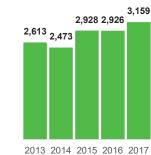


Orders received (EUR million)

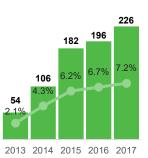
3,071 \_\_\_\_\_2,878

3,139 3,272

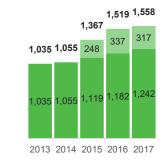




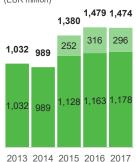




Orders received (EUR million)



Net sales (EUR million)

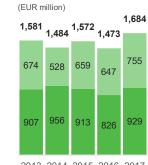


Orders received (EUR million) 2,015 1,537 <sup>1,658</sup> 1,713 671 1,147 718 673 467

.344

864

2013 2014 2015 2016 2017



Net sales

1.035

2013 2014 2015 2016 2017

2013 financials on a carve-out basis.

Automation has been consolidated into Valmet's financials since April 1, 2015, when the acquisition was completed. Automation Q1/2015 figures are stand-alone figures based on Metso's reported figures and pro forma figures excluding Process Automation Systems and are therefore indicative only. Figures for Q2/2015 and onwards are Automation business line figures (including internal net sales and orders received)

Investor Relations Calle Loikkanen **Director, Investor Relations** Tel. +358 10 672 0020 calle.loikkanen@valmet.com Tuuli Oja Manager, Investor Relations Tel. +358 10 672 0352 tuuli.oja@valmet.com

Heli Jämsä

**Investor Relations Coordinator** Tel. +358 10 672 0973 heli.jamsa@valmet.com



Stable business

Automation

Services

## Strong market position in markets that grow

| Services   | Automation  | Pulp  | Energy  | Tissue  | Board   | Paper  |
|--|---|---|---|---|---|--|
| #1-2   | #1-3  | #1-2  | #1-3  | #1  | #1  | #1   |
| 8.0 ~1-2%<br>EUR bn p.a.   | <b>2.0</b> ~1% EUR bn p.a.  | <b>1.4</b> ~1% EUR bn p.a.  | <b>2.0</b> ~1% EUR bn p.a.  | <b>0.7</b> ~3% EUR bn p.a.  | <b>1.0</b> ~2-3%<br>EUR bn p.a.   | <b>0.3</b> ~-1%<br>EUR bn p.a.   |
| <ul> <li>Increasing pulp,<br/>energy, tissue,<br/>board and paper<br/>production</li> <li>Gradually aging<br/>installed base</li> <li>Capacity increases<br/>in China,<br/>South America and<br/>Asia-Pacific</li> </ul> | <ul> <li>Investments in new<br/>pulp and paper<br/>machines and<br/>power plants</li> <li>Aging machines<br/>and installed<br/>automation systems</li> <li>Demand for<br/>intelligent<br/>technology</li> </ul> | <ul> <li>Growth in board<br/>and tissue<br/>consumption in Asia</li> <li>Need for virgin<br/>wood pulp, as<br/>recycling rates can<br/>not grow infinitely</li> <li>Increased size of<br/>pulp lines and mills</li> </ul> | <ul> <li>Growth in energy consumption</li> <li>Demand for sustainable energy</li> <li>Modernization of aging plants</li> <li>Incentives and regulation</li> </ul> | <ul> <li>Fastest growth in<br/>emerging markets</li> <li>Rise in purchasing<br/>power and living<br/>standards in<br/>emerging markets</li> </ul> | <ul> <li>World trade, e-<br/>commerce and<br/>emerging markets<br/>growth drive<br/>packaging</li> <li>Shift from plastic<br/>packaging to<br/>renewable materials</li> <li>Demand for light-<br/>weight board</li> </ul> | <ul> <li>Increasing role of<br/>digital media<br/>decreases demand<br/>for printing and<br/>writing papers</li> <li>Some growth in<br/>emerging markets</li> </ul> |
| <b>37%</b> of net sales  | <b>9%</b> of net sales  | <b>18%</b> of net sales   | <b>11%</b> of net sales   | <b>9%</b> of net sales  | <b>10%</b> of net sales   | 5%<br>of net sales   |
| Estimated market size for current offering (EUR)   |   | Anticipated long-term market growth   |   | Market drivers  |   | % of net sales (2017)  |

## Investment highlights

- Strong market position in markets that grow
- Stable business, with EUR 1.5 billion of net sales, offering stability, growth and profitability
- Capital business, with flexible cost structure, offering growth and profitability potential
- Continuous systematic development
- Technology leader with unique offering

## **Financial targets**

- Net sales for stable business to grow over two times the market growth
  - Net sales for capital business to exceed market growth
  - Comparable EBITA: 8–10%
- Comparable return on capital employed (pre-tax), ROCE: 15–20%
- Dividend payout at least 50% of net profit