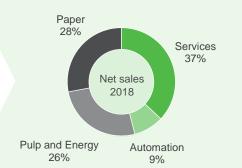
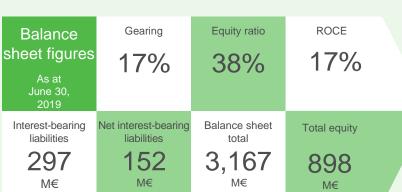
# Valmet >

Key financials Orders received Net sales Order backlog 3,722 3,325 2018 2,829 M€ M€ Comparable EBITA Comparable EBITA **Employees** Operating cash flow 12,528 257 7.7% 284 M€ of net sales M€

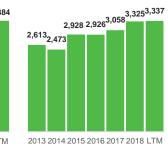






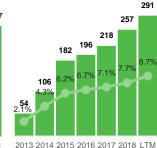
#### Orders received (EUR million)

3,722<sup>3,884</sup> 3,071<sub>2,878</sub>3,139<sup>3,272</sup> 2,182 2013 2014 2015 2016 2017 2018 LTM



Net sales

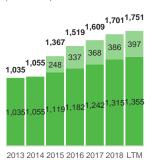
(EUR million)



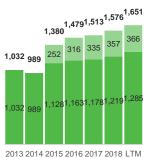
Comparable EBITA

(EUR million and %)

Orders received (EUR million)



Net sales (EUR million)



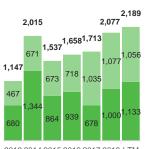
#### Orders received (EUR million)



Stable business

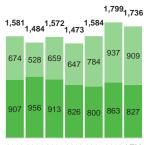
Automation

Services



2013 2014 2015 2016 2017 2018 LTM

Net sales (EUR million)



2013 2014 2015 2016 2017 2018 LTM

LTM = Last twelve months (July 1, 2018 - June 30, 2019)

2013 financials on a carve-out basis

tion has been consolidated into Valmet's financials since April 1, 2015, when the acquisition was completed. The figures for Automation business line includes internal net sales and internal 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.oia@valmet.com

Inga-Maaret Aikioniemi Coordinator, Investor Relations Tel. +358 10 672 0973 inga-maaret.aikioniemi@valmet.com

### Strong position in the growing market of converting renewables



- · Increasing pulp, paper and energy production
- Demand for more 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

37% of net sales Automation

2.0 EUR bn

- · Aging machines and installed automation systems
- 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

9% of net sales



EUR bn · Growth in board and tissue consumption

- · 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

13% of net sales

Energy 2.0

 Growth in energy consumption

EUR bn

- · Demand for sustainable energy and shutdowns of coal capacity
- · Modernization of aging plants
- · Incentives and regulation

12% of net sales Tissue

~3%

 Rise in purchasing power and living standards

0.7

- · Fast growth in emerging markets
- Demand for higher quality

8%

of net sales

Board



1.0

EUR bn

· World trade, e-

arowth drive

· Demand for light

Shift from plastic

renewable materials

16%

of net sales

weight board

packaging to

packaging

commerce and

emerging markets

Paper

0.3 EUR bn

> · Increasing role of digital media decreases demand for printing and

~-1%

- Demand for technology driven efficiency improvements
- Conversions from paper to board

writing papers

- Demand for
- specialty papers

4% of net sales

Anticipated long-term market growth

Market drivers

% of net sales (2018)

## Investment highlights

Estimated market size for current offering (EUR)

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**

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