

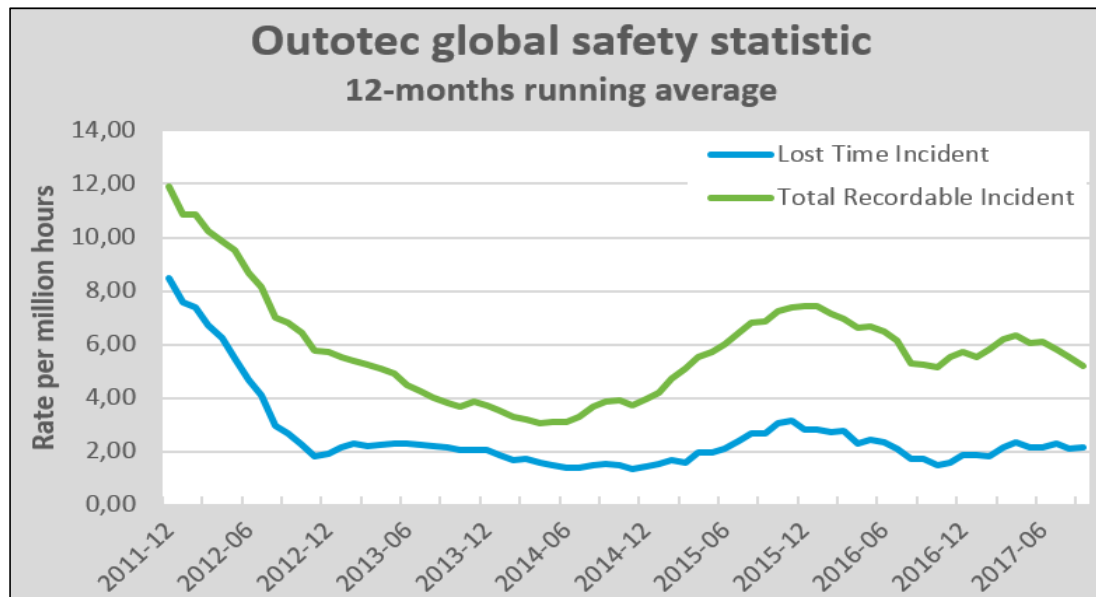


Outotec

Sustainable use of
Earth's natural resources

Interim Report Q1-Q3 2017

Safety performance



- Lost Time Incidents per million working hours (LTIR) includes Outotec employees and contractors working under Outotec supervision.
- Since 2015, Outotec has had less working hours than in 2013-14 when there were large projects with extraordinary safety performance compared to global peers.

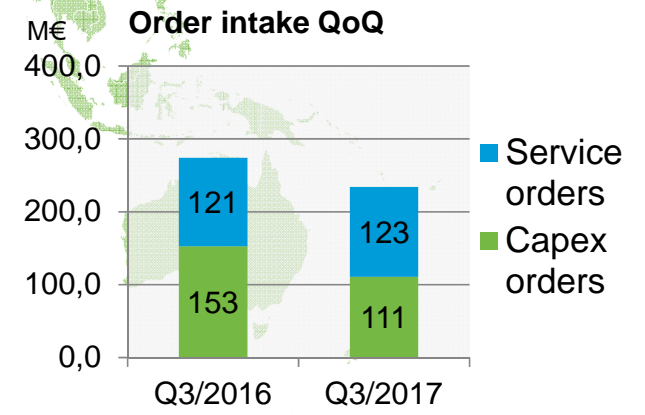
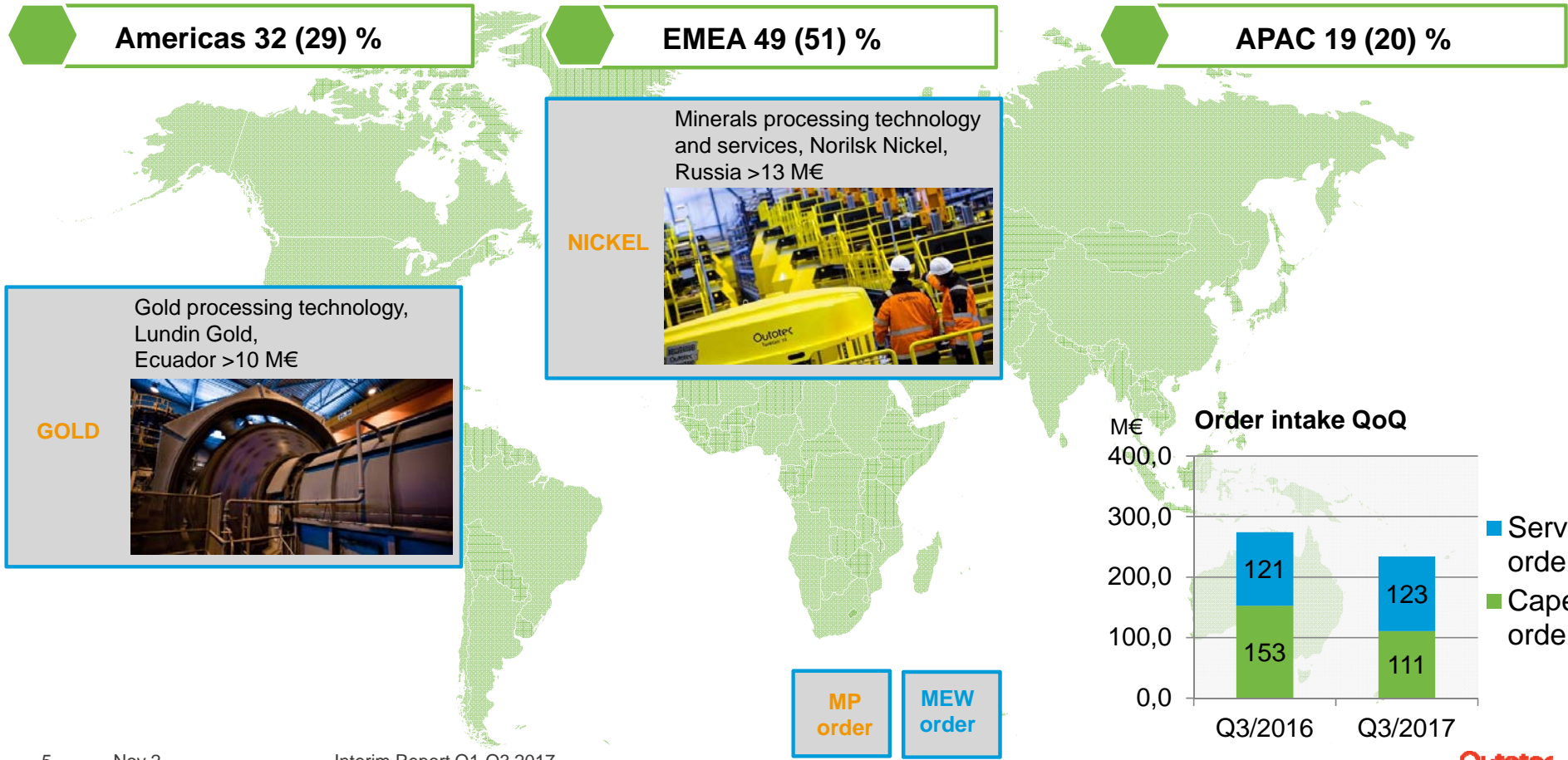
Market development

CEO Markku Teräsvasara

Markets slowly improving

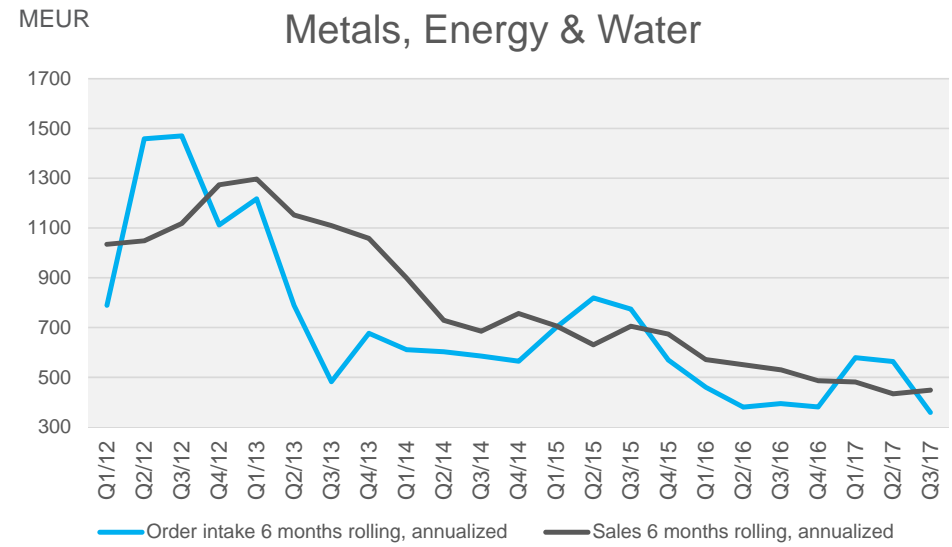
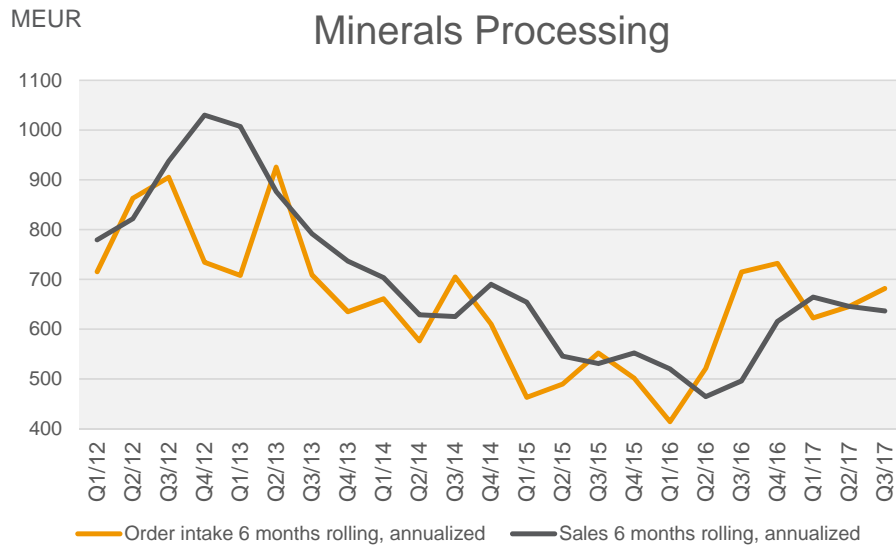


Central and South America as well as Russia most active, order intake up 16% YoY



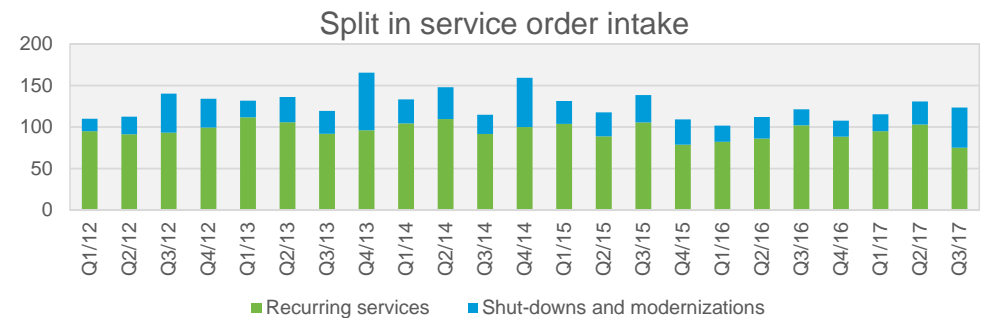
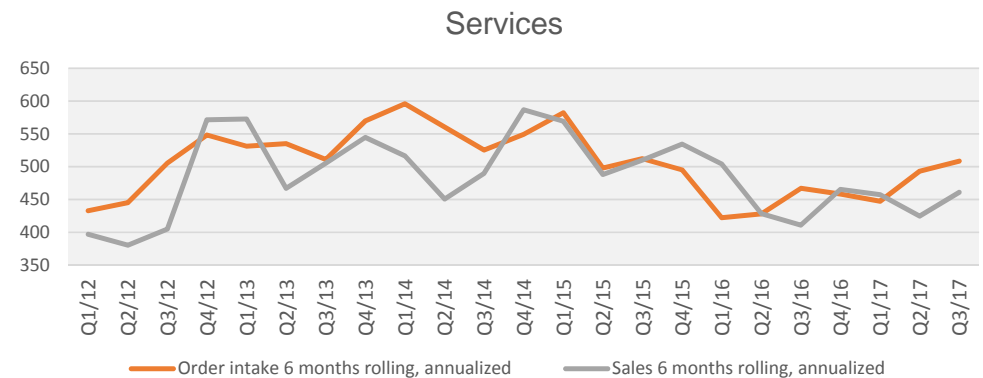
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Seasonality in MP orders, large plant orders volatile in MEW

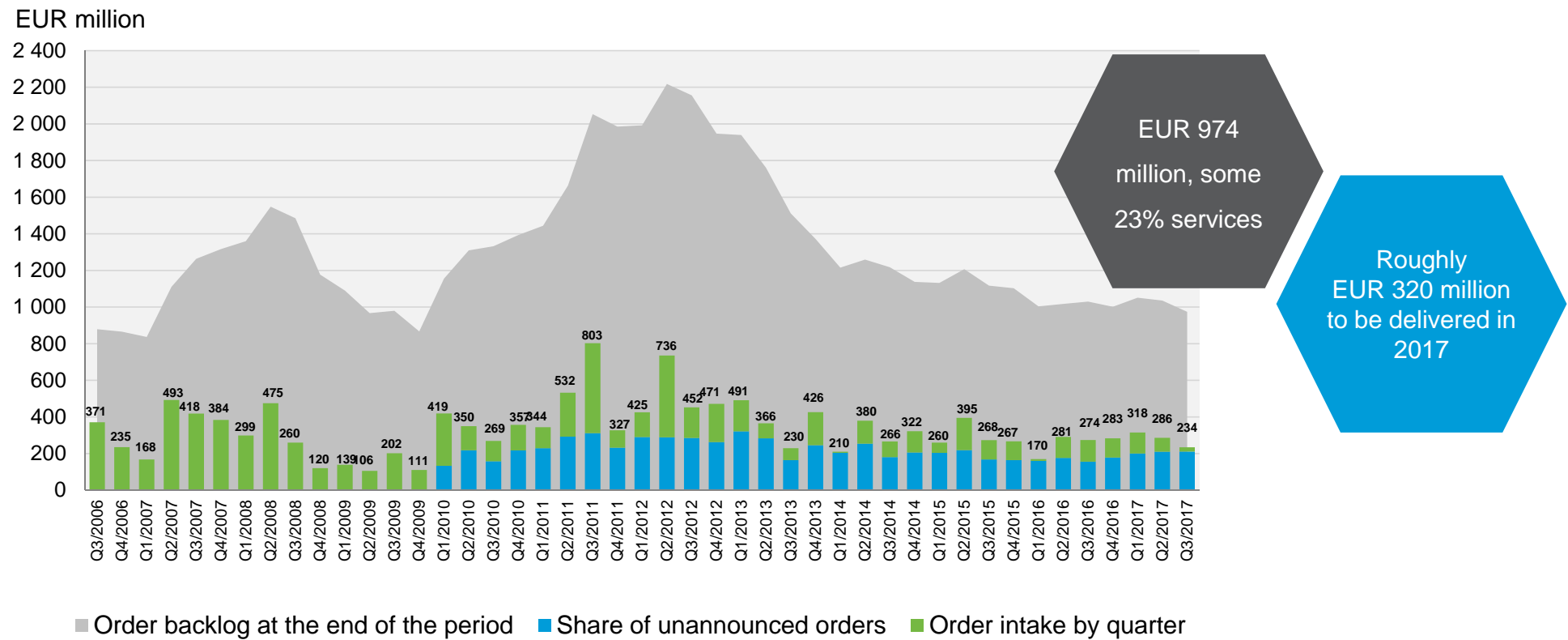


Growth in shutdown services, modernizations and spare parts

- Service orders increased 10% (+2% in Q3)
- Service sales increased 3% (+13% in Q3) due to timing
- Services represent 41 (42)% of sales



Smaller orders increased, timing of large orders



Key financials

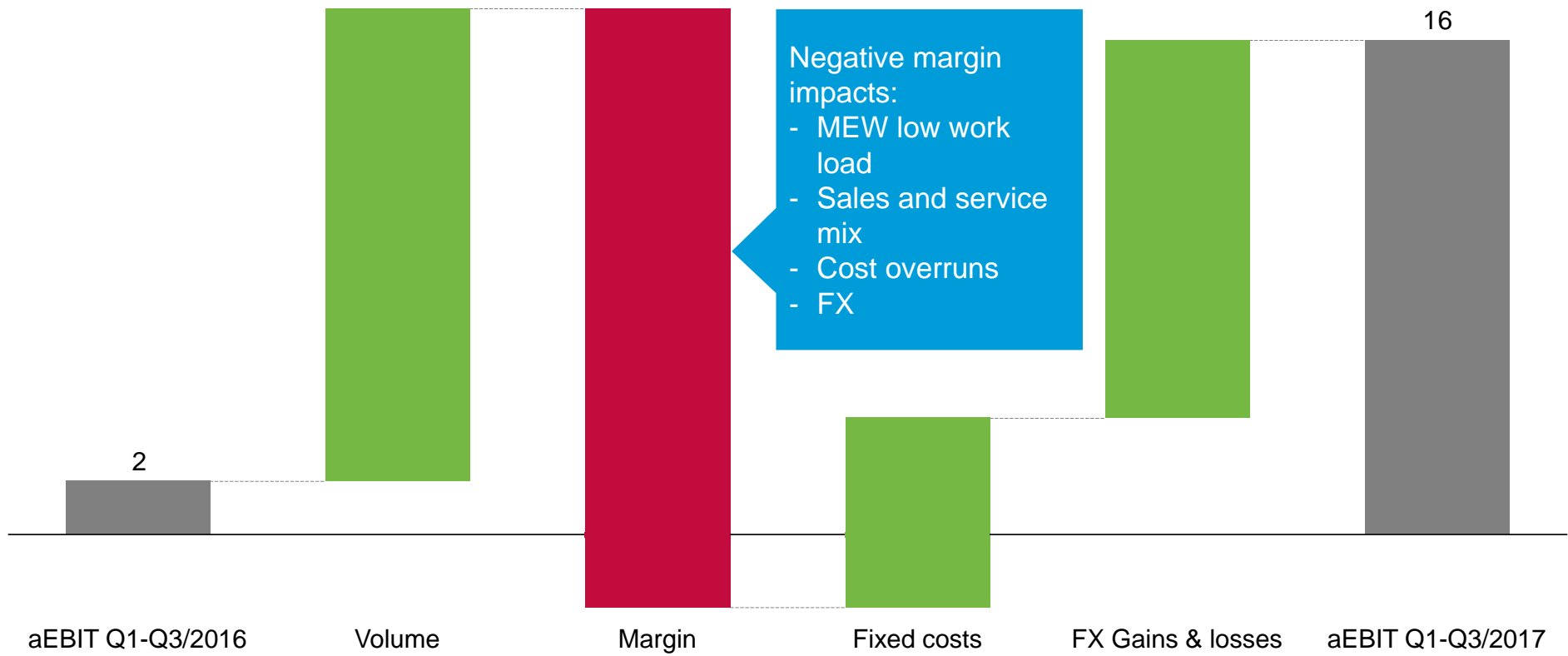
CFO Jari Ålgars

Sales growth from Minerals Processing

EUR million	Q3 2017	Q3 2016	Q1-Q3 2017	Q1-Q3 2016	Change, %	In compa- rable currency, %
Sales	270	245	810	753	8	6
Service sales	120	105	329	320	3	0
Share of services in sales, %	44	43	41	42		
Gross margin, %	24	24	23	25		
Adjusted EBIT*	13	2	16	2		
Adjusted EBIT*, %	5	1	2	0		
- Restructuring and acquisition-related costs	-0	-1	0	-10		
- PPA amortization	-2	-2	-6	-6		
EBIT	11	-1	11	-14		
EBIT, %	4	-0	1	-2		
Result for the period	6	-3	2	-17		
Unrealized and realized gains related to valuation of FX forward agreements	4	-2	9	-4		

* Excl. restructuring and acquisition-related costs and PPA amortizations.

Q1-Q3 margin analysis



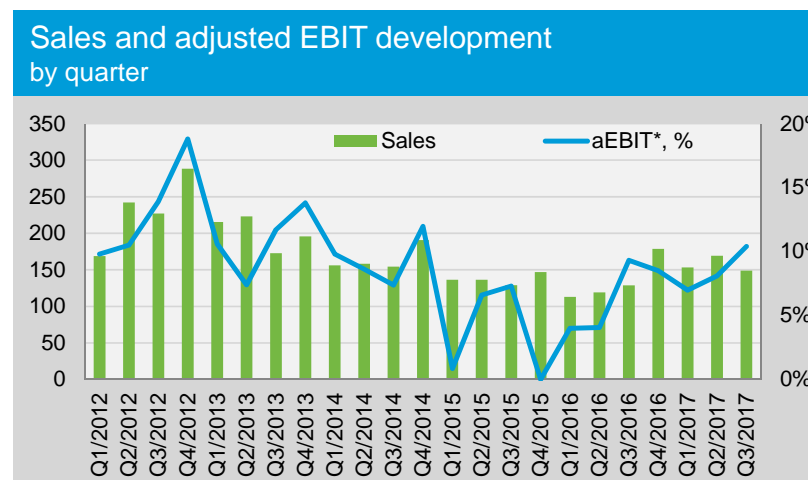
Minerals Processing

- Order intake up 6%; increased plant, equipment and spare part orders (-18% in Q3)
- Sales increased 31%; increased plant and process equipment sales (+15% in Q3)
- Profitability improved further



Minerals Processing EUR million	Q1-Q3 2017	Q1-Q3 2016	Change, %	In comp currency, %
Order intake	487	462	6	2
Sales	472	361	31	27
Service sales	212	197	8	4
Adjusted EBIT ^{*)}	42	22		
Adjusted EBIT ^{*)} , %	9	6		
Unrealized and realized gains/losses related to valuation of FX forward agreements	6	-1		

* Excl. restructuring and acquisition-related costs and PPA amortizations



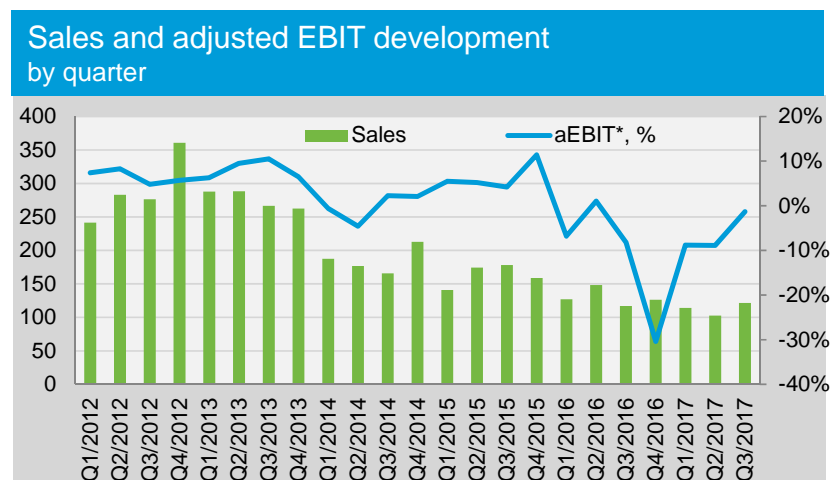
Metals, Energy & Water

- 33% increase in order intake due to plant orders (-5% in Q3)
- Sales declined 14% due to low order intake in H2/2016 (+4% in Q3)
- Low sales and utilization rates weakened profitability
- Saving actions continue



Metals, Energy & Water EUR million	Q1-Q3 2017	Q1-Q3 2016	Change, %	In comp currency, %
Order intake	351	263	33	32
Sales	339	392	-14	-14
Service sales	117	122	-5	-6
Adjusted EBIT ^(*)	-21	-17		
Adjusted EBIT ^(*) , %	-6	-4		
Unrealized and realized gains/losses related to valuation of FX forward agreements	3	-3		

* Excl. restructuring and acquisition-related costs and PPA amortizations



Mature order backlog has affected cash flow

EUR MILLION	Q1-Q3 2017	Q1-Q3 2016
OPERATING PROFIT	11	-14
Total depreciation and amortization	31	31
EBITDA	42	17
Total change in net working capital	-45	-94
Other	2	13
Capital Expenditure & other investing activities	-13	-17
FREE CASH FLOW	-14	-81
Interest received	4	4
Interest paid	-8	-9
Income tax paid	-1	-4
INTEREST AND TAXES	-6	-9
FREE CASH FLOW AFTER INTEREST AND TAXES	-20	-90
Repayments of long-term debt	-8	-68
Change in current debt	25	-28
Hybrid bond	0	150
Other financing cash flow including hybrid bond interest	-12	-1
NET CASH FROM FINANCING ACTIVITIES	5	53
NET CHANGE IN CASH AND CASH EQUIVALENTS	-15	-37
Foreign exchange rate effect on cash and cash equivalents	-10	1
Cash and cash equivalents at September 30	208	265

Liquidity and equity remained solid

	Q3 2017	Q3 2016
Net interest-bearing debt*, EUR million	37	-21
Gearing*, %	8	-4
Equity-to-assets ratio*, %	40	42
Return on investment, %, LTM	-6	-6
Return on equity, %, LTM	-10	-8
Net working capital at the end of the period, EUR million	23	-10
Advances received	180	207
Equity, EUR million	474	534
Balance sheet total, EUR million	1,370	1,482

* If the hybrid bond were treated as a liability, the net interest-bearing debt EUR 186.8 million, gearing 57.7% and equity-to-assets ratio would be 27.2% on September 30, 2017 (September 30, 2016: EUR 129.2 million, 33.6% and 30.2% respectively).

Market outlook and guidance

CEO Markku Teräsvasara

The demand for most metals is expected to stay strong



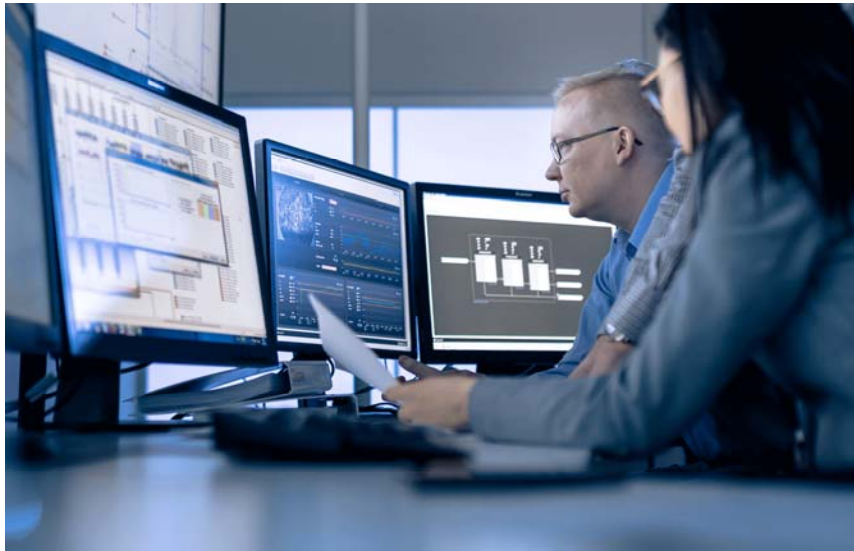
Financial guidance for 2017

The guidance for 2017 is based on the current order backlog and market outlook as well as further cost savings.

- Sales are expected to be approximately EUR 1,100 - 1,200 million, and
- Adjusted EBIT* is expected to be approximately 3 - 4%

* Excluding restructuring and acquisition-related costs, as well as purchase price allocation amortizations.

Our focus areas 2017 - towards profitable growth!



FINANCIAL CALENDAR 2018

Financial Statements Review 2017: **February 2**

Financial Statements 2017: **Week 9**

AGM: **March 27**

- Win orders in a competitive market
- Continue cost savings
- Strong service business focus
- Cost competitiveness
- Strengthen customer centricity

Outotec



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Earth's natural resources