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Q3

Interim Report

January – September 2021



Metso Outotec's Interim Report January 1 – September 30, 2021

Metso Outotec has prepared both illustrative and IFRS-based historical segment information for January-June 2020, prior to the merger of Metso Minerals and Outotec. The illustrative combined historical information is presented as a combination of Metso Minerals carve-out information and Outotec information, according to the Metso Outotec structure.

Figures in brackets refer to the corresponding period in 2020, unless otherwise stated.

Third-quarter 2021 in brief, IFRS

- Strong market activity in all segments
- Orders received more than doubled to EUR 1,649 million (EUR 809 million)
- Sales grew by 7 percent to EUR 1,023 million (EUR 957 million)
- Adjusted EBITA improved to EUR 139 million, or 13.6% of sales (EUR 111 million, or 11.6%)
- Operating profit improved to EUR 107 million, or 10.5% of sales (EUR 51 million, or 5.4%)

January-September 2021 in brief, IFRS (1-6/2020 illustrative combined)

- Orders received grew by 44 percent to EUR 4,111 million (EUR 2,846 million)
- Sales totaled EUR 2,958 million (EUR 2,920 million)
- Adjusted EBITA increased to EUR 384 million, or 13.0% of sales (EUR 345 million, or 11.8%)
- Operating profit EUR 295 million, or 10.0% of sales (EUR 209 million, or 7.2%)
- Earnings per share EUR 0.24
- Cash flow from operations EUR 444 million
- EUR 116 million annual run-rate of the Metso Outotec cost synergies achieved by the end of September

President and CEO Pekka Vauramo:



“Going forward, our focus will be on growth and customer success, while continuing internal improvements as part of the normal course of business.”

The market activity continued to be strong across our businesses during the third quarter, resulting in a record-high order intake. All three of our segments saw strong demand for our Planet Positive product portfolio, which is designed to help customers improve the sustainability of their operations. We also saw improvement in our aftermarket businesses, as customers' utilization rates remain high and a gradual easing of the pandemic-related restrictions support productivity investments, such as rebuilds and modernizations. The aggregates market saw normal seasonality compared to the second quarter, but the market activity during this low season has been higher compared to previous years. Our orders received totaled EUR 1,649 million, which is more than two times higher compared to the same quarter in 2020. The order growth was supported by large orders booked in the Minerals and Metals segments.

The Group's sales increased 7 percent during the quarter and totaled EUR 1,023 million. Sales grew slower than orders, due to our backlog consisting of more longer lead-time equipment orders and supply chain and logistics constraints. We continue to focus on mitigating these challenges and improving our delivery capabilities. Our quarterly result was good, and all our segments were able to improve their profitability, resulting in an increase of the Group's adjusted EBITA margin to 13.6%, compared to 11.6% a year ago. The improvement is largely thanks to realized synergies and actions related to our footprint and pricing. In addition to the adjusted EBITA, our cash flow from operations has been strong at EUR 172 million in the third quarter and EUR 444 million during the nine-months period.

The Metso Outotec integration continued to proceed ahead of plan. As of the end of September, we had achieved a run-rate of EUR 116 million in cost synergies, and we are confident that the target of EUR 120 million will be delivered by year-end. Revenue synergies have also been realizing at a good

pace, with EUR 68 million booked so far as sales and an additional EUR 158 million in the backlog. Despite a couple of months remaining in 2021, I can say that we are very happy with the integration process since Day 1, and we aim to conclude the project at the end of the year. Going forward our focus will be on growth and customer success, while continuing internal improvements as part of the normal course of business.

We continue to make progress in sustainability, which is a strategic priority. The latest IPCC report calls for faster action to ensure that global warming is limited to 1.5°C. Accordingly, we have updated our target for reducing emissions in our own operations. Our updated target is to achieve a 50% reduction in our own CO₂ emissions by 2024 and achieving net-zero by 2030. This compares to the previous target of a 50% reduction in own CO₂ emissions by 2030. We are making good progress in cutting our emissions, as several of our sites have already switched to renewable energy and we are continuously taking actions and making investments to reduce energy use on our sites. Also central to our sustainability efforts is our Planet Positive product portfolio, consisting of about 100 products that are demonstrably more energy, carbon, or water efficient than the market standard, or help achieve other sustainability priorities for customers such as circularity. Demand for Planet Positive products has lately been growing faster than the market. We expect this growth to continue, and we aim to develop our portfolio to have a Planet Positive product offer for every part of the process.

Covid-19 market update

Local and regional restrictions and lockdowns continue limiting access to customer sites; despite gradual easing of restrictions, there are still challenges related mainly to international travel. These are apt to slow down decision-making and overall cooperation with customers. Metso Outotec's own operations have been running without any significant disruptions.

Market outlook

According to its disclosure policy, Metso Outotec's market outlook describes the expected sequential development of market activity during the following six-month period using three categories: improve, remain at the current level, or decline.

Metso Outotec expects the market activity to remain at the current strong level, subject to the development of the Covid-19 pandemic.





Group review

Key figures (IFRS, except for 1-6/2020 illustrative combined)

EUR million	IFRS Q3/2021	Restated* Q3/2020	Change %	Q1-Q3/2021	Restated Q1-Q3/2020	Change %	2020
Orders received	1,649	809	104	4,111	2,846	44	4,150
Orders received by services business	573	460	25	1,710	1,552	10	2,071
% of orders received	35	57	-	42	55	-	50
Order backlog	-	-	-	3,496	2,049	-	2,366
Sales	1,023	957	7	2,958	2,920	1	3,897
Sales by services business	504	522	-3	1,497	1,533	-2	2,017
% of sales	49	54	-	51	53	-	52
Adjusted EBITA	139	111	25	384	345	11	448
% of sales	13.6	11.6	-	13.0	11.8	-	11.5
Operating profit	107	51	108	295	209	41	253
% of sales	10.5	5.4	-	10.0	7.2	-	6.5
Earnings per share, continuing operations, EUR (IFRS)	0.09	0.03	250	0.24	-	-	0.20
Cash flow from operations (IFRS)	172	-	-	444	-	-	587
Gearing, % (IFRS)	-	-	-	26.5	-	-	39.2
Personnel at end of period	-	-	-	15,558	-	-	15,466

*Excluding Recycling business, which is classified as discontinued operations

The Group's financial performance, IFRS

Activity in Metso Outotec's customer industries continued to be healthy in the third quarter, thanks to the overall global economic recovery and customers' focus on value-adding sustainable products and services. The Group's orders received more than doubled year-on-year and totaled EUR 1,649 million, compared to EUR 809 million in the third quarter of 2020. The order growth was driven by equipment business in all segments, supported by a couple of large orders in Minerals and Metals. Services order growth was also healthy at 25%.

The Group's sales totaled EUR 1,023 million, compared to EUR 957 million in the comparison period. Revenue recognition from the high equipment backlog had a positive impact on sales, while constraints in the global supply chain and logistics had a negative impact.

Adjusted EBITA increased to EUR 139 million and adjusted EBITA margin improved to 13.6% (EUR 111 million and 11.6%). Both the Aggregates and Metals segments improved their results significantly, while the Minerals segment improved its adjusted EBITA margin slightly.

The Group's operating profit (EBIT) increased to EUR 107 million and EBIT margin to 10.5% (EUR 51 million and 5.4%). Operating profit included negative adjustments of EUR 14 million (EUR 22 million negative), the majority of which were related to the Metso Outotec integration. PPA amortization totaled EUR 13 million.

January-September in brief

Orders received increased 44% in January - September 2021 and totaled EUR 4,111 million (2,846 million). The growth was driven by a healthy level of customer activity in all segments. Sales totaled EUR 2,958 million (EUR 2,920 million). Adjusted EBITA improved to EUR 384 million (EUR 345 million), corresponding to a margin of 13.0% (11.8%). Operating profit totaled EUR 295 million, or 10.0% of sales (EUR 209 million and 7.2%).

Impacts of currencies and structural changes

EUR million, %	Q3	Orders received Q1-Q3	Q3	Sales Q1-Q3
2020	809	2,846	957	2,920
Organic growth in constant currencies, %	106	46	8	3
Impact of changes in exchange rates, %	-2	-2	-1	-1
Structural changes, %	0	0	0	0
Total change, %	104	44	7	1
2021	1,649	4,111	1,023	2,958

The Group's financial position

The Group's net interest-bearing liabilities were EUR 563 million at the end of September (Dec 31, 2020: EUR 799 million), gearing was 26.5% (Dec 31, 2020: 39.2%) and the debt-to-capital ratio 31.7% (Dec 31, 2020: 37.2%). The equity-to-assets ratio was 40.6% (Dec 31, 2020: 39.5%).

Metso Outotec's liquidity position is solid. In addition to liquid funds amounting to EUR 550 million, the Group has a committed and undrawn syndicated revolving credit facility of EUR 600 million, with a maturity in 2026. In September, sustainability targets were included in the revolving credit facility. Metso Outotec also has a EUR 600 million Finnish commercial paper program, which was not utilized at the end of the quarter.

During the quarter, Metso Outotec used its liquid funds to make an early repayment of EUR 50 million on its EUR 100 million term loan. In addition, after the reporting period, in October, the company made an early repayment on the remaining EUR 50 million of the term loan, which would have matured in September 2022. The Group has a Euro Medium Term Note Program (EMTN) of EUR 2 billion, under which EUR 687 million at carrying value was outstanding at the end of September (EUR 689 million at the end of December 2020). EUR 587 million (EUR 589 million at the end of December 2020 million) of the outstanding amount was public bonds and EUR 100 million (EUR 100 million at the end of December 2020) private placements.

The average interest rate of total loans and derivatives was 1.20%, on September 30, 2021 (1.18% on June 30, 2021). The duration of medium- and long-term interest-bearing debt was 1.95 years (2.3 years on June 30, 2021) and the average maturity 3.4 years (3.5 years on June 30, 2021).

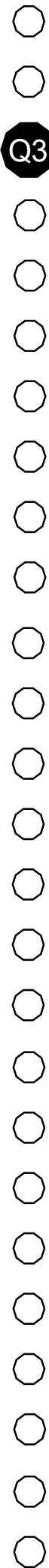
Metso Outotec has a 'BBB-' long-term issuer credit rating with stable outlook from S&P Global Ratings and a 'Baa2' long-term issuer rating with stable outlook from Moody's Investor Service.

Update on the integration and synergy process

The realization of the Metso Outotec cost synergies is proceeding ahead of plan: by the end of September, an annual run-rate of EUR 116 million had been reached. This run-rate implies that some EUR 29 million cost synergies will be realized in the fourth-quarter adjusted EBITA, which compares to around EUR 26 million realized in the third quarter. Around 60% of the realized synergies have resulted from the restructuring of the organization and the rest have come from procurement, facilities, and IT. The target of the annual pre-tax cost synergies is EUR 120 million, and the run-rate is expected to be realized by the end of 2021.

As of the end of September, revenue synergies realized as sales totaled EUR 68 million and an additional EUR 158 million was recognized in the order backlog. The annual revenue run-rate synergy target is EUR 150 million by the end of 2022.

The realization of cost and revenue synergies is expected to result in one-off, pre-tax costs of approximately EUR 75 million. Around EUR 64 million of this has been booked since the beginning of the integration program, and the remaining is expected to be incurred by the end of 2021.



Aggregates

IFRS, except for 1-6/2020 illustrative combined

Q3

- Strong activity continued
- Significant profitability improvement
- Supply chain and logistics constraints had an impact

EUR million, %	Orders received		Sales	
	Q3	Q1-Q3	Q3	Q1-Q3
2020	232	744	244	741
Organic growth in constant currencies, %	41	42	21	20
Impact of changes in exchange rates, %	-1	-2	-1	-1
Structural changes, %	0	0	0	0
Total change, %	40	40	20	18
2021	325	1,043	293	878

Operating environment and orders received

Market activity remained good in the third quarter, supported by a strong recovery in infrastructure-related spending compared to the same period in 2020. Orders received increased 40% to EUR 325 million (232 million) in the third quarter. The orders for equipment grew 50%, while services orders increased 20%. The growth was driven by the European and North American markets, where customers have already been placing orders for next year's construction season.

Financial performance

Sales increased 20% year-on-year in the third quarter, supported by strong order growth during the previous quarters. Adjusted EBITA improved to EUR 42 million (EUR 26 million) and adjusted EBITA margin increased to 14.4% (10.7%). The improvement was driven by volume growth and previously implemented business improvement measures, which are seen in improved product margins.

January-September in brief

Orders received increased 40% to EUR 1,043 million, thanks to the strong customer activity in the European and North American markets. Sales grew 18% year-on-year and adjusted EBITA improved to EUR 126 million (EUR 76 million), corresponding to a margin of 14.4% (10.3%).

Key figures

EUR million	IFRS Q3/2021	Q3/2020	Change %	IFRS Q1-Q3/2021	Q1-Q3/2020	Change %	2020
Orders received	325	232	40	1,043	744	40	1,107
Orders received by services business	90	75	20	269	236	14	319
% of orders received	28	32	-	25.8	31.8	-	29
Order backlog	-	-	-	560	303	85	402
Sales	293	244	20	878	741	18	992
Sales by services business	93	75	25	249	239	4	312
% of sales	32	31	-	28.4	32.3	-	32
Adjusted EBITA	42	26	61	126	76	65	107
% of sales	14.4	10.7	-	14.4	10.3	-	10.8
Operating profit	37	21	76	111	64	73	95
% of sales	12.7	8.7	-	12.6	8.7	-	9.5

Minerals

IFRS, except for 1-6/2020 illustrative combined

Q3

- **Strong order growth**
- **Sales growth affected by heavy backlog in equipment business and logistics constraints**
- **Profitability improved**

EUR million, %	Orders received		Sales	
	Q3	Q1-Q3	Q3	Q1-Q3
2020	516	1,871	634	1,883
Organic growth in constant currencies, %	92	30	-2	-4
Impact of changes in exchange rates, %	-5	-3	-3	-3
Structural changes, %	0	0	0	0
Total change, %	87	27	-5	-7
2021	968	2,367	604	1,748

Operating environment and orders received

Customer activity was strong in the third quarter and was reflected in proposal and quotation activity as well as in orders received. Customers' focus on sustainability and productivity continued to be a key theme, in both in the equipment and services business. The level of activity for spare parts and consumables was healthy, and demand for rebuilds and other on-site services started to increase.

The segment's orders increased 87% to EUR 968 million (516 million). Equipment orders were more than three times higher compared to the same period previous year. Order growth was supported by some large orders and overall strong demand for sustainable solutions. Services orders grew 22%, largely driven by consumables and improved demand for rebuilds and life-cycle services. Exchange rates had a 5% negative impact on the order intake.

Financial performance

Quarterly sales totaled EUR 604 million (EUR 634 million). The revenue recognition in the equipment business started to increase only towards the end of the quarter. In addition, there were some supply chain and logistics challenges in the services business. Adjusted EBITA totaled EUR 96 million (EUR 97 million) and adjusted EBITA margin was 15.9% (15.4%). Positive impacts from synergies and an improved profitability of the equipment business were able to offset the impact caused by lower volume and higher freight costs.

January-September in brief

Orders received increased 27% to EUR 2,367 million (1,871 million), driven by the equipment business. Sales were 7% lower year-on-year, due to the timing of revenue recognition of equipment sales as well as logistics and supply chain constraints. Adjusted EBITA totaled EUR 258 million and adjusted EBITA margin was 14.8% (EUR 280 million and 14.9%).

Key figures

EUR million	IFRS Q3/2021	Q3/2020	Change %	IFRS Q1-Q3/2021	Q1-Q3/2020	Change %	2020
Orders received	968	516	87	2,367	1,871	27	2,601
Orders received by services business	457	375	22	1,366	1,263	8	1,673
% of orders received	48	73	-	58	68	-	64
Order backlog	-	-	-	1,983	1,341	48	1,426
Sales	604	634	-5	1,748	1,883	-7	2,523
Sales by services business	390	413	-5	1,173	1,209	-3	1,603
% of sales	65	65	-	67	64	-	64
Adjusted EBITA	96	97	-1	258	280	-8	365
% of sales	15.9	15.4	-	14.8	14.9	-	14.5
Operating profit	87	72	21	220	242	-9	291
% of sales	14.4	11.3	-	12.6	12.8	-	11.5

Segment review

Metals

IFRS, except for 1-6/2020 illustrative combined

- Large smelter order
- Sales from backlog picking up
- Profitability improved

EUR million, %	Orders received		Sales	
	Q3	Q1-Q3	Q3	Q1-Q3
2020	61	231	79	296
Organic growth in constant currencies, %	490	205	60	14
Impact of changes in exchange rates, %	-1	-2	-1	-1
Structural changes, %	0	0	0	0
Total change, %	489	203	60	13
2021	357	701	126	333

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Operating environment and orders received

Customer demand continued to be good especially for Planet Positive products in the smelting, pelletizing and battery metals markets. Supported by a large copper smelter order from Indonesia, Metals' order intake significantly increased year-on-year and totaled EUR 357 million (EUR 61 million) in the third quarter.

Financial performance

Sales in the third quarter were EUR 126 million, which is 60% higher compared to the third quarter of 2020. Adjusted EBITA was EUR 6 million and adjusted EBITA margin 4.8% (EUR -8 million and -10.3%). The profitability improvement was attributable to volume growth and the cost savings initiated as part of the turnaround program started late last year.

January-September in brief

Orders received increased 203% to EUR 701 million (231 million), thanks to a large smelter order to Indonesia and overall improved market activity. Sales grew 13% year-on-year, and adjusted EBITA was 7 million (7 million), corresponding to a margin of 2.1% (2.2%)

Key figures

EUR million	IFRS Q3/2021	Q3/2020	Change %	IFRS Q1-Q3/2021	Q1-Q3/2020	Change %	2020
Orders received	357	61	489	701	231	203	443
Orders received by services business	27	10	175	75	53	42	78
% of orders received	8	16	-	11	23	-	18
Order backlog	-	-	-	953	405	135	538
Sales	126	79	60	333	296	13	382
Sales by services business	20	34	-40	75	85	-12	101
% of sales	17	43	-	22	29	-	27
Adjusted EBITA	6	-8	-	7	7	6	-2
% of sales	4.8	-10.3	-	2.1	2.2	-	-0.6
Operating profit	4	-18	-	-5	-10	-	-23
% of sales	3.2	-22.3	-	-1.6	-3.3	-	-6.1

Sustainability



- Focus on developing and further expanding Planet Positive product portfolio
- Renewed target of achieving net-zero in own operations by 2030

Q3

Metso Outotec has continued to progress well with its sustainability agenda. The company's focus areas in sustainability are:

- All R&D with sustainability targets
- Achieve CO₂ net zero in own operations in 2030
- Accelerating sales of Planet Positive products
- Partnering with suppliers to decarbonize its supply chain
- Uncompromised safety

Targets. The company's target for sustainability-focused R&D was recently adjusted – going forward the target is that 100% of R&D projects should include a sustainability (including safety, which was previously excluded) component.

Metso Outotec has committed to Science-Based targets and has set a target for CO₂ emissions from its own operations. The target is to achieve a 50% reduction by 2024 and, as an updated target, achieving net-zero by 2030 (previously - 50% by 2030). The company already has several sites which have switched to renewable energy. The latest additions to this are the Trelleborg site in Sweden, that converted 100% of its natural gas use to biogas, and Lappeenranta in Finland, which started to consume district heat produced from renewable sources.

During the quarter sustainability targets were also incorporated in Metso Outotec's EUR 600 million Syndicated Revolving Credit Facility. The sustainability targets are related to the Group's own CO₂ emissions, emissions from its logistics and its suppliers having Science-Based emission targets. The development of these targets will be measured annually, and the cost of the facility will depend on achievement of these targets.

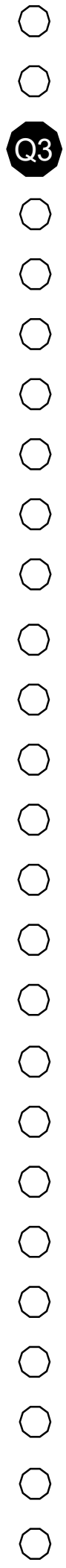
Planet Positive. During the third quarter, Metso Outotec announced several orders for Planet Positive products, which will help customers improve their water and energy efficiency, reduce CO₂ emissions as well as improve safety. These included:

- A raw water treatment plant for a gold mine in the Middle East, using cleaned municipal wastewater as the raw water source
- Screening technology for an iron ore project, helping eliminate process water resulting in lower processing costs
- Filtration and material handling equipment and services for a tailings plant expansion in Australia
- New and proprietary Concorde Cell™ flotation technology as part of a major nickel producer's concentrator modernization in Western Australia
- Dewatering, flotation, and automation technology, including spare parts and consumables, to a customer in Russia
- Copper solvent extraction technology for a greenfield plant to be built in Arizona. The energy efficient VSF®X solvent extraction plant reduces emissions and is safer to operate
- Design and engineering of a copper smelter in Indonesia. Metso Outotec licensed Copper Flash Smelting is the most widely applied technology for copper smelting in the world and helps customers to reduce CO₂ emissions significantly
- Several energy-efficient stirred mills to a greenfield iron ore processing plant in north-eastern China
- A Foresight™ semi-mobile primary gyratory (SMPG) crushing plant to a customer in Chile. SMPG is part of Metso Outotec's in-pit crush and convey solutions (IPCC) and meets the highest standards in productivity and sustainability

Supply chain. Achieving the target of having 30% of suppliers (by spend) commit to a CO₂ target by 2030 is on track, with 8.6% signed up by end September 2021.

Safety. Metso Outotec progressed well in its safety performance during the third quarter. The Total Recordable Injury Frequency Rate dropped to 3.2, which is a record low, and the Lost Time Injury Frequency was 1.1.

After the reporting period on October 19, Metso Outotec joined the Coalition for Eco Efficient Comminution (CEEC) as a new sponsor, growing the global network of mining industry leaders to accelerate collaboration and uptake of more eco-efficient mining and comminution.



Capital expenditure and investments

Gross capital expenditure, excluding right-of-use assets, was EUR 64 million in January-September 2021. The investments were largely made in foundry operations and other services operations globally.

Research and development

Research and development (R&D) expenses and investments were EUR 52 million, or 1.8% of sales in January-September 2021.

Personnel

Metso Outotec had 15,558 employees at the end of September 2021.

Personnel by area on September 30, 2021

	Share, %
Europe	36
North and Central America	13
South America	26
Asia Pacific and Greater China	13
Africa, Middle East, and India	12
Total	100

Shares and share trading

Metso Outotec has a total of 828,972,440 shares and its share capital is EUR 107,186,442.52. Treasury shares totaled 925,021 at the end of September.

Share performance on Nasdaq Helsinki

EUR	January 1 to September 30, 2021
Closing price	7.91
Highest share price	10.43
Lowest share price	7.67
Volume-weighted average trading price	9.15

Annual General Meeting 2021

Metso Outotec Corporation's Annual General Meeting (AGM) was held on April 23, 2021, in Helsinki through exceptional procedures in accordance with temporary legislative act, which entered into force on October 3, 2020, to limit the spread of the Covid-19 pandemic. The AGM adopted the financial statements and discharged the members of the Board of Directors and the President & CEOs from liability for the financial year 2020 and adopted the company's remuneration report for governing bodies through an advisory resolution.

Dividend for 2020

The AGM resolved to approve the Board of Directors' proposal to pay a dividend of EUR 0.20 per share from the financial year 2020 in two installments.

The first dividend installment of EUR 0.10 per share was paid on May 4, 2021, and the second installment of EUR 0.10 per share will be paid on November 10, 2021.

Composition of the Board of Directors

The AGM resolved to elect seven members to the Board of Directors. The AGM resolved to re-elect the following members of the Board of Directors: Kari Stadigh was elected as the Chair, Klaus Cawén as the Vice Chair, and Christer Gardell, Antti Mäkinen, Ian W. Pearce, Emanuela Speranza, and Arja Talma as members of the Board. The term of office of the Board will expire at the end of Metso Outotec's next Annual General Meeting.

Remuneration of the Board of Directors

The AGM resolved that the members of the Board of Directors will be paid the same fixed annual remuneration as in the previous term as follows:

- Chair: EUR 150,000
- Vice Chair: EUR 80,000
- Other members: EUR 65,000 each

and the additional remuneration to be paid for the members of the Board of Directors that are elected as members of the committees of the Board will be also unchanged as follows:

- EUR 23,000 for the Chair of the Audit Committee
- EUR 10,000 each for the other members of the Audit Committee
- EUR 12,000 for the Chair of the Remuneration and HR Committee
- EUR 5,000 each for the other members of the Remuneration and HR Committee.

As a condition for the annual remuneration, the Board members are obliged, directly based on the AGM's decision, to use 20 or 40 percent of their fixed total annual remuneration for purchasing Metso Outotec shares from the market at a price formed in public trading. These purchases were carried out on April 27, 2021.

Meeting fees

The AGM also resolved to approve the following meeting fees, unchanged from the previous term: for each Board and committee meeting: a fee of EUR 900 to be paid to the members residing in the Nordic countries, a fee of EUR 1,800 to be paid to the members residing in other European countries and a fee of EUR 2,700 to be paid to the members residing outside Europe. In addition, members of the Board of Directors are to be compensated for direct expenses arising from Board work.

Auditor

Authorized public accounting firm Ernst & Young Oy was re-elected as Auditor for a term ending at the closing of the Annual General Meeting 2022. Ernst & Young Oy has appointed Mikko Järventausta, APA, as the principally responsible auditor. The remuneration to the Auditor was decided to be paid against the Auditor's reasonable invoice approved by the company.

Authorizations to repurchase the Company's own shares and to issue shares and special rights entitling to shares

The AGM approved the Board's proposals, which related to authorizing the Board to decide on the repurchase of an aggregate maximum of 82,000,000 of Metso Outotec's own shares (corresponding to approximately 9.9 percent of all shares) and authorizing the Board to decide on the issuance of shares and the issuance of special rights entitling to shares.

Other main events between January 1 and September 30, 2021

Metso Outotec ranked 8th on the Global 100 list of the world's most sustainable companies

On January 25, 2021, it was announced that Metso Outotec is ranked 8th on the Corporate Knights 2021 Global 100 Index of the most sustainable companies in the world and places as a top-ranking company among its peers.

Corporate Knights analyzed 8,080 companies on various indicators relative to industry peers.



Conveyance of own shares based on the long-term incentive plans

On February 19, 2021, a total of 68,217 of Metso Outotec's treasury shares were conveyed without consideration in accordance with the terms and conditions of the Restricted Share Plan 2018-2020 (RSP 2018-2020) and Matching Share Plan to the President and CEO. The directed share issue is based on an authorization given by the Annual General Meeting held on March 11, 2020.

Divestment of the Aluminium business

On April 6, 2021, Metso Outotec completed the divestment of its Aluminium business to REEL International. The divested business comprises equipment and plant solutions to green anode plants, anode rod shops, and cast houses used in aluminium smelters, as well as the related services. Metso Outotec will continue to serve its customers in certain other parts of the aluminium value chain, such as alumina refinery and petroleum coke calcination technologies.

Changes in the Metso Outotec Executive Team

On April 12, 2021, the following changes were made in the Metso Outotec Executive Team with immediate effect. Markku Teräsvasara was nominated President, Minerals business area, following the departure of Stephan Kirsch from the company. Markku Teräsvasara served previously as President, Services business area. He also continues as Deputy CEO of the company. Sami Takaluoma was nominated as the new President, Services business area. He was previously President, Consumables business area. Heikki Metsälä was appointed President, Consumables business area. Previously he served as SVP, Mill & Chute lining business line in the Consumables business area management team.

Sustainability targets included in the EUR 600 million revolving credit facility

On September 29, 2021, Metso Outotec agreed with its banking group to include sustainability targets to its EUR 600 million syndicated revolving credit facility, as well as to utilize the facility's remaining one-year extension option. The sustainability targets included in the facility are:

- CO₂ emissions from the Group's own operations
- CO₂ emissions from the Group's logistics
- The Group's suppliers having a Science-Based CO₂ emissions target

The development of these targets will be measured annually. Depending on the achievement of these targets, the margin of the facility will either increase, decrease, or stay the same. After the extension, the revolving credit facility will mature in September 2026.

Events after the reporting period

On October 1, 2021, Metso Outotec completed the divestment of Outotec Turula Oy in Finland. The divested business manufactures equipment and components used in the minerals processing and metals refining industries.

On November 1, 2021, the Board of Directors decided, in accordance with the resolution of the Annual General Meeting, that the payment date for the second dividend instalment of EUR 0.10 per share shall be November 10, 2021. The ex-dividend date for the dividend instalment is November 2, 2021, and the record date November 3, 2021.

Short-term business risks and market uncertainties

The global development of the Covid-19 pandemic continues to pose short-term risks and uncertainties to Metso Outotec's markets and operations. While the pandemic's negative impact on economic growth seems to lessen with vaccinations being rolled out across the world, possible abrupt measures taken by various national and local governments to restrict the spread may continue to have an impact on Metso Outotec's own and its customers' operations. This could restrict the ability to provide services at customer sites and to run manufacturing sites. To protect its personnel, the company may also need to take abrupt measures that are likely to affect the efficiency of its operations and customer deliveries.

In the supply chain, the impacts of the rapid increase in demand to compensate for Covid-19-induced restraint has already created inflationary pressures and challenges to the availability of components, and these may further increase and challenge the company's ability to deliver on-time and on-budget. Recently, the availability and price of energy have emerged as an additional risk on the company's supply chain. Trade imbalances caused by the pandemic have created challenges in the availability of containers globally and risk further affecting the availability and cost of logistics and hence supply chain efficiency.

There are also other market- and customer-related risks that could cause on-going projects to be postponed, delayed, or discontinued.



Uncertain market conditions could adversely affect our customers' payment behavior and increase the risk of lawsuits, claims, and disputes taken against Metso Outotec in various countries related to, among other things, Metso Outotec's products, projects, and other operations.

Tariffs or other trade barriers could pose challenges to our supply chain and price management, impacting our capability to secure customer deliveries and margins.

Exchange rate fluctuations and changes in commodity prices could affect our orders received, sales, and financial position. Metso Outotec hedges currency exposure linked to firm delivery and purchase agreements.

Information security and cyber threats could disturb or disrupt Metso Outotec's businesses and operations.

Metso Outotec has identified a significant risk related to its ilmenite smelter project in Saudi Arabia, in line with earlier disclosures. Provisions have been made against this risk. The contractual position and other factual circumstances will ultimately determine the eventual liability and financial impact.

Disputes related to project execution and resulting in extra costs and/or penalties are a risk for Metso Outotec. 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. Even though provisions are provided for, in accordance with accounting principles, there is no certainty that additional liabilities would not materialize.

Metso Outotec is involved in a few disputes that may lead to arbitration and court proceedings. Differing interpretations of international contracts and laws may cause uncertainties in estimating the outcome of these disputes. The enforceability of contracts in certain market areas may be challenging or difficult to foresee.

Market outlook

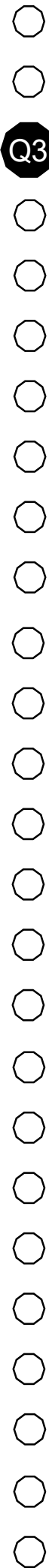
According to its disclosure policy, Metso Outotec's market outlook describes the expected sequential development of market activity during the following six-month period using three categories: improve, remain at the current level, or decline.

Metso Outotec expects the market activity to remain at the current strong level, subject to the development of the Covid-19 pandemic.

Helsinki, November 2, 2021

Metso Outotec Corporation's Board of Directors

Metso Outotec Interim Report January 1–September 30, 2021: Tables



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Consolidated statement of income, IFRS

EUR million	Restated ¹⁾		Restated ¹⁾		
	7–9/2021	7–9/2020	1–9/2021	1–9/2020	1–12/2020
Sales	1,023	957	2,958	2,341	3,319
Cost of sales	-740	-718	-2,120	-1,684	-2,429
Gross profit	284	239	838	658	889
Selling and marketing expenses	-82	-84	-252	-202	-283
Administrative expenses	-67	-84	-228	-211	-303
Research and development expenses	-17	-17	-49	-32	-53
Other operating income and expenses, net	-11	-2	-14	-18	-10
Share of results of associated companies	0	0	0	0	0
Operating profit	107	51	295	195	239
Finance income	0	6	2	9	5
Foreign exchange gains/losses	1	-3	1	1	0
Finance expenses	-9	-13	-29	-30	-44
Finance income and expenses, net	-8	-9	-26	-20	-38
Profit before taxes	99	42	269	175	201
Income taxes	-26	-15	-70	-50	-52
Profit for the period for continuing operations	73	27	200	125	149
Profit from discontinued operations	3	-3	22	-2	-11
Profit for the period	76	24	222	123	138
Profit attributable to:					
Shareholders of the Parent Company	76	24	221	123	138
Non-controlling interests	0	0	1	0	0
Earnings per share, EUR ²⁾	0.09	-	0.27	-	0.19
Earnings per share, diluted, EUR	0.09	-	0.27	-	0.19
Earnings per share for continuing operations, EUR ²⁾	0.09	-	0.24	-	0.20

¹⁾ Excluding the Recycling business, which is classified as discontinued operations.

²⁾ More information on side in Key figures.

The IFRS-based comparison period January–June 2020 includes only Metso Minerals carve-out data, and the comparison period July–December 2020 includes Metso Outotec Group financial data.

Consolidated statement of comprehensive income, IFRS

EUR million	7-9/2021	7-9/2020	1-9/2021	1-9/2020	1-12/2020
Continuing and discontinued operations					
Profit for the period	76	24	222	123	138
Other comprehensive income					
Cash flow hedges, net of tax	-1	-1	-12	0	9
Currency translation on subsidiary net investment	0	-5	32	-72	-58
Items that may be reclassified to profit or loss in subsequent periods	-1	-6	20	-72	-49
Defined benefit plan actuarial gains and losses, net of tax	-	0	-1	0	-6
Items that will not be reclassified to profit or loss	-	0	-1	0	-6
Other comprehensive income	-1	-6	19	-72	-56
Total comprehensive income	76	18	241	51	82
Attributable to					
Shareholders of Parent Company	75	18	240	51	83
Non-controlling interests	0	0	1	0	0

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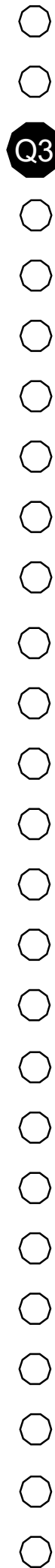
Consolidated Balance Sheet – Assets, IFRS

EUR million	Sep 30, 2021	Restated ¹⁾ Sep 30, 2020	Restated ¹⁾ Dec 31, 2020
Non-current assets			
Intangible assets			
Goodwill	1,123	1,133	1,118
Other intangible assets	890	982	942
Total intangible assets	2,013	2,116	2,060
Property, plant and equipment			
Land and water areas	34	43	42
Buildings and structures	121	112	116
Machinery and equipment	173	157	157
Assets under construction	38	41	41
Total property, plant and equipment	366	353	356
Right-of-use assets	131	126	132
Other non-current assets			
Investments in associated companies	10	10	10
Non-current financial assets	4	4	4
Loan receivables	6	7	6
Derivative financial instruments	-1	4	3
Deferred tax assets	183	156	149
Other non-current receivables	46	42	43
Total other non-current assets	248	222	215
Total non-current assets	2,758	2,817	2,764
Current assets			
Inventories	1,236	1,098	1,038
Trade receivables	566	612	556
Customer contract assets	273	301	298
Loan receivables	3	1	2
Derivative financial instruments	34	34	43
Income tax receivables	45	61	36
Other current receivables	199	147	147
Liquid funds	550	477	537
Total current assets	2,906	2,732	2,658
Assets held for sale	141	37	145
TOTAL ASSETS	5,805	5,585	5,567

¹⁾ Balance sheet for year 2020 and for September 30, 2020 has been restated due to adjustments in the fair values of Outotec at the acquisition date. The adjustments have an effect to goodwill, non-current deferred tax assets and liabilities, income tax liabilities, other current liabilities and liabilities held for sale.

Q3

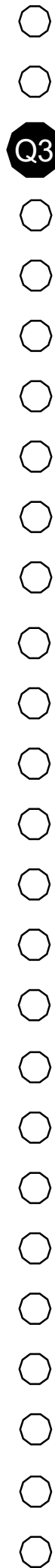
Consolidated Balance Sheet – Equity and liabilities, IFRS



EUR million	Sep 30, 2021	Restated ¹⁾ Sep 30, 2020	Restated ¹⁾ Dec 31, 2020
Equity			
Share capital	107	107	107
Share premium fund	20	20	20
Cumulative translation adjustments	-177	-223	-210
Fair value and other reserves	1,130	1,127	1,136
Retained earnings	1,037	969	983
Equity attributable to shareholders	2,117	2,000	2,037
Non-controlling interests	4	4	3
Total equity	2,122	2,003	2,040
Liabilities			
Non-current liabilities			
Borrowings	628	1,130	1,129
Lease liabilities	106	99	106
Post-employment benefit obligations	118	128	102
Provisions	69	73	73
Derivative financial instruments	1	2	2
Deferred tax liability	229	239	223
Other non-current liabilities	2	3	4
Total non-current liabilities	1,153	1,674	1,639
Current liabilities			
Borrowings	356	167	78
Lease liabilities	32	30	32
Trade payables	610	504	539
Provisions	117	144	122
Advances received	221	197	161
Customer contract liabilities	362	224	236
Derivative financial instruments	39	21	29
Income tax liabilities	81	56	42
Other current liabilities	588	440	453
Total current liabilities	2,407	1,784	1,690
Liabilities held for sale	123	123	198
TOTAL EQUITY AND LIABILITIES	5,805	5,585	5,567

¹⁾ Balance sheet for year 2020 and for September 30, 2020 has been restated due to adjustments in the fair values of Outotec at the acquisition date. The adjustments have an effect to goodwill, non-current deferred tax assets and liabilities, income tax liabilities, other current liabilities and liabilities held for sale.

Consolidated statement of changes in shareholders' equity, IFRS



EUR million	Share capital	Share premium fund	Cumulative translation adjustments	Fair value and other reserves	Retained earnings	Equity attributable to shareholders	Non-controlling interests	Total equity
Jan 1, 2021	107	20	-210	1,136	983	2,037	3	2,040
Profit for the period	-	-	-	-	221	221	1	222
Other comprehensive income								
Cash flow hedges, net of tax	-	-	-	-12	-	-12	-	-12
Currency translation on subsidiary net investments	-	-	32	-	-	32	-	32
Defined benefit plan actuarial gains (+) / losses (-), net of tax	-	-	-	-	-1	-1	-	-1
Total comprehensive income	-	-	32	-12	220	240	1	241
Dividends	-	-	-	-	-166	-166	-	-166
Share-based payments, net of tax	-	-	-	7	-	7	-	7
Other items	-	-	-	-	0	0	0	0
Sep 30, 2021	107	20	-177	1,130	1,037	2,117	4	2,122

EUR million	Share capital	Share premium fund	Cumulative translation adjustments	Fair value and other reserves	Retained earnings	Equity attributable to shareholders	Non-controlling interests	Total equity
Jan 1, 2020	-	-	-151	0	1,403	1,252	3	1,254
Profit for the period	-	-	-	-	123	123	0	123
Other comprehensive income								
Cash flow hedges, net of tax	-	-	-	0	-	0	-	0
Currency translation on subsidiary net investments	-	-	-72	-	-	-72	-	-72
Defined benefit plan actuarial gains (+) and losses (-), net of tax	-	-	-	-	0	0	-	0
Total comprehensive income	-	-	-72	0	122	51	0	51
Dividends	-	-	-	-	-177	-177	-	-177
Dividends to related party	-	-	-	-	-2	-2	-	-2
Share-based payments, net of tax	-	-	-	1	-4	-3	-	-3
Changes in invested equity	-	-	-	-	-16	-16	-	-16
Demerger effect	90	-	-	266	-356	-	-	-
Reverse acquisition	17	20	-	860	-	897	1	898
Other items	-	-	-	0	-2	-2	0	-2
Sep 30, 2020	107	20	-223	1,127	969	2,000	4	2,003

Condensed consolidated statement of cash flows, IFRS

EUR million	7-9/2021	7-9/2020	1-9/2021	1-9/2020	1-12/2020
Operating activities					
Profit for the period	76	24	222	123	138
Adjustments:					
Depreciation and amortization	41	59	124	99	160
Financial expenses, net	8	9	26	20	38
Income taxes	27	17	70	53	58
Other items	13	-2	0	3	0
Change in net working capital	6	-54	2	112	193
Net cash flow from operating activities before financial items and taxes	172	53	444	410	587
Financial income and expenses paid, net	-4	-7	-24	-21	-35
Income taxes paid	-15	-32	-48	-72	-62
Net cash flow from operating activities	152	14	371	317	491
Investing activities					
Capital expenditures on non-current assets	-24	-32	-64	-74	-88
Proceeds from sale of non-current assets	12	0	38	1	3
Proceeds from sale of non-current assets, Metso Group	-	-	-	94	93
Business acquisitions, net of cash acquired	-	-8	-	209	209
Business acquisitions, net of cash acquired, Metso Group	-	-	-	-6	-6
Net cash flow from investing activities	-12	-39	-26	224	211
Financing activities					
Dividends paid	-	-	-83	-177	-177
Dividends paid, Metso Group	-	-	-	-2	-2
Increase in loan receivables	0	-1	0	-1	-1
Proceeds from and repayments of non-current debt, net	-50	-10	-200	-5	436
Proceeds from and repayment of current debt, net	7	0	-23	139	-395
Proceeds from and repayment of debt, net, Metso Group	-	-	-	-139	-139
Repayment of lease liabilities	-10	-8	-29	-20	-31
Net cash flow from financing activities	-53	-19	-335	-204	-309
Net change in liquid funds	87	-45	10	337	393
Effect from changes in exchange rates	0	-7	10	-17	-6
Cash classified as assets held for sale	-6	-	-7	-	-6
Liquid funds equivalents at beginning of period	469	528	537	156	156
Liquid funds at end of period	550	477	550	477	537

Q3

Key figures, IFRS

EUR million	Sep 30, 2021	Sep 30, 2020	Dec 31, 2020
Profit for the period for continuing operations	200	125	149
Earnings per share for continuing operations, EUR	0.24	-	0.20 ¹⁾
Profit for the period	222	123	138
Earnings per share, EUR	0.27	-	0.17
Earnings per share, EUR	-	-	0.19 ¹⁾
Equity/share at end of period, EUR	2.56	2.42	2.46
Number of shares at Jun 30, 2020 (thousands)	-	183,121	183,121
New shares issued as demerger consideration to Metso's shareholders (thousands)	-	645,851	645,851
Total number of shares at end of period (thousands)	828,972	828,972	828,972
Own shares held by Parent Company	925	993	993
Number of outstanding shares at end of period (thousands)	828,047	827,979	827,979
Average number of outstanding shares (thousands)	828,035	707,228	737,413

Q3

¹⁾ Based on average number of outstanding shares of 737,413 thousand

EUR million	Sep 30, 2021	Restated Sep 30, 2020	Restated Dec 31, 2020
Net debt	563	943	799
Gearing, %	26.5%	47.0%	39.2%
Equity-to-asset ratio, %	40.6%	38.8%	39.5%
Debt to capital, %	31.7%	39.3%	37.2%
Debt to equity, %	46.4%	64.8%	59.1%
Net working capital (NWC)	310	505	414
Net debt and gearing			
Borrowings	984	1,298	1,206
Lease liabilities	138	129	138
Gross debt	1,122	1,427	1,345
Loan receivables	9	8	8
Liquid funds	550	477	537
Net debt	563	943	799
Gearing	26.5%	47.0%	39.2%

Balance sheet for year 2020 and for September 30, 2020 has been restated due to adjustments in the fair values of Outotec at the acquisition date. For more information, please see note 8. Acquisitions.

Formulas for key figures

Earnings before financial expenses, net, taxes, and amortization, adjusted (adjusted EBITA)	=	Operating profit + adjustment items + amortization	
Earnings per share, basic	=	$\frac{\text{Profit attributable to shareholders}}{\text{Average number of outstanding shares during the period}}$	
Earnings per share, diluted	=	$\frac{\text{Profit attributable to shareholders}}{\text{Average number of diluted shares during the period}}$	
Equity/share	=	$\frac{\text{Equity attributable to shareholders}}{\text{Number of outstanding shares at the end of the period}}$	
Gearing, %	=	$\frac{\text{Net interest-bearing liabilities}}{\text{Total equity}} \times 100$	
Equity-to-assets ratio, %	=	$\frac{\text{Total equity}}{\text{Balance sheet total - advances received}} \times 100$	
Debt to capital, %	=	$\frac{\text{Interest-bearing liabilities} - \text{lease liabilities}}{\text{Total equity} + \text{interest-bearing liabilities} - \text{lease liabilities}} \times 100$	
Debt to equity, %	=	$\frac{\text{Interest-bearing liabilities} - \text{lease liabilities}}{\text{Total equity}} \times 100$	
Interest-bearing liabilities (Gross debt)	=	Interest-bearing liabilities, non-current and current + lease liabilities, non-current and current	
Net interest-bearing liabilities (Net debt)	=	Interest-bearing liabilities - non-current financial assets - loan and other interest-bearing receivables (current and non-current) - liquid funds	
Net working capital (NWC)	=	Inventories + trade receivables + other non-interest-bearing receivables + customer contract assets and liabilities, net - trade payables - advances received - other non-interest-bearing liabilities	

Alternative Performance Measures

Metso Outotec presents certain key figures (alternative performance measures) as additional information to the financial measures presented in the consolidated statements of comprehensive income and the consolidated balance sheet and cash flows prepared in accordance with IFRS. In Metso 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, Metso Outotec presents adjusted EBITA, being earnings before interest, tax, and amortization adjusted by capacity adjustment costs, acquisition costs, gains, and losses on business disposals as well as Metso Outotec transaction and integration costs. Their nature and net effect on cost of goods sold, selling, general and administrative expenses, as well as other income and expenses are presented in the segment information. Net debt, gearing, equity-to-assets ratio, debt-to-capital ratio, and debt-to-equity ratio are presented as complementing measures because, in Metso Outotec's view, they are useful measures of Metso Outotec's ability to obtain financing and service its debts. Net working capital provides additional information concerning the cash flow needs of Metso Outotec's operations.

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 Metso Outotec's alternative performance measures may not be comparable with similarly named measures presented by other companies.

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10. Segment information, IFRS
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1. Basis of preparation

This Interim Report has been prepared in accordance with IAS 34 'Interim Financial Reporting', applying the accounting policies of Metso Outotec, which are consistent with the accounting policies of Metso Outotec Financial Statements 2020. New accounting standards have been adopted, as described in note 2. This Interim Report is unaudited.

All figures presented have been rounded; consequently, the sum of individual figures might differ from the presented total figures.

The partial demerger of Metso Corporation and the combination of Metso's Minerals business and Outotec was completed on June 30, 2020. In the transaction, the legal acquirer Outotec issued new shares to Metso shareholders and received all assets, rights, debts, and liabilities related to Metso's Minerals business. In the consolidated financial statements according to IFRS, this transaction is treated as a reverse acquisition, where Metso Minerals is the accounting acquirer and Outotec the accounting acquiree. The historical IFRS-based statement of income and cash flow for the comparison period January–June 2020 includes only Metso Minerals carve-out data. The July–December 2020 consolidated statement of income and cash flows includes Metso Outotec Group financial data.

On October 28, 2020, Metso Outotec announced its decision to divest the Recycling business, and it has been classified as discontinued operations. Comparative figures for the period January–September 2020 have been restated accordingly. The assets and liabilities held for sale have been transferred to separate lines in the consolidated balance sheet. The comparative figures for September 30, 2020 related to the consolidated balance sheet have not been restated.

Reporting segments

Metso Outotec Group is a global supplier of sustainable technologies, end-to-end solutions and services for the minerals processing, aggregates, and metals refining industries. Metso Outotec has a broad offering in terms of equipment, solutions, and various types of aftermarket services. Reportable segments of Metso Outotec are based on end-customer groups, which are differentiated by both offering and business model: Aggregates, Minerals, and Metals.

The segments are reported in a manner consistent with the internal reporting provided to the Board of Directors, Metso Outotec's chief operating decision-maker with responsibility for allocating resources and assessing the performance of the segments, deciding on strategy, selecting key employees, as well as deciding on major development projects, business acquisitions, investments, organizational structure, and financing. The accounting principles applied to the segment reporting are the same as those used in preparing the consolidated financial statements.

Aggregates offers a wide range of equipment, aftermarket parts, and services for quarries, aggregates contractors and construction companies. Minerals supplies a wide portfolio of process solutions, equipment, and aftermarket services, as well as plant delivery capability for mining operations. Metals provides sustainable solutions for processing virtually all types of ores and concentrates to refined metals. The Group Head Office and other segment is comprised of the Parent Company with centralized Group functions, such as treasury and tax, as well as shared service centers and holding companies.

Segment performance is measured with operating profit/loss (EBIT). In addition, Metso Outotec uses alternative performance measures to reflect the underlying business performance and to improve comparability between financial periods: earnings before interest, tax and amortization (EBITA), adjusted and net working capital. Alternative performance measures, however, should not be considered as a substitute for measures of performance in accordance with the IFRS.



2. New accounting standards

Metso Outotec has applied the revised IFRS Standards that have been effective since January 1, 2021. These amendments have not had a material impact on the reported figures.

3. Disaggregation of sales

The Recycling business has been reclassified as discontinued operations and its figures are not included in the figures below.

EUR million	7-9/2021	7-9/2020	1-9/2021	1-9/2020	1-12/2020
Aggregates	293	244	878	741	992
Minerals	604	634	1,748	1,472	2,112
Metals	126	79	333	128	215
Sales	1,023	957	2,958	2,341	3,319

EXTERNAL SALES BY CATEGORY

EUR million	7-9/2021	7-9/2020	1-9/2021	1-9/2020	1-12/2020
Sales of service	504	522	1,497	1,309	1,793
Aggregates	93	75	249	239	312
Minerals	390	413	1,173	1,036	1,430
Metals	20	34	75	34	51
Sales of projects, equipment and goods	520	436	1,461	1,032	1,526
Aggregates	200	170	629	502	680
Minerals	214	221	575	436	682
Metals	106	45	258	94	164
Sales	1,023	957	2,958	2,341	3,319

EXTERNAL SALES BY TIMING OF REVENUE RECOGNITION

EUR million	7-9/2021	7-9/2020	1-9/2021	1-9/2020	1-12/2020
At a point in time	812	696	2,306	1,871	2,613
Over time	212	262	652	471	706
Sales	1,023	957	2,958	2,341	3,319

EXTERNAL SALES BY DESTINATION

EUR million	7-9/2021	7-9/2020	1-9/2021	1-9/2020	1-12/2020
Europe	278	259	839	620	879
North and Central America	207	190	613	529	721
South America	166	160	476	409	569
APAC	223	208	623	465	669
Africa, Middle East and India	150	141	407	319	481
Sales	1,023	957	2,958	2,341	3,319

4. Financial risk management

As a global company, Metso Outotec is exposed to a variety of business and financial risks.

Financial risks are managed centrally by the Group Treasury under annually reviewed written policies approved by the Board of Directors. Treasury operations are monitored by the Treasury Management Team chaired by the CFO. Group Treasury identifies, evaluates, and hedges financial risks in close cooperation with the operating units. Group Treasury functions as counterparty to the operating units, centrally manages external funding, and is responsible for the management of financial assets and appropriate hedging measures. The objective of financial risk management is to minimize potential adverse effects on Metso Outotec's financial performance.

Liquidity and refinancing risk, capital structure management

Metso Outotec's liquidity position is solid. In addition to liquid funds amounting to EUR 550 million, the Group has committed and undrawn syndicated revolving credit facilities of EUR 600 million with a maturity in 2026. In September, sustainability targets were included in the revolving credit facility. Metso Outotec also has a EUR 600 million Finnish commercial paper program, which was not utilized at the end of the quarter.

During the third quarter Metso Outotec used its liquid funds to make an early repayment of EUR 50 million on its EUR 100 million term loan. In addition, after the reporting period in October, the company made an early repayment to the remaining EUR 50 million of the term loan, which would have matured in September 2022.

Metso Outotec's refinancing risk is managed by balancing the proportion of short-term and long-term debt as well as the average remaining maturity of long-term debt.

Capital structure is assessed regularly by the Board of Directors and managed operationally by the Group Treasury. Capital structure management at Metso Outotec comprises both equity and interest-bearing debt and its objectives are to safeguard the ongoing business operations and to optimize the cost of capital. As of September 30, 2021, the equity attributable to shareholders was EUR 2,117 million, and the amount of gross debt was EUR 984 million excluding lease liabilities.

Metso Outotec has a target to maintain an investment-grade credit rating. Metso Outotec has a 'BBB-' long-term issuer credit rating with stable outlook from S&P Global Ratings and a 'Baa2' long-term issuer rating with stable outlook from Moody's Investor Service.

There are no prepayment covenants in Metso Outotec's financial contracts that would be triggered by changes in credit rating. Covenants included in some financing agreements refer to a combination of certain credit-rating level and Metso Outotec's capital structure. Metso Outotec is in compliance with all covenants and other terms of its debt instruments.

5. Fair value estimation

For those financial assets and liabilities that have been recognized at fair value in the balance sheet, the following measurement hierarchy and valuation methods have been applied:

- | | |
|---------|--|
| Level 1 | Unadjusted quoted prices in active markets at the balance sheet date. The market prices are readily and regularly available from an exchange, dealer, broker, market information service system, pricing service, or regulatory agency. The quoted market price used for financial assets is the current bid price. Level 1 financial instruments include fund investments classified as fair value through profit and loss |
| Level 2 | The fair value of financial instruments in Level 2 is determined using valuation techniques. These techniques utilize observable market data readily and regularly available from an exchange, dealer, broker, market information service system, pricing service or regulatory agency. Level 2 financial instruments include: <ul style="list-style-type: none">• Over-the-counter derivatives classified as financial assets/liabilities at fair value through profit and loss or qualified for hedge accounting• Debt securities classified as financial instruments at fair value through profit and loss• Fixed-rate debt under fair value hedge accounting |
| Level 3 | A financial instrument is categorized into Level 3 if the calculation of the fair value cannot be based on observable market data. There were no such instruments on September 30, 2021, or on December 31, 2020. |

The table below presents financial assets and liabilities that are measured at fair value. There have been no transfers between fair value levels during the presented period.

EUR million	Sep 30, 2021		
	Level 1	Level 2	Level 3
Assets			
Financial assets at fair value through profit and loss			
Derivatives not under hedge accounting	-	13	-
Financial assets at fair value through other comprehensive income			
Derivatives under hedge accounting	-	23	-
Total	-	36	-
Liabilities			
Financial liabilities at fair value through profit and loss			
Derivatives not under hedge accounting	-	22	-
Financial liabilities at fair value through other comprehensive income			
Derivatives under hedge accounting	-	22	-
Total	-	44	-

EUR million	Dec 31, 2020		
	Level 1	Level 2	Level 3
Assets			
Financial assets at fair value through profit and loss			
Derivatives not under hedge accounting	-	20	-
Financial assets at fair value through other comprehensive income			
Derivatives under hedge accounting	-	27	-
Total	-	47	-
Liabilities			
Financial liabilities at fair value through profit and loss			
Derivatives not under hedge accounting	-	21	-
Financial liabilities at fair value through other comprehensive income			
Derivatives under hedge accounting	-	10	-
Total	-	31	-

The carrying value of other financial assets and liabilities other than those presented in this fair value level hierarchy table approximates their fair value. Fair values of other debt are calculated as net present values.

6. Notional amounts of derivative instruments

EUR million	Sep 30, 2021	Sep 30, 2020	Dec 31, 2020
Forward exchange rate contracts	2,245	1,677	1,638
Interest rate swaps	275	145	295

7. Contingent liabilities and other commitments

EUR million	Sep 30, 2021	Sep 30, 2020	Dec 31, 2020
Guarantees			
External guarantees given by parent and group companies	1,410	1,245	1,260
Other commitments			
Repurchase commitments	0	0	0
Other contingencies	1	1	1
Total	1,411	1,246	1,262

8. Acquisitions

Outotec acquisition in 2020

The partial demerger of Metso Corporation and combination of Metso's Minerals business and Outotec was completed on June 30, 2020. In the consolidated financial statements according to IFRS this transaction is treated as a reverse acquisition, where Metso Minerals is the accounting acquirer and Outotec the accounting acquiree. The acquisition of Outotec has been accounted for in the consolidated financial statements as a business combination using the acquisition method.

Consideration transferred

The consideration transferred amounted to EUR 899 million and was measured using the market price of the Outotec share (EUR 4.91) as of June 30, 2020, and the number of Outotec shares outstanding (183.1 million) before the completion of the transaction.

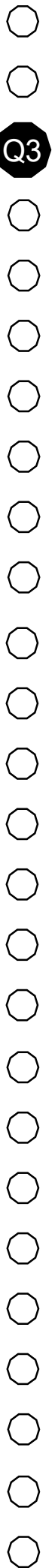
Recognized amounts of identifiable assets acquired, and liabilities assumed

Outotec's net assets were identified and recognized at fair value as of the acquisition date on June 30, 2020. Adjustments were made as of June 30, 2021 as follows: deferred tax assets on prior year timing differences EUR -16 million, other liabilities EUR 13 million, right-of-use assets EUR 3 million, current liabilities EUR 2 million, increases in provisions related to discontinued operations EUR 61 million compared to the original fair value calculation, and other minor items. Due to the adjustments in fair values of Outotec at the acquisition date, the value of goodwill increased EUR 67 million in year 2021. The following table summarizes the fair values of assets and liabilities assumed.

Assets and liabilities recognized as a result of the acquisition

EUR million	Fair value
Intangible assets	858
Property, plant, and equipment	43
Right-of-use assets	61
Deferred tax assets	71
Other non-current assets	8
Inventory	219
Trade receivables	115
Customer contract assets	181
Income tax receivables	15
Other receivables	67
Liquid funds	215
Assets	1,854
Non-current interest-bearing liabilities	-43
Deferred tax liability	-188
Other non-current liabilities	-124
Current interest-bearing liabilities	-468
Trade payables	-126
Customer contract liabilities	-145
Accrued income taxes	-13
Other liabilities	-329
Liabilities	-1,437
Net liabilities, held for sale	-100
Net identifiable assets acquired at fair value	316
Goodwill	584
Purchase consideration	899

Due to adjustments in the fair values of Outotec at the acquisition date, the balance sheet for year 2020 and for September 30, 2020 has been restated. The adjustments had no effect on the Income statement.



9. Business disposals

Discontinued operations

On October 28, 2020, Metso Outotec announced its decision to divest its Recycling business. The Recycling business sells products and services for metal and waste recycling.

In late 2019, Outotec announced its decision to divest the businesses related to aluminium and waste-to-energy. The aluminium business comprises green anode plant, rod shop and certain cast house technologies, as well as related service operations. The waste-to-energy business comprises biomass, wood waste and various other fuel plants, including related service operations.

The divested businesses have been classified as discontinued operations, including the transfer of assets and liabilities held for sale on separate lines in the consolidated balance sheet. The figures in the statement of income have been adjusted to show the discontinued operations separately from continuing operations.

Business disposals in 2021

On April 6, 2021, Metso Outotec completed the divestment of its aluminium business to REEL International. The divested business comprises equipment and plant solutions to green anode plants, anode rod shops, and cast houses used in aluminium smelters, as well as the related services.

The capital gain of approximately EUR 20 million from the disposal of aluminium business has been reported under discontinued operations.

10. Segment information, IFRS

The Recycling business has been reclassified as discontinued operations and its figures are not included in the segment figures below.

ORDERS RECEIVED

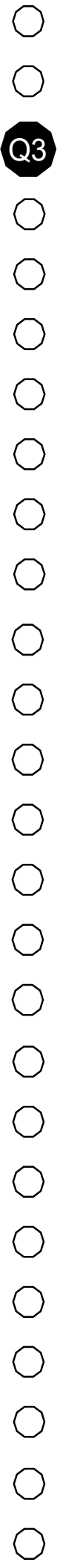
EUR million	7-9/2021	7-9/2020	1-9/2021	1-9/2020	1-12/2020
Aggregates	325	232	1,043	744	1,107
Minerals	968	516	2,367	1,520	2,250
Metals	357	61	701	128	340
Metso Outotec total	1,649	809	4,111	2,392	3,696

ORDERS RECEIVED BY SERVICES BUSINESS

EUR million	7-9/2021	7-9/2020	1-9/2021	1-9/2020	1-12/2020
Aggregates	90	75	269	236	319
% of orders received	27.8	32.3	25.8	31.8	28.9
Minerals	457	375	1,366	1,075	1,485
% of orders received	47.2	72.6	57.7	70.7	66.0
Metals	27	10	75	10	35
% of orders received	7.5	16.1	10.7	7.6	10.4
Metso Outotec total	573	460	1,710	1,321	1,840
% of orders received	34.8	56.8	41.6	55.2	49.8

SALES

EUR million	7-9/2021	7-9/2020	1-9/2021	1-9/2020	1-12/2020
Aggregates	293	244	878	741	992
Minerals	604	634	1,748	1,472	2,112
Metals	126	79	333	128	215
Metso Outotec total	1,023	957	2,958	2,341	3,319



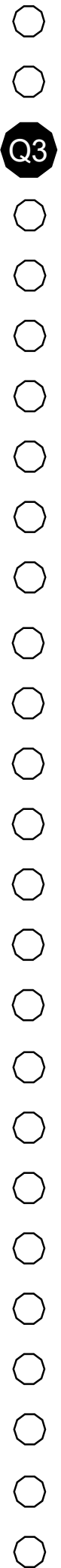
Q3

SALES BY SERVICES BUSINESS

EUR million	7-9/2021	7-9/2020	1-9/2021	1-9/2020	1-12/2020
Aggregates	93	75	249	239	312
% of sales	31.8	30.6	28.4	32.3	31.5
Minerals	390	413	1,173	1,036	1,430
% of sales	64.6	65.1	67.1	70.4	67.7
Metals	20	34	75	34	51
% of sales	16.2	43.2	22.5	26.7	23.7
Metso Outotec total	504	522	1,497	1,309	1,793
% of sales	49.2	54.5	50.6	55.9	54.0

ADJUSTED EBITA AND OPERATING PROFIT

EUR million, %	7-9/2021	7-9/2020	1-9/2021	1-9/2020	1-12/2020
Aggregates					
Adjusted EBITA	42	26	126	76	107
% of sales	14.4	10.7	14.4	10.3	10.8
Amortization of intangible assets	-4	-3	-11	-10	-13
Adjustment items	-1	-2	-5	-2	1
Operating profit	37	21	111	64	95
% of sales	12.7	8.7	12.6	8.7	9.5
Minerals					
Adjusted EBITA	96	97	258	233	318
% of sales	15.9	15.4	14.8	15.8	15.0
Amortization of intangible assets	-12	-24	-36	-26	-55
Adjustment items	3	-2	-2	-3	-10
Operating profit	87	72	220	204	253
% of sales	14.4	11.3	12.6	13.9	12.0
Metals					
Adjusted EBITA	6	-8	7	-1	-10
% of sales	4.8	-10.3	2.1	-0.8	-4.6
Amortization of intangible assets	-1	-10	-8	-10	-14
Adjustment items	-1	0	-5	0	0
Operating profit	4	-18	-5	-11	-24
% of sales	3.2	-22.3	-1.6	-8.2	-11.2
Group Head Office and other					
Adjusted EBITA	-5	-5	-7	-15	-18
Amortization of intangible assets	-1	-1	-2	-3	-4
Adjustment items	-15	-18	-21	-44	-63
Operating profit	-21	-24	-30	-62	-84
Metso Outotec total					
Adjusted EBITA	139	111	384	293	397
% of sales	13.6	11.6	13.0	12.5	11.9
Amortization of intangible assets	-18	-37	-56	-48	-85
Adjustment items	-14	-22	-33	-49	-72
Operating profit	107	51	295	195	239
% of sales	10.5	5.4	10.0	8.3	7.2



Q3

ADJUSTMENT ITEMS BY CATEGORY

EUR million, %	7-9/2021	7-9/2020	1-9/2021	1-9/2020	1-12/2020
Capacity adjustment costs	-18	-15	-34	-17	-38
Acquisition costs	0	-	-2	-	5
Profit on disposals, net	4	-	4	-	-
Metso Outotec integration costs	-	-4	-	-9	-14
Metso Outotec transaction costs	-	-5	-	-26	-25
Adjustment items, total	-14	-24	-33	-52	-72

Quarterly segment information, IFRS

ORDERS RECEIVED

EUR million	7-9/2021	4-6/2021	1-3/2021	10-12/2020	7-9/2020
Aggregates	325	363	356	363	232
Minerals	968	755	645	730	516
Metals	357	243	101	212	61
Metso Outotec total	1,649	1,360	1,102	1,304	809

SALES

EUR million	7-9/2021	4-6/2021	1-3/2021	10-12/2020	7-9/2020
Aggregates	293	320	265	251	244
Minerals	604	578	566	640	634
Metals	126	112	95	86	79
Metso Outotec total	1,023	1,010	925	977	957

Adjusted EBITA

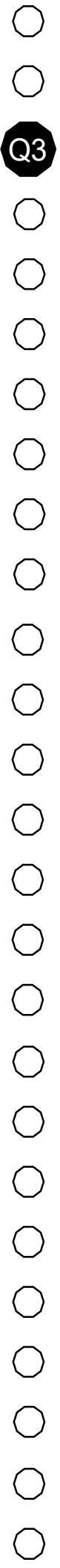
EUR million	7-9/2021	4-6/2021	1-3/2021	10-12/2020	7-9/2020
Aggregates	42	47	37	31	26
Minerals	96	82	80	85	97
Metals	6	2	-1	-9	-8
Group Head Office and other	-5	0	-2	-3	-5
Metso Outotec total	139	131	115	103	111

Adjusted EBITA, % OF SALES

%	7-9/2021	4-6/2021	1-3/2021	10-12/2020	7-9/2020
Aggregates	14.4	14.6	14.1	12.2	10.7
Minerals	15.9	14.2	14.2	13.3	15.4
Metals	4.8	1.6	-1.0	-10.1	-10.3
Group Head Office and other	n/a	n/a	n/a	n/a	n/a
Metso Outotec total	13.6	12.9	12.4	10.6	11.6

AMORTIZATION

EUR million	7-9/2021	4-6/2021	1-3/2021	10-12/2020	7-9/2020
Aggregates	-4	-3	-4	-3	-3
Minerals	-12	-12	-12	-29	-24
Metals	-1	-5	-2	-5	-10
Group Head Office and other	-1	-1	0	-1	-1
Metso Outotec total	-18	-21	-17	-38	-37



ADJUSTMENT ITEMS

EUR million	7-9/2021	4-6/2021	1-3/2021	10-12/2020	7-9/2020
Aggregates	-1	-3	0	3	-2
Minerals	3	-4	-2	-7	-2
Metals	-1	-2	-2	0	0
Group Head Office and other	-15	-4	-2	-18	-18
Metso Outotec total	-14	-13	-6	-22	-22

OPERATING PROFIT

EUR million	7-9/2021	4-6/2021	1-3/2021	10-12/2020	7-9/2020
Aggregates	37	40	33	31	21
Minerals	87	66	67	49	72
Metals	4	-4	-5	-14	-18
Group Head Office and other	-21	-5	-4	-22	-24
Metso Outotec total	107	97	91	44	51

OPERATING PROFIT, % OF SALES

%	7-9/2021	4-6/2021	1-3/2021	10-12/2020	7-9/2020
Aggregates	12.7	12.6	12.6	12.2	8.7
Minerals	14.4	11.4	11.8	7.6	11.3
Metals	3.2	-4.0	-5.1	-15.7	-22.3
Group Head Office and other	n/a	n/a	n/a	n/a	n/a
Metso Outotec total	10.5	9.6	9.8	4.5	5.4

ORDER BACKLOG

EUR million	Sep 30, 2021	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020	Sep 30, 2020
Aggregates	560	536	492	402	303
Minerals	1,983	1,633	1,500	1,426	1,341
Metals	953	707	577	538	405
Metso Outotec total	3,496	2,876	2,569	2,366	2,049

11. Exchange rates

Currency	1-9/2021	1-9/2020	1-12/2020	Sep 30, 2021	Sep 30, 2020	Dec 31, 2020
USD (US dollar)	1.1972	1.1293	1.1452	1.1579	1.1708	1.2271
SEK (Swedish krona)	10.1436	10.5648	10.4789	10.1683	10.5713	10.0343
GBP (Pound sterling)	0.8663	0.8823	0.8864	0.8605	0.9124	0.8990
CAD (Canadian dollar)	1.4999	1.5246	1.5320	1.4750	1.5676	1.5633
BRL (Brazilian real)	6.3660	5.7015	5.8847	6.2631	6.6308	6.3735
CNY (Chinese yuan)	7.7422	7.8872	7.8916	7.4847	7.9720	8.0225
AUD (Australian dollar)	1.5833	1.6609	1.6523	1.6095	1.6438	1.5896

12. Events after reporting period

On October 1, 2021, Metso Outotec completed the divestment of Outotec Turula Oy in Finland. The divested business manufactures equipment and components used in the minerals processing and metals refining industries. The transaction has no material impact on Metso Outotec's financial results.

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 that 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.



Metso Outotec's information

Financial Statements Review for 2021 on February 10, 2022

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