-	4.5
Additions	-	25.5	-	17.5	43.0
Disposals	-	-0.5	-	-0.0	-0.5
Acquired subsidiaries	-	-	7.5	-	7.5
Reclassifications	-0.4	10.1	-	-14.4	-4.7
Impairment during the period	-	-11.7	-	-	-11.7
Historical cost at December 31, 2014	**0.7**	**213.3**	**205.6**	**19.6**	**439.3**
Accumulated amortization and impairment at January 1, 2014	-1.2	-77.4	-1.3	-	-80.0
Translation differences	0.0	-1.3	-0.0	-	-1.3
Disposals	-	0.3	-	-	0.3
Reclassifications	0.4	9.6	-	-	10.0
Amortization during the period	-	-19.4	-	-	-19.4
Impairment during the period	-	1.6	-	-	1.6
Accumulated amortization and impairment at December 31, 2014	**-0.7**	**-86.5**	**-1.3**	**-**	**-88.8**
Carrying value at December 31, 2014	**-**	**126.8**	**204.1**	**19.6**	**350.5**
Historical cost at January 1, 2013	3.7	194.6	203.5	11.3	413.1
Translation differences	-0.1	-6.0	-13.0	-	-19.1
Additions	-	13.5	-	8.8	22.3
Disposals	-2.1	-0.4	-	-	-2.5
Acquired subsidiaries	0.3	2.4	7.2	-	9.9
Reclassifications	-0.6	-12.1	-	-3.6	-16.3
Impairment during the perdiod	-	-6.1	-	-	-6.1
Historical cost at December 31, 2013	1.2	185.9	197.6	16.5	401.2
Accumulated amortization and impairment at January 1, 2013	-1.5	-75.2	-1.5	-	-78.2
Translation differences	0.0	1.6	0.2	-	1.8
Disposals	0.1	0.1	-	-	0.2
Reclassifications	0.1	16.1	-	-	16.3
Amortization during the period	-0.0	-22.1	-	-	-22.1
Impairment during the period	-	2.1	-	-	2.1
Accumulated amortization and impairment at December 31, 2013	-1.2	-77.4	-1.3	-	-80.0
Carrying value at December 31, 2013	-	108.4	196.2	16.5	321.1

[1] There were no internally generated assets in the end of 2014 and 2013.
[2] Of which carrying value of patents amounted to EUR 18.8 million (2013: EUR 16.7 million), licenses EUR 6.9 million (2013: EUR 6.5 million), IT software EUR 37.3 million (2013 EUR 18.2 million) and other acquired intangible assets EUR 63.8 million (2013: EUR 67.0 million) including purchase price fair valuation EUR 43.8 million (2013: EUR 45.5 million).
[3] Does not include received grants in 2014 (2013: EUR 0.0 million).

Amortization by function

EUR million	2014	2013
Cost of sales	**-2.7**	-7.1
Selling and marketing expenses	**-2.1**	-2.4
Administrative expenses	**-5.8**	-6.6
Research and development expenses	**-8.5**	-6.7
	-19.1	-22.7

Impairments on intangible assets during the financial year

The Group has recorded writedowns of EUR 10.0 million from intangible assets (2013: EUR 3.9 million). Writedowns were related to IT software (2013: EUR 3.6 million). Based on the operating structure and related restructuring measures publisded in October 2013, IT systems have been reassessed and systems that could not been used in the business operations of the current organisational structure, have been written down. The impairments have been recorded under other expenses in the Statement of Comprehensive income.

Impairment testing of goodwill

Goodwill is allocated to the Group's cash-generating units (CGUs) which is the lowest level of assets for which there are separately identifiable cash flows. In 2014 the testing was performed on Business Area level, which is the cash-generating unit for Outotec. Calculations are prepared during the fourth quarter of the year. Based on the conducted impairment testing there was no need for goodwill impairment in year 2014.

Goodwill allocation to the segments

EUR million	**2014**	2013
Metals, Energy & Water	**88.2**	87.2
Minerals Processing	**116.0**	109.0
	204.1	196.2

The recoverable amount of a CGU is determined based on value-in-use calculations (discounted cash flow method). The planning period for cash flows is five years. The cash flow projections are based on long-range financial plan which is the outcome of the strategy approved by the Management and the Board. In defining the long-range plans for each CGUs, the management makes use of growth, demand, and price estimates by market research institutions. Furthermore, the estimated sales and profits and the CGU-specific long-range plan are based on the current backlog and estimated order intake as well as cost development. The most important assumptions relate to gross margin levels in various products and the estimated overall gross margin level in relation to fixed costs. Cash flows beyond the five year period are calculated using the terminal value method, where the EBITDA (=earnings before interest, taxes, amortizations and depreciation) of the fifth planning period is multiplied by six.

The discount rate applied to cash flow projections is the weighted average pre-tax cost of capital (WACC) as defined for Outotec. The components of WACC are the risk-free long-term government bond rates, market and industry risk premiums, cost of debt, and target capital structure.

Key assumptions used in the calculations

EUR million	**2014**	2013
Discount rate	**8.0**	7.4
EBITDA multiple	**6.0**	6.0

The impairment testing process includes a sensitivity analysis in which the business area cash flow estimates were reduced by 60 (2013: 70) percent and the discount rates were increased by 1–8 percentage points. Under the basic scenario, the value-in-use calculations were on average 2 (2013: 19) times higher than the assets employed of the business areas. In the sensitivity analysis the ratio was decreased to 0.1 (2013: 6). Based on the sensitivity analysis, it is not probable that the recoverable amount will fall below the carrying amount at December 31, 2014, even if the assumptions used in the sensitivity analysis will face reasonable permanent changes.

15. PROPERTY, PLANT & EQUIPMENT

EUR million	Land	Buildings	Machinery	Office equipment	Other tangible assets	Advances paid and construction work in progress	Total
Historical cost at January 1, 2014	2.2	26.8	86.3	44.8	2.1	8.7	170.9
Translation differences	0.1	0.2	0.6	0.7	0.1	0.3	2.0
Additions	0.1	4.8	5.6	4.4	0.1	3.5	18.5
Disposals	-	-0.3	-1.9	-3.9	-0.2	-0.3	-6.6
Acquired subsidiaries	-	-	-	-	-	-	-
Reclassifications	-0.1	-1.3	-17.2	-0.3	0.4	-6.9	-25.4
Impairment during period	-	-	-	-0.0	-	-	-0.0
Historical cost at December 31, 2014	**2.4**	**30.2**	**73.3**	**45.6**	**2.5**	**5.4**	**159.3**
Accumulated depreciation and impairment at January 1, 2014	-	-9.3	-54.5	-27.0	-1.1	-	-92.0
Translation differences	-	-0.1	-0.3	-0.4	-0.1	-0.0	-0.8
Disposals	-	-	1.5	3.5	0.0	-	5.1
Reclassifications	0.1	0.8	19.1	0.1	-0.3	-	19.9
Depreciation during the period	-	-1.3	-6.4	-5.6	-0.2	-	-13.5
Impairment during period	-	-	-	0.0	-	-	0.0
Accumulated depreciation and impairment at December 31, 2014	**0.1**	**-9.8**	**-40.5**	**-29.2**	**-1.7**	**-0.0**	**-81.2**
Carrying value at December 31, 2014	**2.5**	**20.3**	**32.8**	**16.4**	**0.8**	**5.4**	**78.1**
Historical cost at January 1, 2013	2.3	26.7	87.8	44.0	2.1	3.8	166.7
Translation differences	-0.1	-0.4	-3.3	-3.6	-0.1	-0.0	-7.5
Additions	-	2.3	6.3	6.6	0.2	6.6	22.0
Disposals	-	-0.3	-2.8	-0.8	-0.0	-	-3.9
Acquired subsidiaries	-	-	0.0	0.2	-	-	0.2
Reclassifications	-0.0	-1.5	-0.2	-1.6	0.2	-1.7	-4.8
Impairment during period	-	-	-1.5	-0.1	-0.3	-	-1.9
Historical cost at December 31, 2013	2.2	26.8	86.3	44.8	2.1	8.7	170.9
Accumulated depreciation and impairment at January 1, 2013	-	-10.2	-54.4	-25.8	-1.1	-	-91.4
Translation differences	-	0.1	1.3	1.6	0.0	-	3.0
Disposals	-	0.2	2.4	0.5	-	-	3.2
Reclassifications	-	1.7	1.4	1.8	-	-	4.9
Depreciation during the period	-	-1.2	-5.9	-5.3	-0.4	-	-12.7
Impairment during the period	-	-	0.7	0.1	0.2	-	1.0
Accumulated depreciation and impairment at December 31, 2013	-	-9.3	-54.5	-27.0	-1.1	-	-92.0
Carrying value at December 31, 2013	2.2	17.4	31.8	17.7	1.0	8.7	78.9

Depreciation by function

EUR million	**2014**	2013
Cost of sales	**-7.7**	-7.6
Selling and marketing expenses	**-1.1**	-1.1
Administrative expenses	**-2.3**	-2.6
Research and development expenses	**-2.2**	-2.1
	-13.5	-13.3

Impairments on property, plant and equipment during the financial year
Due to the changes in operating structure and related restructuring measures, the Group recorded an impairment of EUR 0.0 million from property, plant and equipment in 2014 (2013: EUR 1.0 million).

Assets leased by finance lease agreements

EUR million	**2014**	2013
Historical cost	**0.0**	0.0
Accumulated depreciation	**-0.0**	-0.0
Carrying value at December 31	**-**	0.0

All finance lease agreements are related to machinery and equipment.

16. INVESTMENTS IN ASSOCIATED COMPANIES

EUR million	**2014**	2013
Investments in associated companies at cost		
Historical cost at January 1	**0.5**	0.9
Translation differences	**0.0**	0.0
Additions	**1.1**	0.4
Impairment	**-**	-0.7
Historical cost at December 31	**1.7**	0.5
Equity adjustment to investments in associated companies at January 1	**-0.5**	-0.8
Share of results of associated companies	**-0.3**	-0.1
Impairment	**-**	0.4
Equity adjustment to investments in associated companies at December 31	**-0.8**	-0.5
Carrying value of investments in associated companies at December 31	**0.8**	0.1

The Group has not made writedows from investments in asscoiated companies during the period (2013: EUR 0.3 million).

Summary of financial information for associated companies 2014

EUR million	Domicile	Assets	Liabilities	Sales	Profit/loss	Ownership, %
Enefit	Estonia	6.8	5.8	2.5	-1.0	40.0
GreenExergy AB	Sweden	0.8	0.4	0.6	-0.2	45.0
Middle East Metals Processing Company Ltd.	Saudi Arabia	0.4	0.3	-	-0.0	49.0

Summary of financial information for associated companies 2013

EUR million	Domicile	Assets	Liabilities	Sales	Profit/loss	Ownership, %
Enefit	Estonia	7.6	7.9	1.9	-0.5	40.0
GreenExergy AB	Sweden	0.9	0.4	0.8	-0.1	45.0
Middle East Metals Processing Company Ltd.	Saudi Arabia	0.4	0.3	-	-	49.0

17. AVAILABLE-FOR-SALE FINANCIAL ASSETS

EUR million	**2014**	2013
Carrying value at January 1	**0.8**	1.3
Translation differences	**0.0**	-0.1
Additions	**1.5**	-
Impairments	**-**	-0.4
Fair value changes	**-0.1**	-0.1
Carrying value at December 31	**2.2**	0.8
Listed equity securities	**0.0**	0.1
Unlisted equity securities	**2.2**	0.7
Fair value reserve in equity at January 1	**-0.0**	0.0
Fair value changes	**-0.1**	-0.1
Fair value reserve in equity at December 31	**-0.1**	-0.0

18. FINANCIAL RISK MANAGEMENT

Financial Risk Management and Insurances

According to Outotec's Financial Risk Management policy the CEO and the Executive Board monitor implementation of risk management procedures in coordination with the Board of Directors. The CFO is responsible for implementation and development of financial risk management.

The Board's Audit and Risk Committee oversees how the management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit and Risk Committee is assisted by Internal Audit, which undertakes both regular and ad hoc reviews of risk management controls and procedures.

Financial risks consist of market, credit and liquidity risks. Market risks are caused by changes in foreign exchange and interest rates, as well as commodity or other prices. Especially changes in foreign exchange rates may have a significant impact on Group's earnings, cash flows and balance sheet. As the main principle Outotec's business units hedge their market risks by entering into agreements with Group Treasury, which does most of the financial contracts with banks and other financial institutions. Outotec's Treasury is also responsible for managing certain Group level risks, such as interest rate risk and foreign currency transaction risk in accordance with the Financial Risk Management policy.

In addition, the Group is sensitive to the fluctuations of raw material, external suppliers and subcontractors. The price fluctuation is prevented and the availability of raw material ascertained by long-term contracts, timing of the acquisitions, and fixed contract prices.

Foreign exchange rate risk

Major part of Outotec's sales is, and a significant part of costs arise in euros, US dollars, Australian dollars , Brazilian reals, Canadian dollars and South African rand.

The overall objective of foreign exchange risk management is to limit the short-term negative impact on earnings and cash flow from exchange rate fluctuations, therefore increasing the predictability of the financial results.

Foreign exchange risk is the principal market risk within Outotec and as such has a significant potential impact on the income statement and balance sheet.

The currencies related to sales and costs can vary materially depending on the projects. Outotec hedges most of its fair value risk. Cash flow risk related to firm commitments is hedged almost completely, within subsidiary specific limits defined in Financial Risk Management policy, whereas forecasted and probable cash flows are hedged only selectively with financial instruments based on separate decisions. Major part of cash flow risk hedging takes place operatively in absent by matching sales and cost currencies, and the remaining net open positions are normally hedged with derivative contracts (typically forward agreements). Hedging currency pairs with large difference in interest rates may increase hedging costs. Subsidiary level foreign exchange exposures are monitored and consolidated on a monthly basis.

Substantial part of derivative contracts hedge underlying business transactions, although they do not fulfill the criteria for applying hedge accounting according to IAS 39. However, Outotec is applying hedge accounting for derivative contracts in selected projects. In this description of financial risk management the term hedging has been used in its broadest sense, and therefore it also includes usage of non-hedge-accounted derivatives.

Outotec does not typically hedge its equity translation risk. The total non-euro-denominated equity of Outotec's foreign subsidiaries and associated companies was on December 31, 2014: EUR 296.7 million (December 31, 2013: EUR 303.6 million).

In certain cases commercial contracts may include so called embedded derivatives, the volume of these may at times amount to a substantial share of all derivatives.

On December 31, 2014 Outotec had the following foreign exchange derivative contract amounts, including embedded derivatives (more detailed information of foreign exchange exposures in Note 19):

EUR million	**2014**	2013
Foreign exchange derivative contracts	**461.8**	538.3

See the tables "Transaction risk" and "Sensitivity of financial instruments on foreign exchange rates"

The currency exposure related to Russian ruble has been limited during 2014 and transaction risks have been hedged with derivative agreements.

Interest rate risk

Interest rate risk is the risk of repricing and price caused by the changes in market interest rates. To control interest rate risks in the loan portfolio the Group has agreed both fixed and floating rate instruments. On December 31, 2014 the share of fixed rate loans of all interest-bearing debt was 77.7%.

Significant part of the financial investments have short-term interest rate as a reference rate. On December 31, 2014 Outotec had EUR 281.9 million of cash and cash equivalent funds (December 31, 2013: EUR 323.7 million), majority of which is invested in short-term money market instruments. The advance payments received from projects in the emerging markets and the related financial investments cause occasionally interest rate risks. The largest interest rate exposures are in euros, United States dollars and Chilean pesos .

The Group is designating derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model and account for fixed rate financial liabilities at fair value through profit or loss. Therefore a change in interest rates at the reporting date would affect profit or loss for fixed rate instruments. On December 31, 2014 the total nominal value of interest rate swaps was EUR 115.0 million (December 31, 2013: EUR 115,0 million).

For variable rate interest-bearing financial investments a shift of one percentage point would have increased (decreased) profit or loss by EUR 0.9 million for 31.12.2014 (December 31, 2013: EUR 1.2 million) and for variable rate interest bearing-debt by EUR 0.9 million for December 31, 2014 (December 31, 2013: EUR 1.0 million).

Securities price risk

Outotec is the owner of 5 million shares of Pacific Ore Limited. The shares are quoted in ASX of Australia. Outotec does not have any material amounts of other listed equity securities which are classified as available-for-sale.

Credit risks

Credit risk arises from the potential failure of a counterparty to meet its contractual payment obligations. In addition, counterparty risk arises in conjunction with financial investments and hedging instruments. The objective of credit and counterparty risk management is to minimize in a cost efficient manner the losses incurred as a result of counterparty not fulfilling its obligations.

Outotec's trade receivables and other potential sources of sales contract related credit risk are generated by a large number of customers worldwide, but occasionally risk concentrations may develop due to large individual contracts. Outotec's Project Risk Management Policy (PRIMA) has been created to manage the various project related risks and address them in a more concised manner. The PRIMA policy and related procedures require identification of counterparty risks in a project together with the evaluation of the available and cost efficient mitigation of risks with contractual terms and/or different financial instruments. The credit risks related to business operations can be mitigated for example by the use of advance payments and other payment terms under sales contracts, project specific credit insurances and letters of credit. The trade receivable exposures are reviewed regularly in Outotec's project level reporting. During 2014 the reporting of overdue external trade receivables, their rotation periods and collection was intensified further. Geographically the trade receivables are mostly from Asia 33.6% (December 31, 2013 25.3%), South America 15.0% (December 31, 2013 19.1%), Africa 14.1% (December 31, 2013 10.7%), Europe (including CIS) 11.4% (December 31, 2013 21.2%), Australia and Pacific 8.6% (December 31, 2013 13.3%). More detailed analysis of trade receivables is included in Note 21.

Outotec's Treasury manages substantial part of the credit risk related to Group's financial investments. Outotec seeks to reduce these risks by limiting the counterparties to banks, other financial institutions and other counterparties, which have a good credit standing. Investments related to liquidity management are made in liquid money market instruments with, as far as possible, low credit risk and within pre-agreed credit limits and maturities. The limits are reviewed regularly. Part of Outotec's project advance payments can be invested in local money markets in emerging countries.

The total amount of credit risk is the carrying amount of group financial assets that amounted to EUR 770.3 million on December 31, 2014 (December 31, 2013: EUR 897.1 million). See Note 28.

Particular measures have been introduced in relation of managing counterparty risks in Russian Federation during 2014; enhanced payment terms in sales contracts and payment security instruments, i.e. letters of credits and credit risk guarantees, have been utilized among the others.

Insurances

Outotec Oyj acquires Group wide insurances on a case by case basis covering all or part of Group companies' insurance needs. Furthermore Outotec companies acquire local insurances on a case by case basis in separately defined areas and specific delivery contracts. The most important insurance lines relate to liability. On the other hand, decisions to insure credit risks in projects are usually made on a project by project basis.

General liability is the most important line of insurance and a major part of insurance premiums paid relate to these type of risks. For production units Outotec has adequate property damage and business interruption insurance cover.

Liquidity risk

Outotec ensures required liquidity through a combination of cash management, liquid investment portfolios, and committed and uncommitted facilities. Liquidity and refinancing risks are sought to be reduced with availability of sufficient amount of credit lines, which have a balanced maturity profile. Efficient cash and liquidity management is also reducing liquidity risk.

Outotec's Treasury raises centrally most of the Group's interest-bearing debt.

Outotec's subsidiaries have had some local credit lines of their own, which mostly have been counter-guaranteed by Outotec Oyj. The share of long-term loans was 93.0% of the total interest-bearing loan portfolio. Group's multicurrency revolving credit facility was refinanced during 2014.

With regards to interest bearing debt the Group maintains the following committed lines of credit:

- EUR 100 million multicurrency revolving credit facility that is unsecured. Final maturity of the revolving credit facility is on January 15, 2020.
- EUR 60 million term loan facility from Pohjola Bank plc that is unsecured. Final availability date is on December 15, 2015 and the final maturity is three years from the last disbursement.

Additionally Outotec has several bilateral uncommitted commercial bank guarantee limits the total aggregate nominal value of which exceeds EUR 500 million.

See the tables "Contractual cash flows of liabilites" and "Cash and cash equivalents and committed unutilized credit facilities".

Capital management

Outotec's gearing ratio was -1.3% on December 31, 2014 (-18.2% on December 31, 2013). The Board's target is to maintain a strong capital base in order to maintain investor, creditor and market confidence and to sustain future development of the business and the capability to pay dividends. The capital structure of the Group is reviewed by the Board of Directors on a regular basis and the Board has in 2014 set the following long-term target:

• Gearing at maximum 50%

The Board of Directors of Outotec has a mandate to purchase its own shares on the market.

Certain externally imposed capital requirements exist. Outotec's main credit facilities from financial institutions include financial covenants related to capital structure and liquidity. The Group has operated in compliance with the covenants during 2006-2014.

Transaction risk	USD exposure in companies reporting in EUR		USD exposure in companies reporting in AUD		AUD exposure in companies reporting in EUR		EUR exposure in companies reporting in SEK	
EUR million	**2014**	2013	**2014**	2013	**2014**	2013	**2014**	2013
Bank accounts	**-1.0**	3.2	**2.3**	8.3	**0.1**	0.5	**3.7**	4.5
Trade receivables	**17.8**	18.6	**7.4**	9.0	**1.4**	6.3	**7.7**	10.8
Trade payables	**-2.6**	-2.3	**-0.6**	-1.5	**-4.6**	-11.9	**-4.3**	-7.9
Loans and receivables	**17.7**	9.8	**-**	-	**65.1**	81.8	**-**	-
Net balance sheet exposure	**31.9**	29.3	**9.1**	15.8	**61.9**	76.7	**7.1**	7.4
Sales order book	**66.6**	95.2	**-**	0.7	**0.9**	2.8	**20.2**	30.1
Purchase order book	**-15.6**	-9.5	**-3.8**	-10.5	**-2.2**	-1.5	**-12.1**	-16.8
	51.0	85.7	**-3.8**	-9.8	**-1.3**	1.3	**8.1**	13.3
Hedges:								
Foreign exchange forward contracts	**-87.4**	-115.1	**-5.1**	-6.2	**-64.0**	-76.9	**-15.0**	-20.7
Total net exposure	**-4.5**	-0.1	**0.2**	-0.2	**-3.4**	1.1	**0.2**	-0.1

Sensitivity of financial instruments on foreign currency exchange rates

	2014		2013	
EUR million	Effect on profit or loss	Effect on equity	Effect on profit or loss	Effect on equity
+/-10% change in EUR/USD exchange rate	+1.7/-2.0	+3.4/-4.1	+3.4/-4.1	+4.4/-5.4
+/-10% change in EUR/AUD exchange rate	+0.2/-0.2		+0.0/-0.0	
+/-10% change in EUR/SEK exchange rate	-0.7/+0.9		-1.2/+1.5	
+/-10% change in AUD/USD exchange rate	-0.4/+0.4		-1.0/+1.0	

The following assumptions were made when calculating the sensitivity to changes in exchange rates:
The variation in currency is assumed to be +/-10%. The position includes currency denominated financial assets and liabilities, such as borrowings, deposits, trade and other receivables, liabilities, and cash and cash equivalents, as well as derivative financial instruments. The position excludes order book items and cash flow hedges.

Contractual cash flows of liabilites at December 31, 2014

EUR million	2015 [1]	2016	2017	2018	2019	2020	2021-	Total
Bonds								
Finance charges	-5.6	-5.6	-5.6	-5.6	-5.6	-5.6	-	-33.8
Repayments	-	-	-	-	-	-150.0	-	-150.0
Loans from financial institutions								
Finance charges	-2.2	-1.5	-1.3	-0.7	-0.6	-0.5	-1.2	-8.0
Repayments	-15.1	-10.9	-47.6	-4.1	-4.1	-4.1	-20.5	-106.4
Loans from pension institutions								
Finance charges	-0.0	-0.0	-	-	-	-	-	-0.0
Repayments	-0.2	-0.2	-	-	-	-	-	-0.4
Finance lease liabilities								
Rents	-	-	-	-	-	-	-	-
Other long-term loans								
Finance charges	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.6
Repayments	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-1.0	-3.0
Other current loans								
Finance charges	-0.0	-	-	-	-	-	-	-0.0
Repayments	-15.0	-	-	-	-	-	-	-15.0
Derivative liabilities								
Designated as cash flow hedges								
Outflow	-40.4	-0.2	-	-	-	-	-	-40.6
Inflow	39.1	0.0	-	-	-	-	-	39.1
Other foreign exchange forward contracts								
Outflow	-233.0	-2.6	-3.6	-	-	-	-	-239.2
Inflow	225.0	2.6	3.7	-	-	-	-	231.3
Trade payables	-116.7	-	-	-	-	-	-	-116.7

[1] Repayments in 2015 are included in current debt.
All non-current debt will be repaid by the end of 2025. Average maturity of long-term debt was 5.01 years and the average interest rate 3.01%

Contractual cash flows of liabilites at December 31, 2013

EUR million	2014 [1]	2015	2016	2017	2018	2019	2020-	Total
Bonds								
Finance charges	-5.6	-5.6	-5.6	-5.6	-5.6	-5.6	-5.6	-39.4
Repayments	-	-	-	-	-	-	-150.0	-150.0
Loans from financial institutions								
Finance charges	-1.3	-0.8	-0.7	-0.6	-	-	-	-3.4
Repayments	-12.9	-6.8	-6.8	-43.5	-	-	-	-70.1
Loans from pension institutions								
Finance charges	-0.1	-0.0	-0.0	-	-	-	-	-0.2
Repayments	-6.3	-0.2	-0.2	-	-	-	-	-6.7
Finance lease liabilities								
Rents	-0.0	-	-	-	-	-	-	-0.0
Other long-term loans								
Finance charges	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.7
Repayments	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-1.3	-3.3
Other current loans								
Finance charges	-0.0	-	-	-	-	-	-	-0.0
Repayments	-9.0	-	-	-	-	-	-	-9.0
Derivative liabilities								
Designated as cash flow hedges								
Outflow	-5.8	-	-	-	-	-	-	-5.8
Inflow	5.7	-	-	-	-	-	-	5.7
Other foreign exchange forward contracts								
Outflow	-121.3	-2.4	-	-	-	-	-	-123.7
Inflow	118.2	2.4	-	-	-	-	-	120.6
Trade payables	-101.2	-	-	-	-	-	-	-101.2

[1] Repayments in 2014 are included in current debt.
All non-current debt will be repaid by the end of 2023. Average maturity of long-term debt was 5.54 years and the average interest rate 3.14%

Maturity analysis for guarantee contracts at December 31, 2014 EUR million	2015	2016	2017	2018	2019	2020 and beyond
Guarantees for financing	-16.6	-0.5	-	-	-	-
All commercial guarantees including down payment guarantees	-501.8	-0.3	-0.1	-0.1	-1.3	-7.4

Maturity analysis for guarantee contracts at December 31, 2013 EUR million	2014	2015	2016	2017	2018	2019 and beyond
Guarantees for financing	-22.0	-0.4	-0.6	-	-	-
All commercial guarantees including down payment guarantees	-541.5	-0.1	-0.3	-0.1	-0.1	-7.6

All sales project related commercial guarantees are included in short-term liabilities as they secure ongoing contractual obligations. However, claims that affect liquidity have historically been rare.

There was no claim to a guarantee in 2014. Previous claim to a guarantee was settled through a payment of EUR 0.1 million in 2013.

Cash and cash equivalents and committed unutilized credit facilities EUR million	**2014**	2013
Cash at bank and in hand	**192.8**	204.1
Short-term bank deposits	**59.7**	61.8
Cash equivalent marketable securities	**29.5**	57.9
Overdraft facilities	**14.3**	18.1
Revolving and other credit facilities	**160.0**	155.0

19. DERIVATIVE INSTRUMENTS

Fair values of derivative instruments

Remaining maturity	Positive fair value				Negative fair value		
EUR million	<1 year	1–2 years	2–3 years	3– years	<1 year	1–2 years	2–3 years
2014							
Foreign exchange forward contracts							
Designated as cash flow hedges	0.1	-	-	-	-1.0	-	-
Other foreign exchange forward contracts	6.1	0.0	-	-	-7.3	-0.1	-0.0
Interest rate swaps							
Designated as cash flow hedges	-	-	-	-	-	-0.3	-
Designated as fair value hedges	-	-	-	6.5	-	-	-
Total	6.2	0.0	-	6.5	-8.3	-0.4	-0.0
2013							
Foreign exchange forward contracts							
Designated as cash flow hedges	3.3	0.4	-	-	-0.1	-	-
Other foreign exchange forward contracts	10.3	-	-	-	-3.4	-0.1	-
Interest rate swaps							
Designated as cash flow hedges	-	-	0.2	-	-	-	-
Designated as fair value hedges	-	-	-	1.8	-	-	-
Total	13.6	0.4	0.2	1.8	-3.5	-0.1	-

Fair values are estimated based on market rates and prices and discounted future cash flows.

Nominal values of derivative contracts

Remaining maturity

EUR million	<1 year	1–2 years	2–3 years	3– years
2014				
Foreign exchange forward contracts				
Designated as cash flow hedges	62.4	-	-	-
Other foreign exchange forward contracts	392.3	3.4	3.6	-
Interest rate swaps				
Designated as cash flow hedges	-	40.0	-	-
Designated as fair value hedges	-	-	-	75.0
Total	454.8	43.4	3.6	75.0
2013				
Foreign exchange forward contracts				
Designated as cash flow hedges	76.0	22.5	-	-
Other foreign exchange forward contracts	437.3	2.4	-	-
Interest rate swaps				
Designated as cash flow hedges	-	-	40.0	-
Designated as fair value hedges	-	-	-	75.0
Total	513.4	24.9	40.0	75.0

Effect of cash flow hedges

EUR million	**2014**	2013
Recognized in profit and loss		
In other income	**-**	-
In other expenses	**0.0**	-0.8
Adjustment to sales	**-4.0**	8.4
Recognized in equity		
As deferred tax asset	**0.1**	0.1
As deferred tax liability	**0.0**	0.0
Hedge result	**-0.3**	1.1

20. INVENTORIES

EUR million	**2014**	2013
Raw materials and consumables	**9.1**	28.6
Work in progress	**70.6**	66.8
Finished goods and merchandise	**55.7**	53.7
Advance payments	**34.7**	31.1
	170.0	180.2

21. TRADE AND OTHER RECEIVABLES

EUR million	2014	2013
Non-current		
Interest-bearing		
Loans receivable from associated companies	**1.4**	1.8
Non interest-bearing		
Other receivables		
	2.4	0.0
Current		
Interest-bearing		
Loans receivable	**0.2**	0.2
Non interest-bearing		
Trade receivables	**197.0**	220.7
Project related receivables	**179.6**	246.9
Current tax assets	**29.7**	37.3
VAT receivable	**48.6**	36.1
Grants and subsidies receivable	**2.8**	1.4
Other accruals	**5.5**	4.5
Other receivables	**8.6**	7.6
	471.8	554.5
Trade receivables (gross)	**202.0**	224.7
Doubtful trade receivables		
Doubtful trade receivables at January 1	**4.0**	4.0
Translation differences	**-0.1**	-0.2
Additions	**2.3**	2.3
Deductions	**-1.2**	-2.0
Recovery of doubtful receivables	**-**	-0.1
Doubtful trade receivables at December 31	**5.0**	4.0
Total trade receivables	**197.0**	220.7

The ageing of trade receivables:

EUR million	2014	2013
Not due	**105.1**	108.3
Overdue by:		
Between 1 and 30 days	**23.1**	42.7
Between 31 and 60 days	**11.1**	10.7
Between 61 and 180 days	**30.5**	17.5
Between 181 and 360 days	**12.9**	31.3
More than 361 days	**19.3**	14.1
Total trade receivables (gross)	**202.0**	224.7

Maximum exposure to credit risk for trade receivables by geographic region:

EUR million	2014	2013
Finland	**2.6**	2.2
Germany	**1.0**	2.2
CIS	**3.4**	4.6
Rest of Europe	**18.1**	37.8
North America	**14.3**	23.0
South America	**33.2**	42.1
Australia	**18.9**	29.3
Asia	**74.2**	55.9
Africa	**31.2**	23.6
Total	**197.0**	220.7

Trade receivables are according to the customer's location.

22. CASH AND CASH EQUIVALENTS

EUR million	**2014**	2013
Cash at bank and in hand	**192.8**	204.1
Short-term bank deposits	**59.7**	61.8
Cash equivalent marketable securities	**29.5**	57.9
	281.9	323.7

Majority of Outotec's investments were made in the following currencies: Euro, U. S. dollar and Chilean peso. Relevant reference rate of euro has varied during 2014 between 0.01- 0.27%. U.S. dollar reference rate varied between 0.03 - 0.22% and Chilean peso reference rate between 2.90 - 4.60%.

23. EQUITY

Share capital and share premium fund

EUR million	Number of shares 1,000	Share capital	Share premium fund	Other reserves	Fair value reserves	Treasury shares	Reserve for invested non-restricted equity	Total
At December 31, 2014	**183,121**	**17.2**	**20.2**	**0.5**	**-13.6**	**-18.0**	**93.0**	**99.3**
At December 31, 2013	183,121	17.2	20.2	0.5	-6.7	-18.1	92.7	105.8

Outotec Oyj's shares were entered into the Finnish Book-Entry Securities System on September 25, 2006. Outotec's share capital was EUR 17,186,442.52 at December 31, 2014 (December 31, 2013: EUR 17,186,442.52) consisting of 183,121,492 shares. Each share entitles its holder to one vote at the general meetings of shareholders of the company.

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 number 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.

Share premium fund

Share premium fund includes the share premium paid over the nominal share value in Outotec Oyj.

Other reserves

Other reserves include reserve fund and other reserves. Reserve fund includes amounts transferred from the distributable equity under the Articles of Association or by a decision by General Meeting of Shareholders. Other reserves include other items based on the local regulations of the group companies.

Fair value reserves

The fair value reserves includes the fair value change of available-for-sale financial instruments, effective portion of fair value change based on hedge accounting applied to derivatives and changes in actuarial estimates related to defined pension plans. The changes in the reserve are stated in comprehensive income.

Treasury shares

Outotec has an agreement with a third-party service provider concerning administration and hedging of share-based incentive program for key personnel. As part of this agreement, for hedging the underlying cash flow risk, the service provider purchased Outotec shares during 2009 and 2008. The purchase of Outotec shares by third-party service provider have been accounted as treasury shares in Outotec's consolidated balance sheet. At the end of the year 2014, the amount of these treasury shares was 18,034 (2013: 22,180). Outotec's consolidated balance sheet and consolidated changes in equity reflect the substance of the arrangement with a deduction amounting to EUR 0.0 million (2013: EUR 0.0 million) in equity.

In September 2012, Outotec purchased a total of 2,000,000 of the company's own shares through public trading. Shares have been used in acquisition of Outotec Management Oy and in the share-based incentive programs. In December 31, 2013 Outotec Management Ou was merged to Outotec Oyj. In the merger 813,736 shares, previously owned by Outotec Management Oy, were transferred. At the end of the year the number of these shares, including the shares transferred in Outotec Management Oy merger, was 2,104,411 (2013: 2,114,769) and book value EUR 17.9 million. (2013: EUR 18.0 million)

Reserve for invested non-restricted equity

Outotec completed acquisition of control in Larox through directed share issue at December 21, 2009 and made a mandatory public tender offer for the remaining Larox shares. On January 27, 2010 Outotec announced the final result of the tender offer, according to which the Larox shares in Outotec ownership represented approximately 98.5% of all the Larox shares and approximately 99.7% of all the votes attached to the Larox shares. On June 10, 2010 the Arbitral Tribunal confirmed that Outotec has gained title to all the Larox shares by lodging security for the payment of the redemption price and the interest accruing thereon. Most of the consideration for the Larox shares purchased was paid in the form of 15,121,492 (2009: 11,053,676) new Outotec shares which totalled to EUR 88.1 million (2009: EUR 63.4 million). EUR 0.4 million of these new Outotec shares are reported under share capital and EUR 87.7 million under the reserve for invested non-restricted equity.

The fair value changes of disposals have been booked to the reserve for invested non-restricted equity. The disposals were related to acquisition of Outotec Management Oy and share-based incentive programs.

Dividend

The Board of Directors will propose a dividend of EUR 0.10 per share for 2014. The parent company's distributable funds were EUR 317.1 million at December 31, 2014.

24. EMPLOYEE BENEFIT OBLIGATIONS

Outotec has several pension plans in various countries, which are mainly classified as defined contribution pension plans. Defined benefit pension plans are in Germany. The basis for all the plans is a fixed pension amount earned for every service year. The amount depends on the salary group at date of retirement. In case of early retirement the pension is reduced until the normal retirement age. Furthermore there are entitlements for widow's and orphan's pensions which are part of the spouse's pension. Other post-employment benefits relate to retirement medical arrangements in Germany.

From January 1, 2013 Outotec adopted the amendments to IAS 19 (revised) Employee benefits retrospectively. The standartd requires the recognition of changes in benefit obligations and in fair value of plan assets when they occur. The standard requires 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).

Pension and other post-employment benefits

Amounts recognized in the income statement

EUR million	**2014**	2013
Defined benefit pension expenses	**-2.6**	-2.5
Defined contribution pension expenses	**-26.5**	-25.9
Other post-employment benefits	**-0.1**	-0.2
	-29.2	-28.5

By function	Defined benefit pension plans		Other post-employment benefits	
EUR million	**2014**	2013	**2014**	2013
Cost of sales	**-1.8**	-1.8	**-0.1**	-0.1
Selling and marketing expenses	**-0.3**	-0.3	**-0.0**	-0.0
Administrative expenses	**-0.4**	-0.3	**-0.0**	-0.1
Research and development expenses	**-0.1**	-0.1	**-0.0**	-0.0
	-2.6	-2.5	**-0.1**	-0.2

Pension cost in employee benefit expenses	Defined benefit pension plans		Other post-employment benefits	
EUR million	**2014**	2013	**2014**	2013
Current service cost	**-1.2**	-1.1	**0.0**	-0.0
Interest cost	**-1.3**	-1.2	**-0.1**	-0.1
Employee contributions	**-0.2**	-0.2	**-**	-
	-2.6	-2.5	**-0.1**	-0.2

Amounts recognized in the statement of financial position related to defined benefit pension plans and to other post-employment benefits
All pension and other post-employment obligations were unfunded.

Movement in the present value of the defined benefit obligation	Defined benefit pension plans		Other post-employment	
EUR million	**2014**	2013	**2014**	2013
Unfunded obligation at January 1	**37.6**	37.2	**3.4**	3.7
Prior year adjustment to opening balance	**0.7**	-	**0.1**	-
Service cost	**1.2**	1.1	**0.0**	0.0
Interest cost	**1.3**	1.2	**0.1**	-0.1
Actuarial gains (+) and losses (-)	**7.2**	-0.9	**0.3**	-0.2
Employee contributions	**0.2**	0.2	**-**	-
Benefits paid	**-1.3**	-1.3	**-0.2**	-0.2
Unfunded obligation at December 31	**47.0**	37.6	**3.7**	3.4

Expected benefit payments	
2015	1.7
2016	1.7
2017	1.8
2018	1.9
2019	2.0
Next 5 years	11.0

Principal actuarial assumptions %	**2014**	2013
Discount rate	**2.25**	3.40
Future benefit increase expectation	**1.80**	2.00

Pensions do not depend on salary development. Assumption for the retirement age follows the normal age in Germany. Assumptions regarding the mortality are done according to the actuarial guidelines and are based on the local statistics and knowledge. Other post-employment benefit oblications are influenced by the medical cost trend.

Sensitivity analysis of principal actuarial assumptions %	Change in assumption	Impact of increase	Impact of decrease
Discount rate	0.25	-3.9	4.2
Future benefit increase expectation	0.25	2.2	-2.1
Medical cost trend expectation	1.00	0.7	-0.6
Change in expected lifetime	1 year	3.1	-3.1

Above sensitivity analysis is calculated by changing one assumption while others are expected to remain unchanged.
In reality this is unlikely and assumptions may correlate with each others. Defined benefit liability in the sensitivity analysis is calculated with the same method as in the balance sheet.

Defined benefit plans expose the Group for different type of risks the most relevant being the interest risk. In case assumptions behind the discount rate change substantially and the discount rate decreases significantly, also present value of the defined benefit plan obligations increases. Outotec's discount rate is based on the markets for fixed interest long running papers. Defined benefit plans include lifetime benefits for the beneficiaries.

Therefore increase in expected life time increases the pension and health care obligations.

25. PROVISIONS

EUR million	Project provisions [1]	Other provisions [2]	2013
Non-current			
Provisions at January 1	21.8	-	**21.8**
Translation differences	-0.1	-	**-0.1**
Additions	12.3	-	**12.3**
Provisions utilized during the period	-10.7	-	**-10.7**
Provisions released	-5.8	-	**-5.8**
Other changes	0.0	0.0	**0.0**
Provisions at December 31	17.4	0.0	**17.4**
Current			
Provisions at January 1	24.6	1.8	**26.4**
Translation differences	1.0	0.1	**1.0**
Additions	32.8	20.0	**52.8**
Provisions utilized during the period	-8.7	-4.2	**-12.9**
Provisions released	-18.3	-1.0	**-19.2**
Other changes	-0.1	-0.0	**-0.1**
Provisions at December 31	31.3	16.7	**48.0**

Provisions are based on best estimates on the balance sheet date.

[1] Non-current project provisions include EUR 14.6 million warranty provisions and EUR 2.9 million project loss provisions at December 31, 2014. Current project provisions include EUR 24.7 million warranty provisions and EUR 6.6 million project loss provisions at December 31, 2014.
[2] Current other provisions include EUR 16.7 million restructuring provisions at December 31, 2014.

26. INTEREST-BEARING LIABILITIES

	Carrying amount		Fair value	
EUR million	**2014**	2013	**2014**	2013
Non-current				
Bonds and debentures	**148.5**	148.2	**153.0**	148.6
Loans from financial institutions	**91.3**	57.2	**94.6**	57.2
Loans from pension institutions	**0.2**	0.4	**0.2**	0.4
Other non-current loans	**2.7**	3.0	**2.7**	3.0
	242.6	208.8	**250.5**	209.2
Current				
Loans from financial institutions	**15.1**	12.9	**16.1**	12.9
Loans from pension institutions	**0.2**	6.3	**0.2**	6.4
Finance lease liabilities	**-**	0.0	**-**	0.0
Other current loans	**15.4**	9.5	**15.4**	9.5
	30.7	28.7	**31.7**	28.8

The fair value of interest-bearing liabilities is higher compared to the carrying value due to valuation of the fixed-interest loans when using current interest rate level, which is lower than the fixed rate.

Finance lease liabilities	Minimum lease payments		Present value of minimum lease payments	
EUR million	**2014**	2013	**2014**	2013
Not later than 1 year	**-**	0.0	**-**	0.0
1-2 years	**-**	-	**-**	-
2-3 years	**-**	-	**-**	-
3-4 years	**-**	-	**-**	-
4-5 years	**-**	-	**-**	-
Future finance charges	**-**	0.0	**-**	0.0

27. TRADE AND OTHER PAYABLES

EUR million	2014	2013
Non-current		
Other non-current liabilities	**9.0**	4.3
Earnout liability	**1.4**	1.2
	10.3	5.6
Non interest-bearing		
Trade payables	**116.7**	101.2
Advances received	**207.6**	291.6
Project related liabilities	**121.1**	147.3
Accrued employee-related expenses	**45.1**	43.7
VAT payable	**13.8**	6.4
Withholding tax and social security liabilities	**12.0**	13.8
Earnout liability	**1.8**	1.6
Other accruals	**10.4**	21.2
Other payables	**1.7**	7.4
	530.1	634.1

28. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

2014 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	Derivatives under hedge accounting	Financial liabilites measured at amortized cost	Carrying amounts by balance sheet item	Fair value
Non-current financial assets								
Derivative assets								
Foreign exchange forward contracts	0.0	-	-	-	-	-	0.0	0.0
Interest rate swaps	-	-	-	-	6.5	-	6.5	6.5
Other shares and securities	-	-	2.2	-	-	-	2.2	2.2
Trade and other receivables								
Interest-bearing	-	1.4	-	-	-	-	1.4	1.4
Non interest-bearing	-	0.0	-	-	-	-	0.0	0.0
Current financial assets								
Derivative assets								
Foreign exchange forward contracts	6.1	-	-	-	0.1	-	6.2	6.2
Trade and other receivables								
Interest-bearing	-	0.2	-	-	-	-	0.2	0.2
Non interest-bearing	-	471.8	-	-	-	-	471.8	471.8
Cash and cash equivalents	-	281.9	-	-	-	-	281.9	281.9
Carrying amount by category	**6.1**	**755.3**	**2.2**	**-**	**6.6**	**-**	**770.3**	**770.3**
Non-current financial liabilities								
Bonds	-	-	-	-	-	148.5	148.5	153.0
Loans from financial institutions	-	-	-	-	-	91.3	91.3	94.6
Loans from pension institutions	-	-	-	-	-	0.2	0.2	0.2
Derivative liabilities								
Foreign exchange forward contracts	-	-	-	0.1	-	-	0.1	0.1
Interest rate swaps	-	-	-	-	0.3	-	0.3	0.3
Other non-current loans	-	-	-	-	-	2.7	2.7	2.7
Other non-current liabilities	-	-	-	-	-	2.4	2.4	2.4
Current financial liabilities								
Loans from financial institutions	-	-	-	-	-	15.1	15.1	16.1
Loans from pension institutions	-	-	-	-	-	0.2	0.2	0.2
Finance lease liabilities	-	-	-	-	-	-	-	-
Derivative liabilities								
Foreign exchange forward contracts	-	-	-	7.3	1.0	-	8.3	8.3
Other current loans	-	-	-	-	-	15.4	15.4	15.4
Trade payables	-	-	-	-	-	116.7	116.7	116.7
Carrying amount by category	**-**	**-**	**-**	**7.4**	**1.4**	**392.3**	**401.1**	**409.9**

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	Derivatives under hedge accounting	Financial liabilites measured at amortized cost	Carrying amounts by balance sheet item	Fair value
Non-current financial assets								
Derivative assets								
Foreign exchange forward contracts	-	-	-	-	0.4	-	0.4	0.4
Interest rate swaps	-	-	-	-	2.0	-	2.0	2.0
Other shares and securities	-	-	0.8	-	-	-	0.8	0.8
Trade and other receivables								
Interest-bearing	-	1.8	-	-	-	-	1.8	1.8
Non interest-bearing	-	0.0	-	-	-	-	0.0	0.0
Current financial assets								
Derivative assets								
Foreign exchange forward contracts	10.3	-	-	-	3.3	-	13.6	13.6
Trade and other receivables								
Interest-bearing	-	0.2	-	-	-	-	0.2	0.2
Non interest-bearing	-	554.5	-	-	-	-	554.5	554.5
Cash and cash equivalents	-	323.7	-	-	-	-	323.7	323.7
Carrying amount by category	**10.3**	**880.3**	**0.8**	**-**	**5.7**	**-**	**897.1**	**897.1**
Non-current financial liabilities								
Bonds	-	-	-	-	-	148.2	148.2	148.6
Loans from financial institutions	-	-	-	-	-	57.2	57.2	57.2
Loans from pension institutions	-	-	-	-	-	0.4	0.4	0.4
Derivative liabilities								
Foreign exchange forward contracts	-	-	-	0.1	-	-	0.1	0.1
Other non-current loans	-	-	-	-	-	3.0	3.0	3.0
Other non-current liabilities	-	-	-	-	-	2.4	2.4	2.4
Current financial liabilities								
Loans from financial institutions	-	-	-	-	-	12.9	12.9	12.9
Loans from pension institutions	-	-	-	-	-	6.3	6.3	6.4
Finance lease liabilities	-	-	-	-	-	0.0	0.0	0.0
Derivative liabilities								
Foreign exchange forward contracts	-	-	-	3.4	0.1	-	3.5	3.5
Other current loans	-	-	-	-	-	9.5	9.5	9.5
Trade payables	-	-	-	-	-	101.2	101.2	101.2
Carrying amount by category	**-**	**-**	**-**	**3.5**	**0.1**	**341.0**	**344.6**	**345.1**

Loans have been values at current market rates which causes differencies against carrying values.

Fair value hierarchy

The revised IFRS 7 standard requires use of three-level fair value hierarchy of financial instruments. For more information please see the principles to the consolidated financial statements.

2014

EUR million	Level 1	Level 2	Level 3	Total
Available for sale financial assets	0.0	-	2.2	2.2
Derivative financial assets	-	12.7	-	12.7
	0.0	**12.7**	**2.2**	**14.9**
Bonds	-	153.0	-	153.0
Loans from financial institutions	-	110.7	-	110.7
Loans from pension institutions	-	0.4	-	0.4
Derivative financial liabilities	-	8.7	-	8.7
	-	**272.8**	**-**	**272.8**

2013

EUR million	Level 1	Level 2	Level 3	Total
Available for sale financial assets	0.1	-	0.7	0.8
Derivative financial assets	-	16.0	-	16.0
	0.1	**16.0**	**0.7**	**16.8**
Bonds	-	148.6	-	148.6
Loans from financial institutions	-	70.1	-	70.1
Loans from pension institutions	-	6.8	-	6.8
Derivative financial liabilities	-	3.5	-	3.5
	-	**229.0**	**-**	**229.0**

Offsetting financial assets and financial liabilities

Dec 31, 2014	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set off in the balance sheet	Net amounts of financial assets presented in the balance sheet	Related amounts not set off in the balance sheet		
				Financial instruments	Cash collateral received	Net amount
Derivative financial assets	12.5	-	12.5	-4.5	-	8.0
Total	12.5	-	12.5	-4.5	-	8.0

Dec 31, 2014	Gross amounts of recognised financial liabilities	Gross amounts of recognised financial assets set off in the balance sheet	Net amounts of financial liabilities presented in the balance sheet	Related amounts not set off in the balance sheet		
				Financial instruments	Cash collateral received	Net amount
Derivative financial liabilities	8.7	-	8.7	-4.5	-	4.2
Total	8.7	-	8.7	-4.5	-	4.2

Dec 31, 2013	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set off in the balance sheet	Net amounts of financial assets presented in the balance sheet	Related amounts not set off in the balance sheet		
				Financial instruments	Cash collateral received	Net amount
Derivative financial assets	16.0	-	16.0	-3.1	-	12.9
Total	16.0	-	16.0	-3.1	-	12.9

Dec 31, 2013	Gross amounts of recognised financial liabilities	Gross amounts of recognised financial assets set off in the balance sheet	Net amounts of financial liabilities presented in the balance sheet	Related amounts not set off in the balance sheet		
				Financial instruments	Cash collateral received	Net amount
Derivative financial liabilities	3.4	-	3.4	-3.1	-	0.3
Total	3.4	-	3.4	-3.1	-	0.3

29. COMMITMENTS AND CONTINGENT LIABILITIES

EUR million	2014	2013
Guarantees for commercial commitments at December 31	**307.5**	256.8

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 17.3 million at December 31, 2014 (December 31, 2013: 24.2 million) and for commercial guarantees including advance payment guarantees EUR 511.0 million at December 31, 2014 (December 31, 2013: 549.7 million). High exposure of on-demand guarantees may increase the risk of claims that may have an impact on the liquidity of Outotec.

Present value of minimum lease payments on operating leases

EUR million	2014	2013
Not later than 1 year	**21.4**	19.9
1–2 years	**19.0**	21.0
2–3 years	**16.6**	17.0
3–4 years	**13.0**	13.9
4–5 years	**11.1**	10.4
Later than 5 years	**50.6**	54.1
Present value of minimum lease payments	**131.7**	136.4

Major off-balance sheet investment commitments

The Group has no major off-balance sheet investment commitments at December 31, 2014

30. LEGAL DISPUTES

On April 2, 2014, Outotec announced that it had started an arbitration process at the International Court of Arbitration against Chinese copper smelting, refining and processing company Yanggu Xiangguang Copper Co., Ltd in a dispute regarding license agreements in the Flash Smelting and Flash Converting technologies. Outotec has started this arbitration as Yanggu Xiangguang Copper has taken a number of actions in breach of the licenses granted.

On December 27, 2013, Outotec announced that Outotec and the Brazilian mining company MMX Sudeste Mineração S.A. (MMX) have started separate arbitration processes against each other at the International Court of Arbitration in a dispute regarding the delivery of 17 filters. Outotec requested for arbitration process against MMX for declaration for MMX's illegal termination of the agreement as well as receiving compensation due to the termination. MMX requested for arbitration process against Outotec for declaration for MMX's right to terminate the agreement and receiving back prepayment. The International Court of Arbitration has consolidated these arbitration processes.

On September 27, 2013, Outotec announced that Sarda Energy and Minerals Ltd (SEML) submitted application for arbitration at the International Court of Arbitration against Outotec in dispute regarding a filter delivery in 2007. The content value was approximately EUR 0.6 million. SEML's claim equals approximately EUR 16.6 million.

On January 24, 2013, Outotec submitted an application for summons against Outokumpu Oyj in a patent dispute regarding a new invention in ferroalloys technology. The legal process was continued in 2014

Outotec management believes that the outcome of the said disputes will not have material effect on Outotec's financial position.

31. RELATED PARTY TRANSACTIONS

Transactions and balances with associated companies

EUR million	**2014**	2013
Sales	**2.1**	3.7
Other Income	**0.1**	0.1
Purchases	**0.2**	-0.5
Loan receivables	**1.4**	1.8
Trade and other receivables	**0.6**	1.5
Current liabilities	**0.4**	1.4

Outotec has a 40% investment in Enefit Outotec Technology Oü from which the company has EUR 1.4 million loan receivable at December 31, 2014 (December 31, 2013: EUR 1.8 million). During 2014 Outotec converted EUR 1.1 million to equity of that loan (2013: EUR 0.4 million).

Transactions and balances with management

On May 8, 2013, Outotec announced the dissolution of Outotec Management Oy (Executive Board members' incentive program) through a share exchange. Outotec's Board of Directors used the Annual General Meeting's authorization and allocated 442,115 Outotec Oyj shares to the shareholders of Outotec Management Oy against the shares of Outotec Management Oy. After the share exchange, Outotec Oyj holds 100% of the shares in Outotec Management Oy and Outotec Executive Board members' previously indirect share ownership has become a direct ownership in Outotec Oyj. CEO Pertti Korhonen received 81,048 Outotec Oyj shares, which totals EUR 0.9 million according to his share of ownership in the company. Outotec Management Oy was merged to Outotec Oyj at December 31, 2013.

Employee benefits for key management

EUR million	**2014**	2013
Executive Board (including President and CEO)		
Wages, salaries and other short-term employee benefits	**4.7**	5.1
Share-based payments	**0.2**	3.5
Statutory pension payments	**0.6**	0.6
Defined benefit pensions [1]	**0.1**	0.0
Total	**5.6**	9.2
President and CEO		
Wages, salaries and other short-term employee benefits	**0.7**	0.8
Share-based payments	**0.1**	0.7
Statutory pension payments	**0.1**	0.1
Defined benefit pensions [1]	**-**	-
Total	**0.8**	1.6

[1] Further information in the Note 24 Employee benefit obligations

During year 2014 Executive Board received a total number of 13,956 Outotec shares (2013: 159,804) as part of the share-based incentive program (including in short-term employee benefits), of which CEO Pertti Korhonen received a total of 3 000 (2013: 32,160).

There were no loans from key management at December 31, 2014.

Fees paid to the Board of Directors

EUR thousand	**2014**	2013
Matti Alahuhta (Chairman)	**82.9**	78.6
Timo Ritakallio (Vice Chairman)	**58.8**	60.6
Eija Ailasmaa	**48.6**	43.8
Anja Korhonen	**48.0**	46.8
Tapani Järvinen	**48.6**	43.8
Hannu Linnoinen	**60.0**	60.6
Poju Zabludowicz	**43.2**	46.2
Björn Rosengren	**42.0**	-
Carl-Gustaf Bergström	**0.6**	1.2
Karri Kaitue	**0.6**	1.2
	433.3	382.8

32. EVENTS AFTER THE BALANCE SHEET DATE

On January 2, 2015, Outotec announced a contract to supply gas cleaning technology for Votorantim Metais, part of the Votorantim Group, to the Cajamarquilla zinc refinery. The value of the order is approximately EUR 16 million and it has been booked in Outotec's fourth quarter 2014 order intake.

On January 12, 2015, Outotec announced that it has acquired Kempe Engineering's aluminum smelter technologies as well as its service and spare parts businesses in the Middle East and Africa. The acquisition is expected to be closed in February 2015. Kempe is an Australian privately owned company providing technology for aluminum smelters, operation and maintenance services, modernization services and spare parts. The parties have agreed not to disclose the acquisition price.

On January 13, 2015, Outotec's Nomination Board announced its proposals to the Annual General Meeting as follows:

The current members of the Board of Directors, Matti Alahuhta, Eija Ailasmaa, Anja Korhonen, Timo Ritakallio, Björn Rosengren and Poju Zabludowicz to be re-elected as members of the Board for the term ending at the closure of the Annual General Meeting of 2016. The Nomination Board also proposes that Mr Ian W. Pearce and Mr Klaus Cawén to be elected as new members of the Board. The Nomination Board proposes also that the Annual General Meeting resolves to elect Matti Alahuhta as Chairman of the Board of Directors and resolves to elect Timo Ritakallio as Vice Chairman for the term ending at the closure of the Annual General Meeting of 2016.

The remuneration of the Board of Directors to remain unchanged and the members of the Board of Directors be paid the following annual remuneration: EUR 72,000 for Chairman of the Board of Directors and EUR 36,000 for the other members of the Board of Directors each, as well as an additional EUR 12,000 for both Vice Chairman of the Board, and Chairman of the Audit and Risk Committee; and that the members of the Board each be paid EUR 600 for attendance at each board and committee meeting as well as be reimbursed 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 to the members from the stock exchange, within one week upon the AGM 2015 date, in amounts corresponding to EUR 28,800 for Chairman, EUR 19,200 for Vice Chairman and Chairman of the Audit and Risk 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, 2015. The annual fees shall encompass the full term of office of the Board of Directors. The attendance fee shall be paid in cash.

On January 22, 2015, Outotec announced that it was ranked 12th on the 2015 Global 100 Most Sustainable Corporations in the World (Global 100) Index. This was the third consecutive year Outotec was included in the index (ranking 3rd in 2014).

On January 23, 2015 Outotec announced that it had received notice from Edinburgh Partners Limited (27-31 Melville Street, Edinburgh, Scotland, UK, EH3 7JF) that its holdings in shares of Outotec Oyj (OTE1V) on January 21, 2015 has exceeded 5% and were 9,231,529 shares, which represents 5.04% of the share capital. Of these shares voting authority applies for 6,303,343 (3.44%).

On January, 29, 2015, Outotec announced that Franklin Templeton Investment Management Limited's Franklin Templeton Investment Funds' holdings in shares of Outotec Oyj (OTE1V) on January 27, 2015 has fallen below 5% and were 8,862,083 shares, which represents 4.84% of the share capital and votes in the company.

33. SUBSIDARIES

Subsidiaries at December 31, 2014		Country	Group holding, %
Auburn Project Management Inc.		United States	100
Ausiron Development Corporation Pty. Ltd.		Australia	100
Backfill Specialist Pty Ltd		Australia	100
International Project Services Ltd. Oy		Finland	100
Kumpu GmbH		Germany	100
Larox AB		Sweden	100
Larox India Private Ltd.		India	100
Larox SA (Proprietary) Ltd.		South Africa	100
MP Metals Processing Engineering Oy	1)	Finland	100
OOO Larox		Russia	100
OOO Outotec Norilsk	1)	Russia	100
Outotec Austria GmbH	1), 2)	Austria	100
Outotec (Canada) Ltd.	1)	Canada	100
Outotec (Ceramics) Oy		Finland	100
Outotec (Chile) S.A.		Chile	100
Outotec (Filters) GmbH		Germany	100
Outotec (Filters) Oy	1)	Finland	100
Outotec (Finland) Oy	1)	Finland	100
Outotec (Ghana) Limited		Ghana	100
Outotec (Kazakhstan) LLP		Kazakhstan	100
Outotec (Netherlands) B.V.		The Netherlands	100
Outotec (New Caledonia) S.A.R.L.	2)	New Caledonia	100
Outotec (Norway) AS		Norway	100
Outotec (Peru) S.A.C.		Peru	100
Outotec (Polska) Sp. z o.o.		Poland	100
Outotec (RSA) (Pty) Ltd.		South Africa	100
Outotec (Spain) S.L.	1), 2)	Spain	100
Outotec (Sweden) AB	1)	Sweden	100
Outotec (UK) Ltd.		Great Britain	100
Outotec (USA) Inc.		United States	100
Outotec (Zambia) Ltd.		Zambia	100
Outotec Ausmelt Pty Ltd		Australia	100
Outotec B.V.		The Netherlands	100
Outotec Deutschland GmbH		Germany	100
Outotec Engineering JLT	2)	United Arab Emirates	100
Outotec Filters Australia Pty. Ltd.		Australia	100
Outotec GmbH & Co KG		Germany	100
Outotec Holding GmbH	1)	Germany	100
Outotec India Private Ltd.		India	100
Outotec International Holdings Oy	1)	Finland	100
Outotec Mexico S.A. de C.V.		Mexico	100
Outotec Mongolia LLC		Mongolia	100
Outotec Morocco LLC	1), 2)	Morocco	100
Outotec Namibia (Pty.) Ltd		Namibia	100
Outotec Pty. Ltd.	1)	Australia	100
Outotec Saudi Arabia LLC		Saudi Arabia	100
Outotec Servicios Industriales Ltda.		Chile	100
Outotec Shanghai Co. Ltd.	1)	People's Republic of China	100
Outotec Suzhou Co.,Ltd.		People's Republic of China	100
Outotec Tecnologia Brasil Ltda		Brazil	100
Outotec Turkey Metal Enerji ve su Teknolojileri Anonim Sirket	1), 2)	Turkey	100
Outotec Turula Oy	1)	Finland	100
Petrobau Ingenieur Bulgaria EOOD		Bulgaria	100
PT. Outotec Technology Solutions		Indonesia	100
Scanalyse Chile S.A.		Chile	100
Scanalyse Do Brazil Processamento De Dados Ltda		Brazil	100
Scanalyse Holding Pty Ltd		Australia	100
Scanalyse Pty Ltd		Australia	100
Scheibler Filters Ltd.		Great Britain	100
ZAO Outotec St. Petersburg		Russia	100

All companies owned directly by the parent company Outotec Oyj are included.
The Group holding corresponds to the Group's share of voting rights.

1) Shares and stock held by the parent company Outotec Oyj.
2) Companies were acquired or established in 2014.

Branch Offices at December 31, 2014
International Project Services Ltd. Oy Ogranak, branch office in Serbia
Outotec Pty. Ltd, Sri Lanka, branch office in Sri Lanka
Outotec (RSA) (Pty) Ltd. Zambia, branch office in Zambia
Outotec (Filters) Oy Sucursal, branch office in Peru
Outotec GmbH - Abu Dhabi Branch Office, branch office in United Arab Emirates
Outotec (Netherlands) B.V. Philippine Branch, new branch were established on April 25, 2014, branch office in Philippines

Changes in 2014
Outotec (New Caledonia) S.A.R.L. established on January 20, 2014
Outotec Turkey Metal Enerji ve su Teknolojileri Anonim Sirketi were established on February 19, 2014
Scanalyse Inc merged to Outotec USA Inc. on April 1, 2014
Outotec Engineering JLT established on April 17, 2014
Outotec GmbH name changed to Outotec GmbH & Co KG because of change in legal form on July 15, 2014
Outotec (Spain) S.L. incorporation completed on August 28, 2014
Aisco Systems Inc. Chile y Compañia Ltda liquidated on September 9, 2014
Larox OOO liquidated on September 19, 2014
Outotec Morocco LLC established on October 3, 2014
Outotec (Australasia) Pty. Ltd. was deregistered on October 19, 2014
Outotec Austria GmbH was established on December 17, 2014

Changes in 2013
Outotec Namibia (Pty) Ltd established on January 8, 2013
Outotec Mongolia LLC established on February 5, 2013
Outotec Saudi Arabia LLC was established on February 11, 2013
Outotec Pty. Ltd. acquired Scanalyse Holdings Pty Ltd. And all its subsidiaries on March 19, 2013
Cia Minera Trinidad S.A.C. liquidated on May 7, 2013
Outotec Oyj acquired Outotec Management Oy on May 8, 2013 and the company was merged on December 31, 2013 to Outotec Oyj
Explotaciones Mineras Metalicas S.A.C. liquidated on May 9, 2013

KEY FINANCIAL FIGURES, IFRS

Key financial figures of the Group		2014	2013	2012	2011	2010	2009	2008	2007	2006 [1]
Scope of activity										
Sales	EUR million	**1,402.6**	1,911.5	2,087.4	1,385.6	969.6	877.7	1,217.9	1,000.1	740.4
change in sales	%	**-26.6**	-8.4	50.7	42.9	10.5	-27.9	21.8	35.1	33.1
exports from and sales outside Finland, of total sales	%	**98.6**	99.0	97.4	94.2	95.6	93.6	95.0	95.7	97.3
Capital expenditure	EUR million	**68.5**	53.0	76.2	98.3	96.7	98.0	23.9	11.6	8.0
in relation to sales	%	**4.9**	2.8	3.7	7.1	10.0	11.2	2.0	1.2	1.1
Research and development expenses	EUR million	**37.3**	48.7	41.6	33.5	28.5	20.5	20.2	19.9	19.2
in relation to sales	%	**2.7**	2.6	2.0	2.4	2.9	2.3	1.7	2.0	2.6
Personnel at December 31		**4,571**	4,855	4,805	3,883	3,130	3,128	2,674	2,144	1,797
average for the year		**4,845**	4,927	4,456	3,516	3,151	2,612	2,483	2,031	1,825
Order backlog at the end of the period		**1,138.0**	1,371.7	1,947.1	1,985.1	1,393.1	867.4	1,176.7	1,317.2	866.4
Order intake		**1,177.9**	1,512.4	2,084.4	2,005.4	1,394.7	557.1	1,153.8	1,463.0	1,032.2
Profitability										
Operating profit	EUR million	**10.4**	141.9	184.3	111.9	41.6	58.6	120.2	96.1	51.6
in relation to sales	%	**0.7**	7.4	8.8	8.1	4.3	6.7	9.9	9.6	7.0
Profit before taxes	EUR million	**0.2**	132.2	179.7	113.3	37.1	60.9	136.3	104.8	56.6
in relation to sales	%	**0.0**	6.9	8.6	8.2	3.8	6.9	11.2	10.5	7.6
Gross margin	%	**21.2**	20.7	20.8	24.0	26.2	21.7	21.5	20.4	20.7
Return on equity	%	**0.0**	19.4	29.4	20.9	7.6	14.9	42.6	43.3	29.1
Return on investment	%	**1.7**	25.7	37.0	26.4	9.2	20.9	61.6	59.8	45.4
Financing and financial position										
Equity-to-assets ratio at the end of the period	%	**36.1**	38.5	37.1	39.1	41.2	45.1	35.0	38.2	36.9
Gearing at the end of the period	%	**-1.3**	-18.2	-56.0	-84.9	-56.2	-55.8	-139.0	-136.4	-118.0
Net interest-bearing debt	EUR million	**-5.8**	-87.1	-264.7	-339.1	-200.9	-191.0	-314.6	-292.9	-170.0
Net cash generated from operating activities	EUR million	**19.9**	-42.1	77.1	247.0	87.5	-28.8	106.6	143.0	67.8
Dividends	EUR million	**18.1** [2]	36.6	54.9	38.9	34.3	32.0	42.0	39.9	14.7

[1] Combined basis
[2] The Board of Directors´ proposal to the Annual General Meeting on March 30, 2015

QUARTERLY INFORMATION (UNAUDITED)

EUR million	Q1/13	Q2/13	Q3/13	**Q4/13**	Q1/14	Q2/14	Q3/14	**Q4/14**
Sales								
Metals, Energy & Water	287.8	288.3	266.6	**262.5**	187.7	176.9	165.9	**212.6**
Minerals Processing	215.3	223.0	172.8	**195.6**	156.2	158.4	154.4	**190.4**
Unallocated items[1] and intra-group sales	-0.2	0.2	0.7	**-0.9**	0.0	0.0	0.1	**0.0**
Total	502.9	511.4	440.1	**457.2**	343.9	335.2	320.3	**403.2**
Operating profit								
Metals, Energy & Water	15.9	25.1	27.0	**11.7**	-2.9	-9.9	2.0	**-7.5**
Minerals Processing	21.8	15.5	22.0	**24.9**	13.5	11.1	8.9	**12.4**
Unallocated items[2] and intra-group sales	-6.0	-0.8	-0.4	**-11.2**	-1.8	-1.6	-11.2	**-2.6**
Total	31.7	39.9	45.0	**25.4**	8.7	-0.3	-0.3	**2.3**
Order backlog at the end of period	1,938.9	1,761.3	1,512.3	**1,371.7**	1,215.9	1,259.7	1,217.3	**1,138.0**

[1] Unallocated items primarily include invoicing of the Group management and administrative services.
[2] Unallocated items primarily include the Group management and administrative services.

SHARE-RELATED KEY FIGURES

Share-related key figures

EUR million		**2014**	2013	2012	2011	2010	2009
Earnings per share	EUR	**0.00**	0.51	0.70	0.44	0.15	0.25
Equity per share	EUR	**2.47**	2.64	2.61	2.19	1.97	1.77
Dividend per share	EUR	**0.10**[1]	0.20	0.30	0.21	0.19	0.18
Dividend payout ratio	%	**10,497**	40	43	49	129	76
Dividend yield	%	**2.3**	2.6	2.8	2.3	1.6	2.8
Price/earnings ratio		**4,608.1**	14.9	15.0	20.8	78.6	24.5
Development of share price							
Average trading price	EUR	**6.88**	10.01	9.52	8.80	7.19	4.35
Lowest trading price	EUR	**4.19**	6.55	7.58	5.97	4.71	2.33
Highest trading price	EUR	**9.28**	13.03	11.67	11.70	11.81	6.22
Trading price at the end of the period	EUR	**4.39**	7.61	10.59	9.10	11.56	6.19
Market capitalization at the end of the period	EUR million	**803.2**	1,393.6	1,939.7	1,666.4	2,116.9	1,107.4
Development in trading volume							
Trading volume	1,000 shares	**255,600**	242,841	352,500	326,440	399,768	426,026
In relation to weighted average number of shares	%	**141.6**	134.3	194.3	179.8	220.3	254.5
Adjusted average number of shares		**180,469,018**	180,827,549	181,436,638	181,517,634	181,427,449	167,375,172
Number of shares at the end of the period[2]		**180,470,383**	181,149,768	180,568,692	182,082,532	181,330,952	177,743,148

[1] The Board of Directors' proposal to the Annual General Meeting on March 30, 2015
[2] Number of registered shares at December 31, 2014 was 183,121,492 (at December 31, 2013: 183,121,492).

DEFINITIONS OF KEY FINANCIAL FIGURES

Research and development expenses	=	Research and development expenses in the statement of comprehensive income (including expenses covered by grants received)
Return on equity	=	$\frac{\text{Profit for the period}}{\text{Total equity (average for the period)}} \times 100$
Return on investment	=	$\frac{\text{Operating profit + finance income}}{\text{Total assets - non-interest-bearing debt (average for the period)}} \times 100$
Net interest-bearing debt	=	Interest-bearing debt - Interest-bearing assets
Equity-to-assets ratio	=	$\frac{\text{Total equity}}{\text{Total assets – advances received}} \times 100$
Gearing	=	$\frac{\text{Net interest-bearing debt}}{\text{Total equity}} \times 100$
Earnings per share	=	$\frac{\text{Profit for the period attributable to the equity holders of the parent company}}{\text{Average number of shares during the period, as adjusted for stock split}}$
Equity per share	=	$\frac{\text{Equity attributable to the equity holders}}{\text{Number of shares at the end of the period, as adjusted for stock split}}$
Dividend per share	=	$\frac{\text{Dividend for the financial year}}{\text{Number of shares at the end of the period, as adjusted for stock split}}$
Dividend payout ratio	=	$\frac{\text{Dividend for the financial year}}{\text{Profit for the period attributable to the equity holders of the parent company}} \times 100$
Dividend yield	=	$\frac{\text{Dividend per share}}{\text{Adjusted trading price at the end of the period}} \times 100$
Price/earnings ratio (P/E)	=	$\frac{\text{Adjusted trading price at the end of the period}}{\text{Earnings per share}}$
Average trading price	=	$\frac{\text{EUR amount traded during the period}}{\text{Adjusted number of shares traded during the period}}$
Market capitalization at end of the period	=	Number of shares at the end of period × trading price at the end of the period
Trading volume	=	Number of shares traded during the period, and in relation to the weighted average number of shares during the period

INCOME STATEMENT OF THE PARENT COMPANY

EUR million	Note	**2014**	2013
Sales	2	**33.7**	51.5
Cost of sales	3, 5, 7	**-2.9**	-3.3
Gross profit		**30.7**	48.2
Other operating income	4	**1.3**	1.2
Selling and marketing expenses	5, 6, 7	**-0.2**	-6.8
Administrative expenses	5, 6, 7	**-35.0**	-44.7
Research and development expenses	5, 7	**-3.6**	-8.2
Other operating expenses	8	**-12.6**	-6.9
Operating profit		**-19.5**	-17.2
Finance income	9, 11	**68.5**	138.8
Finance expenses	10, 11	**-22.9**	-32.0
Net finance income		**45.6**	106.8
Profit before extraordinary items		**26.1**	89.6
Extraordinary items	12	**11.0**	39.0
Profit before appropriations and taxes		**37.1**	128.6
Appropriations	13	**-**	0.0
Income tax expenses	14	**-0.8**	-8.4
Profit for the period		**36.3**	120.2

BALANCE SHEET OF THE PARENT COMPANY

EUR million	Note	**December 31, 2014**	December 31, 2013
ASSETS			
Non-current assets	15		
Intangible assets		**46.8**	56.7
Property, plant and equipment		**1.1**	1.4
Non-current financial assets		**431.1**	353.9
Total non-current assets		**479.0**	412.0
Current assets			
Inventories	16	**0.0**	0.0
Non-current receivables	17	**33.5**	28.3
Current receivables	17	**231.0**	358.4
Cash and cash equivalents		**125.5**	163.1
Total current assets		**390.1**	549.9
TOTAL ASSETS		**869.1**	961.9
EQUITY AND LIABILITIES			
Shareholders' equity	18		
Share capital		**17.2**	17.2
Share premium fund		**20.2**	20.2
Cash flow hedging reserve		**-0.3**	0.2
Treasury shares		**-18.0**	-18.1
Reserve for invested non-restricted equity		**96.4**	96.2
Retained earnings		**202.4**	118.6
Profit for the period		**36.3**	120.2
Total shareholders' equity		**354.2**	354.5
Liabilities	19		
Non-current liabilities		**246.4**	206.9
Current liabilities		**268.5**	400.5
Total liabilities		**514.9**	607.4
TOTAL EQUITY AND LIABILITIES		**869.1**	961.9

CASH FLOW STATEMENT OF THE PARENT COMPANY

EUR million	2014	2013
Cash flows from operating activities		
Profit before extraordinary items	**26.1**	89.6
Adjustments for		
Amortization	**6.5**	8.2
Impairment	**10.1**	4.3
Interest income	**-7.6**	-8.9
Dividend income	**-48.9**	-101.4
Interest expenses	**8.4**	3.6
Other adjustments [1]	**-1.8**	2.7
	-7.2	-2.0
Change in working capital		
Decrease (+) in current receivables	**133.0**	37.4
Decrease (+) in inventories	**0.0**	0.1
Increase (+)/decrease (-) in current liabilities	**1.4**	-12.5
	127.2	23.0
Dividends received	**3.4**	15.4
Interest received	**7.8**	7.0
Interest paid	**-8.3**	-1.9
Income tax paid	**2.4**	-26.9
Net cash from operating activities	**132.6**	16.7
Cash flows from investing activities		
Purchases of intangible and tangible assets	**-22.5**	-21.5
Acquisition of subsidiaries and other equity investments	**-60.2**	-11.9
Net cash used in investing activities	**-82.6**	-33.4
Cash flows from financing activities		
Increase (+) in long-term debt	**45.0**	145.7
Increase (-) in current debt	**-139.2**	-120.7
Increase (-)/decrease (+) in non-current loans receivable	**-1.0**	0.4
Increase (+) in current loans receivable	**3.9**	10.4
Sales of treasury shares	**0.1**	2.0
Dividends paid	**-36.6**	-54.9
Cash flow from group contributions	**40.0**	75.0
Other financing cash flow	**0.5**	0.2
Net cash from financing activities	**-87.5**	58.1
Net change in cash and cash equivalents	**-37.5**	41.3
Cash and cash equivalents at January 1	**163.1**	121.8
Net change in cash and cash equivalents	**-37.5**	41.3
Cash and cash equivalents at December 31	**125.5**	163.1

[1] Includes gains and losses on sale of fixed assets, change in provisions and unrealized exchange gains and losses.

1. ACCOUNTING PRINCIPLES

The financial statements of Outotec Oyj have been prepared according to Finnish Accounting Standards (FAS). The accounting principles for the parent company's financial statements are the same as those for the consolidated financial statements, with the exceptions presented below.

Appropriations

The difference between depreciation according to plan and depreciation for tax purposes is presented under appropriations in the parent company's income statement and the accumulated depreciation difference is presented as appropriations in the balance sheet.

Income taxes

Income tax expenses in income statement consist of accrued taxes for the financial year and tax adjustments to previous years. Deferred tax liabilities and assets have not been recognized but disclosed in the notes to the financial statements.

Non-current financial assets

Non-current financial assets are measured at cost or if the estimated future income is expected to be permanently lower than the book value, the difference is recognized as a write-down.

2. SALES BY MARKET AREA

EUR million	**2014**	2013
Europe	**29.8**	33.3
Africa	**0.2**	1.7
Asia	**0.5**	1.2
North and South America	**1.8**	9.3
Australia	**1.4**	5.9
	33.7	51.5

3. COST OF SALES

EUR million	**2014**	2013
Merchandise and supplies	**-0.0**	-0.3
Logistics expenses	**-0.0**	-0.0
Employee benefit expenses	**-1.5**	-1.8
Rents and leases	**-0.2**	-0.1
Amortiziation and impairment	**-0.0**	-0.0
Services purchased	**-0.8**	-0.7
Other expenses	**-0.4**	-0.3
	-2.9	-3.3

4. OTHER OPERATING INCOME

EUR million	**2014**	2013
Exchange gains of forward contracts	**0.1**	1.2
Other income	**1.2**	0.0
	1.3	1.2

5. PERSONNEL EXPENSES

EUR million	**2014**	2013
Wages and salaries	**-12.3**	-18.6
Pension contributions	**-2.4**	-2.9
Other personnel expenses	**-0.7**	-1.2
	-15.5	-22.7
of which wages and salaries for key management		
Members of the Board of Directors	**-0.4**	-0.4
CEO	**-0.7**	-1.5
Other members of Executive Board	**-2.6**	-3.9
	-3.8	-5.8
of which pension expenses for key management		
Members of the Board of Directors	**-**	-
CEO	**-0.1**	-0.1
Other members of Executive Board	**-0.4**	-0.3
	-0.5	-0.5

During year 2014, Executive Board members in Outotec Oyj received a total number of 9,456 Outotec shares (2013: 103,524) as part of the share-based incentive program (including in short-term employee benefits). The portion of CEO Pertti Korhonen was 3,000 shares.

There are no special pension arrangements for key management, instead pension arrangements are according to normal legislation.

Number of personnel	**2014**	2013
Average number of personnel for the period	**149**	182
Personnel at December 31	**140**	176

6. AUDITOR FEES

EUR million	**2014**	2013
Auditing fees	**-0.2**	-0.1
Tax advising fees	**-0.1**	-0.0
Other services	**-0.0**	-0.1
	-0.2	-0.2

7. AMORTIZATION AND IMPAIRMENT

EUR million	**2014**	2013
Amortization according to plan	**-6.5**	-8.2
	-6.5	-8.2
Amortization and impairment by group of assets		
Intangible assets	**-2.1**	-3.9
Other long-term expenses	**-3.8**	-3.6
Machinery and equipment	**-0.6**	-0.6
	-6.5	-8.2
Amortization and impairment by function		
Cost of sales	**-0.0**	-0.0
Selling and marketing expenses	**-**	-0.0
Administrative expenses	**-5.6**	-5.7
Research and development expenses	**-0.9**	-2.4
	-6.5	-8.2

8. OTHER OPERATING EXPENSES

EUR million	2014	2013
Impairment of intangible assets	-	-0.5
Impairment of other long-term expenses	-10.0	-3.4
Impairment of tangible assets	-0.1	-
Impairment of shares	-	-0.4
Additions to provisions	-1.7	-2.6
Exchange losses of forward contracts	-0.8	-
	-12.6	-6.9

9. FINANCE INCOME

EUR million	2014	2013
Dividend income	48.9	101.4
Interest income	7.6	8.9
Finance income	4.0	5.5
Exchange gains from loans and receivables	3.3	2.2
Exchange gains from forward agreements	-	18.8
	63.8	136.8
Finance income from subsidiaries [1]		
Dividend income	48.9	101.4
Interest income and other finance income	9.7	13.6
	58.6	115.1

[1] Finance income from subsidiaries are included in finance income above

10. FINANCIAL EXPENSES

EUR million	2014	2013
Interest expenses	-8.4	-3.6
Finance expenses	-4.0	-3.9
Exchange losses from loans and receivables	-0.8	-22.3
Exchange losses from forward agreements	-5.0	-
	-18.2	-29.9
Finance expenses to subsidiaries [1]		
Interest expenses	-0.7	-0.4

[1] Finance expenses to subsidiaries are included in finance expenses above

11. DERIVATIVES UNDER HEDGE ACCOUNTING

EUR million	2014	2013
Fair value changes from interest rate derivatives [1]	4.2	2.0
Change in fair value revaluation reserve [1] [2]	0.5	-0.2
Other fair value changes [2]	-4.7	-2.0
	0.0	-0.2

[1] Changes in fair value are included in finance income of income statement
[2] Changes in fair value are included in finance expenses of income statement

Treasury operations of the Group are centralized in Outotec Oyj

12. EXTRAORDINARY ITEMS

EUR million	2014	2013
Group contributions received	11.0	39.0

13. APPROPRIATIONS

EUR million	**2014**	2013
Decrease in depreciation difference	**-**	0.0

All appropriations relate to machinery and equipment.

14. INCOME TAX EXPENSES

EUR million	**2014**	2013
Income tax expenses from previous year	**-0.0**	-0.0
Income tax expenses from extraordinary items	**-2.2**	-9.6
Income tax expenses from operations	**1.4**	1.1
	-0.8	-8.4
Deferred tax assets		
Temporary differences	**3.8**	1.5

15. NON-CURRENT ASSETS

	Intangible assets			Tangible assets
EUR million	Patents and licenses	Long-term expense items	Total	Property, plant and equipment
Historical cost at January 1, 2014	33.5	30.5	64.1	4.2
Additions	2.5	24.9	27.4	0.4
Disposals	-27.5	-	-27.5	-
Impairment	-	-11.7	-11.7	-1.4
Historical cost at December 31, 2014	**8.5**	**43.7**	**52.3**	**3.2**
Accumulated amortization and impairment at January 1, 2014	-12.4	-11.4	-23.8	-2.8
Amortization during period	-2.1	-3.8	-5.9	-0.6
Amortization from disposals during period	11.4	-	11.4	-
Amortization from impairment during period	-	1.6	1.6	1.3
Accumulated amortization and impairment at December 31, 2014	**-3.1**	**-13.6**	**-16.7**	**-2.1**
Construction in progress at December 31, 2014	**-**	**11.2**	**11.2**	**-**
Carrying value at December 31, 2014	**5.5**	**41.3**	**46.8**	**1.1**
Historical cost at January 1, 2013	29.1	25.7	54.9	3.1
Additions	6.7	8.6	15.3	1.1
Impairment	-2.3	-3.8	-6.1	-
Historical cost at December 31, 2013	33.5	30.5	64.1	4.2
Accumulated amortization and impairment at January 1, 2013	-10.1	-8.3	-18.4	-2.1
Amortization during period	-4.0	-3.5	-7.5	-0.7
Amortization from impairment during period	1.7	0.4	2.1	-
Accumulated amortization and impairment at December 31, 2013	-12.4	-11.4	-23.8	-2.8
Construction in progress at December 31, 2013	-	16.4	16.4	-
Carrying value at December 31, 2013	21.2	35.5	56.7	1.4

Long-term financial assets EUR million	Shares in subsidiaries	Shares in associated companies	Other shares and holdings	Total
Historical cost at January 1, 2014	353.7	-	0.2	353.9
Additions	77.3	-	-	77.3
Carrying value at December 31, 2014	**430.9**	**-**	**0.2**	**431.1**
Historical cost at January 1, 2013	371.9	-	0.6	372.4
Additions	12.0	-	-	12.0
Disposals	-30.2	-	-0.4	-30.6
Carrying value at December 31, 2013	353.7	-	0.2	353.9

Investments in subsidiary shares are disclosured in more detail in the Group Note 33.

16. INVENTORIES

EUR million	2014	2013
Materials and supplies	**0.0**	0.0
	0.0	0.0

17. RECEIVABLES

EUR million	2014	2013
Non-current receivables		
Interest-bearing		
Loans receivable	**27.0**	25.9
Non interest-bearing		
Unrealized exchange gains of forward contracts	**6.5**	2.4
	33.5	28.3
Current receivables		
Interest-bearing		
Loans receivable	**160.6**	166.7
Other receivables from the Group companies	**4.8**	2.2
Non interest-bearing		
Trade receivables	**31.7**	22.5
Prepaid expenses and accrued income	**10.0**	13.5
Other receivables	**24.0**	153.4
	231.0	358.4
Prepaid expenses and accrued income		
Interest receivables	**2.8**	3.0
Receivables from long-term construction contracts	**7.2**	10.4
Other receivables	**0.0**	0.0
	10.0	13.5
Receivables from subsidiaries		
Non-current receivables		
Interest-bearing		
Loans receivable	**27.0**	25.9
Current receivables		
Interest-bearing		
Loans receivable	**160.6**	166.7
Other receivables from the Group companies	**4.8**	2.2
Non interest-bearing		
Trade receivables	**31.4**	22.5
Prepaid expenses and accrued income	**2.4**	2.4
Group contribution receivables	**11.0**	40.0
Other receivables	**4.8**	97.7
	241.8	357.4

18. SHAREHOLDERS' EQUITY

EUR million	2014	2013
Share capital	**17.2**	17.2
Share premium fund	**20.2**	20.2
Treasury shares	**-18.0**	-18.1
Cash flow hedging reserve, foreign exchange	**-0.3**	0.2
Reserve for invested non-restricted equity	**96.4**	96.2
Retained earnings at January 1	**238.8**	183.9
Dividend	**-36.6**	-54.9
Change of shares/Outotec Management Oy	**-**	-4.3
Merger result/Outotec Management Oy	**-**	-3.6
Change in value of treasury shares	**-0.2**	-3.2
Dividend related to treasury shares	**0.4**	0.7
Profit for the period	**36.3**	120.2
Total shareholders' equity at December 31	**354.2**	354.5
Distributable funds		
Reserve for invested non-restricted equity	**96.4**	96.2
Treasury shares	**-18.0**	-18.1
Retained earnings	**202.4**	118.6
Profit for the period	**36.3**	120.2
Distributable funds at December 31	**317.1**	316.9

Outotec has an agreement with a third-party service provider concerning administration and hedging of share-based incentive program for key personnel. As part of this agreement, for hedging the underlying cash flow risk, the service provider purchased Outotec shares during 2009 and 2008. The purchase of Outotec shares by third-party service provider have been accounted as treasury shares in Outotec's consolidated balance sheet. At the end of the year 2014, the amount of these treasury shares was 18,034 (2013: 22,180). Outotec's consolidated balance sheet and consolidated changes in equity reflect the substance of the arrangement with a deduction amounting to EUR 0.0 million (2013: EUR 0.0 million) in equity.

In September 2012, Outotec purchased a total of 2,000,000 of the company's own shares through public trading. Shares have been used in acquisition of Outotec Management Oy and in the share-based incentive programs. In December 31, 2013 Outotec Management Oy was merged to Outotec Oyj. In the merger 813,736 shares, previously owned by Outotec Management Oy, were transferred. At the end of the year the number of these shares, including the shares transferred in Outotec Management Oy merger, was 2,104,411 (2013: 2,114,769) and book value EUR 17.9 million. (2013: EUR 18.0 million)

19. LIABILITIES

EUR million	2014	2013
Non-current liabilities		
Interest-bearing		
Bonds	**155.1**	150.2
Loans from financial institutions	**90.9**	56.7
Non interest-bearing		
Unrealized exchange losses of forward contracts	**0.4**	0.1
	246.4	206.9
Current liabilities		
Interest-bearing		
Loans from subsidiaries	**108.2**	255.1
Other current loans from the Group companies	**130.2**	113.7
Pension loans	**-**	3.0
Non interest-bearing		
Trade payables	**3.1**	4.1
Accrued expenses and prepaid income	**13.3**	11.8
Other current liabilities	**13.7**	12.8
	268.5	400.5
Accrued expenses and prepaid income		
Accrued personnel expenses	**3.5**	4.2
Other liabilities	**9.8**	7.7
	13.3	11.8
Liabilities to subsidiaries		
Current liabilities		
Interest-bearing		
Current loans	**82.4**	239.1
Other current loans from the Group companies	**130.2**	113.7
Non interest-bearing		
Trade payables	**0.8**	1.3
Accrued expenses and prepaid income	**0.1**	0.0
Other current liabilities	**0.9**	8.0
	214.6	362.1

20. COMMITMENTS

EUR million	**2014**	2013
Guarantees		
On behalf of subsidiaries		
For financing	**11.7**	9.6
For other commitments	**500.8**	542.0
On behalf of own commercial commitments (excluding advance payment guarantees)	**10.2**	7.7

The total value of commercial guarantees issued by the parent company on behalf of subsidiaries includes advance payment guarantees EUR 203.5 million at December 31, 2014 (at December 31, 2013: EUR 292.9 million).

The total amount of guarantees for commercial commitments including advance payment guarantees issued by the parent company amounted to EUR 511.0 million at December 31, 2014 (at December 31, 2013: EUR 542.0 million).

Minimum future lease payments on operating leases		
Not later than 1 year	**9.9**	8.9
1–2 years	**8.2**	10.3
2–3 years	**7.5**	8.4
3–4 years	**5.8**	7.8
4–5 years	**5.3**	5.5
Later than 5 years	**40.9**	43.8
	77.7	84.6

21. DERIVATIVE INSTRUMENTS

EUR million	**2014**	2013
Net fair values		
Contracts made with financial institutions		
Foreign exchange forward contracts	**-2.2**	10.2
Interest rate swaps	**6.2**	2.0
Contracts made with subsidiaries		
Foreign exchange forward contracts	**3.8**	-4.9
	7.8	7.3
Nominal values		
Contracts made with financial institutions		
Foreign exchange forward contracts	**374.7**	466.5
Interest rate swaps	**115.0**	115.0
Contracts made with subsidiaries		
Foreign exchange forward contracts	**234.8**	365.0
	724.4	946.5

SHARES AND SHAREHOLDERS

Outotec Oyj's shares are listed on the Nasdaq Helsinki Ltd (OMXH). The trading symbol of Outotec is OTE1V and trading lot is one share.

Shares and share capital

At the end of 2014, 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 shareholders' meetings.

Outotec Oyj's own shareholding

At the end of 2014, the company held directly a total 2,104,411 Outotec shares which represents 1.15% of Outotec Oyj's shares and votes.

Outotec has an agreement with a third party service provider concerning administration and hedging of the Share-based Incentive Program for key personnel. At the end of 2014, the amount of these treasury shares was 18,034.

Board's authorizations

The Annual General Meeting 2014 authorized Outotec's Board of Directors to determine the repurchase of the company's own shares, and to issue new shares. The maximum number of shares related to both authorizations is 18,312,149. The authorizations are valid until the closing of the next Annual General Meeting. On April 29, 2014, Outotec announced that the Board of Directors has used this authorization and decided on issuance of a total maximum number of 19,027 shares held by the company for payment of the reward of the Share-based Incentive Program 2013-2015 from the 2013 earning period.

The AGM further authorized the Board of Directors to decide on donations in the aggregate amount of EUR 100,000 to universities, institutions of higher education or other non-profit purposes. In accordance with the authorization, a total of EUR 100,000 has been donated to various causes in 2014. The biggest donations were 50,000 euros to WWF Finland to promote green economy in Finland and 20,000 euros to UNICEF to fight Ebola.

Board and management shareholding

The total share holding of the Board of Directors, CEO and Executive Board at the end of 2013 was 855,739 Outotec shares.

More details of the individual shareholdings can be found on the company's website at www.outotec.com/cg.

Dividend policy

On November 27, 2014, Outotec's Board of Directors adopted a dividend policy aiming to dividends representing on average 40% of the annual net income of Outotec for the preceding financial year. The amount of future dividends, will be subject to Outotec's future earnings, financial, condition, cash flows, and working capital requirements. In addition, investments in either organic growth or acquisitions as part of Outotec's growth strategy may impact the level of future dividends. Although the Board of Directors has no reason to believe that dividend payments under this policy will not generally be made, there is no assurance on payment of any annual dividend or on the amount of dividend in any given year.

Board of Directors' proposal for profit distribution

The Board of Directors of Outotec proposes to the Annual General meeting that a dividend of EUR 0.10 per share be paid from Outotec Oyj's distributable funds for December 31, 2014, and that any remaining distributable funds be allocated to retained earnings. The suggested dividend record date is April 1, 2015, with the dividend to be paid on April 17, 2015. According to the financial statement for December 31, 2014, the parent company distributable funds total EUR 317.1 million. There have been no substantial changes in the financial position of the company after the balance sheet date. According to the Board of Directors, the liquidity of the company is good and the proposed profit sharing will not affect the solvency of the company.

SHARES ON NASDAQ HELSINKI LTD

January-December 2014	No. of shares traded	Total value EUR	High EUR	Low EUR	Average EUR[1]	Last paid EUR
OTE1V	255,600,000	1,753,936,924	9.28	4.19	6.88	4.39

	Dec 31, 2014	Dec 31, 2013
Market capitalization, EUR million	**803**	1,394
No. of shareholders	**32,408**	29,231
Nominee registered shareholders (11), %	**27.9**	33.9
Finnish households, %	**19.0**	16.2

[1] Volume weighted average

DIVIDEND PAYMENT

Year	Dividend per share, EUR	Pay out ratio, %	Yield, %
2007 (financial year 2006)	0.09	40	1.5
2008 (financial year 2007)	0.24	51	2.5
2009 (financial year 2008)	0.25	45	9.3
2010 (financial year 2009)	0.18	76	2.8
2011 (financial year 2010)	0.19	129	1.6
2012 (financial year 2011)	0.21	49	2.3
2013 (financial year 2012)	0.30	43	2.8
2014 (financial year 2013)	0.20	40	2.6
2015 (financial year 2014)	0.10[1]	10,497	2.3

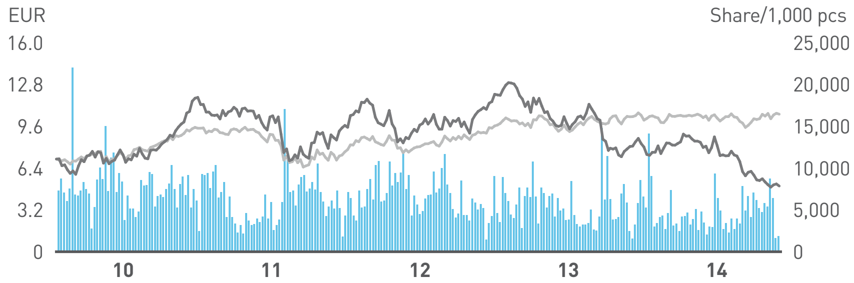
[1)] The Board of Directors' proposal to the Annual General Meeting on March 30, 2015.

SHARE-RELATED KEY FIGURES

		2014	2013
Earnings per share	EUR	**0.00**	0.51
Equity per share	EUR	**2.47**	2.64
Dividend per share	EUR	**0.10**[1]	0.20
Dividend payout ratio	%	**10,497**	40
Dividend yield	%	**2.3**	2.6
Price/earnings ratio		**4,608.1**	14.9
Development of share price			
Average trading price	EUR	**6.88**	10.01
Lowest trading price	EUR	**4.19**	6.55
Highest trading price	EUR	**9.28**	13.03
Trading price at the end of period	EUR	**4.39**	7.61
Market capitalization at the end of period	EUR million	**803.2**	1,393.6
Development in trading volume			
Trading volume	1,000 shares	**255,600**	242,841
In relation to weighted average number of shares	%	**141.6**	134.3
Adjusted average number of shares		**180,469,018**	180,827,549
Number of shares at the end of period [2)]		**180,470,383**	181,149,768

[1)] The Board of Directors' proposal to the Annual General Meeting on March 30, 2015.
[2)] Number of registered shares at December 31, 2014 was 183,121,492 (at December 31, 2013: 183,121,492).

OUTOTOEC SHARE PRICE PERFORMANCE AND TRADING VOLUME IN NASDAQ HELSINKI



— Outotec Oyj, OTE1V
— Industry (HX2000PI)
● Trading volume*

*) In 2014, Nasdaq Helsinki's share accounted for 45.1% (2013: 42.8%) of all shares traded. Source: Fidessa Fragulator

DISTRIBUTION OF SHAREHOLDINGS ON DECEMBER 31, 2014

Number of shares	Number of shareholders	% of shareholders	Number of shares	% of shares
1–100	5,034	15.5	318,094	0.2
101–1,000	19,165	59.1	8,727,797	4.8
1,001–10,000	7,522	23.2	20,954,517	11.4
10,001–100,000	599	1.8	15,933,357	8.7
100,001–1,000,000	76	0.2	21,174,139	11.6
1,000,001+	12	0.0	116,013,588	63.4
Total	32,408	100.0	183,121,492	100.0
In the joint book-entry account			0	0.0
In special accounts			0	0.0
Number of shares issued			183,121,492	100.0
Nominee registered	11	0.0	51,049,800	27.9

SHAREHOLDERS BY GROUP ON DECEMBER 31, 2014

Sectors	Number of holdings	% of shares and votes
Private companies	1,625	22.58
Financial and insurance institutions	97	7.47
Public-sector organizations	29	18.30
Households	29,450	19.04
Non-profit organizations	294	3.43
Foreigners	913	1.31
Total	32,408	72.12
In the joint book-entry account	0	0.00
In special accounts	0	0.00
Nominee registered	0	27.88

LARGEST SHAREHOLDERS ON DECEMBER 31, 2014

Shareholders	Shares	% of shares and votes
Solidium Oy	20,140,000	11.00
Varma Mutual Pension Insurance Company	12,778,363	6.98
Ilmarinen Mutual Pension Insurance Company	10,501,539	5.73
Tamares Nordic Investments B.V.	10,192,356	5.57
The State Pension Fund	3,700,000	2.02
Elo Mutual Pension Insurance Company	2,912,991	1.59
The Local Government Pensions Institution	2,425,120	1.32
Outotec Oyj	2,104,411	1.15
Mandatum Life Unit-Linked	1,175,613	0.64
Nordea Pro Finland Fund	948,985	0.52
Total	66,879,378	36.52

AUDITOR'S REPORT

To the Annual General Meeting of Outotec Oyj
We have audited the accounting records, the financial statements, the report of the Board of Directors and the administration of Outotec Oyj for the year ended December 31, 2014. The financial statements comprise the consolidated statement of financial position, statement of comprehensive income, statement of changes in equity and statement of cash flows, and notes to the consolidated financial statements, as well as the parent company's balance sheet, income statement, cash flow statement and notes to the financial statements.

Responsibility of the Board of Directors and the Managing Director
The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, as well as for the preparation of financial statements and the report of the Board of Directors that give a true and fair view in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The Board of Directors is responsible for the appropriate arrangement of the control of the company's accounts and finances, and the Managing Director shall see to it that the accounts of the company are in compliance with the law and that its financial affairs have been arranged in a reliable manner.

Auditor's Responsibility
Our responsibility is to express an opinion on the financial statements, on the consolidated financial statements and on the report of the Board of Directors based on our audit. The Auditing Act requires that we comply with the requirements of professional ethics. We conducted our audit in accordance with good auditing practice in Finland. Good auditing practice requires that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the report of the Board of Directors are free from material misstatement, and whether the members of the Board of Directors of the parent company or the Managing Director are guilty of an act or negligence which may result in liability in damages towards the company or whether they have violated the Limited Liability Companies Act or the articles of association of the company.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the report of the Board of Directors. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements and report of the Board of Directors that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the report of the Board of Directors.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion on the Consolidated Financial Statements
In our opinion, the consolidated financial statements give a true and fair view of the financial position, financial performance, and cash flows of the group in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

Opinion on the Company's Financial Statements and the Report of the Board of Directors
In our opinion, the financial statements and the report of the Board of Directors give a true and fair view of both the consolidated and the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The information in the report of the Board of Directors is consistent with the information in the financial statements.

Espoo, February 12, 2015

PricewaterhouseCoopers Oy
Authorised Public Accountants

Markku Katajisto
Authorised Public Accountant

BOARD OF DIRECTORS

Matti Alahuhta
born 1952, Finnish citizen
D. Sc. (Tech.), D. Sc. (Tech.) h.c.
Board member and chairman of the Board of Directors since 2013, chairman of the Human Capital Committee
Positions of trust: Chairman of the Board of DevCo Partners, member of the Board of KONE Corporation, ABB Group, AB Volvo and UPM Kymmene Corporation, chairman of the Board of the Aalto University Foundation, and deputy chairman of the Board of the Confederation of Finnish Industries (chairman since January 1, 2015).
Outotec shareholding on Dec 31, 2014: 105,980
Independent of the company and owner

Timo Ritakallio
born 1962, Finnish citizen LL.M., MBA
Board member since 2011, vice chairman since 2013, member of the Audit and Risk Committee
Deputy Chief Executive Officer of Ilmarinen Mutual Pension Insurance Company (CEO since February 1, 2015)
Positions of trust: Member of the Board of Directors of Securities Market Association, and member of the Board of Directors and chairman of the Remuneration Committee of Technopolis Plc
Outotec shareholding on Dec 31, 2014: 10,750
Independent of the company and owner

Eija Ailasmaa
born 1950, Finnish citizen
M. Soc. Sc., Graduate of the Sanoma School of Journalism
Board member since 2010, member of the Human Capital Committee
CEO of Sanoma Media B.V. 2003–2011
Positions of trust: Vice chairman of the Board of Directors of Solidium Oy, member of the Board of Directors and Audit Committee of Huhtamäki Oyj
Outotec shareholding on Dec 31, 2014: 4,534
Not independent of the owner, independent of the company

Tapani Järvinen
born 1946, Finnish citizen
M.Sc. (Eng.), Lic.Sc. (Tech.)
Board member since 2010, member of the Human Capital Committee
Senior Advisor of VTT Technical Research Centre of Finland
President and CEO of Outotec 2006–2009
Positions of trust: Chairman of the Board of Directors of Talvivaara Mining Plc, member of the Board of Directors of Finpro, Mustavaara Mine Ltd, Konecranes Plc, Okmetic Oyj, Normet Corporation, and Dragon Mining NL, and chairman of the Board of Directors of Finnish–Latin American Trade Association.
Outotec shareholding on Dec 31, 2014: 151,050
Independent of the company and owner

Anja Korhonen
born 1953, Finnish citizen
M. Sc. (Econ.)
Board member since 2013, member of the Audit and Risk Committee
Senior Vice President, Corporate Controller of Nokia Corporation until 2011
Outotec shareholding on Dec 31, 2014: 3,050
Independent of the company and owner

Hannu Linnoinen
born 1957, Finnish citizen
B.Sc. (Econ.), LL.M.
Board member since 2006, Chairman of the Audit and Risk Committee
Senior Executive Vice President and CFO of SRV Group Plc
Positions of trust: Member of the Board of Directors of Greenstream Network Plc and Garantia Insurance Company Ltd
Outotec shareholding on Dec 31, 2014: 22,466
Independent of the company and owner

Björn Rosengren
born 1959, Swedish citizen
M.Sc. (Mechanical Eng.)
Board member since 2014
President & CEO of Wärtsilä Corporation
Positions of trust: Member of the Board of Danfoss A/S
Outotec shareholding on Dec 31, 2014: 1,810
Independent of the company and owner

Poju Zabludowicz
born 1953, Finnish citizen
B.A. (Economics and International Relations)
Board member since 2012, member of the Audit and Risk Committee
Chairman and CEO of Tamares Group
Positions of trust: Member of the Board of Mustavaara Kaivos Oy, patron of Finnish British Chamber of Commerce, member of the Board of Kiasma - Museum of Contemporary Art, council member of Tate Modern International, and co-founder and trustee of The Zabludowicz Collection.
Outotec shareholding on Dec 31, 2014: 4,534
Independent of the company and owner

Detailed information about members of the Board of Directors: www.outotec.com/cg.

EXECUTIVE BOARD

Pertti Korhonen
born 1961, Finnish citizen
M. Sc. (Electronics Engineering)
President and CEO, Chairman of the Executive Board
President and CEO of Outotec since 2010. Member of the Executive Board and employed by Outotec since 2009
Outotec shareholding on Dec 31, 2014: 179,806
Positions of trust: Vice chair of International Chamber of Commerce ICC Finland, member of the Finnish Council of International Chamber of Commerce, member of the Board of Finland Chamber of Commerce, Federation of Finnish Technology Industries and Association of Finnish Steel and Metal Producers, steering group member of Finland's External Economic Relations, member of the supervisory board of Foundation for Pediatric Research

Kimmo Kontola
born 1962, Finnish citizen
MBA, B.Sc. (Chemical Eng.)
Executive Vice President, President of Americas region
Member of the Executive Board since 2013. Employed by Outotec since 2006. Employed by Outokumpu Group 1988–1992 and 2000–2006
Outotec shareholding on Dec 31, 2014: 18,586

Adel Hattab
born 1962, Finnish citizen
M. Sc. (Eng.), MBA
Executive Vice President, President of EMEA region
Member of Outotec Executive Board and employed by the company as of October 1, 2014.
Outotec shareholding on Dec 31, 2014: 200

Stuart Sneyd
born 1968, Australian citizen
B. Eng (Chem.), MBA
Executive Vice President, President of APAC-region
Member of the Executive Board as of March 1, 2014. Employed by Outotec since 2006. Employed by Outokumpu Group since 1995
Outotec shareholding on Dec 31, 2014: 10,877

Robin Lindahl
born 1964, Finnish citizen
M.Sc. (Econ.)
Executive Vice President, President of Metals, Energy & Water business area
Member of the Executive Board and employed by Outotec since 2011
Outotec shareholding on Dec 31, 2014: 44,958
Positions of trust: Member of the Board and chairman of Audit Committee of Norvestia Oyj

Kalle Härkki
born 1969, Finnish citizen
D. Sc. (Tech.)
Executive Vice President, President of Minerals Processing business area
Member of the Executive Board since 2010
Employed by Outotec since 2006
Employed by Outokumpu group 1998–2006
Outotec shareholding on Dec 31, 2014: 79,004

Michael Frei
born 1968, Swiss citizen
Ph. D. (Tech.)
Senior Vice President, Delivery & Chief Procurement Officer
Member of the Executive Board and employed by Outotec since 2010
Outotec shareholding on Dec 31, 2014: 52,824

Kari Knuutila
born 1958, Finnish citizen
D. Sc. (Tech.)
Chief Technology Officer
Member of the Executive Board since 2011, employed by Outotec since 2006.
Employed by Outokumpu Group 1986–2006
Outotec shareholding on Dec 31, 2014: 64,806
Positions of trust: Chairman of the Board of Centre for Metrology and Accreditation (MIKES), member of the Board of Finnish Academy of Technology, Industry Council of Technology Academy of Finland (TAF), and European Industrial Research Management Association (EIRMA), part-time research professor of University of Oulu, and director of Oulu Mining School

Olli Nastamo
born 1956, Finnish citizen
M.Sc. (Eng.)
Senior Vice President, Operational Excellence
Member of the Executive Board and employed by Outotec as of August 1, 2013.
Outotec shareholding on Dec 31, 2014: 1,958

Minna Aila
born 1966, Finnish citizen
LL.M.
Senior Vice President, Communications & Corporate Responsibility
Member of the Executive Board and employed by Outotec since 2012
Outotec shareholding on Dec 31, 2014: 18,511
Positions of trust: Chairman of the Board of FIBS Corporate Responsibility Network

Mikko Puolakka
born 1969, Finnish citizen
M.Sc. (Econ.)
Chief Financial Officer
Member of the Executive Board and employed by Outotec since 2010
Outotec shareholding on Dec 31, 2014: 72,907
Postitions of trust: Member of the Board of Directors of Okmetic Oyj and Gold Gemex Oy

Kirsi Nuotto
born 1959, Finnish citizen
M.A. (French, Communications)
Senior Vice President, Human Resources
Member of the Executive Board and employed by Outotec as of January 9, 2013
Outotec shareholding on Dec 31, 2014: 3,020

Nina Kiviranta
born 1964, Finnish citizen
Master of Laws
General Counsel
Member of the Executive Board and employed by Outotec since 2013
Outotec shareholding on Dec 31, 2014: 1,937

Pia Kåll
born 1980, Finnish citizen
M.Sc. (Engineering Physics and Mathematics)
Senior Vice President, Strategy and M&A
Member of the Executive Board and employed by Outotec since 2013
Outotec shareholding on Dec 31, 2014: 2,171

Other Executive Board members during 2014:
Jari Rosendal, Executive Vice President, President of Americas region
January 1-February 28
Peter Weber, Executive Vice President, President of EMEA region
January 1-September 30

More detailed information about the Executive Board members is available at www.outotec.com/cg.

INVESTOR INFORMATION

Corporate Governance Statement and Policy

Outotec's Corporate Governance Statement 2014 has been given separately from the Financial Statements. The Statement as well as Outotec's Corporate Governance Policy in its entirety are available on Outotec's website at www.outotec.com/cg.

Annual General Meeting 2015

The Annual General Meeting 2015 will be held on March 30, 2015 at 11.00 a.m. (Finnish time) at Finlandia hall, Mannerheimintie 13, 00100 Helsinki, Finland. More information at www.outotec.com/agm.

Dividend

The Board of Directors proposes to the Annual General Meeting 2015 that a dividend of EUR 0.10 per share be paid for the financial year 2014. More information at www.outotec.com/agm.

Interim Reports 2015

- January–March on April 27, 2015
- January–June on July 30, 2015
- January–September on October 29, 2015

Share information

Listing: Nasdaq Helsinki, (OMXH)
Trading symbol: OTE1V
No of shares: 183,121,492 (Feb 6, 2015)
Sector: Industry
ISIN: FI0009014575

Analysts

Analysts following Outotec at www.outotec.com/investors.

Consensus

Consensus estimates provided by Vara Research at www.outotec.com/investors.

Investor relations contact

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riitta.lind@outotec.com