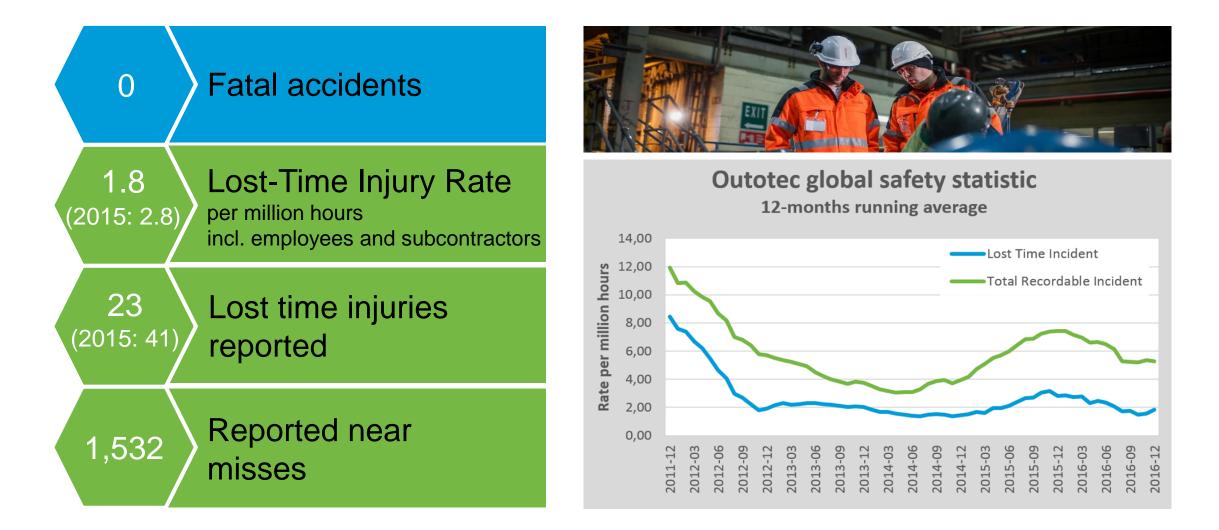
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Sustainable use of Earth's natural resources

Financial Statements Review

2016

Safety performance in 2016



Financial Statements Review 2016

Operating environment

CEO Markku Teräsvasara

2016 in a nutshell

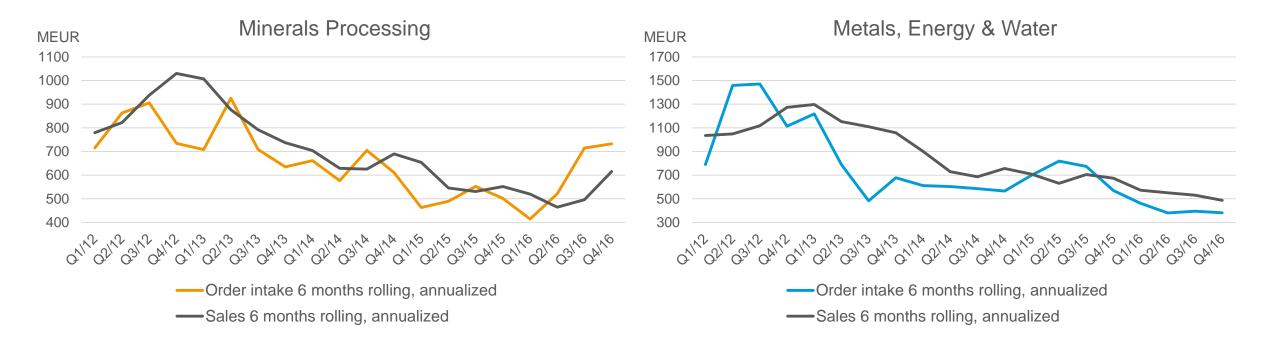




Order intake in Minerals Processing picked up

	Americas 33%			EMEA 49%		APAC 18%		
	GOLD	Process equipment for Goldcorp, Mexico Approx. 23 M€		COPPER & ACID	2 modular solvent extraction plants, Macedonia and Egypt 25 M€		Collo & 2 mine backfill pl Philippines and A Approx. 20 M€	
	COPPER	Copper smelter and acid plant revamp, South America Over 33 M€		GOLD	Process equipment for greenfield gold project, Senegal Approx. 10 M€	ACID	Two sulfuric acid plants for NICICO, Iran Approx. 50 M€	
	LITHIUM	Lithium beneficiation plant for AMG, Brazil Over 35 M€		COPPER	Flotation and dewatering technology, Russia Approx. 30 M€	ACID	Sulfuric acid plant technology for Boliden Harjavalta, Finland Value not disclosed	
	COPPER	Concentrator equipment, Chile 18 M€	and the	GOLD	Modular flotation cPlant for Ma'aden Gold, Saudi Arabia < 10 M€	GOLD	Process equipment for Bakyrchik Mining, Kazakhstan Approx. 15-20 M€	
1200 900 600	497 443 Service orde			GOLD	Process equipment for Houndé Gold, Burkina Faso 13 M€	IRON	Process equipment for SDM iron concentrator, Iran Approx. 10 M€	MEW order
300 300 0	693 Q1-Q4/201	564 Capex orders		COPPER	Process equipment for Acacia Maden, Turkey Approx. 14 M€	ACID	Sulfuric acid plant for Intesca Industrial, Egypt Over 30 M€	MP order
	5 Fe	bruary 13, 2017 Financial Staten	nents Revi	iew 2016				Outotec

Segments' order intake and sales development, recovery in Minerals Processing



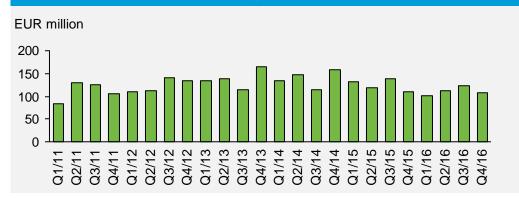


Recurring service orders grew in Q4

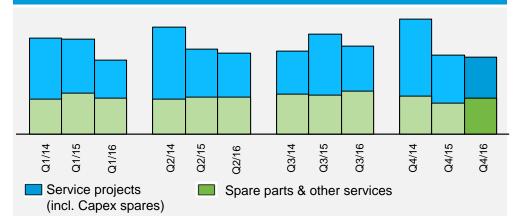
- Spare part orders grew 35% in Q4
- Service orders declined mainly due to fewer large shut-down and new operation & maintenance contracts



Service order intake by quarter



Split in service order intake

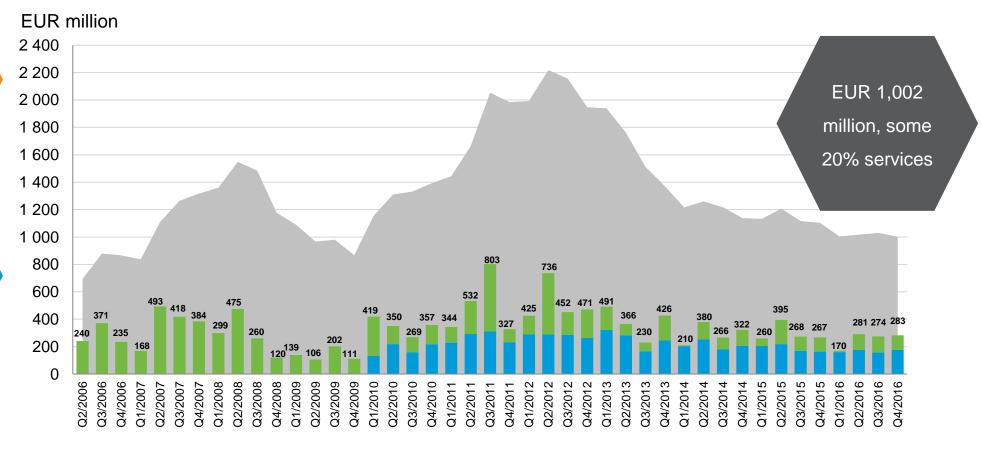




Stable order backlog

Iranian projects not included in Q4 end backlog: EUR 200 (230) million

Roughly EUR 740 million of 2016 YE backlog to be delivered in 2017



Order backlog at the end of the period
Share of unannounced orders
Order intake by quarter

Financial Statements Review 2016

Key financials

CFO Jari Ålgars

9 February 13, 2017 Financial Statements Review 2016

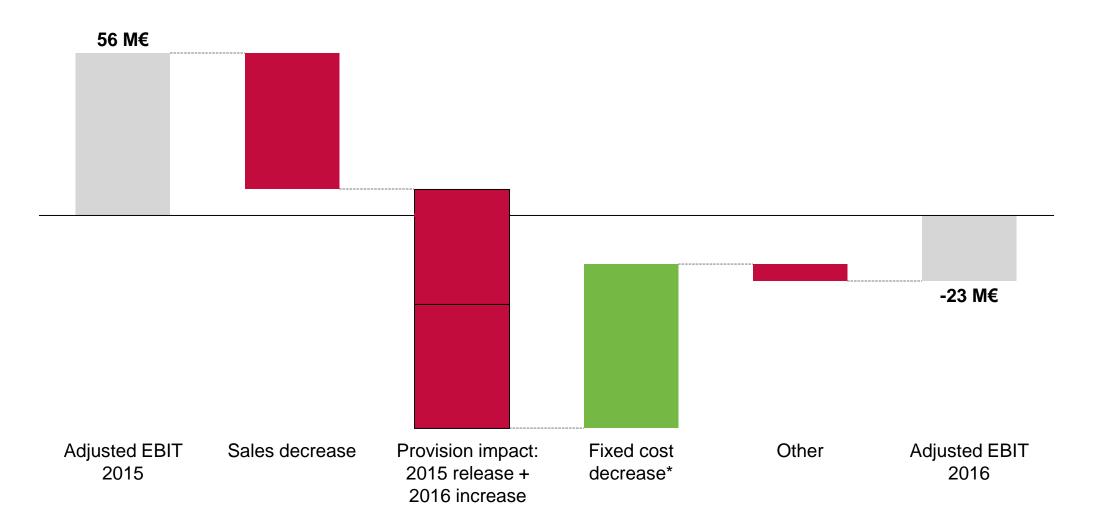


Weak performance in one project impacted profitability

EUR million	Q4 2016	Q4 2015	Q1-Q4 2016	Q1-Q4 2015	Change, %	In comparable currencies
Sales	305	306	1,058	1,201	-12%	-9%
Service sales	127	138	447	511	-13%	-8%
Share of services in sales, %	42	45	42	43		
Gross margin, %	16	26	22	28		
Adjusted EBIT [*]	-25	18	-23	56		
Adjusted EBIT [*] , %	-8	6	-2	5		
- Restructuring and acquisition-related costs	-27	-46	-37	-59		
- PPA amortization	-2	-2	-7	-9		
EBIT	-53	-31	-68	-12		
EBIT, %	-18	-10	-6	-1		
Result for the period	-52	-24	-69	-17		

* Excl. restructuring and acquisition-related costs and PPA amortizations.

Savings not sufficient to support profitability



*YoY -17% (in comparable currencies -16%)

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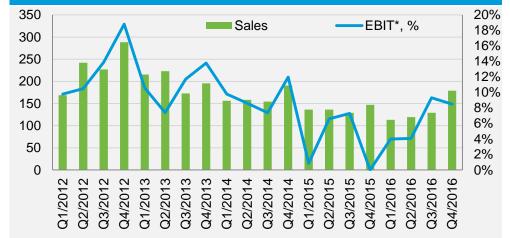
Minerals Processing

- Order intake up 33% in comparable currencies
- Sales flat due to low order intake in Q4/2015 and H1/2016
- Good profitability due to cost savings

Minerals Processing EUR million	Q1-Q4 2016	Q1-Q4 2015	Change, %	Change in comp currency, %
Order intake	627	496	26	33
Sales	540	549	-2	2
Service sales	283	312	-9	-5
Adjusted EBIT ^{*)}	37	19		
Adjusted EBIT ^{*)} , % Unrealized and realized losses related to valuation of FX	7	4		
forward agreements	-4	-4		



Sales and adjusted EBIT development, quarter



* Excl. restructuring and acquisition-related costs and PPA amortizations

Metals, Energy & Water

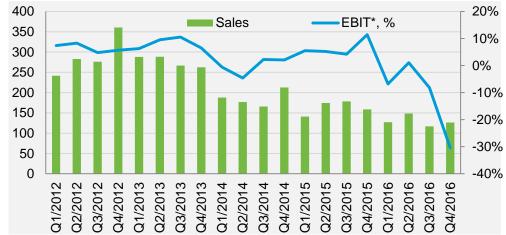
- Lack of large plant orders
- Low service volumes
- Significant negative impact from risk provisions
- More cost saving actions ongoing

				Change in
Metals, Energy & Water	Q1-Q4	Q1-Q4	Change,	comp
EUR million	2016	2015	%	currency, %
Order intake	381	694	-45	-44
Sales	518	652	-21	-19
Service sales	164	199	-18	-14
Adjusted EBIT ^{*)}	-55	42		
Adjusted EBIT ^{*)} , %	-11	7		
Unrealized and realized losses				
related to valuation of FX				
forward agreements	-4	-1		

* Excl. restructuring and acquisition-related costs and PPA amortizations



Sales and adjusted EBIT development, quarter



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Mature backlog, lack of large advance payments and restructuring costs impacted cash flow

EUR million	Q1-Q4 2016	Q1-Q4 2015
Result for the period	-69	-17
Adjustments		
- Depreciation & amortization	43	40
- Other adjustments	21	-0
Change in working capital	-67	54
Interest	-5	-4
Taxes	-6	-3
NET CASH FROM OPERATING ACTIVITIES	-85	70
NET CASH USED IN INVESTING ACTIVITIES (incl. Capex and acquisitions)	-23	-87
Repayments & borrowings of non-current debt	-112	49
Hybrid bond	150	-
Dividend	-	-18
Other financing activities	-7	15
NET CASH FROM FINANCING ACTIVITIES	32	45
NET CHANGE IN CASH AND CASH EQUIVALENTS	-76	28
Foreign exchange rate effect on cash and cash equivalents	8	-9
Cash and cash equivalents at Dec 31	233	301

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Liquidity and equity remained solid

	Q4 2016	Q4 2015
Net interest-bearing debt, EUR million	-4*	40
Gearing, %	-1*	10
Equity-to-assets ratio, %	40*	31
Return on investment, %, LTM	-9	-1
Return on equity, %, LTM	-15	-4
Working capital at the end of the period, EUR million	-24	-89
Advances received	181	232
Equity, EUR million	498	405
Balance sheet total, EUR million	1,427	1,531

* If the hybrid bond were treated as a liability the equity-to-assets ratio would be 27.9%, gearing 41.8%, and net interest-bearing debt EUR 145.5 million.

Financial Statements Review 2016 Market outlook, guidance, closing remarks

CEO Markku Teräsvasara

16 February 13, 2017 Financial Statements Review 2016



Market outlook



The Minerals Processing market expected to bring new opportunities

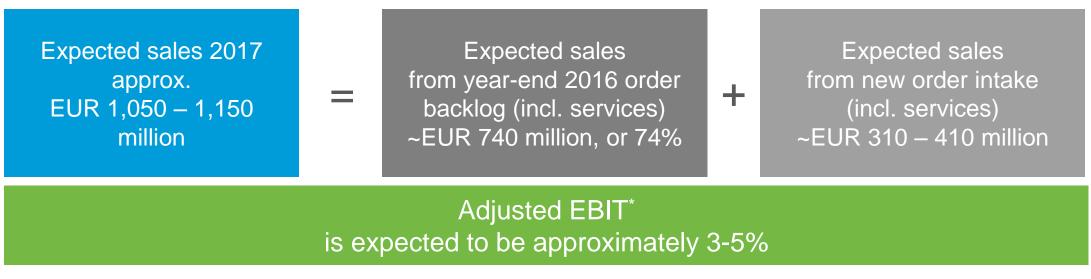
Activity increasing in the Metals, Energy & Water markets Tin

Global economic and political uncertainty continues Timing of large orders remains uncertain



Financial guidance for 2017

Guidance for 2017 is based on the current order backlog and market outlook as well as achieved cost savings.



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

Our focus areas for 2017



- Continue positive development in Minerals
 Processing
 - Value-add solutions to win orders in a competitive market
- Reach stability in Metals, Energy & Water
 - Timing of order intake is crucial
 - Cost saving actions continue
- New Services business unit as of April 1
 - Prioritize and develop service offering
 - Strengthen our customer service
- New organization
 - More focus, speed, and agility
- Review strategic focus areas
 - CMD on September 21, Outotec House

We can take Outotec back to profitable growth!

Outotec Sustainable use of Earth's natural resources