

November 11, 2020

Capital Markets Day 2020



Metso:Outotec

Forward looking statements

It should be noted that certain statements herein which are not historical facts, including, without limitation, those regarding expectations for general economic development and the market situation, expectations for customer industry profitability and investment willingness, expectations for company growth, development and profitability and the realization of synergy benefits and cost savings, and statements preceded by "expects", "estimates", "forecasts" or similar expressions, are forward looking statements. These statements are based on current decisions and plans and currently known factors. They involve risks and uncertainties which may cause the actual results to materially differ from the results currently expected by the company.

Such factors include, but are not limited to:

- 1) general economic conditions, including fluctuations in exchange rates and interest levels which influence the operating environment and profitability of customers and thereby the orders received by the company and their margins
- 2) the competitive situation, especially significant technological solutions developed by competitors
- 3) the company's own operating conditions, such as the success of production, product development and project management and their continuous development and improvement
- 4) the success of pending and future acquisitions and restructuring.

Capital Markets Day
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Creating an industry leader with strong performance

Pekka Vauramo
President and CEO



Metso:Outotec

An aerial night photograph of a city, likely Singapore, showing a complex network of roads with light trails from traffic. The buildings are illuminated, and the overall scene is a vibrant urban landscape. The text is overlaid on this image.

Our purpose

Enabling sustainable modern life

Our vision



To be customers' number-one choice for sustainable use of earth's natural resources.

Together we deliver service, reliability, innovation and results – safely.

Our strategy

MEGATRENDS

Urbanization
Electrification
Sustainability
Resource scarcity

VISION

To be customers' number one choice for sustainable use of Earth's natural resources.
Together we deliver service, reliability, innovation and results – safely.

TOP PRIORITIES

Integration and financial performance
Customer centricity
Sustainability
Performance culture

BRAND PROMISE

We are the partner for positive change



BUSINESSES: AGGREGATES • MINERALS • METALS • RECYCLING • SERVICES • CONSUMABLES

VALUES



High ambition
– always



Customer in
center



Getting it done
– together

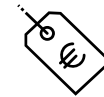


Open and
honest

Target to be industry leading company with strong financial performance



Adjusted EBITA
margin of
>15%
over the cycle



Maintaining
investment
grade credit
rating



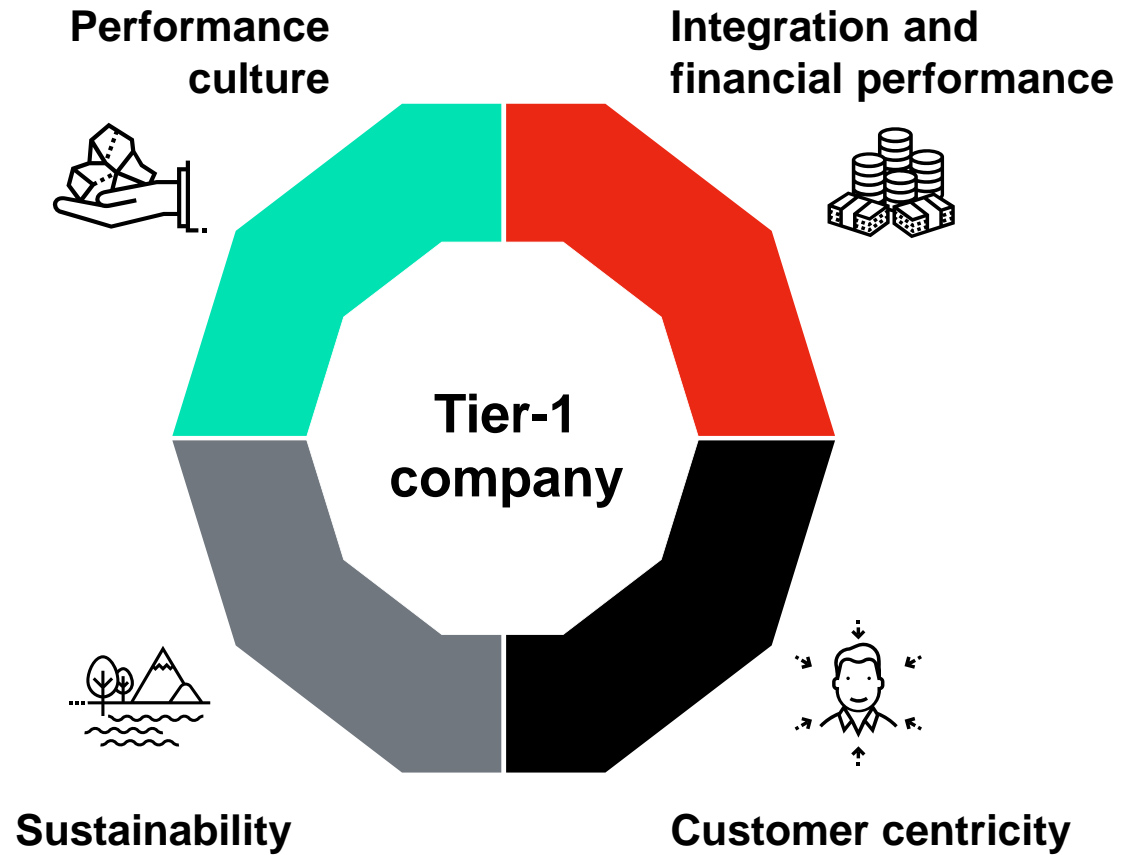
Dividend payout of
at least
50%
of earnings per share



Progress in sustainability
in alignment with the
1.5°C
commitment

Strategy will be implemented via

TOP Priorities



Our key strengths provide a strong base...



Widest offering
and capabilities



Leading services
expertise



Customer base
and strong brand



Strong technology
and R&D power



Scale & financial
position

...which is supported by focused organization with clear roles and responsibilities

Business areas

- P&L responsibility
- Offering
- Go-to-market models
- R&D

5

Market areas

- Customer service
- Sales & account management
- Local operations

8

Global functions

- Scale benefits
- Best practices
- Global tools
- Cost efficiency

4

Our strong portfolio with aftermarket opportunities



Aggregates
25% of sales

Global #1

Aftermarket potential
~35-45%



Minerals processing
63% of sales

Global #1

Aftermarket potential
~60-70%



Metals
8% of sales

Global #1

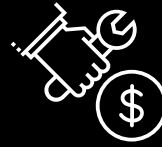
Aftermarket potential
~30-40%

Note: sales split year-to-date 2020, excluding Recycling 4%

Emphasizing services and product development

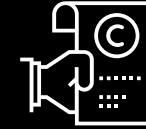


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CONTINUOUSLY GROW SERVICES

- Reinforce presence in **service-intensive businesses**
- **Profitability and stability** over cycles
- Grow coverage of **own installed base** and grow beyond that



FOCUS ON PRODUCT DEVELOPMENT

- Building on our end-to-end **process knowledge**
- **Standardized and pre-engineered products**
- Securing service business potential via **design to service**
- **Reducing dependency on big projects**

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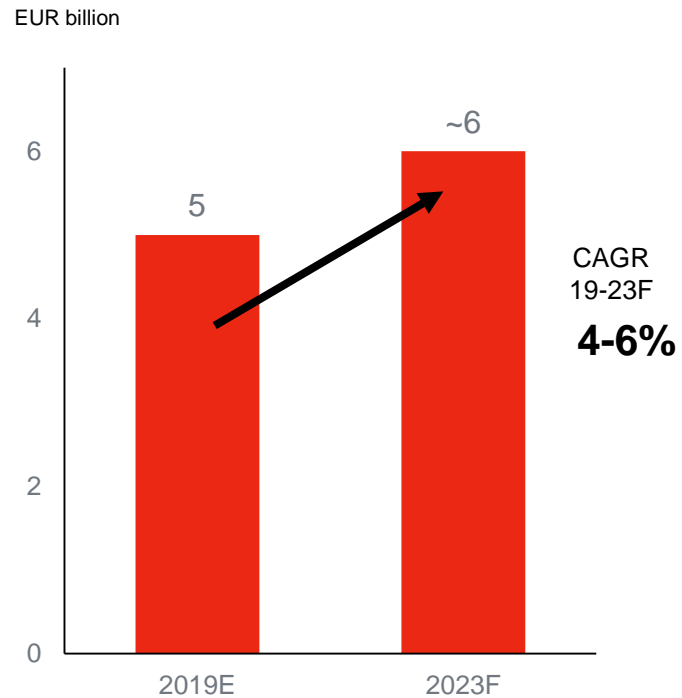
Action taken in Metals & Recycling

- **Metals'** performance has been unsatisfactory
- Restructuring and turnaround initiated
- Business scope and cost structure to be addressed
- **Recycling** business to be divested as a result of portfolio assessment
- Target to find a new owner to leverage the full potential of the business

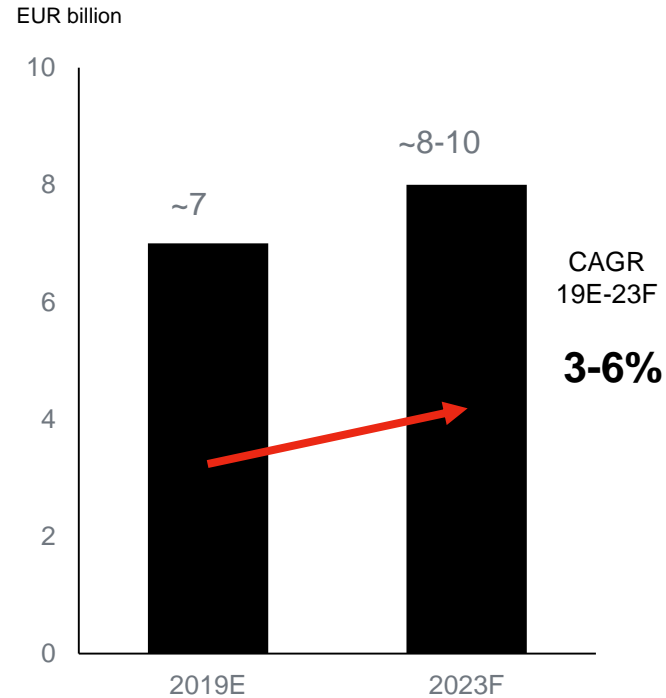


Our core industries have a solid growth outlook...

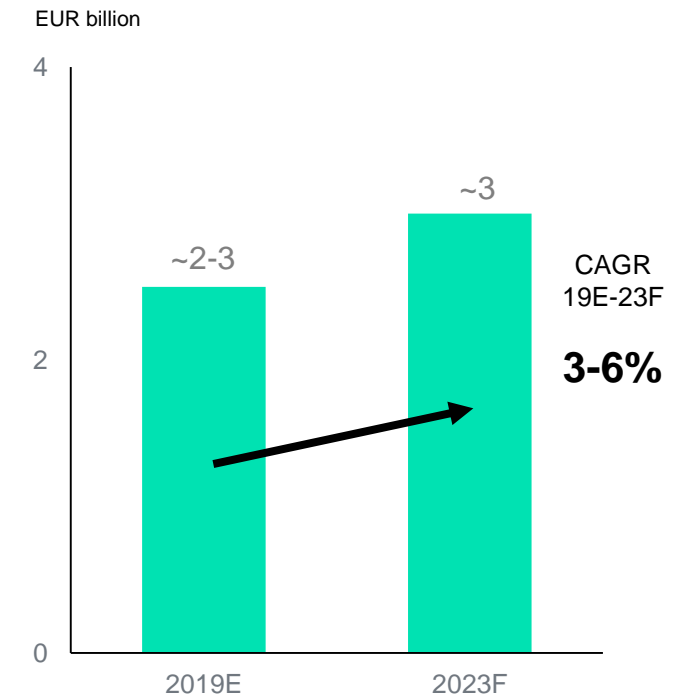
AGGREGATES – equipment market growth



MINERALS PROCESSING – equipment market growth



METAL REFINING – equipment market growth

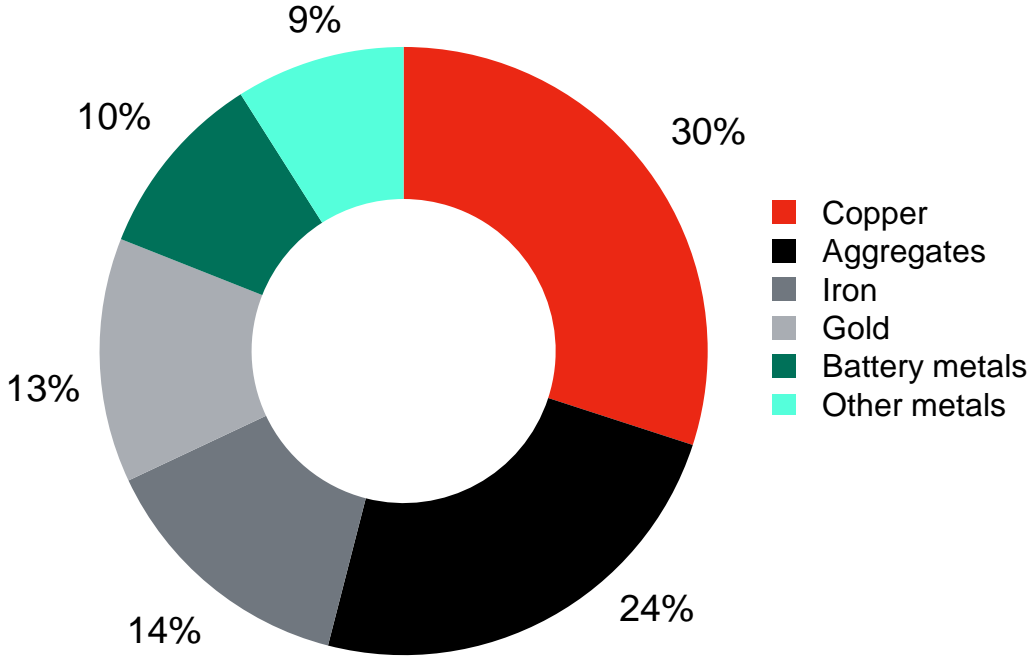


Source: Woodmac; projects data evaluation

...and our exposure is balanced...



~80% of sales spread across 4 major applications

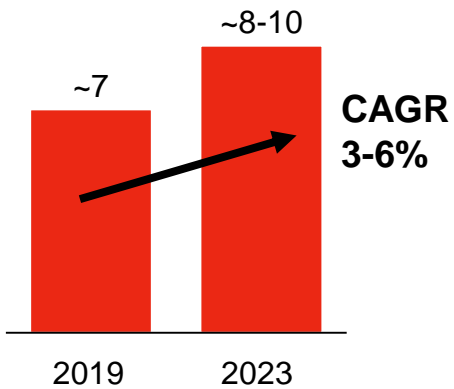


Excluding recycling and other industries

...between three major growing metals...

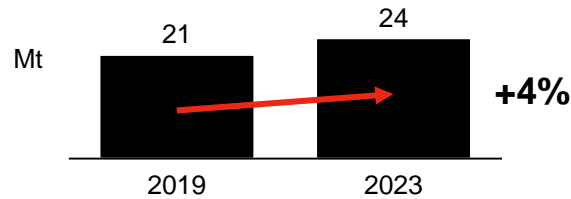
MINING CAPEX

M:O addressable market, EUR billion



PRODUCTION 2019-2023

COPPER (total committed)



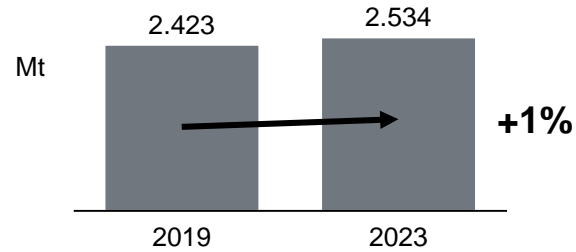
Current market balance

Slight oversupply
Deficit expected >2023

Share of M:O sales

30%

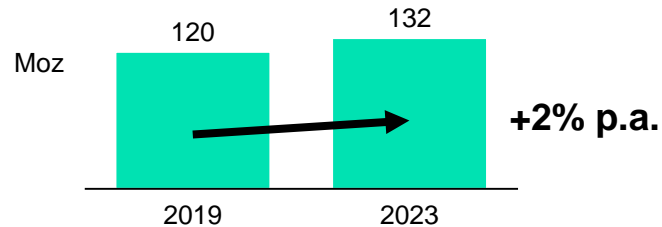
IRON ORE



Slight oversupply
Strong demand from China continues
Pelletizing driving growth

14%

GOLD



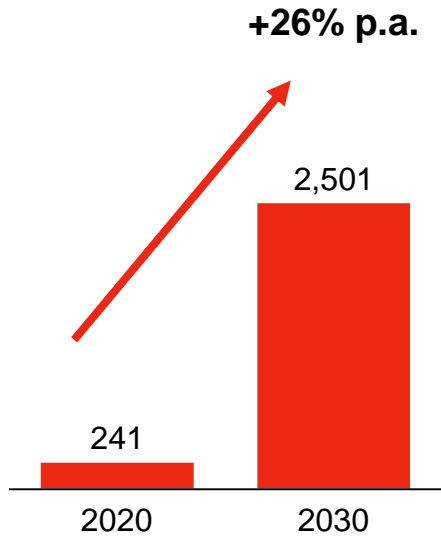
Balanced

13%

Source: Woodmac, S&P Global Market intelligence

...and a good position in fast-emerging battery metal processing and recycling markets

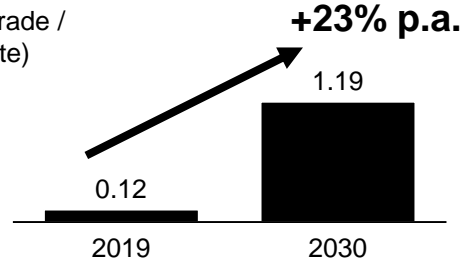
GLOBAL LI-ION BATTERY CELL DEMAND GWh



DEMAND 2019-30, Mt

NICKEL

(battery-grade / HPAL route)



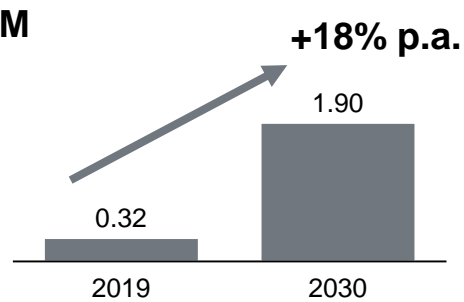
Current market balance

Slight oversupply

Future market balance

Shortage of battery-grade is expected after 2025

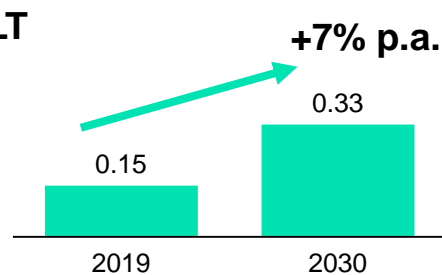
LITHIUM



Oversupply expected to last until 2026

Shortage after 2026

COBALT



Balanced market 2010-17, no major disruptions

Shortage
Magnitude dependent on intensity in batteries is expected to decline

Source: S&P Global Market Intelligence

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Our commitment to the 1.5 °C journey

Handprint: Sustainable offering and innovations



Energy efficiency and emissions



Water efficiency



Offering in circularity



Safe operations

Footprint: Responsible and trusted partner



Environmental efficiency in operations



Responsible procurement



Engaged and diverse experts



Health and safety

Maximizing value from digital opportunities



Customer engagement
& experience



Connectivity, analytics
and remote support



Equipment & process
optimization

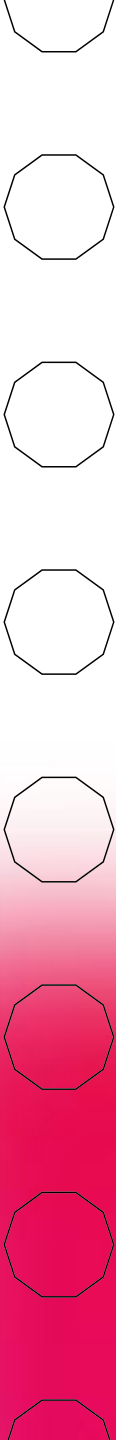


Internal digital
efficiency

Creating industry-leading company

- Solid strategy with unique offering and customer focus
- Exposure to growing industries with focused portfolio
- Emphasis on services and product development
- Sustainability in key role in value creation
- Delivering strong financial performance





Partner for positive change



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