



Interim Review January – March 2010

Metso's Breakfast Meeting, Helsinki
April 30, 2010

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.

Presentation contents

- Performance in Q1 2010
- Financial position
- Outlook





Performance in Q1 2010

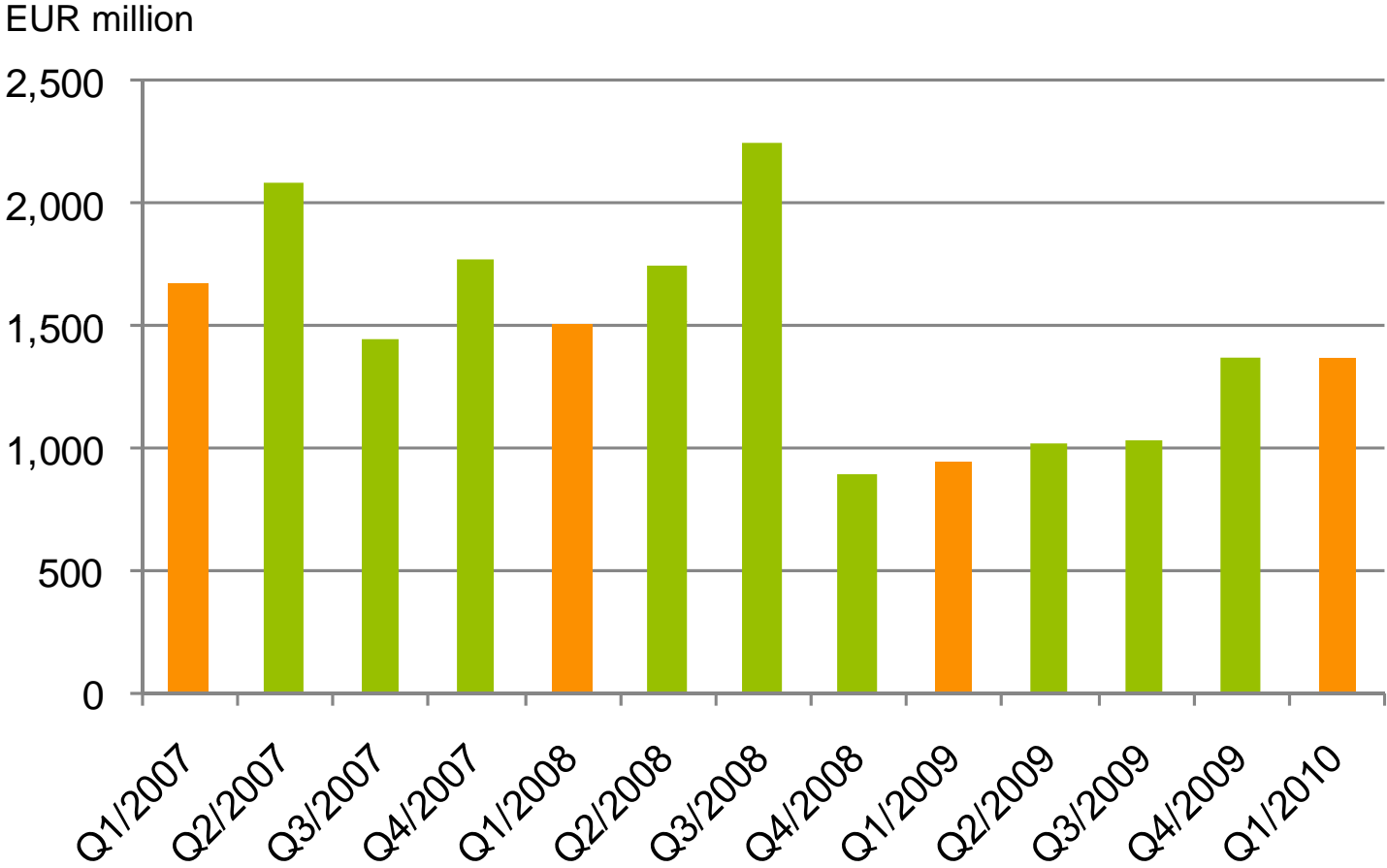
Financial highlights

EUR million	Q1 2010	Q1 2009	Change
Net sales	1,170	1,220	-4%
EBITA before non-recurring capacity adjustment expenses	88.5	90.8	-3%
% of net sales	7.6	7.4	
EBITA	83.8	68.8	+22%
% of net sales	7.2	5.6	
EPS, EUR	0.20	0.18	+11%
Orders received	1,366	942	+45%
Free cash flow	35	120	-71%
Gearing at end of period, %	32.8	72.6	

Profitability by segment (before capacity adjustment expenses)

EUR million	Q1 2010	Q1 2009	Change
MCT			
Net sales	472	528	-11%
EBITA before capacity adjustment expenses	39.5	59.4	-34%
<i>% of net sales</i>	8.4	11.3	
EET			
Net sales	332	397	-16%
EBITA before capacity adjustment expenses	31.8	33.7	-6%
<i>% of net sales</i>	9.6	8.5	
PFT			
Net sales	364	287	27%
EBITA before capacity adjustment expenses	19.8	2.8	607%
<i>% of net sales</i>	5.4	1.0	

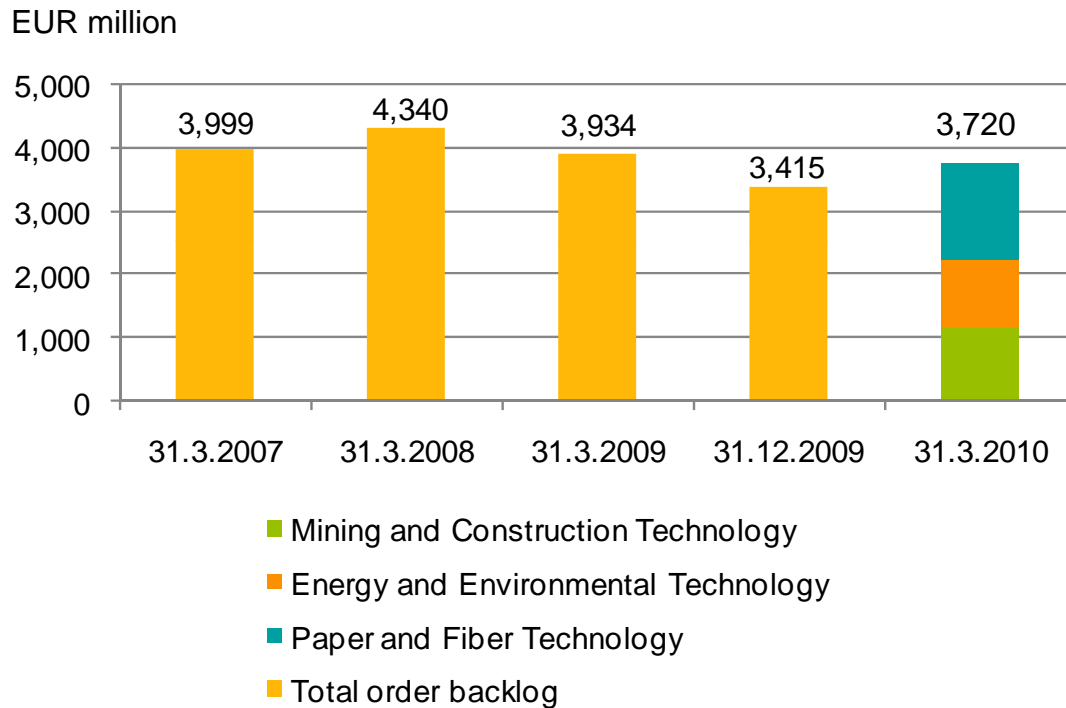
Positive trend in quarterly orders received



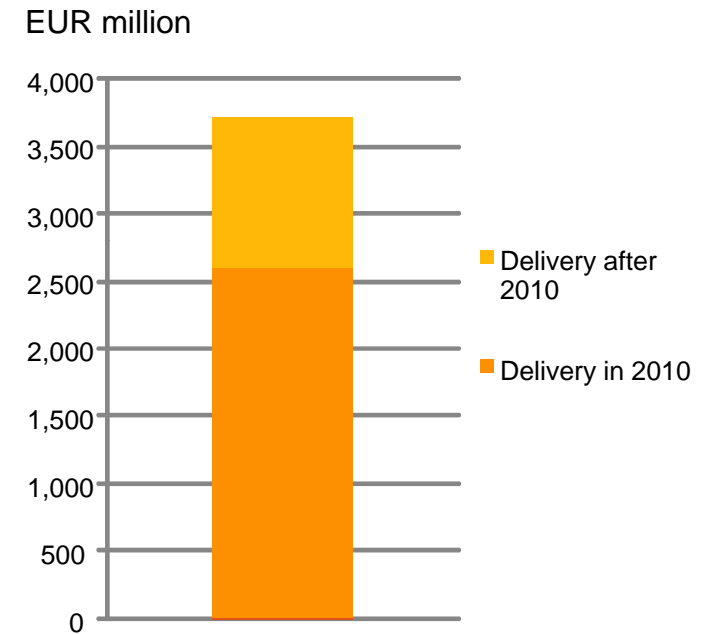
Orders for services picking up



Order backlog EUR 3.7 billion



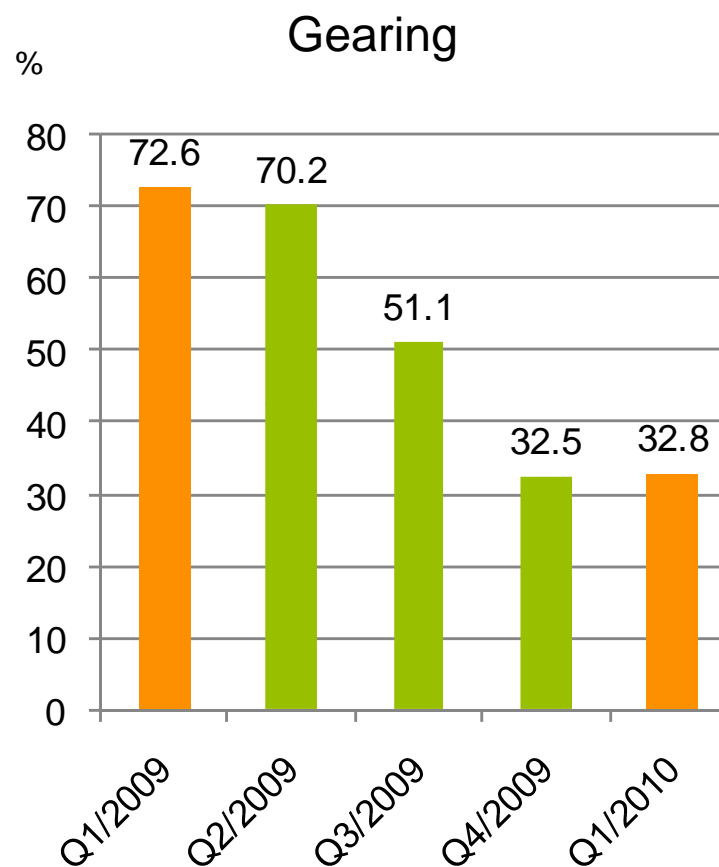
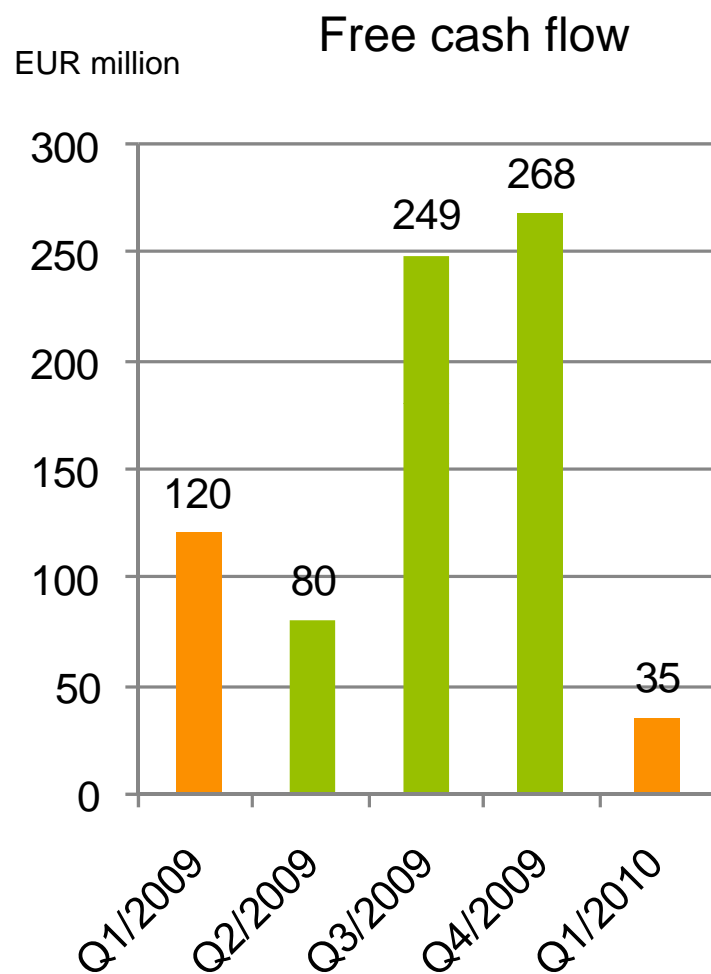
Delivery of order backlog





Financial position

Free cash flow and gearing



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



Outlook

Short-term market outlook

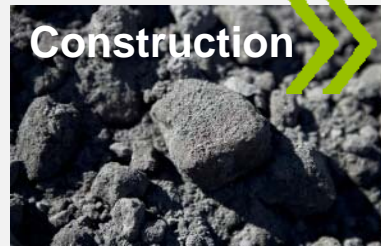
Most markets and customer industries recovering

Mining



- Equipment and project business picking up, services improving. Overall satisfactory.

Construction



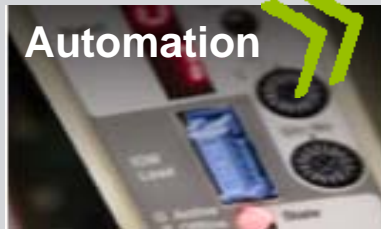
- Satisfactory demand in Europe and weak in North America. In Asia-Pacific and Brazil good demand

Power



- Markets to be good in 2010 in North America and Europe with increasing investments in renewable energy

Automation



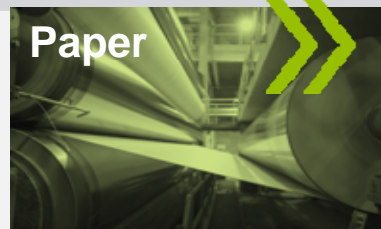
- Oil, gas and petrochemical industries expected to be active, markets to recover and to be satisfactory in 2010.

Recycling



- Demand to improve for metal recycling and be satisfactory for solid waste recycling

Paper



- Satisfactory demand for new lines and rebuilds, services demand to improve

Fiber



- Demand for new fiber lines to recover to a satisfactory level and for rebuilds and services to strengthen in 2010.

Guidance for 2010

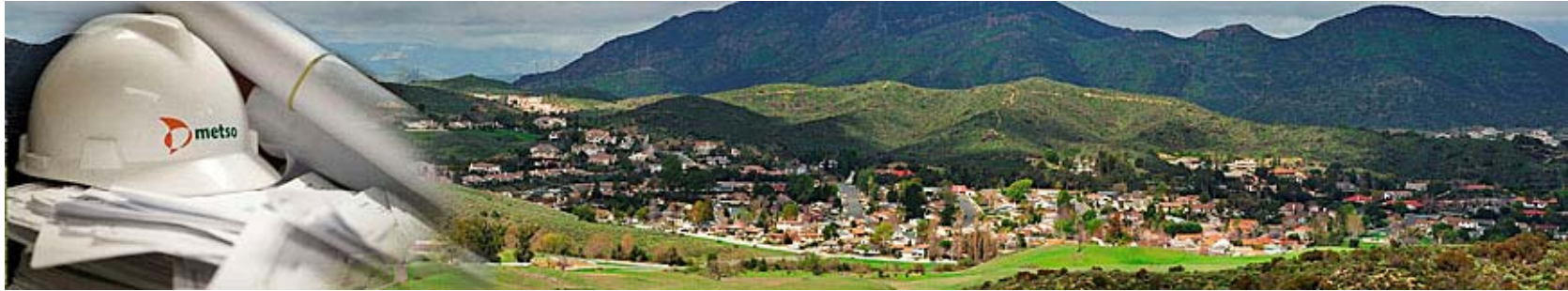
- We estimate that our net sales in 2010 will exceed EUR 5 billion and that profitability will be satisfactory.
- Our estimate is based on our order backlog, which contains about EUR 2.6 billion worth of deliveries for 2010, and on the expectation that the gradual recovery of the global economy will continue.

Previous guidance (from Financial Statements Review 2009, published on February 8, 2010):

We estimate our net sales in 2010 to remain at about the same EUR 5 billion level as in 2009, and profitability to remain satisfactory.



Preparing for profitable growth



- Metso is today a more competitive company than before.
- We have gradually started ramping up the engineering and manufacturing capacity.
- We are continuing to further develop our:
 - services business
 - global presence and
 - environmental business
- We are again focusing on profitable growth.



We are building a sustainable future for Metso

