

**PROPOSAL TO GRANT SHARE ISSUE AND SPECIAL RIGHTS AUTHORIZATION TO THE BOARD OF DIRECTORS**

Metso Corporation's Board of Directors proposes to the Annual General Meeting being held on March 30, 2011 that the Board of Directors be authorized to decide on the issuing of new shares and the conveying of own shares held by the Company ("Share issue authorization") and to grant special rights referred to in Chapter 10, Section 1 of the Companies Act, on the following conditions:

**Pre-emptive subscription rights and directed issue**

The new shares and the own shares held by the Company may be issued

- to the Company's shareholders in proportion to their current share holdings, or
- by means of a directed issue, waiving the pre-emptive subscription rights of the shareholders, if there is a weighty financial reason for the Company to do so, such as to develop the capital structure of the company or to finance or carry out future acquisitions, investments or other arrangements related to the Company's business or as part of the Company's incentive program.

**Maximum number of shares to be issued**

By virtue of the authorization, the Board of Directors is entitled to decide on the issuing of a maximum of 15,000,000 new shares and on the conveying of a maximum 10,000,000 own shares held by the Company.

Additionally, the Board of Directors is authorized to grant special rights referred to in Chapter 10, Section 1 of the Companies Act, which carry the right to receive, against payment, new shares of the Company or the Company's own shares held by the Company in such a manner that the subscription price is paid by using the subscriber's receivables to offset the subscription price ("Convertible bonds"). The maximum number of shares to be issued on the basis of special rights is 15,000,000. This maximum number is included in the maximum number of shares noted in the previous paragraph.

**Share issue against payment and without payment**

The new shares may be issued and the own shares held by the Company conveyed either against payment ("Share issue against payment") or without payment ("Share issue without payment"). A directed issue can only be executed without payment if there is an especially weighty financial reason for the company to do so, taking the interests of all shareholders into account.

The Board of Directors may decide on a Share issue without payment also to the Company itself. The number of shares to be issued to the Company shall not exceed 10,000,000 including the number of own shares acquired by the Company by virtue of the authorization to repurchase the Company's own shares.

**Recording the subscription price in the balance sheet**

The subscription price of new shares issued shall be recorded in the invested unrestricted equity fund.

The consideration paid for the conveyance of the Company's own shares shall be recorded in the invested unrestricted equity fund.

**Other conditions and validity**

The Board of Directors shall decide on other matters related to the share issues.

The share issue authorization is valid until April 30, 2014, and it revokes the share issue authorization given by the Annual General Meeting on March 30, 2010.

Helsinki, February 3, 2011

Metso Corporation

Board of Directors