

Metsä Board Corporation's operating result excluding non-recurring items was EUR 49 million in January–September 2012

Result for January–September 2012

- Sales were EUR 1,599 million (Q1–Q3/2011: 1,961).
- The operating result excluding non-recurring items was EUR 49 million (81). The operating result including non-recurring items was EUR 179 million (1).
- The result before taxes excluding non-recurring items was EUR 18 million (33). The result before taxes including non-recurring items was EUR 149 million (-51).
- Earnings per share excluding non-recurring items were EUR 0.05 (0.06) and including non-recurring items EUR 0.40 (-0.20).

Result for the third quarter of 2012

- Sales were EUR 532 million (Q2/2012: 522).
- The operating result excluding non-recurring items was EUR 25 million (19). The operating result including non-recurring items was EUR 22 million (161).
- The result before taxes excluding non-recurring items was EUR 10 million (17). The result before taxes including non-recurring items was EUR 8 million (159).
- Earnings per share excluding non-recurring items were EUR 0.02 (0.05) and including non-recurring items EUR 0.02 (0.43).

Events in the third quarter of 2012

- Delivery volumes of paperboard and coated paper increased.
- Delivery volumes of uncoated paper and pulp decreased.
- There were no material changes in paper and paperboard prices. The market price of pulp decreased.

Events after the period

- The biopower plant owned by Pohjolan Voima and Leppäkosken Sähkö was inaugurated at the Kyro mill.

“Our profitability improved further in the third quarter. Favourable development in the paperboard business continued, and delivery volumes increased as expected. Despite the extensive maintenance shutdown at the Husum mill, the operating result of the paper and pulp business remained at the second quarter level.

The paper and paperboard order books and operating rates are currently at a normal level. Folding boxboard order inflows have in recent weeks slowed down somewhat, but the price situation is stable. Paperboard delivery volumes are estimated to be slightly lower in the fourth quarter than in the third quarter, due to seasonal factors. Market prices of pulp

Metsä Board is Europe's leading manufacturer of folding boxboard, the world's leading manufacturer of coated white-top kraftliners and a significant supplier of paper, which offers customers high-quality cartonboard and papers for consumer and retail packaging as well as graphics industry and office end uses. The company's sales network serves brand owners, carton printers, manufacturers of corrugated boards, printing houses, merchants and office suppliers. Metsä Board is part of Metsä Group and its shares are listed in NASDAQ OMX Helsinki. In 2011, the company's sales totalled approximately EUR 2.5 billion. The company has approximately 3,300 employees.

are expected to increase in the fourth quarter, but it is estimated that the average price of deliveries will be slightly lower than in the third quarter. The overall situation in the global economy is currently uncertain, which makes business forecasting more difficult than in normal conditions.

We completed the Paperboard business area's investment programme as planned with the inauguration of the biopower plant at the Kyro mill. Our production machinery is now top class in the world, and our folding boxboard capacity, which was expanded by 150,000 annual tonnes, will be fully available from the beginning of 2013. New capacity is necessary in order for us to ensure the availability of board for our customers in all situations.”

Mikko Helander, CEO

KEY FIGURES	2012	2012	2012	2011	2012	2011	2011
	Q3	Q2	Q1	Q3	Q1-Q3	Q1-Q3	Q1-Q4
Sales, EUR million	532	522	545	616	1,599	1,961	2,485
EBITDA, EUR million	51	189	25	24	265	149	-23
excl. non-recurring items, EUR million	54	47	34	36	135	172	180
EBITDA, %	9.6	36.2	4.6	3.9	16.6	7.6	-0.9
excl. non-recurring items, %	10.2	9.0	6.2	5.8	8.4	8.8	7.2
Operating result, EUR million	22	161	-4	-13	179	1	-214
excl. non-recurring items, EUR million	25	19	5	6	49	81	59
EBIT, %	4.1	30.8	-0.7	-2.1	11.2	0.1	-8.6
excl. non-recurring items, %	4.7	3.6	0.9	1.0	3.1	4.1	2.4
Result before taxes, EUR million	8	159	-18	-29	149	-51	-281
excl. non-recurring items, EUR million	10	17	-9	-11	18	33	0
Result for the period, EUR million	8	140	-15	-33	133	-64	-273
excl. non-recurring items, EUR million	10	14	-6	-15	18	20	8
Result per share, EUR	0.02	0.43	-0.05	-0.11	0.40	-0.20	-0.83
excl. non-recurring items, EUR	0.02	0.05	-0.02	-0.05	0.05	0.06	0.02
Return on equity, %	3.9	72.9	-8.4	-14.1	22.7	-8.9	-31.5
excl. non-recurring items, %	4.8	7.3	-3.1	-6.3	3.1	2.7	0.9
Return on capital employed, %	5.2	35.9	-0.4	-1.5	13.4	0.4	-9.9
excl. non-recurring items, %	5.7	5.8	1.7	2.0	4.4	5.4	3.4
Equity ratio at end of period, %	31.1	31.0	27.8	32.7	31.1	32.7	27.4
Gearing ratio at end of period, %	138	138	154	128	138	128	154
Net gearing ratio at end of period, %	70	73	104	83	70	83	106
Shareholders' equity per share at end of period, EUR	2.51	2.46	2.21	2.81	2.51	2.81	2.23
Interest-bearing net liabilities, EUR million	580	595	758	772	580	772	783
Gross investments, EUR million	11	17	10	17	38	60	95
Deliveries, 1 000 tonnes							
Paperboard	306	289	295	346	890	1,099	1,388
Paper	169	165	185	260	519	718	908
Personnel at the end of period	3,337	3,597	3,818	4,163	3,337	4,163	4,070

Deliveries are not comparable due to restructuring.

EBITDA = Earnings before interest, taxes, depreciation and impairment charges

Result for July–September compared with the previous quarter

Metsä Board's sales amounted to EUR 532 million (Q2/2012: 522). Comparable sales were up 1.9 per cent. The operating result was EUR 22 million (161), and operating result excluding non-recurring items was EUR 25 million (19).

The non-recurring items in the July–September operating result were EUR -2 million net, of which the most significant was the EUR 2 million cost in the Paper and Pulp business area, related to the personnel reduction at the sales company in France.

The non-recurring items in the previous quarter totalled EUR +142 million net.

Operating result excluding non-recurring items improved from the previous quarter, primarily due to the higher delivery volumes of paperboard. Energy costs were also lower than in the previous quarter. The extensive maintenance shutdowns at the Husum and Kemi mills weakened the result. The operating loss of units closed and restructured, excluding non-recurring items, was at the previous quarter's level.

The total delivery volume of the paper business was 169,000 tonnes in July–September (Q2/2012: 165,000). Deliveries by the Paperboard business area totalled 306,000 tonnes (289,000).

Financial income and expenses totalled EUR -14 million (-2). Foreign exchange rate differences from trade receivables, trade payables, financial items and the valuation of currency hedging were EUR 2 million (0). Net interest and other financial income and expenses amounted to EUR -16 million (-2). Pohjolan Voima Oy paid a dividend of EUR 6 million in the previous period. Other financial income and expenses include EUR 1 million of valuation gains on interest rate derivatives (a valuation gain of 10). EUR 8 million of the profit from the previous quarter resulted from the termination of the IFRS hedge accounting related to fair value hedging after a US dollar-based loan and associated currency and interest rate swaps matured in June.

The result before taxes for the period under review was EUR 8 million (159). The result before taxes excluding non-recurring items totalled EUR 10 million (17). Income taxes were EUR 0 million (-19).

Earnings per share were EUR 0.02 (0.43). Earnings per share excluding non-recurring items were EUR 0.02 (0.05). Return on equity was 3.9 per cent (72.9), and 4.8 per cent (7.3) excluding non-recurring items. Return on capital employed was 5.2 per cent (35.9); excluding non-recurring items, it was 5.7 per cent (5.8).

January–September result compared with the corresponding period last year

Metsä Board's sales amounted to EUR 1,599 million (Q1–Q3/2011: 1,961). Comparable sales were down -13.5 per cent. The operating result was EUR 179 million (1), and the operating result excluding non-recurring items was EUR 49 million (81).

The net total of non-recurring items in January–September was EUR +130 million. The non-recurring items of the corresponding period in the previous year recognised in the operating result were EUR -80 million net.

The operating result excluding non-recurring items compared to the previous year were weakened by the lower prices of pulp and office paper. The result was improved by the decrease in losses from units closed and restructured and the strengthening of the US dollar and pound sterling.

The total delivery volume in the paper business was 519,000 tonnes in January–September (718,000). Deliveries in the Paperboard business area totalled 890,000 tonnes (1,099,000). The delivery volumes are not comparable due to the changes in the company's structure.

Financial income and expenses totalled EUR -30 million (-48). Foreign exchange rate differences from trade receivables, trade payables, financial items and the valuation of currency hedging were EUR 4 million (3). Net interest and other financial income and expenses amounted to EUR -34 million (-51). Pohjolan Voima Oy paid a dividend of EUR 6 million in the period under review. Other financial income and expenses included a valuation gain of EUR 11 million on interest rate hedges (valuation loss of 2). EUR 8 million of the gain resulted from the termination of the IFRS hedge accounting related to fair value hedging after a US dollar-based loan and associated currency and interest rate swaps matured in June.

The result before taxes for the period under review was EUR 149 million (-51). The result before taxes and excluding non-recurring items was EUR 18 million (33). The impact of income taxes was EUR -16 million (-13).

Earnings per share were EUR 0.40 (-0.20). Earnings per share excluding non-recurring items were EUR 0.05 (0.06). Return on equity was 22.7 per cent (-8.9), and 3.1 per cent (2.7) excluding non-recurring items. The return on capital employed was 13.4 per cent (0.4); 4.4 per cent (5.4) excluding non-recurring items.

Personnel

The number of personnel was 3,337 at the end of September (30 September 2011: 4,163), of whom 1,543 (1,692) people worked in Finland. During the period, Metsä Board employed an average of 3,641 people (4,539).

Investments

Gross investments in January–September totalled EUR 38 million (Q1–Q3/2011: 60).

Structural changes

Metsä Board's restructuring process from a paper company into a leading paperboard company in its field has been completed. The strong paperboard business together with the Husum paper and pulp mill are a solid foundation for further improvement of profitability. The focus of the operations has increasingly shifted from restructuring to development, as demonstrated by the investments in the Simpele, Äänekoski, Kyro, and Kemi paperboard mills in 2011–2012. As a result of the investments Metsä Board's annual folding boxboard capacity increases from 785 000 tonnes to 935 00 tonnes. The new capacity will be fully available from the beginning of 2013.

In 2011, Metsä Board announced it would divest the Hallein mill and restructure its coated paper business. Announcements made in the first quarter of 2012 included the divestment of the Premium Paper operations of the Reflex mill as well as the completion of negotiations with employees on shutting down the Alizay mill and on the discontinuation of the unprofitable operations at the Gohrsmühle mill. Overall, the positive impact of these measures on the company's annual operating result excluding non-recurring items is estimated to be approximately EUR 110 million positive compared to the actual figures for 2011. The positive effect on earnings is estimated to be primarily realised as early as 2012 and in full starting from 2013. The material non-recurring items related to the measures were recognised in 2011.

Metsä Board continues the Chromolux specialty paper and board business operations and will launch folding boxboard sheeting operations at the Gohrsmühle mill. Measures to create a business park concept in Gohrsmühle continue in collaboration with employee representatives in order to create new jobs in the mill site.

A voluntary reindustrialisation project has been launched in Alizay. The project is being carried out in collaboration between Metsä Board, employee representatives and local authorities. The objective of the project is to create new jobs and business operations in the Alizay mill site.

In the second quarter of 2012, Metsä Board divested approximately 7.3 percentage points of its holding in Metsä Fibre Oy to Japanese Itochu Corporation for EUR 138 million and approximately 0.5 percentage points of its holding in Pohjolan Voima Oy to Metsä Fibre for EUR 64 million. Metsä Board sold its 7.3 percentage point holding in Metsä Fibre in order to reduce its pulp surplus as well as to further strengthen Metsä Fibre's operations in the growing Asian market, in particular. After the divestments, Metsä Board owns 24.9 per cent of Metsä Fibre and approximately 2 per cent of Pohjolan Voima. The sales of shares have a negative impact of approximately EUR 15 million on the company's annual operating result compared to the actual figures for 2011.

M-real Corporation's Annual General Meeting held in the spring of 2012 changed the company's business name to Metsä Board Corporation and amended the company's line of business to correspond to its current business operations more accurately.

Changes in the Corporate Management Team

Mika Paljakka, Metsä Board's SVP, Human Resources, and member of the Corporate Management Team, was appointed to the position of Sales Director, Cartonboards, USA, on 12 September 2012. Paljakka is based in Metsä Board's sales office in the USA. Susanna Tainio, VP, Human Resources, is now in charge of Metsä Board's HR matters.

Financing

Metsä Board's equity ratio at the end of September was 31.1 per cent (31 December 2011: 27.4) and gearing ratio was 138 per cent (154). The net gearing ratio was 70 per cent (106).

The change in the fair value of investments available for sale was approximately EUR -77 million in the period under review, due to the decrease of the fair value of Pohjolan Voima

Oy's shares and the fact that a portion of Pohjolan Voima Oy's shares were sold to Metsä Fibre Oy in April.

At the end of September, net interest-bearing liabilities totalled EUR 580 million (783). Foreign-currency-denominated loans accounted for 5 per cent; 72 per cent were floating-rate, and the rest were fixed-rate. At the end of September, the average interest rate on loans was 4.9 per cent and the average maturity of long-term loans 1.3 years. The interest rate maturity was 9.5 months at the end of September. During the period, the interest rate maturity varied between 9 and 15 months.

Cash flow from operations amounted to EUR 44 million (Q1–Q3/2011: 77). Working capital decreased by EUR 48 million (increased by 5). In the cash flow statement, the net financial expenses for the period include a dividend of EUR 33 million (45) paid by Metsä Fibre and a dividend of EUR 6 million (0) paid by Pohjolan Voima Oy.

At the end of the period under review, an average of 4.6 months of the net foreign currency exposure was hedged. The degree of hedging varied between four and five months during the period. Approximately 3 per cent of the non-euro-denominated equity was hedged at the end of the period under review.

In May, Metsä Board signed a syndicated credit facility totalling EUR 600 million. The credit facility will refinance the EUR 500 million eurobond which matures on 1 April 2013 and further strengthens Metsä Board's liquidity. It consists of an immediately available EUR 100 million credit facility and loans totalling EUR 500 million that may be drawn at the end of March 2013. The immediately available credit facility will expire after three years. Of the loans, EUR 150 million (bridge financing) will mature on 30 June 2014 and EUR 350 million on 31 March 2016. The credit is unsecured until the loans are drawn. The annual financing cost of the credit, calculated for the duration of the loan and including all fees, is approximately 6.5 per cent. Metsä Board has considerable headrooms in respect to covenants levels set in the loan agreements.

Metsä Board's liquidity has clearly strengthened due to the credit facility signed in the review period as well as due to the reduction of shareholding in Metsä Fibre Oy and Pohjolan Voima Oy. At the end of the review period, available liquidity was EUR 536 million, of which EUR 100 million consisted of the revolving credit facility signed in May 2012, EUR 20 million consisted of undrawn pension premium (TyEL) funds and EUR 416 million of liquid assets and investments. At the end of September, EUR 296 million of the liquid assets and investments were assets deposited by other Metsä Group businesses in Metsä Finance. In addition, Metsä Board had other interest-bearing receivables totalling EUR 150 million. To meet its short-term financing needs, the Group had at its disposal uncommitted domestic and foreign commercial paper programmes and credit facilities amounting to EUR 519 million.

In 2012, Metsä Finance has purchased from the market Metsä Board Corporation's EUR 500 million eurobond for a nominal value of EUR 34 million. The purchases were market-priced. The loan will mature on 1 April 2013.

Shares

In January–September, the highest price for Metsä Board's A share on NASDAQ OMX Helsinki Ltd. was EUR 2.84, the lowest EUR 1.52, and the average price EUR 2.35. At the end of September, the price of the A share was EUR 2.46. At the end of 2011, the price of the A share was EUR 1.50, while the average price in 2011 was EUR 2.87.

In January–September, the highest price of Metsä Board's B share was EUR 2.47, the lowest EUR 1.33, and the average price EUR 1.97. At the end of September, the price of the B share was EUR 2.33. At the end of 2011, the price of the B share was EUR 1.33, while the average price in 2011 was EUR 2.18.

The trading volume was EUR 2 million, or 2 per cent of the share capital. The trading volume of the B share was EUR 186 million, or 32 per cent of the share capital. The market value of the A and B shares totalled EUR 769 million at the end of September.

At the end of September, Metsäliitto Cooperative owned 40 per cent of the shares and the voting rights conferred by these shares was 61 per cent. International investors held 10 per cent of the shares.

The company does not hold any treasury shares.

Events after the period

The biopower plant owned by Pohjolan Voima and Leppäkosken Sähkö was inaugurated at the Kyro mill. The new biopower plant and replacing natural gas, used previously as fuel at the mill, with wood-derived renewable fuels will reduce Metsä Board's annual energy costs by approximately EUR 6 million. In addition, the carbon footprint of products from the Kyro mill will be approximately halved.

Near-term outlook

The situation in the global economy is currently uncertain, which makes business forecasting more difficult than in normal conditions.

Folding boxboard order books and operating rates are currently at a normal level, but the order inflows have recently slowed down somewhat. The average prices of folding boxboard are not expected to change materially in the coming months.

Linerboard order books and operating rates are at a strong level. Prices of linerboard will be slightly higher in the fourth quarter than in the third quarter, as a result of the price increase implemented in September.

It is estimated that in the fourth quarter the delivery volume of folding boxboard and linerboard will be slightly lower than in the third quarter, due to the seasonally weaker December. The slight increase in the price of linerboard is, however, not estimated to be sufficient to completely cover the negative result impact of the seasonally lower delivery volumes in the fourth quarter in the Paperboard business area.

The delivery volumes of paper and pulp are in the fourth quarter expected to be at least at the third quarter level. No material changes are on the horizon in paper prices. The USD

denominated market price of long fibre pulp is estimated to increase somewhat during the fourth quarter. All in all, the average price of Metsä Board's pulp deliveries in the fourth quarter is however estimated to be slightly lower than in the third quarter.

Production costs are not estimated to change materially in the coming months.

Metsä Board's operating result in the fourth quarter of 2012, excluding non-recurring items, is expected to be roughly at the third quarter of 2012 level.

Near-term business risks

The further slowing down of the global economy and the possible steepening of the downward trend in the euro region may weaken the demand for pulp and paper products, in particular, and reduce prices.

Metsä Board has applied for an updated environmental permit in order to increase pulp production to full capacity at the Husum mill. The new environmental permit is being processed by the authorities and, according to Metsä Board's understanding, the new permit will, in 2012, allow the Husum pulp mill to exceed the maximum quantity specified in the earlier permit. However, there is a risk that the permit procedure will take more time than expected or the permit will not be issued as applied for this year, in which case pulp production at the Husum mill would need to be curtailed at the end of the year, leading to a negative result impact.

Because the forward-looking estimates and statements of this interim report are based on current plans and estimates, they contain risks and other uncertainties that may cause the results to differ from the statements concerning them. In the short term, Metsä Board's result will be particularly affected by the price of and demand for finished products, raw material costs, the price of energy, and the exchange rate development of the euro. More information on longer-term risk factors can be found on pages 29 and 30 of Metsä Board's 2011 Annual Report.

METSÄ BOARD CORPORATION

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More information will be available starting from 1 p.m. on 1 November 2012. A conference call held in English for investors and analysts starts at 3 p.m. (EET). Conference call participants are requested to dial in and register a few minutes prior to the start of the conference call on the following numbers:

Europe: +44 (0)20 7162 0025

US: +1 334 323 6201

The conference ID is 924020.

BUSINESS AREAS AND MARKET TRENDS

Paperboard business area

Paperboard	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2012 Q1-Q3	2011 Q1-Q3	2011 Q1-Q4
Sales, EUR million	289	274	281	275	322	843	1 019	1 294
EBITDA, EUR million	40	35	40	-28	38	115	142	114
excl. non-recurring items	40	36	40	23	38	116	149	172
Operating result, EUR million	28	23	26	-57	24	77	87	30
excl. non-recurring items	28	23	26	8	24	78	106	114
excl. non-recurring items, %	9.7	8.4	9.3	2.9	7.4	9.3	10.4	8.8
Return on capital employed, %	17.3	14.0	15.8	-31.0	12.2	16.0	14.9	4.2
excl. non-recurring items, %	18.0	14.9	16.0	4.3	12.2	16.7	18.4	16.1
Deliveries, 1,000 tonnes	306	289	295	290	346	890	1 099	1 388
Production, 1,000 tonnes	308	286	282	295	342	877	1 108	1 403
Personnel at the end of period	1 806	2 028	2 002	2 034	2 082	1 806	2 082	2 034

Delivery and production amounts are not completely comparable due to structural change.

July–September result compared with the previous quarter

Operating result excluding non-recurring items for the Paperboard business area improved from the previous quarter and was EUR 28 million (Q2/2012: 23). The result was improved by the higher delivery volume of paperboards and lower energy costs. The result was weakened by the extensive maintenance shutdown at the Kemi mill.

The result did not include material non-recurring items. The result for the previous quarter included non-recurring items of EUR -1 million.

The deliveries of European folding boxboard producers were approximately 2 per cent higher than in the previous quarter. Paperboard's folding boxboard deliveries increased by approximately 5 per cent.

January–September result compared with the corresponding period last year

Operating result excluding non-recurring items for Paperboard weakened compared to the corresponding period last year and totalled EUR 78 million (Q1–Q3/2011: 106). The most significant factor weakening the result is the lower net result share from Metsä Fibre, which was due to the lower price of pulp and Metsä Board's reduced holding in the company.

EUR -1 million was recognised in the result as non-recurring items related to the restructuring of production at the Gohrsmühle mill. The result of the corresponding period last year included EUR -19 million of non-recurring impairment losses and cost provisions related to the restructuring at Gohrsmühle.

The deliveries of European folding boxboard producers fell by 4 per cent compared with the corresponding period last year. Paperboard's folding boxboard deliveries decreased by 1 per cent.

Paper and Pulp business area

Paper and Pulp	2012	2012	2012	2011	2011	2012	2011	2011
	Q3	Q2	Q1	Q4	Q3	Q1-Q3	Q1-Q3	Q1-Q4
Sales, EUR million	223	229	245	238	282	698	894	1 132
EBITDA, EUR million	16	18	-2	-136	-4	34	1	-135
excl. non-recurring items	17	18	2	-8	5	37	25	17
Operating result, EUR million	-1	5	-16	-149	-27	-12	-89	-237
excl. non-recurring items	2	5	-12	-20	-10	-6	-20	-39
excl. non-recurring items, %	0.8	2.0	-4.9	-8.3	-3.5	-0.8	-2.2	-3.5
Return on capital employed, %	-0.2	3.0	-10.2	-91.0	-14.1	-2.4	-14.9	-32.8
excl. non-recurring items, %	1.1	3.0	-8.1	-13.8	-5.1	-1.2	-3.2	-5.7
Deliveries, Paper 1,000 tonnes	169	165	185	190	222	519	718	908
Deliveries, Market Pulp 1,000 tonnes ¹⁾	192	210	218	169	181	619	550	719
Production, Paper 1,000 tonnes	164	169	181	161	233	514	721	882
Production, Metsä Board Pulp 1,000 tonnes	292	297	313	235	309	902	974	1 210
Personnel at the end of period	989	986	1 253	1 471	1 514	989	1 514	1 471

Delivery and production amounts are not completely comparable due to structural change.

¹⁾ Market pulp delivery amounts include pulp trading volumes.

July–September result compared with the previous quarter

Operating result excluding non-recurring items for the Paper and Pulp business area was roughly at the previous quarter level and was EUR 2 million (Q2/2012: 5). The result was weakened by the extensive production downtime at the Husum mill, decreased delivery volume of pulp and uncoated paper as well as the strengthening of the Swedish krona against euro. The result was improved by an increase in the delivery volume of coated paper.

The result included a cost of EUR 2 million as a non-recurring item related to the personnel reductions at the sales company in France. The result for the previous quarter did not include non-recurring items.

Total deliveries by European uncoated fine paper producers were down by 3 per cent compared to the previous quarter. Paper and Pulp's delivery volume of uncoated fine paper decreased by 9 per cent.

January–September result compared with the corresponding period last year

Operating result excluding non-recurring items for Paper and Pulp improved compared to the corresponding period last year and totalled EUR -6 million (Q1–Q3/2011: -20). The result was improved by the considerable reduction in the losses of the units closed and restructured. The result was weakened by the reduced prices of pulp and office papers as well as the extensive maintenance shutdown at the Husum mill.

The result includes total EUR -5 million in non-recurring items. The result for the corresponding period last year included a total of EUR -69 million of non-recurring items, of which the most significant were EUR -49 million related to the sales of the Hallein pulp mill, EUR -13 million related to the personnel reductions at Reflex and EUR -8 million related to the closing of the Alizay mill.

Total deliveries by European uncoated fine paper producers decreased by 3 per cent compared to the corresponding period last year. Paper and Pulp's delivery volume of uncoated fine paper decreased by 32 per cent.

Sales and result by segment

EUR million	2012	2012	2012	2011	2011	2012	2011	2011
	Q3	Q2	Q1	Q4	Q3	Q1-Q3	Q1-Q3	Q1-Q4
Paperboard	289	274	281	275	322	843	1,019	1,294
Paper and Pulp	223	229	245	238	282	698	894	1,132
Other operations	91	89	89	75	89	270	290	365
Internal sales	-71	-69	-70	-64	-77	-212	-242	-305
Sales	532	522	545	524	616	1,599	1,961	2,485
Paperboard	40	35	40	-28	38	115	142	114
Paper and Pulp	16	18	-2	-136	-4	34	1	-135
Other operations	-5	136	-13	-9	-9	117	7	-2
EBITDA	51	189	25	-172	24	265	149	-23
% of sales	9.6	36.1	4.6	-32.8	3.9	16.6	7.6	-0.9
Paperboard	28	23	26	-57	24	77	87	30
Paper and Pulp	-1	5	-16	-149	-27	-12	-89	-237
Other operations	-5	134	-15	-10	-10	114	3	-6
Operating result	22	161	-4	-215	-13	179	1	-214
% of sales	4.1	30.9	-0.8	-41.0	-2.1	11.2	0.1	-8.6
Non-recurring items in operating result								
Paperboard	0	-1	0	-65	0	-1	-19	-84
Paper and Pulp	-2	0	-3	-129	-17	-5	-69	-198
Other operations	0	143	-6	0	-2	137	9	9
Group	-2	142	-10	-193	-18	130	-79	-274
Paperboard	40	36	40	23	38	116	149	172
Paper and Pulp	17	18	2	-8	5	37	25	17
Other operations	-4	-7	-7	-9	-7	-19	-2	-11
EBITDA, excl. non-recurring items	53	47	34	8	36	135	172	180
% of sales	10.2	8.9	6.3	1.5	5.8	8.4	8.8	7.2
Paperboard	28	23	26	8	24	78	106	114
Paper and Pulp	2	5	-12	-20	-10	-6	-20	-39
Other operations	-5	-9	-9	-9	-8	-23	-6	-15
Operating result, excl. non-recurring items	25	19	5	-22	6	49	81	59
% of sales	4.7	3.6	0.9	-4.2	1.0	3.1	4.1	2.4
Operating result, excl. non-recurring items, % of sales								
Paperboard	9.7	8.5	9.4	2.9	7.5	9.2	10.4	8.8
Paper and Pulp	0.8	2.0	-5.1	-8.4	-3.5	-0.9	-2.2	-3.4
Group	4.7	3.6	0.9	-4.2	1.0	3.1	4.1	2.4

Metsä Fibre's net result is included in operating result at row "Share of results in associated companies" from 8.12.2009 on, before that Metsä Fibre was consolidated on proportionate basis line by line.

Return on capital employed %

Paperboard	17.3	14.0	15.8	-31.0	12.2	16.0	16.2	4.2
Paper and Pulp	-0.2	3.0	-10.2	-91.0	-14.1	-2.4	-15.2	-32.8
Group	5.2	35.9	-0.4	-43.3	-1.5	13.4	0.4	-9.9

Capital employed, EUR million

Paperboard	646	638	656	676	785	646	781	676
Paper and Pulp	642	612	615	614	724	642	775	614
Unallocated and eliminations	689	679	587	583	605	689	593	584
Group	1,974	1,929	1,858	1,873	2,114	1,974	2,149	1,873

The capital employed for a segment includes its assets: goodwill, other intangible assets, tangible assets, biological assets, investments in associates, inventories, accounts receivables, prepayments and accrued income (excluding interest and taxes), less the segment's liabilities (accounts payable, advance payments, accruals and deferred income (excluding interest and taxes).

Deliveries 1,000 tonnes	2012	2012	2012	2011	2011	2012	2011	2011
	Q3	Q2	Q1	Q4	Q3	Q1-Q3	Q1-Q3	Q1-Q4
Paperboard	306	289	295	290	346	890	1,099	1,388
Paper	169	165	185	190	222	519	718	908
Market Pulp ¹⁾	192	210	218	169	181	619	550	719
Production 1,000 tonnes	2012	2012	2012	2011	2011	2012	2011	2011
	Q3	Q2	Q1	Q4	Q3	Q1-Q3	Q1-Q3	Q1-Q4
Paperboard	308	286	282	295	342	877	1,108	1,403
Paper	164	169	181	161	233	514	721	881
Metsä Fibre pulp ²⁾	144	145	181	174	175	470	531	706
Metsä Board pulp	292	297	313	235	309	902	974	1,210

Delivery and production amounts are not completely comparable due to structural changes.

¹⁾ Market pulp delivery amounts include pulp trading volumes.

²⁾ Corresponds to Metsä Board's ownership share of 32.0% in Metsä Fibre until 30 April 2012 and starting 1 May 2012 corresponds to Metsä Board's ownership share of 24.9% in Metsä Fibre.

Calculation of key ratios

Return on equity (%)	=	(Result from continuing operations before tax - direct taxes) per (Shareholders' equity (average))
Return on capital employed (%)	=	(Result from continuing operations before tax + interest expenses, net exchange gains/losses and other financial expenses) per (Shareholders' equity + interest-bearing borrowings (average))
Equity ratio (%)	=	(Shareholders' equity) per (Total assets - advance payments received)
Gearing ratio (%)	=	(Interest-bearing borrowings) per (Shareholders' equity)
Net gearing ratio (%)	=	(Interest-bearing borrowings - liquid funds - interest-bearing receivables) per (Shareholders' equity)
Earnings per share	=	(Profit attributable to shareholders of parent company) per (Adjusted number of shares (average))
Shareholders' equity per share	=	(Equity attributable to shareholders of parent company) per (Adjusted number of shares at the end of period)

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Unaudited interim condensed consolidated statement of comprehensive income

EUR million	Note	Three months ended		Nine months ended		Year ended
		September 30 2012	2011	September 30 2012	2011	December 31 2011
Sales	2,6	532	616	1,599	1,961	2,485
Change in stocks of finished goods and work in progress		-3	15	-27	21	-16
Other operating income	2,6	9	10	177	47	66
Material and services	6	-388	-498	-1,160	-1,518	-1,940
Employee costs		-62	-86	-193	-248	-418
Share of profits from associated companies	6	7	14	24	54	60
Depreciation, amortization and impairment losses		-29	-37	-86	-148	-191
Other operating expenses		-44	-47	-155	-168	-260
Operating result	2	22	-13	179	1	-214
Share of profits from associated companies		0	0	0	-4	-7
Net exchange gains and losses		2	1	4	3	3
Other net financial items	2,6	-16	-17	-34	-51	-63
Result before income tax	8	-29	149	-51	-281	
Income taxes	3	0	-4	-16	-13	8
Result for the period	8	-33	133	-64	-273	
Other comprehensive income						
Cash flow hedges		4	-13	3	-20	-22
Available for sale financial assets	2	-6	15	-77	22	22
Translation differences		10	-2	15	-8	2
Share of profits from associated companies		0	-1	-2	-1	0
Income tax relating to components of other comprehensive income		1	0	19	0	5
Other comprehensive income, net of tax	9	-1	-42	-7	7	
Total comprehensive income for the period	17	-34	91	-71	-266	
Result for the period attributable to						
Shareholders of parent company		8	-33	133	-64	-273
Non-controlling interests		0	0	0	0	0
Total comprehensive income for the period attributable to						
Shareholders of parent company		17	-34	91	-71	-266
Non-controlling interests		0	0	0	0	0
Total		17	-34	91	-71	-266
Earnings per share for result attributable to shareholders of parent company (EUR/share)		0.02	-0.11	0.40	-0.20	-0.83

The accompanying notes are an integral part of these unaudited interim condensed financial statements.

Unaudited condensed consolidated balance sheet

EUR million	Note	As of September 30		As of December 31 2011		
		2012	2011			
ASSETS						
Non-current assets						
Goodwill		13	13	13		
Other intangible assets		13	23	14		
Tangible assets	4	913	938	941		
Investments in associated companies		195	266	262		
Available for sale investments		260	337	341		
Other non-current financial assets	6	30	20	23		
Deferred tax receivables		5	4	4		
		1,429	1,601	1,598		
Current assets						
Inventories		284	386	335		
Accounts receivables and other receivables	6	529	511	443		
Cash and cash equivalents		416	345	305		
		1,229	1,242	1,083		
Assets classified as held for sale				7		
Total assets		2,658	2,843	2,688		
SHAREHOLDERS' EQUITY AND LIABILITIES						
Shareholders' equity						
Equity attributable						
to shareholders of parent company		823	923	732		
Non-controlling interests		5	5	5		
Total equity		828	928	737		
Non-current liabilities						
Deferred tax liabilities		136	184	154		
Post-employment benefit obligations		76	79	81		
Provisions	5	26	15	31		
Borrowings		324	880	858		
Other liabilities		29	23	28		
		591	1,181	1,152		
Current liabilities						
Provisions	5	58	31	140		
Current borrowings	6	822	307	279		
Accounts payable and other liabilities	6	359	396	380		
		1,239	734	799		
Total liabilities		1,830	1,915	1,951		
Total shareholders' equity and liabilities		2,658	2,843	2,688		

The accompanying notes are an integral part of these unaudited interim condensed financial statements.

Unaudited consolidated statement of changes in shareholders' equity

Equity attributable to shareholders of parent company

EUR million	Note	Share capital	Share premium account	Trans-lation differ-ences	Fair value and other reserves	Reserve for invested unstric-ted equity	Retained earnings	Non-control-ling inter-ests		Total
								Total	Total	
Shareholders' equity, 1 January 2011		558	667	23	223	0	-476	994	5	999
Comprehensive income for the period								-64	-64	0
Result for the period								-64	-64	-64
Other comprehensive income										
Cash flow hedges					-20			-20		-20
Available for sale investments					22			22		22
Translation differences				-8				-8	0	-8
Share of other comprehensive income of associated companies				-1	0			-1		-1
Income tax relating to components of other comprehensive income					0	0		0		0
Other comprehensive income total				-9	2			0	-7	-7
Comprehensive income total				-9	2			-64	-71	0
Reduction of Share premium account				-667		664	3			
Related party transactions								0	0	
Dividends paid								0	0	
Shareholders' equity, 30 September 2011		558	0	14	225	664	-537	923	5	928

Unaudited consolidated statement of changes in shareholders' equity

Equity attributable to shareholders of parent company

EUR million	Note	Share capital	Share premium account	Trans-lation differ-ences	Fair value and other reserves	Reserve for invested unstricte d equity	Retained earnings	Non-control-ling inter-ests		Total
								Total	Total	
Shareholders' equity, 1 January 2012		558	0	25	228	285	-363	732	5	737
Comprehensive income for the period										
Result for the period							133	133	0	133
Other comprehensive income										
Cash flow hedges						3			3	3
Available for sale investments						-77			-77	-77
Translation differences					15			15		15
Share of other comprehensive income of associated companies					0	-2			-2	-2
Income tax relating to components of other comprehensive income					0	19		19		19
Other comprehensive income total					15	-57		0	-42	-42
Comprehensive income total					15	-57		133	91	0 91
Related party transactions										
Dividends paid								0	0	0
Shareholders' equity, 30 September 2012		558	0	40	171	285	-230	823	5	828

The accompanying notes are an integral part of these unaudited condensed financial statements.

Unaudited condensed consolidated cash flow statement

EUR million	Note	Nine months ended		Year ended December 31 2011	Three months ended September 30 2012
		September 30 2012	2011		
				2011	
Result for the period		133	-64	-273	8
Total adjustments	7	-137	146	300	14
Change in working capital		48	-5	81	16
Cash flow from operations		44	77	108	38
Net financial items	7	-8	1	-20	-2
Income taxes paid		-6	-8	-5	-2
Net cash flow from operating activities		30	70	83	34
Acquisition of other shares				-5	0
Investments in intangible and tangible assets		-38	-60	-90	-11
Disposals and other items	7	218	95	106	5
Net cash flow from investing activities		180	35	11	-6
Other changes in equity				4	
Changes in non-current loans and in other financial items		-99	-168	-201	-31
Dividends paid		0	0	0	0
Net cash flow from financing activities		-99	-168	-197	-31
Changes in cash and cash equivalents		111	-63	-103	-3
Cash and cash equivalents at beginning of period		305	408	408	419
Translation difference in cash and cash equivalents		0	0	0	0
Changes in cash and cash equivalents		111	-63	-103	-3
Cash and cash equivalents at end of period		416	345	305	416

The accompanying notes are an integral part of these unaudited condensed financial statements.

NOTES TO THE UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS

Note 1 – Background and basis of presentation

Metsä Board Corporation and its subsidiaries comprise a forest industry group whose main product areas are paperboards, office papers, speciality papers and pulp. Metsä Board Corporation, the parent company, is domiciled in Helsinki and the registered address of the company is Revontulenpuisto 2, 02100 Espoo, Finland. Metsä Board's ultimate parent company is Metsäliitto Cooperative.

These unaudited interim statements have been prepared in accordance with IAS 34, Interim Financial

Reporting and the same accounting policies have been applied as in the 2011 annual consolidated financial statements.

This interim report is unaudited.

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

This interim report was authorized for issue by the Board of Directors of Metsä Board on 1 November 2012.

Note 2 – Segment information

The Corporate Management Team is the chief operational decision-maker, which monitors the business operations based on the operating segments. Metsä Board, part of Metsä Group, announced on 19 January 2012 the renewal of its management and reporting structure to better reflect the company's strategy and focus on fresh forest fibre cartonboard. The company operates through two business areas that are also the company's reporting segments from the first quarter of 2012 onwards: Paperboard and Paper and Pulp.

The Paperboard business area includes the Kemi, Kyro, Simpele, Tako and Äänekoski board mills, Kyro wallpaper base machine and Joutseno BCTMP mill located in Finland as well as the Gohrsmühle mill in Germany. The Paper and Pulp business area includes Husum paper and pulp mill in Sweden, Alizay mill in France and Kaskinen BCTMP mill in Finland. The negotiations with employees on shutting down the Alizay mill and the discontinuation of the unprofitable operations of the Gohrsmühle mill were completed in March.

Accounting for ownership in Metsä Fibre (formerly Metsä-Botnia) remains unchanged. The associated company result of Metsä Fibre will continue to be allocated to business segments based on their respective pulp consumption and is reported in EBITDA. Approximately two thirds of the result impact of Metsä Fibre ownership is included in the Paperboard business area and the rest in the Paper and Pulp business area.

The sales of the reporting segments are mainly generated by sales of board and paper, but the sales of the Paper and Pulp operating segment includes sales of pulp to external customers.

The accounting principles for the segment information are equal to those of the Group and all inter-segment sales are based on market prices.

Sales by segment

EUR million	Nine months ended September 30, 2012			Nine months ended September 30, 2011		
	External	Internal	Total	External	Internal	Total
Paperboard	843	0	843	993	26	1,019
Paper and Pulp	698	0	698	892	1	893
Other operations	58	212	270	76	214	290
Elimination		-212	-212		-241	-241
Total sales	1,599	0	1,599	1,961	0	1,961

Year ended December 31,
 2011

	External	Internal	Total
Paperboard	1,266	28	1,294
Paper and Pulp	1,132	0	1,132
Other operations	88	277	365
Elimination		-305	-305
Total sales	2,485	0	2,485

Operating result by operating segments

EUR million	Nine months ended September 30		Year ended December 31
	2012	2011	2011
Paperboard	77	87	30
Paper and Pulp	-12	-89	-237
Other operations	114	3	-6
Operating result total	179	1	-214
Share of profit from associated companies	0	-4	-7
Finance costs, net	-30	-48	-60
Income taxes	-16	-13	8
Result for the period	133	-64	-273

Operating result for the nine months ended 30 September 2012 includes in the Paper and Pulp business area EUR 2

million in additional cost provisions related to the decision to close the Alizay mil, EUR one million in additional cost provisions related to the plans to close unprofitable operations at Reflex and EUR 2 million cost in the French sales company related to personnel reductions.

Other operations includes a EUR 85 million profit related to the sale of a 7.3. percentage point share in Metsä Fibre to Itochu Corporation and EUR 59 million profit before taxes (after taxes EUR 44 million) related to the sale of 0.5 percentage point share in Pohjolan Voima to Metsä Fibre. The sale did not affect equity, as the Group booked the same amount in decreases in fair value reserves. Other Operations includes also a EUR 8 million cost provisions related to soil contamination clean-up at Niemenranta in Tampere, an additional EUR 4 million provision related to industrial area soil contamination clean-up at Niemenranta, EUR 4 million in sales profit related to sale of real estate in Tampere and a EUR one million cost provision reversal related to logistics agreements and the sale of graphic papers business.

Pohjolan Voima Oy paid out a EUR 6 million dividend during the reporting period. Other financial income and expenses included EUR 10 million in valuation gains on interest rate derivatives. Of the valuation gain EUR 8 million was generated by valuations of the fair value hedge accounting in accordance with IFRS as the USD-based loan and related currency agreement and an interest rate swap expired in June.

Assets by operating segments

EUR million	Nine months ended		Year ended
	September 30,		December 31 2011
	2012	2011	
Paperboard	898	1,021	965
Paper and Pulp	817	907	869
Other operations	444	514	540
Elimination	-90	-65	-75
Unallocated	589	466	389
Total	2,658	2,843	2,688

Segment assets include goodwill, other intangible assets, tangible assets, investments in associated companies, inventories, accounts receivables and prepayments and accrued income (excl. interest and income tax items).

Note 3 – Income taxes

Tax expense in the interim condensed combined income statement is comprised of the current tax and deferred taxes. Income taxes for the nine months ended 30 September 2012 and 2011 and for the year ended 31 December 2011 are as follows:

EUR million	Nine months ended		Year ended
	September 30		December 31 2011
	2012	2011	
Taxes for the current period	23	8	16
Taxes for the prior periods	0	-4	-4
Change in deferred taxes	-7	9	-20
Total income taxes	16	13	-8

The increase in tax expense during the reporting period is primarily related to the sale of a 0.5 per cent

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 Metsä Board Corporation
 Interim Report 1 January–30 September 2012

1 November 2012 at 12:00 EET

ownership share in Pohjolan Voima to Metsä Fibre.

Note 4 – Changes in property, plant and equipment

The following shows the components of changes in property, plant and equipment for the nine months ended 30 September 2012 and 2011 and for the year ended 31 December 2011:

Changes in property, plant and equipment EUR million	Nine months ended September 30		Year ended December 31
	2012	2011	2011
Carrying value at beginning of period	941	1,063	1,063
Capital expenditure	38	60	92
Decreases	0	-1	-1
Asset classified as held for sale	0	-30	-30
Depreciation, amortization and impairment losses	-83	-144	-185
Translation difference	17	-10	2
Carrying value at end of period	913	938	941

Note 5 – Provisions

The following is a summary of changes Metsä Board's provisions during the nine months ended 30 September 2012.

EUR million	Restructuring	Environmental obligations	Other provisions	Total
At 1 January 2012	109	18	44	171
Translation differences	0	0	0	0
Increases	11	11	3	25
Utilized during the year	-67	-2	-28	-97
Unused amounts reversed	-6	-5	-4	-15
At 30 September, 2012	47	22	15	84

The most significant increase in provisions in 2012 was a EUR 11 million environmental provision in Other Operations related to the soil contamination clean-up at Niemenranta in Tampere (EUR 8 million) and soil contamination clean-up in Nurmes (EUR 4 million). In Paper and Pulp there was a net increase of EUR 2 million in cost provisions related to the closure of the Alizay paper mill (restructuring provision was increased by EUR 11 million, EUR 5 million reversal of an environmental provision and EUR 4 million reversal of other cost provisions). In Paperboard, related to plans to close unprofitable operations in Gohrsmühle, there was a EUR 5 million reversal of a restructuring provision related to personnel costs and other provisions were increased by EUR 3 million related to logistics arrangements. In Other Operations there was a reversal of a EUR one million logistics provision, made in 2008 related to the sale of graphic papers business.

The non-current portion of provisions was some EUR 26 million and the current portion some EUR 58 million, total provisions being EUR 84 million. The non-current portion is estimated to be paid by the end of the year 2013.

Note 6 – Related party transactions

Metsä Board's Board of Directors, the Corporate Management Team, Metsäliitto Cooperative and its subsidiaries and Metsä Board's associated companies are considered related parties. Metsä Board enters into a significant number of transactions with related parties for the purchases of inventory, sale of goods,

corporate services as well as financial transactions. Product and service transfers and interest between Metsä Board and the related parties have been made at arm's length prices.

Transactions between Metsä Board and related parties for the nine months ended 30 September 2012 and 2011 and for the year ended 31 December 2011 are as follows:

Related party transactions

Transactions and balances with parent and sister companies

EUR million	Nine months ended September 30		Year ended December 31
	2012	2011	2011
Sales	45	47	61
Other operating income	63	4	6
Purchases	498	610	770
Share of profit from associated companies	24	54	60
Dividend income	0	0	0
Interest income	4	5	5
Interest expences	1	2	2
Non-current receivables	4	4	4
Current receivables	174	87	72
Non-current liabilities	0	0	0
Current liabilities	336	193	151

Other operating income includes a EUR 59 million profit related to the sale of a 0.5 percentage point share in Pohjolan Voima to Metsä Fibre.

Metsä Fibre's net result is included within operating result line item "Share of profits from associated companies" and transactions with Metsä Fibre are included in transactions with sister companies beginning from 8 December 2009. Metsä Fibre paid a dividend of EUR 33 million to Metsä Board during the nine months ended 30 September 2012.

Transactions with associated companies

EUR million	Nine months ended September 30		Year ended December 31
	2012	2011	2011
Sales	0	0	0
Purchases	4	5	7
Current receivables	0	0	0
Current liabilities	3	4	3

Note 7 – Notes to condensed consolidated cash flow statement

Adjustments to the result for the period

EUR million	Nine months ended September 30		Year ended December 31
	2012	2011	2011
Taxes	16	13	-8
Depreciation, amortization and impairment charges	86	148	191
Share of results in associated companies	-24	-50	-53
Gains and losses on sale of fixed assets	-154	-15	-19
Finance costs, net	31	48	60
Provisions	-91	2	129
Total	-137	146	300

Net financial items

Net financial items in consolidated cash flow statement for nine months ended 30 September 2012 include a dividend of EUR 33 million paid by Metsä Fibre and a dividend of EUR 6 million paid by Pohjolan Voima.

Disposals and other items

Nine months ended 30 September 2012 include a EUR 138 million sales price related to the sale of a 7.3 percentage point share in Metsä Fibre to Itochu Corporation, EUR 63 million sales price related to the sale of a 0.5. percentage point share in Pohjolan Voima to Metsä Fibre, a EUR 3 million sales price related to the sales of Kirkniemen Kartano Oy to Metsäliitto Cooperative, a EUR 7 million disposal of associated company Plastiroll Oy's shares, a negative EUR 3 million related to the disposal of Reflex business and EUR 10 million in other disposals.

Note 8 – Commitments and contingencies

Securities and guarantees

The following shows securities and guarantees for the nine months ended 30 September 2012 and 2011 and for the year ended 31 December 2011:

Securities and guarantees

EUR million	Nine months ended September 30		Year ended December 31
	2012	2011	2011
For own liabilities	192	187	194
On behalf of associated companies	0	0	0
On behalf of Group companies	13	13	13
On behalf of others	2	3	3
Total	207	203	210

Securities and guarantees include pledges, real estate mortgages, chattel mortgages and guarantee liabilities. Metsä Board holds operating leases for certain vehicles and equipment. Leasing liabilities are part of table above.

Open derivative contracts

EUR million	Nine months ended September 30		Year ended December 31
	2012	2011	2011
Interest rate derivatives	1,973	1,378	1,349
Currency derivatives	1,479	1,701	1,578
Other derivatives	100	105	124
Total	3,552	3,184	3,051

The fair value of open derivative contracts calculated at market value at the end of the review period was EUR -21.9 million (EUR -37.8 million 31 December 2011 and EUR -26.4 million 30 September 2011).

Note 9 - Events after the period

The biopower plant owned by Pohjolan Voima and Leppäkosken Sähkö was inaugurated at the Kyro mill. The new biopower plant and replacing natural gas, used previously as fuel at the mill, with wood-derived renewable fuels will reduce Metsä Board's annual energy costs by approximately EUR 6 million. In addition, the carbon footprint of products from the Kyro mill will be approximately halved.