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.
Results in brief

Pekka Vauramo
President and CEO
Highlights

Solid market activity in all businesses

Strong quarter in orders, sales and profitability
- Steady growth in services
- Strong growth in equipment

Successful implementation of strategy
- Divestment of grinding media business
- One acquisition announced (HighService Service in Chile)
- Organic investments and R&D ramp-up proceeding as planned
Orders received up 18% to EUR 1,013 million (859 million)

Sales up 17% to EUR 836 million (714 million)

EBITA was EUR 104 million, margin of 12.4% (85 million and 11.9%)

Operating profit was EUR 100 million, margin of 11.9% (80 million or 11.3%)

Earnings per share were EUR 0.43 (EUR 0.33)

Free cash flow was EUR 38 million (2 million)
Minerals quarterly highlights

Orders received up 20% to EUR 823 million (688 million)
  - Strongest growth in equipment
  - Second order booked for Albemarle’s new lithium project in Australia
  - Aggregates grew especially in the Nordic countries and West Europe

Sales up 17% to EUR 681 million (584 million)
  - Driven by equipment business
  - Share of services 63% (67%)

EBITA margin was 12.4% (11.9%)
  - Volume growth contributed
Orders received up 12% to EUR 191 million (171 million)
- Growth was fastest in services
- Oil & gas market strong in Asia

Sales up 19% to EUR 155 million (130 million)
- Driven by the equipment business
- Share of services 22% (22%)

EBITA margin was 15.2% (14.6%)
- Volume growth contributed
## Income statement

<table>
<thead>
<tr>
<th>EUR million</th>
<th>Q1/2019</th>
<th>Q1/2018</th>
<th>Change %</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders received</td>
<td>1,013</td>
<td>859</td>
<td>18</td>
<td>3,499</td>
</tr>
<tr>
<td>Sales</td>
<td>836</td>
<td>714</td>
<td>17</td>
<td>3,173</td>
</tr>
<tr>
<td>EBITA</td>
<td>104</td>
<td>85</td>
<td>22</td>
<td>369</td>
</tr>
<tr>
<td>% of sales</td>
<td>12.4</td>
<td>11.9</td>
<td></td>
<td>11.6</td>
</tr>
<tr>
<td>Operating profit</td>
<td>100</td>
<td>80</td>
<td>25</td>
<td>351</td>
</tr>
<tr>
<td>% of sales</td>
<td>11.9</td>
<td>11.3</td>
<td></td>
<td>11.1</td>
</tr>
<tr>
<td>Net financial expenses</td>
<td>-9</td>
<td>-9</td>
<td>0</td>
<td>-30</td>
</tr>
<tr>
<td>Taxes</td>
<td>-26</td>
<td>-21</td>
<td>24</td>
<td>-92</td>
</tr>
<tr>
<td>Profit for the period</td>
<td>65</td>
<td>50</td>
<td>30</td>
<td>229</td>
</tr>
<tr>
<td>Earnings per share, EUR</td>
<td>0.43</td>
<td>0.33</td>
<td>30</td>
<td>1.53</td>
</tr>
</tbody>
</table>
Impacts of structural changes and currencies

Orders received

<table>
<thead>
<tr>
<th>Q1/2018 Orders</th>
<th>Organic growth in constant currencies</th>
<th>Structural changes</th>
<th>Impact of exchange rates</th>
<th>Q1/2019 Orders</th>
</tr>
</thead>
<tbody>
<tr>
<td>859 EUR million</td>
<td>1,013 EUR million</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Sales

<table>
<thead>
<tr>
<th>Q1/2018 Sales</th>
<th>Organic growth in constant currencies</th>
<th>Structural changes</th>
<th>Impact of exchange rates</th>
<th>Q1/2019 Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>714 EUR million</td>
<td>836 EUR million</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Balance sheet

<table>
<thead>
<tr>
<th>EUR million</th>
<th>Mar 31, 2019</th>
<th>% of total</th>
<th>Dec 31, 2018</th>
<th>% of total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intangible assets</td>
<td>602</td>
<td>16%</td>
<td>608</td>
<td>19%</td>
</tr>
<tr>
<td>Tangible assets</td>
<td>434</td>
<td>8%</td>
<td>305</td>
<td>9%</td>
</tr>
<tr>
<td>Other non-current assets</td>
<td>163</td>
<td>4%</td>
<td>157</td>
<td>5%</td>
</tr>
<tr>
<td>Inventories</td>
<td>984</td>
<td>24%</td>
<td>950</td>
<td>29%</td>
</tr>
<tr>
<td>Receivables (trade and other)</td>
<td>855</td>
<td>23%</td>
<td>834</td>
<td>25%</td>
</tr>
<tr>
<td>Liquid funds</td>
<td>488</td>
<td>25%</td>
<td>426</td>
<td>13%</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td><strong>3,525</strong></td>
<td><strong>3,279</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total equity</td>
<td>1,497</td>
<td>37%</td>
<td>1,416</td>
<td>43%</td>
</tr>
<tr>
<td>Interest bearing liabilities</td>
<td>720</td>
<td>26%</td>
<td>598</td>
<td>21%</td>
</tr>
<tr>
<td>Non-interest bearing liabilities</td>
<td>1,308</td>
<td>36%</td>
<td>1,265</td>
<td>36%</td>
</tr>
<tr>
<td><strong>TOTAL EQUITY AND LIABILITIES</strong></td>
<td><strong>3,525</strong></td>
<td><strong>3,279</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Capital employed and net working capital

**Capital employed**

- **Other**
  - 2016: 86 EUR million
  - 2017: 315 EUR million
  - 2018: 287 EUR million
  - Q1/2019: 43 EUR million

- **Tangible assets**
  - 2016: 538 EUR million
  - 2017: 545 EUR million
  - 2018: 608 EUR million
  - Q1/2019: 602 EUR million

- **Intangible assets**
  - 2016: 807 EUR million
  - 2017: 826 EUR million
  - 2018: 426 EUR million
  - Q1/2019: 488 EUR million

- **Liquid funds**
  - 2016: 487 EUR million
  - 2017: 502 EUR million
  - 2018: 633 EUR million
  - Q1/2019: 666 EUR million

**Net working capital**

- **Trade receivables**
  - 2016: -274 EUR million
  - 2017: -342 EUR million
  - 2018: -431 EUR million
  - Q1/2019: -427 EUR million

- **Trade payables**
  - 2016: -186 EUR million
  - 2017: -198 EUR million
  - 2018: -208 EUR million
  - Q1/2019: -234 EUR million

- **Advances**
  - 2016: -225 EUR million
  - 2017: -206 EUR million
  - 2018: -262 EUR million
  - Q1/2019: -243 EUR million

- **Other**
  - 2016: -1,000 EUR million
  - 2017: -500 EUR million
  - 2018: 0 EUR million
  - Q1/2019: 500 EUR million

**Net working capital**

- **Trade receivables**
  - 2016: 464 EUR million
  - 2017: 497 EUR million
  - 2018: 585 EUR million
  - Q1/2019: 587 EUR million

- **Trade payables**
  - 2016: 709 EUR million
  - 2017: 750 EUR million
  - 2018: 950 EUR million
  - Q1/2019: 984 EUR million

- **Advances**
  - 2016: 533 EUR million
  - 2017: 633 EUR million
  - 2018: 950 EUR million
  - Q1/2019: 984 EUR million

- **Other**
  - 2016: 666 EUR million
  - 2017: 666 EUR million
  - 2018: 950 EUR million
  - Q1/2019: 984 EUR million

**EUR Million**
## Cash flow

<table>
<thead>
<tr>
<th>EUR million</th>
<th>Q1/2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Profit for the period</strong></td>
<td>65</td>
<td>229</td>
</tr>
<tr>
<td>Adjustments</td>
<td>58</td>
<td>181</td>
</tr>
<tr>
<td>Change in net working capital</td>
<td>-55</td>
<td>-129</td>
</tr>
<tr>
<td>Financial items, paid</td>
<td>-5</td>
<td>-17</td>
</tr>
<tr>
<td>Taxes paid</td>
<td>-18</td>
<td>-87</td>
</tr>
<tr>
<td><strong>Net cash flows from operating activities</strong></td>
<td>45</td>
<td>177</td>
</tr>
<tr>
<td>Capital expenditure on fixed assets</td>
<td>-19</td>
<td>-67</td>
</tr>
<tr>
<td>Business acquisitions, net of cash</td>
<td>-</td>
<td>-77</td>
</tr>
<tr>
<td>Other</td>
<td>9</td>
<td>1</td>
</tr>
<tr>
<td><strong>Net cash flow from investments</strong></td>
<td>-10</td>
<td>-143</td>
</tr>
<tr>
<td><strong>Free cash flow</strong></td>
<td>38</td>
<td>146</td>
</tr>
</tbody>
</table>
### Financial position

<table>
<thead>
<tr>
<th>Metric</th>
<th>Mar 31, 2019</th>
<th>Dec 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Return on capital employed before taxes (ROCE), %, annualized</td>
<td>18.9</td>
<td>16.9</td>
</tr>
<tr>
<td>Return on equity (ROE), %, annualized</td>
<td>17.7</td>
<td>16.5</td>
</tr>
<tr>
<td>Net gearing, %</td>
<td>15.1</td>
<td>11.7</td>
</tr>
<tr>
<td>Cash conversion, %</td>
<td>58</td>
<td>64</td>
</tr>
<tr>
<td>Equity-to-assets ratio, %</td>
<td>46.6</td>
<td>47.7</td>
</tr>
<tr>
<td>Debt to capital, %</td>
<td>32.5</td>
<td>29.7</td>
</tr>
<tr>
<td>Net debt/EBITDA</td>
<td>0.5</td>
<td>0.4</td>
</tr>
<tr>
<td>EBITDA / Financial expenses, net (interest coverage)</td>
<td>12.9</td>
<td>13.7</td>
</tr>
</tbody>
</table>

IFRS 16 is adopted in the 2019 figures. Comparison figures for 2018 are not restated.
Strategy and outlook

Pekka Vauramo
President and CEO
Strategy execution

Investments in organic growth
- CAPEX in total EUR 19 million (EUR 13 million)
- Growth investments to aggregates equipment, foundry capacity and valves production capacity are progressing as planned in India and China

Research and development ramping up as planned
- Total spend EUR 12 million or 1.5% of sales (1.0%)
- Several product launches in BAUMA in early April
Market activity in both segments, Minerals and Flow Control, is expected to remain at the current high level in both the equipment and services business.

Metso’s market outlook describes the expected sequential development in market activity during the following six-month period using three categories: improve, remain at the current level, or decline.