

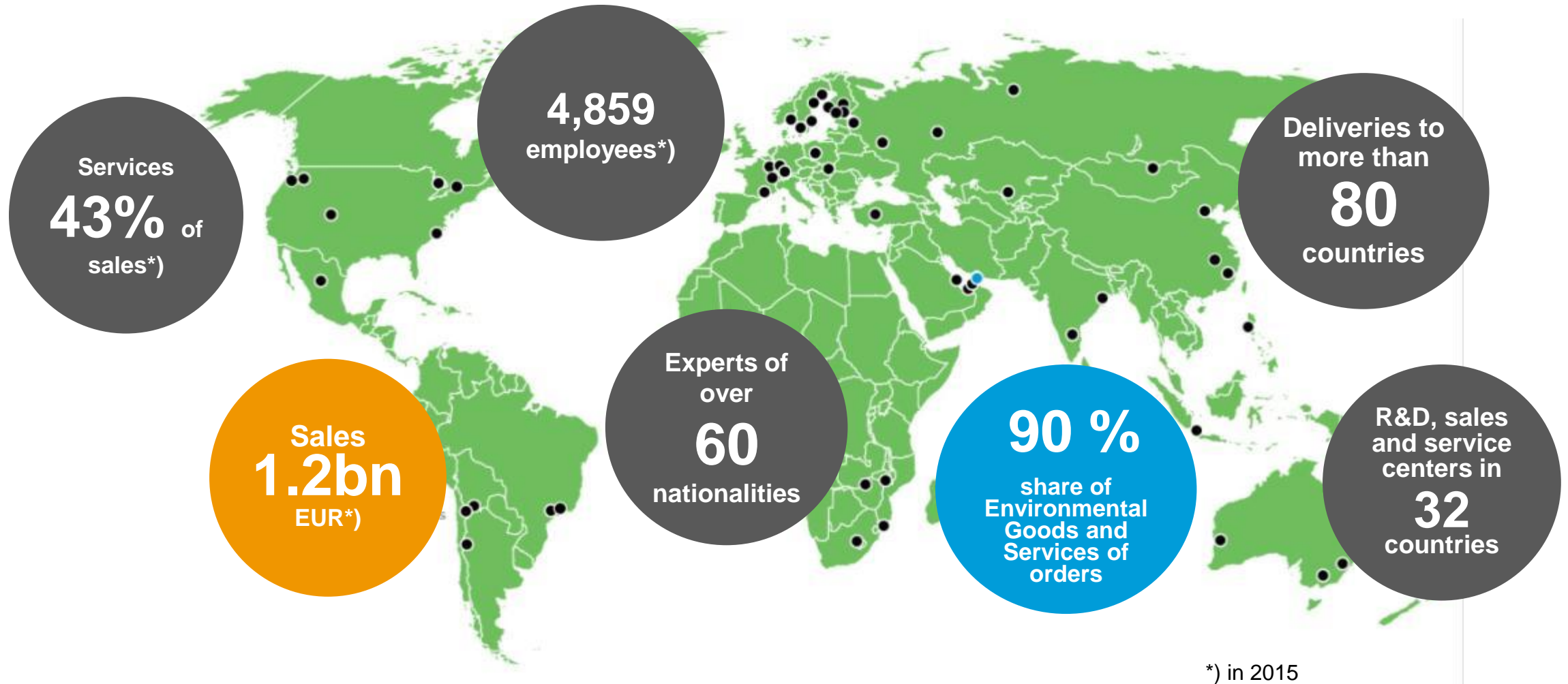


Outotec

CEO's review

Annual General Meeting on April 11, 2016

Outotec is a process technology company operating globally



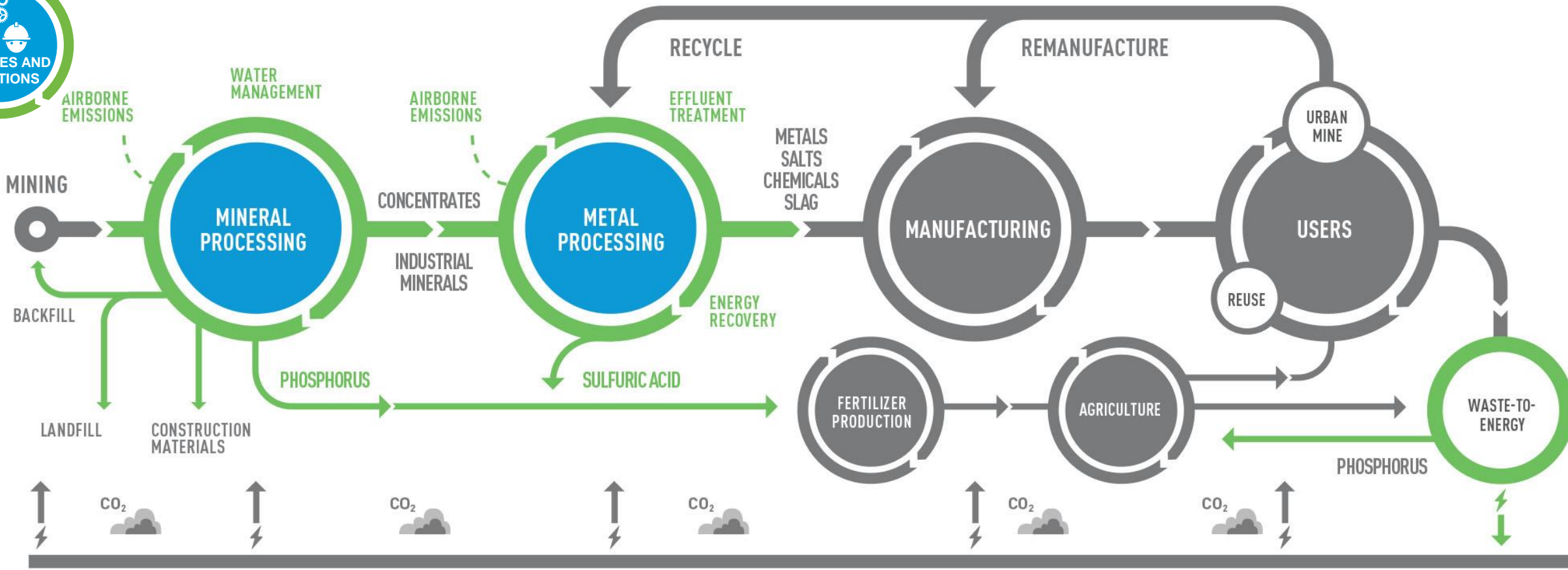
Extensive and long-term customer relationships

Our solutions enable Sustainable use of Earth's natural resources


RESOURCE EXTRACTION

PRIMARY AND SECONDARY PRODUCTION

RECYCLING



POWER PRODUCTION

 The green flow arrows represent Outotec's contributions to the circular economy.

Sustainability is embedded in everything we do

Sustainable offering and long-term targets

Customers generate

20% less
CO₂ by using five Outotec's metals-
related technologies
(2015: 6.6 milj. t less CO₂)

50%
reduction in fresh make-up
water/tonne of ore in non-
ferrous metals
concentrators

Share of Environmental
Goods and Services in our
order intake permanently

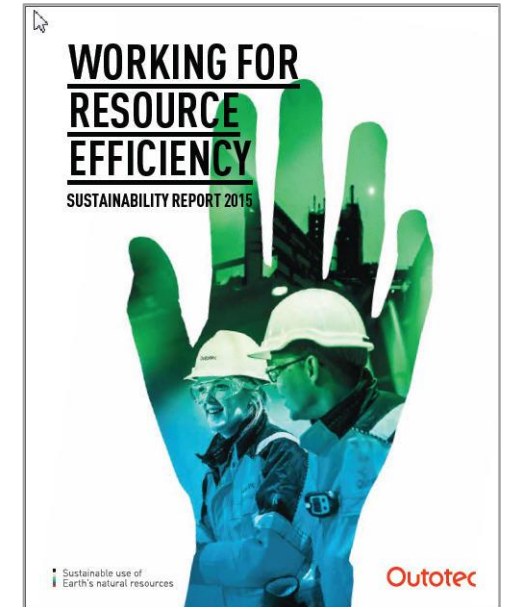
over **90%**
(2015: 90%)

Double
the energy produced through our
waste-to-energy solutions
compared to 2013

The **3rd** most
sustainable company in
the world

The Global 100
Index 2016

Sustainability reporting
based on G4 guidelines,
assured by third party



MEMBER OF
Dow Jones
Sustainability Indices
In Collaboration with RobecoSAM

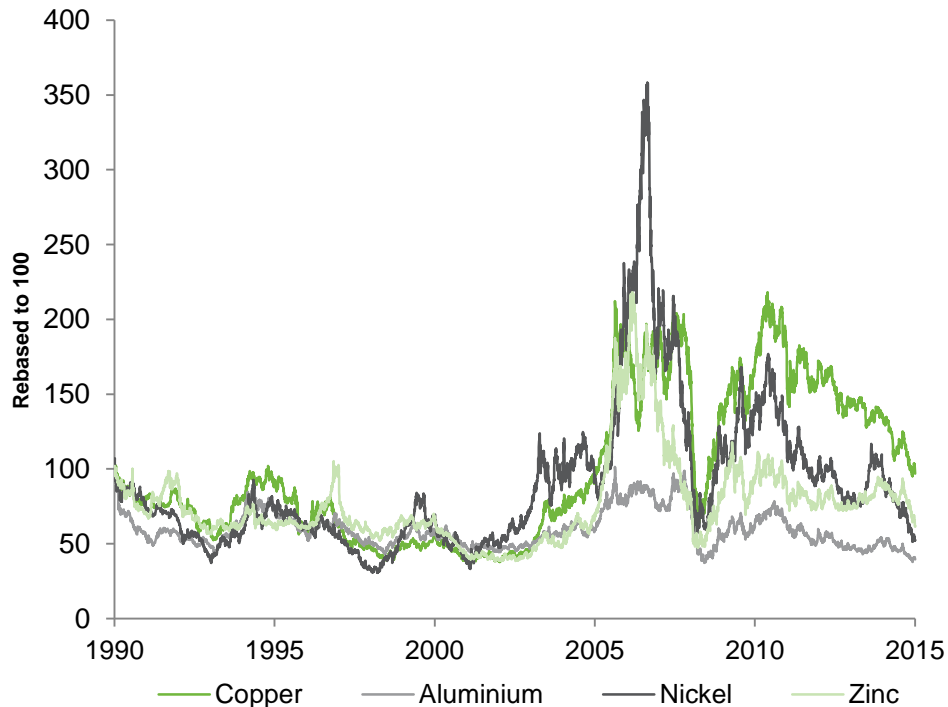
Member of
CLEANTECH
FINLAND

THE GLOBAL COMPACT
WE SUPPORT

BSAG
Baltic Sea Action Group

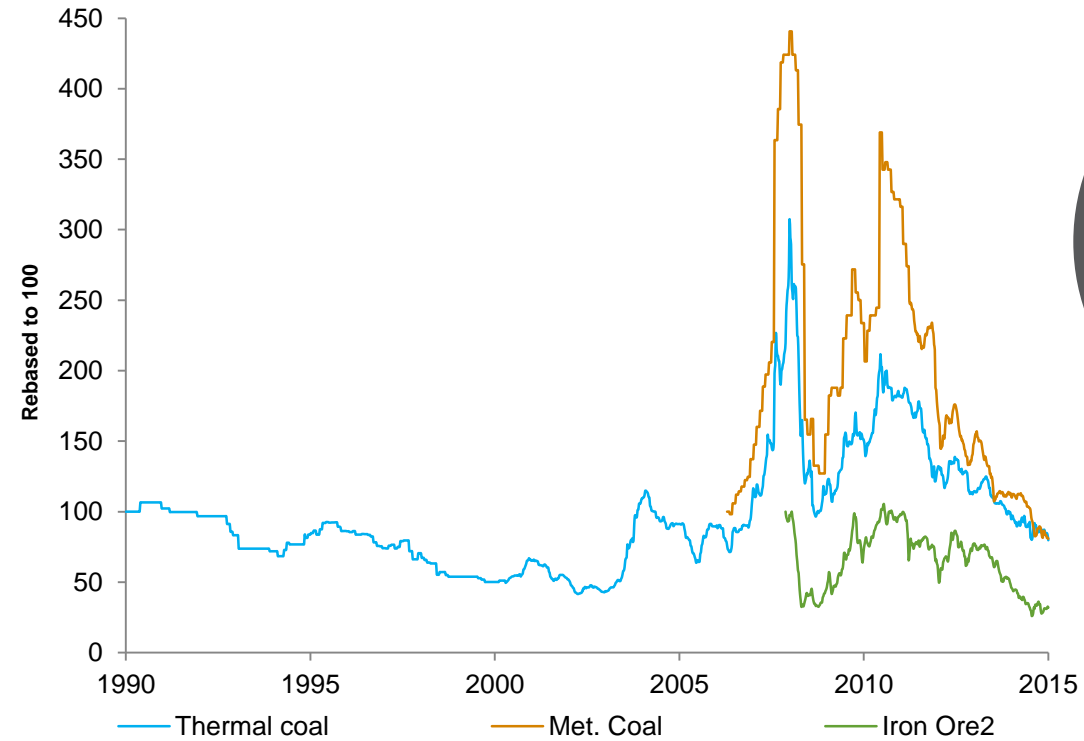
Most commodity prices have returned to pre-super-cycle levels

Real base metals prices indexed to 1990



Source: UBSR, FactSet, Bloomberg

Real bulks prices indexed to 1990



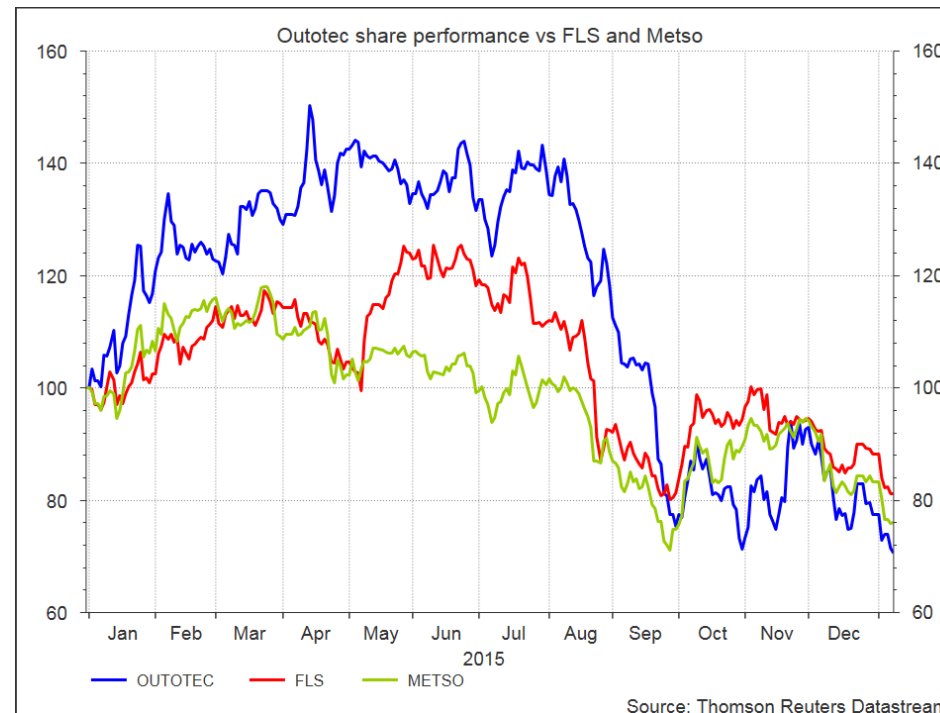
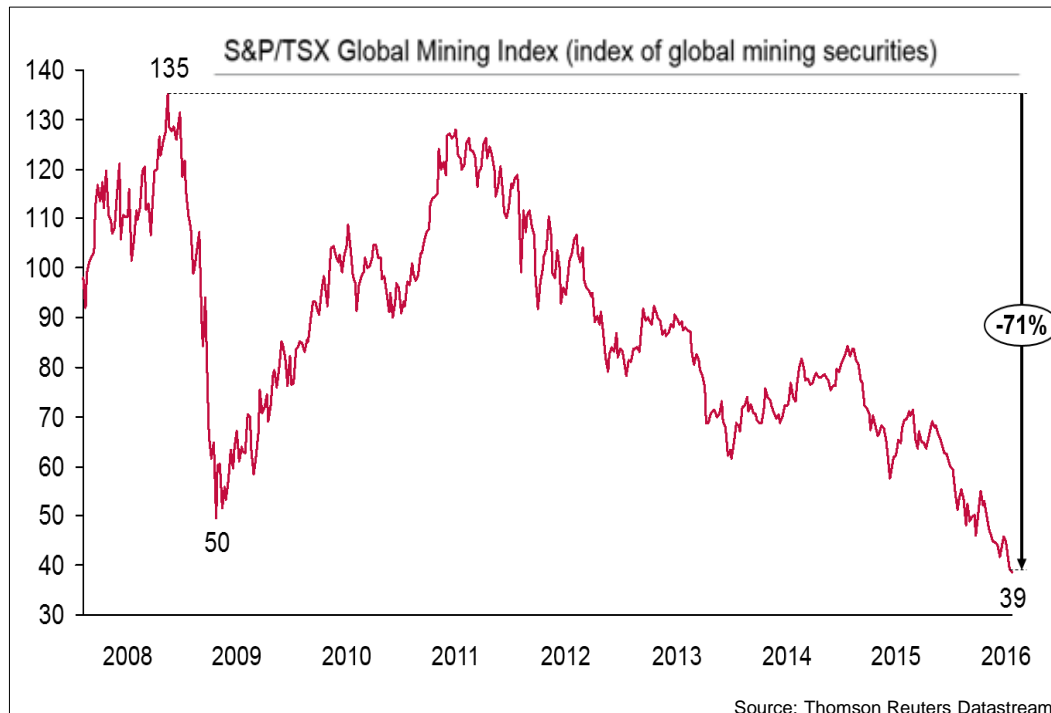
Source: UBSR, FactSet, Bloomberg

Metals & Mining the weakest sector in the Global Sector PMI listing since 2012 (source: Markit)

Share prices reflect the challenging market environment

Customers' share prices fallen below the 2009 financial crisis level

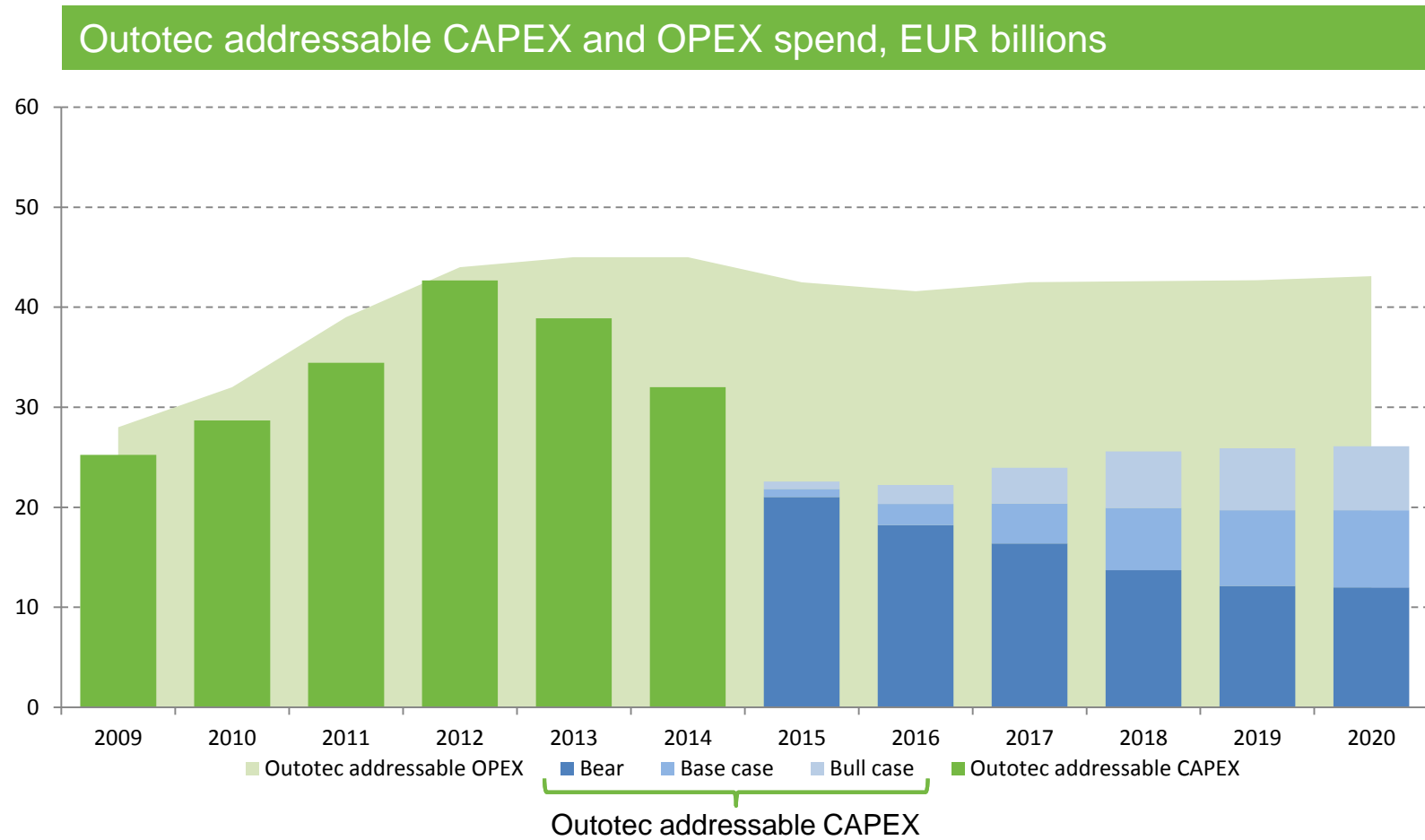
Challenging market environment visible also in Outotec's and its peers share performance



Share price /
market cap
Jan 8, 2016 (€ / M€)

FLS 29.63 / 1 519
Metso 18.91 / 2 843
Outotec 3.09 / 566

Outotec's addressable market has declined markedly since 2012



OPEX market decreased for the first time in 2015

CAPEX market declined ~50%

Note: Capex includes Outotec's addressable market for iron ore, copper, gold, alumina, aluminum, nickel, lead and zinc. OPEX includes spares, wears and labor. Sources: Wood Mackenzie, Outotec analysis (Jan 2016)

Extremely challenging market environment in 2015, waste-to-energy and the Middle East markets were bright spots

Uncertainty of China's growth outlook increased

Metals demand growth slowed down, prices weakened on average 30 % to 2009 levels

Demand for waste-to-energy solutions

Markets in Europe and the Middle East were somewhat more active

The market situation further weakened in H2/2015 and producers cut production and postponed investments

Competition continued intense

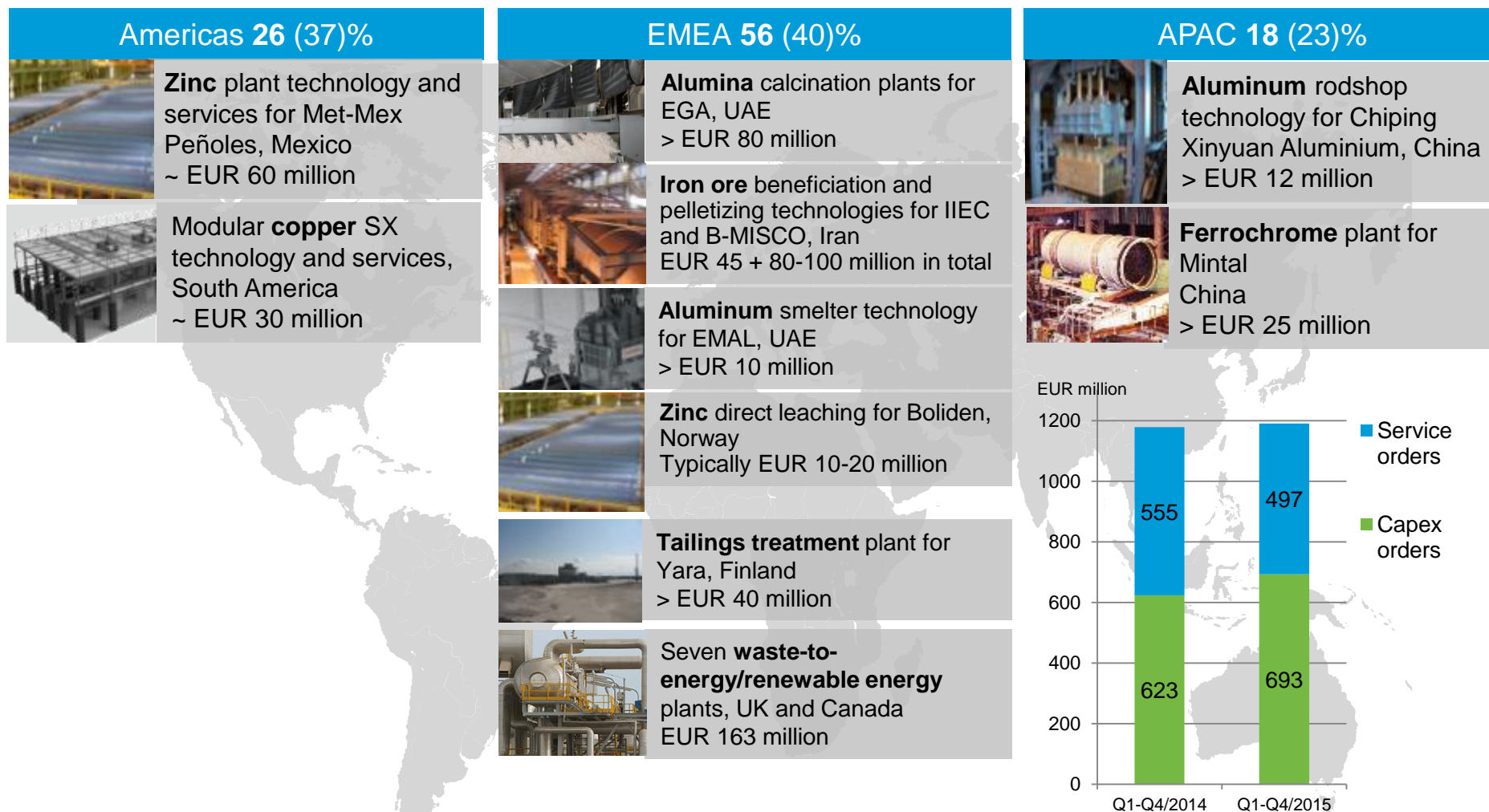
Year 2015 in a nutshell

- Negative net profit due to significant one-time costs mainly from restructuring
- Fixed costs remained on the same level despite the cost saving program due to resource utilization rate, currency rates and litigation costs
- Order intake and result of Minerals Processing declined
- Service order intake and sales weakened towards the year-end



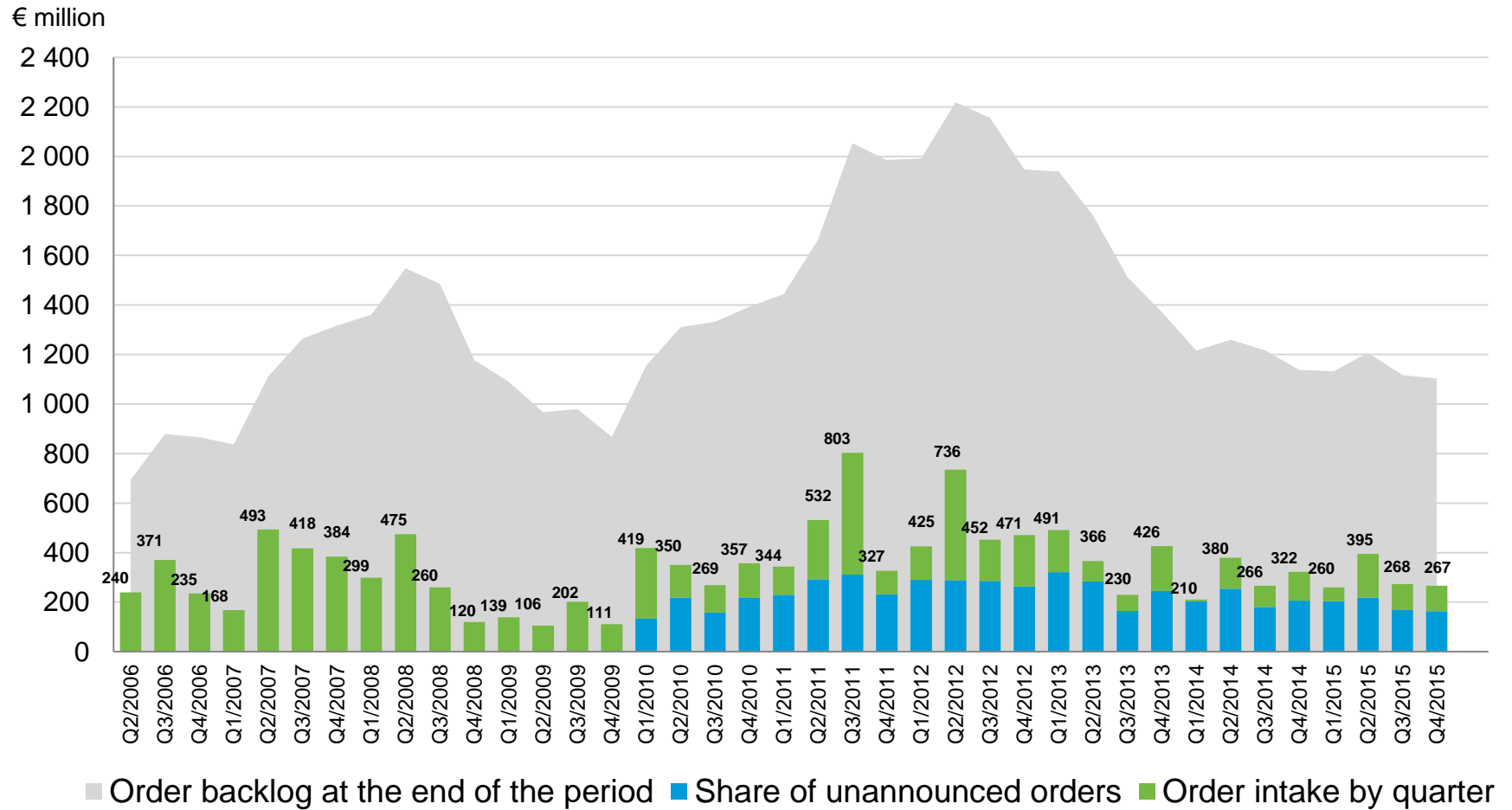
- Positive cash flow from operations
- Gross profit margin improved significantly
- Order intake and result of Metals, Energy & Water business unit improved
- Energy orders balancing the weaker mining and metals order intake
- Spare part sales grew YoY

Metals, Energy & Water order intake grew 19 %, Minerals Processing orders contracted 17 %



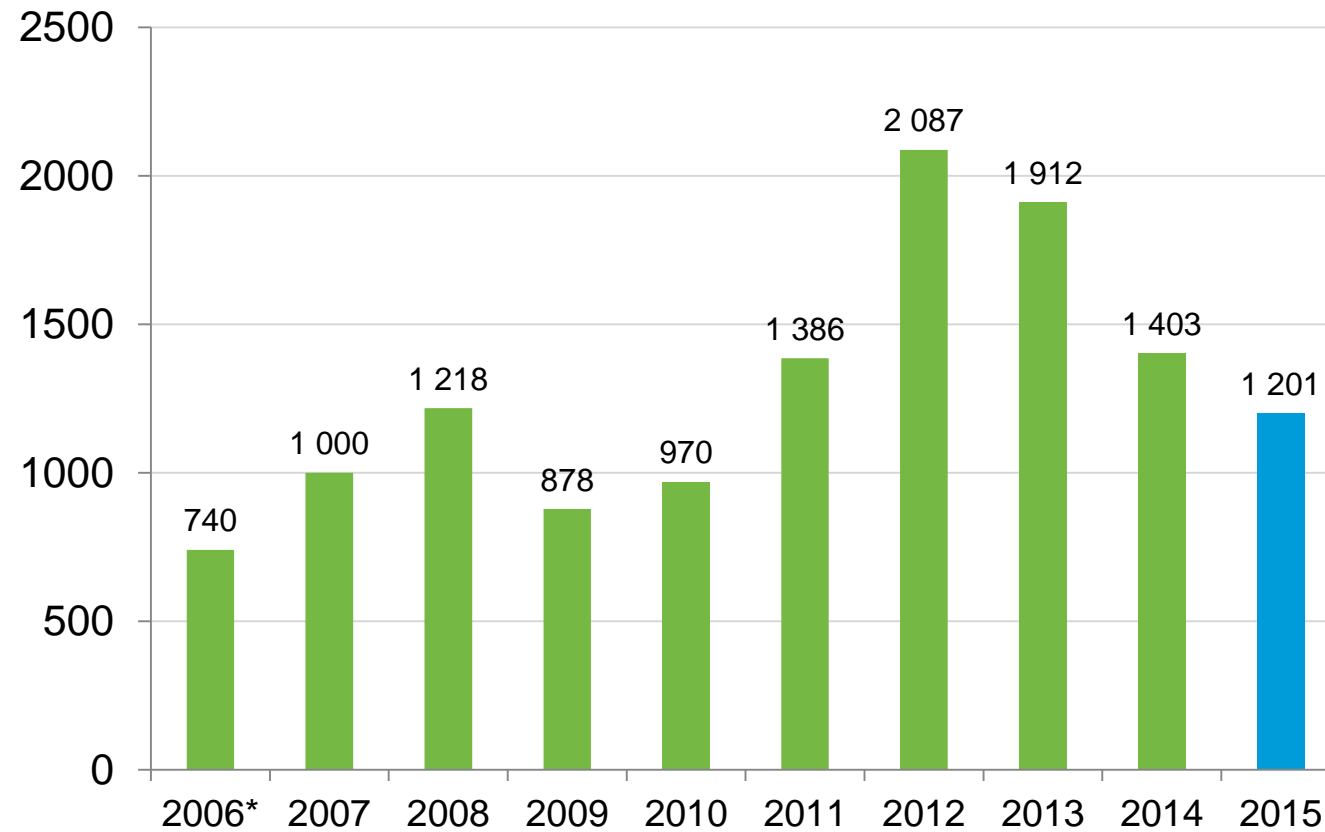
Order intake on previous year's level due to several waste-to-energy plant orders

Iranian projects not included in YE backlog:
EUR 230 (150) million



Sales declined reflecting the declining market

Sales, EUR million

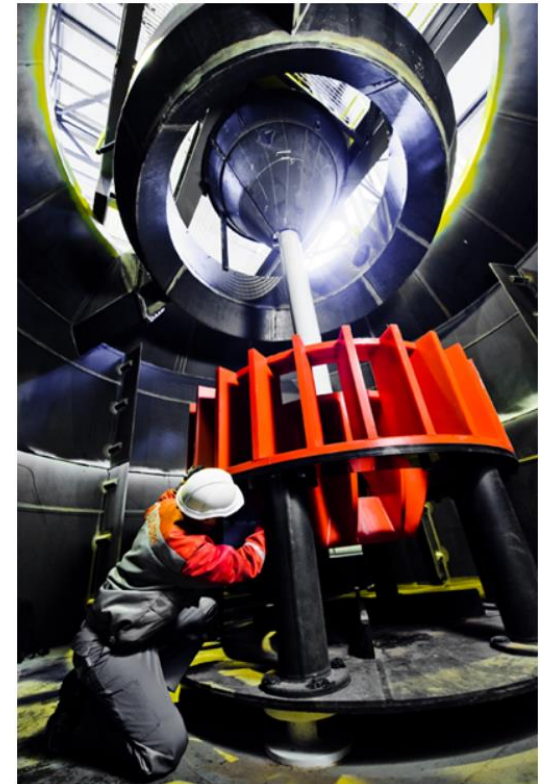
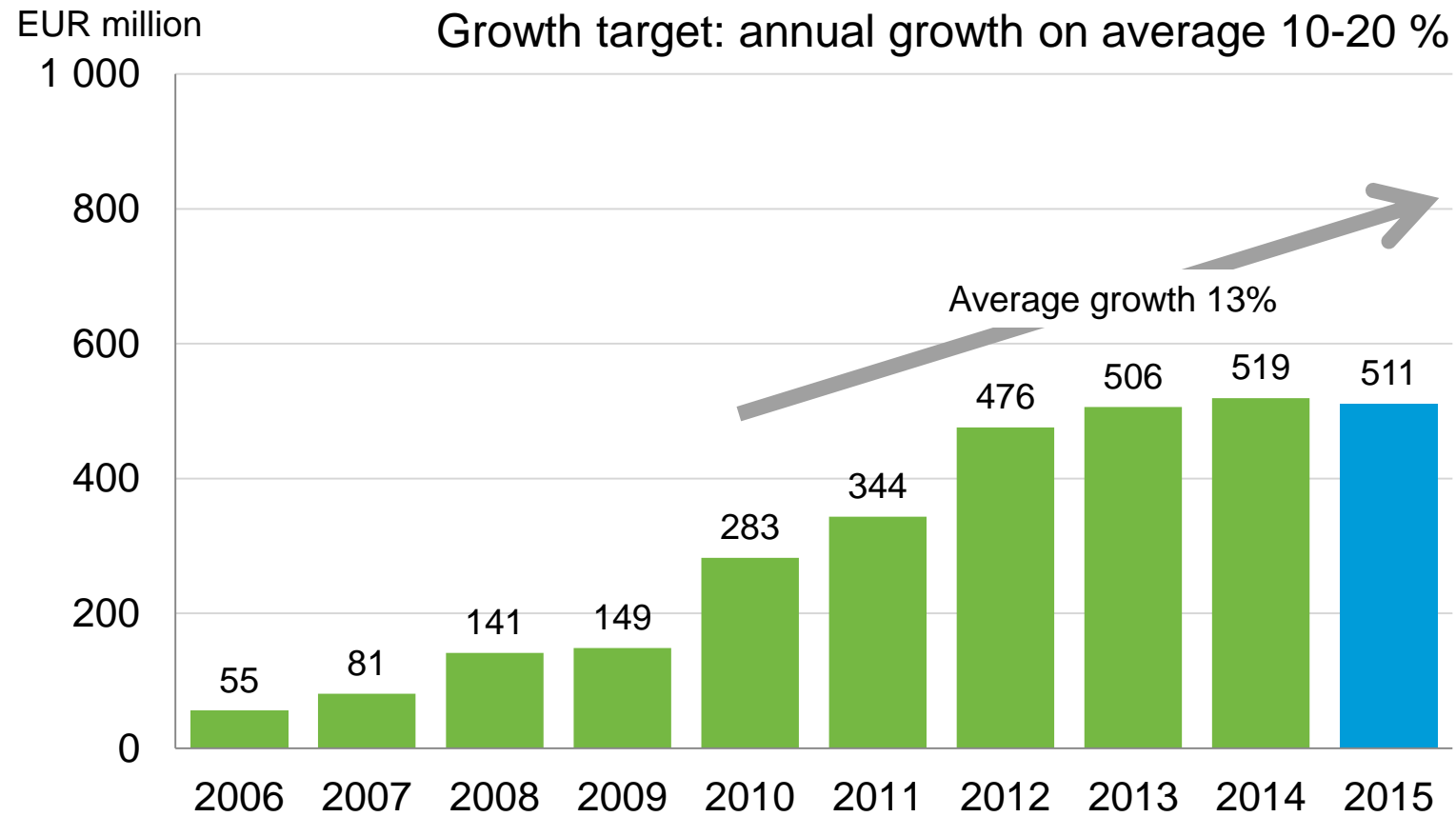


*Combined

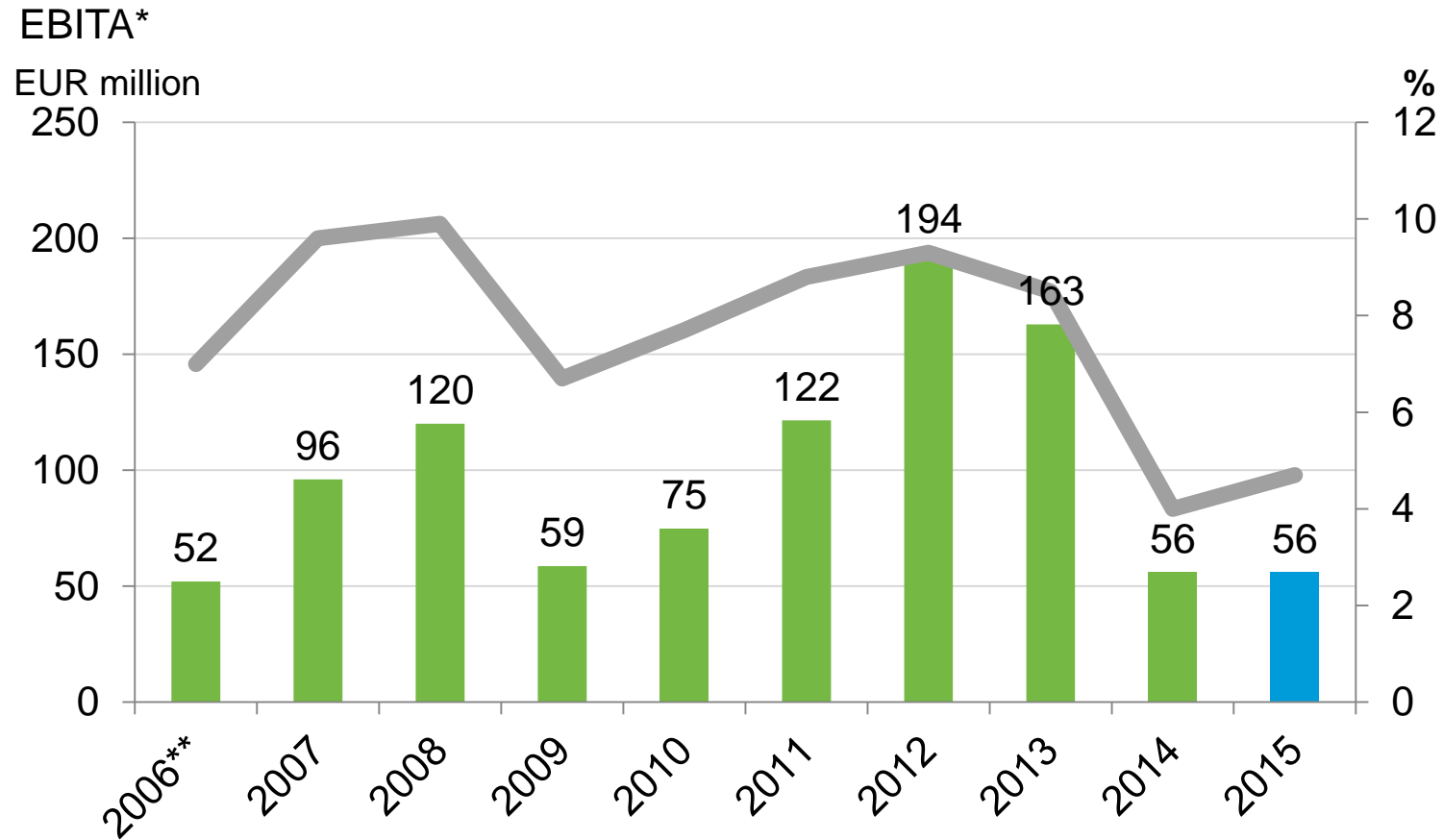
Change in sales since 2014, %

Minerals Processing	-17
Metals, Energy & Water	-12
Outotec total	-14
Services	-1

Service sales remained flat despite tough market



EBITA remained on 2014 level and was a disappointment compared to the target (5–7 %)



* Excluding one-time items

** Combined

Negative net profit due to significant one-time costs

	2015	2014	Change, %
Sales, EUR million	1,201	1,403	-14
Service sales, EUR million	511	519	-1
Share of services in sales, %	43	37	
Gross Margin, %	28	23	
EBITA, EUR million (excl. one-time items)	56	56	
EBITA, % (excl. one-time items)	4.7	4.0	
- One time items, EUR million	-59	-37	
- PPA amortization	-9	-8	
EBIT, EUR million	-12	10	-
EBIT, %	-1	1	-
Profit for the period, EUR million	-17	0	

Cash flow improved due to positive development in working capital

	12 / 2015	12 / 2014
Net cash flow from operating activities, EUR million	69.5	19.9
Working capital at the end of the period, EUR million	-89.4	-28.2
Net interest-bearing debt, EUR million	39.9	-5.8
Equity, EUR million	404.7	445.3
Balance sheet total, EUR million	1,531.4	1,442.1
Capital expenditure, EUR million	104.8	68.5
Gearing, %	9.9	-1.3
Equity-to-assets ratio, %	31.1	36.1
Return on investment, %	-1.5	1.7
Return on equity, %	-4.0	0.0

Cost efficiency programs of €95m undertaken, additional €70m program was started when the market weakened to adapt cost structure

EUR 45 million cost efficiency program completed

- The program, launched in October 2014 with a target of EUR 45 million savings in fixed costs, has now been completed.
- The achieved annualized savings at the end of 2015 totalled EUR 45 million.
- Total one-time costs for the program were EUR 42 million at the end of 2015. In 2015, one-time costs were EUR 21 million (Q4/2014: EUR 21 million).

Additional EUR 70 million cost efficiency measures announced in November 2015

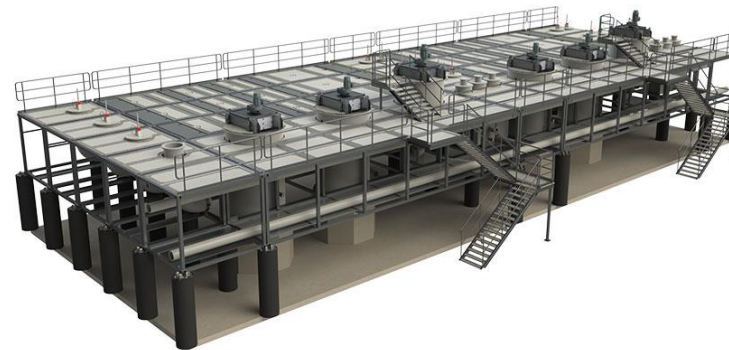
- Targeting EUR 70 million annualized savings in fixed costs compared to the Q3/2015 situation (EUR 560 million)
 - The majority of the savings will materialize in 2016
- The estimated one-time costs from the program are at maximum EUR 40 million, and will materialize mainly during Q4/2015 and Q1/2016
 - EUR 28 million in Q4/2015
- The measures are planned to include streamlining Outotec's organization, adjusting capacity, as well as reviewing the site structure.

Strong focus on R&D to increase competitiveness of our technologies and customers' productivity

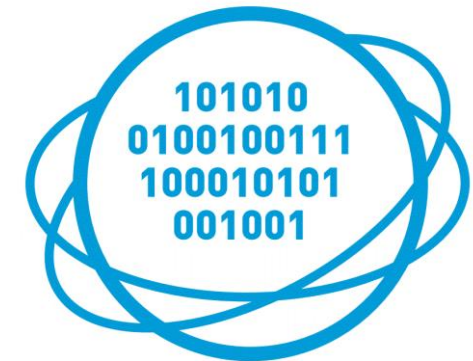
**C-Flotation Machine,
Outotec® cPlant**



Outotec VSF®X Modular Plant



**Digital solutions for process
optimization**





Acquisitions strengthened our technology and service portfolio in 2015

Kempe Engineering

- Aluminum smelter technologies
- Service and spare part businesses in the Middle East and Africa



Biomin

- BIOX[®] bio-oxidation technology for the pre-treatment of refractory gold ores



Kovit Engineering

- Surface and underground mine tailings solutions



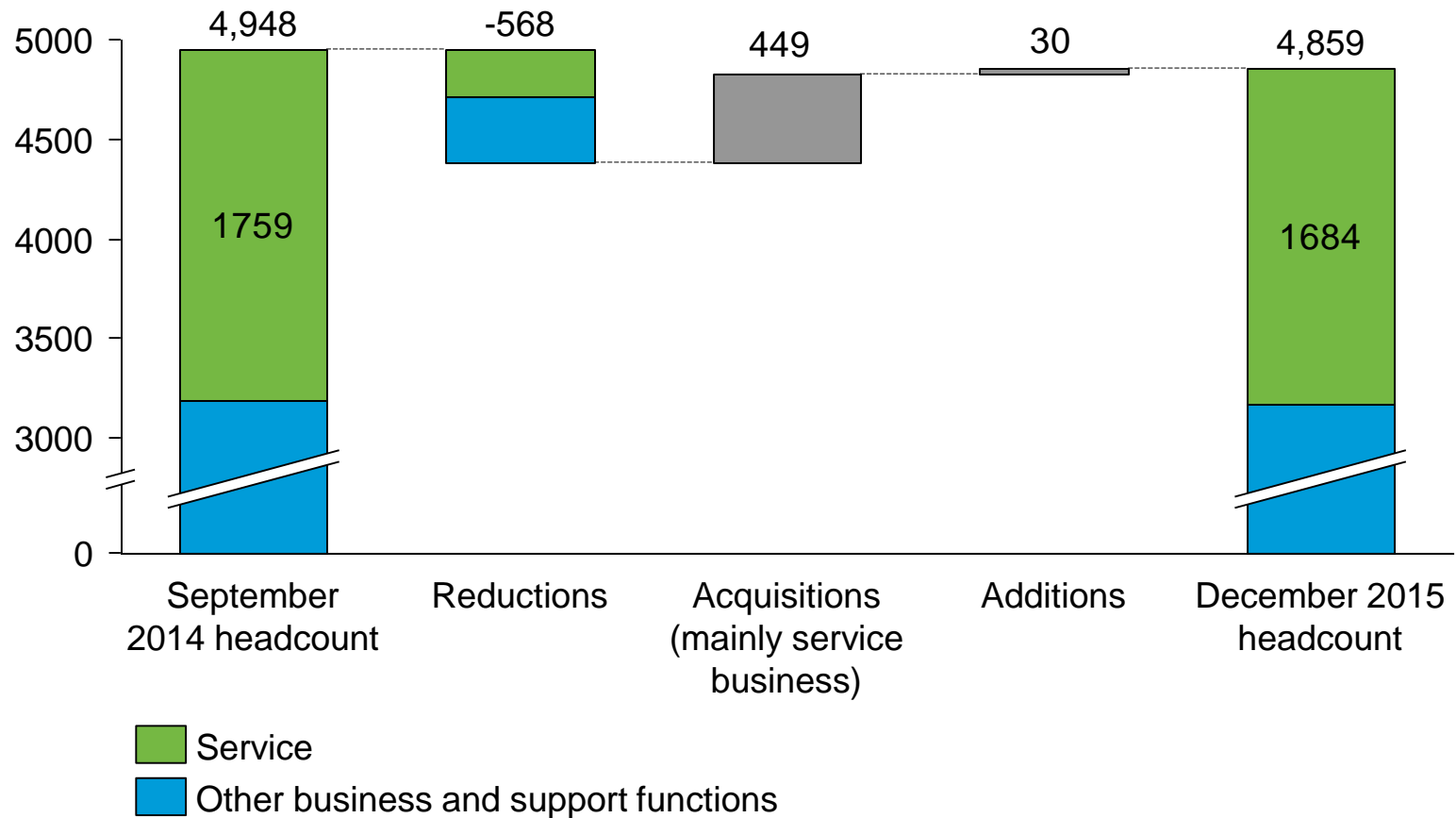
Sinter Plant Services

- Spare parts and life-cycle services to South African ferrochrome plants



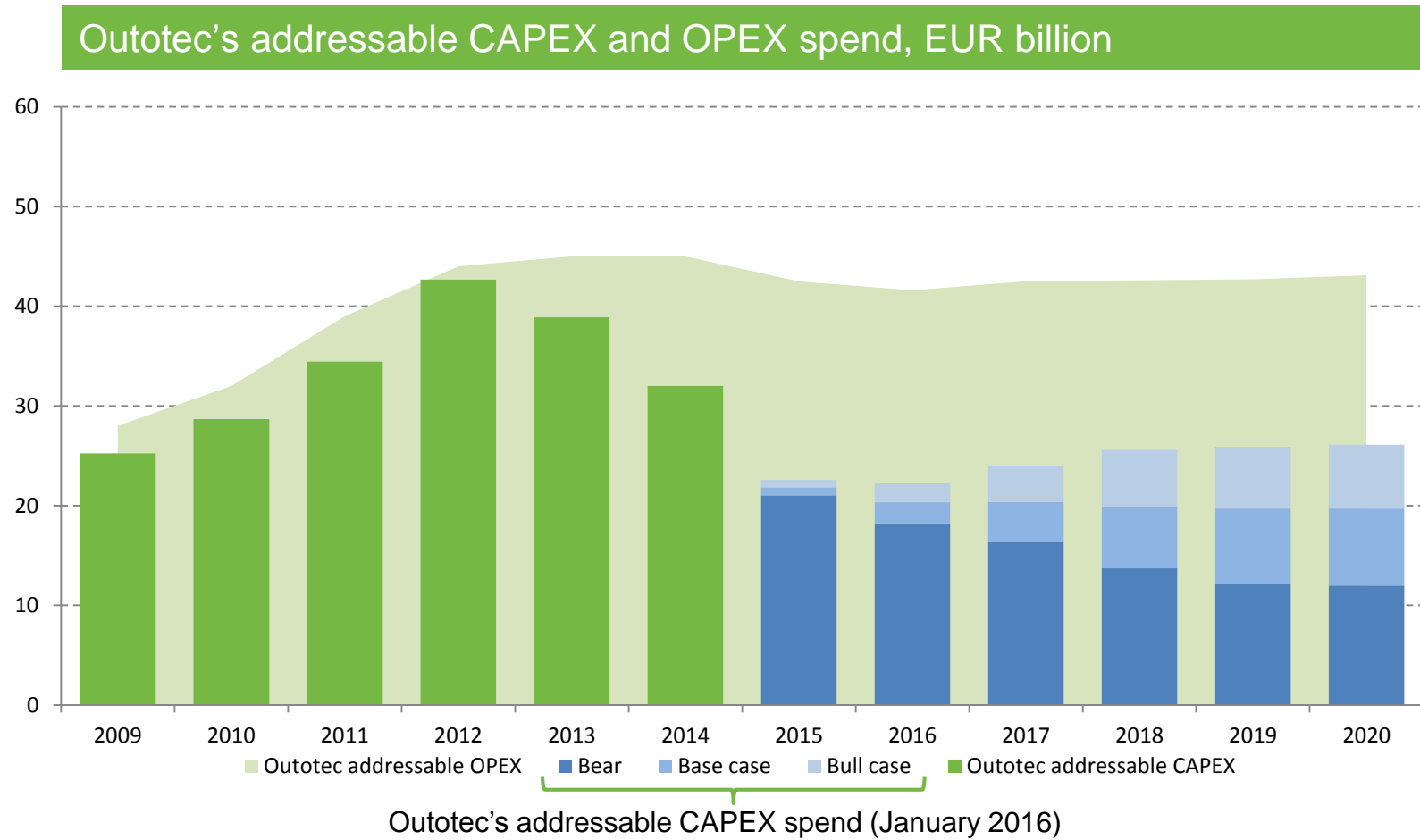
We spent
EUR
42 million
on
acquisitions in
2015

Personnel structure development since September 2014



Long-term target:
5% improvement in employee engagement and performance enablement indexes

Short and medium term market outlook continues unstable



Some decline in addressable OPEX foreseen

CAPEX outlook uncertain

Population growth and improved living standards in the emerging markets support metals demand growth in the long-term

Note: Capex includes Outotec's addressable market for iron ore, copper, gold, alumina, aluminum, nickel, lead and zinc. OPEX includes spares, wears and labor. Sources: Wood Mackenzie, Outotec analysis (Jan 2016)

Outotec's opportunities and challenges 2016



CAPEX

Fewer investments and modernizations on green field plants and equipment

Focus on growth segments



Spare and wear parts

Modest growth expected

Growth possibilities in the installed base



Performance services

Customers' pressure to improve productivity

New growth possibilities

- Low metal prices reduce investment attractiveness.
- Producers' cost cutting and lower production volumes may slow down service business.
- Producers' weak profitability and financing may increase instability and risks.
- Energy market is linked to subsidies and low energy prices.

Focus in 2016

- 1 Reduce fixed costs and improve product competitiveness
- 2 Develop service business
- 3 Seek opportunities from growth segments



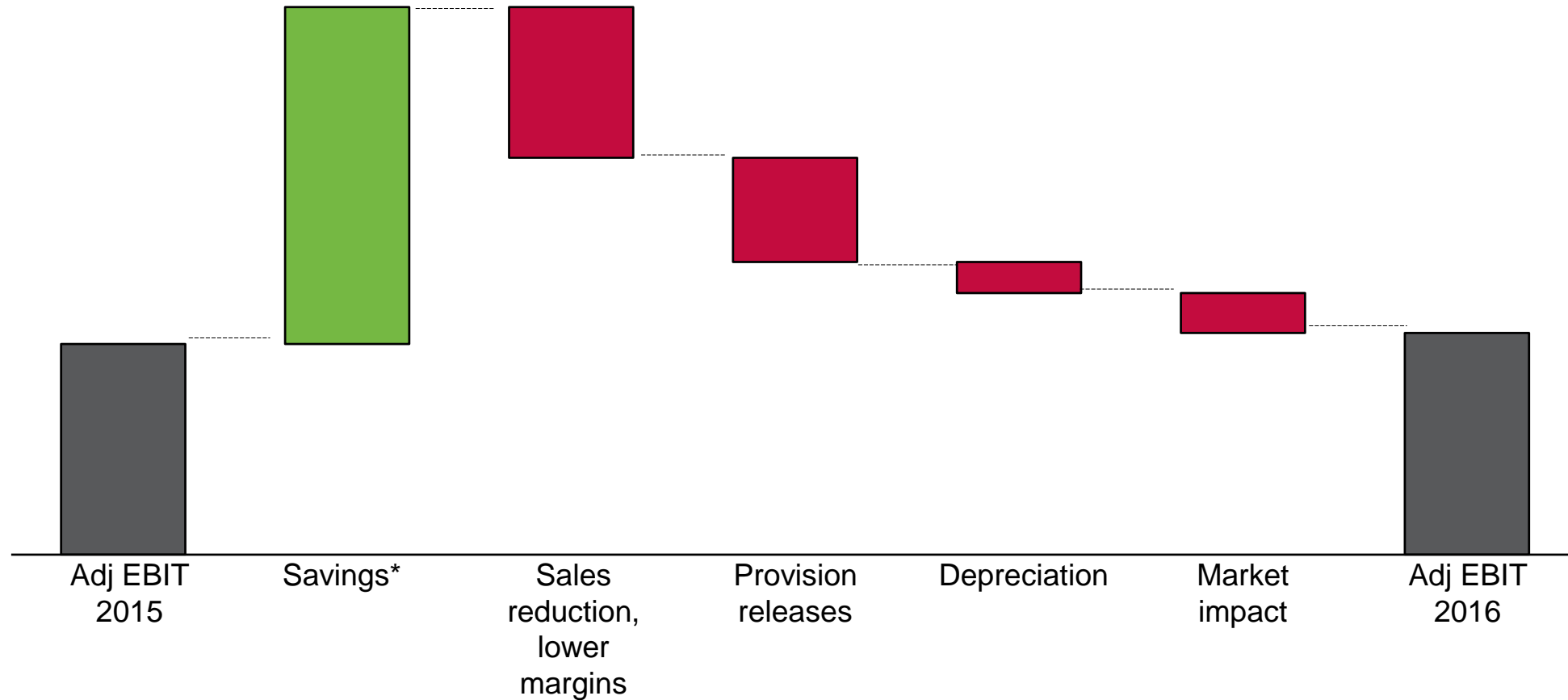
Main focus for the company is to improve profitability so that it is on a sustainable level over the cycle



Profitability improvement:

- Service sales growth
- Leadership in technology
- Supply savings
- Cutting fixed costs
- Improved productivity
- Sales increase

Profitability roadmap from 2015 to 2016



*Incl. cost structure program and other actions

Financial guidance for 2016

Based on the current market outlook, customer business activity and assessment of order backlog, the management expects that in 2016:



*) Excluding restructuring and acquisition-related costs as well as purchase price allocation amortizations

The market weakened last year and the weakening accelerated towards the end of the year. The wide guidance range reflects the current volatility and limited visibility of the market.

We expect the profits to be weighted towards the second half of the year and expect a loss at the start of the year. Normal seasonality, expected timing of project deliveries from the order backlog and the timing of savings impact from the restructuring program drive the annual phasing of the profit.

Outotec



Sustainable use of
Earth's natural resources