Interim Review

January 1 – June 30, 2014

Matti Kähkönen, President and CEO

Harri Nikunen, CFO

July 31, 2014

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.

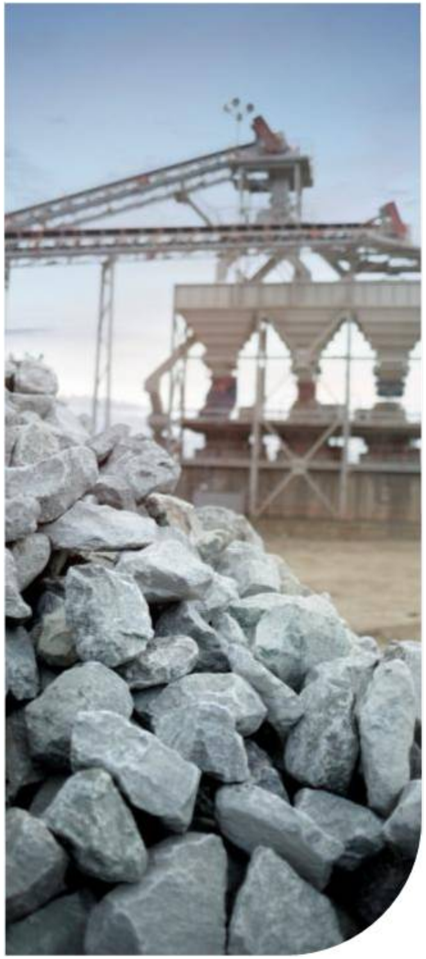
Such factors include, but are not limited to:

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.

Solid performance with improved profitability

Quarterly highlights

- Good performance continued in unchanged market conditions
- Total orders increased 5% and services orders 10% with constant currencies
- Total net sales increased 4% and services net sales 8% with constant currencies
- EBITA before non-recurring items was EUR 131 million or 13.6% of net sales (EUR 118 million, 11.9%)
- Guidance remains unchanged



Figures in the brackets refer to same period last year unless otherwise stated

Record-high orders in Automation; stability seen in Mining and Construction

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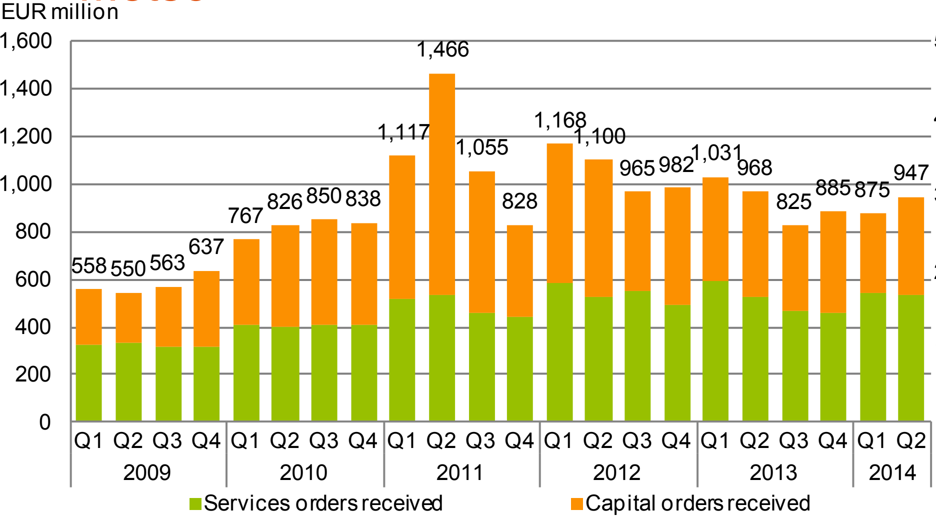
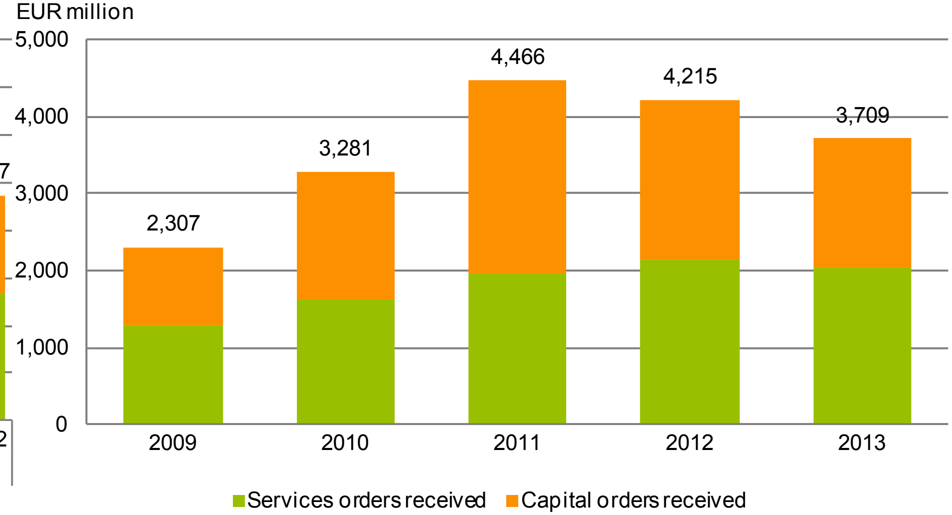
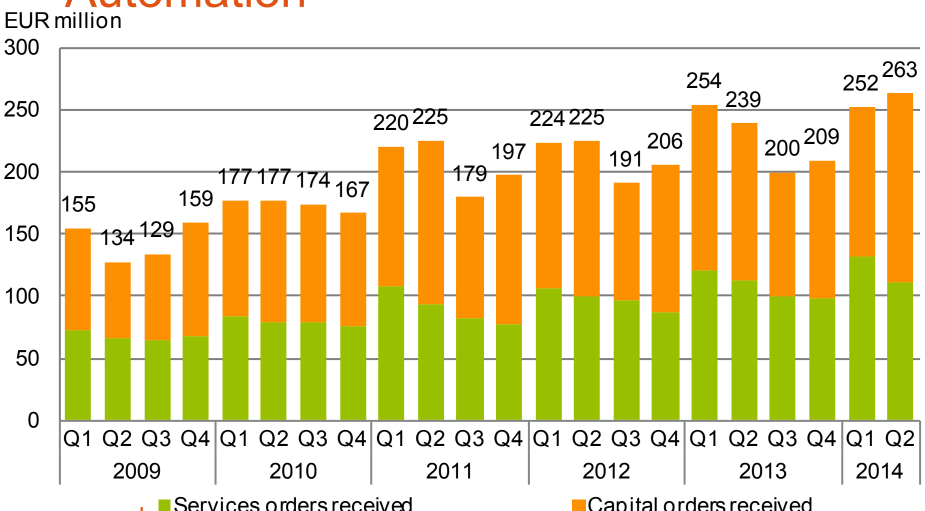


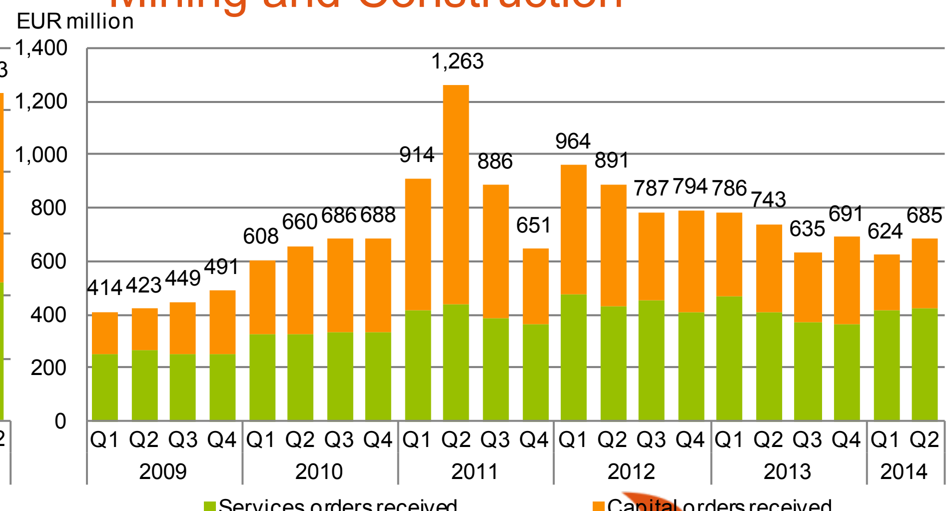
Metso



Automation



Mining and Construction



Services sales are growing again

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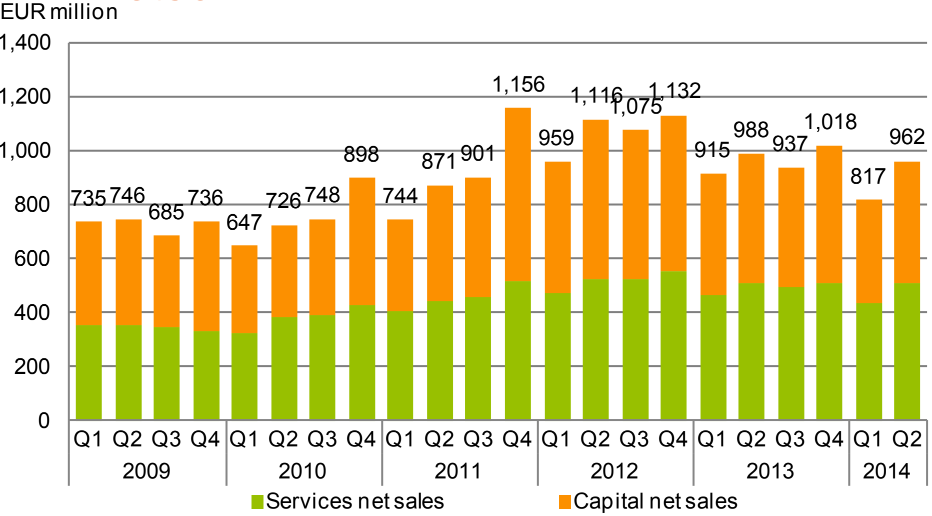

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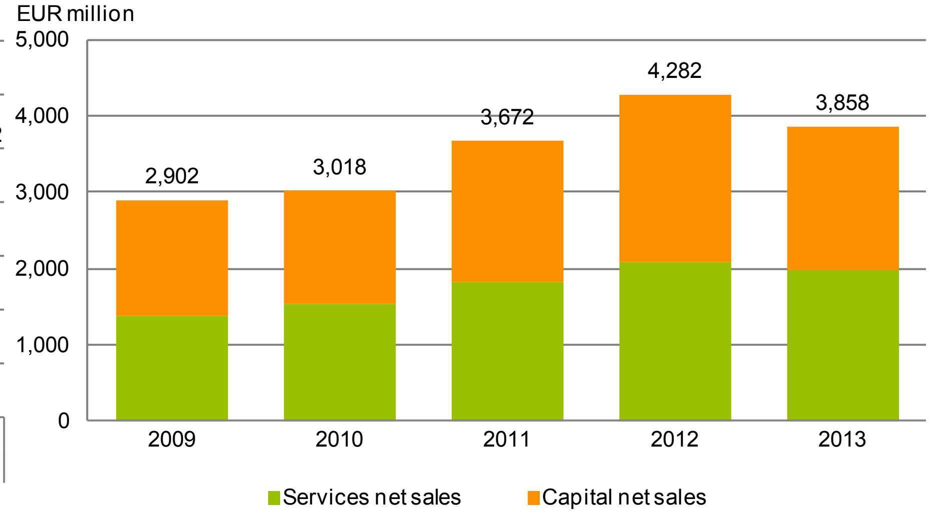

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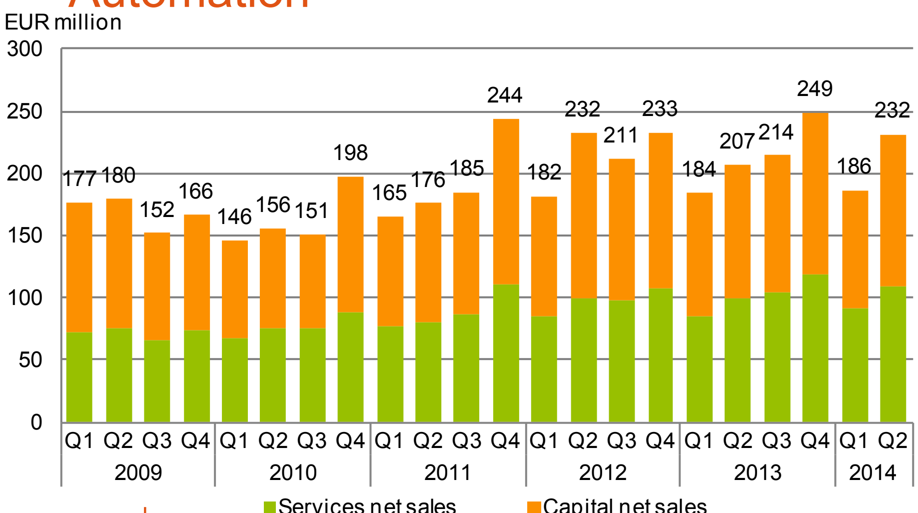
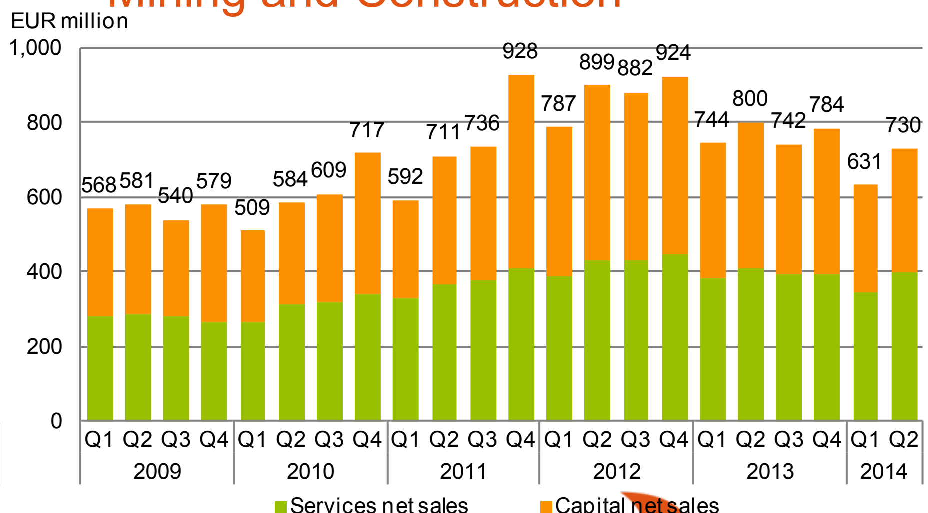
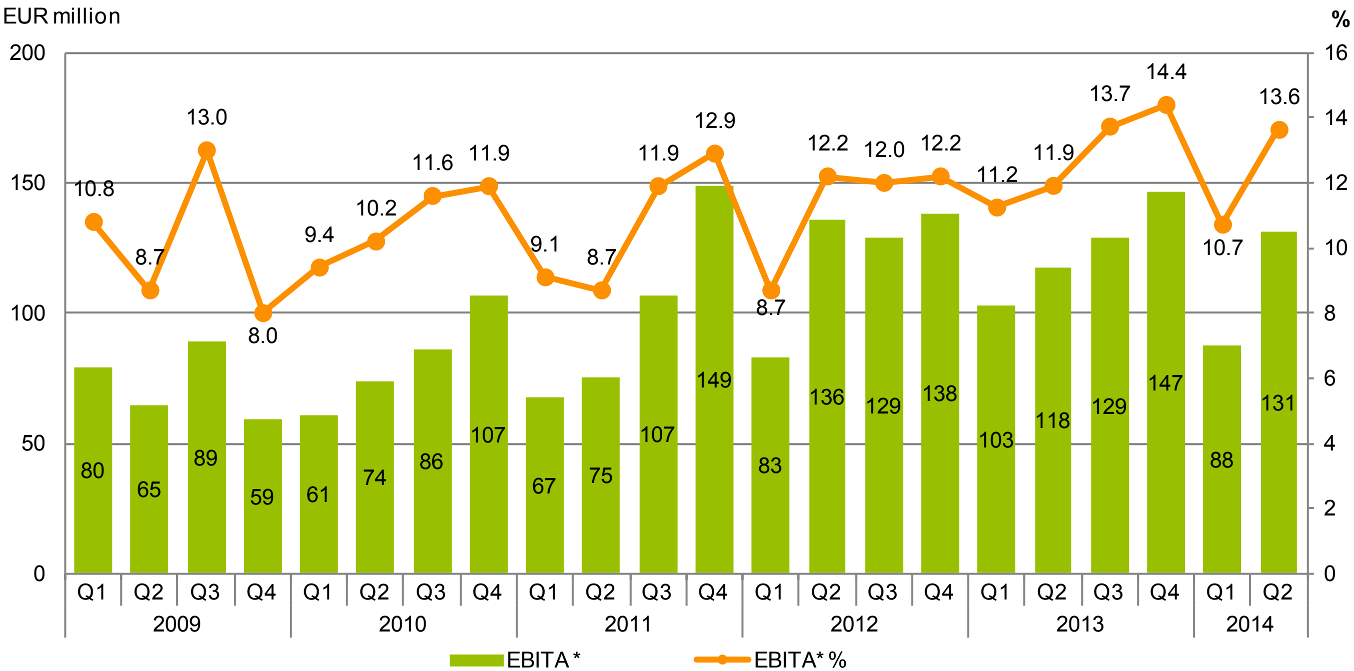
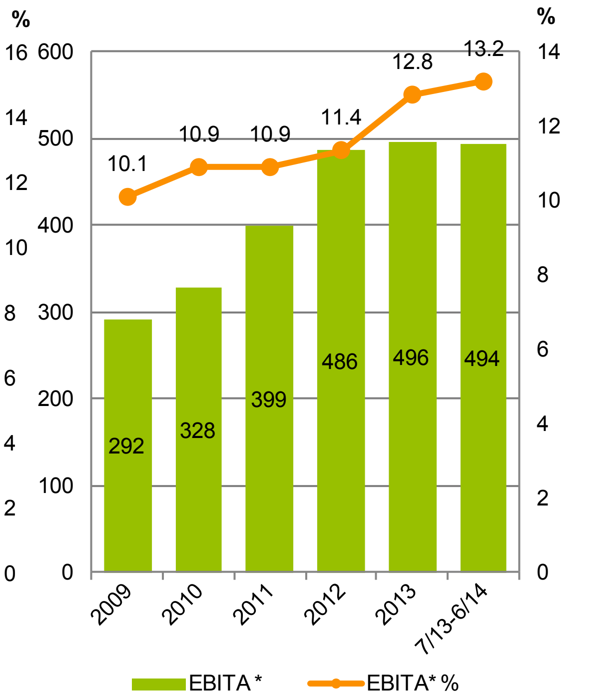


Mining and Construction



Improved profitability shows resilience to lower volumes





EBITA* %	Q2/2014	Q2/2013	
Mining and Construction	**13.5**	12.1	Stable gross margins, lower costs
Automation	**16.4**	13.8	Higher volume, healthy margins, lower costs
Metso total	**13.6**	11.9	

* Before non-recurring items

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Financial performance

Harri Nikunen, CFO

Services and lower costs drive profitability

Group key figures

EUR million	Q2/2014	Q2/2013	Change%	Q1-Q2/2014	Q1-Q2/2013	Change%	2013
Orders received	**947**	968	-2	**1,822**	1,999	-9	**3,709**
without currency impact			5			-2	
Services orders received	**534**	522	2	**1,079**	1,111	-3	**2,038**
without currency impact			10			6	
Net sales	**962**	988	-3	**1,779**	1,903	-7	**3,858**
without currency impact			4			1	
Services net sales	**507**	507	0	**945**	973	-3	**1,976**
% of net sales	**53**	51		**53**	51		**51**
EBITA *	**131.2**	117.7	11	**218.7**	220.5	-1	**496**
% of net sales	**13.6**	11.9		**12.3**	11.6		**12.8**
EBIT **	**101.9**	92.4	10	**178.2**	190.5	-6	**423**
Earnings per share, EUR	**0.35**	0.35		**0.63**	0.72		**1.59**

- Cost savings had an impact; S,G&A has decreased by 10% year-on-year
- Services made strong contribution
- Currency impact still significant

* Before non-recurring items
** Non-recurring expenses totaled 25 million in Q2/2014 (Q2/2013: 21 million) and 31 million in Q1-Q2/2014 (Q1-Q2/2013: 21 million)

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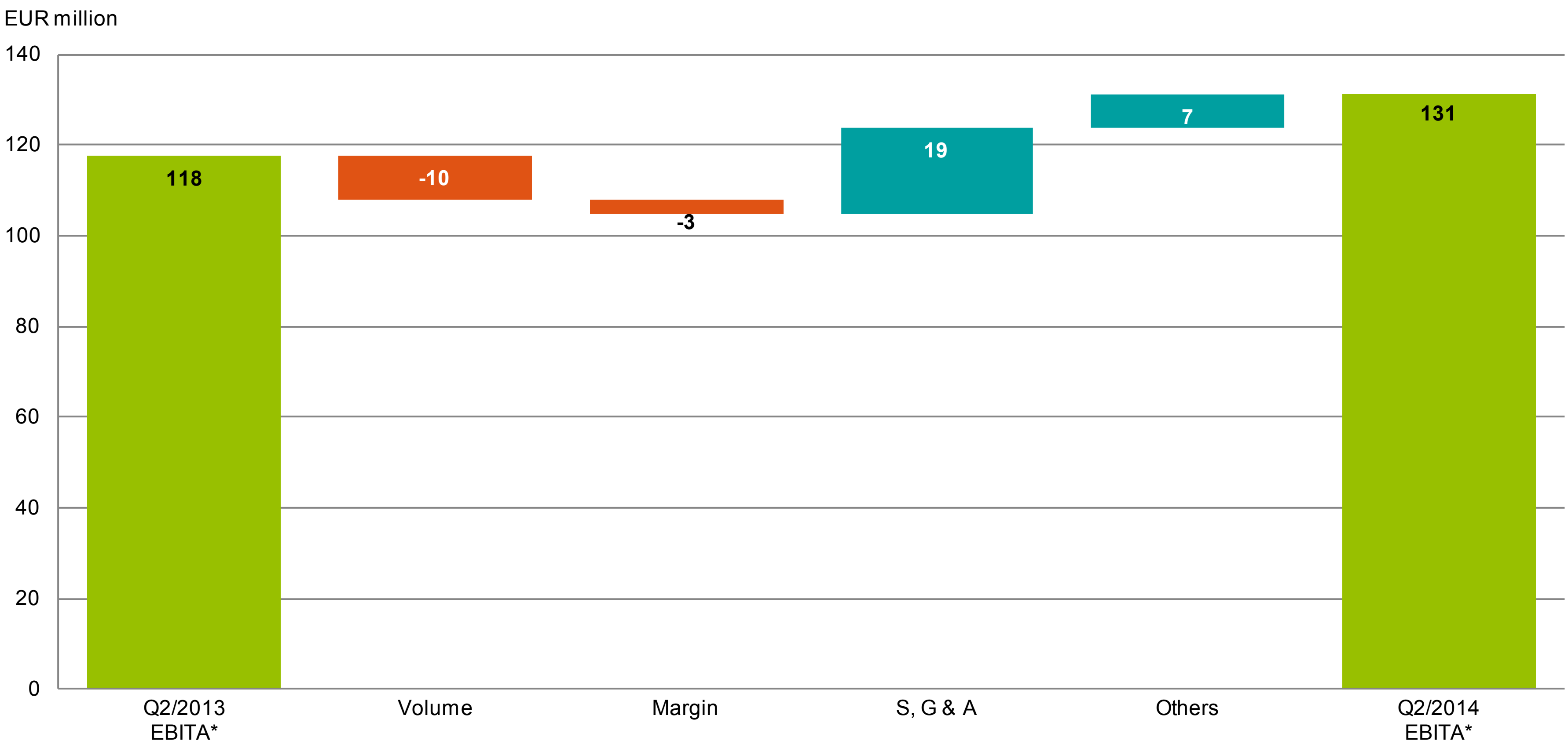
Cost savings continue to make an impact



* Before non-recurring items

Our balance sheet remains strong

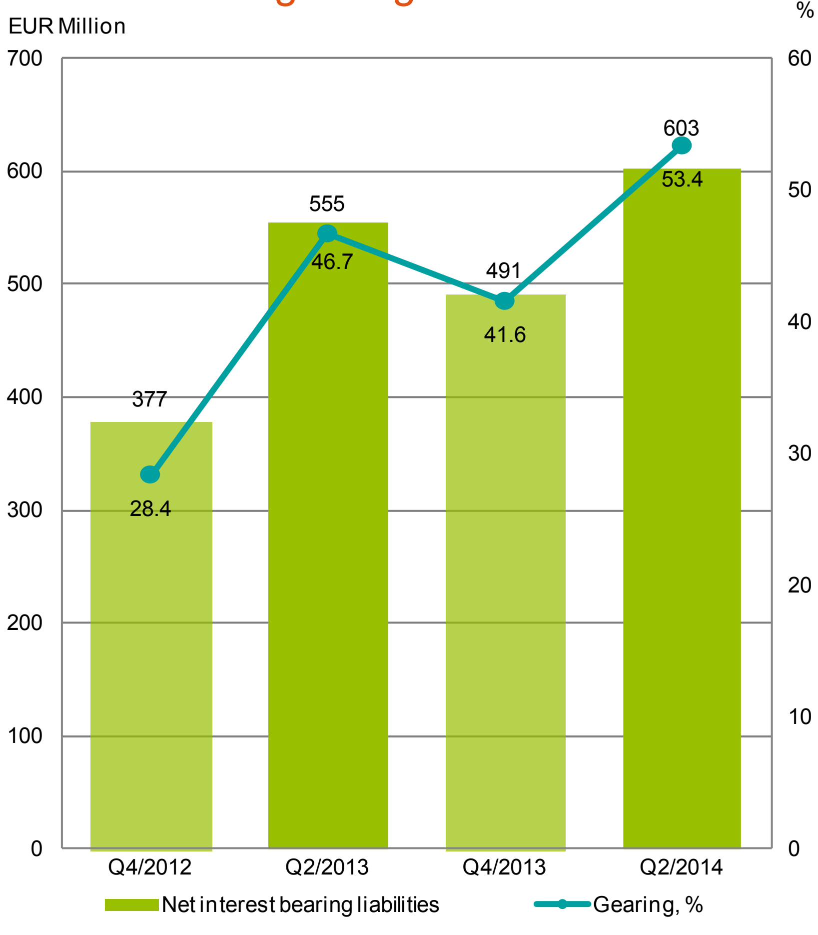
	Q1-Q2/2014	Q1-Q2/2013		2013
Return on equity (ROE), %	**16,4**	17,5		**19,0**
Return on capital employed (ROCE) before taxes, %	**16,6**	16,7		**18,6**
Gearing at the end of the period, %	**53,4**	46,7		**41,6**
Cash conversion, %	**100**	75		**105**
Debt to capital, %	**45,6**	38,4		**47,0**
Net debt / EBITDA	**1,4**	1,2		**1,0**
Interest cover (EBITDA)	**5,8**	7,3		**9,2**

- ROCE ** was negatively impacted by one time costs
- Our Capital Efficiency Program (CEP) is entering implementation phase
  - Key areas of improvement are net working capital, cash management policies and procedures, and an evaluation of our fixed asset base
- We are targeting an improved turnover of capital employed from 1.8 to 2.0 and related capital release

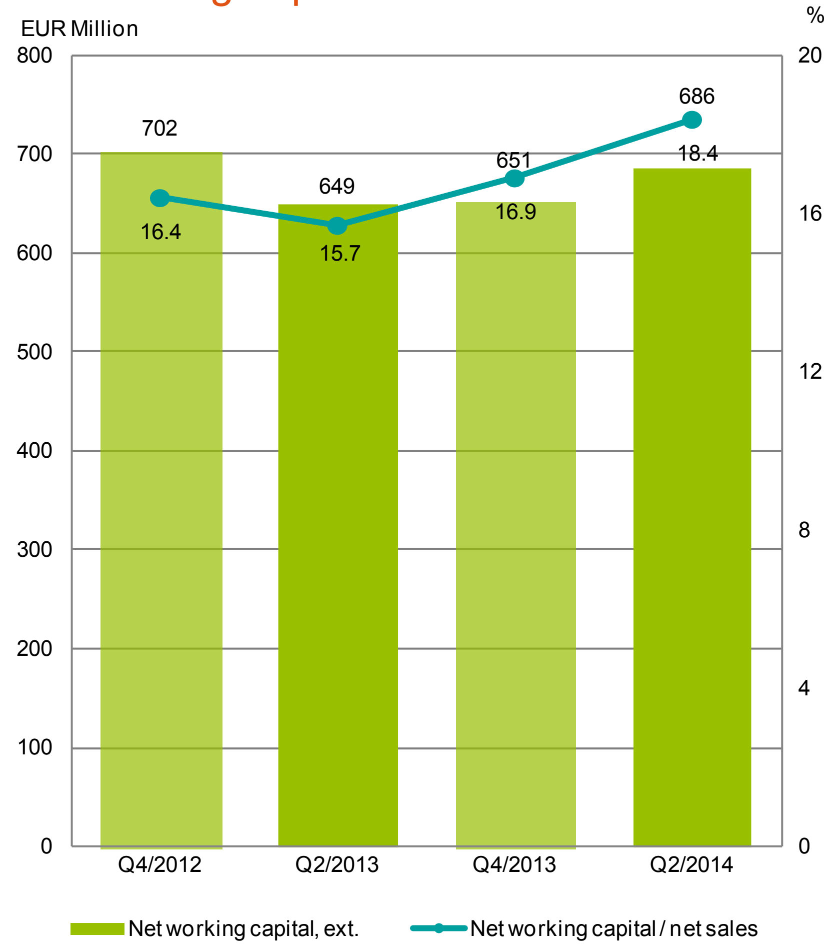
* All figures annualized except for cash conversion

Dividend payment has temporarily increased gearing

Net debt and gearing



Net working capital



Good result, despite lower volumes

Mining and construction key figures

EUR million	Q2/2014	Q2/2013	Change%	Q1-Q2/2014	Q1-Q2/2013	Change%	2013
Orders received	**685**	743	-8	**1,309**	1,529	-14	**2855**
without currency impact			0			-6	
Services orders received	**423**	412	3	**836**	883	-5	**1616**
Net sales	**730**	800	-9	**1,361**	1,544	-12	**3070**
without currency impact			-1			-4	
Services net sales	**398**	410	-3	**745**	793	-6	**1579**
% of net sales	**55**	51		**55**	51		**51**
EBITA *	**98.6**	96.5	2	**170.8**	187.7	-9	**400.8**
% of net sales	**13.5**	12.1		**12.6**	12.2		**13.1**
Return on operative capital employed **, %				**20.5**	23.0		**25.1**

Q2/2014 vs. Q2/2013

- Services orders grew 12% and net sales 6% with constant currencies
- Gross margins held up well
- Significant cost savings were achieved
- ROCE** was impacted by one time costs

* Before non-recurring items
** Excluding cash and other non-operative balance sheet items, annualized

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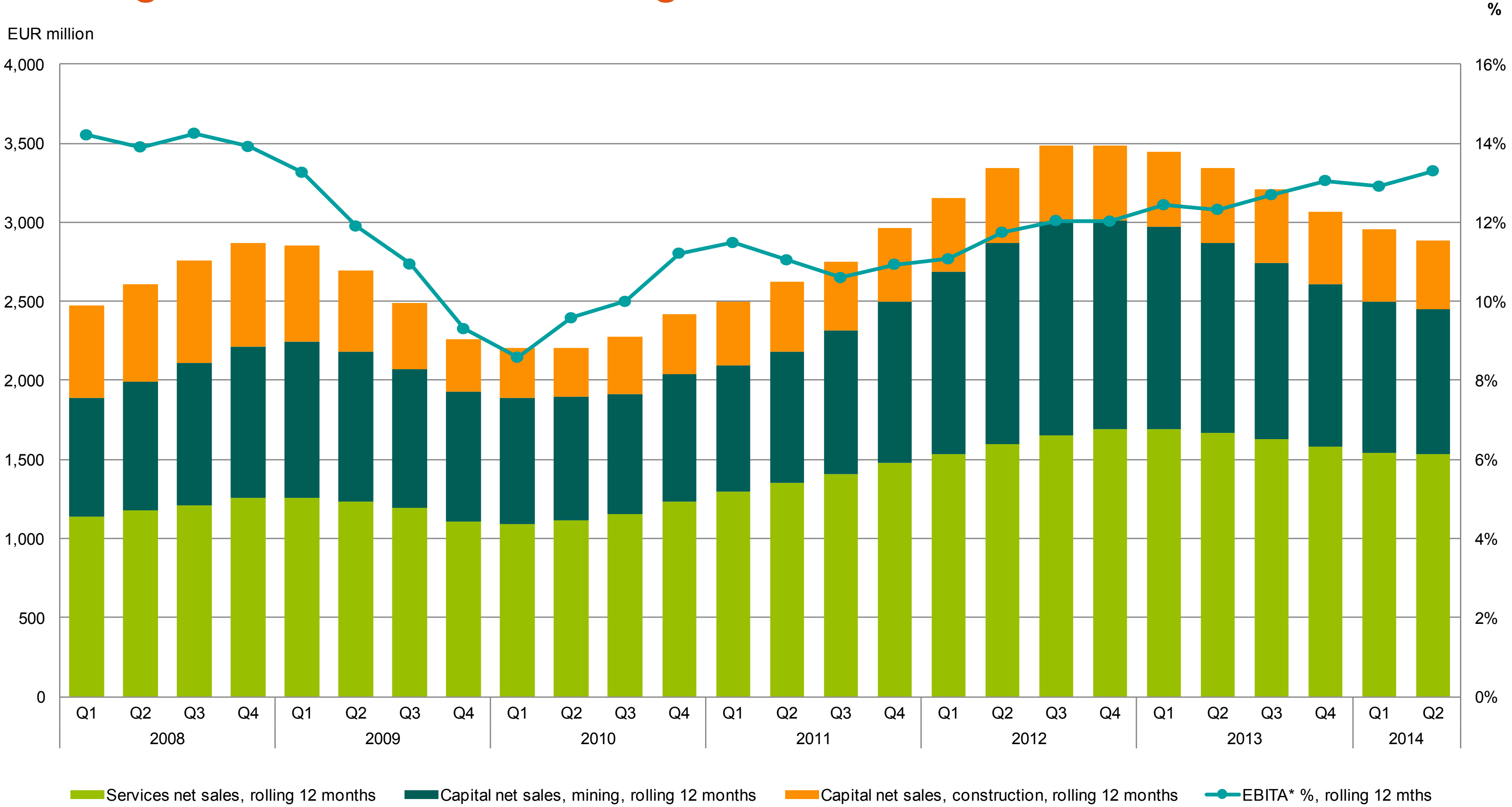
Strong EBITA* margin in demanding environment

Mining and construction rolling 12-month net sales and EBITA%*



* Before non recurring items

Record high orders and strong performance

Automation key figures

EUR million	Q2/2014	Q2/2013	Change%	Q1-Q2/2014	Q1-Q2/2013	Change%	2013
Orders received	**263**	239	10	**515**	493	4	**902**
without currency impact			14			9	
Services orders received	**111**	110	1	**243**	228	7	**422**
Net sales	**232**	207	12	**418**	391	7	**854**
without currency impact			17			12	
Services net sales	**109**	97	12	**200**	180	11	**398**
% of net sales	**47**	47		**48**	46		**47**
EBITA *	**38.0**	28.5	33	**57.7**	44.6	29	**116.2**
% of net sales	**16.4**	13.8		**13.8**	11.4		**13.6**
Return on operative capital employed **, %				**38.5**	28.8		**38.5**

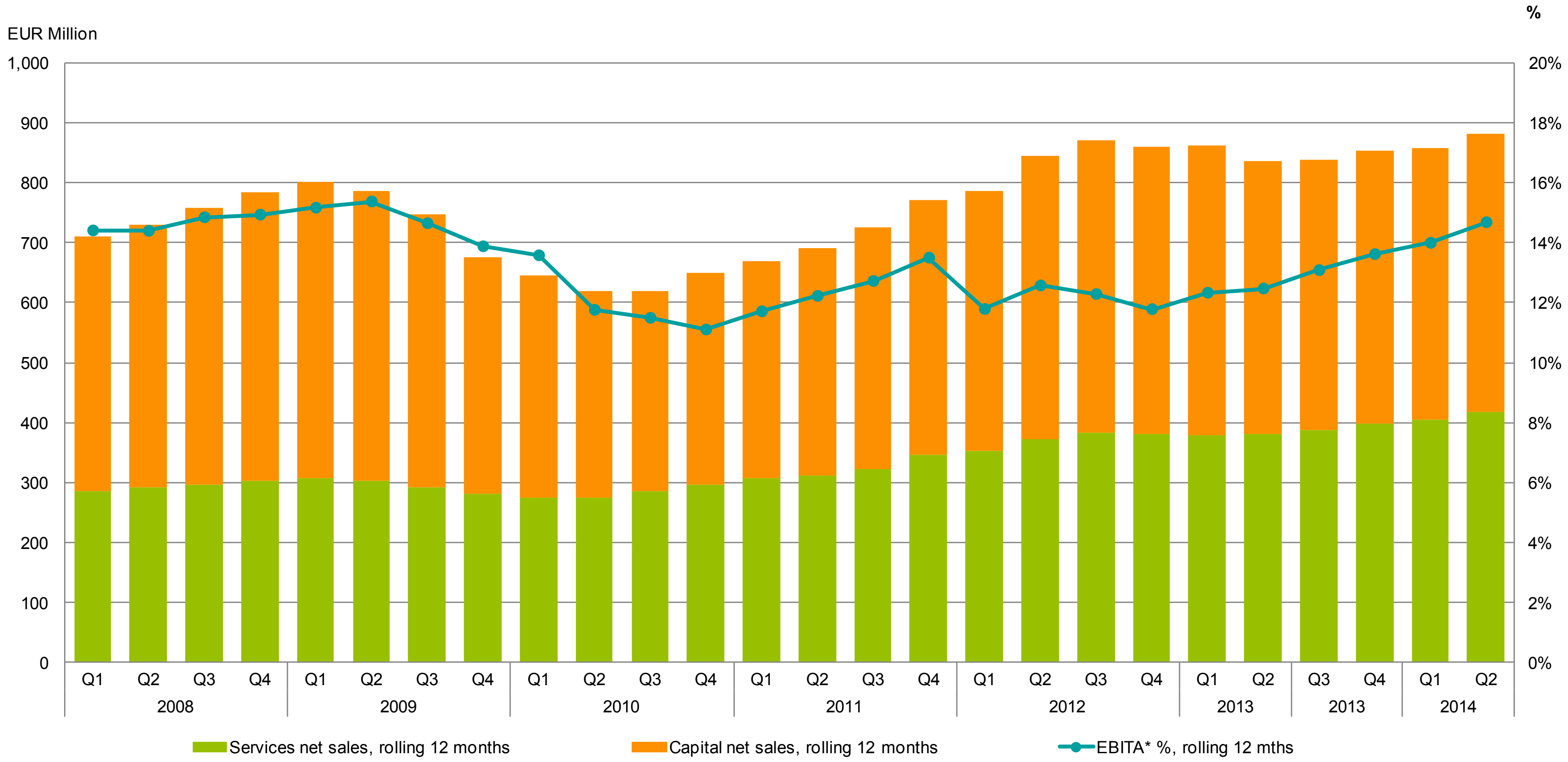
Q2/2014 vs. Q2/2013

- Net sales grew 17% with constant currencies
- Good gross margins and cost control had an impact

* Before non-recurring items
** Excluding cash and other non-operative balance sheet items, annualized

Strong volumes and healthy margins

Automation rolling 12-month net sales and EBITA%*



* Before non-recurring items

Profit improvement program proceeding according to plan

- The current scope encompasses gross headcount reduction of 1,300-1,400
- Targeted gross savings are EUR 120-130 million
- Completion rate is 70%, targeting full completion by the end of 2014
- Net personnel cost savings in H1/2014 vs. H1/2013 about EUR 40 million (down by 9%), which is in line with targets
- S,G&A costs down by 10% in H1/2014 vs. H1/2013
- The total year-to-date savings are EUR 50–55 million including procurement
- 100% savings runrate to be achieved in H1/2015

Outlook and guidance

Matti Kähkönen
President and CEO

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Market outlook remains roughly unchanged

Mining

55% of net sales

of which 55% services

Current demand:

- Weak for the equipment and project business
- Services good

Construction

20% of net sales

of which 40% services

Current demand:

- Satisfactory for the equipment and services

Automation

22% of net sales

of which 45% services

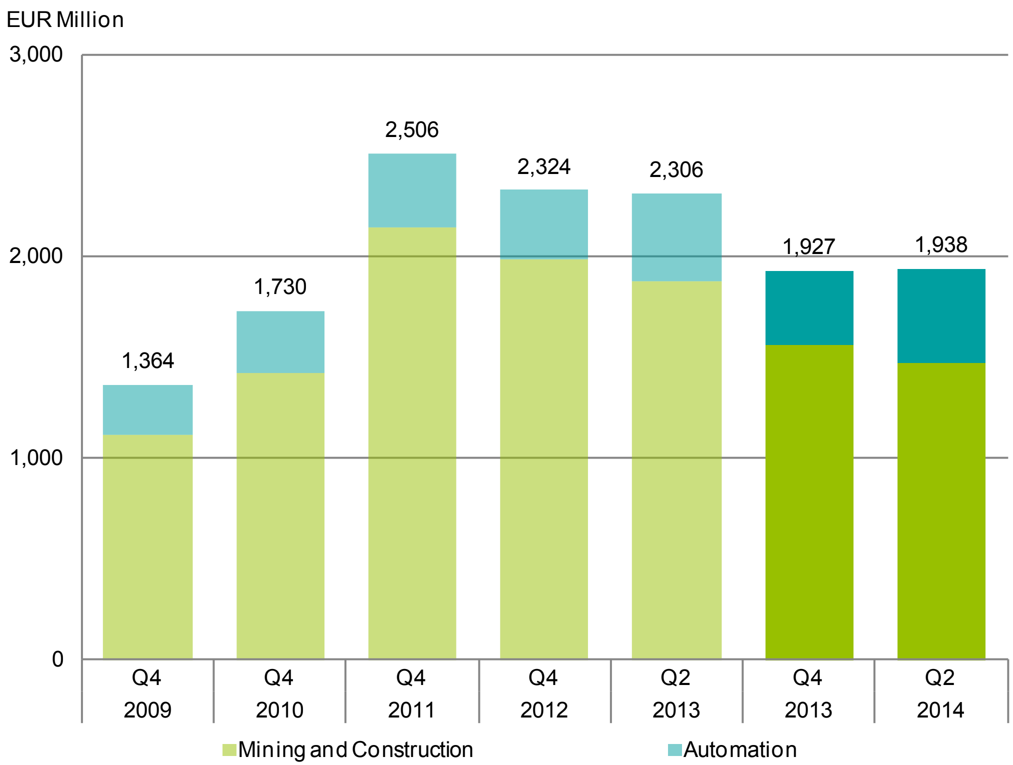
Current demand:

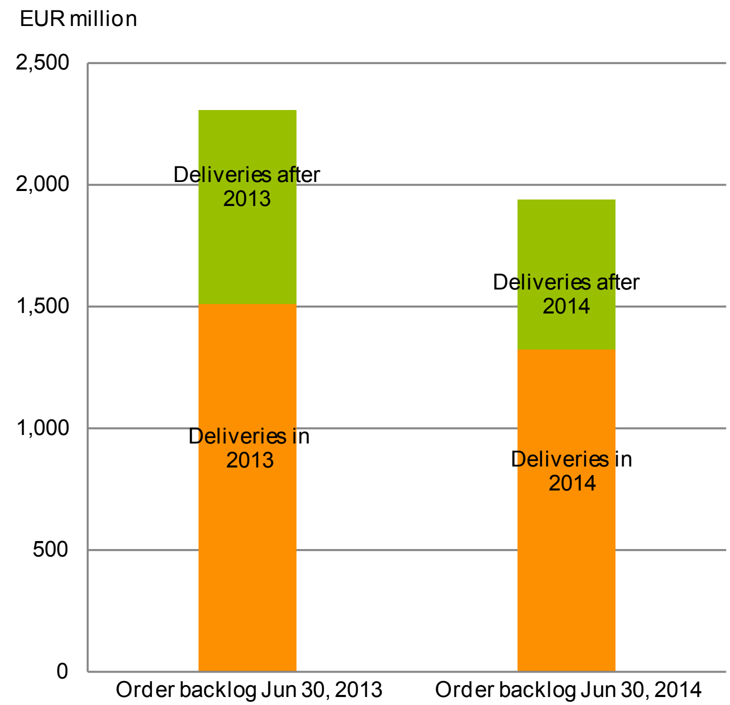
- Good in oil and gas; satisfactory in pulp and paper
- Services good

3-6 months market outlook

Mining		Construction		Automation	
→ Equipment	→ Services	→ Equipment	→ Services	→ Equipment	→ Services

Automation backlog supports continuing growth





- Around 70 percent of our backlog is expected to be recognized as net sales in 2014
- Backlog for the rest of the year is about EUR 200 million lower than a year ago
- Around 47 percent of the backlog for 2014 is services; this is in excess of EUR 620 million
- Quality remains good, there has been no major postponements or cancellations

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Guidance for 2014

Guidance remains unchanged

Based on our market outlook, backlog for 2014, current exchange rates and ongoing cost-efficiency actions, we estimate that

- our net sales in 2014 will be somewhat below 2013 and
- EBITA margin before non recurring items for 2014 will be around 12%

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Expect results

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