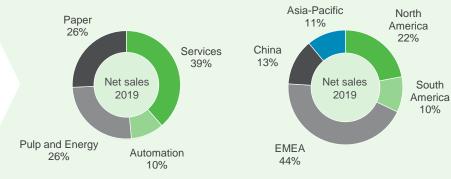
## **Valmet**

Key financials Net sales Order backlog Orders received 3,986 2019 3,547 3,333 M€ M€ Operating cash flow Comparable EBITA Comparable EBITA **Employees** 13,598 316 8.9% 295 M€ M€ of net sales



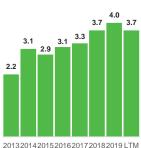




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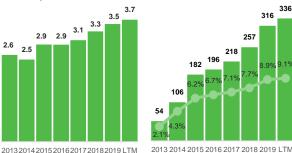




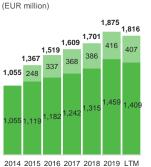
Orders received

Net sales

(EUR billion)



Stable business Automation Services



(EUR million) 1,479 1,513 1,576 989 2014 2015 2016 2017 2018 2019 LTM

Comparable EBITA

316

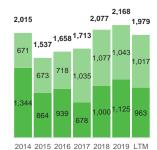
(EUR million and %)

Net sales

Net sales (EUR million)

Pulp and Energy Paper Capital business

Orders received (EUR million)



1,484 1,572 1.473 1,584 937

2014 2015 2016 2017 2018 2019 LTM

## Strong position in the growing market of converting renewables



 World trade, ecommerce and emerging markets growth drive packaging

~2-3%

Board

- Demand for light weight board
- Shift from plastic packaging to renewable materials
- Conversions from paper to board

#1

Paper

**0.3** ~-1% p.a.

- Increasing role of digital media decreases demand for printing and writing papers
- Demand for technology driven efficiency improvements
- Demand for specialty papers

7% of net sales 13% of net sales 5% of net sales

Market drivers % of net sales (2019)

efficient processes, maintenance and outsourcing of noncore operations

- Customers decreasing own resources
- Size and gradually aging installed base, capacity increases in China, South America, Asia-Pacific
- Closures of noncompetitive production lines

39% of net sales  Investments in new pulp and paper machines and power plants

- Demand for raw material savings, process efficiencies and sustainability
- Demand for Industrial Internet based solutions

10% of net sales

- Need for virgin wood pulp. Decreasing availability of recycled paper and limitations to recycling rates
- Increased size of pulp lines and mills
- New applications for bio based products
- Increasing environmental awareness and stricter regulations

12% of net sales

ales of net sales

Anticipated long-term market growth

and shutdowns of

14%

coal capacity

aging plants

· Incentives and

regulation

· Modernization of

Estimated market size for current offering (EUR)

Investment highlights

Strong position in the growing market of converting renewables

Widest offering combining process technology, services and automation in a unique way

Large stable business offering growth and profitability

Strong capital business with high market share and flexible cost structure

Systematically building the future

Financial targets (updated on February 5, 2020)

emerging markets

· Demand for higher

quality

Net sales for stable business to grow over two times the market growth

Net sales for capital business to exceed market growth

Comparable EBITA: 10-12%

Comparable return on capital employed (pre-tax), ROCE: >20%

Dividend payout at least 50% of net profit