



Building a sustainable future

Metso Capital Markets Day

June 8, 2010 Helsinki

Jorma Eloranta
President and CEO



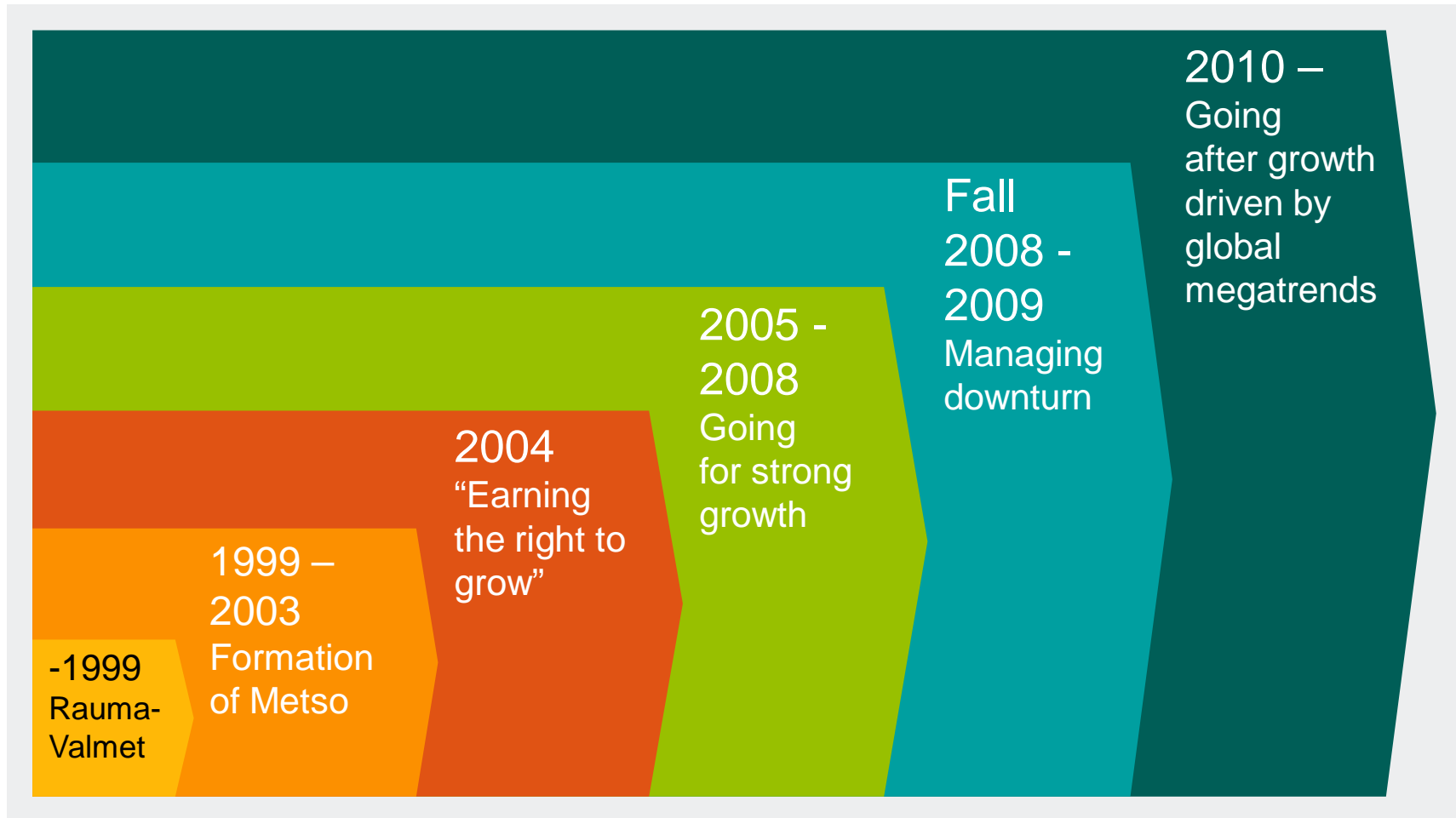
Forward looking statements

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.

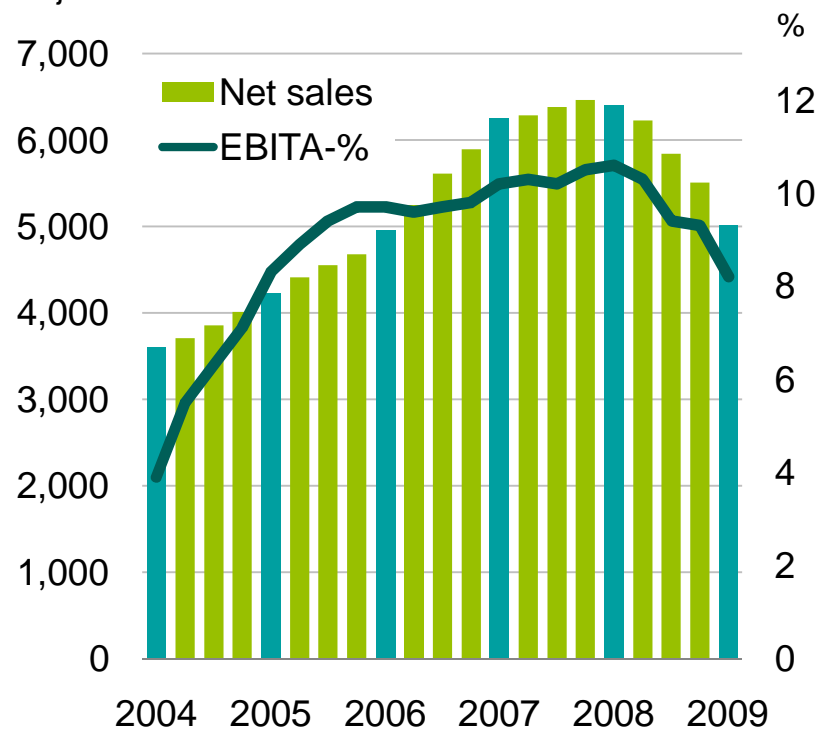
A decade of Metso's development



Satisfactory profitability and strong balance sheet

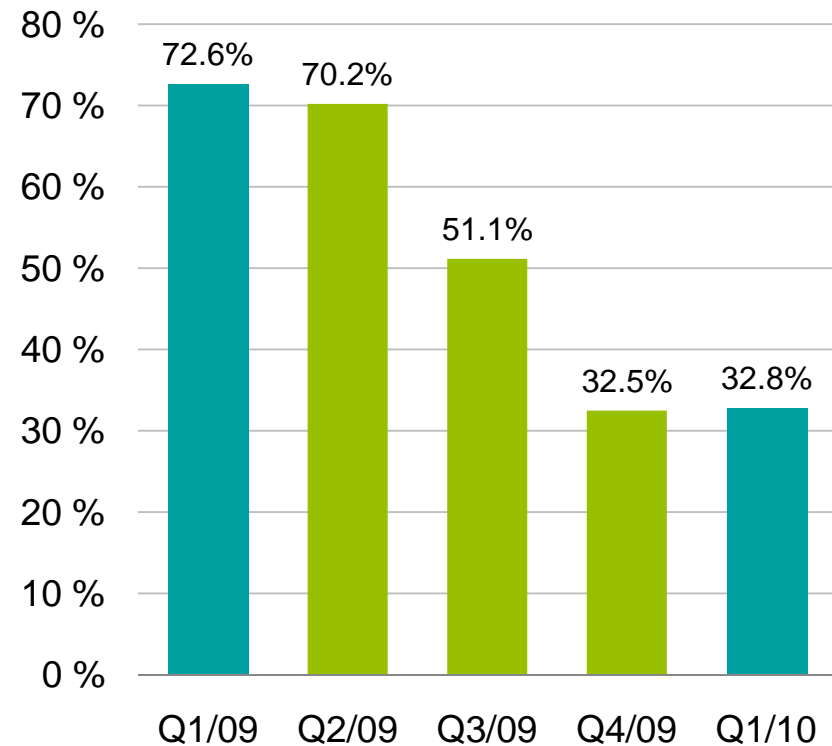
Net sales and EBITA-%*

Q4/04 excl. positive Finnish TEL pension liability reversal of 75 EUR Million, 2009 excluding capacity adjustment costs.



Gearing

The dividend payment in April increased gearing ratio by 6 percentage points compared to March 31, 2010



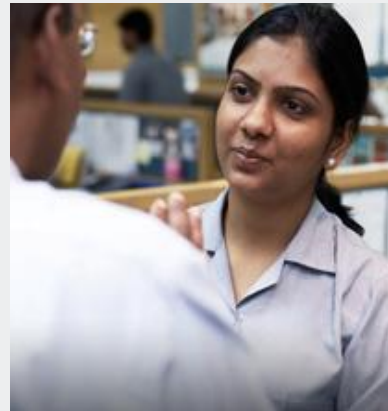
We are more competitive



Acquisitions
broadening
offering



Stronger
services
offering



R&D
investments
1.2 bn euros
in 10 years

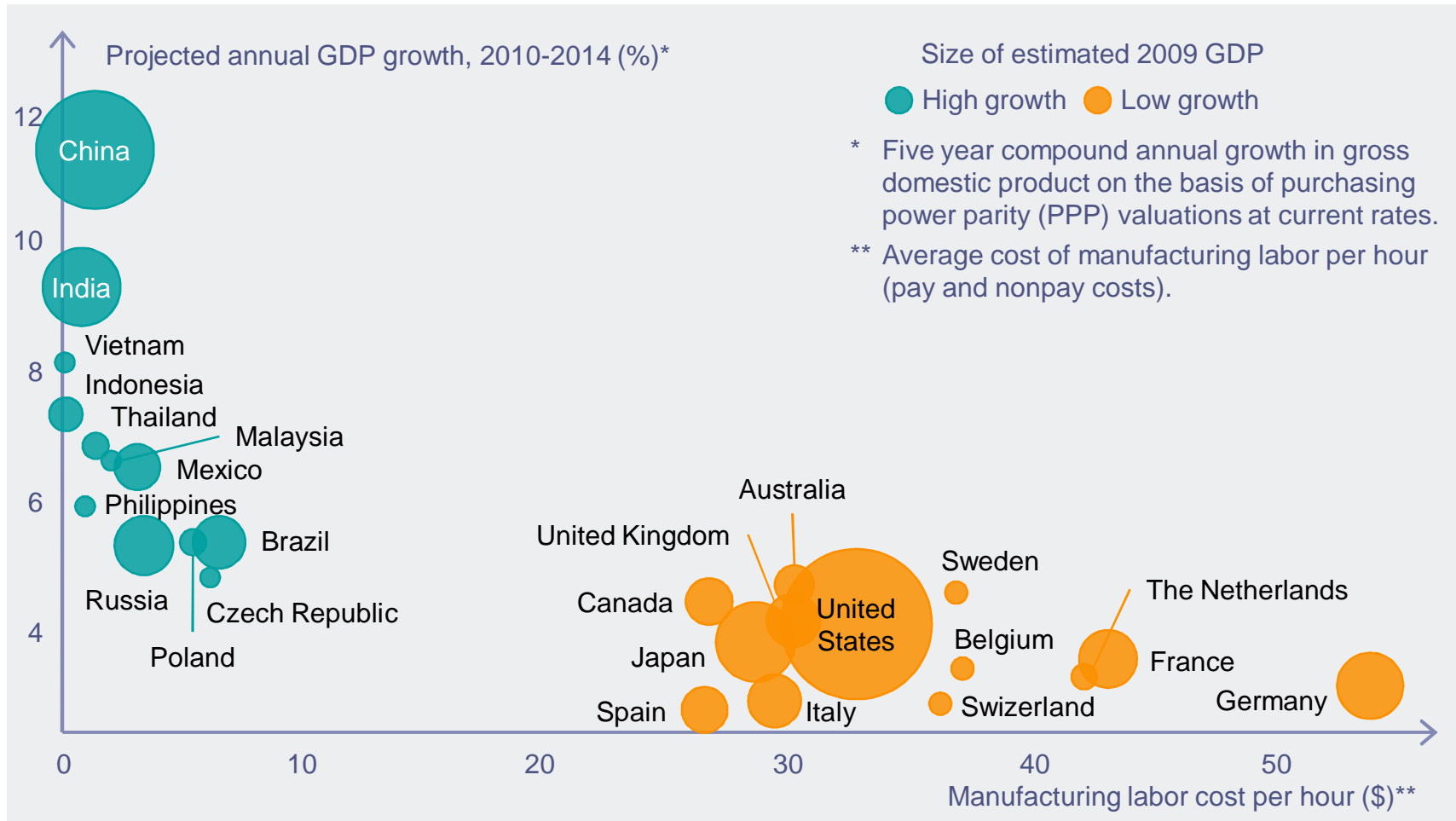


Global
presence



The new global reality

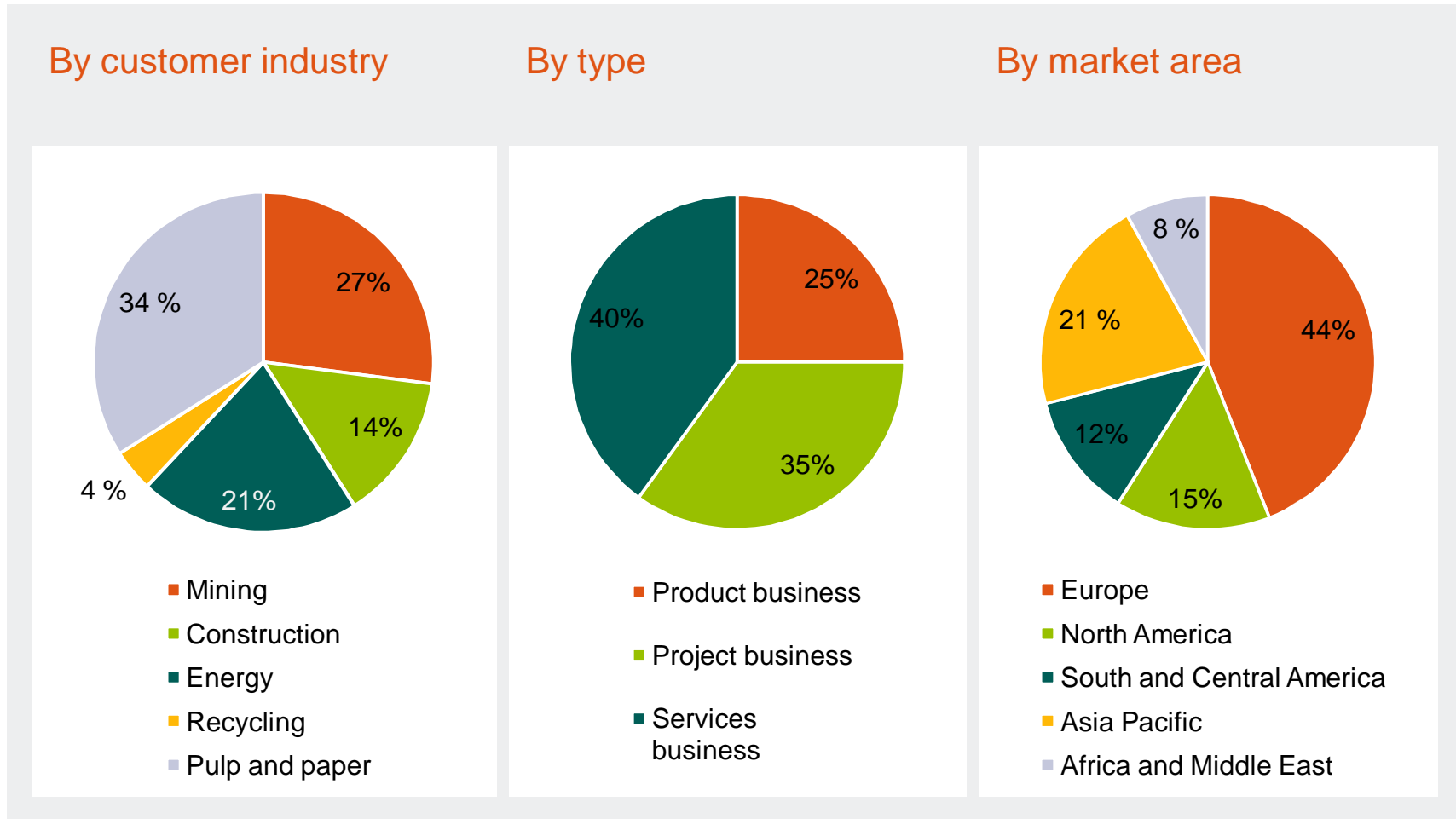
Preparing for a two-speed world



Megatrends and our strategic themes support our profitable growth targets



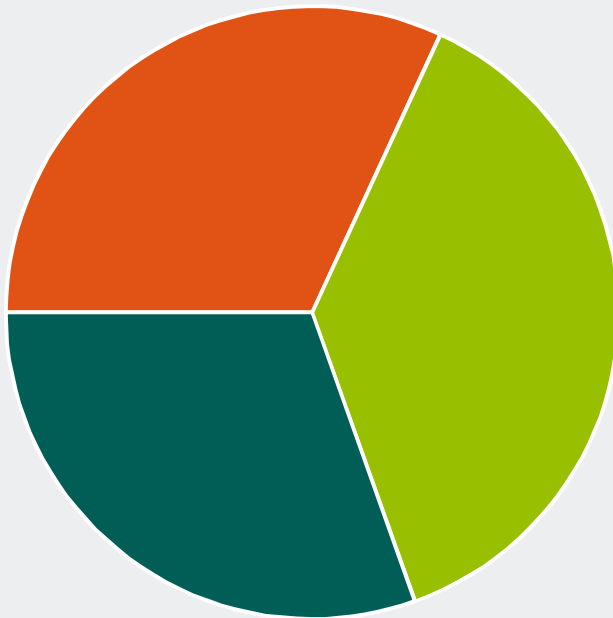
A balanced business portfolio with strong market positions



Splits based on 2009 net sales of EUR 5.0 billion

Plenty of room for growth in our target markets

Our target markets in 2009: EUR 35 billion* (2008 46 EUR billion)



*Including services target market of EUR 16 billion.

- **Mining & Construction EUR 11 billion**

(Metso market share ~18%)

Mining EUR 8 billion

Construction EUR 3 billion

- **Energy & Environment EUR 13 billion**

(Metso market share ~5%)

Oil & Gas (valves) EUR 5 billion

Power generation EUR 2.5 billion

Energy & process automation (& valves) EUR 4 billion

Recycling (including solid waste) EUR 1.5 billion

- **Pulp & Paper EUR 10.5 billion**

(Metso market share ~15%)

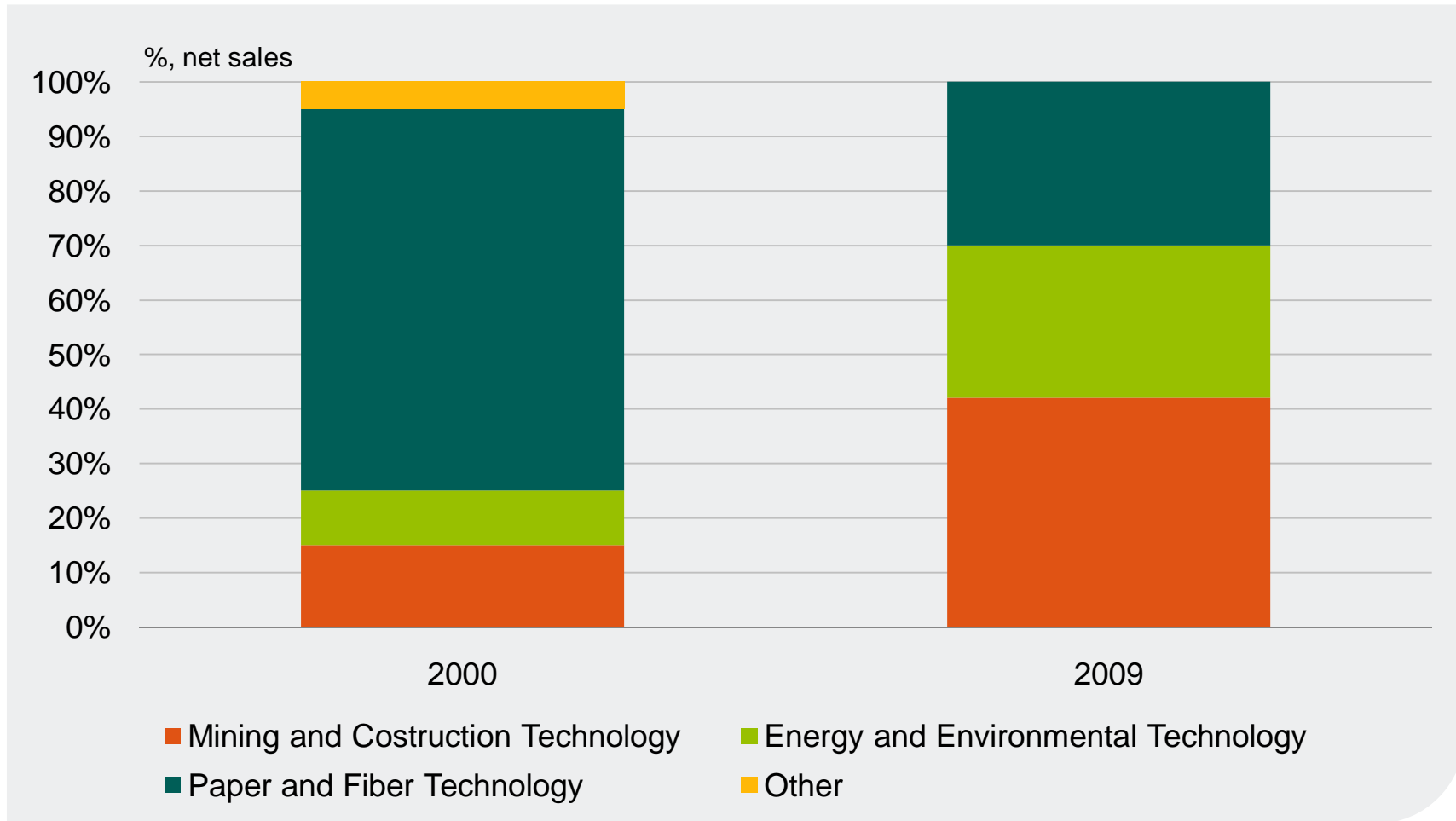
Paper & board EUR 5 billion

Fiber EUR 2.5 billion

Paper machine clothing EUR 1.5 billion

Pulp & paper automation (& valves) EUR 1.5 billion

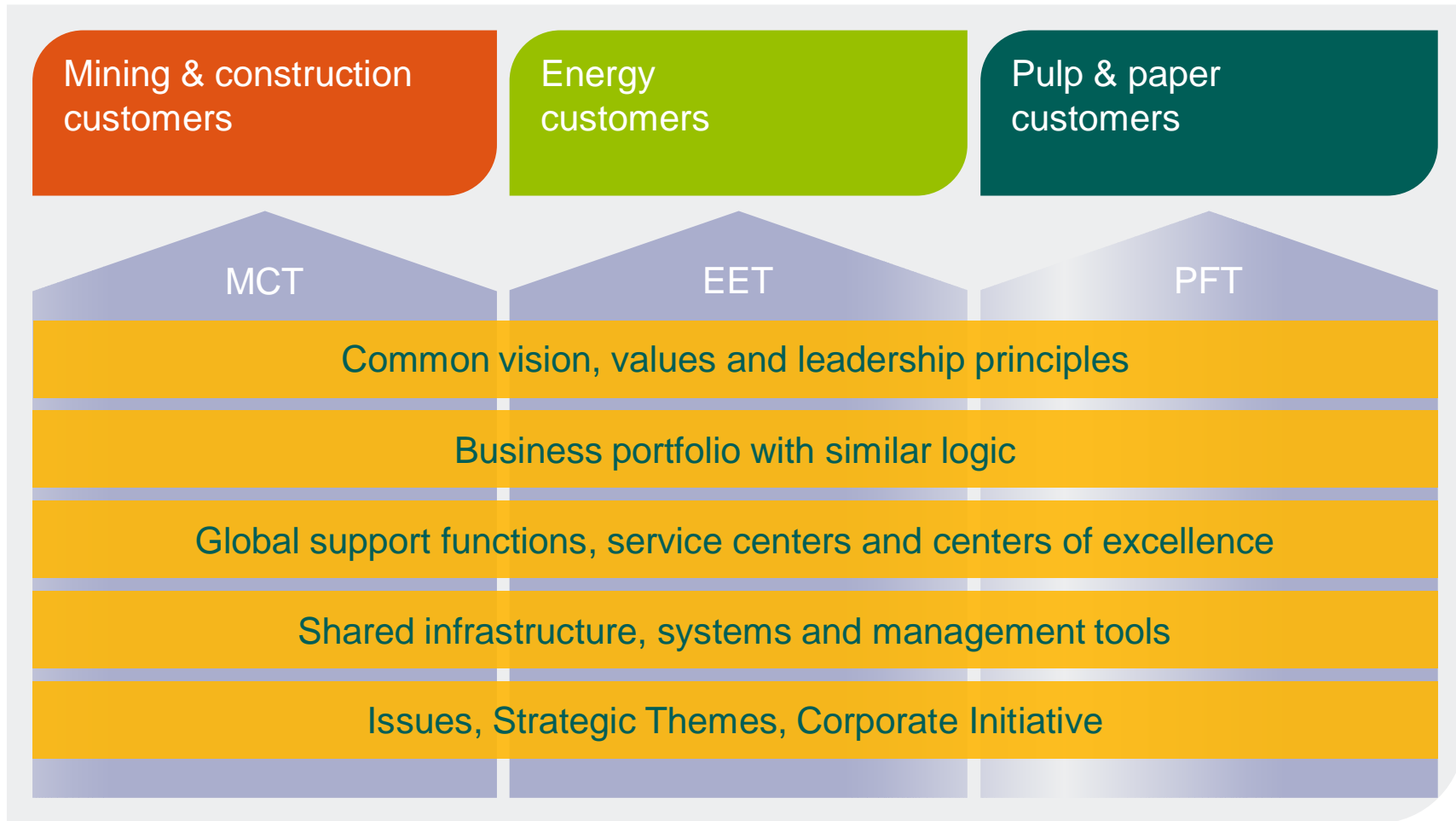
Change is driven by customer demand



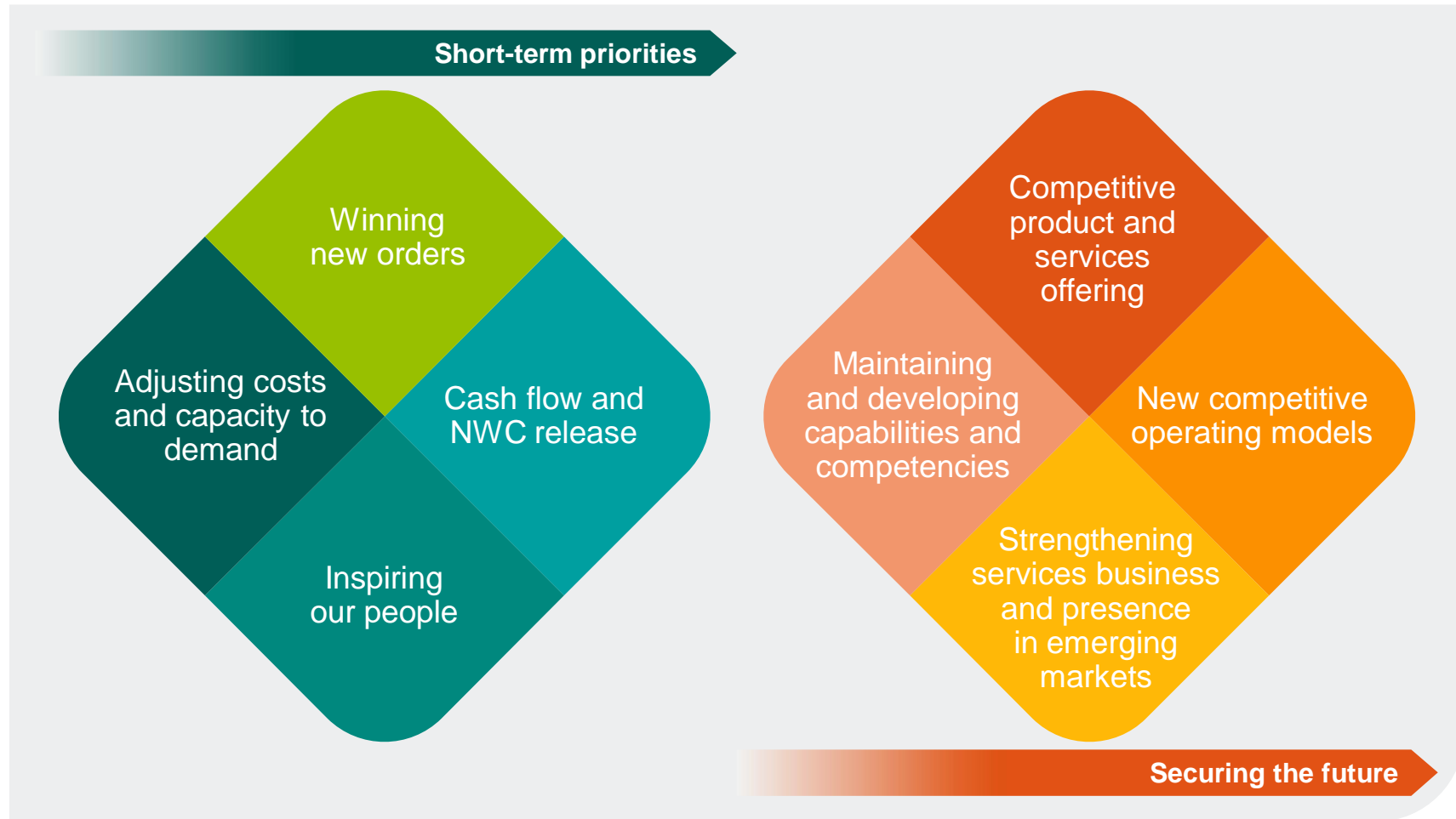
Three segments with similar characteristics but different maturity stage and different opportunities



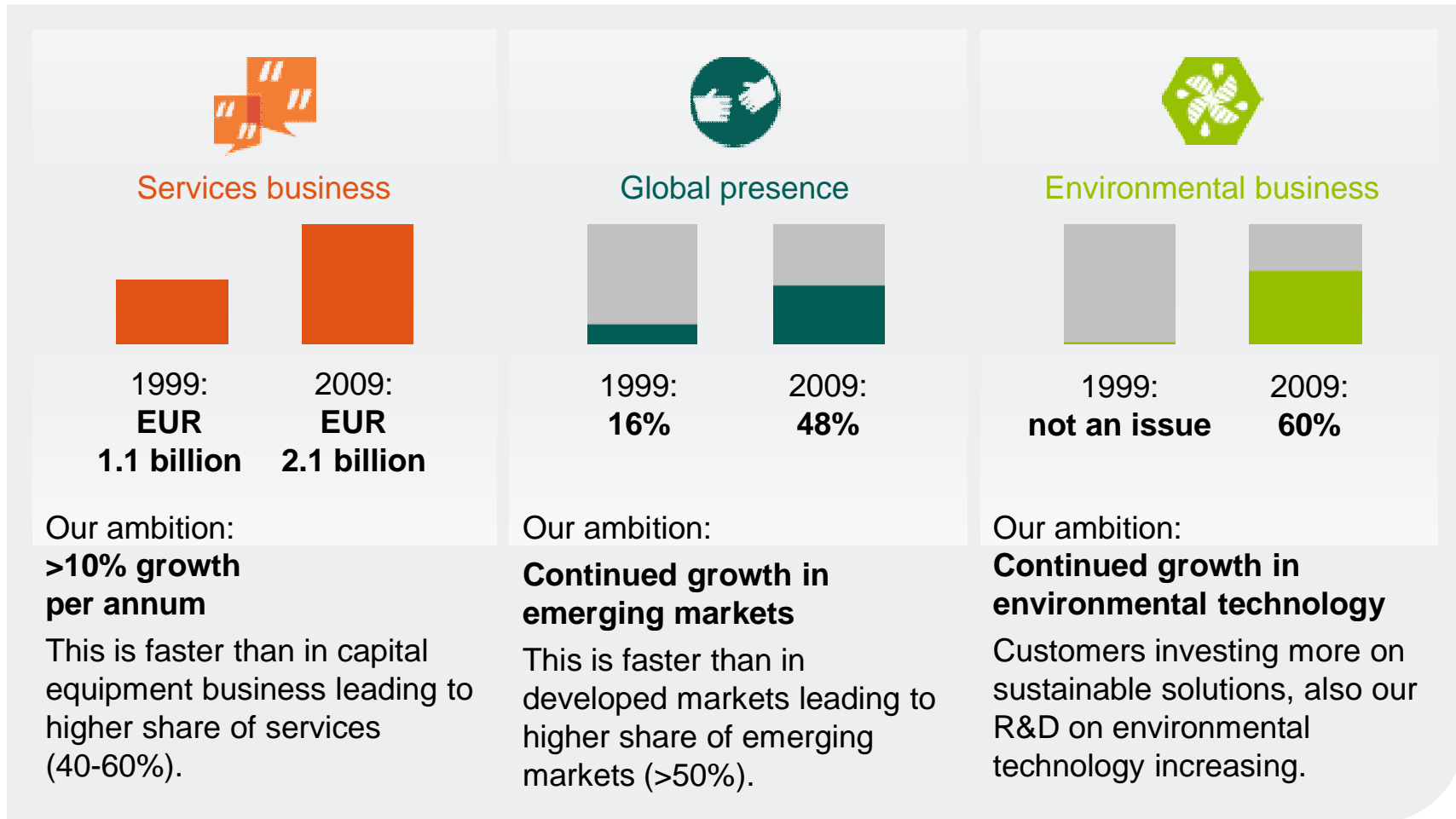
One Metso serving selected customer industries



2009 priorities on short-term actions – without forgetting the future



Significant results in our main strategic areas and further opportunities ahead



Aiming at creating more value with balanced approach

Long-term financial targets

Net sales growth >10%

Growth in EBITA*

EBITA %* >12%

ROCE %* >25%

Cash conversion >100%

Annual dividend at least 50% of EPS

Credit rating Solid investment grade



Building the environmental business throughout Metso



All of our businesses offer products and services that reduce the environmental impact and improve the quality of our customers' operations.

Our eco-efficient solutions are related primarily to

- Renewable energy sources
- Energy-efficiency of production processes
- Recycling
- Efficient utilization of raw materials
- Reducing emissions
- Process optimization



Environmental business accounts for some 60 percent of our business, based on the OECD definition.

Helping to solve customer industries challenges with clean technology

Power industry

- Flue gas emission control
- Heat/power generation from renewable fuels

Oil and gas industry

- Controlling processes/emissions
- Eliminating risks
- Ensuring reliability

Mining industry

- Preserving resources
- Advanced waste water treatment

Pulp and paper industry

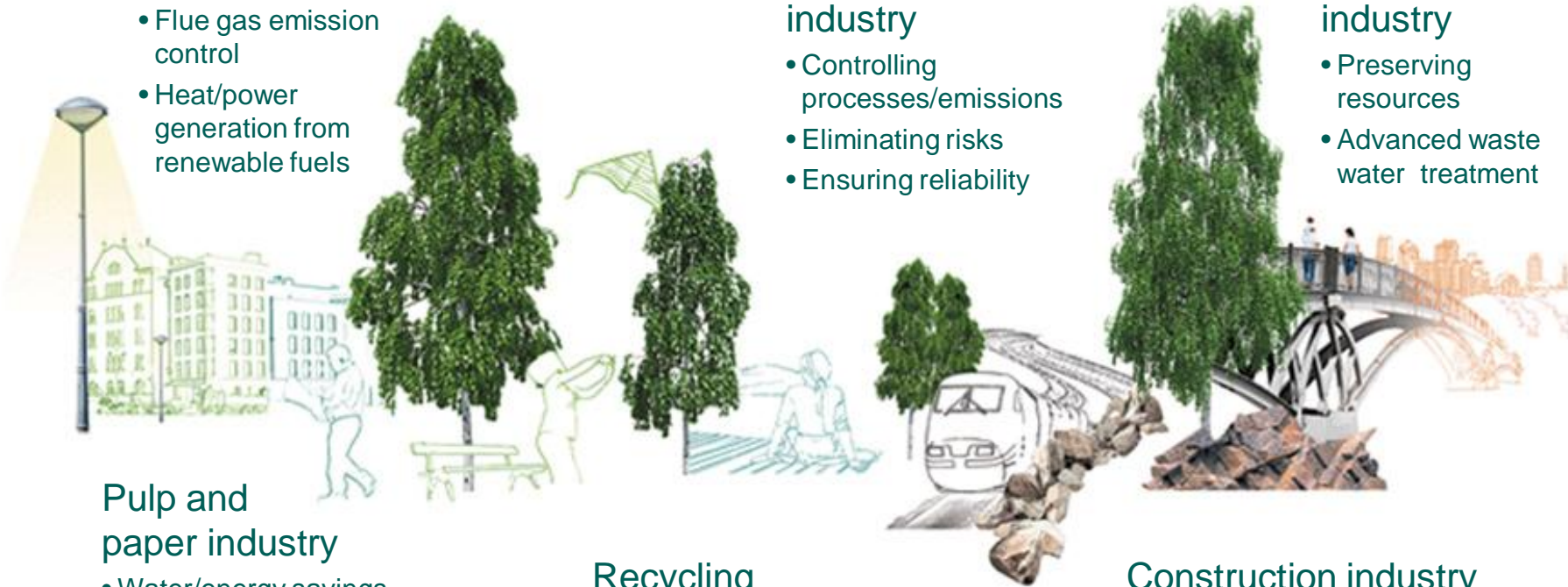
- Water/energy savings
- Reusing raw materials/chemicals/water
- Improving efficiency

Recycling

- Waste to raw material
- Minimizing pollution
- Reducing landfills

Construction industry

- Reducing dust/emissions
- Recycling materials
- Boosting infrastructure



Reduce – Reuse – Recycle

Our clean technology solutions help customers reduce, reuse and recycle today to ensure a more sustainable tomorrow

Reduced...

... raw material, energy and water consumption is essential due to diminishing reserves and increasing costs

Reuse...

... of water, power and raw materials makes both economical and environmental sense

Recycling...

... safeguards natural resources, saves energy, lowers pollution levels, and conserves landfill space

We are committed to create value

- We emerged as a winner from the downturn
- Strong positions within our businesses with further value creation potential
- Our strategic direction is intact and we are committed to reaching our financial targets
- We are a leading provider of sustainable technologies

