

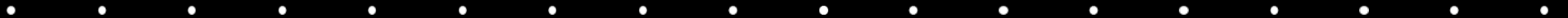
Metso:Outotec

# Interim Report Q3/2022



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President and CEO Pekka Vauramo and CFO Eeva Sipilä  
October 28, 2022



# 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.

# Agenda

**01** Results in brief

**02** Financials

**03** Strategy, sustainability  
and outlook

**04** Q&A

October 28, 2022

Source:

Metso:Outotec

# 01

## Results in brief

Pekka Vauramo  
President and CEO

# Record result in Q3/22



Strong market activity



High sales growth



Highest adjusted EBITA margin to date

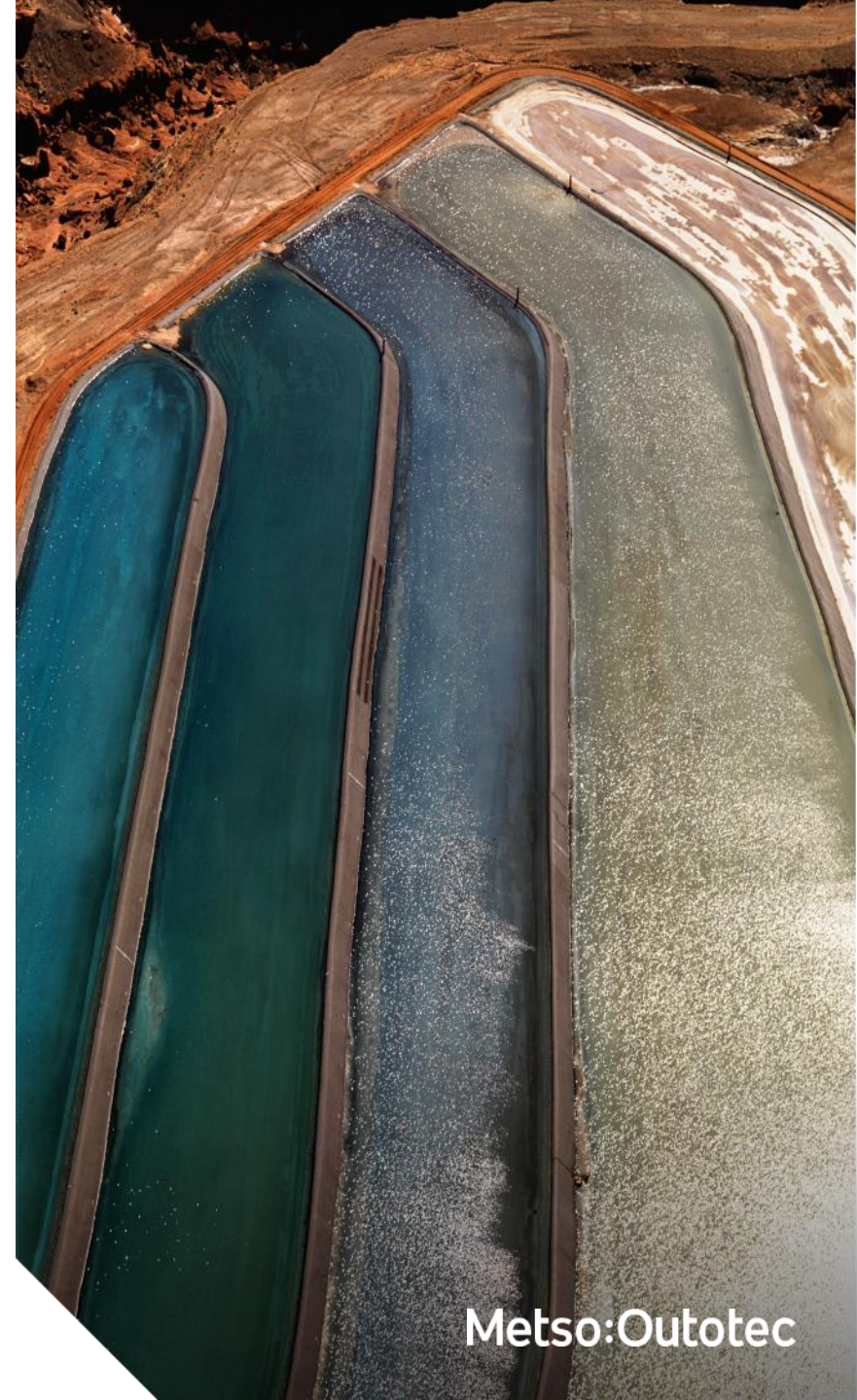


Continued progress in sustainability



Cash flow affected by an increase in working capital

October 28, 2022

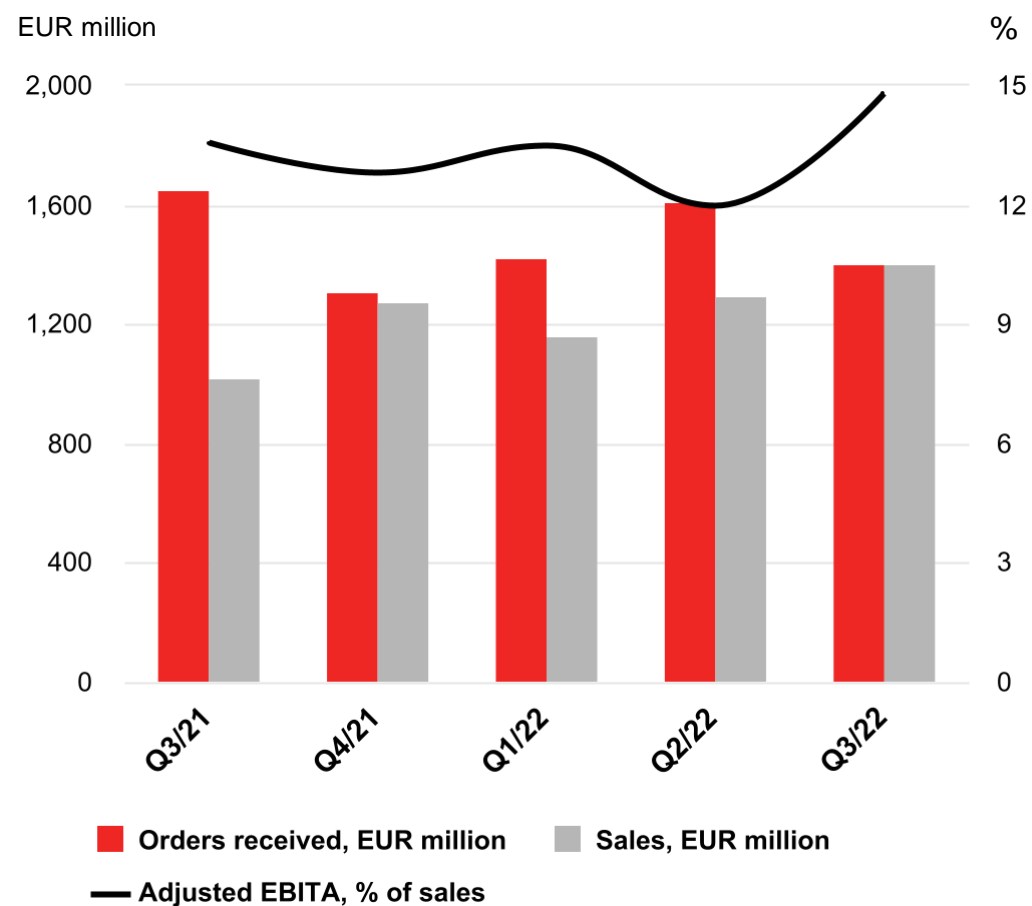


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# Group key figures

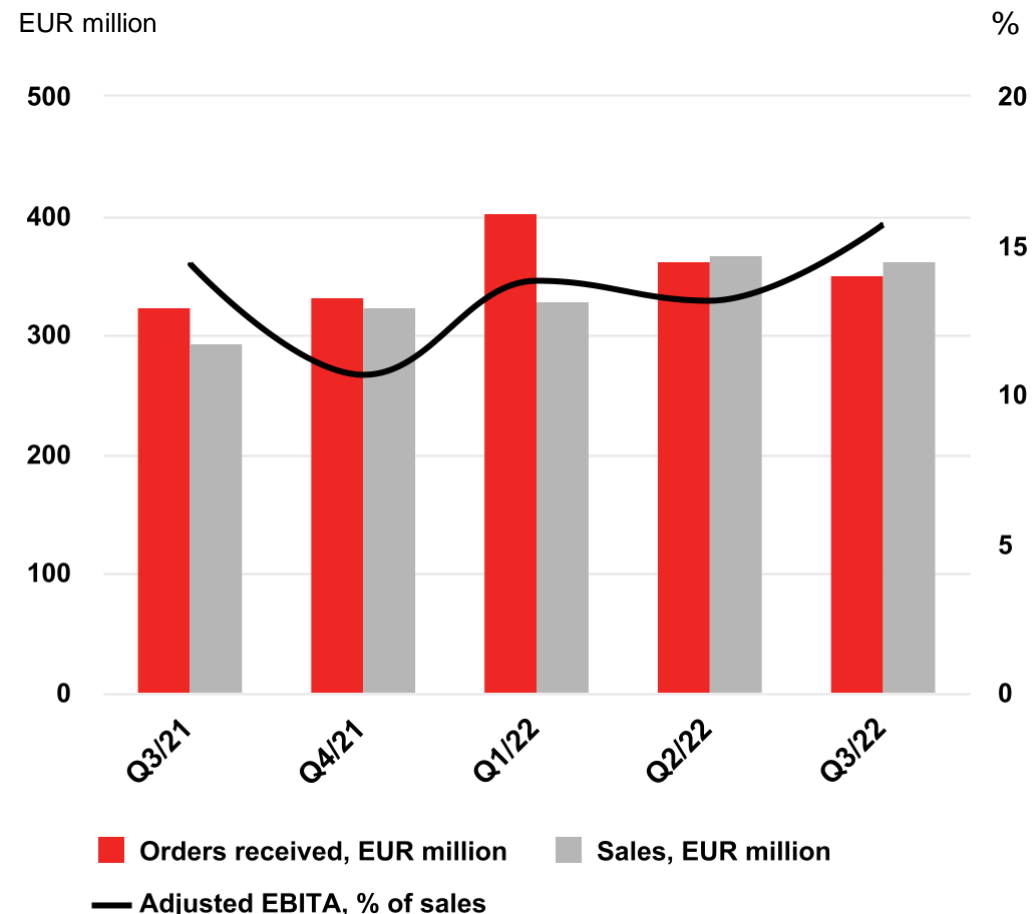
EUR million	Q3/2022	Q3/2021	Change %
Orders received*	1,401	1,649	-15
Sales	1,402	1,023	37
Adjusted EBITA	207	139	49
% of sales	14.8	13.6	-
Operating profit	192	107	80
% of sales	13.7	10.5	-
Earnings per share, continuing operations, EUR	0.16	0.09	78
Cash flow from operations	21	172	-88

\*The comparable order intake, adjusted for the one large order in Q3/21 and the wind-down of the business in Russia, increased 27% year-on-year.



# Aggregates segment quarterly highlights

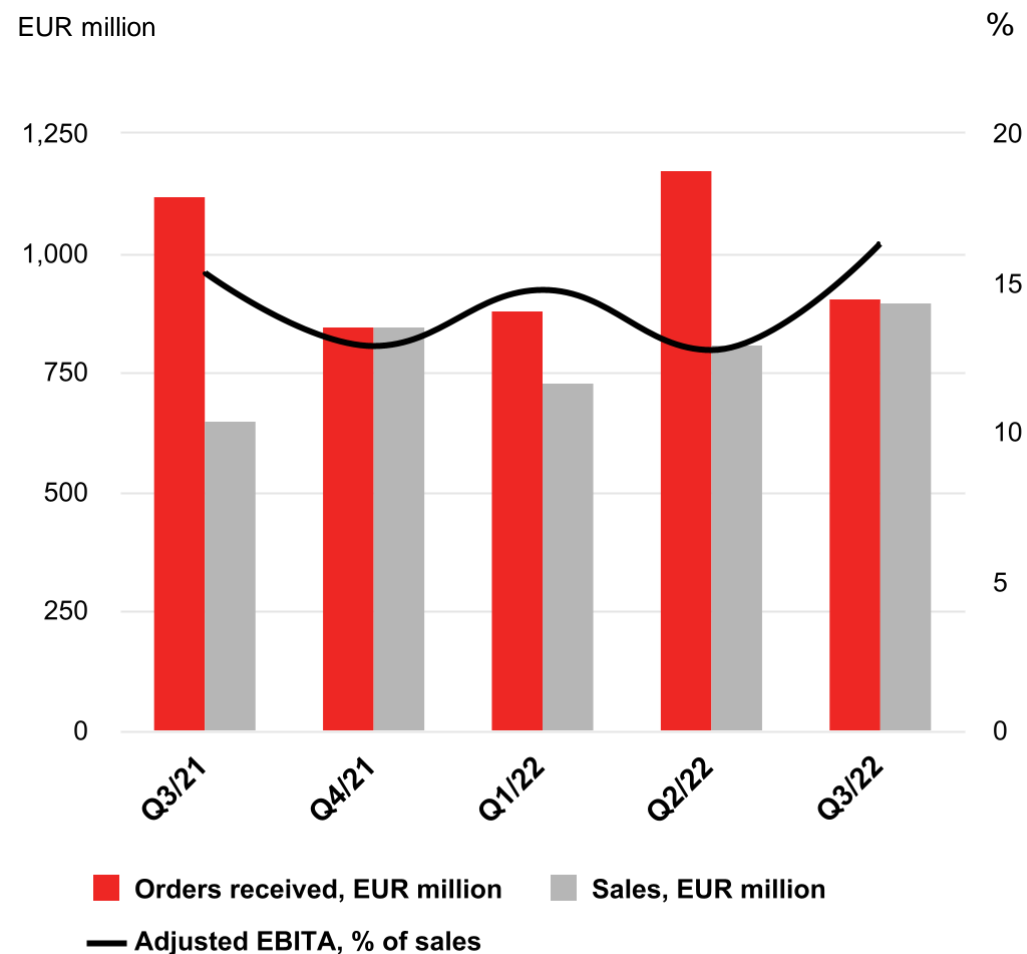
- Orders received EUR 351 million (EUR 325 million)
  - Strong activity in North America
  - Equipment +8%, services +8%
- Sales EUR 362 million (EUR 293 million)
  - Strong execution of the backlog
  - Services share 33% (37%)
- Adjusted EBITA EUR 57 million (EUR 42 million)
  - Margin of 15.7% (14.4%)
  - Successful price and cost management





# Minerals segment quarterly highlights

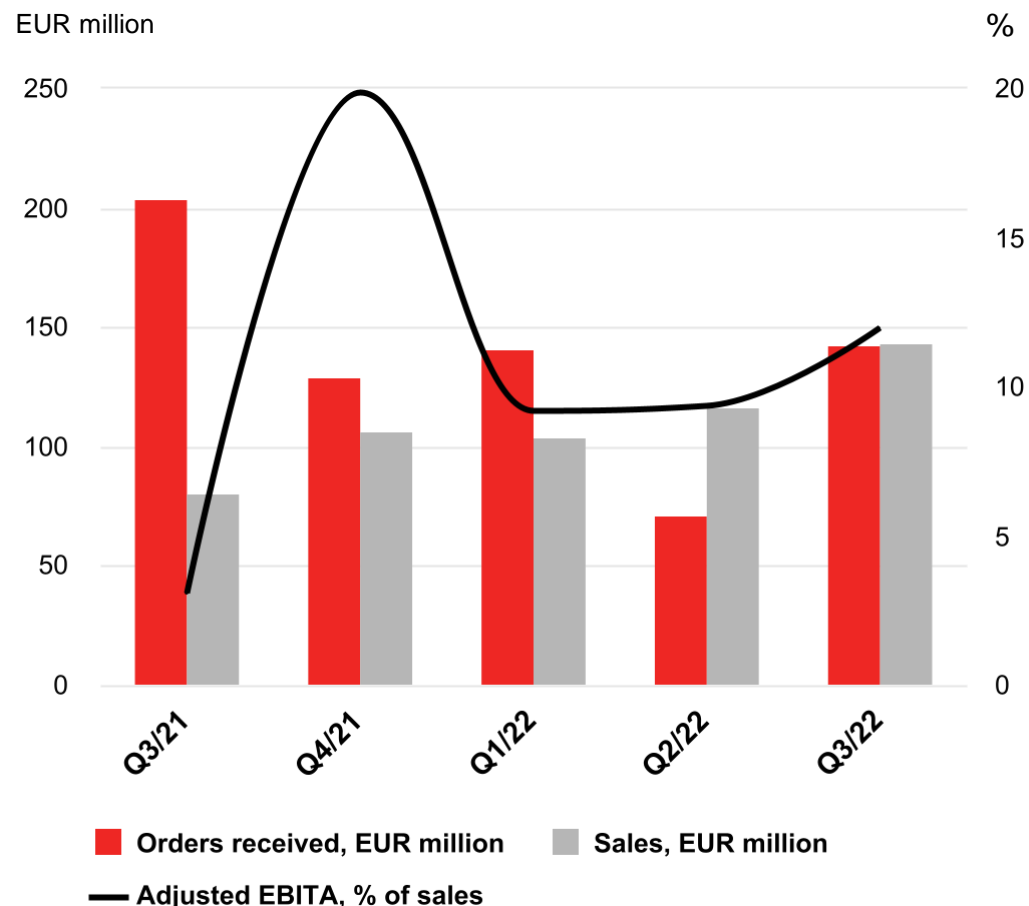
- Orders EUR 907 million (EUR 1,121 million)
  - Solid market activity
  - Comparable equipment orders +14% (adjusted for one large order and Russia)
  - Services orders +26%
- Sales EUR 896 million (EUR 650 million)
  - Equipment +36%
  - Services +39%
  - Services share 62% (62%)
- Adjusted EBITA EUR 146 million (EUR 99 million)
  - Margin of 16.3% (15.3%)
  - Supported by synergy and volume execution
  - Successful mitigation of increased input costs





# Metals segment quarterly highlights

- Orders received EUR 143 million (EUR 204 million)
  - Comparable order intake more than doubled (adjusted for one large order)
- Sales EUR 144 million (EUR 81 million)
  - Increased deliveries from backlog
  - Services share 14% (12%)
- Adjusted EBITA EUR 17 million (EUR 2 million)
  - Adjusted EBITA margin 11.9% (3.1%)
  - Volume growth and better cost position



# 02

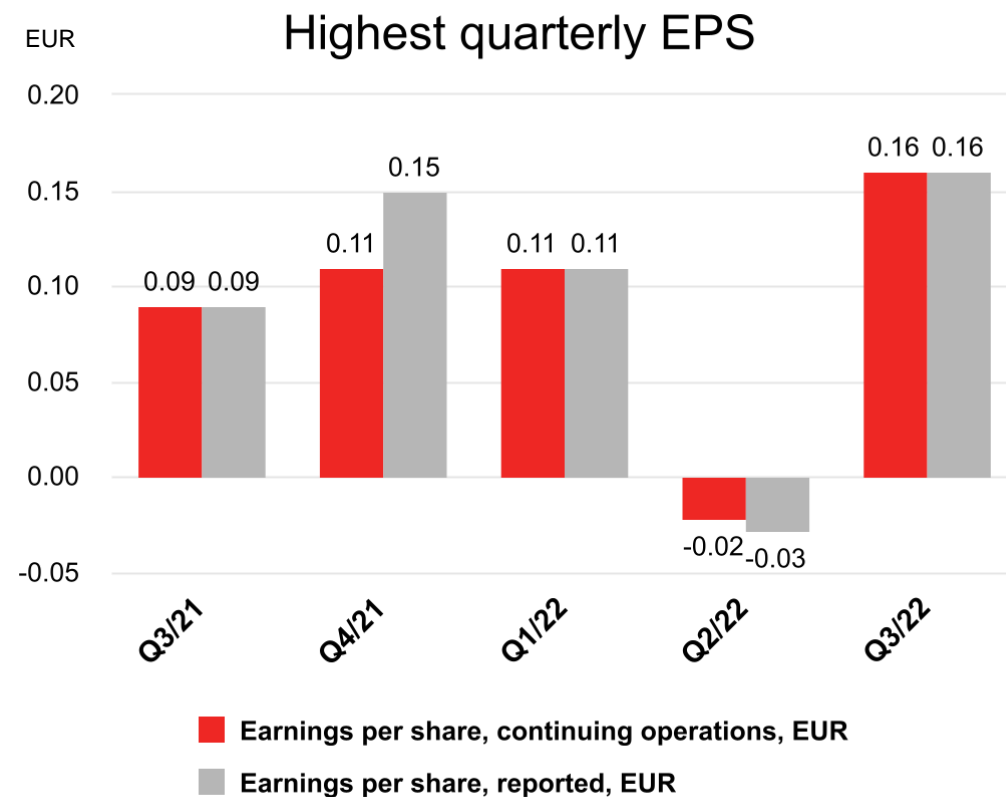
## Financials in details

Eeva Sipilä  
CFO

# Income Statement

EUR million	Q3/2022	Q3/2021	Q1-Q3/2022	Q1-Q3/2021	2021
Sales	1,402	1,023	3,861	2,958	4,236
Adj. EBITA	207	139	519	384	547
Adj. EBITA, %	14.8	13.6	13.4	13.0	12.9
Operating profit*	192	107	319	295	425
Operating profit, %	13.7	10.5	8.3	10.0	10.0
Net financial expenses	-16	-8	-47	-26	-39
Profit before taxes	177	99	272	269	385
Income taxes	-47	-26	-74	-70	-92
Profit for the period, continuing operations	130	73	198	200	294
Earnings per share, continuing operations, EUR	0.16	0.09	0.24	0.24	0.35
Profit for the period	131	76	195	222	342

\*Q2/2022 including EUR 150 million non-recurring charge related to the wind down of the business in Russia.

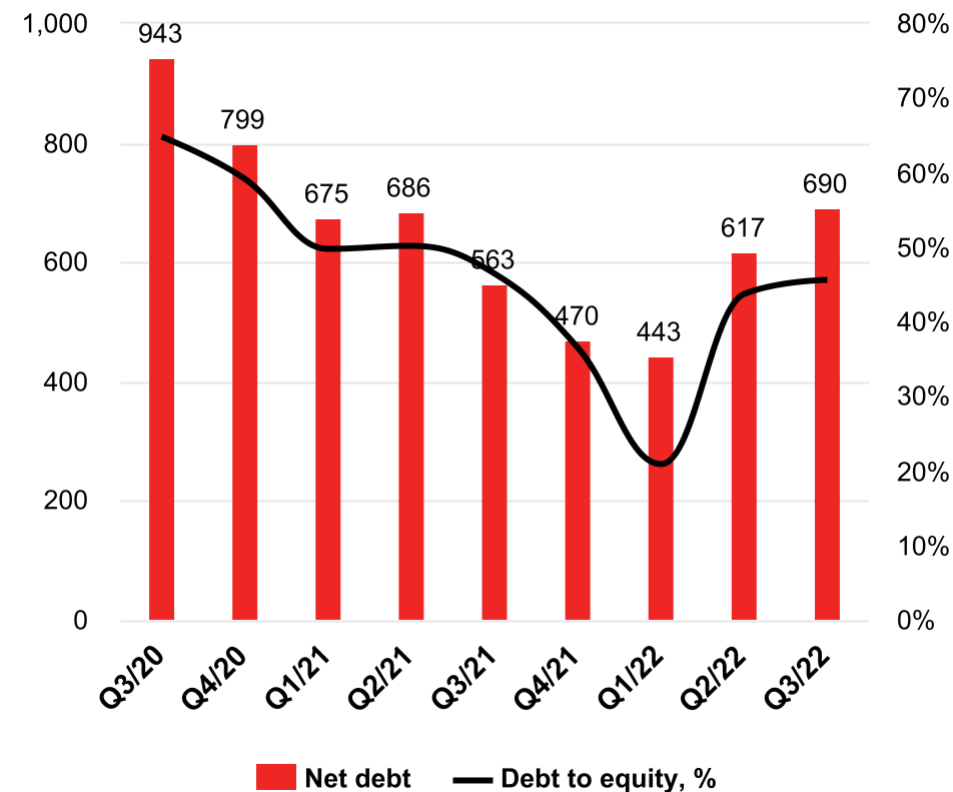


# Balance Sheet

EUR million	Sep 30, 2022	Sep 30, 2021	Dec 31, 2021
Intangible assets	2,004	2,013	2,002
Total property, plant and equipment	410	366	373
Right-of-use assets	118	131	127
Other non-current assets	301	248	234
Inventories	1,887	1,236	1,269
Receivables (trade and other)	1,625	1,119	1,285
Liquid funds	467	550	473
Assets held for sale	13	141	65
<b>TOTAL ASSETS</b>	<b>6,826</b>	<b>5,805</b>	<b>5,830</b>
Total equity	2,290	2,122	2,251
Interest-bearing liabilities	1,166	1,122	952
Non-interest-bearing liabilities	3,370	2,438	2,592
Liabilities held for sale	1	123	35
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>6,826</b>	<b>5,805</b>	<b>5,830</b>

EUR million

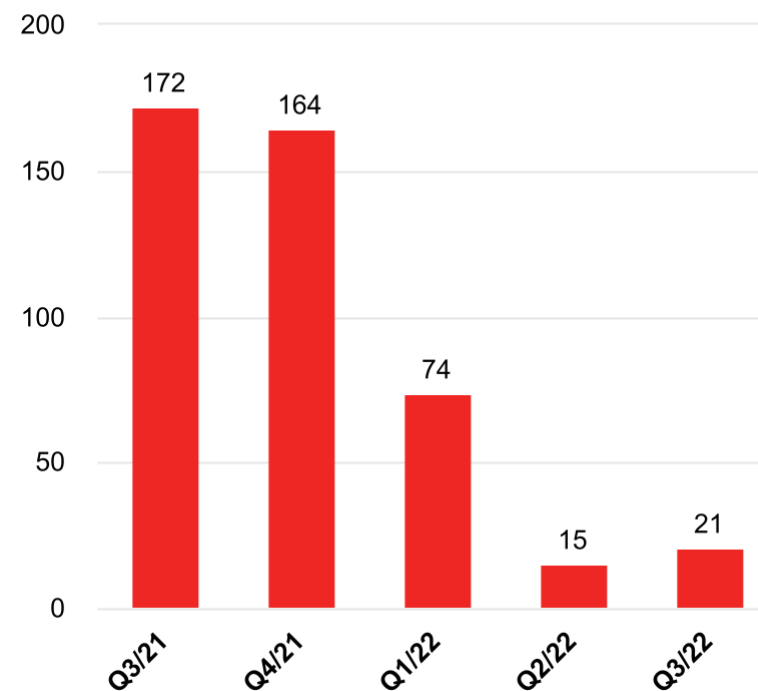
## Indebtedness



# Cash flow affected by increase in working capital

EUR million	Q3/2022	Q3/2021	Q1-Q3/2022	Q1-Q3/2021	2021
Profit for the period	131	76	195	222	342
Adjustments:					
Depreciation and amortization	39	41	116	124	167
Financial expenses, net	16	8	47	26	39
Income taxes	47	27	73	70	92
Other items	6	13	20	0	-2
Total adjustments	108	89	256	220	297
Change in net working capital	-217	6	-341	2	-31
<b>Net cash flow from operating activities before financial items and taxes</b>	<b>21</b>	<b>172</b>	<b>110</b>	<b>444</b>	<b>608</b>

EUR million Cash flow from operations



# Financial position

- New two-year EUR 100 million term loan agreement
- Average interest rate of total loans and derivatives 1.37%
- Ratings:
  - S&P (February 2022): 'BBB-' long-term rating with revised outlook to positive
  - Moody's (April 2021): 'Baa2' long-term rating with stable outlook

EUR million	Sep 30, 2022	Sep 30, 2021	Dec 31, 2021
Liquid funds	467	550	473
Net debt	690	563	470
Gearing, %	30.1	26.5	20.9
Equity-to-assets ratio, %	37.6	40.6	43.2
Debt to capital, %	31.3	31.7	26.7
Equity/share, EUR	2.77	2.56	2.72

# 03

## Strategy, sustainability and outlook

Pekka Vauramo  
President and CEO



# Portfolio development



Review of the Metals businesses expected to complete in Q1/23

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Market active for small M&A

- Global Physical Asset Management acquired in September

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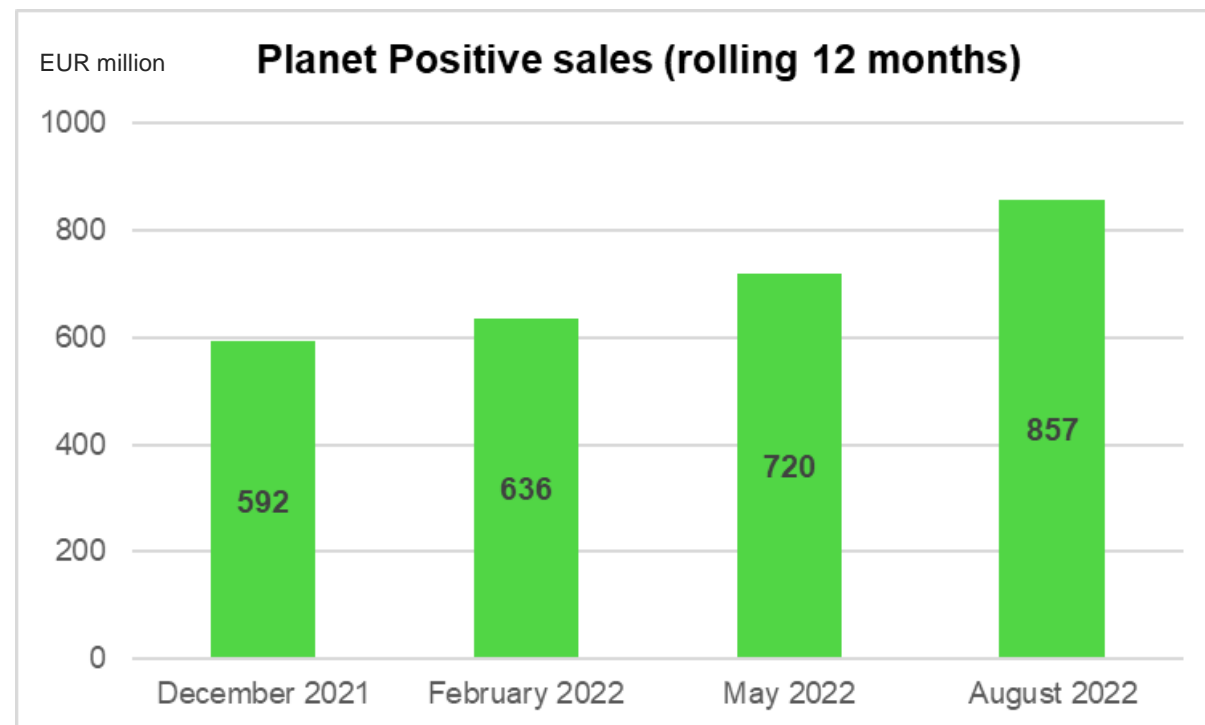
# Sustainability highlights in Q3/22

**Planet Positive launches** during the quarter included:

- Next generation OKTOP® CIL Reactor for gold leaching and recovery
- NextGen Pelletizing™ concept supporting transition to green steel

**Recycling service** of worn-out mill liners introduced:

- Reduces CO<sub>2</sub> emissions and improves environmental efficiency
- The first partnership announced with Boliden's Kevitsa site in Finland



**Strong growth in Planet Positive sales**

**Supplier sustainability engagement progressing ahead of target**

**Several footprint actions completed**

# Market Outlook

Market activity is expected to remain at the current level, with the mining market remaining strong and the aggregates market declining due to the expected softening of the European market.

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.

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04

Q&A

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# Partner for positive change



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