

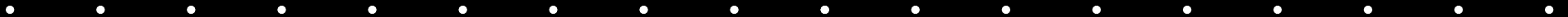
Metso:Outotec

Q2 and Half-year review 2021



CEO Pekka Vauramo and CFO Eeva Sipilä

August 4, 2021



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.

About this financial information

- Under IFRS, the merger of Metso's Minerals business and Outotec is treated as a reverse acquisition, where Metso Minerals is the accounting acquirer and Outotec the accounting acquiree.
- Metso Outotec has prepared both illustrative and IFRS-based historical quarterly segment information for January - June 2020. The illustrative historical segment information is presented as a combination of Metso Minerals carve-out information and Outotec information, according to the Metso Outotec segment structure. The Outotec information is based on Outotec's historical accounting principles, and Outotec's Minerals Processing segment is included in Metso Outotec's Minerals segment and Outotec's Metals Refining segment is included in Metso Outotec's Metals segment.

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Source:

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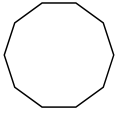
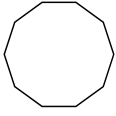
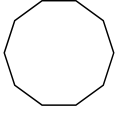
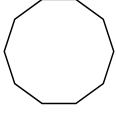
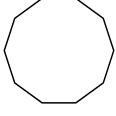

01

Results in brief

Pekka Vauramo
President and CEO



Q2 in short

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- Strong market activity and order intake in all segments
 - Strong sales and profitability in Aggregates
 - Low sales affected Minerals
 - Metals turnaround progressing
 - Integration ahead of plan
 - Good development in sustainability

Group Q2 key figures, IFRS (comparison period illustrative combined)

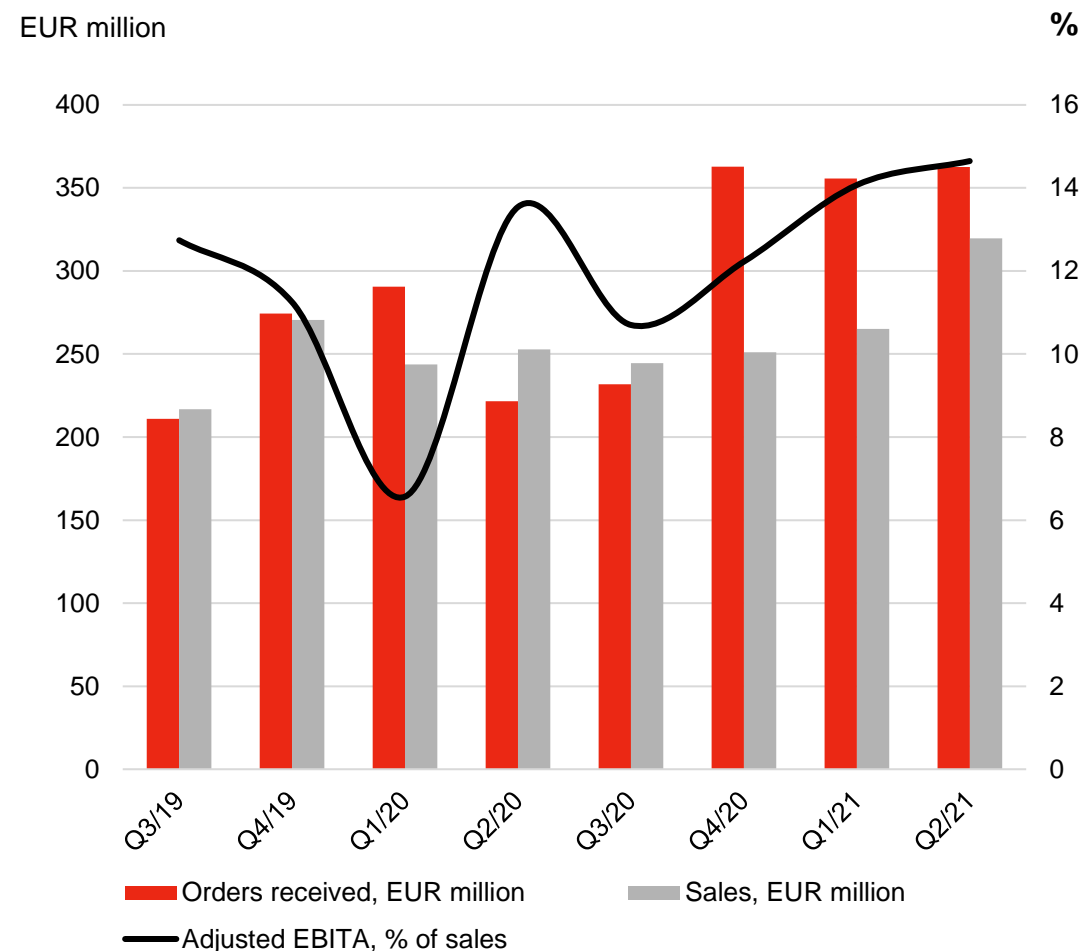
- Orders received grew by 43 percent to EUR 1,360 million (EUR 953 million)
- Sales EUR 1,010 million (EUR 1,016 million)
- Adjusted EBITA EUR 131 million, or 12.9% of sales (EUR 139 million, or 13.7%)
- Operating profit EUR 97 million, or 9.6% of sales (EUR 89 million, or 8.8%)
- Cash flow from operations EUR 107 million
- EUR 105 million run-rate of integration cost synergies achieved

Covid-19 impacts in Q2

- Workforce mobility and access to sites still limited in several countries
- In North America and Australia, the domestic travel has recovered, and increased customer activity related to on-site work
- Our own operations have been running with additional health and safety measures and without major disruptions

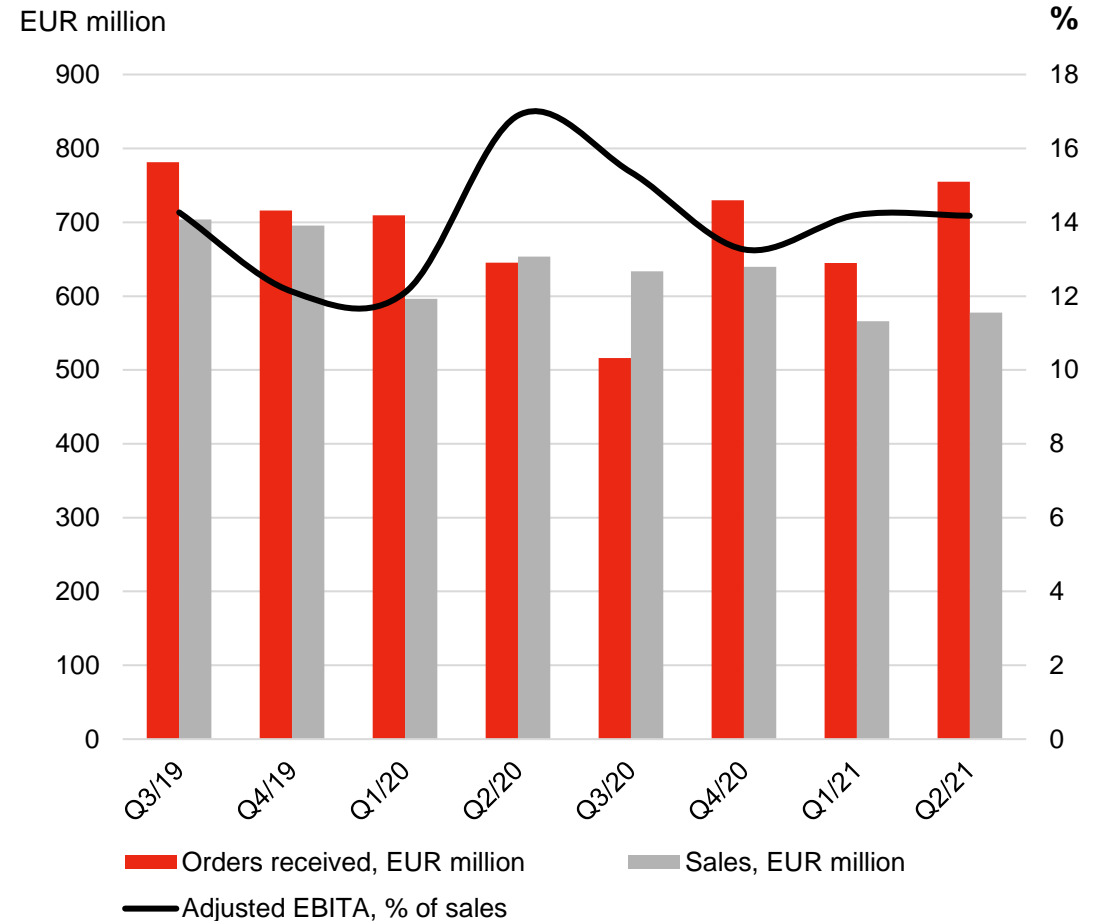
Aggregates segment quarterly highlights

- Orders received EUR 363 million (EUR 222 million)
 - Organic growth +68%
 - Strong recovery in infrastructure spending
 - Robust H1 season
- Sales EUR 320 million (EUR 253 million)
 - Organic growth +29%
 - Driven by strong orders since Q4/20
- Adjusted EBITA EUR 47 million (EUR 34 million)
 - Record margin of 14.6% (13.5%)
 - Volume growth
 - Successful implementation of improvement measures



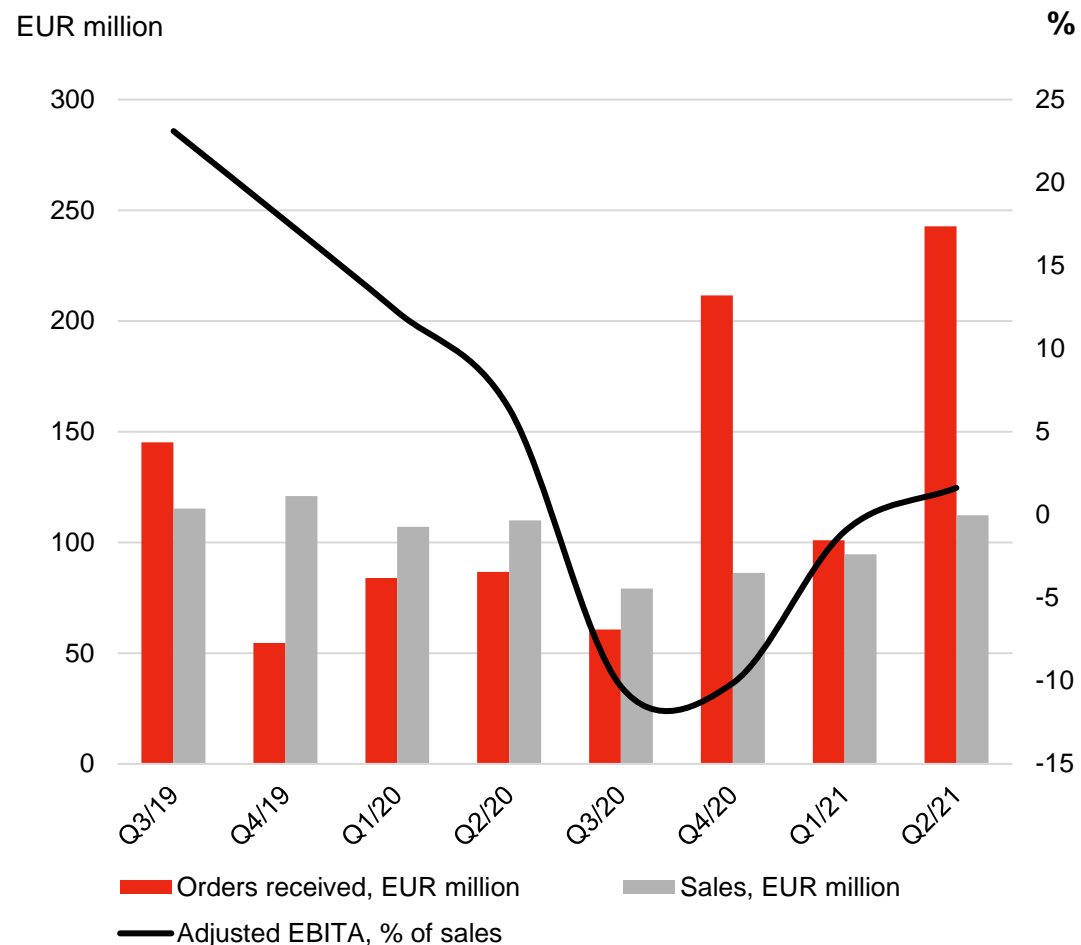
Minerals segment quarterly highlights

- Orders EUR 755 million (EUR 645 million)
 - Focus on sustainability and productivity
 - On-site services still affected by Covid-19
 - Currency impact -6%
- Sales EUR 578 million (EUR 653 million)
 - Organic growth -7%
 - Timing of order backlog and lower services sales
- Adjusted EBITA EUR 82 million (EUR 110 million)
 - Margin of 14.2% (16.9%)
 - Lower sales
 - Affected by the completion of footprint and warehouse consolidation actions



Metals segment quarterly highlights

- Orders received EUR 243 million (EUR 87 million)
 - Improved market activity
 - Strongest growth in pelletizing
- Sales EUR 112 million (EUR 110 million)
 - Low due to timing of deliveries from backlog
- Adjusted EBITA EUR 2 million (EUR 8 million)
 - Improved sequentially back to positive
 - First impacts of the turnaround actions visible



02

Financials in details

Eeva Sipilä
CFO

Income Statement (illustrative combined)

EUR million	Q2/2021	Q2/2020	Q1-Q2/2021	Q1-Q2/2020	1-12/2020
Sales	1,010	1,016	1,935	1,963	3,897
Gross profit	291	294	554	564	1,035
% of sales	28.9	29.0	28.7	28.8	26.6
SG&A expenses	-194	-182	-363	-368	-748
Adjusted EBITA	131	139	245	234	448
% of sales	12.9	13.7	12.7	11.9	11.5
Adjustments	-13	-38	-19	-53	-97
Operating profit	97	89	188	158	253
% of sales	9.6	8.8	9.7	8.0	6.5

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IFRS Income Statement

EUR million	Q2/2021	Q1-Q2/2021	1-12/2020
Sales	1,010	1,935	3,319
Adj. EBITA	131	245	397
Adj. EBITA, %	12.9	12.7	11.9
Operating profit	97	188	239
Operating profit, %	9.6	9.7	7.2
Net financial expenses	-11	-18	-38
Profit before taxes	86	170	201
Income taxes	-22	-43	-52
Profit for the period, continuing operations	64	127	149
Profit for the period	86	145	138
Earnings per share, continuing operations, EUR	0.07	0.15	0.20

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IFRS Balance Sheet

EUR million	June 30, 2021	December 31, 2020
Intangible assets	2,041	2,060
Total property, plant and equipment	372	356
Right-of-use assets	132	132
Other non-current assets	250	215
Inventories	1,154	1,038
Receivables (trade and other)	1,112	1,083
Liquid funds	469	537
Assets held for sale	143	145
TOTAL ASSETS	5,673	5,567
Total equity	2,049	2,040
Interest-bearing liabilities	1,164	1,345
Non-interest-bearing liabilities	2,346	1,984
Liabilities held for sale	114	198
TOTAL EQUITY AND LIABILITIES	5,673	5,567

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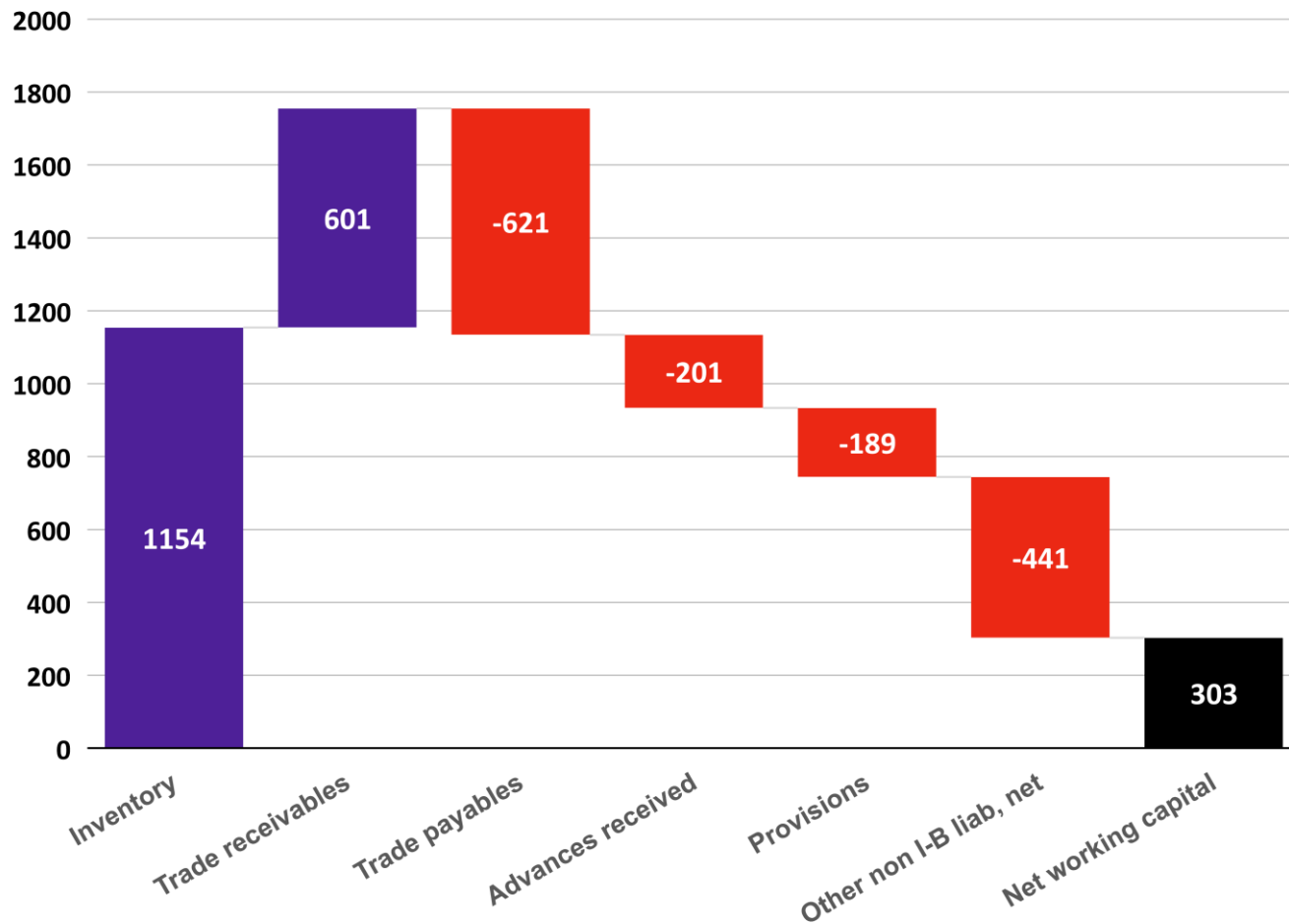
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Analysis of Cash Flow

EUR million	Q2/2021	Q1-Q2/2021	1-12/2020
Profit for the period, continuing operations	64	127	149
Profit for the period, discontinued operations	22	19	-11
Adjustments:	55	131	256
Depreciation and amortization	44	83	160
Financial expenses, net	11	18	38
Income taxes	23	43	58
Other items	-23	-14	0
Change in net working capital	-34	-4	193
Net cash flow from operating activities before financial items and taxes	107	272	587

Net working capital on June 30, 2021

EUR million



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Financial position

- Committed and undrawn revolving credit facilities totaled EUR 600 million on June 30
- Two bilateral revolving credit facilities cancelled, totaling EUR 90 million (maturity in 2022)
- Early repayment of EUR 50 million on the EUR 150 million term loan
- Ratings:
 - Moody's (April 2021): 'Baa2' long-term rating with stable outlook
 - S&P (May 2021): 'BBB-' long-term rating with stable outlook

EUR million	June 30, 2021	Dec 31, 2020
Liquid funds	469	537
Net debt	686	799
Gearing, %	33.5	39.2
Equity-to-assets ratio, %	39.7	39.5
Debt to capital, %	33.4	37.2
Equity/share, EUR	2.47	2.46

03

Integration, strategy and outlook

Pekka Vauramo
President and CEO

Integration proceeding ahead of plan

- Run-rate of EUR 105 million reached in cost synergies
- 65% of realized synergies come from the restructuring of the organization and the rest from facilities, IT, and procurement
- Realized revenue synergies as sales totaled EUR 40 million and additional EUR 91 million have been booked in the order backlog
- Around EUR 51 million of the estimated one-off, pre-tax costs of approximately EUR 75 million has been booked so far

Planet Positive – our 1.5°C journey

- We are committed to limiting global warming to 1.5°C with Science Based Targets (SBT):
 - Cut CO₂ emissions by 50% in own production by 2030
 - 20% lower CO₂ emissions in logistics by 2025
 - 20% lower CO₂ emissions in product use by 2025
 - 30% of the supplier spend by the end of 2025 with partners who have set SBT targets
- Planet Positive product portfolio focuses on improving our ecological handprint (scope 3) further
- Good development in safety with year-to-date LTIF 0.6 (FY 2020: 1.5), including own and external workers



Planet Positive well presented in Q2 orders

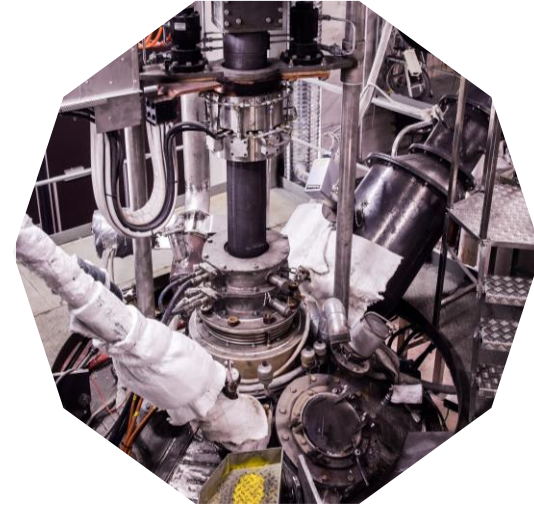
Top picks



- Four pellet plant orders from China within 10 months
- The first integrated beneficiation and pelletizing plant



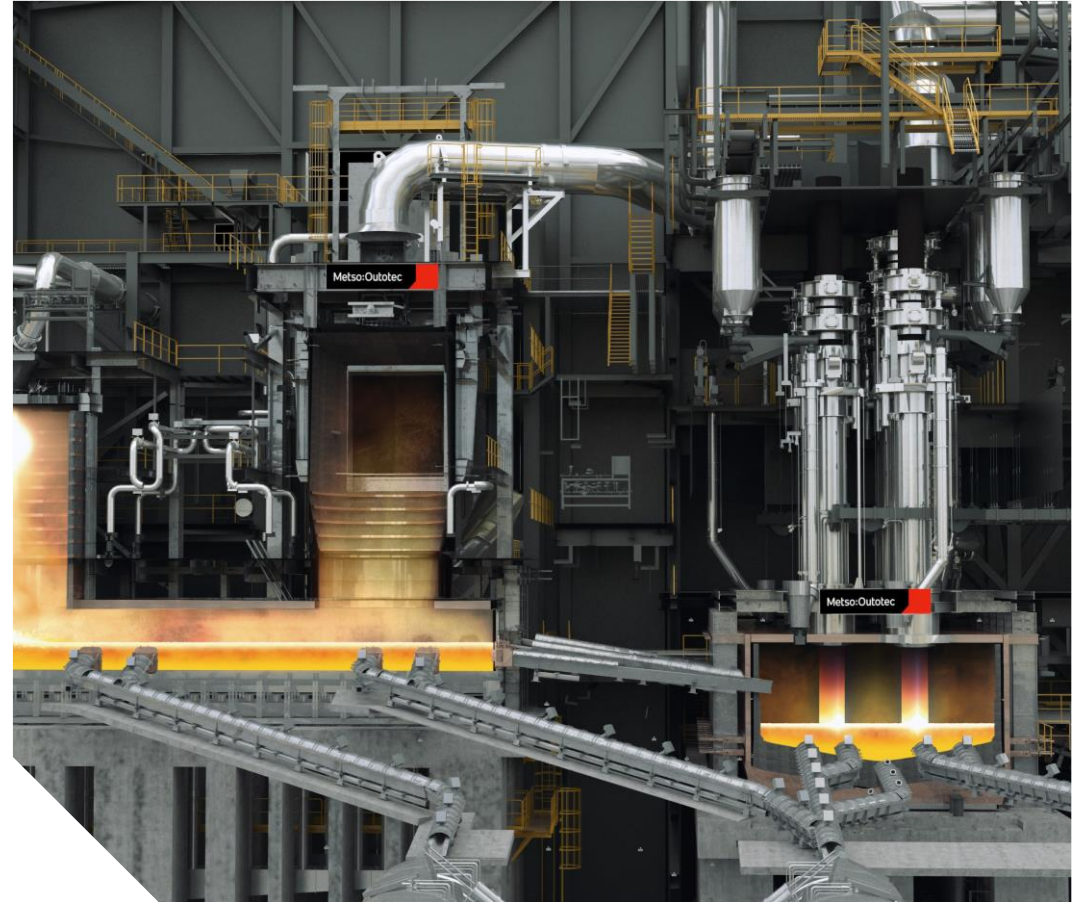
- First Metso Outotec Truck Body to Americas



- Process technology to a precious metals recycling plant
- Lithium hydroxide process for production of battery-grade lithium hydroxide

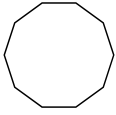
Highlights after the reporting period

- EUR 360 million order for the design and engineering of a copper smelter to Freeport Indonesia Manyar Project
- Waste Recycling agreed to be divested to Ahlström Capital – Metals Recycling divestment process on-going

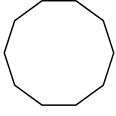
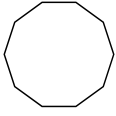




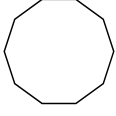
Market outlook



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



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.



04

Q&A

Metso:Outotec

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