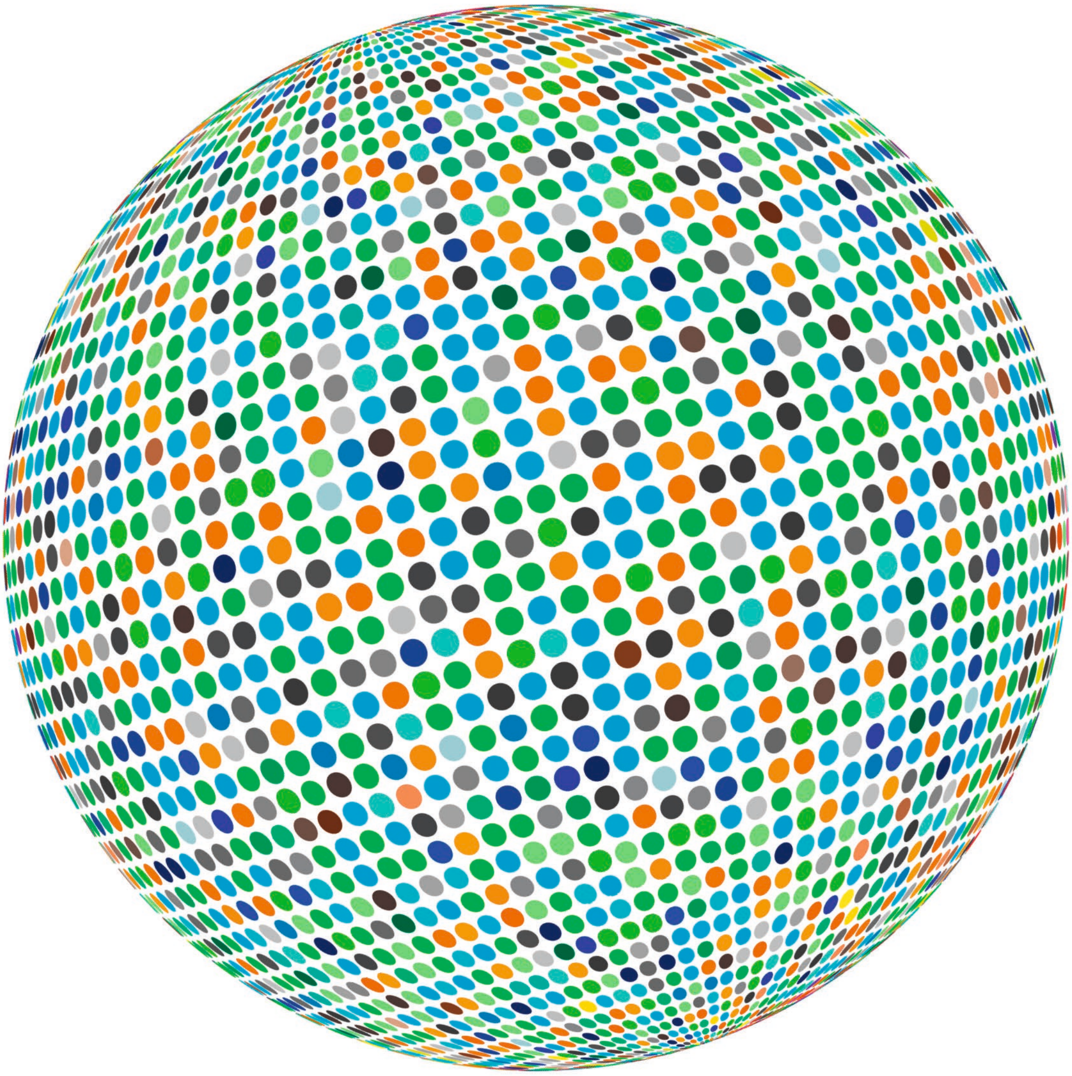
Q1-Q3

INTERIM REPORT

JANUARY-SEPTEMBER 2019



Sustainable use of
Earth's natural resources

Outotec

OUTOTEC OYJ

INTERIM REPORT JANUARY-SEPTEMBER 2019

Strong growth in order intake and service sales, significant improvement in profitability

"The market for minerals and metals processing technologies continued to be positive during the reporting period. Our order intake increased by 26% from last year in the reporting period and by 69% in the third quarter. In the second and third quarter, we booked two large greenfield orders related to both minerals processing and metals refining. Brownfield investments remained at the previous year's level. Our service business continued to develop well during the reporting period with order intake increasing 15% from last year and 20% during third quarter.

Sales were slightly lower for the reporting period and for the third quarter remained on previous year's level, primarily due to lower order intake in the second half of 2018. I am pleased with the 27% growth in service sales during the reporting period and the 26% increase during third quarter showing that our efforts to further develop our service business are bringing good results. Profitability improved both in absolute and relative terms during the comparison period, due to higher share of services, sales mix and improved project execution. The profitability of the Metals, Energy & Water segment improved due to better project execution but is still unsatisfactory. All our must-win battle programs are developing as planned and contributing to our improved performance and competitiveness.

Our R&D activities continued to produce innovative solutions for customer needs. For example, we expanded our grinding portfolio with a new range of mills and a new polymer bearing system. Both products meet the need to improve availability even in the most challenging grinding operations as well as to shorten delivery times and lower the manufacturing costs.

Negotiations concerning the ilmenite smelter project are ongoing, in cooperation with the customer. We remain confident that the EUR 110 million provision made in the last quarter of 2018 is adequate.

Steps have also been taken for the planned combination of Outotec and Metso Minerals, announced on July 4. We received approval for the demerger prospectus for the EGM and credit ratings for the future Metso Outotec. Anti-trust filings and integration planning are on-going. The transaction is expected to be completed in the second quarter of 2020.

We remain positive about the current market outlook for mining and metals and reiterate our guidance for 2019," concludes President & CEO **Markku Teräsvasara**.

Summary of key figures

EUR million	**Q3 2019**	Q3 2018	**%[1]**	%[2]	**Q1-Q3 2019**	Q1-Q3 2018	**%[1]**	%[2]	Q1-Q4 2018
Order intake	**457.5**	271.5	**69**	68	**1,203.2**	952.4	**26**	26	1,251.3
Service order intake	**141.5**	118.1	**20**	18	**464.5**	403.2	**15**	16	532.5
Order backlog at end of period	**1,231.9**	1,007.2	**22**	-	**1,231.9**	1,007.2	**22**	-	946.6

Sales	**322.3**	320.2	**1**	-0	**903.7**	938.5	**-4**	-4	1,276.5
Service sales	**153.1**	121.2	**26**	26	**422.1**	333.4	**27**	27	496.6
Gross margin, %	**27.1**	23.0			**26.6**	22.5			15.4
Adjusted EBITA[3]	**28.2**	23.7			**67.8**	48.8			-23.9
Adjusted EBITA[3], %	**8.8**	7.4			**7.5**	5.2			-1.9
Adjusted EBIT[4]	**23.2**	18.5			**52.4**	33.1			-46.2
Adjusted EBIT[4] , %	**7.2**	5.8			**5.8**	3.5			-3.6
EBIT	**23.7**	16.0			**47.8**	18.4			-66.1
EBIT, %	**7.4**	5.0			**5.3**	2.0			-5.2
Net cash from operating activities	**28.0**	43.8			**58.3**	88.0			70.4
Earnings per share, EUR	**0.07**	0.04			**0.12**	0.00			-0.42

[1] *Change, %*
[2] *Change in comparable currencies, %*
[3] *Excluding all amortizations, as well as adjustment items consisting of restructuring and capacity adjustment costs, costs related to mergers and acquisitions, outcome of material intellectual rights property disputes, gains and losses on business disposals and goodwill impairments. Since the second quarter of 2019, Outotec has added adjusted EBITA to the reported numbers on the Group level to reflect the planned combination.*
[4] *Excluding restructuring- and acquisition-related items as well as PPA amortizations.*

Financial guidance for 2019 reiterated

Based on the current market outlook, we expect sales to increase, and adjusted EBIT* to increase significantly from the 2018 adjusted EBIT (EUR 63.8 million), excluding provision for the ilmenite smelter project.

**Excluding restructuring- and acquisition-related items, as well as PPA amortizations.*

INTERIM REPORT JANUARY-SEPTEMBER 2019

MARKET DEVELOPMENT

The market sentiment continued to be positive during the reporting period. Brownfield investments continued at the previous year's level and two large greenfield investments materialized, both in minerals processing and metals refining. Service business continued to develop favorably across the technology offering.

Copper, gold and nickel continued to be the most active metals. The demand for minerals processing equipment as well as related services continued to be solid. In the Metals, Energy & Water segment, demand in hydrometallurgical technologies for base and precious metals continued to be solid. We see improving activity also in smelting technologies. There are some projects in iron ore pelletizing and sulfuric acid plant solutions, often driven by local need for sustainable operations. On the service side, recurring services continued at a good level. Larger plant service inquiries as well as modernizations also increased compared to the comparison period.

Project financing, environmental permitting and political circumstances continue to delay investments. The competitive environment continued to be intense.

ORDER INTAKE AND BACKLOG

The order intake in the reporting period was EUR 1,203 (952) million, up 26% from the comparison period. The order intake in the third quarter was EUR 458 (271) million, up 69% from the comparison period. Majority of the increase in the reporting period came from two large greenfield orders: a gold processing plant order to Saudi Arabia (approximately EUR 140 million) as well as a copper concentrator and hydrometallurgical plant order to Russia (approximately EUR 250 million).

The service order intake for the reporting period was EUR 465 (403) million, up 15% from the comparison period. The growth came mainly from spare parts and service projects, including a pellet plant modernization. The service order intake in the third quarter was EUR 141 (118) million, up 20% from the comparison period. The growth came mainly from spare parts and long-term service agreements.

Order intake by region, %	**Q1-Q3 2019**	Q1-Q3 2018	Q1-Q4 2018
EMEA	**64**	49	48
Americas	**22**	29	30
APAC	**14**	22	22
Total	**100**	100	100

Announced orders

Project/location (published)	Recorded into order backlog	Value, EUR million	Segment
Greenfield copper concentrator and hydrometallurgical plant, Russia (June 7 & August 8)	Q2 & Q3	approx. 250, 36 for Q2, rest in Q3	2/3 MP 1/3 MEW
Coated titanium anodes to the new tankhouse for copper electrowinning plant, Norway (October 10)	Q3	approx. 10	MEW

The order backlog at the end of the reporting period was EUR 1,232 (1,007) million. The value of services in the order backlog totaled EUR 248 (250) million. At the end of the reporting period, Outotec had 15 (19) projects with an order backlog value in excess of EUR 10 million, accounting for 50 (45)% of the total backlog. It is estimated that roughly 29%, or EUR 350 million of the order backlog at the end of September will be delivered in 2019.

SALES AND FINANCIAL RESULT

Sales and financial result EUR million	**Q3 2019**	Q3 2018	**%[1]**	%[2]	**Q1-Q3 2019**	Q1-Q3 2018	**%[1]**	%[2]	Q1-Q4 2018
Sales	**322.3**	320.2	**1**	-0	**903.7**	938.5	**-4**	-4	1,276.5
Service sales[3]	**153.1**	121.2	**26**	26	**422.1**	333.4	**27**	27	496.6
Share of service sales, %	**47.5**	37.8			**46.7**	35.5			38.9
Gross margin, %	**27.1**	23.0			**26.6**	22.5			15.4
Adjusted EBIT[4 6]	**23.2**	18.5			**52.4**	33.1			-46.2
Adjusted EBIT[4 6], %	**7.2**	5.8			**5.8**	3.5			-3.6
- Restructuring and acquisition-related costs[5]	**2.2**	-0.8			**0.4**	-9.7			-13.3
- PPA amortization	**-1.7**	-1.7			**-5.0**	-5.0			-6.6
EBIT	**23.7**	16.0			**47.8**	18.4			-66.1
EBIT, %	**7.4**	5.0			**5.3**	2.0			-5.2
Result before taxes	**20.6**	13.0			**40.0**	10.2			-75.4
Result for the period	**14.7**	9.2			**28.6**	7.0			-67.3
Unrealized and realized exchange gains and losses	**-1.2**	2.0			**-1.4**	-0.2			-1.6

[1] Change, %
[2] Change in comparable currencies, %
[3] Included in the sales figures of the two reporting segments.
[4] Excluding restructuring and acquisition-related items and PPA amortizations.
[5] Including restructuring-related items of EUR 0.1 (-9.6) million and items related to acquisitions or business combinations of EUR 0.3 (-0.1) million.
[6] Adjusted EBIT for Q1-Q4/2018 was EUR 63.8 million (5.0%) excluding the provision for the ilmenite smelter project.

Sales in the reporting period totaled EUR 904 (939) million, down 4% from the comparison period. Sales in the third quarter totaled EUR 322 (320) million. Sales were flat primarily due to lower order intake in the second half of 2018.

Service sales increased 27% in the reporting period, mainly due to spare parts, modernizations, field services and long-term service agreements. In the third quarter, the 26% growth in service sales was mainly attributable to spare parts and modernizations. The share of service sales was 47 (36) % of total sales in the reporting period and 48 (38)% in the third quarter.

Fixed costs in the reporting period – including selling and marketing, administrative, R&D and fixed delivery expenses – grew 8% (in comparable currencies 8%) from the comparison period, totaling EUR 209 (193) million, or 23 (21)% of sales. This was mainly due to higher selling and marketing costs as well as higher costs related to a growing service business.

The improvement in the adjusted EBIT for the reporting period was mainly attributable to the higher share of service sales and improved project execution.

The result before taxes for the reporting period was EUR 40 (10) million. Net finance expenses related to interest costs and the valuation of foreign exchange forward agreements totaled EUR 8 (8) million. The net result was EUR 29 (7) million. The net impact from taxes totaled EUR -11 (-3) million. Earnings per share was EUR 0.12 (0.00), including an accrued hybrid bond interest net of tax of EUR -7 (-7) million.

MINERALS PROCESSING

Minerals Processing EUR million	**Q3** **2019**	Q3 2018	**%[1]**	%[2]	**Q1-Q3** **2019**	Q1-Q3 2018	**%[1]**	%[2]	Q1-Q4 2018
Order intake	**332.0**	189.0	**76**	75	**780.6**	535.2	**46**	45	719.3
Sales	**212.5**	187.3	**13**	12	**570.9**	540.1	**6**	6	757.8
Service sales	**100.6**	84.6	**19**	18	**284.1**	234.2	**21**	22	344.3
Adjusted EBIT[3]	**24.5**	21.7			**61.8**	54.8			84.1
Adjusted EBIT[3], %	**11.5**	11.6			**10.8**	10.2			11.1
- Restructuring and acquisition-related costs	**2.0**	-0.2			**2.1**	-1.4			-3.0
- PPA amortization	**-0.7**	-0.7			**-2.0**	-2.0			-2.7
EBIT	**25.9**	20.8			**61.8**	51.4			78.5
EBIT, %	**12.2**	11.1			**10.8**	9.5			10.4

[1] Change, %
[2] Change in comparable currencies, %
[3] Excluding restructuring and acquisition-related items as well as PPA amortizations

During the reporting period, the order intake in the Minerals Processing segment grew 46% compared to the comparison period, primarily as a result of two large greenfield orders. The segment's sales increased by 6%. Service sales increased by 21%, while equipment sales decreased. Service growth came mainly from spare parts, long-term service contracts and field services. Profitability improved in the reporting period as well as in the third quarter due to sales mix and improved project execution.

In the third quarter, the order intake in the Minerals Processing segment grew 76% relative to the comparison period as a result of a large greenfield order. The segments sales increased by 13% due to growth in equipment sales as well as services, which increased by 19%. Service sales growth came primarily from spare parts.

METALS, ENERGY & WATER

Metals, Energy & Water EUR million	**Q3** **2019**	Q3 2018	**%[1]**	%[2]	**Q1-Q3** **2019**	Q1-Q3 2018	**%[1]**	%[2]	Q1-Q4 2018
Order intake	**125.5**	82.5	**52**	51	**422.7**	417.2	**1**	0	532.0
Sales	**109.9**	132.8	**-17**	-18	**332.8**	398.4	**-16**	-16	518.7
Service sales	**52.5**	36.6	**44**	43	**138.0**	99.2	**39**	39	152.3
Adjusted EBIT[3]	**0.2**	-1.8			**-5.0**	-17.2			-125.0
Adjusted EBIT[3 4], %	**0.2**	-1.3			**-1.5**	-4.3			-24.1
- Restructuring and acquisition-related costs	**1.7**	-0.1			**1.7**	-4.6			-6.6
- PPA amortization	**-1.0**	-1.0			**-3.0**	-3.0			-4.0
EBIT	**1.0**	-2.9			**-6.3**	-24.8			-135.5
EBIT, %	**0.9**	-2.2			**-1.9**	-6.2			-26.1

[1] Change, %
[2] Change in comparable currencies, %
[3] Excluding restructuring and acquisition-related items as well as PPA amortizations
[4] Adjusted EBIT for Q1-Q4/2018 was EUR -15.0 million (-2.9%) excluding the provision for the ilmenite smelter project.

During the reporting period, the order intake in the Metals, Energy & Water segment increased by 1% from the comparison period. The segment sales decreased by 16%, primarily due to the lack of orders in the second half of 2018. Service sales increased by 39%, mainly as a result of plant modernizations and service projects. Improved project execution had a positive impact on the profitability of the segment.

In the third quarter, the order intake in the Metals, Energy & Water segment increased by 52% from the comparison period. The segments sales decreased by 17%. Service sales increased by 44%, primarily as a result of plant modernizations.

BALANCE SHEET, FINANCING AND CASH FLOW

Balance sheet, financing and cash flow EUR million	**Q3 2019**	Q3 2018	**Q1-Q3 2019**	Q1-Q3 2018	Q1-Q4 2018
Net cash from operating activities	**28.0**	43.8	**58.3**	88.0	70.4
Net interest-bearing debt at end of period [1 2]	**12.1**	-64.0	**12.1**	-64.0	-38.1
Equity at end of period	**376.9**	455.1	**376.9**	455.1	377.4
Gearing at end of period, % [1 2]	**3.2**	-14.1	**3.2**	-14.1	-10.1
Equity-to-assets ratio at end of period, % [1 2]	**30.6**	39.3	**30.6**	39.3	32.9
Net working capital at end of period	**-134.2**	-65.4	**-134.2**	-65.4	-122.9

[1] *If the hybrid bond were treated as a liability, the net interest-bearing debt would be EUR 162.1 million, gearing 71.4%, and the equity-to-assets ratio 18.4% on September 30, 2019 (September 30, 2018: EUR 86.0 million, 28.2% and 26.4% respectively, December 31, 2018: EUR 111.9 million, 49.2% and 19.8% respectively).*

[2] *Key figures excluding the impact of implementing IFRS 16 in 2019 are disclosed in the key figures section.*

The consolidated balance sheet total on September 30, 2019 was EUR 1,469 (1,374) million.

Outotec's cash and cash equivalents at the end of the reporting period totaled EUR 239 (259) million. Net cash flow from operating activities during the reporting period was EUR 58 (88) million. The main impact came from positive developments in trade receivables and payables, and in the second and third quarters from an increase in the advances received. The advance and milestone payments received at the end of the reporting period totaled EUR 238 (217) million. Advance and milestone payments to subcontractors totaled EUR 72 (46) million. During the reporting period, Outotec paid annual interest of EUR 11 (11) million for the hybrid bond.

Net interest-bearing debt on September 30, 2019 was EUR 12 (-64) million (September 30, 2019: EUR -53 million, excluding the impact of IFRS 16), and the gearing was 3 (-14)%. Outotec's equity-to-assets ratio was 31 (39)%.

The company's capital expenditure, which was related mainly to IT programs and IPRs, totaled EUR 14 (16) million during the reporting period.

Guarantees for commercial commitments, including advance payment guarantees issued by the parent and other Group companies at the end of the reporting period, totaled EUR 855 (705) million.

Equity attributable to shareholders of the parent company totaled EUR 374 (452) million, representing EUR 2.06 (2.49) per share. During the reporting period, equity was impacted by hybrid bond interest net of tax totaling EUR -9 (-9) million, acquisition of 100% in subsidiary of EUR -9 (0) million, translation differences of EUR 5 (-7) million and the net result of EUR 29 (7) million.

RESEARCH & DEVELOPMENT

During the reporting period, Outotec's research and development expenses represented 5 (4)% of sales.

R&D	Q1-Q3 2019	Q1-Q3 2018	Q1-Q4 2018
R&D expenses, EUR million	**45**	42	57
New priority applications filed	**1**	20	26
New national patents granted	**88**	487	558
Total number of patent families	**761**	747	761
Total number of national patents and patent applications	**6,820**	6,307	6,467

September 19: Outotec expanded its grinding portfolio with new range of mills and new polymer bearing system. The MH Series Grinding Mill range offers flexible and easily deployable solutions that are cost-effective and easy to operate and maintain across the mill lifecycle. The mills are an ideal choice for customers who value faster overall delivery and lower CAPEX over extensive tailoring and customization options.

Along with the new mill offering, Outotec introduced the Outotec® Polymer Hydrostatic Shoe Bearing (HSB) system for large and mid-sized grinding mills. The Polymer HSB system is fitted to all new Outotec grinding mills as standard and is designed to maximize grinding mill availability and simplify maintenance, increasing revenue and reducing maintenance costs.

PERSONNEL

At the end of the reporting period, Outotec had a total of 4,102 (4,032) full-time equivalent employees. During the reporting period, the company had an average of 4,051 (4,089) employees. Temporary personnel accounted for 6 (7)% of the total.

Personnel by region	September 30, 2019	September 30, 2018[1]	Change	December 31 2018[1]
EMEA	**2,776**	2,686	90	2,677
Americas	**723**	774	-51	736
APAC	**603**	572	31	573
Total	**4,102**	4,032	70	3,986

[1] *The figures for 2018 have been recalculated as FTE (full-time equivalent employees).*

At the end of the reporting period, the company had, in addition to its own personnel, 493 (413) full-time equivalent, contracted professionals working in project execution.

Salaries and other employee benefits in the reporting period totaled EUR 258 (239) million.

RESOLUTIONS OF OUTOTEC'S AGM 2019

Outotec Oyj's Annual General Meeting (AGM) was held on March 14, 2019, in Helsinki, Finland. The AGM approved the parent company's financial statements and consolidated financial statements, and discharged the members of the Board of Directors and the President and CEO from liability for the 2018 financial year. The AGM decided that no dividend would be distributed for the financial year ending on December 31, 2018.

The AGM decided that the total number of Board members will be eight (8). Mr. Matti Alahuhta, Mr. Klaus Cawén, Ms. Anja Korhonen, Ms. Hanne de Mora, Mr. Patrik Nolåker and Mr. Ian W. Pearce, were re-elected as members of the Board of Directors for the term expiring at the end of the next AGM. Ms. Anu Hämäläinen and Ms. Teija Sarajärvi were elected as new members. The AGM elected Mr. Alahuhta as the Chairman and Mr. Pearce as Vice Chairman of the Board of Directors.

The AGM confirmed the Board's remuneration for 2019, of which 60% will be paid in cash and 40% in shares:

- Chairman of the Board of Directors: EUR 72,000
- Members of the Board of Directors: EUR 36,000
- Vice Chairman of the Board and the Chairman of the Audit and Risk Committee: an additional EUR 12,000
- Attendance fee: EUR 600/meeting
- Reimbursement for the direct costs arising from Board-related work

PricewaterhouseCoopers Oy, a firm of Authorized Public Accountants, was re-elected as the company's auditor.

The AGM authorized the Board of Directors to decide on the repurchase and issuance of shares and special rights entitling holders to shares. Both authorizations relate to an aggregate maximum of 18,312,149 (approximately 10%) of the company's own shares. The authorizations will be in force until the closing of the next AGM. The authorizations have not been exercised as of October 25, 2019.

The Board of Directors elected Anu Hämäläinen (Chairman of the Committee), Klaus Cawén, Anja Korhonen, and Ian W. Pearce as members of the Audit and Risk Committee.

Hanne de Mora (Chairman of the Committee), Matti Alahuhta, Patrik Nolåker, and Teija Sarajärvi were elected as members of the Human Capital Committee.

SHARES AND SHARE CAPITAL

Outotec's shares are listed on the Nasdaq Helsinki exchange (OTE1V). At the end of the reporting period, 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 meetings.

OUTOTEC OYJ OWN SHAREHOLDING

At the end of the reporting period, the company directly held a total of 1,271,628 Outotec shares, representing 0.69% of Outotec Oyj's shares and votes.

TRADING, MARKET CAPITALIZATION, AND SHAREHOLDERS

Shares on NASDAQ Helsinki

January- September 2019	Number of shares traded	Total value EUR	High EUR	Low EUR	Average EUR[1]	Last paid EUR
OTE1V	237,481,296	1,012,143,873	6.10	2.90	4.28	5.38

[1] *Volume-weighted average*

	September 30, 2019	September 30, 2018

Market capitalization, EUR million	**985**	1,031
Number of shareholders	**28,094**	22,969
Nominee registered shareholders (number of registers 11), %	**35.7**	42.7
Finnish private investors, %	**15.8**	12.6

SHARE-BASED INCENTIVES

Outotec has a Share-based Incentive Program for the company's key personnel as well as an Employee Share Savings Program for all employees globally. All shares related to the programs are acquired through public trading. More detailed information about present and past programs is available at www.outotec.com/cg.

OTHER MAIN ANNOUNCEMENTS AND EVENTS IN Q3

July 4: Outotec and Metso Minerals will create a leading company in process technology, equipment and services serving the minerals, metals and aggregates industries.

SHORT-TERM RISKS AND UNCERTAINTIES

Major investments continue to develop slowly, and new investments may either be delayed or existing projects placed on hold or canceled. There is also the continued risk of credit loss, especially in receivables from emerging markets. The supply situation may tighten, which may cause delays or escalations. Any uncertainty in the global macroeconomic environment, especially China's economic outlook, may impact the demand for metals and their prices, as well as Outotec's operations and financial results.

Outotec has identified a risk of disputes related to project execution, which may result in extra costs and/or penalties. In the contracts related to the delivery of major projects, the liquidated damages attributable to, for instance, delayed delivery or non-performance may be significant. In particular, Outotec has identified a significant risk of claims related to a few large projects in the Metals, Energy & Water segment. This could in turn lead to decreasing headroom under the financial covenants related to capital structure and liquidity.

Outotec has made a EUR 110 million provision for possible costs relating to the ilmenite smelter project in Saudi Arabia (Stock Exchange Releases on May 31, 2012; October 26, 2018; October 30, 2018 and February 8, 2019). The current estimated provision was based on progress made with the analysis of the furnace. The provision was recorded in Outotec's fourth quarter 2018 result. The outcome of the analysis, together with other factors such as Outotec's contractual position, will determine the eventual liability and financial impact of this incident for Outotec.

Risks related to Outotec's business operations are high in certain markets, such as the Middle East, Russia, the Democratic Republic of Congo and Turkey. The geopolitical situation, including risk of trade wars, Brexit, sanctions, security situations, economic conditions, and regulatory environments may change rapidly, causing ongoing business to be delayed, suspended or canceled; or may completely prevent Outotec from operating in these areas. This may result in a material impact on Outotec's financial results and valuation of its assets.

Outotec is involved in a few disputes that may lead to arbitration and court proceedings. Differing interpretations of international contracts and laws may cause uncertainty in estimating the outcome of these disputes. The enforceability of contracts in certain market areas may be challenging or difficult to foresee. Moreover, Outotec is subject to local laws and regulations and is committed to conducting business in legal and ethical manner in compliance of the laws and regulations applicable to its business. Nevertheless, there is a risk that Outotec's employees, suppliers, agents or other representatives may act in a way that violates applicable laws and regulations or they may act unethically that may make Outotec subject to investigations and may cause financial losses and damages to Outotec.

More information about Outotec's business risks and risk management is available in the *Notes to the Financial Statements* and on the company's website at www.outotec.com/investors.

MARKET OUTLOOK

Global GDP growth and new uses for metals, such as electric vehicles, are supporting positively the long-term outlook for metals. All market areas apart from North and South America are expected to develop positively in the coming quarters. Sustainability trends and tighter local regulation in some countries also support new investments beyond the supply and demand needs as old capacity is replaced with modern technology. In addition to smaller brownfield projects, there are a handful of larger orders in the order pipeline. Global uncertainty, local regulation and political situations as well as stricter financing conditions for smaller companies slow down the process of these prospects and the timing of investments is highly uncertain in the short-term.

Outotec's efficient technologies enable metals to be extracted from challenging raw materials. Reprocessing the tailings to recover the remaining metals is also expected to increase in the future. Tighter environmental regulations impose stricter limits for water and energy use as well as for new licenses for mines and metallurgical plants. Brownfield investments are expected to continue.

Copper, gold and nickel projects are expected to continue the most active. Growth expectations due to the demand for metals provide opportunities for minerals processing in process optimization, equipment modernization, and services. Increased mining activity will continue to support investments due to lower ore head grades as well as higher production volumes, with an emphasis on the optimization of existing processes.

The Metals, Energy & Water segment has business opportunities in several sectors. Copper, gold, nickel and zinc projects are expected to be the most active in the short-term.

MAIN EVENTS AFTER THE END OF SEPTEMBER 30

On October 7, the Finnish Financial Supervisory Authority approved the prospectus prepared for the combination of Outotec and the Metso Minerals Business.

On October 7, Outotec signed a EUR 50 million Revolving Credit Facility with OP Corporate Bank as well as a EUR 120 million Forward Start Term Facility with Nordea Bank. Further, Outotec and lenders have signed amendment and restatement agreements to the existing MEUR 100 and MEUR 60 RCFs to agree on an extension of the maturity dates to August 31, 2020, at the latest.

On October 8, Moody's Investor Service assigned a 'Baa2' and S&P Global Ratings assigned a 'BBB-' credit rating to the future Metso Outotec.

On October 10, Outotec announced a delivery of coated titanium anodes to Glencore Nikkelverk AS new copper tankhouse in Norway. An order worth approximately EUR 10 million was booked in the Q3 order intake.

On October 18, Outotec was awarded an order for the delivery of Outotec® HIGmill® high intensity grinding mills and services for the Iron Bridge magnetite project in Australia. The order value of approximately EUR 50 million has been booked in the Q4 order intake.

FINANCIAL GUIDANCE FOR 2019 REITERATED

Based on the current market outlook, we expect sales to increase, and adjusted EBIT* to increase significantly from the 2018 adjusted EBIT (EUR 63.8 million), excluding provision for the ilmenite smelter project.

**Excluding restructuring and acquisition-related items, as well as PPA amortizations.*

Espoo, October 25, 2019

Outotec Oyj

Board of Directors

Segment information by quarter

EUR million	Q3/17	Q4/17	Q1/18	Q2/18	Q3/18	Q4/18	Q1/19	Q2/19	Q3/19
Order intake									
Minerals Processing	**164.6**	239.6	162.5	183.8	**189.0**	184.1	193.6	255.0	**332.0**
Metals, Energy & Water	**69.6**	126.2	171.3	163.4	**82.5**	114.8	142.5	154.6	**125.5**
Total	**234.2**	365.8	333.8	347.2	**271.5**	298.9	336.1	409.6	**457.5**
Sales									
Minerals Processing	**147.8**	201.2	159.9	193.0	**187.3**	217.7	161.6	196.9	**212.5**
Metals, Energy & Water	**126.1**	139.7	127.2	138.3	**132.8**	120.3	93.2	129.8	**109.9**
Total	**273.9**	340.8	287.1	331.2	**320.2**	338.0	254.7	326.6	**322.3**
Adjusted EBIT (aEBIT)[1]									
Minerals Processing	**15.1**	22.2	15.6	17.5	**21.7**	29.4	15.9	21.3	**24.5**
Metals, Energy & Water	**0.6**	-1.9	-7.2	-8.2	**-1.8**	-107.9	-3.7	-1.5	**0.2**
Unallocated[2] and intra-group items	**-1.4**	-2.0	-1.4	-1.7	**-1.4**	-0.8	-1.3	-1.6	**-1.6**
Total	**14.3**	18.3	7.0	7.6	**18.5**	-79.3	11.0	18.2	**23.2**
Operating result (EBIT)									
Minerals Processing	**14.3**	21.1	15.0	15.7	**20.8**	27.1	15.3	20.7	**25.9**
Metals, Energy & Water	**-0.6**	-2.9	-8.2	-13.7	**-2.9**	-110.9	-4.7	-2.5	**1.0**
Unallocated[2] and intra-group items	**-1.4**	-2.0	-1.4	-5.0	**-1.9**	-0.8	-1.3	-3.4	**-3.1**
Total	**12.3**	16.2	5.4	-3.0	**16.0**	-84.5	9.3	14.7	**23.7**

[1] *Excluding restructuring- and acquisition-related items and PPA amortizations*
[2] *Unallocated items primarily include group management and administrative services*

Key figures	Q3 2019	Q3 2018	Q1-Q3 2019	Q1-Q3 2018	Last 12 months	Q1-Q4 2018
Order intake, EUR million	**457.5**	271.5	**1,203.2**	952.4	1,502.1	1,251.3
Service order intake, EUR million	**141.5**	118.1	**464.5**	403.2	593.8	532.5
Share of service in order intake, %	**30.9**	43.5	**38.6**	42.3	39.5	42.6
Order backlog at end of period, EUR million	**1,231.9**	1,007.2	**1,231.9**	1,007.2	1,231.9	946.6
Sales, EUR million	**322.3**	320.2	**903.7**	938.5	1,241.7	1,276.5
Service sales, EUR million	**153.1**	121.2	**422.1**	333.4	585.3	496.6
Share of service in sales, %	**47.5**	37.8	**46.7**	35.5	47.1	38.9
Gross margin, %	**27.1**	23.0	**26.6**	22.5	18.2	15.4
Operating result (EBIT), EUR million	**23.7**	16.0	**47.8**	18.4	-36.8	-66.1
EBIT, %	**7.4**	5.0	**5.3**	2.0	-3.0	-5.2
Result before taxes, EUR million	**20.6**	13.0	**40.0**	10.2	-45.6	-75.4
Result before taxes in relation to sales, %	**6.4**	4.1	**4.4**	1.1	-3.7	-5.9
Result for the period in relation to sales, %	**4.6**	2.9	**3.2**	0.7	-3.7	-5.3
Earnings per share[1], EUR	**0.07**	0.04	**0.12**	0.00	-0.30	-0.42
Net cash from operating activities, EUR million	**28.0**	43.8	**58.3**	88.0	40.7	70.4
Net interest-bearing debt at end of period[2 3], EUR million	**12.1**	-64.0	**12.1**	-64.0	12.1	-38.1
Gearing at end of period[2 3], %	**3.2**	-14.1	**3.2**	-14.1	3.2	-10.1
Equity-to-assets ratio at end of period[2 3], %	**30.6**	39.3	**30.6**	39.3	30.6	32.9
Equity at end of period, EUR million	**376.9**	455.1	**376.9**	455.1	376.9	377.4
Equity per share, EUR	**2.06**	2.49	**2.06**	2.49	2.06	2.06
Net working capital at end of period, EUR million	**-134.2**	-65.4	**-134.2**	-65.4	-134.2	-122.9
Capital expenditure, EUR million	**4.7**	6.0	**13.6**	16.5	18.5	21.4
Capital expenditure in relation to sales, %	**1.5**	1.9	**1.5**	1.8	1.5	1.7
Research and development expenses, EUR million	**15.2**	13.7	**44.7**	42.2	60.0	57.4
Research and development expenses in relation to sales, %	**4.7**	4.3	**5.0**	4.5	4.8	4.5
Return on investment[3], %, LTM	**-5.3**	4.2	**-5.3**	4.2	-5.3	-11.3
Return on equity, %, LTM	**-11.0**	1.8	**-11.0**	1.8	-11.0	-15.9
Personnel at end of period	**4,102**	4,032	**4,102**	4,032	4,102	3,986
Number of shares outstanding at end of period, in thousands	**181,710**	181,610	**181,710**	181,610	181,710	181,610

[1]*Average number of shares used in calculating the EPS is 181,658 thousand for Q1-Q3/2019 (Q1-Q3/2018: 181,527 thousand, Q1-Q4/2018: 181,547 thousand shares). EPS includes a reduction of accrued hybrid bond interest (net of tax) amounting to EUR 6.6 million for Q1-Q3/2019 (Q1-Q3/2018: EUR 6.6 million, Q1-Q4/2018: EUR 8.9 million).*

[2]*If the hybrid bond were treated as a liability, the net interest-bearing debt would be EUR 162.1 million, gearing 71.4%, and the equity-to-assets ratio 18.4% on September 30, 2019 (September 30, 2018: EUR 86.0 million, 28.2% and 26.4% respectively, December 31, 2018: EUR 111.9 million, 49.2% and 19.8% respectively).*

[3]*The 2019 figures excluding the impact of implementing the IFRS 16 standard are disclosed in the table below.*

Key figures excluding impact of implementing IFRS 16 in 2019	**September 30, 2019 as reported**	IFRS 16 impact	September 30, 2019 excl. IFRS 16 impact
Net interest-bearing debt at end of period, EUR million	**12.1**	-65.2	-53.1
Gearing at end of period, %	**3.2**	-17.3	-14.1
Equity-to-assets ratio at end of period, %	**30.6**	1.7	32.3
Return on investment, %, LTM	**-5.3**	-0.5	-5.8

Reconciliation of adjusted EBIT and EBITA EUR million	**Q3 2019**	Q3 2018	**Q1-Q3 2019**	Q1-Q3 2018	Last 12 months	Q1-Q4 2018
Operating result (EBIT)	**23.7**	16.0	**47.8**	18.4	-36.8	-66.1
- Restructuring and acquisition-related costs	**-2.2**	0.8	**-0.4**	9.7	3.2	13.3
- PPA amortization	**1.7**	1.7	**5.0**	5.0	6.7	6.6
Adjusted EBIT [1]	**23.2**	18.5	**52.4**	33.1	-26.9	-46.2
Adjusted EBIT [1], %	**7.2**	5.8	**5.8**	3.5	-2.2	-3.6
- Amortization on intangible assets (other than PPA)	**5.1**	5.2	**15.4**	15.7	22.0	21.0
- Impairment on intangible assets (other than restructuring related cost) [2]	**-**	-	**-**	-	-	1.3
Adjusted EBITA [3]	**28.2**	23.7	**67.8**	48.8	-4.9	-23.9
Adjusted EBITA [3], %	**8.8**	7.4	**7.5**	5.2	-0.4	-1.9

[1] *Excluding restructuring and acquisition-related items and PPA amortizations.*

[2] *In Q1-Q3 2019 there were no impairments on intangible assets. In Q1-Q3 2018 impairments on intangible assets were EUR 0.7 million and in Q1-Q4 2018 EUR 1.9 million, of which EUR 0.7 million are included as restructuring and acquisition-related costs for Q1-Q3 2018 as well as Q1-Q4 2018 in the table above.*

[3] *Excluding all amortizations, as well as adjustment items comprising of restructuring and capacity adjustment costs, costs related to mergers and acquisitions, outcome of material intellectual right property disputes, gains and losses on business disposals and goodwill impairments.*

Outotec presents certain key figures (alternative performance measures) as additional information to the financial measures presented in the consolidated statements of comprehensive income, financial position and cash flows prepared in accordance with IFRS. In Outotec's view, alternative performance measures provide meaningful supplemental information on its operational results, financial position and cash flows and are widely used by analysts, investors and other parties.

To improve the comparability between periods, Outotec presents adjusted EBIT, being EBIT adjusted by material items beyond the ordinary course of business. Gross profit and research and development expenses are presented as complementing measures to the measures included in the consolidated statement of comprehensive income because, in Outotec's view, they increase the understanding of Outotec's results of operations. Net interest-bearing debt, gearing, equity-to-asset ratio, return on investment and return on equity are presented as complementing measures because, in Outotec's view, they are useful measures of Outotec's ability to obtain financing and service its debts. Net working capital and capital expenditure provide additional information concerning the cash flow needs of Outotec's operations.

In addition, Outotec presents net interest-bearing debt, gearing, equity-to-asset ratio and return on investment for 2019 excluding the impact of implementation of the IFRS 16 standard to improve the comparability between periods, as Outotec did not retrospectively restate the 2018 figures in the transition to the IFRS 16 standard on January 1, 2019.

Starting from the second quarter of 2019, Outotec has added adjusted EBITA to the reported key figures to reflect the upcoming combination of Metso Minerals and Outotec.

Alternative performance measures should not be viewed in isolation or as a substitute to the IFRS financial measures. All companies do not calculate alternative performance measures in a uniform manner, and therefore Outotec's alternative performance measures may not be comparable with similarly named measures presented by other companies.

Definitions of key figures

Change in comparable currencies	=	Reporting period's figures converted using foreign exchange rates during the comparison period	
Gross margin, %	=	$\frac{\text{Sales – cost of sales}}{\text{Sales}}$	× 100
Adjusted EBITA (aEBITA)		Operating result excluding all amortizations, as well as adjustment items comprising of restructuring and capacity adjustment costs, costs related to mergers and acquisitions, outcome of material intellectual rights property disputes, gains and losses on business disposals and goodwill impairments.	
Adjusted EBIT (aEBIT)	=	Operating result excluding restructuring-related items, items related to mergers and acquisitions, purchase price allocation (PPA) amortizations, and goodwill impairments	
Earnings per share	=	$\frac{\text{Result for the period attributable to the equity holders of the parent company – accrued hybrid bond interest, net of tax}}{\text{Average number of shares during the period}}$	
Diluted earnings per share	=	$\frac{\text{Result for the period attributable to the equity holders of the parent company – accrued hybrid bond interest, net of tax}}{\text{Diluted average number of shares during the period}}$	
Net interest-bearing debt	=	Borrowings + lease liabilities – other shares and securities – loan receivables – interest-bearing trade and other receivables – cash and cash equivalents	
Gearing	=	$\frac{\text{Net interest-bearing debt}}{\text{Total equity}}$	× 100
Equity-to-assets ratio	=	$\frac{\text{Total equity}}{\text{Total assets – contract liabilities (net advances received)}}$	× 100
Equity per share	=	$\frac{\text{Total equity attributable to the equity holders of the parent}}{\text{Number of shares outstanding at the end of period}}$	× 100
Net working capital	=	Trade and other receivables (excl. accrued interests) + inventories + derivative financial instruments (assets) – pension obligations – provisions – trade and other payables (excl. accrued interests) – derivative financial instruments (liabilities)	
Capital expenditure	=	Additions in intangible assets and property, plant and equipment	
Research and development expenses	=	Research and development expenses in the statement of comprehensive income (including expenses covered by grants received)	
Return on investment (last 12 months)	=	$\frac{\text{Operating result + finance income (last 12 months)}}{\text{Total equity + borrowings + lease liabilities (12 months' average)}}$	× 100
Return on equity (last 12 months)	=	$\frac{\text{Result for the period (last 12 months)}}{\text{Total equity (12 months' average)}}$	× 100
Dividend per share	=	$\frac{\text{Dividend for the financial year}}{\text{Number of shares outstanding at end of period}}$	

CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

All figures in the tables have been rounded to the nearest whole number and consequently the sum of individual figures may deviate from the sum presented. Key figures have been calculated using exact figures.

Consolidated statement of comprehensive income EUR million	**Q3** **2019**	Q3 2018	**Q1-Q3** **2019**	Q1-Q3 2018	Q1-Q4 2018
Sales (note 1)	**322.3**	320.2	**903.7**	938.5	1,276.5
Cost of sales	**-234.9**	-246.5	**-663.0**	-727.1	-1,080.0
Gross profit	**87.4**	73.7	**240.8**	211.4	196.5
Other income	**3.9**	0.1	**4.7**	0.5	0.8
Selling and marketing expenses	**-31.1**	-27.1	**-92.5**	-87.2	-115.6
Administrative expenses	**-18.2**	-18.2	**-55.6**	-54.1	-73.9
Research and development expenses	**-15.2**	-13.7	**-44.7**	-42.2	-57.4
Other expenses	**-3.3**	1.1	**-5.4**	-10.0	-16.7
Share of results of associated companies	**0.2**	0.1	**0.6**	0.1	0.3
Operating result (note 1)	**23.7**	16.0	**47.8**	18.4	-66.1
Finance income	**1.4**	1.9	**4.3**	4.5	6.1
Finance expenses	**-3.4**	-3.6	**-9.9**	-10.4	-13.2
Market price gains and losses	**-1.1**	-1.3	**-2.1**	-2.4	-2.2
Net finance income or expense	**-3.1**	-3.0	**-7.7**	-8.2	-9.3
Result before income taxes	**20.6**	13.0	**40.0**	10.2	-75.4
Income taxes (note 3)	**-5.9**	-3.8	**-11.4**	-3.2	8.2
Result for the period	**14.7**	9.2	**28.6**	7.0	-67.3
Other comprehensive income					
Items that will not be reclassified as profit or loss					
Remeasurements of defined benefit obligations	**-6.6**	0.0	**-15.4**	0.0	0.8
Income tax relating to items that will not be reclassified as profit or loss	**2.1**	0.0	**4.6**	0.0	-0.1
Items that may be subsequently reclassified as profit or loss					
Exchange differences on translating foreign operations	**0.8**	-0.9	**5.2**	-7.0	-10.7
Cash flow hedges	**-7.9**	-0.5	**-7.1**	-4.0	-4.6
Changes in the fair value of other shares and securities	**-0.0**	0.0	**-0.0**	-0.0	-0.1
Income tax relating to items that may be reclassified as profit or loss	**1.6**	-0.3	**1.6**	0.2	0.6
Other comprehensive income for the period, net of tax	**-10.0**	-1.6	**-11.2**	-10.8	-14.0
Total comprehensive income for the period	**4.7**	7.6	**17.3**	-3.8	-81.3
Result for the period attributable to:					
Equity holders of the parent company	**14.8**	9.2	**28.7**	7.0	-67.3
Non-controlling interest	**-0.2**	-0.0	**-0.2**	-0.0	-0.0
Total comprehensive income for the period attributable to:					
Equity holders of the parent company	**4.9**	7.6	**17.5**	-3.8	-81.1
Non-controlling interest	**-0.2**	-0.0	**-0.2**	0.0	-0.1
Earnings per share for result attributable to the equity holders of the parent company:					
Basic earnings per share, EUR	**0.07**	0.04	**0.12**	0.00	-0.42
Diluted earnings per share, EUR	**0.07**	0.04	**0.12**	0.00	-0.42

Consolidated statement of financial position EUR million	**September 30, 2019**	September 30, 2018	December 31, 2018
ASSETS			
Non-current assets			
Intangible assets (note 4)	**327.3**	344.7	338.4
Property, plant and equipment (note 5)	**50.9**	53.4	53.3
Right-of-use assets[6] (note 6)	**64.9**	-	-
Deferred tax asset	**90.8**	95.5	78.2
Investments in associated companies	**1.4**	0.5	0.8
Other shares and securities (note 14)	**1.6**	2.2	1.6
Derivative financial instruments (note 11, 13)	**0.0**	3.3	2.8
Loan receivables	**4.3**	4.1	4.1
Trade and other receivables	**2.3**	2.2	2.3
Total non-current assets	**543.5**	505.9	481.5
Current assets			
Inventories[1]	**221.9**	221.9	208.9
Derivative financial instruments (note 11, 13)	**5.0**	5.1	6.0
Current tax assets	**8.8**	8.6	10.6
Trade and other receivables[2 3] (note 7)	**443.4**	373.2	417.4
Cash and cash equivalents	**239.4**	259.4	233.4
Total current assets	**918.6**	868.2	876.3
Disposal group assets classified as held for sale (note 16)	**6.4**	-	-
TOTAL ASSETS	**1,468.5**	1,374.2	1,357.8

[1] *Including advances paid for inventories of EUR 72.2 million at September 30, 2019 (September 30, 2018: EUR 45.6 million, December 31, 2018: EUR 48.9 million).*

[2] *Including EUR 0.0 million that was interest-bearing at September 30, 2019 (September 30, 2018: EUR 0.0 million, December 31, 2018: EUR 0.0 million).*

[3] *Including accrued interest of EUR 0.1 million at September 30, 2019 (September 30, 2018: EUR 0.1 million, December 31, 2018: EUR 0.5 million).*

Consolidated statement of financial position EUR million	**September 30, 2019**	September 30, 2018	December 31, 2018
EQUITY AND LIABILITIES			
Equity			
Share capital	**17.2**	17.2	17.2
Hybrid bond	**150.0**	150.0	150.0
Other components of equity	**41.0**	63.4	60.3
Retained earnings	**165.8**	221.3	146.9
Equity attributable to the equity holders of the parent company	**374.0**	451.9	374.4
Non-controlling interest	**2.8**	3.2	3.0
Total equity	**376.9**	455.1	377.4
Non-current liabilities			
Borrowings	**1.1**	178.4	178.1
Lease liabilities[6]	**51.2**	-	-
Derivative financial instruments (note 11, 13)	**0.9**	0.4	0.6
Deferred tax liabilities	**7.1**	37.4	7.7
Pension obligations	**71.4**	56.7	55.9
Provisions (note 8)	**50.2**	-	50.2
Trade and other payables	**5.4**	8.1	7.1
Total non-current liabilities	**187.1**	281.1	299.5
Current liabilities			
Borrowings	**191.2**	23.2	23.0
Lease liabilities[6]	**14.0**	-	-
Derivative financial instruments (note 11, 13)	**15.5**	7.3	8.8
Current tax liability	**17.6**	8.3	8.4
Provisions (note 8)	**105.4**	54.9	110.9
Trade and other payables[4] (note 7)	**560.1**	544.2	529.8
Total current liabilities	**903.9**	637.9	680.9
Total liabilities	**1,091.0**	919.0	980.4
Liabilities directly associated with assets classified as held for sale (note 16)	**0.7**	-	-
TOTAL EQUITY AND LIABILITIES	**1,468.5**	1,374.2	1,357.8

[4] *Including accrued interest of EUR 2.2 million at September 30, 2019 (September 30, 2018: EUR 0.5 million, December 31, 2018: EUR 3.4 million).*

[5] *Key figures excluding the impact of implementing IFRS 16 in 2019 are disclosed in the Key figures section.*

[6] *This item has been recognized through implementation of IFRS 16.*

Condensed consolidated statement of cash flows EUR million	**Q1-Q3 2019**	Q1-Q3 2018	Q1-Q4 2018
Cash flows from operating activities			
Result for the period	**28.6**	7.0	-67.3
Adjustments for			
Depreciation and amortization	**38.9**	28.9	38.6
Other adjustments	**8.7**	2.7	-7.7
Decrease (+) / Increase (-) in net working capital	**-9.6**	54.5	112.6
Dividend received	**0.1**	0.7	0.9
Interest received	**4.6**	4.3	5.1
Interest paid	**-7.9**	-6.8	-5.7
Income tax paid	**-5.0**	-3.2	-6.2
Net cash from operating activities	**58.3**	88.0	70.4
Purchases of fixed assets	**-12.9**	-16.8	-21.5
Proceeds from sale of fixed assets	**0.3**	1.4	0.9
Acquisitions, net of cash	**-9.3**	0.3	-0.5
Proceeds from disposal of subsidiaries	**-**	0.0	0.0
Acquisition of shares in associated companies	**-**	-	-0.2
Net cash used in investing activities	**-21.9**	-15.1	-21.3
Cash flow before financing activities	**36.4**	72.9	49.2
Repayment of non-current debt	**-0.2**	-4.3	-4.4
Decrease in current debt	**-48.3**	-34.7	-33.2
Increase in current debt	**40.0**	12.7	10.0
Repayment of lease liabilities[1]	**-10.5**	-	-
Interest paid on hybrid bond	**-11.1**	-11.1	-11.1
Cash inflows from other financing activities	**-**	0.3	0.4
Net cash used in financing activities	**-30.1**	-37.1	-38.3
Net change in cash and cash equivalents	**6.3**	35.8	10.8
Cash and cash equivalents at beginning of period	**233.4**	230.2	230.2
Foreign exchange rate effect on cash and cash equivalents	**3.3**	-6.7	-7.7
Cash classifed as assets held for sale (note 16)	**-3.6**	-	-
Net change in cash and cash equivalents	**6.3**	35.8	10.8
Cash and cash equivalents at end of period	**239.4**	259.4	233.4

[1] *This item has occured through implementation of IFRS 16.*

Consolidated statement of changes in equity

EUR million	Share capital	Share premium fund	Fair value and other reserves	Treasury shares	Reserve for invested non-restricted equity	Hybrid bond	Cumulative translation differences	Retained earnings	Total equity attributable to equity holders of parent company	Non-controlling interest	Total equity
	Attributable to the equity holders of the parent company										
Equity at Jan 1, 2018	17.2	20.2	-15.0	-15.0	96.6	150.0	-16.7	226.6	463.8	3.2	466.9
IFRS 9 restatement[1]	-	-	-	-	-	-	-	-0.8	-0.8	-	-0.8
IFRS 2 restatement[1]	-	-	-	-	-	-	-	0.8	0.8	-	0.8
Restated equity at Jan 1, 2018	17.2	20.2	-15.0	-15.0	96.6	150.0	-16.7	226.6	463.8	3.2	466.9
Hybrid bond interest (net of tax)	-	-	-	-	-	-	-	-8.9	-8.9	-	-8.9
Share-based compensation	-	-	-	2.5	1.7	-	-	-3.6	0.7	-	0.7
Total comprehensive income for the period	-	-	-3.8	-	-	-	-7.0	7.0	-3.8	0.0	-3.8
Other changes	-	-	-	-	-	-	-	0.2	0.2	-	0.2
Equity at Sep 30, 2018	17.2	20.2	-18.8	-12.5	98.3	150.0	-23.8	221.3	451.9	3.2	455.1
Equity at Jan 1, 2019	17.2	20.2	-18.4	-12.6	98.3	150.0	-27.3	146.9	374.4	3.0	377.4
IFRIC 23 restatement[1]	-	-	-	-	-	-	-	-0.6	-0.6	-	-0.6
Restated equity at Jan 1, 2019	17.2	20.2	-18.4	-12.6	98.3	150.0	-27.3	146.3	373.8	3.0	376.8
Hybrid bond interest (net of tax)	-	-	-	-	-	-	-	-8.9	-8.9	-	-8.9
Share-based compensation	-	-	-	0.6	0.4	-	-	-0.2	0.8	-	0.8
Total comprehensive income for the period	-	-	-16.4	-	-	-	5.2	28.7	17.5	-0.2	17.3
Minority acquisition	-	-	-9.2	-	-	-	-	-	-9.2	0.0	-9.2
Other changes	-	-	0.2	-	-	-	-	-0.2	0.0	-	0.0
Equity at Sep 30, 2019	**17.2**	**20.2**	**-43.7**	**-12.0**	**98.7**	**150.0**	**-22.1**	**165.8**	**374.1**	**2.8**	**376.9**

[1] *IAS 8 change in accounting policies (net of tax)*

NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME AND FINANCIAL POSITION

These Interim Financial Statements have been prepared in accordance with IAS 34 Interim Financial Reporting.The same accounting policies and methods have been applied in these Interim Financial Statements as in the latest Annual Financial Statements, except for the changes specified below. These Interim Financial Statements are unaudited.

The following new standards and interpretations have been adopted as of January 1, 2019:

IFRS 16 – Leases

Outotec has adopted the IFRS 16 standard as of January 1, 2019. As a result, right-of-use assets of EUR 70.7 million and a lease liability of EUR 70.7 million were recognized in the consolidated financial statements as of January 1, 2019. The standard change will slightly improve the operating profit, and the impact on net profit is immaterial. Outotec transitioned to IFRS 16 in accordance with the modified retrospective approach. The previous year's figures were not adjusted. Right-of-use assets were measured at the amount of the lease liability (adjusted for any prepaid or accrued lease expenses).

Reconciliation of lease commitments and liabilities EUR million	**January 1, 2019**
Operating lease commitments at December 31, 2018	**78.5**
Short term lease contracts	**-1.7**
Low-value lease contracts	**-0.5**
Other	**2.8**
Lease liability recognized at January 1, 2019	**79.1**
Discounting	**-8.4**
Lease liability at January 1, 2019	**70.7**
Current lease liability	**14.9**
Non-current lease liability	**55.9**

Background

The new standard aims to provide better transparency for a lessee's financial leverage and capital employed. IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The requirements for lessors remain mainly unchanged. IFRS 16 replaces the IAS 17 standard and related interpretations.

Transition to IFRS 16 and changes in accounting principles

Outotec conducted a Group-wide analysis of the Group's lease contracts. Outotec's lease portfolio consists primarily of offices, warehouses and company cars.

As part of the initial application of the IFRS 16, Outotec has decided not to apply the new guidance to leases whose contract term will end within twelve months of the date of initial application. These leases will be accounted for as short-term leases and the related lease payments will be recognized as an expense. In addition, Outotec has chosen to apply the relief option, which allows it to adjust the right of use asset by the amount of any provision for onerous leases recognized in the statement of financial position immediately prior to the date of initial application.

Outotec will apply the exemptions for short-term leases and leases for which the underlying asset is of low value, and will not recognize the right-of-use asset and lease liability for these lease contracts. The lease expenses related to these types of contracts will be recognized on a straight-line basis in the statement of comprehensive income. Outotec assesses on an annual basis whether possible lease contract extension or termination options are exercised. If these options are to be exercised, the lease term will be adjusted accordingly. Currently, Outotec does not have lease contracts with perpetual lease terms. In the event of a perpetual lease contract, Outotec will estimate the lease term for the contract to be used for the right-of-use asset and lease liability calculations.

In the statement of financial position, a right-of-use asset is recognized for lease contracts. The right-of-use asset is measured at the amount of lease liability and any prepayments or initial direct costs incurred. Lease liability is recognized at the present value of the remaining lease payments in the statement of financial position. Lease payments are discounted with the interest rate implicit in the lease contract or, if that rate cannot be readily determined, Outotec's incremental borrowing rates will be used. Outotec has decided to use the risk-free currency-based rate as the base rate for the incremental borrowing rate. On top of the currency-based rate, Outotec's margin is added, based on the cost of Outotec's external debt. In addition, the lease term is taken into account in the incremental borrowing rate. Upon the initial application of IFRS 16, the lease liabilities were discounted at the incremental borrowing rate as of January 1, 2019. The weighted average discount rate was 3.4%.

Under IFRS 16, depreciation on a right-of-use asset and the interest expense on the discounted lease liability is recognized in the statement of comprehensive income in comparison to a lease expense recognized under IAS 17. In the consolidated statement of cash flows, net cash from operating activities will increase, and the net cash used in financing activities will decrease as the repayment of the principal portion of the lease liabilities is classified as cash flows from financing activities.

The Group's activities as a lessor are not material, and hence the new standard did not have any significant impact on the financial statements.

IFRIC 23 – Uncertainty over income tax treatments

Outotec has adopted the IFRIC 23 interpretation as of January 1, 2019. Outotec transitioned to IFRIC 23 in accordance with the modified retrospective approach. Based on the analysis of uncertain tax treatments in the light of IFRIC 23, Outotec recognized additional income tax liabilities totaling EUR 0.6 million affecting the opening balance of retained earnings. Prior to the restatement, income tax liabilities on January 1, 2019 totaled EUR 8.4 million, and after restatement of EUR 0.6 million the income tax liabilities were EUR 9.1 million.

The new interpretation should be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatment under IAS 12. Based on IFRIC 23, an entity must consider whether it is probable that the relevant tax authority would accept each tax treatment used in its income tax filings, assuming full visibility of all relevant information. Each uncertain tax treatment is to be considered separately or together as a group, and the impact of uncertainty is to be measured using either the most likely amount or the expected value method, depending on which approach better predicts resolution of the uncertainty.

Amendments to IAS 19

Outotec has adopted the amendments to IAS 19 (Employee benefits) as of January 1, 2019. The amendments did not have a material impact on the Group's financial statement. The amendments to IAS 19 clarify the accounting for defined benefit plan amendments, curtailments and settlements.

The following new standards and interpretations have been published, but they are not effective in 2019, nor has Outotec early-adopted them:

Amendments to IFRS 3 and IAS 1

The amendment to IFRS 3 (Business combinations) revises the definition of a business. The amendments to IAS 1 (Presentation of financial statements) and consequential amendments to other IFRS standards clarify the definition of materiality. These amendments are effective for periods after January 1, 2020, but have not yet been endorsed by the EU and are not expected to have a material impact on the Group's financial statements.

Accounting estimates and judgements

IFRS requires management to make estimates and judgements that affect the reported amounts. The most significant accounting estimates and judgements made by the management relate to customer contracts, impairment of goodwill, valuation of inventories and trade receivables, provisions, pension obligations and deferred tax assets and liabilities. Although these estimates are based on the management's best knowledge of current events and actions, the actual results may differ from the estimates used in the financial statements.

Note 1. Segment information

Outotec's business logic is to serve its customers by providing solutions throughout the entire life cycle of customer operations in order to ensure an optimized total cost of ownership. Outotec reports its result in line with the Group's strategy and internal financial reporting structure. Outotec's reportable operating segments are: Minerals Processing and Metals, Energy & Water. The Board of Directors assesses the Group's financial position and its development as a whole and based on the two operating segments.

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.

Metals, Energy & Water
Outotec provides sustainable solutions for metal processing, renewable energy production and industrial water treatment. Metals include an 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 to produce water that meets the environmental discharge standards and maximize water recycling, as well as reduce water and energy consumption.

Disaggregation of sales EUR million	**Q1-Q3 2019**	Q1-Q3 2018	Q1-Q4 2018
Minerals Processing			
Project sales (major portion recognized over time)	**286.8**	305.9	413.5
Service sales (major portion recognized at a point in time)	**284.1**	234.2	344.3
Sales total, Minerals Processing	**570.9**	540.1	757.8
Metals, Energy & Water			
Project sales (major portion recognized over time)	**194.8**	299.1	366.4
Service sales (major portion recognized at a point in time)	**138.0**	99.2	152.3
Sales total, Metals, Energy & Water	**332.8**	398.4	518.7
Sales total	**903.7**	938.5	1,276.5
of which is recognized over time	**495.2**	564.3	748.1
of which is recognized at a point in time	**408.5**	374.2	528.4

Adjusted EBIT[1] by segment EUR million	**Q1-Q3 2019**	Q1-Q3 2018	Q1-Q4 2018
Minerals Processing	**61.8**	54.8	84.1
Metals, Energy & Water	**-5.0**	-17.2	-125.0
Unallocated[2] and intra-group items	**-4.4**	-4.5	-5.4
Total adjusted EBIT[1]	**52.4**	33.1	-46.2

[1] *Excluding restructuring and acquisition-related items and PPA amortizations disclosed in note 2.*
[2] *Unallocated items primarily include group management and administrative services*

Operating result by segment EUR million	**Q1-Q3 2019**	Q1-Q3 2018	Q1-Q4 2018
Minerals Processing	**61.8**	51.4	78.5
Metals, Energy & Water	**-6.3**	-24.8	-135.5
Unallocated[2] and intra-group items	**-7.8**	-8.2	-9.1
Total operating result	**47.8**	18.4	-66.1

[2] *Unallocated items primarily include group management and administrative services*

Reconciliation of adjusted EBIT and EBITA	**Q1-Q3 2019**	Q1-Q3 2018	Q1-Q4 2018
Operating result (EBIT), EUR million	**47.8**	18.4	-66.1
- Restructuring and acquisition-related costs (note 2)	**-0.4**	9.7	13.3
- PPA amortization (note 2)	**5.0**	5.0	6.6
Adjusted EBIT[1], EUR million	**52.4**	33.1	-46.2
Adjusted EBIT[1], %	**5.8**	3.5	-3.6
- Amortization on intangible assets (other than PPA)	**15.4**	15.7	21.0
- Impairment on intangible assets (other than restr. related cost) [2]	**-**	-	1.3
Adjusted EBITA[3], EUR million	**67.8**	48.8	-23.9
Adjusted EBITA[3], %	**7.5**	5.2	-1.9

[1] *Excluding restructuring and acquisition-related items and PPA amortizations.*

[2] *In Q1-Q3 2019 there were no impairments on intangible assets. In Q1-Q3 2018 impairments on intangible assets were EUR 0.7 million and in Q1-Q4 2018 EUR 1.9 million, of which EUR 0.7 million are included as restructuring and acquisition-related costs for Q1-Q3 2018 as well as Q1-Q4 2018 in the table above.*

[3] *Excluding all amortizations, as well as adjustment items comprising of restructuring and capacity adjustment costs, costs related to mergers and acquisitions, outcome of material intellectual right property disputes, gains and losses on business disposals and goodwill impairments.*

Note 2. Items excluded from adjusted EBIT

Restructuring and acquisition items EUR million	**Q1-Q3 2019**	Q1-Q3 2018	Q1-Q4 2018
Personnel-related restructuring costs	**0.1**	-3.5	-4.7
Impairments on non-current assets	**-**	-0.7	-0.7
Other restructuring-related items	**-0.0**	-5.4	-8.2
Items related to restructuring, total	**0.1**	-9.6	-13.5
Items related to acquisitions or business combinations	**-3.5**	-	0.3
Reversal of earn-out liability from acquisitions	**3.8**	-	-
Arbitration cost related to past acquisitions	**-**	-0.1	-0.0
Restructuring and acquisition items, total	**0.4**	-9.7	-13.3
Restructuring and acquisition items are allocated to:			
Minerals Processing	**2.1**	-1.4	-3.0
Metals, Energy & Water	**1.7**	-4.6	-6.6
Unallocated items	**-3.4**	-3.7	-3.7

Purchase price allocation (PPA) amortizations EUR million	**Q1-Q3 2019**	Q1-Q3 2018	Q1-Q4 2018
Minerals Processing	**-2.0**	-2.0	-2.7
Metals, Energy & Water	**-3.0**	-3.0	-4.0
Total PPA amortizations	**-5.0**	-5.0	-6.6

Note 3. Income taxes EUR million	**Q1-Q3 2019**	Q1-Q3 2018	Q1-Q4 2018
Current taxes	**-15.5**	-7.3	-7.1
Deferred taxes	**4.0**	4.1	15.2
Total income taxes	**-11.4**	-3.2	8.2

Note 4. Intangible assets EUR million	**September 30, 2019**	September 30, 2018	December 31, 2018
Historical cost at beginning of period	**524.4**	525.8	525.8
Translation differences	**4.2**	-2.8	-3.2
Additions	**6.7**	9.7	12.6
Disposals	**-4.9**	-	-0.3
Reclassifications	**0.3**	0.1	-0.1
Impairment during the period	**-**	-2.5	-10.5
Historical cost at end of period	**530.7**	530.3	524.4
Accumulated depreciation and impairment at beg. of period	**-186.0**	-166.6	-166.6
Translation differences	**-1.7**	-0.1	-0.4
Disposals	**4.7**	-	0.1
Amortization during the period	**-20.4**	-20.7	-27.7
Impairment during the period	**-**	1.8	8.5
Accumulated depreciation and impairment at end of period	**-203.4**	-185.6	-186.0
Carrying value at the end of the period	**327.3**	**344.7**	338.4

Note 5. Property, plant and equipment EUR million	**September 30, 2019**	September 30, 2018	December 31, 2018
Historical cost at beginning of period	**156.8**	151.2	151.2
Translation differences	**1.7**	-1.6	-1.9
Additions	**6.0**	6.7	8.8
Disposals	**-2.3**	-1.4	-2.5
Classification as held for sale	**-1.4**	-	-
Reclassifications	**-0.3**	-0.1	1.3
Impairment during the period	**-**	-	-0.1
Historical cost at end of period	**160.5**	154.9	156.8
Accumulated depreciation and impairment at beginning of period	**-103.4**	-95.2	-95.2
Translation differences	**-1.0**	1.2	1.5
Disposals	**1.8**	0.9	1.8
Classification as held for sale	**0.7**	-	-
Reclassifications	**-0.0**	-0.0	-0.8
Depreciation during the period	**-7.6**	-8.3	-10.9
Impairment during the period	**0.0**	-	0.1
Accumulated depreciation and impairment at end of period	**-109.5**	-101.5	-103.4
Carrying value at the end of the period	**50.9**	53.4	53.3

Note 6. Right-of-use assets

EUR million	**September 30, 2019**
Historical cost at the beginning of the period	**70.7**
Translation differences	**0.2**
Additions	**5.0**
Disposals	**-0.0**
Classification as held for sale	**-0.3**
Historical cost at end of period	**75.7**
Accumulated depreciation and impairment at the beginning of the period	**-**
Disposals	**-**
Depreciation during the period	**-10.8**
Accumulated depreciation and impairment at end of period	**-10.8**
Carrying value at the end of the period	**64.9**

Note 7. Breakdown of current trade and other receivables and payables

EUR million	**September 30, 2019**	September 30, 2018	December 31, 2018
Trade receivables	**170.2**	161.5	209.3
Customer contract assets	**207.1**	160.9	148.1
Other accruals and receivables	**66.1**	50.8	60.1
Current trade and other receivables, total	**443.4**	373.2	417.4
Trade payables	**125.8**	113.2	124.6
Customer contract liabilities (net advances received)	**237.9**	216.9	210.8
Other accruals and payables	**196.4**	214.1	194.4
Current trade and other payables, total	**560.1**	544.2	529.8

Note 8. Changes in significant provisions

On December 31, 2018, Outotec recorded a provision of EUR 110.0 million for possible costs relating to the ilmenite smelter project in Saudi Arabia. The provision was estimated based on progress made with the analysis of the furnace. The outcome of the analysis, together with other factors such as Outotec's contractual position, will determine the eventual liability and financial impact of this incident for Outotec. During the reporting period, the provision has been utilized by EUR 3.3 million. EUR 50.0 million of the provision is recognized under non-current liabilities and EUR 56.7 million under current liabilities.

Note 9. Changes in credit facilities

Outotec's committed revolving credit facilities (EUR 100 million unsecured multicurrency facility and EUR 60 million unsecured facility) had their original final maturity in January 2020 and therefore became short-term credit facilities during the first quarter of 2019. Both credit facilities were fully unutilized as of September 30, 2019.

Note 10. Commitments and contingent liabilities

No securities or collateral have been pledged.

Commercial guarantees relating to project performance obligations and equipment deliveries totaled EUR 668.3 million on September 30, 2019 (September 30, 2018: EUR 483.5 million, December 31, 2018: EUR 490.7 million). These are issued by financial institutions or Outotec Oyj on behalf of Group companies.

The total value of the 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 4.8 million as of September 30, 2019 (September 30, 2018: EUR 5.0 million, December 31, 2018: EUR 4.4 million) and for commercial commitments including advance payment guarantees EUR 854.6 million as of September 30, 2019 (September 30, 2018: EUR 704.9 million, December 31, 2018: EUR 688.1 million). The high exposure of on-demand guarantees may increase the risk of claims that may have an impact on Outotec's liquidity.

Note 11. Derivative instruments

Currency and interest derivatives EUR million	**September 30, 2019**	September 30, 2018	December 31, 2018
Foreign exchange forward contracts			
Designated as cash flow hedges	**-8.4**	-2.3	-4.5
Other foreign exchange forward contracts	**-4.7**	0.2	1.3
Interest rate swaps			
Designated as cash flow hedges	-	-	-
Designated as fair value hedges	**1.6**	2.9	2.6
Fair values of derivative contracts, total	**-11.4**	0.8	-0.6
Nominal values, total	**834.0**	654.3	662.2

Note 12. Carrying amounts of financial assets and liabilities by category

September 30, 2019 EUR million	Fair value through profit or loss	Amortized cost	Fair value through other comprehensive income	Carrying amounts by balance sheet item	Fair value
Non-current financial assets					
Other shares and securities	-	-	1.6	1.6	1.6
Loans receivable	-	4.3	-	4.3	4.3
Other non-current receivables	-	2.3	-	2.3	2.3
Current financial assets					
Derivative assets					
- foreign exchange forward contracts	1.9	-	-	1.9	1.9
- interest rate swaps	1.6	-	-	1.6	1.6
- foreign exchange forward contracts under hedge accounting	1.5	-	-	1.5	1.5
Trade and other receivables	-	236.3	-	236.3	236.3
Cash and cash equivalents	-	239.4	-	239.4	239.4
Carrying amount by category	**5.0**	**482.3**	**1.6**	**488.9**	**488.9**
Non-current financial liabilities					
Derivative liabilities					
- foreign exchange forward contracts under hedge accounting	0.9	-	-	0.9	0.9
Other non-current borrowings	-	1.1	-	1.1	1.1
Other non-current liabilities	-	5.4	-	5.4	5.4
Current financial liabilities					
Bonds	-	149.7	-	149.7	153.0
Revaluation of bonds and debentures	-	1.6	-	1.6	-
Borrowings from financial institutions	-	24.5	-	24.5	25.0
Derivative liabilities					
- foreign exchange forward contracts	6.5	-	-	6.5	6.5
- foreign exchange forward contracts under hedge accounting	9.0	-	-	9.0	9.0
Other current borrowings	-	15.3	-	15.3	15.3
Trade and other payables	-	267.0	-	267.0	267.0
Carrying amount by category	**16.4**	**464.6**	**-**	**481.0**	**483.1**

Carrying amounts of financial assets and liabilities by category

December 31, 2018 EUR million	Fair value through profit or loss	Amortized cost	Fair value through other comprehensive income	Carrying amounts by balance sheet item	Fair value
Non-current financial assets					
Derivative assets					
- interest rate swaps under hedge accounting	2.6	-	-	2.6	2.6
- foreign exchange forward contracts under hedge accounting	0.2	-	-	0.2	0.2
Other shares and securities	-	-	1.6	1.6	1.6
Loans receivable	-	4.1	-	4.1	4.1
Other non-current receivables	-	2.3	-	2.3	2.3
Current financial assets					
Derivative assets					
- foreign exchange forward contracts	4.5	-	-	4.5	4.5
- foreign exchange forward contracts under hedge accounting	1.4	-	-	1.4	1.4
Loans receivable and other investments	-	0.0	-	0.0	0.0
Trade and other receivables	-	269.4	-	269.4	269.4
Cash and cash equivalents	-	233.4	-	233.4	233.4
Carrying amount by category	8.7	509.2	1.6	519.6	519.6
Non-current financial liabilities					
Bonds	-	149.5	-	149.5	154.4
Revaluation of bonds and debentures	-	2.7	-	2.7	-
Borowings from financial institutions	-	24.5	-	24.5	24.9
Derivative liabilities					
- foreign exchange forward contracts	0.3	-	-	0.3	0.3
- foreign exchange forward contracts under hedge accounting	0.3	-	-	0.3	0.3
Other non-current borrowings	-	1.3	-	1.3	1.3
Other non-current liabilities	-	7.1	-	7.1	7.1
Current financial liabilities					
Borrowings from financial institutions	-	4.1	-	4.1	4.7
Derivative liabilities					
- foreign exchange forward contracts	2.9	-	-	2.9	2.9
- foreign exchange forward contracts under hedge accounting	5.8	-	-	5.8	5.8
Other current borrowings	-	18.9	-	18.9	18.9
Trade and other payables	-	266.1	-	266.1	266.1
Carrying amount by category	9.3	474.3	-	483.6	486.7

Note 13. Fair value hierarchy

September 30, 2019 EUR million	**Level 1**	**Level 2**	**Level 3**	**Total**
Other shares and securities	0.0	-	1.6	**1.6**
Derivative financial assets	-	5.0	-	**5.0**
Derivative financial liabilities	-	16.4	-	**16.4**
December 31, 2018				
Other shares and securities	0.0	-	1.6	1.6
Derivative financial assets	-	8.7	-	8.7
Derivative financial liabilities	-	9.3	-	9.3

Techniques used for the valuation of financial instruments included in the level 2-3 fair value hierarchy:

- For interest rate swaps (level 2), the present value of the estimated future cash flows is based on observable yield curves.
- For foreign currency forwards (level 2), the present value of future cash flows is based on the forward exchange rates at the balance sheet date.
- For unlisted equity securities (level 3), the fair value is estimated based on market information for similar types of companies.

The Group's finance department, which reports to the chief financial officer (CFO), performs the valuations of non-property assets required for financial reporting purposes, including level 3 fair values. Changes in level 3 fair values are analyzed at the end of each reporting period. In the event of any changes, the team will present a report to the CFO explaining the reason for the fair value movements.

Note 14. Other shares and securities (level 3 of fair value hierarchy)

EUR million	**Q1-Q3 2019**	Q1-Q3 2018	Q1-Q4 2018
Carrying value on Jan 1	**1.6**	2.2	2.2
Translation differences	**0.0**	-0.0	-0.0
Decreases	**-**	-	-0.5
Carrying value at end of period	**1.6**	2.1	1.6

Note 15. Related party transactions

Transactions and balances with associated companies EUR million	**Q1-Q3 2019**	Q1-Q3 2018	Q1-Q4 2018
Sales	**0.0**	0.1	0.1
Other income	**0.0**	0.0	0.1
Purchases	**1.2**	2.3	3.1
Loan receivables	**1.5**	1.5	1.5
Trade and other receivables	**0.3**	0.5	0.6
Current liabilities	**0.1**	0.1	0.1

Outotec has a 40% investment in Enefit Outotec Technology Oü, from which the company had EUR 1.5 million loan receivables at September 30, 2019 (September 30, 2018 and December 31, 2018: EUR 1.5 million).

Note 16. Disposal group classified as held for sale

EUR million	September 30, 2019
Property, Plant and Equipment	**0.7**
Right-of-use assets	**0.3**
Inventories	**0.9**
Trade and other receivables	**0.9**
Cash and cash equivalents	**3.6**
Disposal group assets classified as held for sale, total	**6.4**
Non-current lease liabilities	**0.2**
Current lease liabilities	**0.1**
Trade and other payables	**0.4**
Liabilities directly associated with assets classified as held for sale, total	**0.7**

Outotec has classified the sale of its fabrication and manufacturing businesses in South Africa and Mozambique, announced on May 10, 2019, as held for sale. The transaction is expected to be completed by the end of the year. The business held for sale is part of the Metals, Energy & Water segment.

Note 17. Events after the balance sheet date

On October 7, the Finnish Financial Supervisory Authority approved the prospectus prepared for the combination of Outotec and the Metso Minerals Business.

On October 7, Outotec signed a EUR 50 million Revolving Credit Facility with OP Corporate Bank as well as a EUR 120 million Forward Start Term Facility with Nordea Bank. Further, Outotec and lenders have signed amendment and restatement agreements to the existing MEUR 100 and MEUR 60 RCFs to agree on an extension of the maturity dates to August 31, 2020, at the latest.

On October 8, Moody's Investor Service assigned a 'Baa2' and S&P Global Ratings assigned a 'BBB-' credit rating to the future Metso Outotec.

On October 10, Outotec announced a delivery of coated titanium anodes to Glencore Nikkelverk AS new copper tankhouse in Norway. An order worth approximately EUR 10 million was booked in the Q3 order intake.

On October 18, Outotec was awarded an order for the delivery of Outotec® HIGmill® high intensity grinding mills and services for the Iron Bridge magnetite project in Australia. The order value of approximately EUR 50 million has been booked in the Q4 order intake.

Outotec develops leading technologies and services for the sustainable use of Earth's natural resources. Our 4,000 top experts are driven by each customer's unique challenges across the world. Outotec's comprehensive offering creates the best value for our customers in the mining, metal, energy, and chemical industries. Outotec shares are listed on NASDAQ Helsinki. www.outotec.com