



Outotec

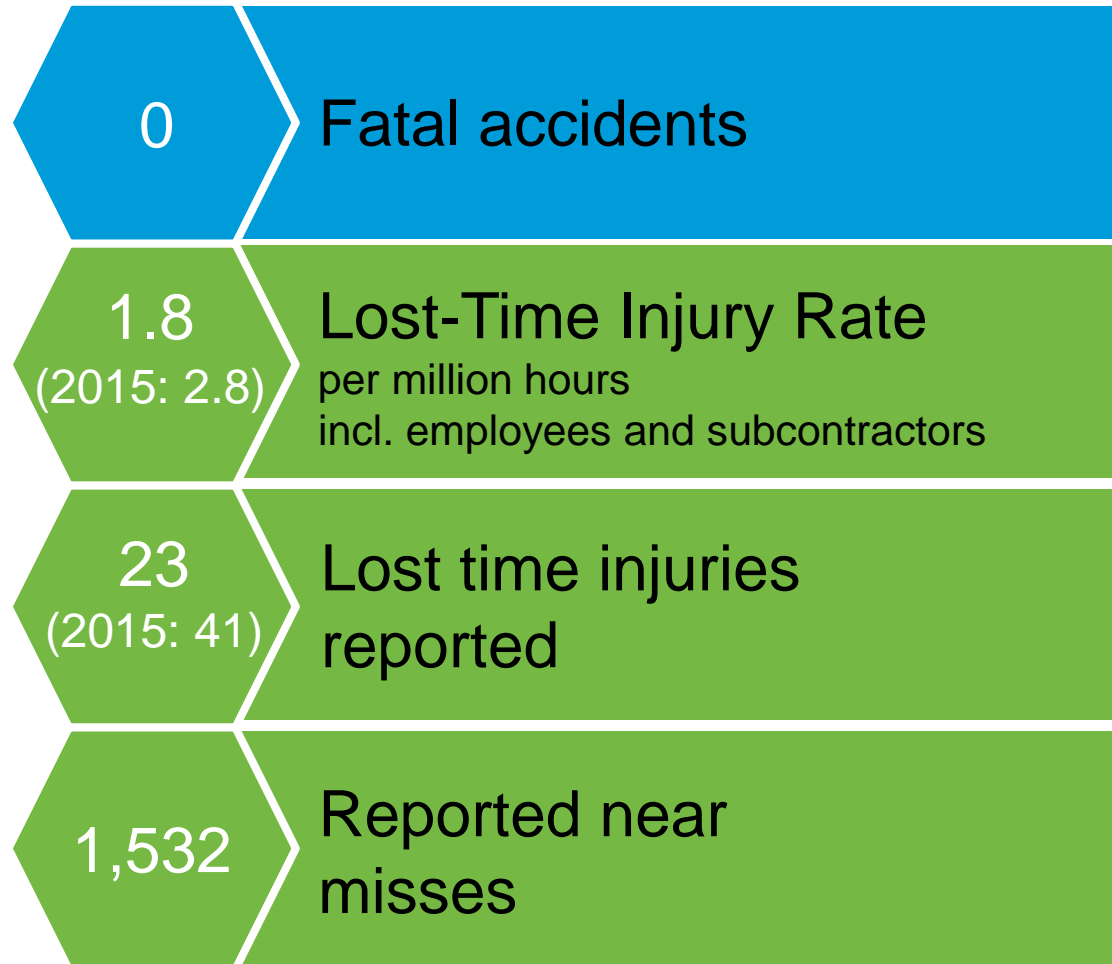
CEO's review

Annual General Meeting on March 30, 2017

Contents

1. Safety
2. Outotec today
3. 2016 in a nutshell
4. Market situation
5. Assessment of the company's situation and focus areas
6. Outlook for 2017

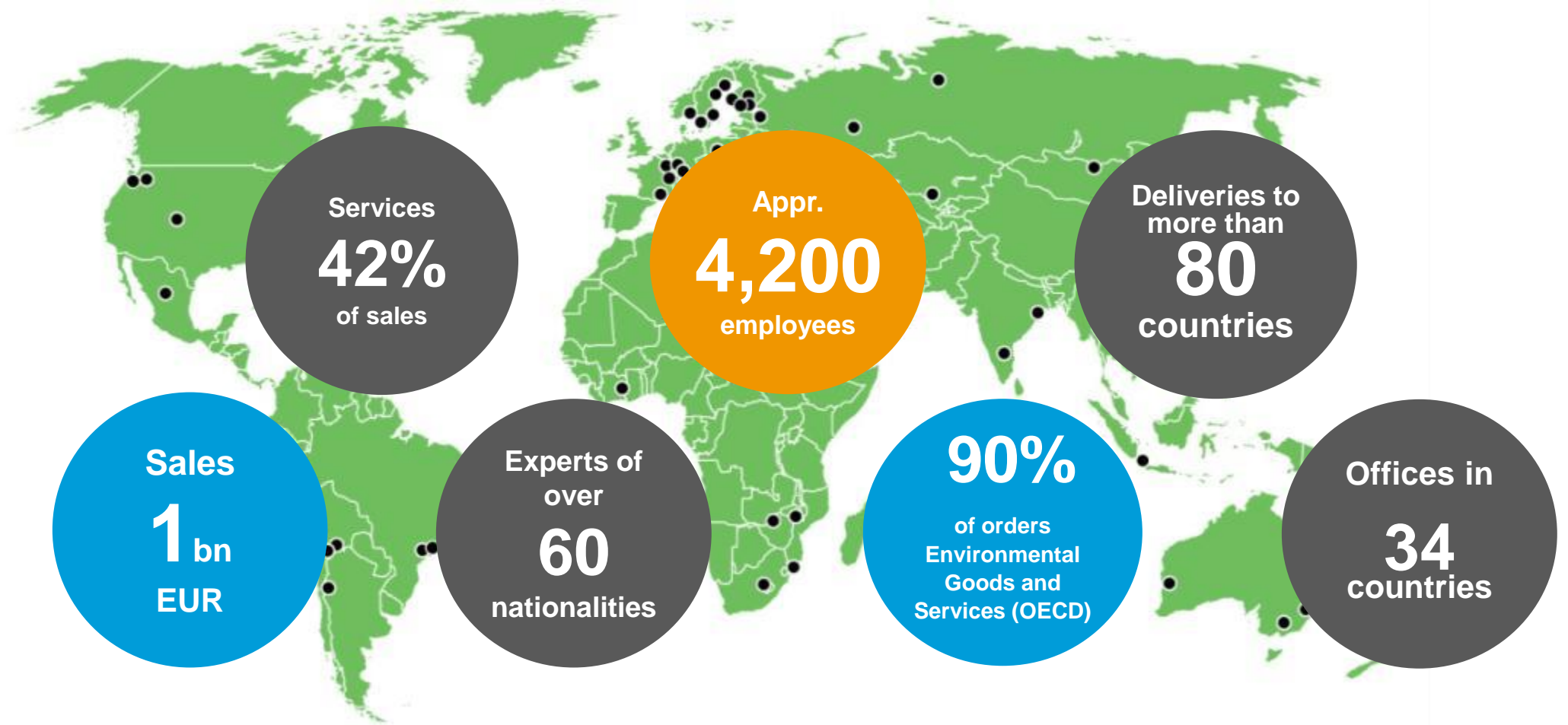
Safety performance improved in 2016



Contents

1. Safety
2. Outotec today
3. 2016 in a nutshell
4. Market situation
5. Assessment of the company's situation and focus areas
6. Outlook for 2017

Outotec in numbers



Wide supplier network with established long-term relationships

Contents

1. Safety
2. Outotec today
3. 2016 in a nutshell
4. Market situation
5. Assessment of the company's situation and focus areas
6. Outlook for 2017

2016 – a weak year, outlook improved towards the end of the year

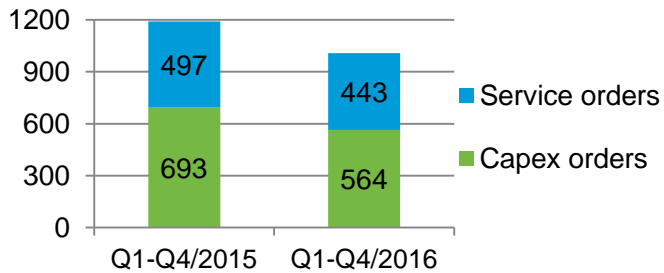
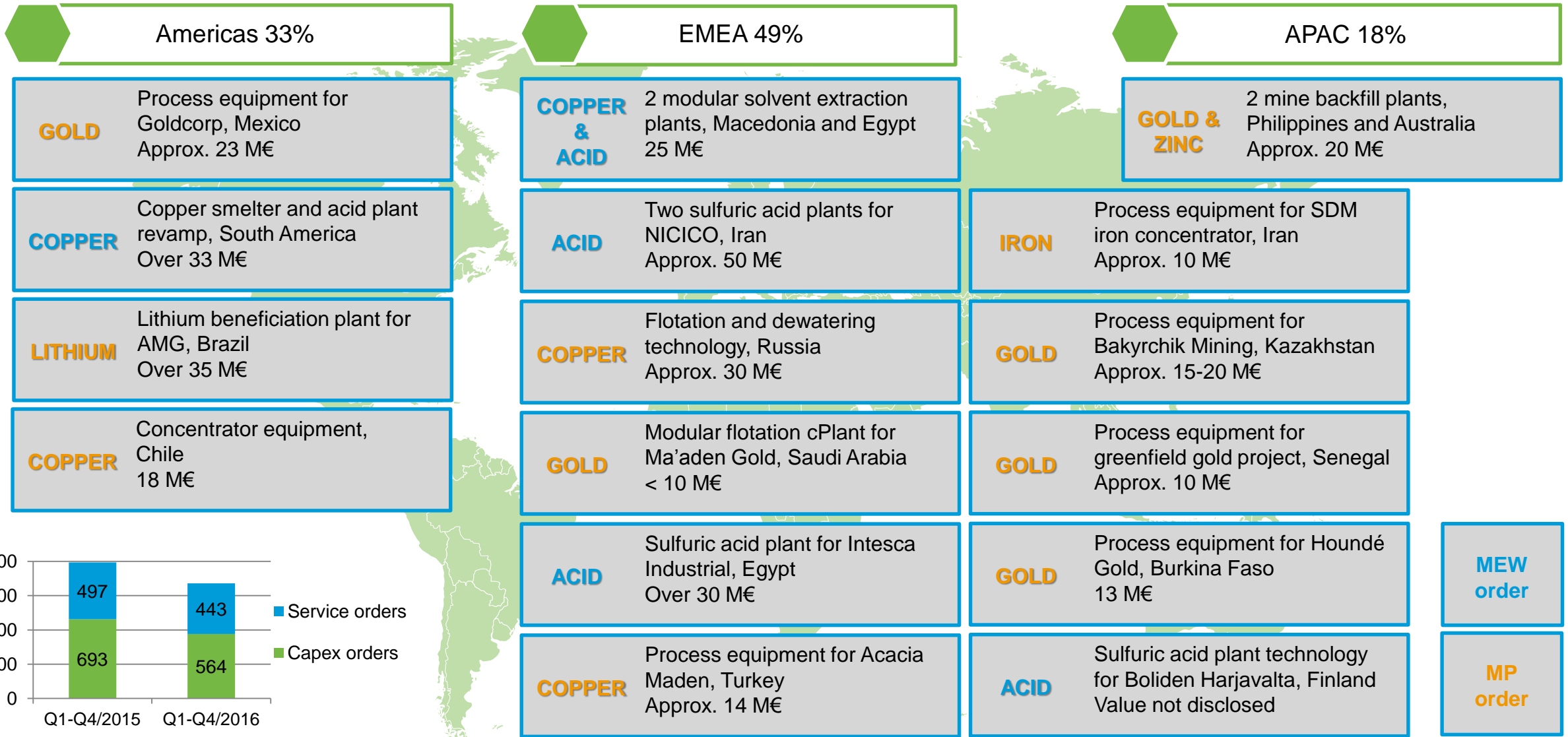


Profitability declined due to weak result in one project

EUR million	2016	2015
Sales	1 058	1 201
Service sales	447	511
Share of services in sales, %	42	43
Gross margin, %	22	28
Adjusted EBIT	-23	56
Adjusted EBIT [*] , %	-2	5
- Restructuring and acquisition-related costs	-37	-59
- PPA amortization	-7	-9
EBIT	-68	-12
EBIT, %	-6	-1
Result for the period	-69	-17

* Excl. restructuring and acquisition related costs and PPA amortizations

Largest orders in 2016



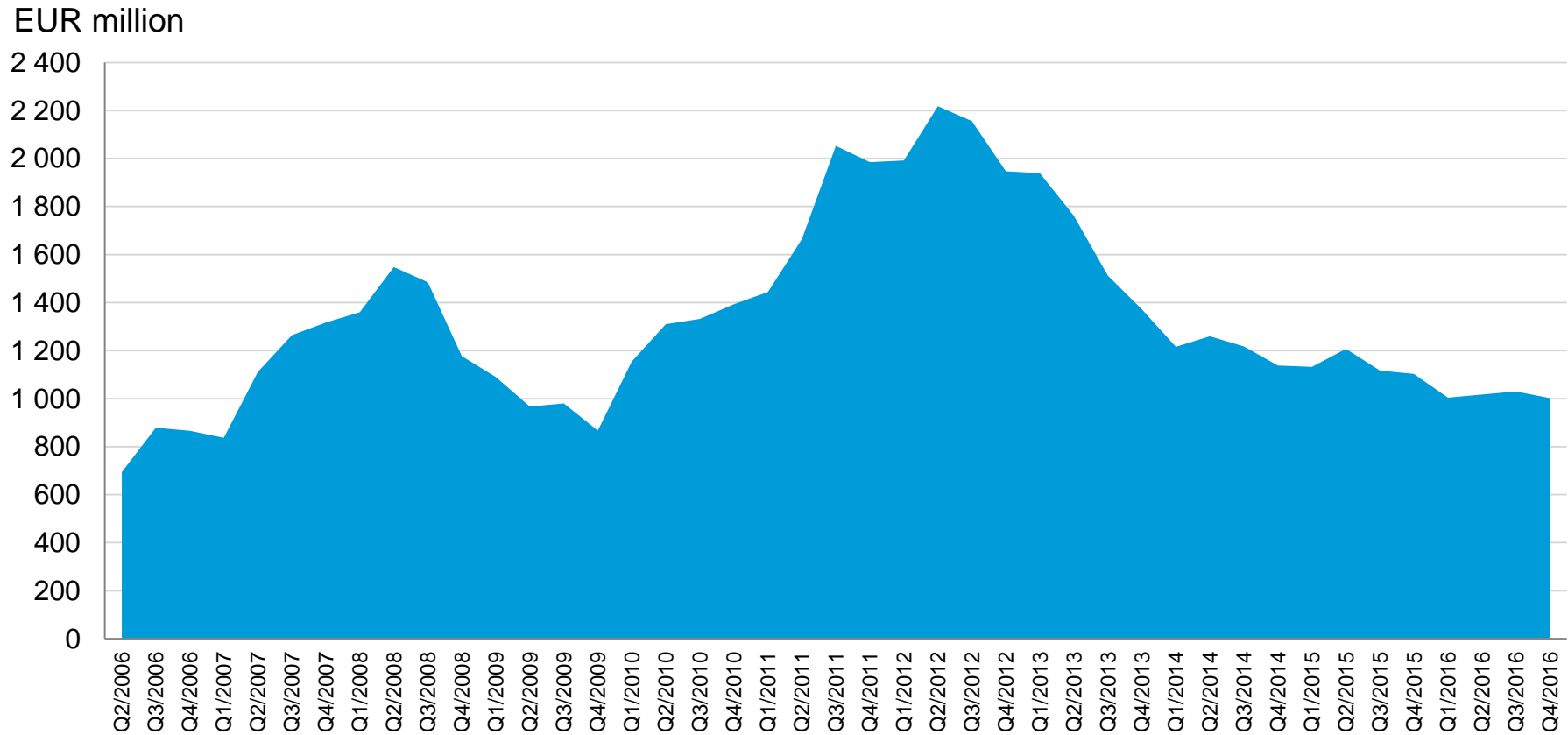
MEW order

MP order

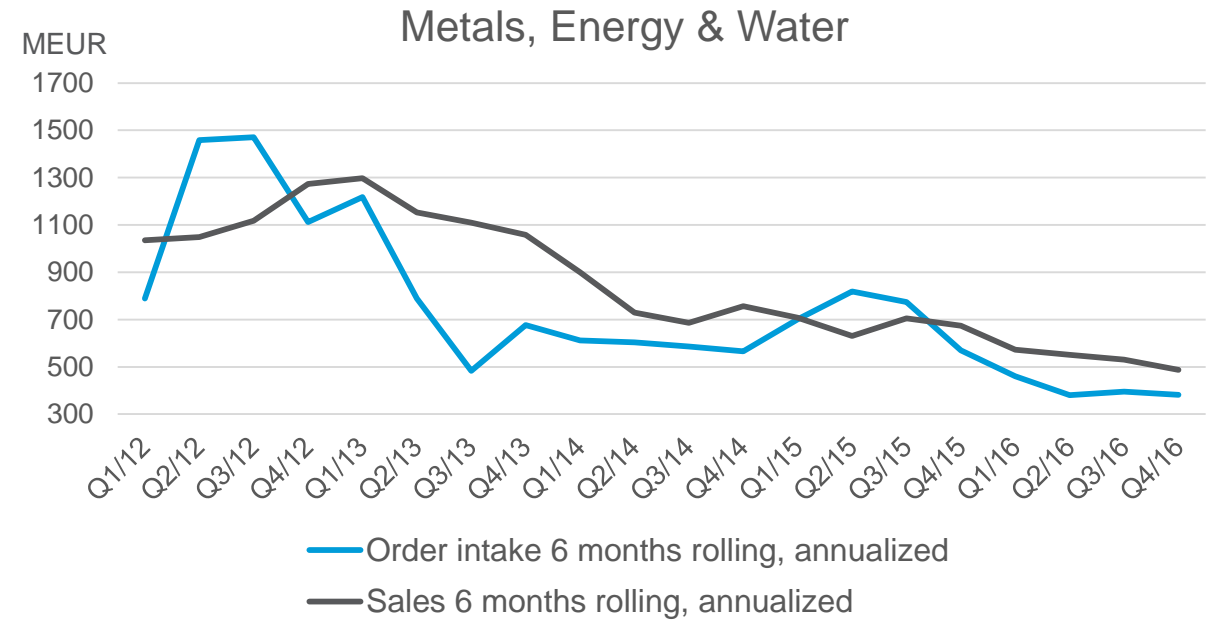
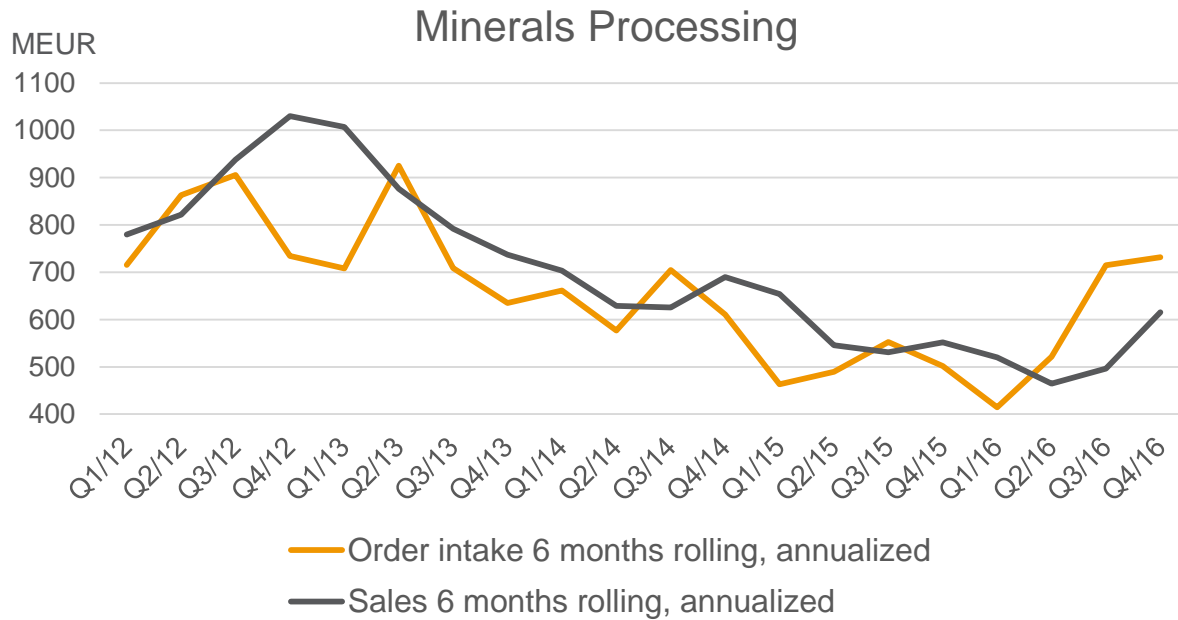
Order backlog remained at approx. EUR 1 billion, of which 20% services

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

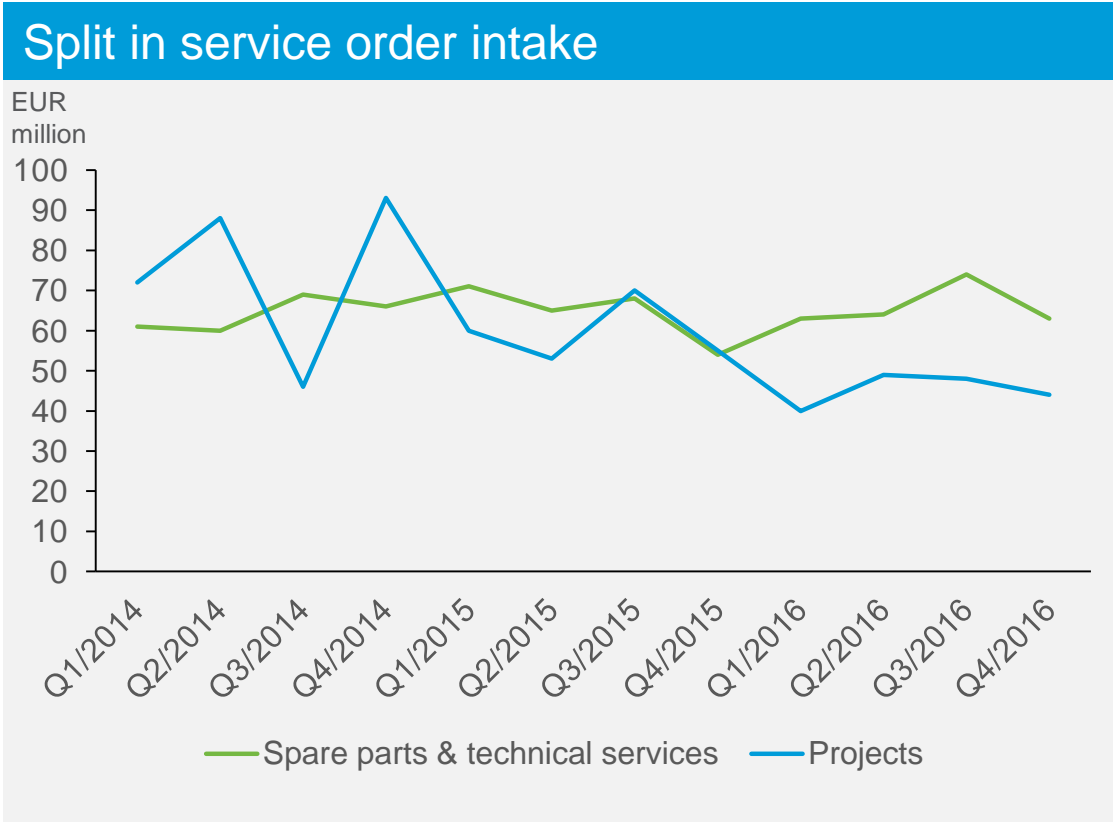
Roughly EUR 740 million of 2016 YE backlog to be delivered in 2017



Order intake and sales of Minerals Processing recovered, Metals, Energy & Water stabilized towards the end of the year



Recurring service orders grew slightly from previous year



Satisfactory profitability in Minerals Processing

- Order intake up 33% in comparable currencies
- Sales flat due to low order intake in Q4/2015 and H1/2016
- Satisfactory profitability at the end of the year due to cost savings



Minerals Processing EUR million	2016	2015	In comparable currencies, %
Order intake	627	496	33
Sales	540	549	2
Service sales	283	312	-5
aEBIT*	37	19	
aEBIT*, %	7	4	

* Excluding restructuring and acquisition-related costs and PPA amortizations

Weak result for Metals, Energy & Water

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



Metals, Energy & Water EUR million	2016	2015	In comparable currencies, %
Order intake	381	694	-44
Sales	518	652	-19
Service sales	164	199	-14
aEBIT*	-55	42	
aEBIT*, %	-11	7	

* Excluding restructuring and acquisition-related costs and PPA amortizations

Product launches – modular products in demand



Several modular product concepts launched in recent years, such as cPlant for flotation, VSF®X plants for extraction of copper, zinc and cobalt as well as purifying of phosphoric acid



New type of mine backfill system



Outotec® EWT-40 for treatment of contaminated waste waters and effluents in mining and metallurgical operations

Contents

1. Safety
2. Outotec today
3. 2016 in a nutshell
4. Market situation
5. Assessment of the company's situation and focus areas
6. Outlook for 2017

Positive signs in the market towards the end of the year

Market for concentrator equipment and solutions started to recover mid-year.

Challenging market continues for large metallurgical plants and energy solutions, some positive signs towards the end of the last year.

Several countries invest in sulfuric acid plants and environmental solutions.

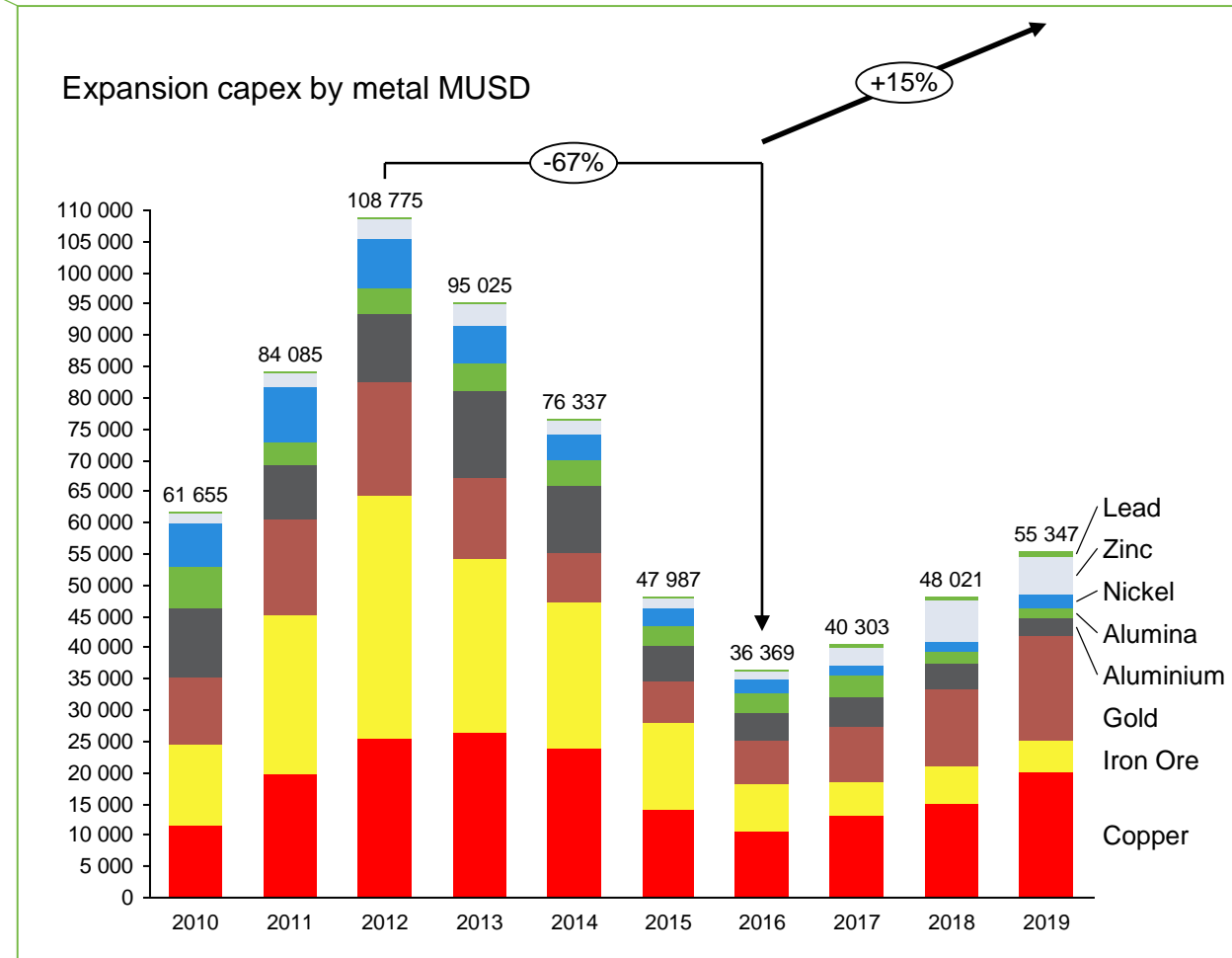
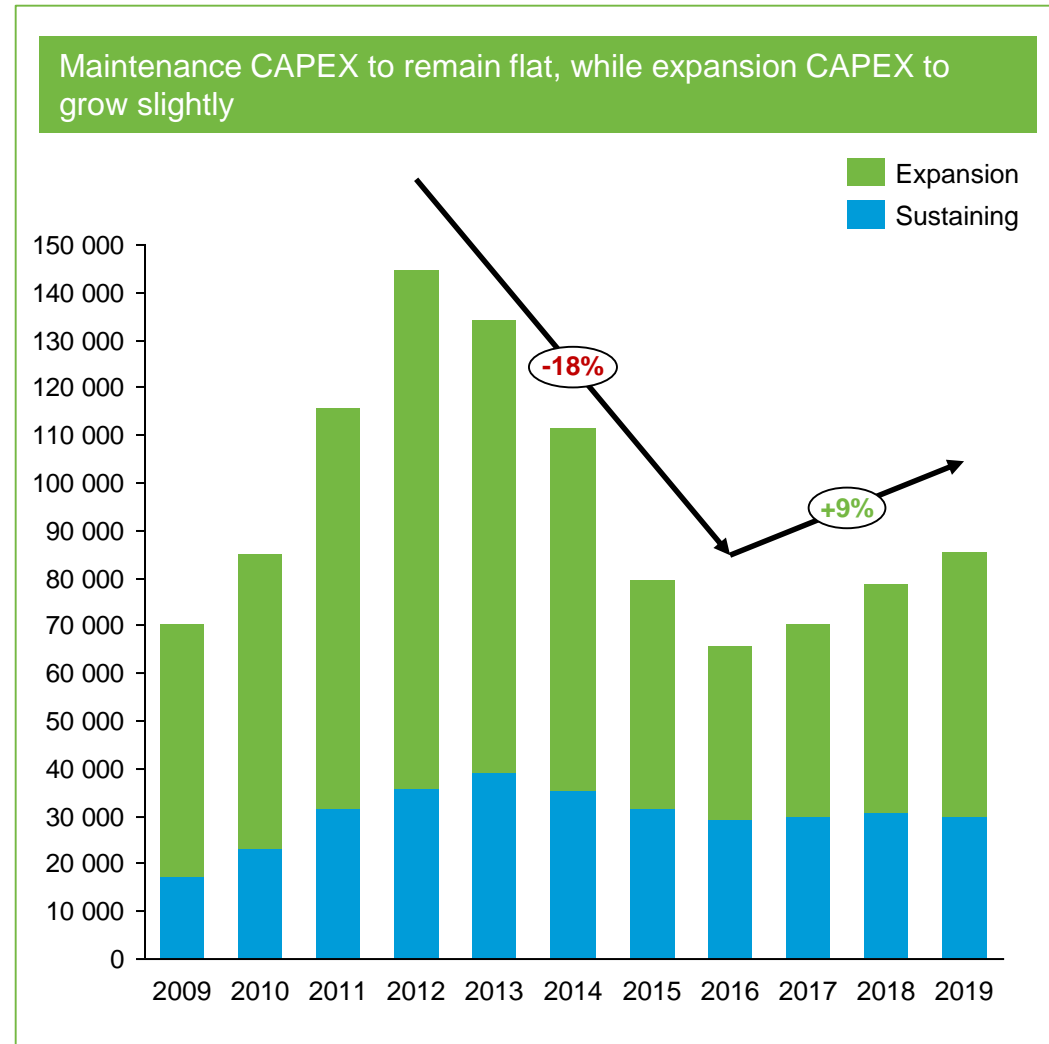


Almost all discussions with the customers concern productivity improvement topics.

Moderate market for spare parts and technical maintenance services, however, weaker market for shut-down services and long-term service contracts.

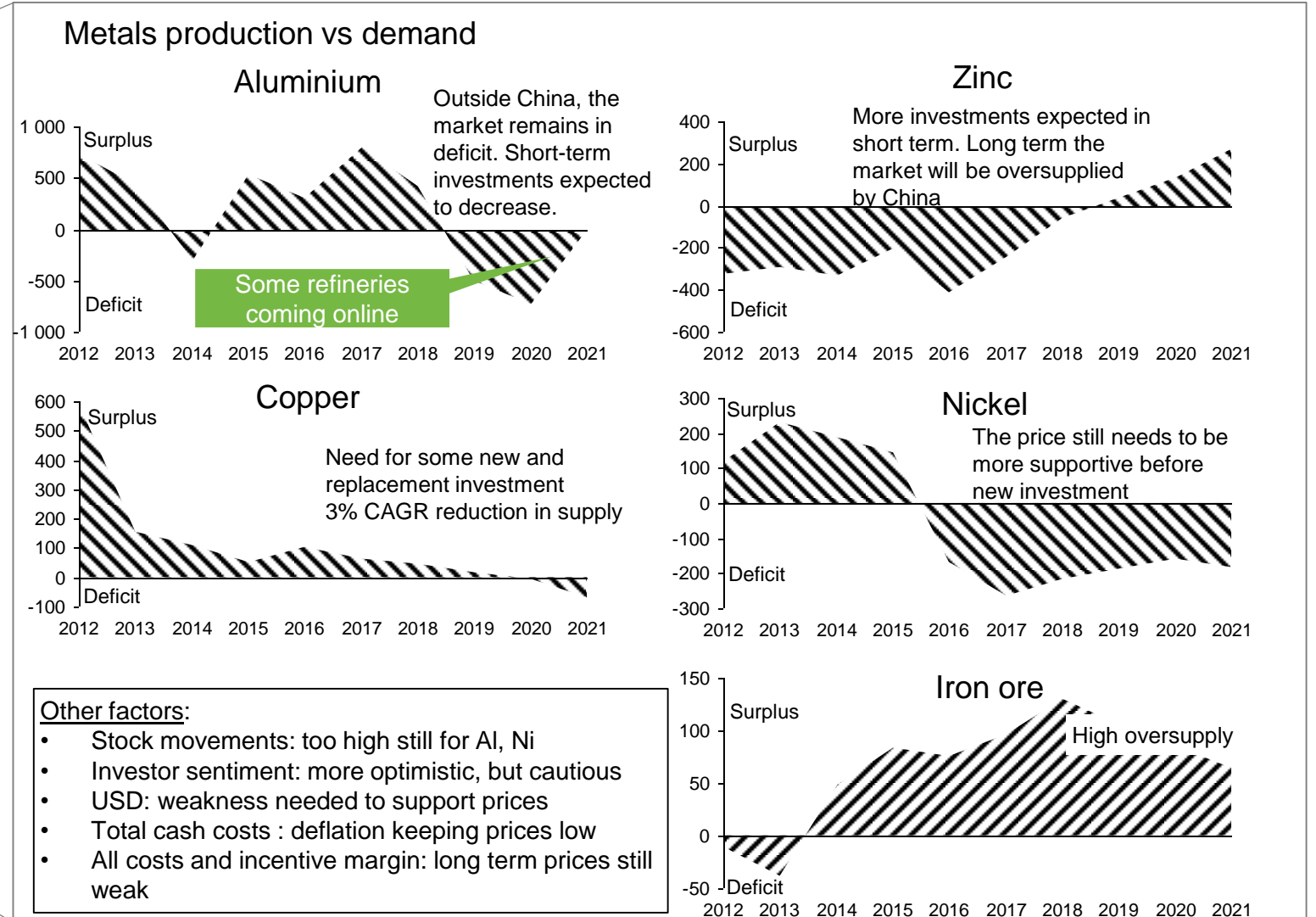
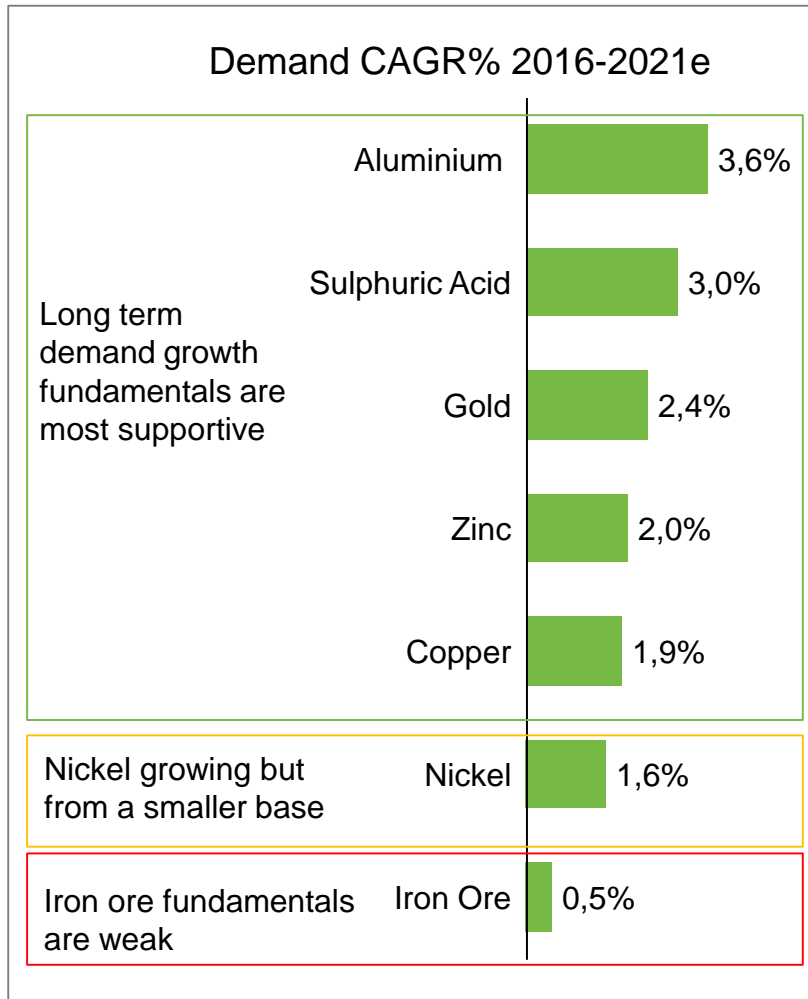


2016 was a multi-year low for global mining capex; going forward we expect slow capex growth - customers focus remain on productivity gains and sustaining capital

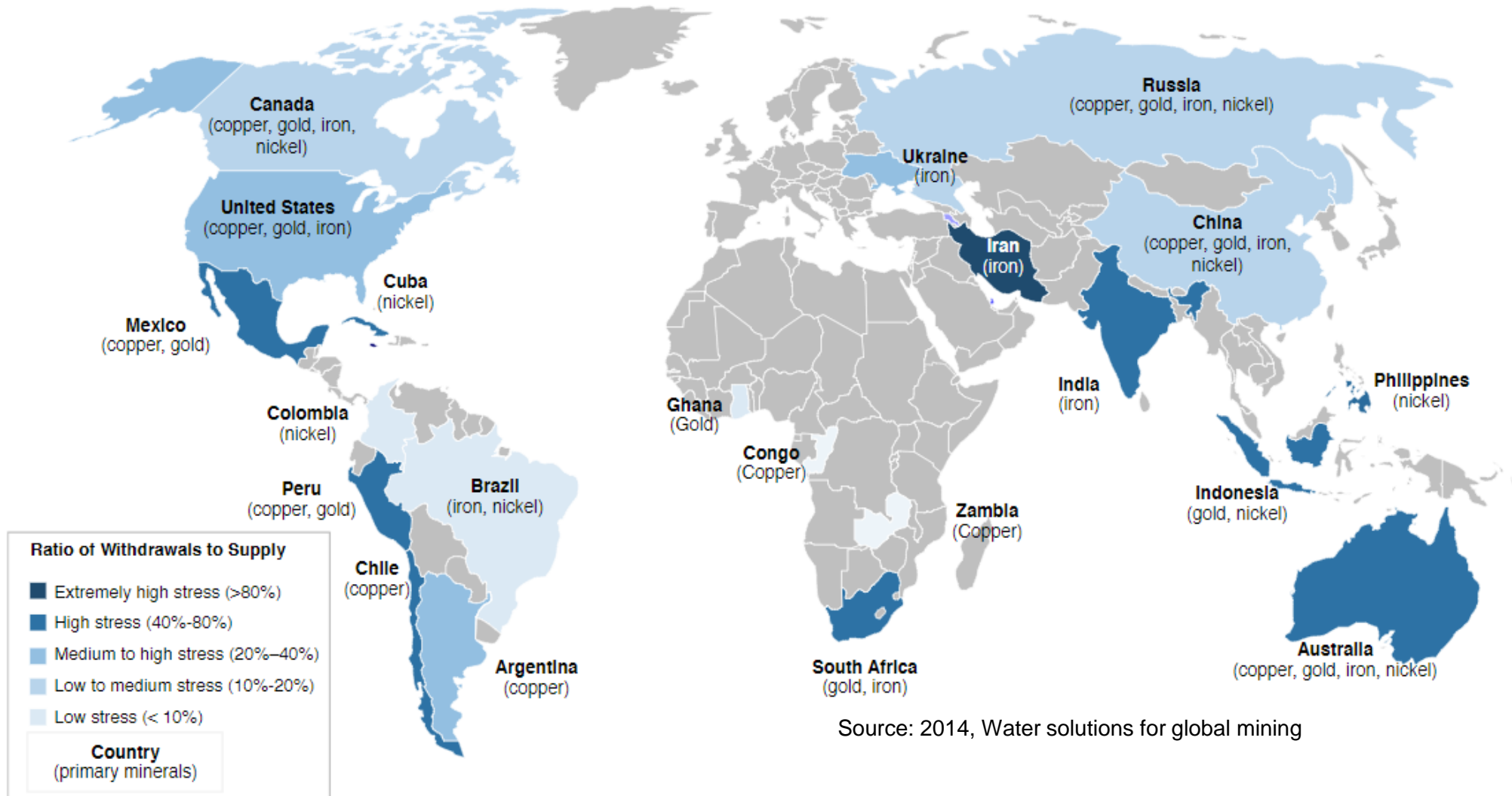


Source: Woodmac

Metals demand growth is moving forward for most metals; long term demand growth fundamentals are most supportive for aluminum, gold, zinc, and copper



The mining sector, largely driven by Australia, Chile, Peru, South Africa and the United States, is experiencing increased competitions for water from other industries



Source: 2014, Water solutions for global mining

Energy investments are mainly driven by oil price

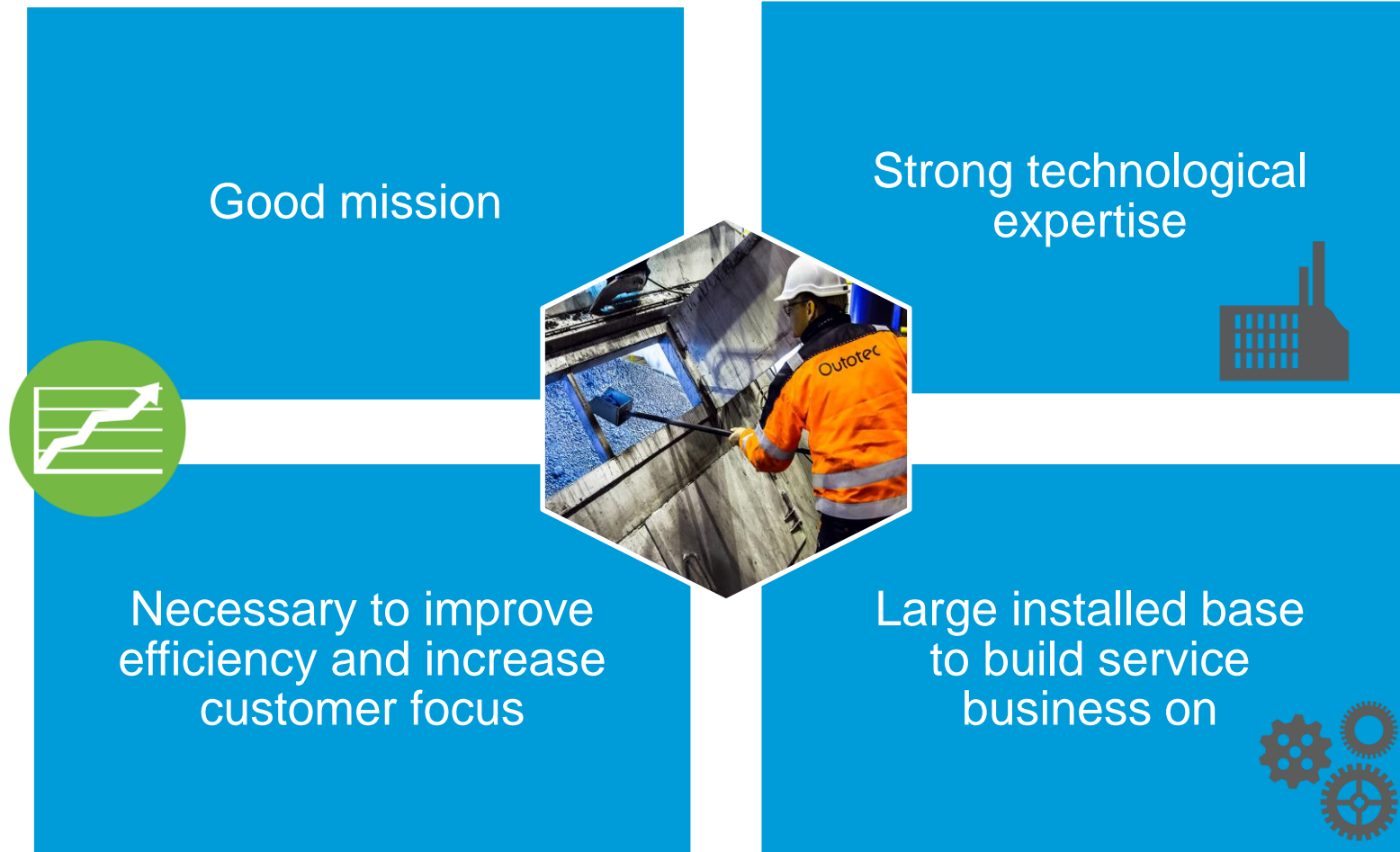
- Demand for Outotec waste-to-energy solutions in certain countries
- Investments depend on subsidy regulation, environmental legislation and energy price



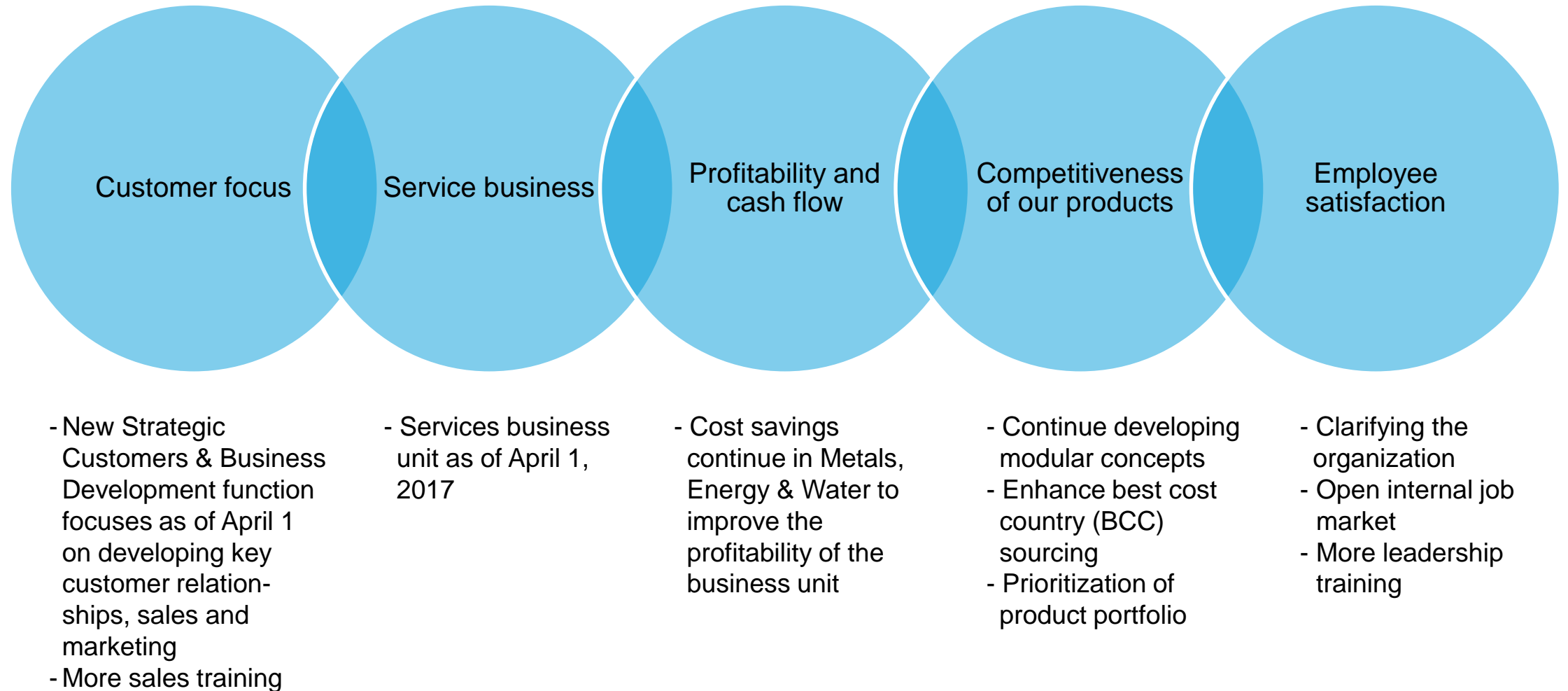
Contents

1. Safety
2. Outotec today
3. 2016 in a nutshell
4. Market situation
5. Assessment of the company's situation and focus areas
6. Outlook for 2017

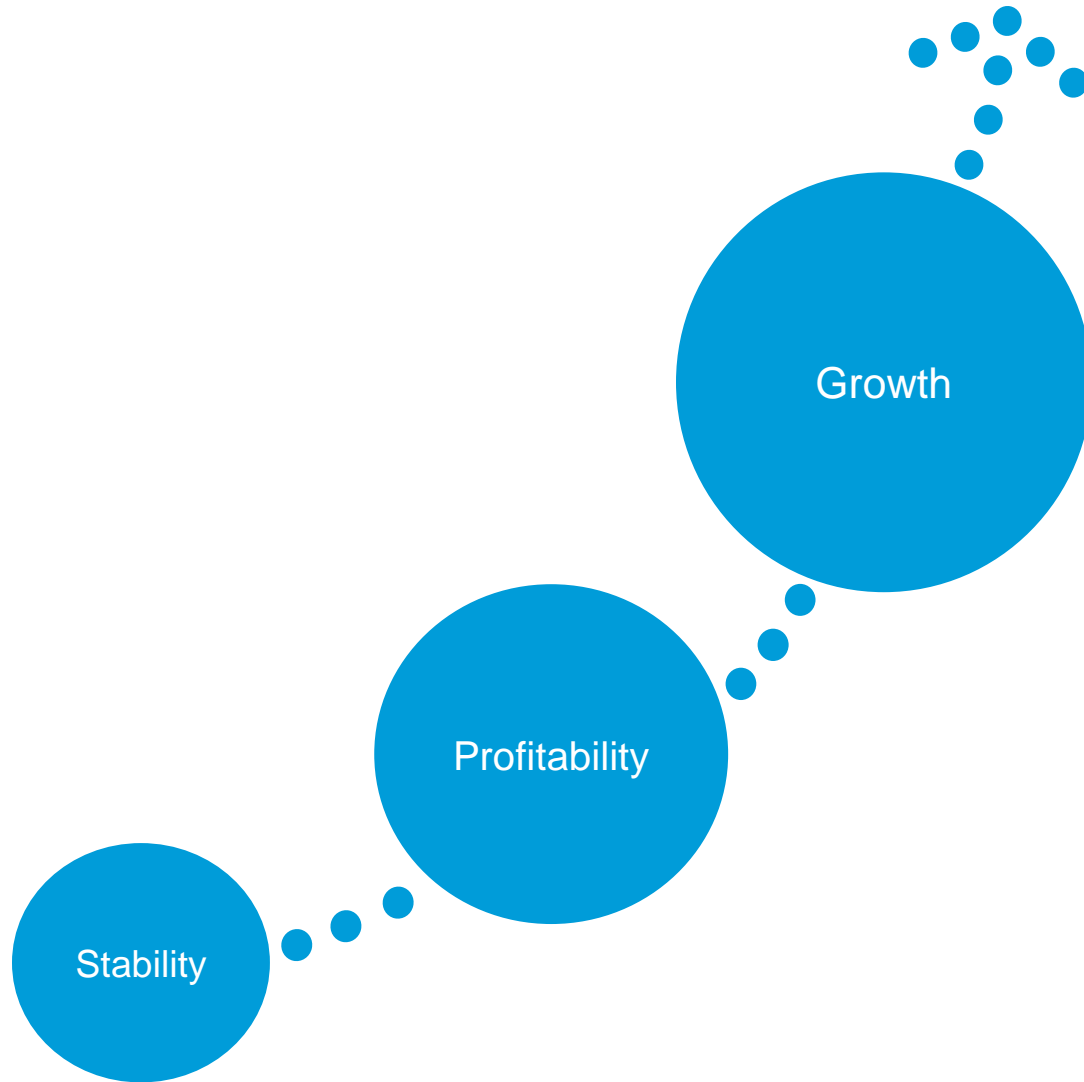
Outotec's strengths and opportunities



Development areas and initiated actions



Our focus areas for 2017; towards profitable growth!



- Grow Minerals Processing business
- Reach stability in Metals, Energy & Water
- New Services business unit and strong focus on service business
- Strengthening of customer centricity
- New and more clear organization
- Strategy work

Outotec Executive Board as of April 1, 2017



Markku Teräsvasara
CEO
Services, act.



Kimmo Kontola
Minerals Processing



Kalle Härkki
Metals, Energy &
Water



Adel Hattab
Strategic Customers &
Business Development



Jari Ålgars
CFO



Kaisa Aalto-Luoto
Human Resources and
Communications



Nina Kiviranta
Legal, Contract Management
& Corporate Responsibility



Olli Nastamo
Operational Excellence

Contents

1. Safety
2. Outotec today
3. 2016 in a nutshell
4. Market situation
5. Assessment of the company's situation and focus areas
6. Outlook for 2017

Market sentiment has improved



Financial 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.

Outotec



Sustainable use of
Earth's natural resources