



2011 Financial Statements Review

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President and CEO

February 9, 2012

Outotec



2011 – a record-breaking year

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2011 – excellent progress by all measures

EUR million	2011	2010	Change
Order intake	2,005.4	1,394.7	+44%
Order backlog	1,985.1	1,393.1	+42%
Sales	1,385.6	969.6	+43%
Services sales	343.5	282.5	+22%
Operating profit from business operations*)	121.5	74.7	+63%
Operating profit	111.9	41.6	+169%
Net cash flow from operating activities	247.0	87.5	+182%
Earnings per share, EUR	1.75	0.59	+197%
ROI	26.4%	9.2%	
ROE	20.9%	7.6%	

*) excluding one-time items and purchase price allocation (PPA) amortizations

Strategy implementation progressed well in 2011



Objective	Actions	Progress in 2011	Status
All businesses on growth track	<ul style="list-style-type: none"> • Win new business • Successful project deliveries 	<ul style="list-style-type: none"> • Strong order intake in all business areas • Successful delivery execution and scaling up the capacity 	
Basic life cycle solution offerings and delivery capabilities in place	<ul style="list-style-type: none"> • Win larger solution deals • Launch new service products 	<ul style="list-style-type: none"> • Several larger scope deals won • Good progress in developing and launching new service products 	
New operational model enabling scalability; global processes and systems in place	<ul style="list-style-type: none"> • Develop global supply and engineering functions • Develop and implement common processes and tools • Strengthen the resourcing 	<ul style="list-style-type: none"> • Global supply management function established and operational • Good progress in building global processes and systems • Successful scaling up of delivery capacity resulting to strong sales growth 	
Acquisitions to strengthen service, energy and water businesses and to augment technology portfolio	<ul style="list-style-type: none"> • Execute acquisitions as defined in the strategy 	Technology acquisitions: <ul style="list-style-type: none"> • Energy Products of Idaho • ASH DEC • Vertical Pressure Filter 	
Grow the Services business to EUR 500 million by 2015	<ul style="list-style-type: none"> • Strengthen the resources in Services • Develop and launch new service products • Execute acquisitions 	<ul style="list-style-type: none"> • Active recruitment globally • Good progress in developing and launching new service products • Service acquisitions <ul style="list-style-type: none"> • Kiln Services Australia 	

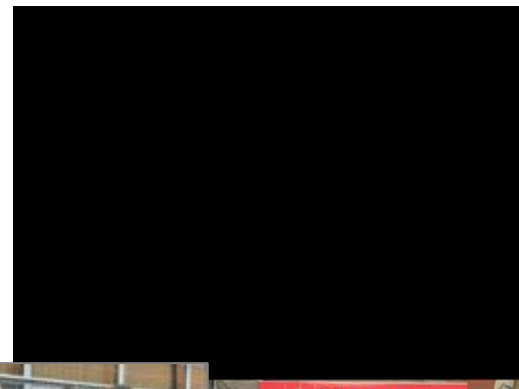


Financial Statements Review 2011

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The overall market activity was very strong in 2011

- **Positive long-term outlook for metals demand** and good metals prices supported investments, particularly relating to copper, gold, and iron.
- **High production rates** increased demand for services and spare parts.
- **Robust markets** in Russia, South America, Australia, Middle East, Europe, Africa and China
- The demand for **alternative energy, industrial water treatment and environmental solutions increased.**
- **Competitive landscape remained relatively unchanged**, but consolidation in the industry continued.



Demand for Outotec's technologies was high in all market areas and end products

- Order intake in 2011 EUR **2,005.4** million (2010: EUR 1,394.7 million), +44%
- Order intake in Q4/2011 EUR **327.0** million (Q4/2010: EUR 356.6 million), -8%

Americas 33%

EMEA (including CIS) 49%

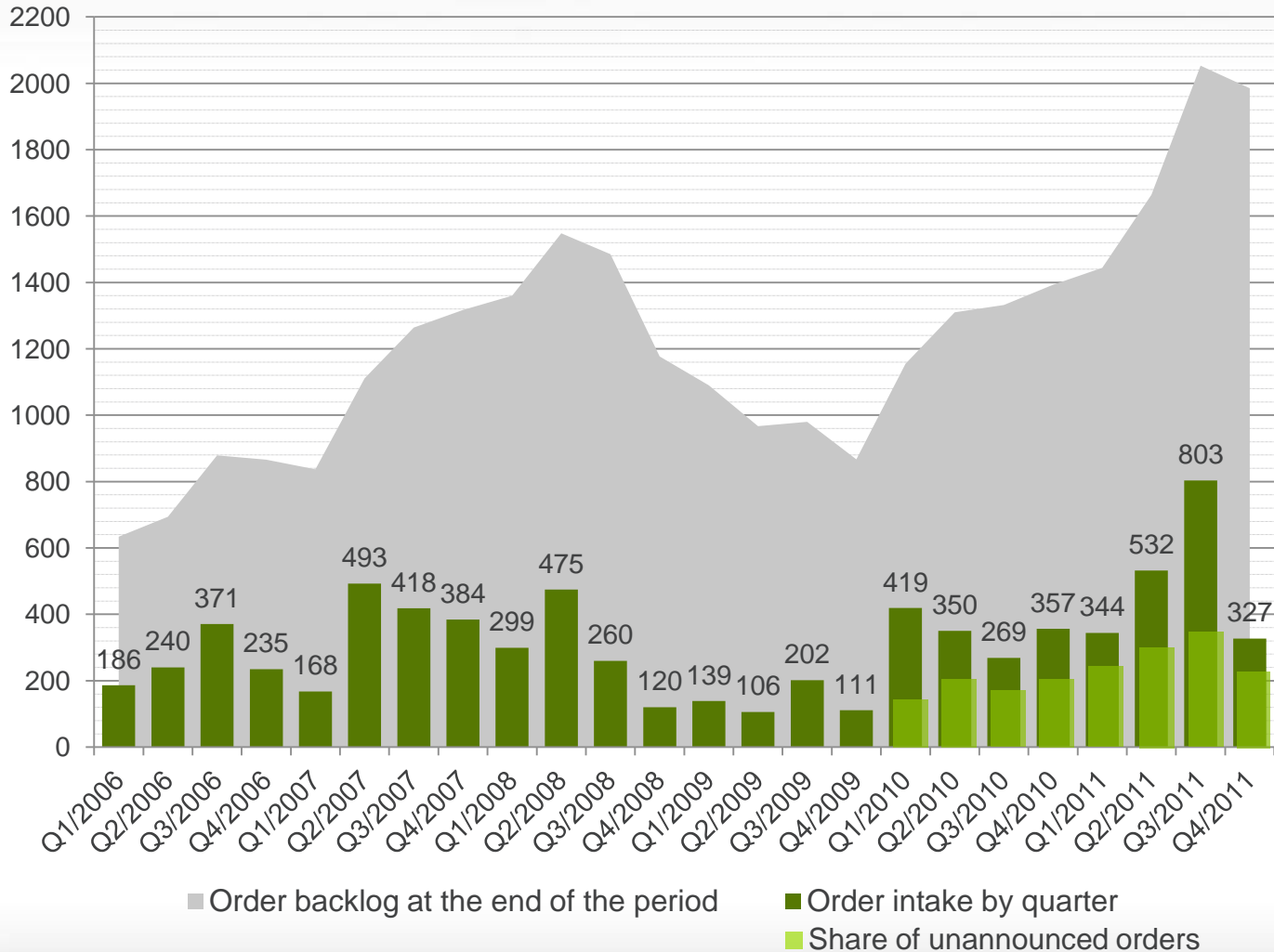
Asia Pacific 18%



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Order backlog reached record levels

EUR million



- Order backlog at the end of 2011 was EUR **1,985.1** (1,393.1) million, 42% higher than at the end of 2010
- 36 projects with value in excess of EUR 10 million, accounting for 67% of the backlog
- Roughly 68% (or approx. EUR 1,350 million) of the backlog is estimated to be delivered in 2012 and the rest in 2013 and beyond
- Typical significant quarterly fluctuations in order intake

Strong sales growth and profitability improvement

EUR million	2011	2010	Change %	Q4 2011	Q4 2010	Change %
Sales	1,385.6	969.6	+43	496.8	330.3	+50
Gross margin, %	24.0	26.2		23.9	26.9	
Operating profit from business operations	121.5	74.7	+63	54.9	33.4	+64
- one-time costs	-4.7*	-26.5**		-4.7	-4.2	
- PPA amortization	-4.9	-9.4		-1.3	-1.8	
+ revaluation of Ausmelt shares	-	+2.2		-	-	
+ Other	-	+0.6		-	+0.6	
Reported operating profit	111.9	41.6	+169	48.9	28.1	+74
FX impact (unrealized, realized)	+1.7	+1.9		-0.6	-1.4	
Operating profit margin, %	8.1	4.3		9.9	8.5	
- from business operations, %	8.8	7.7		11.0	10.1	

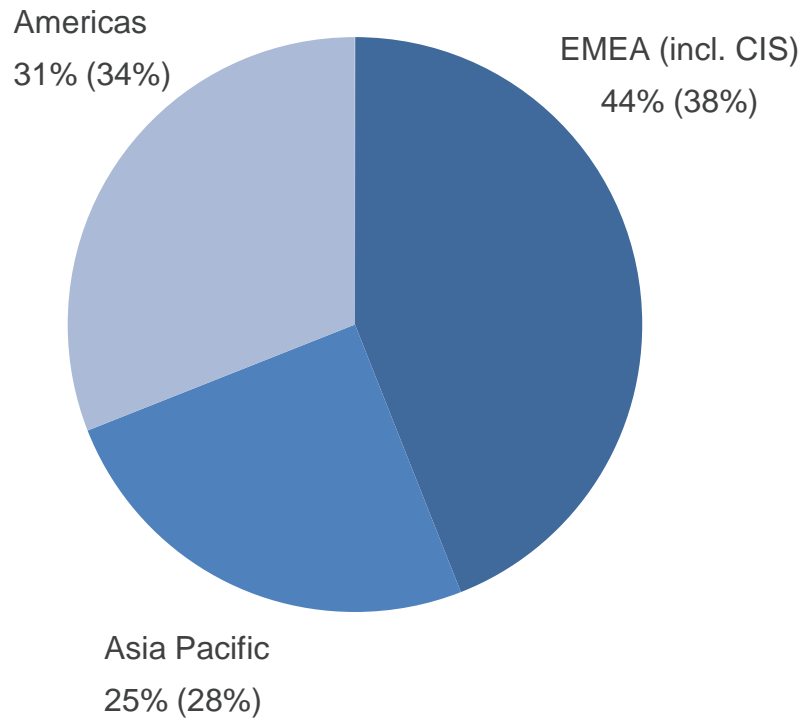
*) Related to restructuring and M&A

***) Related to cost savings program

Strong sales in Russia, Middle East and Sub-Saharan Africa, and throughout the entire copper value chain

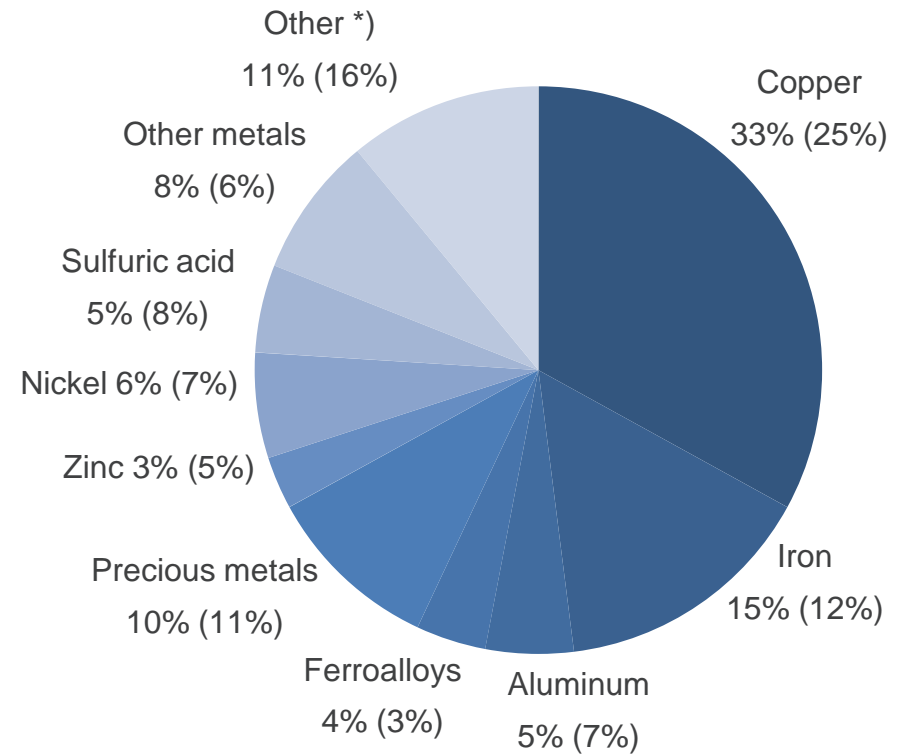
Sales by destination

2011 (2010)



Sales by end product

2011 (2010)



*) incl. energy, water and chemical industry

Non-ferrous Solutions – strong growth and profitability



2011 highlights

- Order intake very strong and geographically balanced
- Strong sales growth in services, equipment and process solutions
- Successful delivery execution

EUR million	2011	2010	Change %	Q4 2011	Q4 2010
Sales	947.6	623.3	+52%	358.5	223.9
Operating profit from business operations *)	113.1	50.6	+124%	54.5	24.0
Operating profit *)	107.7	26.1	+313%	52.4	23.2
Operating profit margin from business operations, %	11.9	8.1		15.2	10.7
Operating profit margin, %	11.4	4.2		14.6	10.4

*) unrealized and realized foreign exchange loss in 2011 EUR -1.3 million

Ferrous Solutions – strong order intake and sales growth, weak profitability



2011 highlights

- Strong order intake
- Strong sales growth due to good progress in delivery execution
- Profitability impacted by higher sales expenses, early POC phase projects and fewer project completions

EUR million	2011	2010	Change %	Q4 2011	Q4 2010
Sales	221.1	131.5	+68%	74.8	43.2
Operating profit from business operations	9.8	12.6	-22%	2.5	8.2
Operating profit	6.7	11.3	-40%	-0.6	8.2
Operating profit margin from business operations, %	4.4	9.5		3.3	19.0
Operating profit margin, %	3.1	8.6		-0.7	18.9

Energy, Light Metals and Environmental Solutions – strong order intake and good profitability



2011 highlights

- Strong order intake
- Sales back on growth track
- Good profitability, somewhat impacted by fewer project completions

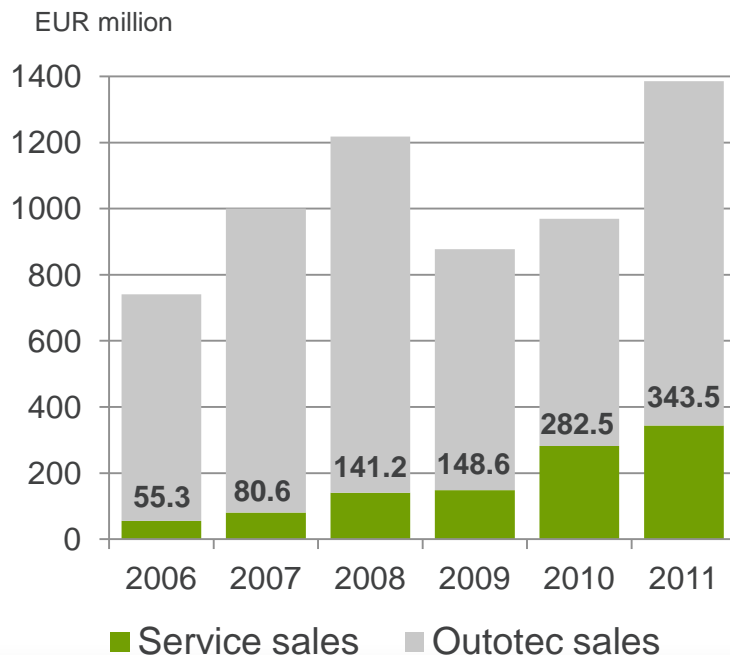
EUR million	2011	2010	Change %	Q4 2011	Q4 2010
Sales	236.1	222.8	+6%	70.9	65.3
Operating profit from business operations*)	25.8	28.9	-11%	5.2	11.5
Operating profit *)	23.8	26.8	-11%	3.6	11.4
Operating profit margin from business operations, %	10.9	13.0		7.4	17.6
Operating profit margin, %	10.1	12.0		5.0	17.5

*) unrealized and realized foreign exchange gains in 2011 EUR 2.9 million

Strong Services sales growth



- Sales of the Service business in 2011 were EUR 343.5 million (2010: 282.5 million), up 22%
 - New service offerings
 - Scaling up delivery capability
- Service business represented 25% of sales (2010: 29%)
- In Q4/2011, Service business sales were EUR 109.1 million, representing 22% of sales (Q4/2010: 100.5 million, 31% of sales)
- Acquisition of Kiln Services Australia
- Ahead of schedule in reaching long-term Services sales target of EUR 500 million by the end of 2015



Strong cash flow, balance sheet, ROI, ROE and EPS

EUR million	2011	2010	Q4 2011	Q4 2010
Net cash from operating activities	247.0	87.5	21.2	-4.8
Net interest-bearing debt ^{*)}	-339.1	-200.9	-339.1	-200.9
Equity ^{*)}	399.5	357.7	399.5	357.7
Equity-to assets ratio, % ^{*)}	39.1	41.2	39.1	41.2
Gearing, % ^{*)}	-84.9	-56.2	-84.9	-56.2
Working capital ^{*)}	-270.3	-113.5	-270.3	-113.5
ROI, %	26.4	9.2	44.4	26.7
ROE, %	20.9	7.6	39.4	21.4
Earnings per share, EUR	1.75	0.59	0.81	0.40

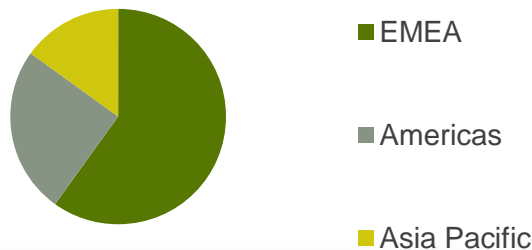
**) At the end of the period*

Successful recruitment and use of subcontractors to enable business growth

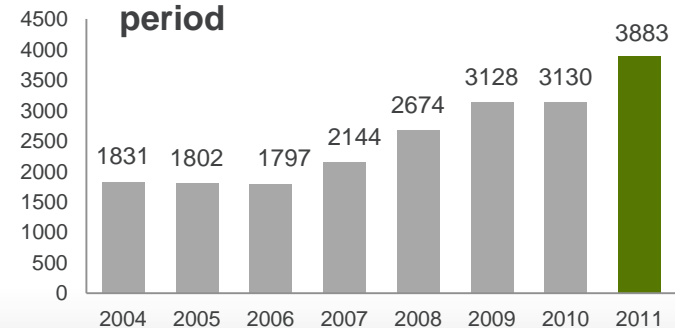
- At the end of 2011, Outotec had **3,883** employees (2010: 3,130)
- Some 80% of the increase was due to acquisitions and personnel recruited for:
 - Project implementation
 - Service delivery
 - Strengthening presence in emerging markets
- Temporary personnel accounted for **9%** (2010: 8%) of the total number of employees
- Additionally some **620** FTE contracted people in projects (Year-end 2010: 328)
- Salaries and other employee benefits: EUR **284.4** million representing 20.5% of sales (2010: EUR 224.4 million and 23.1% of sales)



Personnel by region at the end of the period



Personnel at the end of the period



Events after the reporting period



On January 26, 2012 Outotec announced the appointment of Ms Minna Aila, Master of Laws, as Senior Vice President – Communications and Corporate Responsibility and member of the Executive Board as of March 1, 2012.



Focus in 2012

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Focus in 2012

- Order intake, scalability and execution excellence to ensure continuous growth
- Value based pricing, supply savings and scalability to ensure profitability improvement
- Solution offering and services to strengthen earnings logic
- M&A to strengthen offering portfolio and accelerate growth

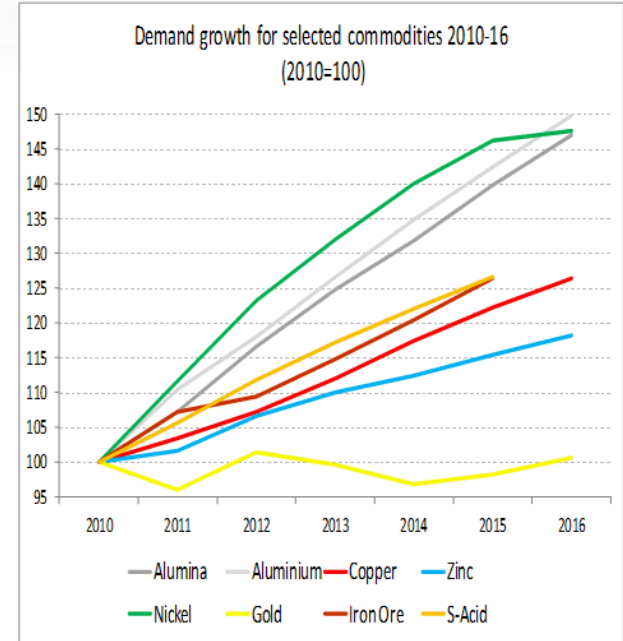


Market outlook and financial guidance for 2012

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Market outlook (excerpts from FY2011 Review)

- The market activity is expected to continue solid.
- Issues related to uncertain outlook of the global economy may delay or postpone customers' planning and decision-making process.
- Project financing is available especially for companies with strong balance sheets and for projects in the emerging countries.
- Increasing metals demand, declining ore grades, global relocation of production, tightening environmental regulations and efficiency requirements drive investments to new capacity and technology.
- Quarterly order intake will continue to fluctuate considerably.



DEMAND	CAGR% 2011-16	Increase, Kt/a	2011 Production, Mt
Alumina, SGA	6.5%	6 607	90.7
Aluminium	6.3%	3 214	45.5
Copper	4.1%	886	19.9
Zinc	3.1%	420	12.9
Nickel	5.7%	107	1.66
Gold*	0.9%	39	2850
Iron ore (2011-15)	4.2%	93 750	2105
Sulphuric acid (2011-15)	4.6%	10 406	199
*gold in tons			

Financial guidance for 2012

Based on strong order backlog at the end of 2011, market outlook and customer tendering activity, management expects that in 2012:

- sales will grow to approximately EUR 1.7-1.9 billion, and
- operating profit margin from business operations will be approximately 9 - 10% (excluding one-time items and PPA amortizations).

The achievement of the guidance is subject to overall development of world economy and financial markets, progress in projects in the order backlog, exchange rates, product mix, timing of new orders, license fee income and project completions.



Q&A

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