



Efficiency and excellence in premium paperboard production

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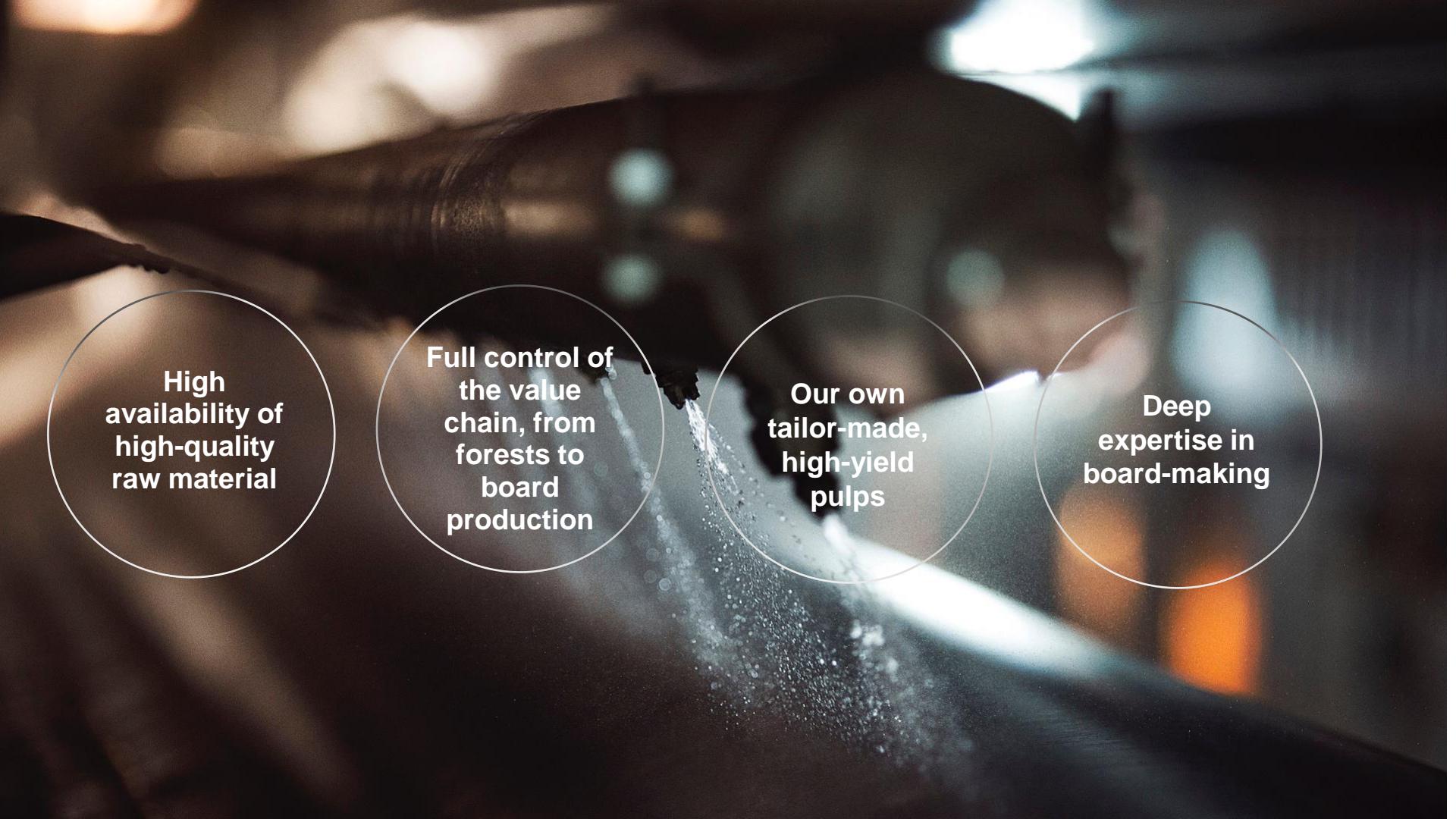
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High availability of high-quality raw material

Full control of the value chain, from forests to board production

Our own tailor-made, high-yield pulps

Deep expertise in board-making

Our production is close to our main raw material

Total paperboard capacity:

Folding boxboard (FBB): 1.33m t/a
White kraftliner (WKL): 690,000 t/a



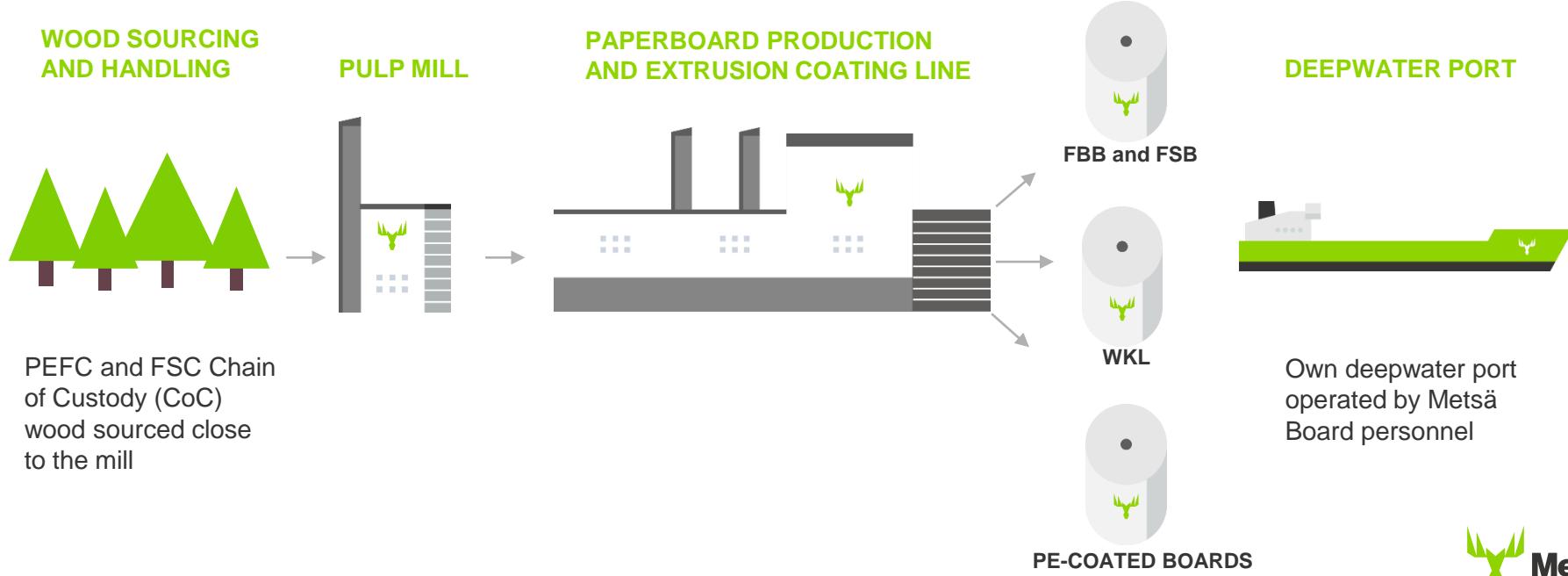
Our net balance in pulp in 2018, including the 24.9% ownership in Metsä Fibre, is 550,000 t/a



*Metsä Fibre mill

More efficiency through integrated mills – minimized transport, quality consistency, enhanced energy efficiency

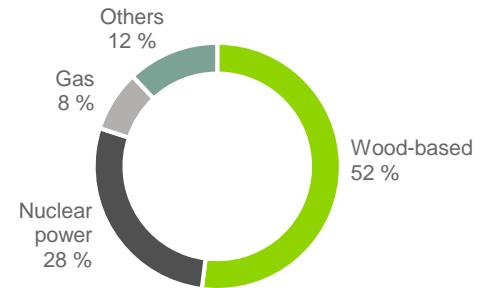
At Metsä Board's Husum mill, we have everything under one roof



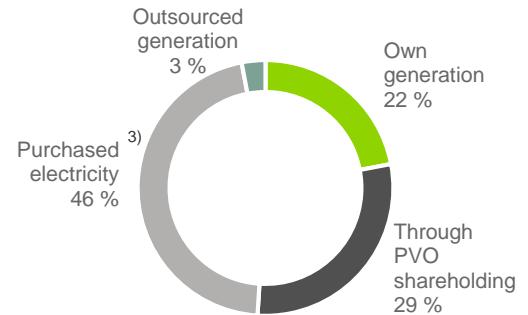
Our energy efficiency has improved by over 10% during 2009-2017

- 80% of primary energy we use is fossil free
- After OL3¹⁾ starts up, we will be nearly self-sufficient in electricity in Finland
 - Including the electricity used in Husum mill, self-sufficiency will be nearly 80%
- Metsä Board's shareholding in PVO²⁾ is 3.2%
 - Fair value as per 30 September 2018 was EUR 270 million

Primary energy used in 2017
(total 12.0 TWh)



Electricity sourced in 2017
(total 2.4 TWh)



¹⁾ Olkiluoto Nuclear Power Plant

²⁾ Pohjolan Voima Oyj is a non-listed public limited liability company. It supplies electricity and heat for its shareholders at cost price

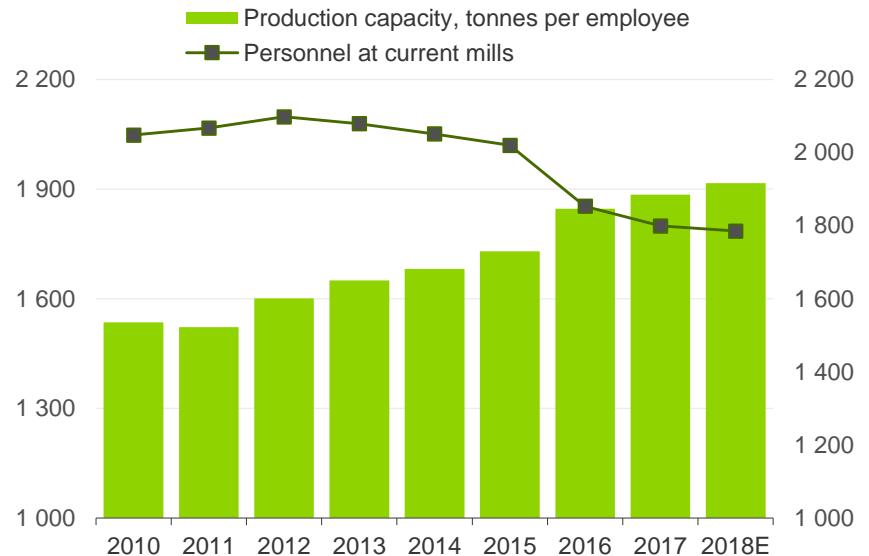
³⁾ Out of 46% share of purchased energy, 8% is from Metsä Fibre

Competitiveness through
operational excellence



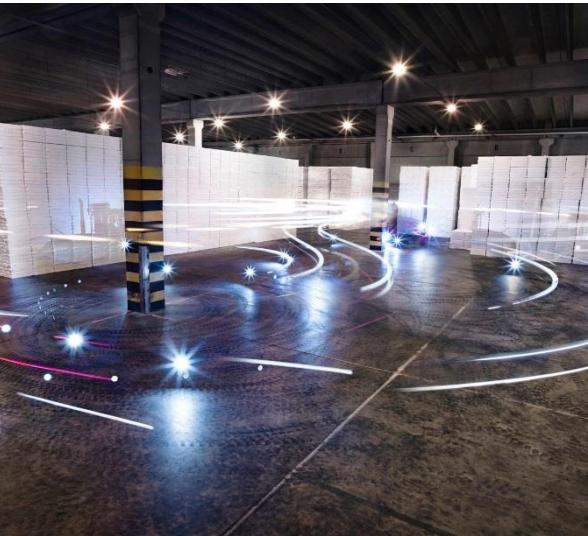
Our productivity has improved by 25% since 2010

- Produced tonnes has increased from 1,500 to over 1,900 per employee at our current mills in 2010–2018
- We have a strong focus on safety, well-being and multi-skilled personnel
- We have increased cost efficiency through automation and more flexible operating models



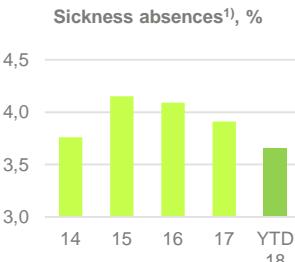
Competitiveness through efficient BCTMP production

- Large production units and established know-how in the development of mechanical pulp are the key competitive factors
- Our two BCTMP production units in Kaskinen and Joutseno bring economies of scale
 - Cost efficiency
 - Pulp is cleaner, brighter and bulkier
- Pulp is produced to precisely fit the purpose
 - Right mix of wood (SW/HW)
 - Optimised refining and bleaching degree
- Excess capacity is sold to the market or to be utilised for future investments

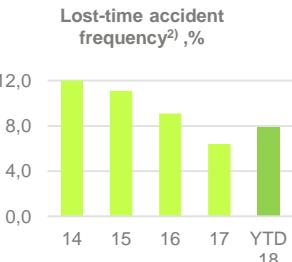
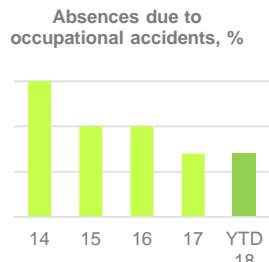


We want to have an accident-free workplace

- Our long-term objective is to reach zero LTAs
- We have improved safety by influencing attitudes and pursuing proactive actions
- We seek continuous improvement with root cause analysis
- The 5S system has been implemented in all our mills
 - *Sort, set in order, shine, standardise and sustain*
 - The purpose is to improve the mill's safety, well-being and productivity



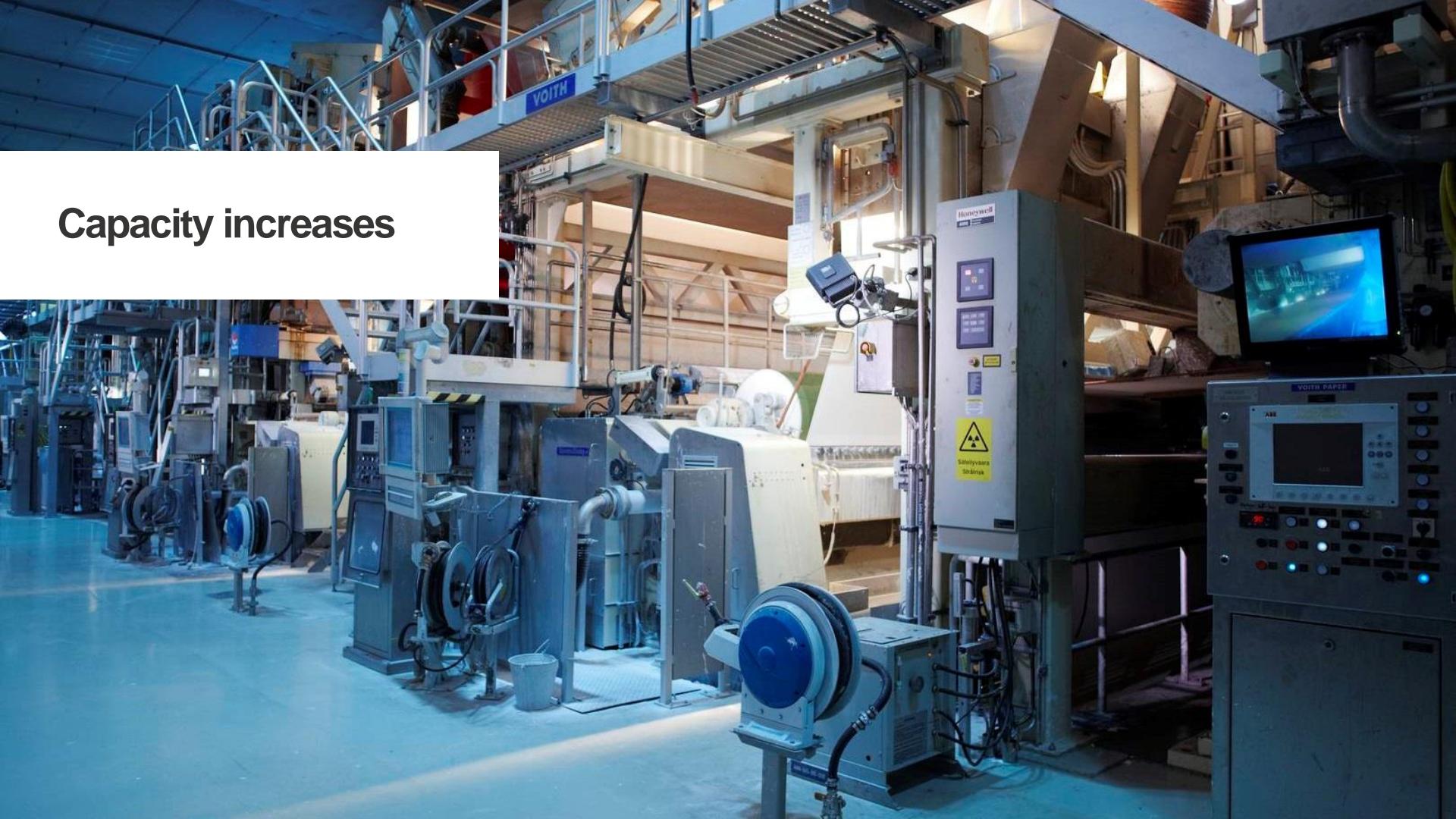
1) % of theoretical work time



2) Including mills and the harbour operator



Capacity increases



We have increased annual BCTMP capacity by 30,000 tonnes

- Investments at our Kaskinen mill include a new baling line, identical to the existing one
- The new line will secure consistent quality and production reliability as well as improving the mill's efficiency
- One of the largest and most modern BCTMP mills in the world
- Increased capacity 30,000 t/a
 - Investment value approx. EUR 6 million
 - Estimated annual result improvement approx. EUR 5-6 million
 - Additional capacity is sold to the market
- Kaskinen mill's total capacity is 370,000 t/a
 - Roughly 200,000 t/a is used for own paperboard production



We will increase own sheeting capacity at the Äänekoski mill

- Increased sheeting capacity +35 000 t/a
 - Investment value approx. EUR 11 million
- After the investment our own sheeting capacity is roughly 330,000 t/a.
- Of all our FBB deliveries, roughly 40% are sheets and 60% are reels.
- Benefits of own sheeting capacity vs. external service
 - Financial savings
 - No extra transportation
 - More efficient use of waste paperboard



Efficiency and excellence in premium paperboard production

- We have a focused product portfolio with a large-scale production model improving our competitiveness
- The key element is the high-quality fibre – very efficient BCTMP production combined with continuous development work
- Productivity has improved by focusing on safety, well-being and capabilities



Make the most of Metsä Board

