

**Attachment to Stock Exchange Release published on November 12, 2013:  
Illustrative financial information for Metso's continuing operations**

**Key figures for Metso group / after demerger**

EUR million	As at and for the nine months' ended Sept.30, 2013	As at and for the year ended Dec.31, 2012
Net sales, total	2,989	4,499
Operating profit	299	463
Profit before taxes	256	404
Amortization of intangible assets	-16	-20
Depreciation of tangible assets	-46	-57
Non-recurring items		
Capacity adjustment expenses	0	-12
Cost related to demerger process	-1	0
Other NRE	-21	0
EBITA, before non-recurring items	337	495
EBITA, % before NRE	11.3 %	11.0 %
EBITDA	361	540
Earnings per share, EUR	1.21	1.82
Shares (Metso's outstanding shares, period average)	149,813,092	149,715,383
Balance sheet total	3,915	4,000
Equity	1,232	1,359
Interest-bearing liabilities	1,107	1,094
Net debt	491	385
Gearing	39.9 %	28.3 %
ROCE before taxes	17.6 %	19.2 %
ROCE after taxes	12.9 %	13.8 %
Equity to assets ratio	36.5 %	n/a
Orders received	2,962	4,432
Order backlog	2,078	2,269
Personnel, at the end of period	18,658	17,665

**Consolidated Statement of Income 1-9/2013**

	Metso	Adjustment	Metso after demerger
EUR million	1-9/2013	1-9/2013	1-9/2013
<b>Net sales</b>	4,925	-1,936	<b>2,989</b>
Cost of goods sold	-3,698	1,570	<b>-2,128</b>
Gross profit	1,227	-366	<b>861</b>
Selling, general and administrative expenses	-887	343	<b>-544</b>
Other operating income and expenses, net	-35	17	<b>-18</b>
Share in profits and losses of associated companies	1	-1	<b>0</b>
<b>Operating profit</b>	306	-7	<b>299</b>
Financial income and expenses, net	-49	6	<b>-43</b>
Profit before taxes	257	-1	<b>256</b>
Income taxes	-82	0	<b>-82</b>
<b>Profit</b>	<b>175</b>	<b>-1</b>	<b>174</b>
<b>Attributable to:</b>			
Shareholders of the company	182	-1	<b>181</b>
Non-controlling interests	-7	0	<b>-7</b>
<b>Profit</b>	<b>175</b>	<b>-1</b>	<b>174</b>

**Consolidated Statement of Income 1-12/2012**

	Metso	Adjustment	Metso after demerger
EUR million	1-12/2012	1-12/2012	1-12/2012
<b>Net sales</b>	7,504	-3,005	<b>4,499</b>
Cost of goods sold	-5,703	2,396	<b>-3,307</b>
Gross profit	1,801	-609	<b>1,192</b>
Selling, general and administrative expenses	-1,184	456	<b>-728</b>
Other operating income and expenses, net	-16	14	<b>-2</b>
Share in profits and losses of associated companies	1	0	<b>1</b>
<b>Operating profit</b>	602	-139	<b>463</b>
Financial income and expenses, net	-59	0	<b>-59</b>
Profit before taxes	543	-139	<b>404</b>
Income taxes	-175	43	<b>-132</b>
<b>Profit</b>	<b>368</b>	<b>-96</b>	<b>272</b>
<b>Attributable to:</b>			
Shareholders of the company	369	-96	<b>273</b>
Non-controlling interests	-1	0	<b>-1</b>
<b>Profit</b>	<b>368</b>	<b>-96</b>	<b>272</b>

**Consolidated Balance Sheet**  
**September 30, 2013**

ASSETS	Metso	Adjustment	Metso after demerger
EUR million	Sep 30, 2013	Sep 30, 2013	Sep 30, 2013
<b>Non-current assets</b>			
<b>Intangible assets</b>			
Goodwill	894	-446	448
Other intangible assets	235	-118	117
	1,129	-564	565
<b>Property, plant and equipment</b>			
Land and water areas	73	-21	52
Buildings and structures	290	-140	150
Machinery and equipment	476	-225	251
Assets under construction	46	-21	25
	885	-407	478
<b>Financial and other non-current assets</b>			
Investments in associated companies	8	-4	4
Available-for-sale equity investments	6	-4	2
Loan and other interest bearing receivables	85	-1	84
Available-for-sale financial investments	0	-	0
Derivative financial instruments	0	0	0
Deferred tax asset	173	-70	103
Other non-current assets	33	-8	25
	305	-87	218
<b>Total non-current assets</b>	<b>2,319</b>	<b>-1,058</b>	<b>1,261</b>
<b>Current assets</b>			
<b>Inventories</b>			
	1,503	-469	1,034
<b>Receivables</b>			
Trade and other receivables	1,259	-450	809
Cost and earnings of projects under construction in excess of advance billings	417	-187	230
Loan and other interest bearing receivables	1	0	1
Available-for-sale financial investments	1	-1	0
Financial instruments held for trading	22	-	22
Derivative financial instruments	26	-7	19
Income tax receivables	64	-34	30
<b>Receivables total</b>	<b>1,790</b>	<b>-679</b>	<b>1,111</b>
<b>Cash and cash equivalents</b>			
	658	-149	509
<b>Total current assets</b>	<b>3,951</b>	<b>-1,297</b>	<b>2,654</b>
<b>TOTAL ASSETS</b>	<b>6,270</b>	<b>-2,355</b>	<b>3,915</b>

**Consolidated Balance Sheet**  
**September 30, 2013**

SHAREHOLDERS' EQUITY AND LIABILITIES	Metso	Adjustment	Metso after demerger
EUR million	Sep 30, 2013	Sep 30, 2013	Sep 30, 2013
<b>Equity</b>			
Share capital	241	-100	141
Cumulative translation adjustments	-47	-10	-57
Fair value and other reserves	725	-296	429
Retained earnings	1,130	-424	706
<b>Equity attributable to shareholders</b>	<b>2,049</b>	<b>-830</b>	<b>1,219</b>
<b>Non-controlling interests</b>	<b>18</b>	<b>-5</b>	<b>13</b>
<b>Total equity</b>	<b>2,067</b>	<b>-835</b>	<b>1,232</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Long-term debt	893	-92	801
Post-employment benefit obligations	235	-120	115
Provisions	57	-31	26
Derivative financial instruments	11	-1	10
Deferred tax liability	29	-32	-3
Other long-term liabilities	5	-1	4
<b>Total non-current liabilities</b>	<b>1,230</b>	<b>-277</b>	<b>953</b>
<b>Current liabilities</b>			
Current portion of long-term debt	248	-63	185
Short-term debt	121	0	121
Trade and other payables	1,407	-646	761
Provisions	188	-102	86
Advances received	544	-150	394
Billings in excess of cost and earnings of projects under construction	391	-249	142
Derivative financial instruments	25	-8	17
Income tax liabilities	49	-25	24
<b>Total current liabilities</b>	<b>2,973</b>	<b>-1,243</b>	<b>1,730</b>
<b>Total liabilities</b>	<b>4,203</b>	<b>-1,520</b>	<b>2,683</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>6,270</b>	<b>-2,355</b>	<b>3,915</b>

**NET INTEREST BEARING LIABILITIES**

EUR million	Sep 30, 2013	Sep 30, 2013	<b>Sep 30, 2013</b>
Long-term interest bearing debt	893	-92	<b>801</b>
Short-term interest bearing debt	369	-63	<b>306</b>
Cash and cash equivalents	-658	149	<b>-509</b>
Other interest bearing assets	-109	2	<b>-107</b>
<b>Net interest bearing liabilities</b>	<b>495</b>	<b>-4</b>	<b>491</b>

**Consolidated Balance Sheet**  
**December 30, 2012**

ASSETS	Metso	Adjustment	Metso after demerger
EUR million	Dec 31, 2012	Dec 31, 2012	Dec 31, 2012
<b>Non-current assets</b>			
<b>Intangible assets</b>			
Goodwill	887	-445	442
Other intangible assets	253	-133	120
	1,140	-578	562
<b>Property, plant and equipment</b>			
Land and water areas	69	-21	48
Buildings and structures	289	-155	134
Machinery and equipment	429	-246	183
Assets under construction	46	-19	27
	833	-441	392
<b>Financial and other non-current assets</b>			
Investments in associated companies	17	-4	13
Available-for-sale equity investments	6	-4	2
Loan and other interest bearing receivables	9	-4	5
Available-for-sale financial investments	0	0	0
Derivative financial instruments	3	0	3
Deferred tax asset	177	-70	107
Other non-current assets	38	-12	26
	250	-94	156
<b>Total non-current assets</b>	<b>2,223</b>	<b>-1,113</b>	<b>1,110</b>
<b>Current assets</b>			
<b>Inventories</b>			
Inventories	1,529	-548	981
<b>Receivables</b>			
Trade and other receivables	1,442	-530	912
Cost and earnings of projects under construction in excess of advance billings	420	-170	250
Loan and other interest bearing receivables	1	0	1
Available-for-sale financial investments	1	-1	0
Financial instruments held for training	232	0	232
Derivative financial instruments	36	-6	30
Income tax receivables	27	-14	13
<b>Receivables total</b>	<b>2,159</b>	<b>-721</b>	<b>1,438</b>
<b>Cash and cash equivalents</b>			
Cash and cash equivalents	731	-260	471
<b>Total current assets</b>	<b>4,419</b>	<b>-1,529</b>	<b>2,890</b>
<b>TOTAL ASSETS</b>	<b>6,642</b>	<b>-2,642</b>	<b>4,000</b>

**Consolidated Balance Sheet**  
**December 31, 2012**

SHAREHOLDERS' EQUITY AND LIABILITIES	Metso	Adjustment	Metso after demerger
EUR million	Dec 31, 2012	Dec 31, 2012	Dec 31, 2012
<b>Equity</b>			
Share capital	241	-100	141
Cumulative translation adjustments	23	-24	-1
Fair value and other reserves	718	-3	715
Retained earnings	1,225	-734	491
<b>Equity attributable to shareholders</b>	<b>2,207</b>	<b>-861</b>	<b>1,346</b>
<b>Non-controlling interests</b>	<b>20</b>	<b>-7</b>	<b>13</b>
<b>Total equity</b>	<b>2,227</b>	<b>-868</b>	<b>1,359</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Long-term debt	1,086	-132	954
Post-employment benefit obligations	245	-121	124
Provisions	58	-30	28
Derivative financial instruments	10	-1	9
Deferred tax liability	34	-36	-2
Other long-term liabilities	6	-1	5
<b>Total non-current liabilities</b>	<b>1,439</b>	<b>-321</b>	<b>1,118</b>
<b>Current liabilities</b>			
Current portion of long-term debt	136	-64	72
Short-term debt	68	0	68
Trade and other payables	1,349	-646	703
Provisions	198	-117	81
Advances received	570	-182	388
Billings in excess of cost and earnings of projects under construction	567	-402	165
Derivative financial instruments	31	-6	25
Income tax liabilities	57	-36	21
<b>Total current liabilities</b>	<b>2,976</b>	<b>-1,453</b>	<b>1,523</b>
<b>Total liabilities</b>	<b>4,415</b>	<b>-1,774</b>	<b>2,641</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>6,642</b>	<b>-2,642</b>	<b>4,000</b>

**NET INTEREST BEARING LIABILITIES**

EUR million	Dec 31, 2012	Dec 31, 2012	<b>Dec 31, 2012</b>
Long-term interest bearing debt	1,086	-132	<b>954</b>
Short-term interest bearing debt	204	-64	<b>140</b>
Cash and cash equivalents	-731	260	<b>-471</b>
Other interest bearing assets	-243	5	<b>-238</b>
<b>Net interest bearing liabilities</b>	<b>316</b>	<b>69</b>	<b>385</b>

EBITA, before non-recurring items:	Operating profit + amortization + non-recurring items
EBITDA	Operating profit + depreciation and amortization
Earnings per share, EUR	<u>Profit</u> Number of outstanding shares of Metso, average
Gearing, %	<u>Net interest bearing liabilities</u> x 100 Total equity
Return on capital employed (ROCE) before taxes, %	<u>Profit before taxes + interest and other financial expenses</u> x 100 Balance sheet total - non-interest bearing liabilities
Return on capital employed (ROCE) after taxes, %	<u>Profit + interest and other financial expenses</u> x 100 Balance sheet total - non-interest bearing liabilities
Equity to assets ratio, %	<u>Total equity</u> x 100 Balance sheet total - advances received

**Basis of the Preparation of Unaudited Illustrative Financial Information**

The following unaudited illustrative financial information is presented to illustrate the result of operations and the financial position of Metso's continuing operations had the demerger taken place on January 1, 2012. The unaudited illustrative information in respect of Metso set out above is based upon financial information derived from Metso's audited consolidated financial statements as of and for the year ended December 31, 2012, restated for the impact of the adoption of revised IAS 19 "*Employee Benefits*", and from Metso's unaudited consolidated interim report as of and for the nine month period ended September 30, 2013.

This unaudited illustrative information is presented for illustrative purposes only. Because of its nature, it addresses a hypothetical situation and does not represent the actual results of Metso's operations or financial position had the demerger been

completed on January 1, 2012. This information is not intended to project Metso's operational result or financial position as of any future date.

Management believes that the illustrative information presented in this release provides a relevant basis to present the result of operations and the financial position of the continuing Metso Group. The adjustments made in preparing this information are based on available information and assumptions. There is no certainty that the assumptions applied in preparing the unaudited illustrative information will prove correct.

The following significant assumptions and adjustments to such historical information have been made in the preparation of the illustrative financial information for Metso's continuing operations:

- All the revenues, expenses, assets, and liabilities relating to the PPP business have been excluded from Metso's reported consolidated financial information.
- The effects of certain intra-group arrangements that have been or will be undertaken by Metso prior to the demerger in order to achieve the planned legal group structures of both Metso and Valmet have been taken into account, as have the effects of certain refinancing measures, including a settlement of intra-group items between Metso and Valmet. The net settlement of intra-group balances has been treated as an adjustment to cash and cash equivalents for consolidated balance sheet purposes (a decrease of EUR 102 million as of December 31, 2012 and an increase of EUR 51 million as of September 30, 2013), reflecting the cash amount to be paid by Metso to Valmet or vice versa to settle the balances.
- The total amount of equity derived from the Metso's historical equity balance shown in the illustrative consolidated balance sheets represents the amount of net assets attributable to the PPP business. The adjustments made to equity to reflect the contemplated equity structure of Valmet Corporation as described in the demerger plan.

### **Accounting treatment of the demerger**

The demerger will be accounted for as a disposal to owners in accordance with IFRIC 17, *Distributions of non-cash assets to owners*. Once the demerger takes place, the difference between the fair value of the PPP business and its book value in Metso's consolidated balance sheet will be recorded as a gain on distribution. The PPP business to be divested through the demerger will be presented as discontinued operations in Metso's financial reporting when shareholders have approved the demerger.