Metsä Group
Half-year Financial Report 1 January – 30 June 2026

Metsä Group's profitability in the second quarter improved on last year, with comparable EBITDA being EUR 129 million

January–June 2026 (1–6/2025)

- Sales were EUR 2,741 million (3,069).
- EBITDA was EUR 231 million (250). Comparable EBITDA was EUR 257 million (265).
- Operating result was EUR -33 million (6). Comparable operating result was EUR -7 million (44).
- Result before taxes was EUR -74 million (-24). The comparable result before taxes was EUR -42 million (15).
- The comparable return on capital employed was -0.1% (1.3).
- Net cash flow from operations was EUR -37 million (10).

April–June 2026 (4–6/2025)

- Sales were EUR 1,383 million (1,426).
- EBITDA was EUR 117 million (60). Comparable EBITDA was EUR 129 million (68).
- Operating result was EUR -16 million (-46). Comparable operating result was EUR -3 million (-37).
- The result before taxes was EUR -40 million (-61). The comparable result before taxes was EUR -22 million (-52).
- The comparable return on capital employed was -0.1% (-1.7).
- Net cash flow from operations was EUR 42 million (19).

Events during the second quarter of 2026

- Demand for market pulp remained muted in Europe and China. The market-driven production shutdown at the Joutseno pulp mill continued throughout the second quarter.
- Average invoicing prices for softwood market pulp increased by 8% in Europe and decreased by 3% in China compared with the previous quarter.
- Paperboard delivery volumes increased from the previous quarter.
- At the end of May, Metsä Group inaugurated the expansion to its tissue paper mill in Mariestad, Sweden. The EUR 370 million investment will improve the mill's production and environmental efficiency, and support its long-term competitiveness.
- During the review period, change negotiations were held in the wood products business with a view to improving profitability. As a result, around 100 jobs will be cut in the UK, and a total of 100 in Finland and Estonia. Production at the Suolahti softwood plywood mill ceased at the end of May.
- Metsä Group commissioned KPMG to carry out an independent assessment of the economic impact of Metsä Group's operations on Finland. According to the assessment, the company's value-added impact is around EUR 3.4 billion per year, and its overall impact on the Finnish economy is also significant in terms of jobs and tax revenue.
- In June, Metsä Group announced a programme to speed up the use of artificial intelligence with the aim of maximising the added business value generated by artificial intelligence across the value chain. One of the partners in this development is the Finnish company QuTwo.

Cost savings and profit improvement programme

The EUR 300 million cost-saving and profit improvement programme, which began in July 2025, has progressed successfully, and the programme's EBITDA run-rate target is expected to be achieved at the beginning of the third quarter of 2026. The impact of the savings on both fixed and variable costs can be seen in the result for the first half of the year.

In the second quarter, cost savings achieved through improvements in production efficiency were supported, in particular, through the renewal of purchase agreements and models, increased competitive tendering, and the consolidation of the supplier base across various procurement categories and in logistics. End product logistics and wood supply chain were optimized and efficiency improvement measures implemented successfully. Cuts to fixed and discretionary costs have been implemented as planned.

It is estimated that at least two thirds of the programme's target for result impact will be achieved in 2026, and the full impact of the cost savings on result is expected to be realised in 2027. While the programme is progressing as planned, cost saving measures, profitability improvement actions and the identification of new measures will continue systematically.

The impact of the conflict in the Middle East has reduced the result effect of the savings in the second quarter by around EUR 12 million due to the rise in oil and gas prices, particularly in logistics, energy and certain raw materials. The impacts of the conflict will become clearer over the next half year.

President and CEO Jussi Vanhanen:

Metsä Group’s Q2 result improved significantly compared with the corresponding period in 2025, when the new US tariff policy had a particularly severe impact on the profitability of our pulp and paperboard businesses. Our EBITDA rose from EUR 60 million to EUR 117 million. Our comparable operating profit was still slightly negative (EUR -3 million) but improved significantly from last year’s EUR -37 million. With the exception of our wood products business, profitability improved across all business operations compared with a year ago, although the level remains clearly insufficient.

A year ago, we launched a cost saving programme of EUR 300 million. It has exceeded expectations. Our original target was to achieve permanent annual savings of EUR 300 million by the end of 2027, but it now seems we will significantly exceed that target. Our personnel have done an excellent job of identifying areas for savings and implementing projects.

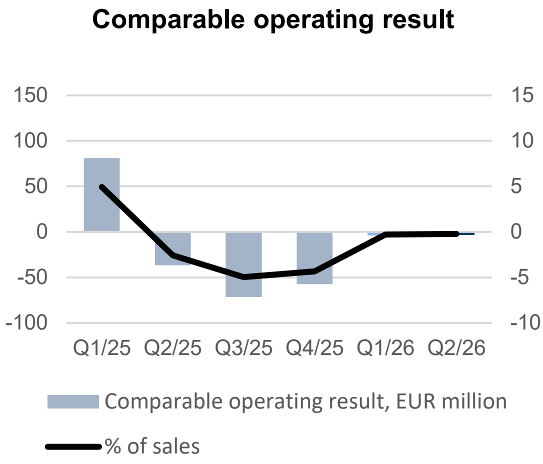
This work is reflected in our improved result, even though some of the benefits achieved have been passed on to customers through lower sales prices. The impact of exchange rates remained negative. Our relative competitive position has strengthened, as indicated by many of our Central European and Canadian competitors reporting significant financial difficulties and capacity closures in both the softwood pulp and paperboard businesses.

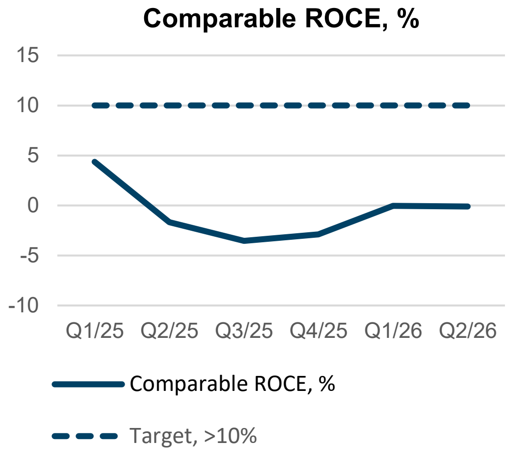
It is essential to continue making cost savings and improving competitiveness in the future as well, as the crisis in the Strait of Hormuz seems to be dragging on. The rise in oil prices is having a significant impact on our costs. Around 95% of the energy we use in our production is fossil-free, but the price of oil affects our transport costs from the forest to the customer, as well as the prices of many chemicals. We estimate that if the price of oil were to remain at 100 US dollars per barrel, Metsä Group’s annual costs would increase by approximately EUR 200 million compared with the previous price of 70 dollars per barrel.

In June, we published an assessment by KPMG of the economic impact of our parent company, Metsäliitto Cooperative, and Metsä Group on Finland. According to the assessment, our operations generated EUR 3.4 billion of value added for Finland per year in 2023–2025. The tax contribution of our operations to society averaged EUR 960 million per year. This revenue helps sustain the welfare state and boosts economic vitality throughout the country. The figures are high for a simple reason: Finnish wood is the foundation of our business. We are truly proud to be building wellbeing and prosperity for hundreds of thousands of forest owners and their families, entrepreneurs, and citizens throughout Finland – from Miehikkälä to Muonio and from Luvia to Lieksa.

Key figures

	2026 1–6	2025 1–6	2026 4–6	2025 4–6	2025 1–12
Sales, EUR million	2,740.9	3,068.6	1,383.4	1,426.5	5,832.9
EBITDA, EUR million	231.2	249.6	116.6	60.1	342.4
Comparable, EUR million	256.7	265.1	129.0	68.2	365.2
% of sales	9.4	8.6	9.3	4.8	6.3
Operating result, EUR million	-33.5	5.6	-15.7	-45.8	-271.3
Comparable, EUR million	-7.0	44.3	-3.2	-36.6	-84.6
% of sales	-0.3	1.4	-0.2	-2.6	-1.5
Result before income tax, EUR million	-74.3	-23.9	-39.9	-61.3	-334.9
Comparable, EUR million	-42.4	14.8	-21.9	-52.1	-146.7
Result for the period, EUR million	-62.3	-21.4	-33.7	-48.9	-281.3
Return on capital employed, %	-0.8	0.4	-0.8	-2.1	-3.4
Comparable, %	-0.1	1.3	-0.1	-1.7	-0.9
Return on equity, %	-2.4	-0.8	-2.7	-3.4	-5.2
Comparable, %	-1.4	0.3	-1.5	-3.1	-2.4
Equity ratio, %	55.8	56.9	55.8	56.9	56.8
Net gearing ratio, %	31.5	24.8	31.5	24.8	24.2
Interest-bearing net liabilities, EUR million	1,563.5	1,403.1	1,563.5	1,403.1	1,288.4
Total investments, EUR million	102.8	218.5	54.3	119.5	620.8
Net cash flow from operations, EUR million	-36.9	9.6	41.7	19.3	536.5
Personnel at the end of the period	8,686	10,015	8,686	10,015	8,767





Sales and Operating result

1–6/2026, EUR million	Pulp and Sawn timber industry	Paperboard Industry	Tissue and Greaseproof papers	Wood Products Industry	Wood Supply and Forest services
Sales	1,210.1	825.6	576.1	208.9	1,194.2
Other operating income	16.9	22.6	2.5	3.7	5.5
Operating expenses	-1,102.9	-808.4	-523.5	-223.1	-1,181.7
Depreciation and impairment losses	-156.3	-54.6	-33.4	-12.2	-2.8
Operating result	-32.3	-14.8	21.6	-22.8	15.2
Items affecting comparability	7.5	7.1	4.4	8.8	0.3
Comparable operating result	-24.8	-7.7	26.0	-14.0	15.5
% of sales	-2.0	-0.9	4.5	-6.7	1.3

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Sales and result

Metsä Group's sales in January–June 2026 were EUR 2,740.9 million (1–6/2025: 3,068.6).

The comparable operating result was EUR -7.0 million (44.3), or -0.3% (1.4) of sales. Operating result was particularly affected by lower average prices of softwood market pulp and folding boxboard. The US import tariffs weakened the demand for products in the US and reduced the delivery volumes of folding boxboard in particular. The fall in the cost of wood raw material and lower fixed costs resulting from Metsä Group's cost savings and profit improvement programme had a positive impact on the operating result.

After hedging, exchange rate fluctuations had a negative effect of approximately EUR 61 million on the operating result of the review period compared with the previous year.

Items affecting the comparability of the operating result in January–June totalled EUR -26.5 million (-38.7). The most significant items, amounting to EUR -16.9 million, were related to the Groupwide cost savings and profit improvement programme.

Metsä Group's operating result (IFRS) was EUR -33.5 million (5.6). The share of the results of associated companies and joint ventures was EUR 0.0 million (0.2), financial income was EUR 4.0 million (8.2), exchange rate differences in financing were EUR -2.5 million (-1.2), and financial expenses totalled EUR 42.4 million (36.7).

The result before taxes was EUR -74.3 million (-23.9), and taxes, including changes in deferred tax liability, totalled EUR -12.0 million (-2.5). The Group's effective tax rate was 16.2% (10.5). The result for the review period was EUR -62.3 million (-21.4).

The return on capital employed was -0.8% (0.4), while the return on equity was -2.4% (-0.8). The comparable return on capital employed was -0.1% (1.3), and the comparable return on equity was -1.4% (0.3).

Balance sheet and financing

Metsä Group's liquidity is stable. Total liquidity at the end of June was EUR 1,257.7 million (31 December 2025: 1,479.0). This consisted of EUR 457.7 million (779.0) in liquid assets and investments, and EUR 800.0 million (700.0) in off-balance sheet committed credit facility agreements.

The Group's liquidity reserve is supplemented by non-binding commercial paper programmes and credit facilities totalling EUR 340.0 million (31 December 2025: 360.0).

Net cash flow from operations was EUR -36.9 million (9.6). A total of EUR 217.3 million in working capital was tied up (tied up: 191.7). Working capital increased as a result of an increase in inventories of EUR 16.9 million, an increase in trade and other receivables of EUR 70.3 million, and a decrease in trade and other payables of EUR 130.1 million. Working capital increased both due to seasonal factors and as a result of preparations for the significant production shutdowns planned for the remainder of the year at the Husum and Kemi mills.

The Group's equity ratio at the end of June was 55.8%, and its net gearing ratio was 31.5% (31 December 2025: 56.8 and 24.2). Net interest-bearing liabilities were EUR 1,563.5 million (31 December 2025: 1,288.4).

At the end of June, the equity ratio of the parent company Metsäliitto Cooperative was 86.9%, while net gearing was -11.7% (31 December 2025: 86.4 and -14.8).

In January–June, Metsäliitto Cooperative's members' capital increased by a total of EUR 85.1 million (112.2). The value of participation shares increased by EUR 2.5 million (3.7), and that of Metsä1 additional shares by EUR 108.4 million (148.5). The value of A additional shares fell by EUR -25.8 million (-40.0). The value of B additional shares increased by EUR 0.0 million (0.0).

Personnel

In January–June, Metsä Group had an average of 8,620 employees (9,706). Personnel expenses totalled EUR 362.7 million (404.1). At the end of June, the Group employed 8,686 people (31 December 2025: 8,767), of whom 5,088 (5,091) worked in Finland, and 3,598 (3,677) in other countries. The parent company Metsäliitto Cooperative had 2,059 employees at the end of June (31 December 2025: 2,180).

Members

At the end of June, Metsäliitto Cooperative had 87,524 members (31 December 2025: 87 798). During January–June, 1,049 new members joined the Cooperative, and 1,323 members cancelled their membership. At the end of June, the forest area owned by the members totalled 5,409 million hectares (31 December 2025: 5.401).

Investments

Metsä Group's total investments in January–June were EUR 102.8 million (218.5), of which investments in owned property, plant and equipment were EUR 68.1 million (204.8), investments in leased property, plant and equipment were EUR 23.4 million (13.7), and investments in acquired businesses were EUR 11.3 million (0.0).

Metsä Group is making changes to the cooking process at the Kemi bioproduct mill so that the mill can operate reliably at full capacity. As part of the upgrade, the wood chip feeding technology will be replaced, and changes will be made to the boiler's liquor circulation systems. The improved process is due to be introduced in the final quarter of the year and will utilise the same Andritz technology in use at the Äänekoski bioproduct mill.

The new hand towel production line at the Mänttä tissue paper mill started up as planned in the second quarter. Preparations for the next stages of the mill's investment programme are continuing.

The efficiency improvement programme at the Kreuzau tissue paper mill is progressing as planned, and the majority of the investment-related production stoppages will take place during the third quarter. The investments focus on improving the efficiency of paper machines, optimising energy consumption and developing the converting processes.

The first production line at the Äänekoski Kerto® LVL mill is now in commercial operation. The testing and commissioning phase for the second production line is continuing, with the objective of starting commercial production by the end of 2026. The mill is expected to reach full production capacity by the end of 2028.

Metsä Group is promoting four innovation projects aimed at developing new products and business activities for new markets.

A new demo plant for a lignin product was commissioned in Äänekoski in January. The demo plant's nominal capacity is two tonnes of lignin product per day. Collaboration with customers moved on to the next stage, and during the spring, larger product batches were supplied to customers for testing.

The Muoto project is developing a wood-based packaging solution. During the review period, the pre-engineering of the first commercial Muoto mill continued. Alongside the mill design work, pre-commercial sales of Muoto products and collaboration with customers were promoted.

The development of the Kuura textile fibre project continued during the review period. In response to changes in the market, alternative concepts have been developed alongside the original business concept. The pre-engineering of a potential commercial mill in Kemi proceeded according to plan, but an application for an environmental permit has not been submitted.

Pre-engineering work is also underway for a capture plant for wood-based carbon dioxide to be built in connection with Metsä Group's Rauma pulp mill. The company has submitted a related application to a reverse auction organised by the Ministry of Economic Affairs and Employment, which awards investment grants to clean transition projects.

Some Metsä Group companies are party to legal proceedings concerning disputes about obligations and liabilities arising from the supply agreements for the Group's most significant investment projects. These investment projects also involve unresolved disputes that may lead to the commencement of new arbitration or legal proceedings.

Sustainability

Metsä Group monitors and reports on the most material sustainability topics and related key performance indicators quarterly. A more extensive Sustainability statement is published annually as part of the Board of Directors' report.

Key sustainability figures

	2026 1–6	2025 1–6	2026 4–6	2025 4–6	2025 1–12	Target 2030
Total recordable incident frequency TRIF [1)]	3.8	3.9	3.3	3.4	4.0	0
Women in leadership positions[2)], %	29	29	29	29	30	>35
Share of certified wood, %	93	92	91	91	92	100
Share of fossil free energy of total energy consumption 3), %	-	-	-	-	94	100
Direct fossil-based CO_2 emissions, tonnes (Scope 1)	147,900	203,345	70,729	87,148	331,198	0
Indirect fossil-based CO_2 emissions 4), tonnes (Scope 2)	-	-	-	-	227,844	0
Energy efficiency improvement 5), index	101	103	-	-	102	90
Reduction in process water use, %	-19	-17	-20	-14	-15	-35

1) Per million hours worked.

2) The scope of the metric has been updated starting from 2025. A requirement level has been defined for leadership tasks included in the metric, covering demanding leadership and expert roles. These include all CEO, SVP, and VP roles, as well as a few demanding roles at a lower level. At the same time, the target level of the metric has been raised to 35 percent.

3) Reported annually.

4) Market-based, reported annually.

5) Reported every six months.

Occupational safety and equity

All the company's production units comply with the ISO 45001 management system, and shared occupational health and safety standards. Safety at work is improved through proactive safety work, training and investments, for example. In 2026, a common sustainability target for performance-based pay was set for all employees. Metsä Group's total recordable incident frequency (TRIF) is used as the metric.

We advance diversity, equity and inclusion through the Metsä for all vision, and measure our progress in relation to our targets.

Forests and biodiversity

Metsä Group has targets for promoting forest biodiversity and the sustainable use of forests in accordance with the principles of regenerative forestry. All the countries we procure wood from have in place legislation requiring forests to be renewed after regeneration felling. Metsä Group procures wood mainly from Finland, Sweden and the Baltic countries.

Metsä Group procures wood from certified forests and promotes the sustainable use of forests through its own forest management practices as well. FSC forest certification is becoming more popular, which supports our objectives of sustainable wood supply and forest biodiversity.

Climate change and resource efficiency

Metsä Group's climate transition plan lays down the targets for reducing Scope 1, 2, and 3 emissions, as well as the key actions for their achievement. It also includes Metsä Group's other targets linked to climate change mitigation and adaptation, which are related to forest management, resource-efficient production and carbon storage.

Metsä Group's actions to reduce process water use include investments in the processes and wastewater treatment, as well as developing processes that use less water. The actions improve water recycling and reduce water abstraction from waterbodies.

Events related to sustainability in Q2/2026:

• Twenty-two new projects from various parts of Finland, aiming to improve and restore biodiversity, were selected for Metsä Group's funding programme for nature projects. A total of EUR 300,000 in funding was awarded.

• Metsä Group's Pulp and Sawn Timber and Tissue and Greaseproof Papers businesses were awarded the highest Platinum rating in the EcoVadis 2026 sustainability evaluation. This is the eighth Platinum rating for the Pulp and Sawn Timber business and the seventh for the Tissue and Greaseproof Papers business. After the review period, in July, Metsä Group's Paperboard Industry retained its Platinum rating in the EcoVadis sustainability assessment, placing the company among the top 1% of manufacturers in the paper, paperboard and packaging sector.

• The SBTi (Science Based Targets initiative) validated Metsä Group's updated short-term climate targets for its paperboard business, whose scope has expanded from the company's own production to include greenhouse gas emissions across the value chain as well. The company is maintaining its existing Scope 1 and 2 targets, and is also committing to reducing Scope 3 emissions associated with the end-of-life phase of its products by 25% by 2030, as well as encouraging its suppliers to set science-based targets.

• The paperboard business has again been recognised as one of Europe's climate leaders on the Financial Times' 'Europe's Climate Leaders' list, which measures companies' reductions in greenhouse gas (GHG) emissions relative to their turnover.

• The Tissue and Greaseproof Papers business launched a carbon footprint service that provides verified, product-specific cradle-to-gate carbon footprint data for the company's tissue paper products. This service improves transparency throughout the value chain and supports customers in meeting ESG reporting requirements in tender processes, for example. It also enables data-driven decision-making in the management and reduction of Scope 3 emissions.

• The wood construction business unit published an updated Environmental Product Declaration (EPD) for Kerto® LVL products. The EPD provides customers with up-to-date and reliable information for calculating climate impacts, obtaining environmental certification and designing sustainable solutions.

• Forest owners offered over 1,000 hectares to the Metsä Conservation Foundation's first conservation call. The Metsä Conservation Foundation finances the permanent protection of forest sites with valuable biodiversity in Finland. The first conservation decisions will be made public at the turn of the year. The National Police Board of Finland granted a fundraising permit to Metsä Conservation Foundation on 26 June 2026.

Risks and uncertainties

The unpredictability of the geopolitical environment and international trade policy may increase economic uncertainty, weaken global trade and heighten volatility in financial markets. The geopolitical situation has an impact on Metsä Group's business, as much of the Group's production takes place in Northern Europe, but markets outside Europe account for around a third of its sales.

The US tariffs have weakened the competitiveness of Metsä Group's products in the USA. Any additional tariffs or changes in trade policy could have a negative impact on the sales of the company's products.

The conflict in the Middle East is increasing the risk of fluctuations in oil and natural gas prices. This could have direct cost implications for Metsä Group, particularly for logistics and the procurement of certain raw materials. Furthermore, the prolongation of the conflict could stunt global economic growth, fuel inflation and weaken consumer purchasing power, which could have indirect negative effects on demand for the Group's products.

The continuation of Russia's war of aggression is increasing uncertainty and keeping the wood market situation tense in the Baltic Sea region. Although prices have decreased, the cost level remains high. An increase in wood demand or the weakening of availability could again raise prices, which would weaken profitability and endanger the continuity of production.

An imbalance in market demand and supply could weaken the demand for Metsä Group's products and its ability to achieve the planned price level. A steep increase in competitors' capacity and increased imports or competition for market shares may negatively affect Metsä Group's profitability. In addition, a decrease in deliveries to the US may increase supply on the European market.

Metsä Group is more than self-sufficient in pulp. The structural changes, increased competition and increased capacity in the global pulp market may weaken demand and prices. The prolonged poor economic growth in China and the increase in China's own pulp production may affect demand for Metsä Group's products in China in particular.

A highly focused product portfolio exposes the company to fluctuations in demand and market changes, which could have an adverse effect on sales and profitability. As customers prioritise FSC certification over PEFC, insufficient availability of FSC-certified raw materials could weaken Metsä Group's competitiveness and limit sales. Furthermore, stricter regulatory and sustainability requirements may affect the competitiveness of and demand for wood- and fibre-based products.

Efficiency programmes and development projects carry the risk that costs will exceed the budget, which could undermine profitability. The Group has an ongoing transformation programme that aims to adjust the cost structure and improve the efficiency of business operations. There are risks associated with achieving the programme's objectives.

There are risks related to expanding business operations and launching new products to the market, such as the uncertainty of sales success and challenges in ramping up production.

Most of Metsä Group's production units are in Finland. Labour disputes in the forest industry or logistics chain may have a negative impact on production volumes and customer deliveries, and weaken the company's competitiveness and profitability.

Serious accidents, cyberattacks, and malware threatening the continuity of production or other operations may cause significant financial and customer losses. There may be uncertainties involved with material damage and consequential loss, as well as the scope, availability and pricing of insurance compensation.

Climate risks mainly affect forests and the use of energy and water. Climate change may increase extreme weather phenomena such as storms, floods and droughts, causing production outages at mills or limiting the availability of wood raw material.

Metsä Group operates in the global market and is therefore susceptible to fluctuations in the exchange rates especially for the US dollar, the Swedish krona and the British pound. Fluctuations in exchange rates may have significant impacts on the Group's operating result.

Metsä Group regularly assesses its balance sheet items based on expected cash flow. Significant or prolonged changes in market conditions may affect the valuation of balance sheet items and lead to impairment losses. Changes in business performance, financial forecasts or credit ratings may affect Metsä Group's access to financing and financing costs. Customers' weaker cash position or slower payment behaviour may also weaken the company's cash flow and increase the risk of credit losses.

The future-oriented statements in this interim report are based on current plans and estimates, and involve risks and uncertainties that may cause the results to differ from those expressed in the statements. The risks related to Metsä Group's business are explained in more detail in Metsä Group's Annual Review. A more detailed discussion of climate and other sustainability-related risks can be found in the sustainability statement in the annual review.

Near-term outlook

Geopolitical tension and conflicts are further increasing global economic uncertainty. Weak consumer confidence, the partial replacement of softwood pulp with hardwood pulp, and a structural decline in demand for printing and writing papers are weakening the demand for softwood market pulp. At the same time, the global supply of softwood market pulp is being constrained by capacity closures that continued into the early part of the year and by production cuts already announced for the coming months.

A slight seasonal decrease in demand for sawn timber is expected in the third quarter. The geopolitical situation in the Middle East also continues to weigh on the outlook for demand.

The annual maintenance shutdowns at the Äänekoski bioproduct mill, the Rauma pulp mill and the mills in Husum are scheduled for the third quarter of the year and will significantly reduce the result for that quarter.

Paperboard pricing and demand improved towards the end of first half of the year, providing support for the operating environment in second half.

Demand for tissue paper products is expected to remain stable, while long-term growth is expected to remain moderate. The uncertainty of the market situation for greaseproof papers in Europe continues due to increased Chinese competition.

In much of Europe, the outlook for construction remains weak, which is reflected in muted demand for Kerto LVL products. Demand for birch plywood is expected to remain stable.

Sales prices for engineered wood products in Europe are expected to be slightly higher than in the previous quarter to offset the rise in delivery costs. In the United States, market prices for LVL are on the rise.

In the UK, demand for upgrading is expected to remain weak in the next few months.

The overall wood trade situation in Finland has picked up towards the summer, and we expect normal wood trade for the rest of the year. Demand for wood extends to all stands suitable for summer felling, especially FSC-certified wood and birch logs. Demand for forest management services is expected to pick up as wood sales volumes increase.

Estimate of the most significant annual maintenance and investment shutdowns

Q1/2026	-
Q2/2026	several Finnish mills
Q3/2026	Husum mills, Rauma pulp mill, Äänekoski bioproduct mill
Q4/2026	Kemi mills

Espoo, 6 August 2026

BOARD OF DIRECTORS

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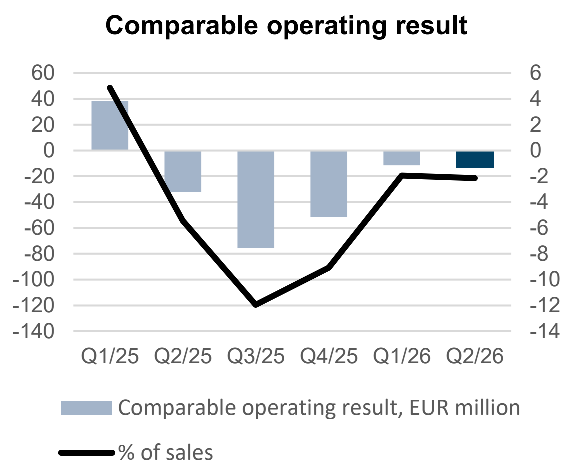
Metsä Group will publish the following financial reports in 2026:

Interim Report for January–September 2026	29 October 2026

Business areas

Pulp and Sawn Timber Industry

Pulp and Sawn Timber Industry	2026 1–6	2025 1–6	2026 4–6	2025 4–6	2025 1–12
Sales, EUR million	1,210.1	1,376.5	618.7	587.8	2,578.1
EBITDA, EUR million	124.0	127.1	60.0	22.7	159.4
Comparable EBITDA, EUR million	131.5	127.1	65.4	22.7	129.6
Operating result, EUR million	-32.3	6.6	-18.6	-31.9	-143.1
Comparable operating result, EUR million	-24.8	6.4	-13.2	-31.9	-121.0
% of sales	-2.0	0.5	-2.1	-5.4	-4.7
Comparable ROCE, %	-1.7	0.5	-1.8	-3.8	-3.8
Total investments, EUR million	9.9	31.5	14.0	25.5	164.9
Personnel at end of period	1,424	1,658	1,424	1,658	1,381
Pulp deliveries, 1,000 t	1,453	1,481	726	595	2,893
Sawn timber deliveries, 1,000 m³	684	693	401	375	1,395



The sales of the Pulp and Sawn Timber Industry, i.e. Metsä Fibre, in January–June totalled EUR 1,210.1 million (1–6/2025: 1,376.5), and the comparable operating result was EUR -24.8 million (6.4).

Metsä Fibre's sales in April–June were EUR 618.7 million (4–6/2025: 587.8), and the comparable operating result was EUR -13.2 million (-31.9).

The sales and profit for January–June fell compared with the corresponding period last year mainly due to lower invoicing prices for pulp and sawn timber, as well as a negative exchange rate effect. The result was positively affected by the fall in the cost of wood raw material, stronger sales of by-products, and lower fixed costs resulting from Metsä Group's cost savings and profit improvement programme.

The pulp delivery volume in January–June totalled 1,453,000 tonnes (1,481,000). During the first half of the year, the average prices of Metsä Group's softwood market pulp were 8% lower in Europe and 13% lower in China than in January–June 2025. Compared with the previous quarter, invoicing prices increased by 8% in Europe and decreased by 3% in China.

In the first half of the year, exchange rate fluctuations, including hedges, had a negative impact of around EUR 42 million on the operating result compared with the comparison period.

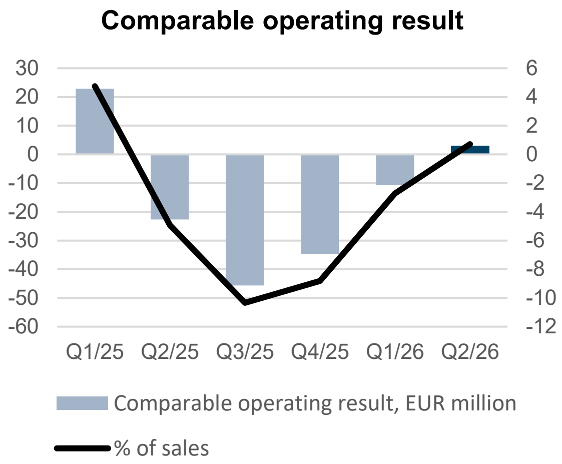
Demand for softwood market pulp was weakened by the general economic uncertainty, which has reduced demand for paper and paperboard products; the structural decline in demand for printing and writing paper in Europe and North America, and the replacement of softwood pulp with hardwood pulp in various end products. At the same time, the supply of softwood market pulp continued to be constrained by ongoing capacity closures, particularly in North America. However, oversupply persists in the softwood pulp market relative.

Sawn timber deliveries amounted to 684,000 cubic metres (693,000) in January–June. In January–June, average sales prices of sawn timber were 1% lower than in the corresponding period in the previous year. Compared with the first quarter this year, prices decreased by 2%. Market demand for sawn timber strengthened seasonally in the second quarter but remained more subdued than in previous years. Construction activity remained at a low level in the main markets. The market for spruce sawn timber was supported by scarcity of supply, but the supply of pine sawn timber exceeded demand. In the Middle East and Africa, the geopolitical situation dampened demand.

The production shutdown at the Joutseno pulp mill, which began at the end of March, continued throughout the review period. The sales and operating profit for the comparison period were affected by a maintenance shutdown caused by an explosion at the evaporation plant of the Kemi bioproduct mill.

Paperboard Industry

Paperboard Industry	2026 1–6	2025 1–6	2026 4–6	2025 4–6	2025 1–12
Sales, EUR million	825.6	940.9	431.9	460.1	1,775.7
EBITDA, EUR million	39.8	50.9	26.9	7.1	-3.9
Comparable EBITDA, EUR million	47.0	57.3	30.3	6.1	29.6
Operating result, EUR million	-14.8	-25.5	-0.3	-21.7	-169.5
Comparable operating result, EUR million	-7.7	0.1	3.1	-22.7	-80.2
% of sales	-0.9	0.0	0.7	-4.9	-4.5
Comparable ROCE, %	-0.4	0.2	0.8	-3.3	-3.1
Total investments, EUR million	24.3	35.1	10.7	19.0	139.5
Personnel at end of period	1,961	2,374	1,961	2,374	1,939
Folding boxboard deliveries, 1,000 t	427	488	222	240	890
White kraftliner deliveries, 1,000 t	260	240	138	120	474
Market pulp deliveries, 1,000 t	169	186	91	86	368



The sales of the Paperboard Industry, i.e. Metsä Board, in January–June were EUR 825.6 million (1–6/2025: 940.9). The comparable operating result was EUR -7.7 million (0.1).

Metsä Board's sales in April–June were EUR 431.9 million (4–6/2025: 460.1), and the comparable operating result was EUR 3.1 million (-22.7).

The decline in sales was due in particular to lower delivery volumes and average prices for folding boxboard. Sales were also affected by a decline in market pulp sales and a negative currency effect.

Total deliveries of paperboard in January–June amounted to 687,000 tonnes (727,000). Market pulp deliveries amounted to 169,000 tonnes (186,000).

The comparable operating profit for the review period was particularly affected by lower delivery volumes and average prices for folding boxboard. The impact was greatest in the United States, where import tariffs weakened demand. However, delivery volumes of white kraftliners increased.

Exchange rate fluctuations, including hedges, had a negative impact of around EUR 24 million on the operating result compared with the comparison period.

Among variable costs, the costs of wood and chemicals in particular fell. Fixed costs fell significantly as a result of the ongoing transformation programme and the closure of the Tako mill. Mill maintenance costs were also lower than in the comparison period.

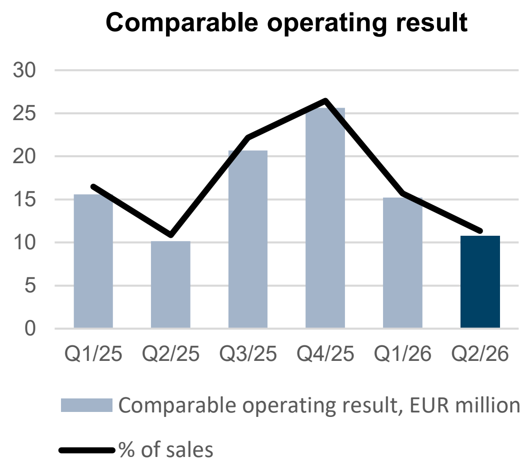
Unused emissions allowances were sold for approximately EUR 10 million (10).

The associated company Metsä Fibre's share of Metsä Board's comparable operating result for January–June was EUR -10.7 million (-3.3).

Earnings per share were EUR -0.06 (-0.08), and comparable earnings per share were EUR -0.04 (-0.02).

Tissue and greaseproof papers

Tissue and greaseproof papers	2026 1–6	2025 1–6	2026 4–6	2025 4–6	2025 1–12
Sales, EUR million	576.1	564.8	285.5	281.0	1,135.4
EBITDA, EUR million	55.0	37.9	26.6	10.9	105.5
Comparable EBITDA, EUR million	59.4	48.7	27.6	21.7	121.6
Operating result, EUR million	21.6	13.9	9.8	-1.7	18.2
Comparable operating result, EUR million	26.0	25.8	10.8	10.2	72.1
% of sales	4.5	4.6	3.8	3.6	6.3
Comparable ROCE, %	6.1	6.5	4.9	4.8	8.4
Total investments, EUR million	36.8	64.3	17.8	34.6	216.3
Personnel at end of period	2,478	2,571	2,478	2,571	2,398
Tissue paper deliveries, 1,000 t	242	223	120	112	460



The sales of Tissue and Greaseproof Papers, i.e. Metsä Tissue, in January–June were EUR 576.1 million (1–6/2025: 564.8). The comparable operating result was EUR 26.0 million (25.8).

Metsä Tissue's sales in April–June were EUR 285.5 million (4–6/2025: 281.0), and the comparable operating result was EUR 10.8 million (10.2).

Variable costs began to rise in the second quarter as a result of the conflict in the Middle East. Fixed costs were lower than in the previous year thanks to cost saving measures.

The comparable operating result was affected by increased depreciations related to the renewed tissue paper mill in Mariestad, Sweden.

The second-quarter result was reasonable despite higher energy costs. Tissue paper sales volumes increased by 7% compared with the second quarter of the previous year.

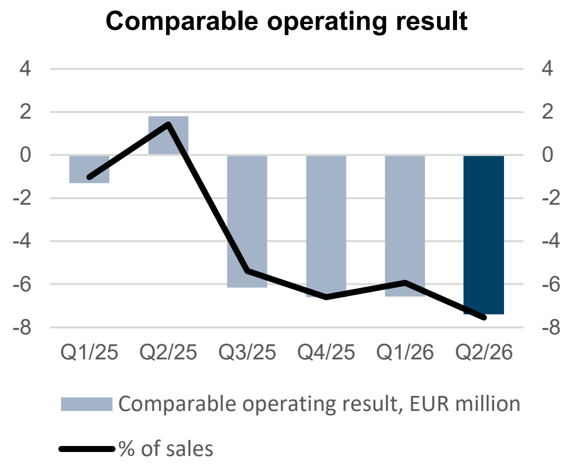
Sales volumes of greaseproof papers also rose in the second quarter.

Average selling prices in the second quarter were 6% lower than in the previous year.

Metsä Group's refurbished tissue paper mill in Mariestad, Sweden, was inaugurated during the review period. The investment will increase the mill's production capacity and strengthen our service capabilities in Scandinavia.

Wood Products Industry

Wood Products Industry	2026 1–6	2025 1–6	2026 4–6	2025 4–6	2025 1–12
Sales, EUR million	208.9	254.5	97.9	127.3	469.0
EBITDA, EUR million	-10.5	10.2	-6.2	7.3	4.8
Comparable EBITDA, EUR million	-2.7	11.5	-1.8	7.3	10.0
Operating result, EUR million	-22.8	-3.8	-11.9	1.8	-38.0
Comparable operating result, EUR million	-14.0	0.5	-7.4	1.8	-12.3
% of sales	-6.7	0.2	-7.5	1.4	-2.6
Comparable ROCE, %	-5.0	0.6	-5.1	1.7	-2.2
Total investments, EUR million	14.8	45.2	6.2	19.3	145.2
Personnel at end of period	1379	1,658	1379	1,658	1,603
Engineered wood product deliveries, 1,000 m³	174	212	85	105	394



The sales of the Wood Products Industry, i.e. Metsä Wood, in January–June were EUR 208.9 million (1–6/2025: 254.5), and the comparable operating result was EUR -14.0 million (0.5).

Metsä Wood's sales in April–June were EUR 97.9 million (4–6/2025: 127.3), and the comparable operating result was EUR -7.4 million (1.8).

Our wood products-based business is undergoing a period of significant change and recorded a clear loss for the review period. The business comprises three product areas: Kerto LVL products for the construction industry; plywood products; and the distribution of sawn timber upgrades in the UK.

Kerto LVL key figures are significantly affected by the costs of starting up the new Äänekoski mill, while the figures for the plywood business are affected by the closure of the Suolahti mill, and the UK figures are affected by the significant restructuring of the UK operations to bring them into line with current business volumes. The impact of these exceptional actions outside the scope of normal business on comparable operating result was EUR 20.1 million.

In January–June, sales declined by 18% from the comparison period. Sales of engineered wood products decreased by 14%, and the sales of the UK business decreased by 25% in terms of euros. The delivery volumes of Kerto LVL, plywood products and the UK business decreased. Market prices for engineered wood products remained stable, but the average selling price fell slightly due to changes in the product mix.

The profitability of the business decreased from the previous year due to low demand for engineered wood products. In addition, rising energy costs, exchange rate fluctuations and US tariffs weakened profitability.

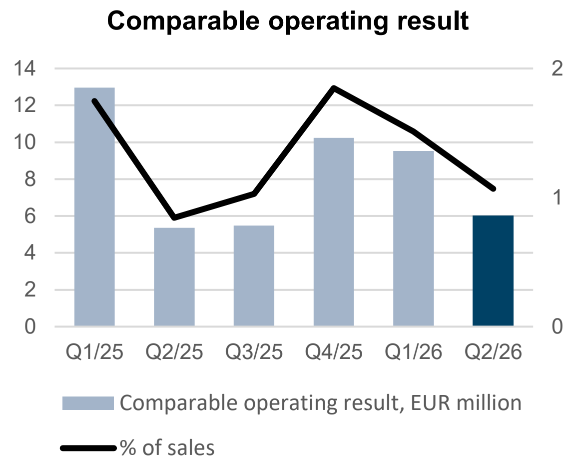
General construction activity continued to be muted in Europe, which was especially reflected in the weaker demand for spruce plywood and Kerto LVL. The production of engineered wood products had to be curtailed. The phased shutdown of the Suolahti mill affected the efficiency of spruce plywood production during the review period. The production of spruce plywood at the Suolahti mill ceased at the end of May.

The comparable operating result of the UK upgrading business for the first half of the year decreased markedly from the comparison period due to structural changes in the customer portfolio and a weak market situation.

The Wood Products business was streamlined in all countries of operation during the review period. Change negotiations resulted in the reduction of around 100 jobs in the UK, and a total of 100 jobs in Finland and Estonia. In Finland and Estonia, these measures will result in 72 people being made redundant or having their job roles changed. In addition, operations are being reorganised to improve competitiveness and operational efficiency.

Wood Supply and Forest Services

Wood Supply and Forest Services	2026 1–6	2025 1–6	2026 4–6	2025 4–6	2025 1–12
Sales, EUR million	1,194.2	1,378.4	564.2	636.2	2,465.4
EBITDA, EUR million	18.0	24.6	7.2	8.7	39.6
Comparable EBITDA, EUR million	18.3	21.5	7.4	6.9	40.3
Operating result, EUR million	15.2	21.4	5.8	7.2	33.4
Comparable operating result, EUR million	15.5	18.3	6.0	5.4	34.0
% of sales	1.3	1.3	1.1	0.8	1.4
Comparable ROCE, %	15.4	14.7	11.7	7.8	15.3
Total investments, EUR million	1.2	4.6	0.9	-0.1	5.3
Personnel at end of period	621	715	621	715	590
Wood deliveries, 1,000 m³	15,985	16,572	7,396	7,346	29,642



The sales of Wood Supply and Forest Services, i.e. Metsä Forest, in January–June totalled EUR 1,194.2 million (1–6/2025: 1,378.4), and the comparable operating result was EUR 15.5 million (18.3).

Metsä Forest's sales in April–June were EUR 564.2 million (4–6/2025: 636.2), and the comparable operating result was EUR 6.0 million (5.4).

Sales fell in January–June compared with the corresponding period last year due to a fall in wood prices and a decline in delivery volumes. The comparable operating profit was slightly below the level for the corresponding period, although cost savings had a positive impact on the result. The sales and operating profit for April–June were down on the previous quarter, mainly due to a decline in delivery volumes.

The supply of wood from privately owned forests in Finland was lower in the first half of the year than in the corresponding period last year. This year, average prices for pulpwood have remained stable, and log prices are historically high. Pulpwood prices in Finland are also significantly higher than historical trend prices. Harvesting conditions were good from January to June, although sub-zero temperatures ended in March earlier than usual, making logging and transport somewhat more difficult.

In the Baltics and Sweden, the pulpwood market was balanced in January–June.

Metsä Group's wood purchases were successful between January and June, meeting the mills' demand, which was reduced due to market conditions.

In January–June, Metsä Group delivered a total of 16.0 million cubic metres (16.6) of wood, approximately 90% of which was delivered to Finland's industrial sector. Sales of forest management services fell slightly short of the target in the first half of the year due to lower-than-expected wood supply.

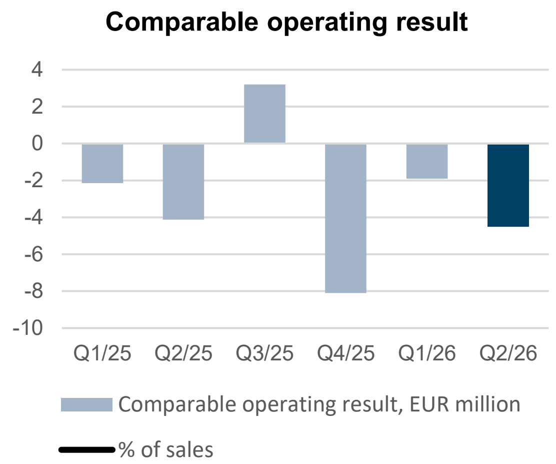
The feedback from forest owners regarding wood sales and forest management work reached a new record high. Feedback on harvesting was also at an almost record high. The reputation of Metsä Group's Wood Supply and Forest Services and the support it receives from forest owners were rated the best in the industry in a survey carried out by Reputation and Trust Analytics.

In Finland, most of the wood was purchased from members of Metsäliitto Cooperative. FSC certification gained significant popularity among contract customers during the first half of the year. Around a third of the wood purchased was either FSC-certified or sourced in accordance with the Metsä Group Plus management model.

In June, Metsä Group signed its first contracts for wood harvesting and transport services under its revised contractor model. The purpose is to strengthen the role of Metsä Group's contractors, standardise operating models and improve the efficiency of the entire supply chain.

Other operations

Other operations	2026 1–6	2025 1–6	2026 4–6	2025 4–6	2025 1–12
Sales, EUR million	58.7	43.3	23.8	16.7	75.6
EBITDA, EUR million	-1.8	-1.2	-1.6	-1.6	-2.6
Comparable EBITDA, EUR million	-1.8	-1.2	-2.4	-1.6	-1.1
Operating result, EUR million	-6.3	-6.3	-3.8	-4.1	-12.6
Comparable operating result, EUR million	-6.4	-6.3	-4.5	-4.1	-11.1
Total investments, EUR million	12.4	33.0	3.1	18.5	52.8
Personnel at end of period	823	1041	823	1041	856



Sales of other operations in January–June were EUR 58.7 million (1–6/2025: 43.3), and the comparable operating result was EUR -6.4 million (-6.3).

Sales of other operations in April–June were EUR 23.8 million (4–6/2025: 16.7), and the comparable operating result was EUR -4.5 million (-4.1).

Other operations include the Metsä Group head office functions, Metsäliitto Cooperative's holding operations, Metsä Group Treasury Oy, Metsä Spring Oy and MI Demo Oy.

Reconciliation of items affecting comparability

Reconciliation by segment

EUR million	2026 1–6	2025 1–6	2026 4–6	2025 4–6	2025 1–12
Operating result (IFRS)	**-33.5**	**5.6**	**-15.7**	**-45.8**	**-271.3**
Depreciation and impairment charges	264.6	243.9	132.3	105.8	613.7
EBITDA	**231.2**	**249.6**	**116.6**	**60.1**	**342.4**
Items affecting comparability:					
Pulp and Sawn Timber Industry	7.5		5.4		-29.7
Paperboard Industry	7.1	6.4	3.4	-0.9	33.5
Tissue and Greaseproof Papers	4.4	10.8	1.0	10.8	16.1
Wood Products Industry	7.8	1.3	4.4		5.2
Wood Supply and Forest Services	0.3	-3.1	0.2	-1.8	0.6
Other operations and eliminations	-1.6		-1.9		-2.9
Total	25.5	15.5	12.4	8.1	22.8
Comparable EBITDA	**256.7**	**265.1**	**129.0**	**68.2**	**365.2**
Depreciation and impairment charges	-264.6	-243.9	-132.3	-105.8	-613.7
Items affecting comparability:					
Depreciations and reversals	1.0	23.2	0.1	1.0	163.9
Pulp and Sawn Timber Industry		-0.2			51.8
Paperboard Industry		19.3			55.9
Tissue and Greaseproof Papers		1.0		1.0	37.8
Wood Products Industry	1.0	3.0	0.1		20.5
Other operations and eliminations					-2.0
Comparable Operating result	**-7.0**	**44.3**	**-3.2**	**-36.6**	**-84.6**
Share of results from associated companies and joint ventures		0.2	-0.8	-0.5	-0.7
Financial costs, net	-40.9	-29.7	-23.3	-15.1	-62.9
Items affecting comparability					
Pulp and Sawn Timber Industry	0.7		0.7		
Other operations and eliminations	4.7		4.7		1.5
Comparable Result before income tax	**-42.4**	**14.8**	**-21.9**	**-52.1**	**-146.7**
Income tax	12.0	2.5	6.1	12.4	53.6
Items affecting comparability:					
Pulp and Sawn Timber Industry	-1.6		-1.2		-4.5
Paperboard Industry	-1.1	-5.1	-0.4	0.2	-17.1
Tissue and Greaseproof Papers	-1.0	-3.9	-0.2	-3.9	-12.1
Wood Products Industry	-2.0	-0.9	-1.0		-5.2
Wood Supply and Forest Services	-0.1				-0.7
Other operations and eliminations			0.1		0.1
Comparable Result for the period	**-36.3**	**7.4**	**-18.5**	**-43.5**	**-132.5**

Reconciliation by expense or income

EUR million	2026 1–6	2025 1–6	2026 4–6	2025 4–6	2025 1–12
Operating result (IFRS)	**-33.5**	**5.6**	**-15.7**	**-45.8**	**-271.3**
Depreciation and impairment charges	264.6	243.9	132.3	105.8	613.7
EBITDA	**231.2**	**249.6**	**116.6**	**60.1**	**342.4**
Items affecting comparability:					
Other operating income	-0.8	-3.2	-0.4	-1.9	-42.6
Change in inventories	2.0	7.4	2.0	1.5	9.2
Employee costs	9.1	8.9	2.7	8.2	41.9
Other operating expenses	15.2	2.3	8.2	0.3	14.3
Total	25.5	15.5	12.4	8.1	22.8
Comparable EBITDA	**256.7**	**265.1**	**129.0**	**68.2**	**365.2**
Depreciation and impairment charges	-264.6	-243.9	-132.3	-105.8	-613.7
Items affecting comparability:					
Depreciations and reversals	1.0	23.2	0.1	1.0	163.9
Comparable Operating result	**-7.0**	**44.3**	**-3.2**	**-36.6**	**-84.6**
Share of results from associated companies and joint ventures		0.2	-0.8	-0.5	-0.7
Financial costs, net	-40.9	-29.7	-23.3	-15.1	-62.9
Items affecting comparability	5.4		5.4		1.5
Comparable Result before income tax	**-42.4**	**14.8**	**-21.9**	**-52.1**	**-146.7**
Income tax	12.0	2.5	6.1	12.4	53.6
Items affecting comparability	-5.9	-9.9	-2.7	-3.7	-39.4
Comparable Result for the period	**-36.3**	**7.4**	**-18.5**	**-43.5**	**-132.5**

Items with a “+” sign = expenses affecting comparability

Items affecting the comparability of Metsä Group’s net result for the January–June 2026 period totalled EUR -26.0 million. The most significant items were the EUR -13.3 million related to the Groupwide cost savings and profit improvement programme, EUR -4.7 million related to impairment losses on receivables from associates, EUR -3.9 million related to the restructuring of operations in the United Kingdom, EUR -2.7 million related to the final settlement of one component of the Kemi investment project and the related payment, EUR -0.7 million related to the winding down of operations at the Suolahti plywood mills, and EUR -0.5 million related to the closure of the Tako board mill.

Items with a “-” sign = income affecting comparability

Items affecting the comparability of Metsä Group’s net result for the January–June 2025 period totalled EUR -28.8 million.

Quarterly data

EUR million	2026 4–6	2026 1–3	2025 10–12	2025 7–9	2025 4–6	2025 1–3
Sales						
Pulp and Sawn Timber Industry	618.7	591.3	568.5	633.0	587.8	788.7
Paperboard Industry	431.9	393.7	393.5	441.2	460.1	480.8
Tissue and Greaseproof Papers	285.5	290.5	290.9	279.6	281.0	283.9
Wood Products Industry	97.9	110.9	100.2	114.4	127.3	127.2
Wood Supply and Forest Services	564.2	629.9	553.7	533.2	636.2	742.2
Other operations	23.8	34.9	18.0	14.3	16.7	26.6
Internal sales	-638.7	-693.9	-600.2	-576.1	-682.6	-807.3
Sales	**1,383.4**	**1 357,5**	**1,324.7**	**1,439.6**	**1,426.5**	**1,642.1**
Operating result						
Pulp and Sawn Timber Industry	-18.6	-13.7	-81.9	-67.7	-31.9	38.5
Paperboard Industry	-0.3	-14.5	-99.2	-44.8	-21.7	-3.8
Tissue and Greaseproof Papers	9.8	11.8	-16.4	20.7	-1.7	15.6
Wood Products Industry	-11.9	-10.8	-26.8	-7.4	1.8	-5.6
Wood Supply and Forest Services	5.8	9.4	6.8	5.3	7.2	14.2
Other operations	-3.8	-2.6	-6.6	0.3	-4.1	-2.1
Eliminations	3.3	2.6	15.9	24.9	4.8	-5.4
Operating result	**-15.7**	**-17.7**	**-208.3**	**-68.6**	**-45.8**	**51.4**
% of sales	-1.1	-1.3	-15.7	-4.8	-3.2	3.1
Share of results from associated companies and joint ventures	-0.8	0.9	-0.3	-0.7	-0.5	0.7
Exchange gains and losses	-1.1	-1.3	-0.2	-0.1	-0.5	-0.7
Net financial items	-22.1	-16.3	-17.8	-15.0	-14.6	-14.0
Result before income tax	**-39.9**	**-34.5**	**-226.6**	**-84.4**	**-61.3**	**37.4**
Income tax	6.1	5.9	36.8	14.3	12.4	-9.9
Result for the period	**-33.7**	**-28.6**	**-189.8**	**-70.2**	**-48.9**	**27.6**
Comparable operating result						
Pulp and Sawn Timber Industry	-13.2	-11.5	-51.7	-75.7	-31.9	38.3
Paperboard Industry	3.1	-10.8	-34.7	-45.6	-22.7	22.8
Tissue and Greaseproof Papers	10.8	15.2	25.6	20.7	10.2	15.6
Wood Products Industry	-7.4	-6.6	-6.6	-6.2	1.8	-1.3
Wood Supply and Forest Services	6.0	9.5	10.2	5.5	5.4	13.0
Other operations and eliminations	-2.4	-0.3	-0.3	29.8	0.7	-7.5
Comparable operating result	**-3.2**	**-3.8**	**-57.4**	**-71.5**	**-36.6**	**80.9**
% of sales	-0.2	-0.3	-4.3	-5.0	-2.6	4.9

Calculation of key figures

Operating result	=	Result before taxes, financial income and expenses, and exchange gains and losses, and share of results from associated companies and joint ventures, presented in the IFRS income statement
EBITDA	=	Operating result before depreciation, amortisation and impairment charges
Return on equity (%) ROE (%)	=	(Result before taxes – income taxes) per (Members' funds (average))
Return on capital employed (%) ROCE	=	(Result before tax -/+ net exchange gains/losses) per (Balance total - non-interest-bearing liabilities (average))
Equity ratio (%)	=	(Members' funds) per (Balance sheet total – advance payments received)
Net gearing ratio (%)	=	(Interest-bearing net liabilities) per (Members' funds)
Interest-bearing net liabilities	=	Interest-bearing liabilities – cash and cash equivalents and interest-bearing receivables
Total investments	=	Investments in owned and leased property, plant and equipment, and acquired businesses

Comparable key figures

According to the guidelines of the European Securities and Markets Authority (ESMA), alternative performance measures are key figures concerning historical or future financial performance, financial standing or cash flows that are not determined by the financial reporting framework applied by the company. Metsä Group's financial reporting framework consists of the IFRS standards in the form in which they were adopted by the EU in line with Regulation (EC) No. 1606/2002. Performance measures presented in this report qualify as alternative performance measures under the ESMA guidelines.

Metsä Group sees the presentation of alternative performance measures as providing users of financial statements with an improved view of the company's financial performance and position, including the efficiency of its capital utilisation, operational profitability and debt servicing capabilities.

Extraordinary and material items not included in ordinary business operations have been eliminated in the comparable operating result. Reconciliation of the operating result under IFRS and the comparable operating result, as well as EBITDA and comparative EBITDA, is presented in this report. Comparable ROCE has been calculated using the same adjustments as for the comparable operating result, and it has been further adjusted with financial items affecting comparability when applicable. Metsä Group considers the key figures derived in this manner to improve the comparability between reporting periods.

None of these key figures with items affecting comparability eliminated is a key figure used in IFRS reporting, and they cannot be compared with other companies' key figures identified with the same names. Items affecting comparability include material gains and losses on disposals of assets, impairment and impairment reversals in accordance with IAS 36 "Impairment of Assets", corporate divestments and acquisitions, adjustment measures and other restructuring measures and their adjustments, costs arising from extensive and unforeseeable interruptions in production and the compensation received for them, as well as items arising from legal proceedings. In Metsä Group's view, the comparable key figures better reflect the company's underlying operational performance by eliminating the result effect of items and transactions outside the normal course of business.

Unaudited consolidated statement of income

EUR million	Note	2026 1–6	2025 1–6	Change	2026 4–6	2025 4–6	2025 1–12
Sales	2,3	**2,740.9**	**3,068.6**	**-327.6**	**1,383.4**	**1,426.5**	**5,832.9**
Change in stocks of finished goods and work in progress		69.4	100.5	-31.1	-21.9	21.4	-121.5
Other operating income		40.5	35.4	5.0	23.4	18.6	162.2
Material and services		-2,045.7	-2,310.5	264.8	-975.0	-1,071.5	-4,286.9
Employee costs		-362.7	-404.1	41.5	-180.7	-211.7	-765.0
Depreciation and impairment losses		-264.6	-243.9	-20.7	-132.3	-105.8	-613.7
Other operating expenses		-211.2	-240.3	29.0	-112.7	-123.2	-479.1
Operating result	2	**-33.5**	**5.6**	**-39.1**	**-15.7**	**-45.8**	**-271.3**
Share of results of associated companies and joint ventures		0.0	0.2	-0.2	-0.8	-0.5	-0.7
Exchange gains and losses		-2.5	-1.2	-1.3	-1.1	-0.5	-1.5
Net financial items		-38.4	-28.5	-9.9	-22.1	-14.6	-61.4
Result before income tax		**-74.3**	**-23.9**	**-50.4**	**-39.9**	**-61.3**	**-334.9**
Income tax	4	12.0	2.5	9.5	6.1	12.4	53.6
Result for the period		**-62.3**	**-21.4**	**-40.9**	**-33.7**	**-48.9**	**-281.3**
Result for the period attributable to:							
Members of parent company		-38.8	-3.6	-35.2	-25.2	-28.8	-158.2
Non-controlling interests		-23.5	-17.8	-5.7	-8.5	-20.1	-123.1
Total		-62.3	-21.4	-40.9	-33.7	-48.9	-281.3

Unaudited consolidated statement of comprehensive income

EUR million	2026 1–6	2025 1–6	Change	2026 4–6	2025 4–6	2025 1–12
Other comprehensive income						
Items that will not be reclassified to profit and loss						
Items relating to adjustments of defined benefit plans	-2.4	1.2	-3.6	-0.9	-0.1	3.0
Fair value of financial assets through other comprehensive income	-72.6	-19.4	-53.2	2.6	2.1	-38.6
Income tax relating to items that will not be reclassified	14.8	3.6	11.2	-0.5	-0.4	8.0
Total	-60.3	-14.6	-45.6	1.2	1.7	-27.6
Items that may be reclassified subsequently to profit and loss						
Cash flow hedges	-30.6	143.1	-173.7	-19.3	58.2	48.5
Currency translation differences	-28.8	24.1	-52.9	-15.9	-45.7	60.3
Share of other comprehensive income items of the associated company	0.0	0.0	0.0	0.0	0.0	0.0
Income tax relating to items that may be reclassified	6.1	-28.6	34.7	3.9	-11.6	-9.7
Total	-53.2	138.6	-191.8	-31.3	0.8	99.1
Other comprehensive income, net of tax	**-113.5**	**124.0**	**-237.5**	**-30.1**	**2.5**	**71.5**
Total comprehensive income for the period	**-175.8**	**102.6**	**-278.4**	**-63.9**	**-46.5**	**-209.8**
Total comprehensive income attributable to:						
Members of parent company	-103.4	66.4	-169.7	-43.2	-29.5	-116.6
Non-controlling interests	-72.4	36.3	-108.7	-20.7	-17.0	-93.2
Total	-175.8	102.6	-278.4	-63.9	-46.5	-209.8

Unaudited consolidated balance sheet

EUR million	Note	2026 30.6.	2025 30.6.	2025 31.12.
ASSETS				
Non-current assets				
Goodwill		426.3	418.6	421.9
Other intangible assets		318.4	405.5	319.3
Tangible assets	5	5,376.6	5,418.1	5,567.3
Biological assets		3.3	3.0	3.2
Investments in associated companies and joint ventures		5.5	5.8	4.7
Other investments	10	124.7	217.3	198.1
Other non-current assets	10	37.7	45.2	45.6
Deferred tax receivables		41.2	36.9	36.8
		6,333.6	**6,550.3**	**6,596.8**
Current assets				
Inventories		1,275.1	1,552.8	1,260.1
Accounts receivables and other receivables		836.5	960.9	770.2
Cash and cash equivalents	10	457.7	916.7	779.0
		2,569.3	**3,430.4**	**2,809.3**
Total assets		**8,902.9**	**9,980.8**	**9,406.2**
Members’ funds				
Members’ capital		1,725.5	1,664.5	1,640.4
Translation differences		-41.8	-45.4	-23.4
Fair value and other reserves		669.0	764.7	712.4
Retained earnings		1,619.5	1,999.2	1,847.6
Members’ funds		3,972.1	4,383.1	4,177.0
Non-controlling interests		988.5	1,285.3	1,156.1
		4,960.6	**5,668.3**	**5,333.2**
Non-current liabilities				
Deferred tax liabilities		268.3	375.4	304.8
Post-employment benefit obligations		56.2	54.4	55.9
Provisions	6	10.3	16.8	17.9
Borrowings	10	1,397.2	1,630.6	1,462.1
Other non-current liabilities		54.4	8.6	7.6
		1,786.4	**2,085.9**	**1,848.4**
Current liabilities				
Provisions	6	6.7	9.9	4.1
Current borrowings	10	633.4	698.6	615.4
Accounts payable and other liabilities		1,515.6	1,518.1	1,605.1
		2,155.8	**2,226.6**	**2,224.6**
Total liabilities		**3,942.2**	**4,312.5**	**4,073.0**
Total members’ funds and liabilities		**8,902.9**	**9,980.8**	**9,406.2**

Unaudited statement of changes in shareholders' equity

	Equity attributable to members of parent company						
EUR Million	Members' funds	Translation differences	Fair value and other reserves	Retained earnings	Total	Non-controlling interests	Total
Members' funds 1.1.2025	**1,552.3**	**-59.6**	**709.7**	**2,095.9**	**4,298.2**	**1,260.7**	**5,559.0**
Result for the period				-3.6	-3.6	-17.8	-21.4
Other comprehensive income, after tax		14.2	55.0	0.7	69.9	54.1	124.0
Total comprehensive income		**14.2**	**55.0**	**-2.8**	**66.4**	**36.3**	**102.6**
Transactions with owners:							
Dividends paid				-70.7	-70.7	-12.0	-82.7
Reimbursement of surplus	14.1			-16.0	-1.9		-1.9
Change in members' capital	98.2			-7.0	91.2		91.2
Share based payments				0.1	0.1	0.0	0.1
Sold shares from non-controlling interests, which did not change the controlling right				-0.2	-0.2	0.2	0.0
Members, funds 30.6.2025	**1,664.5**	**-45.4**	**764.7**	**1,999.2**	**4,383.1**	**1,285.3**	**5,668.3**

	Equity attributable to members of parent company						
EUR Million	Members' funds	Translation differences	Fair value and other reserves	Retained earnings	Total	Non-controlling interests	Total
Members' funds 1.1.2026	**1,640.4**	**-23.4**	**712.4**	**1,847.6**	**4,177.0**	**1,156.1**	**5,333.2**
Result for the period				-38.8	-38.8	-23.5	-62.3
Other comprehensive income, after tax		-18.4	-44.1	-2.1	-64.6	-48.9	-113.5
Total comprehensive income		**-18.4**	**-44.1**	**-40.8**	**-103.4**	**-72.4**	**-175.8**
Transactions with owners:							
Dividends paid				-67.4	-67.4		-67.4
Reimbursement of surplus	13.4			-15.2	-1.8		-1.8
Change in members' capital	71.6			-6.7	65.0		65.0
Share based payments				0.2	0.2	0.2	0.4
Acquired shares from non-controlling interests, which did not change the controlling right			0.7	-98.2	-97.5	-95.4	-192.9
Members, funds 30.6.2026	**1,725.5**	**-41.8**	**669.0**	**1,619.5**	**3,972.1**	**988.5**	**4,960.6**

Unaudited condensed consolidated cash flow statement

EUR million	Note	2026 30.6.	2025 30.6.	2025 31.12.
Result for the period	8	-60.6	-21.4	-281.3
Total adjustments	8	273.4	265.3	584.7
Change in working capital		-217.3	-191.7	314.0
Cash flow from operations		**-4.5**	**52.3**	**617.3**
Net financial items		-26.5	-38.4	-70.0
Income taxes paid		-5.9	-4.4	-10.8
Net cash flow from operating activities		**-36.9**	**9.6**	**536.5**
Acquisitions		-9.3	-0.8	-0.8
Investments in tangible and intangible assets		-83.3	-205.1	-563.3
Disposals and other items	8	13.7	20.9	21.2
Net cash flow from financing activities		**-78.9**	**-185.0**	**-543.0**
Change in members' funds		65.0	105.3	34.1
Change in non-controlling interest		-126.9	0.0	0.0
Change in long-term loans and other financial items		-72.9	79.3	-160.0
Dividends paid		-72.9	-89.3	-89.3
Net cash flow from financing activities		**-207.8**	**95.3**	**-215.2**
Change in cash and cash equivalents		**-323.6**	**-80.2**	**-221.7**
Cash and cash equivalents at beginning of period		779.0	991.6	991.6
Translation difference		0.2	-0.5	-0.4
Change in cash and cash equivalents		-323.6	-80.2	-221.7
Value adjustments of investment funds included in cash		2.1	5.8	9.4
Cash and cash equivalents at end of period		**457.7**	**916.7**	**779.0**

NOTES TO THE UNAUDITED HALF-YEAR FINANCIAL REPORT

Note 1 – Background and accounting policies

Metsäliitto Cooperative and its subsidiaries comprise a group (“Metsä Group” or “Group”) in which operations are organised into five business segments: Pulp and Sawn Timber Industry; Paperboard Industry; Tissue and Greaseproof Papers; Wood Products Industry; and Wood Supply and Forest Services. The Group’s parent company is Metsäliitto Cooperative. The parent company is domiciled in Helsinki and the registered address is Revontulenpuisto 2, 02100 Espoo, Finland.

This half-year financial report has been prepared in accordance with IAS 34, *Interim Financial Reporting*, and it should be read in conjunction with the 2025 IFRS financial statements. The effects of foreign exchange rates on the operating profit for the review period compared with the comparison period have been calculated based on the review period’s estimated net currency flows, taking the realised impact of hedges into account. The figures in this review are based on the audited figures in the 2025 financial statements.

The same accounting policies have been applied in this half-year financial report as in the 2025 IFRS financial statements, with the following exceptions:

- Depreciation of machinery and equipment during the financial year has been further specified between the quarters where applicable to correspond with the allocation of the asset’s economic benefit.

The amendments to standards applied during the 2026 financial period do not have a material impact on the consolidated financial statements.

All amounts are presented in millions of euros unless otherwise stated.

This half-year financial report was authorised for issue by the Board of Directors of Metsäliitto Cooperative on 6 August 2026.

Key estimates and judgements

The preparation of financial statements requires the use of the management's estimates, assumptions and judgement-based decisions that may affect the amount of assets and liabilities, the presentation of contingent assets and liabilities in the financial statements, and the amount of income and expenses. Although such estimates and assumptions are based on the management's best knowledge at the time they were made, it is possible that the actual values differ from those used in the financial statements.

Management's judgement-based decisions

Item	Nature of management's judgement-based decisions
Intangible assets, property, plant and equipment and leases	Valuation model applied in impairment tests
Other investments / Financial instruments measured at fair value	Accounting principle and valuation model applied to the shares of Pohjolan Voima Oyj

Estimates and assumptions

Item	Nature of estimates and assumptions
Intangible assets, property, plant and equipment and leases	Estimates of key factors affecting cash flows in the valuation
Property, plant and equipment and leases	Estimates of the useful lives of property and plant and equipment
Other investments / Fair value measurement	Estimates of key factors affecting cash flows in the valuation of Pohjolan Voima Oyj
Inventories	Estimates of the sales prices of products measured at net realisable value, the costs of completion and the costs necessary for making the sale
Income taxes	Estimates of the date and amount of tax liabilities arising in tax audits and deferred tax assets recognised for losses

Note 2 – Segment information

Metsä Group’s operating segments comprise the Group’s business areas. The business areas produce different products and services, and they are managed as separate units. The operating segments are reported uniformly with internal reporting submitted to the chief operational decision-maker.

The President and CEO has been appointed the chief operational decision-maker in charge of allocating resources to the operating segments and evaluating their performance.

The same accounting policies are applied in segment reporting as for the Group as a whole. Transactions between segments are based on market prices.

Sales by segment

EUR million	1–6/2026 External	1–6/2026 Internal	1–6/2026 Total	1–6/2025 External	1–6/2025 Internal	1–6/2025 Total
Pulp and Sawn Timber Industry	904.8	305.2	1,210.1	1,076.2	300.3	1,376.5
Paperboard Industry	770.9	54.7	825.6	883.0	58.0	940.9
Tissue and Greaseproof Papers	576.0	0.0	576.1	564.8	0.0	564.8
Wood Products Industry	198.9	10.0	208.9	242.5	12.0	254.5
Wood Supply and Forest Services	260.1	934.1	1,194.2	284.6	1,093.9	1,378.4
Other operations	30.2	28.5	58.7	17.5	25.8	43.3
Elimination of internal sales		-1,332.6	-1,332.6		-1,489.9	-1,489.9
Total sales	**2,740.9**	**0.0**	**2,740.9**	**3,068.6**	**0.0**	**3,068.6**

EUR million	1–12/2025 External	1–12/2025 Internal	1–12/2025 Total
Pulp and Sawn Timber Industry	2,038.5	539.5	2,578.1
Paperboard Industry	1,665.1	110.5	1,775.7
Tissue and Greaseproof Papers	1,135.3	0.0	1,135.4
Wood Products Industry	445.6	23.5	469.0
Wood Supply and Forest Services	518.8	1,946.6	2,465.4
Other operations	29.5	46.1	75.6
Elimination of internal sales		-2,666.2	-2,666.2
Total sales	**5,832.9**	**0.0**	**5,832.9**

Operating result by segment

EUR million	2026 1–6	2025 1–6	2025 1–12
Pulp and Sawn Timber Industry	-32.3	6.6	-143.1
Paperboard Industry	-14.8	-25.5	-169.5
Tissue and Greaseproof Papers	21.6	13.9	18.2
Wood Products Industry	-22.8	-3.8	-38.0
Wood Supply and Forest Services	15.2	21.4	33.4
Other operations	-6.3	-6.3	-12.6
Eliminations	5.9	-0.6	40.2
Operating result total	-33.5	5.6	-271.3
Share of results from associated companies and joint ventures	0.0	0.2	-0.7
Financial costs, net	-40.9	-29.7	-62.9
Income taxes	12.0	2.5	53.6
Result for the period	**-62.3**	**-21.4**	**-281.3**

Assets and liabilities by segment

Assets **EUR million**	**2026** **30.6.2026**	**2025** **30.6.2025**	**2025** **31.12.2025**
Pulp and Sawn Timber Industry	3,732.5	4,099.0	3,849.2
Paperboard Industry	2,549.3	2,819.5	2,607.1
Tissue and Greaseproof Paper Industry	1,274.3	1,160.5	1,249.6
Wood Products Services	633.6	588.5	630.2
Wood Supply and Forest Services	448.2	548.0	460.6
Other operations	324.8	459.0	415.8
Eliminations	-505.4	-528.9	-553.0
Unallocated assets	445.7	835.3	525.8
Total	**8,902.9**	**9,980.8**	**9,185.4**

Assets = intangible and tangible assets, investments in associated companies and joint ventures, inventories, accounts receivables and other non-interest-bearing receivables (excl. interest and tax items).

Liabilities **EUR million**	**2026** **30.6.2026**	**2025** **30.6.2025**	**2025** **31.12.2025**
Pulp and Sawn Timber Industry	734.3	815.5	784.8
Paperboard Industry	494.3	343.0	503.1
Tissue and Greaseproof Paper Industry	355.5	302.3	356.4
Wood products services	82.1	102.2	119.8
Wood supply and forest services	283.2	293.5	328.5
Other operations	101.8	232.3	121.2
Eliminations	-505.4	-528.9	-553.0
Unallocated liabilities	2,396.4	2,752.6	2,368.8
Total	**3,942.2**	**4,312.5**	**4,029.5**

Liabilities = accounts payable, advance payments and other non-interest-bearing liabilities (excl. interest and tax items).

Note 3 - Geographical distribution of sales

EUR million	**2026** **1–6**	**2025** **1–6**	**2025** **1–12**
EMEA	2,025.4	2,093.3	3,956.3
APAC	423.1	614.5	1,127.3
Americas	292.4	360.8	749.3
Total	**2,740.9**	**3,068.6**	**5,832.9**

Note 4 - Income tax

EUR million	2026 1–6	2025 1–6	2025 1–12
Taxes for the period	-5.9	-13.8	-11.7
Taxes for previous periods	0.1	-0.4	-0.5
Change in deferred taxes	17.8	16.7	65.8
Total	**12.0**	**2.5**	**53.6**

Note 5 – Changes in property, plant and equipment

EUR million	2026 1–6	2025 1–6	2025 1–12
Book value at beginning of period	5,567.3	5,450.0	5,450.0
Acquired businesses	4.2		
Investments to owned property, plant and equipment	69.5	168.0	536.7
Investments to leased property, plant and equipment	23.4	13.7	25.0
Decreases	-0.9	-5.1	-5.2
Depreciation, amortization and impairment losses	-257.9	-237.3	-489.8
Translation difference and other changes	-29.1	29.2	50.6
Assets held for sale		-0.5	
Carrying value at end of the period	**5,376.6**	**5,418.1**	**5,567.3**

The acquired business operations include the property, plant and equipment of the Winschoten Sheeting and Distribution Hub in the Netherlands.

In January–June 2026, depreciation and impairment losses include an impairment charge of EUR -0.9 million related to the winding down of operations at the Suolahti plywood mills and Kumpuniemen Voima Oy.

In January–June 2025, depreciation, amortisation and impairment included an impairment of EUR -3.0 million related to the discontinuation of Kumpuniemen Voima Oy's operations, an impairment of EUR -19.2 million related to the closure of the Tako board mill, and an impairment of EUR -1.0 million related to the investment and capacity adjustment plan for the Kreuzau tissue paper mill in Germany.

Note 6 - Provisions

EUR million	Restructuring	Environ. obligations	Other Provisions	Total
1.1.	9.0	8.3	4.7	22.0
Translation differences	-0.1	0.0	-0.1	-0.2
Additions		0.0	0.3	0.3
Utilised during the year	-2.1		-2.8	-4.9
Unused amounts reversed	-0.1		0.0	-0.1
30.6.2026	**6.7**	**8.3**	**2.1**	**17.1**
Long term provisions		8.3	2.0	10.3
Short term provisions	6.7		0.0	6.7
Total	**6.7**	**8.3**	**2.1**	**17.1**

Environmental and other provisions are expected to be largely reversed by 2030.

Note 7 - Related party transactions

The Group's related parties include its associated companies and joint ventures. Related parties also include the members of the Board of Directors and Executive Management Team as well as their close family members and companies under their sole or joint control are considered related parties.

Transactions with associated companies and joint ventures

EUR million	2026 1–6	2025 1–6	2025 1–12
Sales	5.2	6.4	11.1
Purchases	-15.2	-16.2	-28.3
Non-current receivables	4.8	8.4	9.5
Accounts receivables and other receivables	0.9	0.6	1.4
Accounts payables and other liabilities	3.7	3.7	4.1

The Metsä Conservation Foundation is a separate legal entity that was established on 16 June 2025. The Metsä Conservation Foundation complements Metsä Group's services that enable forest owners to increase biodiversity in their forests. In June 2025, Metsäliitto Cooperative paid core capital of EUR 1 million to the Metsä Conservation Foundation.

Note 8 – Notes to the consolidated cash flow statement

EUR million	2026 1–6	2025 1–6	2025 1–12
Taxes	-13.7	-2.5	-53.6
Depreciation and impairment charges	264.6	243.9	613.7
Biological assets	-0.1	0.2	0.0
Share of results from associated companies	0.0	-0.2	0.7
Gains and losses on sale of non-current financial assets	-12.3	-15.7	-47.7
Financial costs, net	40.9	29.7	62.9
Pension liabilities and provisions	-6.4	9.4	7.6
Other adjustments	0.3	0.5	1.0
Total	**273.4**	**265.3**	**584.7**

Disposals and other items

In January–June 2026, disposals and other items include sales of intangible and tangible assets of EUR 12.2 million and other items of EUR 1.4 million. The most significant sales of property, plant and equipment were the sales of emission allowances, totalling EUR 12.1 million.

In January–June 2025, disposals and other items include a capital gain of EUR 6.7 million from the sale of shares in Metsä Forest Latvia SIA, the Latvian wood supply business. In addition, disposals and other items include sales of tangible and intangible assets of EUR 15.1 million and other items of EUR -0.9 million. The most significant sales of property, plant and equipment were the sales of emission allowances, totalling EUR 13.1 million.

Changes in ownership interest without loss of control

On 4 February 2026, Metsäliitto Cooperative and Itochu Corporation carried out a share transaction whereby Metsäliitto Cooperative acquired a 5.10% stake in Metsä Fibre Oy from Itochu.

Note 9 – Acquisitions

On 5 February 2026, Metsä Board acquired the entire share capital of the Winschoten Sheeting and Distribution Hub (now Metsä Board Winschoten B.V) in the Netherlands from Konvertia Group. The Winschoten Sheeting and Distribution Hub is one of the largest and most modern facilities of its kind in Europe, with an annual capacity of around 100,000 tonnes and a workforce of around 20 people. The acquired company's property, plant and equipment, and other balance sheet items are of minor significance. According to preliminary calculations, the acquisition will result in goodwill of EUR 7.2 million on the balance sheet of the Metsä Board Group.

Note 10 – Financial instruments

Classification of financial assets and liabilities and fair values

Financial assets 30 June 2026

EUR million	Fair value through profit and loss	Fair value through other comprehen-sive income	Amortised cost	Total carrying amount
Other non-current investments	3.4	121.3		124.7
Other non-current financial assets	0.0		8.6	8.6
Trade receivable and other receivables	4.2		719.0	723.2
Cash and cash equivalent	131.5		326.2	457.7
Derivative financial instruments	0.5	34.5		35.0
Total carrying amount	**139.5**	**155.9**	**1,053.8**	**1,349.2**
Total fair value	**139.5**	**155.9**	**1,053.8**	**1,349.2**

Financial liabilities 30 June 2026

EUR million	Fair value through profit and loss	Fair value through other comprehen-sive income	Amortised cost	Total carrying amount
Non-current interest-bearing financial liabilities			1,397.2	1,397.2
Other non-current financial liabilities	45.7		4.4	50.0
Current interest-bearing financial liabilities			633.4	633.4
Trade payable and other financial liabilities	20.3		1,165.0	1,185.3
Derivative financial instruments	4.7	39.6		44.3
Total carrying amount	**70.7**	**39.6**	**3,200.0**	**3,310.3**
Total fair value	**70.7**	**39.6**	**3,202.9**	**3,313.2**

Financial assets 30 June 2025

EUR million	Fair value through profit and loss	Fair value through other comprehen-sive income	Amortised cost	Total carrying amount
Other non-current investments	4.1	213.1		217.3
Other non-current financial assets			13.8	13.8
Trade receivable and other receivables	4.1		707.8	711.9
Cash and cash equivalent	481.7		435.0	916.7
Derivative financial instruments	5.3	150.9		156.2
Financial assets related to assets held for sale				
Total carrying amount	**495.3**	**364.0**	**1,156.5**	**2,015.9**
Total fair value	**495.3**	**364.0**	**1,156.5**	**2,015.9**

Financial liabilities 30 June 2025

EUR million	Fair value through profit and loss	Fair value through other comprehen-sive income	Amortised cost	Total carrying amount
Non-current interest-bearing financial liabilities			1,630.6	1,630.6
Other non-current financial liabilities			3.2	3.2
Current interest-bearing financial liabilities			698.6	698.6
Trade payable and other financial liabilities			1,159.1	1,159.1
Derivative financial instruments	1.0	30.9		31.9
Financial liabilities related to assets held for sale				
Total carrying amount	**1.0**	**30.9**	**3,491.5**	**3,523.5**
Total fair value	**1.0**	**30.9**	**3,503.6**	**3,535.5**

Trade receivables and other receivables do not include VAT receivables and accrued income.

Trade payables and other financial liabilities do not include advance payments, VAT liabilities and accrued expenses.

Other long-term financial liabilities, as well as trade payables and other liabilities, include a contingent liability related to the acquisition of shares in Metsä Fibre Oy.

In Metsä Group, all interest-bearing financial liabilities are measured at amortised cost based on the effective interest method. Fair values are based on the present cash flow value of each liability or asset calculated at market rate. The discount rates applied are between 1.0 and 6.0% (1.0–6.0). The fair values of trade receivables and other receivables and trade payables and other liabilities do not materially deviate from their carrying amounts on the balance sheet.

Fair value hierarchy of financial assets and liabilities as of 30 June 2026

EUR million	Level 1	Level 2	Level 3	Total
Financial assets at fair value				
Other non-current investments			124.7	**124.7**
Financial assets at fair value, current	96.6	34.9	4.2	**135.6**
Derivative financial assets	2.9	32.1		**35.0**
Financial liabilities measured at fair value				
Derivative financial liabilities	0.5	43.8		**44.3**
Contingent consideration			66.0	**66.0**
Financial assets not measured at fair value				
Cash and cash equivalent		326.2		**326.2**
Financial liabilities not measured at fair value				
Non-current interest-bearing financial liabilities		1,398.4		**1,398.4**
Current interest-bearing financial liabilities		635.1		**635.1**

Fair value hierarchy of financial assets and liabilities as of 30 June 2025

EUR million	Level 1	Level 2	Level 3	Total
Financial assets at fair value				
Other non-current investments			217.3	**217.3**
Financial assets at fair value, current	334.4	147.4	4.1	**485.8**
Derivative financial assets	0.7	155.6		**156.2**
Financial liabilities measured at fair value				
Derivative financial liabilities	2.2	29.7		**31.9**
Financial assets not measured at fair value				
Cash and cash equivalent		435.0		**435.0**
Financial liabilities not measured at fair value				
Non-current interest-bearing financial liabilities		1,640.3		**1,640.3**
Current interest-bearing financial liabilities		701.0		**701.0**

Financial assets measured at fair value based on level 3

EUR million	2026 1–6	2025 1–6	2025 1–12
Value 1.1.	202.3	241.4	241.4
Gains and losses in income statement	-0.8	0.0	0.1
Gains and losses in other comprehensive income			
Investments held as at reporting date	-72.6	-19.4	-38.6
Acquisitions	0.0		
Settlements	0.0	0.0	0.0
Transfers to level 3		-0.7	-0.7
Value 30 June	**128.8**	**221.4**	**202.3**

Financial assets and liabilities measured at fair value are classified according to IFRS 7 (Financial Instruments: Disclosures).

Level 1:

Fair value is based on quoted prices in active markets.

Level 2:

Fair value is based on inputs observable for the asset either directly or indirectly.

Level 3:

Fair value is based on company estimates, not on market data.

No change in value has been recorded for the contingent purchase price liability during the review period.

The fair values of natural gas and fuel oil derivatives are measured based on publicly quoted market prices (Level 1). The fair values of currency forwards and options, as well as interest rate swaps, are measured applying a method based on the current value of future cash flows, supported by market interest rates on the closing date of the review period and other market inputs (Level 2). The fair value of financial instruments not traded in an active market is determined using various measurement methods. Discretion is used in choosing methods and making assumptions which are based primarily on the market conditions prevailing at the closing date of the review period (Level 3).

The section on accounting policies provides a more detailed description of the accounting and valuation principles applied.

The most significant asset at fair value not traded on an active market is the investment in Pohjolan Voima Oyj shares classified as a financial asset at fair value through other comprehensive income. The value of these shares is measured as the current value of discounted cash flows.

The average weighted capital cost applied in the calculation was 6.43% on 30 June 2026 (31 December 2025: 6.48). The acquisition cost of Pohjolan Voima Oyj shares on 30 June 2026 is EUR 33.4 million (33.4), and their fair value is EUR 121.3 million (194.0).

The carrying amount of other long-term investments on 30 June 2026 is expected to change by EUR -9.0 million (-7.2), and by EUR 10.7 million (7.5) should the rate used for discounting the cash flows change by 0.5 percentage points from the rate estimated by the management. It is expected that the carrying amount of other long-term investments will change by EUR 56.1 million (56.3) should the energy prices applied in the fair value calculation differ by 10% from the price estimated by the management.

Derivatives 30 June 2026

EUR million	Nominal value	Derivative assets	Derivative liabilities	Fair value net	Fair value through profit and loss	Fair value through other com-prehensive income
Interest rate swaps	682.4	22.1	2.0	20.1	-1.8	21.9
Interest rate derivatives	682.4	22.1	2.0	20.1	-1.8	21.9
Currency forward contracts	2,790.8	10.1	41.5	-31.4	-2.4	-29.0
Currency forward contracts	85.8		0.3	-0.3		-0.3
Currency derivatives	2,876.6	10.1	41.8	-31.7	-2.4	-29.3
Electricity derivatives	2.5	0.0		0.0		0.0
Oil derivatives	19.4	1.9	0.5	1.4		1.4
Natural gas derivatives	3.6	1.0		1.0		1.0
Commodity derivatives	25.5	2.9	0.5	2.3		2.3
Derivatives total	**3,584.5**	**35.0**	**44.3**	**-9.3**	**-4.2**	**-5.0**

Derivatives 30 June 2025

EUR million	Nominal value	Derivative assets	Derivative liabilities	Fair value net	Fair value through profit and loss	Fair value through other com-prehensive income
Interest rate swaps	520.7	24.8	0.0	24.8	0.0	24.8
Interest rate derivatives	520.7	24.8	0.0	24.8	0.0	24.8
Currency forward contracts	3,585.8	114.0	29.6	84.4	3.9	80.4
Currency forward contracts	674.5	16.8		16.8		16.8
Currency derivatives	4,260.4	130.8	29.6	101.1	3.9	97.2
Oil derivatives	18.3	0.0	1.8	-1.8		-1.8
Natural gas derivatives	2.4	0.6	0.5	0.2	0.4	-0.2
Commodity derivatives	20.8	0.7	2.2	-1.6	0.4	-2.0
Derivatives total	**4,801.8**	**156.2**	**31.9**	**124.3**	**4.3**	**120.0**

Note 11 - Commitments and guarantees

EUR million	30.6.2026	30.6.2025	31.12.2025
Liabilities secured by collateral	5.4	6.3	6.0
Floating charges	0.5	0.4	0.5
Chattels mortgages		0.1	0.0
Total pledges and mortgages	0.5	0.6	0.5
Leases not yet commenced to which the Group is committed	32.1	32.1	32.1
Other commitments on own behalf	8.8	2.6	8.1
Total	**41.4**	**35.3**	**40.7**

Commitments include pledges, floating charges, real estate mortgages, chattels mortgage and guarantee liabilities.

Commitments related to the acquisition of intangible assets and tangible fixed assets

EUR million	30.6.2026	30.6.2025	31.12.2025
Payments due in following 12 months	50.2	157.4	61.3
Payments due later	0.1	22.0	8.4
Total	**50.3**	**179.4**	**69.8**