

INTERIM REPORT

2009

January-March

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President & CEO, Outotec Oyj
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Outotec
More out of ore



Good result in challenging market conditions

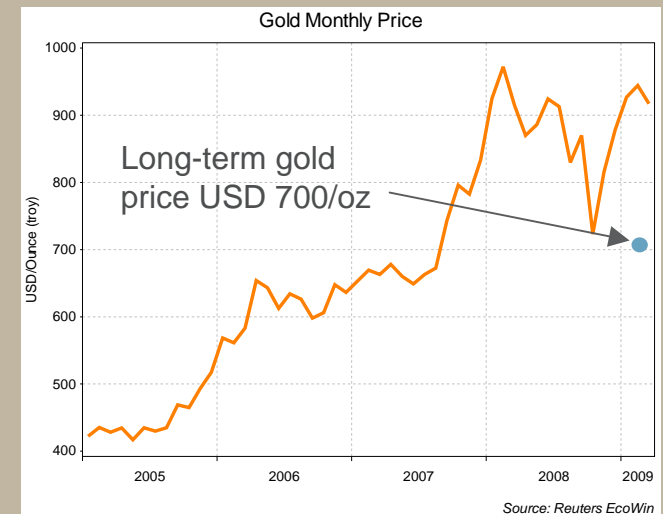
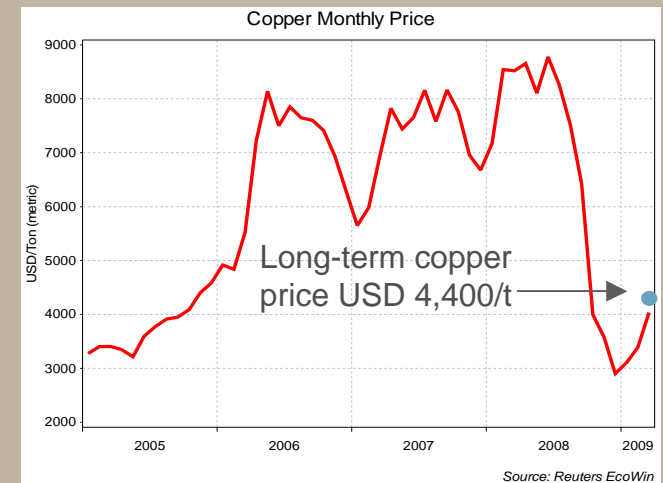
EUR million	Q1 2009	Q1 2008	Change- %	Last 12 months	2008
Sales	231.6	225.6	2.7	1,224.0	1,217.9
Gross margin, %	20.4	20.4	-0.3	21.5	21.5
Operating profit	16.3	21.0	- 22.3	115.5	120.2
Operating profit margin, %	7.0	9.3	- 24.3	9.4	9.9
Profit before taxes	18.0	23.1	- 22.2	131.2	136.3
Earnings per share, EUR	0.30	0.39	- 22.4	2.16	2.25
Order intake	139.3	298.8	- 53.4	994.3	1,153.8
Order backlog *)	1,090.4	1,359.6	- 19.8	1,090.4	1,176.7
Net cash from operating activities	-10.7	40.7	- 126.4	55.2	106.6
Return on investment, %	34.7	47.4	- 26.8	69.4	61.6
Return on equity, %	23.7	33.2	- 28.7	48.1	42.6

*) At the end of the period

Markets

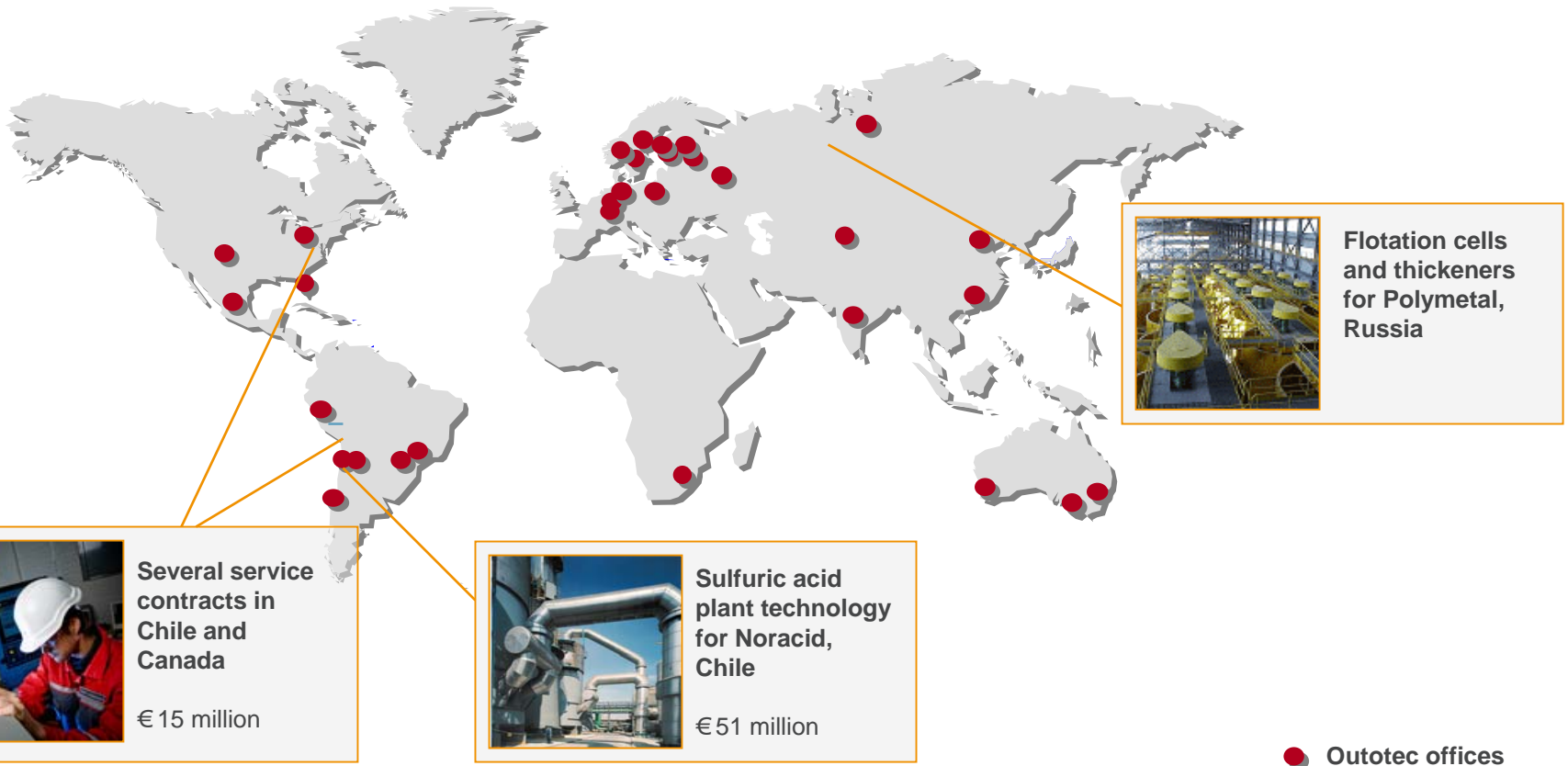
- The worldwide economic conditions remained uncertain
- Investment activity lower than in previous years
- Some positive developments in the mining and metals industry
 - increased demand for metals in developing markets
 - picking up of base metals prices
 - continued demand for gold technologies
- Continuous need for energy-efficient and environmentally sound technologies and various services
- New opportunities in energy sector and industrial water treatment

Monthly metal prices versus long-term prices



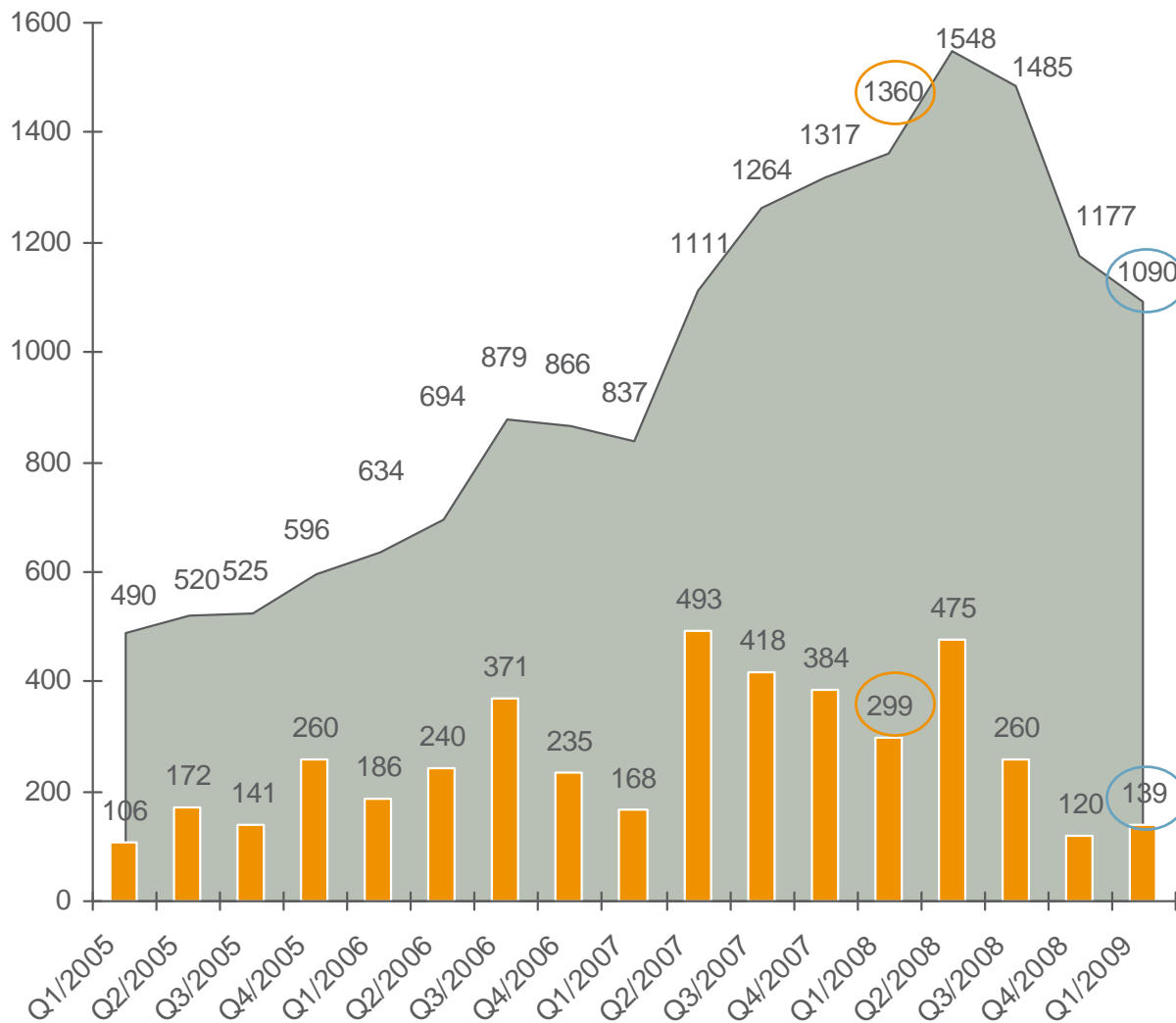
Largest orders in Q1

- Order intake was EUR 139.3 million (Q1/2008: EUR 298.8 million)



Order intake and backlog development

EUR million

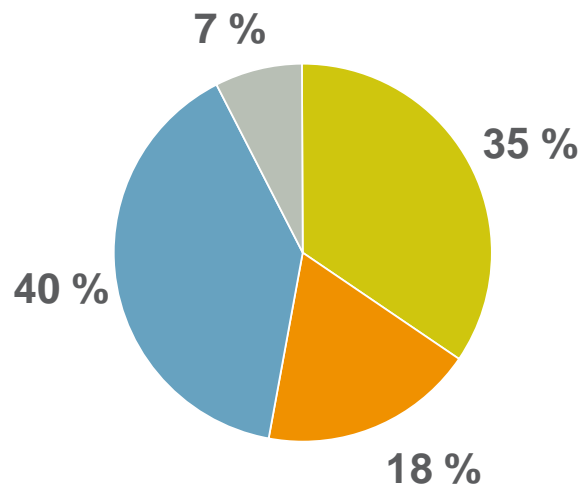


- Order intake in Q1/2009 was 53% smaller and order backlog 20% lower compared to March 31, 2008
- Some 53% of the current backlog is estimated to be delivered in 2009 and the rest in 2010 and beyond

- Order backlog at the end of the period
- Order intake by quarter

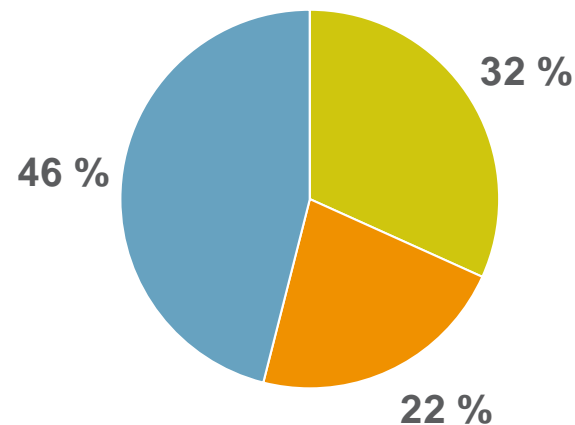
Sales and operating profit by division

Sales in Q1/2009



- Minerals Processing
- Base Metals
- Metals Processing
- Other businesses

Operating profit in Q1/2009



- excluding Other businesses that had a negative operating profit in Q1
- excluding unallocated items and intra-group sales

Sales by division

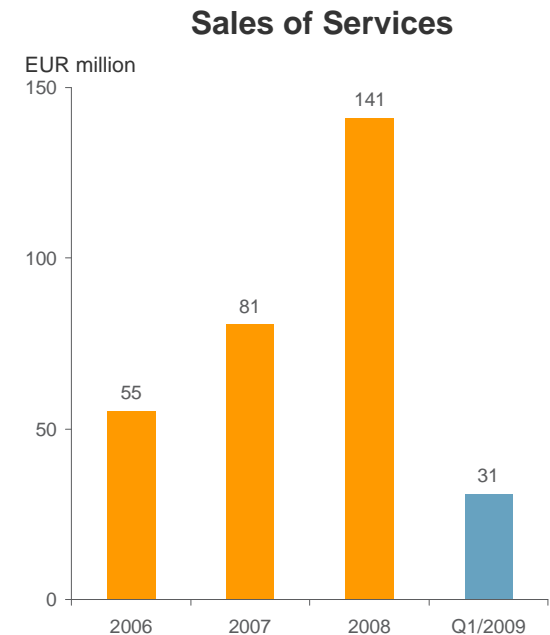
EUR million	Q1 2009	Q1 2008	2008
Minerals Processing	84.5	60.1	419.6
Base Metals	44.8	60.1	295.3
Metals Processing	97.2	104.6	494.7
Other businesses	18.3	9.1	56.0
Unallocated items and intra-group sales	-13.2	- 8.3	- 47.7
TOTAL	231.6	225.6	1,217.9

Operating profit by division

EUR million	Q1 2009	In relation to division's sales	Q1 2008	In relation to division's sales	2008
Minerals Processing	6.1	7.3%	4.1	6.8%	22.5
Base Metals	4.3	9.6%	6.3	10.6%	48.7
Metals Processing	8.9	9.2%	12.3	11.8%	61.1
Other businesses	- 0.4	- 1.9%	0.4	4.2%	3.9
Unallocated and intra- group items	- 2.7		- 2.2		- 16.0
TOTAL	16.3	7.0%	21.0	9.3%	120.2

Services business

- The Services business is included in the sales figures of Outotec's business divisions and Other businesses, and it is reported as a total on the Group level.
- The target is to grow the service business to the annual level of EUR 250-300 million by the end of 2010.
- Sales of the Services business in Q1 were EUR 30.9 million (Q1/2008: EUR 20.8 million).
- Part of the growth came from Outotec Auburn acquired in late 2008.
- Services represented some 13% of Outotec's sales.



Energy and water businesses

- Offerings for the energy sector
 - **Oil shale** processing using Outotec's circulating fluid bed technology (joint venture with Eesti Energia, basic engineering going on)
 - **Oil sand** processing (thickener deliveries to Canada)
 - **Coal** charring, gasification and combustion technologies
 - Heat recovery systems
 - Process for producing **bio-energy** from forestry and sawmill residues (joint venture with Skellefteå Kraft AB)

- Industrial water treatment
 - Optimization of waste water and water treatment systems in the minerals processing and metallurgical plants as well as chemical industry

Capital structure

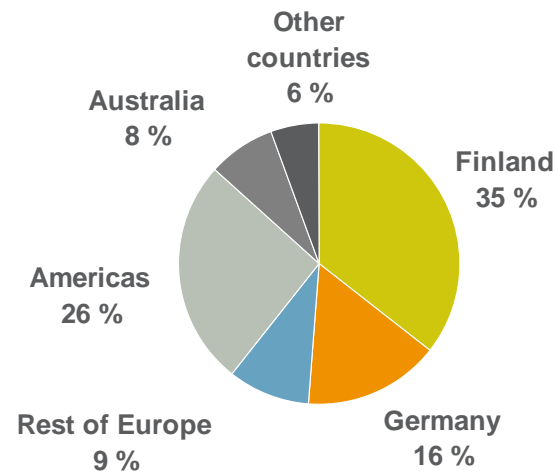
EUR million	Q1 2009	Q1 2008	2008
Net cash from operating activities	- 10.7	40.7	106.6
Net interest-bearing debt ^{*)}	- 254.8	- 316.8	- 314.6
Equity ^{*)}	197.2	177.8	226.4
Equity-to-assets ratio, % ^{*)}	35.6	34.3	35.0
Gearing, % ^{*)}	- 129.2	- 178.2	- 139.0
Working capital ^{*)}	- 146.8	- 176.7	- 171.2
ROI, %	34.7	47.4	61.6
ROE, %	23.7	33.2	42.6

^{*)} At the end of the period

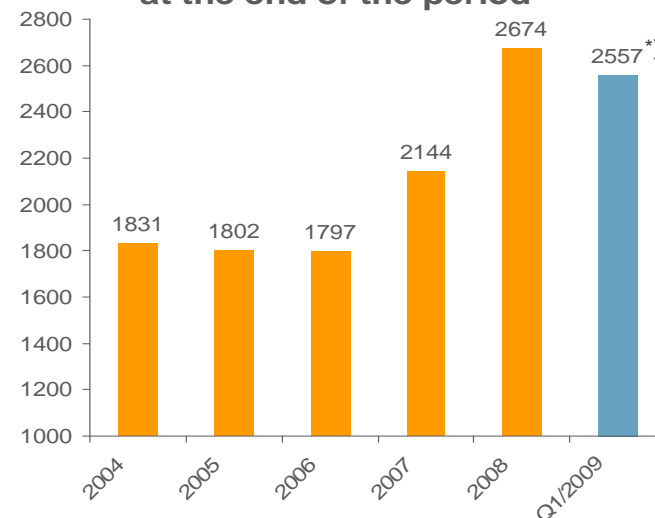
Personnel

- An average of 2,599 employees (Q1/2008: 2,185)
- 19% increase was due to business growth, acquisition of Auburn and active recruitment in 2008
- Temporary employees accounted for 11% of the total
- Additionally some 520 full-time equivalent contracted people for engineering, construction and project management
- A reduction of 117 employees since the year-end 2008

Personnel by country



Number of employees at the end of the period



^{*)} includes 290 temporary employees

Actions to cope with changed market situation

- Reducing the number of subcontractors and temporary employees
- Increasing cost-efficiency
- Securing the top line
 - Proactive selling to the large customer base
 - Selling existing technologies for new customer industries (energy, industrial water treatment)
 - Approaching new geographical markets (e.g. North Africa, Middle East)
 - Developing the Services business further

Events after the reporting period

- Barclays Global Investors UK Holdings Ltd's holding in shares of Outotec Oyj exceeded 5%. Barclays Global Investors UK Holdings Ltd's holding in shares of Outotec is 2,111,054 shares, which represents 5.02% of the share capital and votes in the company.
- Outotec and Pattison Sand Company reached an amicable settlement in all disputes related to the Pattison Sand project. There will be a one-time positive effect of approximately USD 3.6 million (approximately EUR 2.7 million) to Outotec's second quarter 2009 result.

Outlook for 2009 reiterated

Market

The investments in the mining and metals industry will fall from the previous year because of the uncertainty in the worldwide economic conditions. There are feasibility studies in progress, which may turn into new orders, but the decision-making process takes time. Many customers are evaluating project scopes and prices, but they still face difficulties in arranging financing packages.

Outotec

The prevailing uncertainty continues to obscure the outlook for the mining and metals industry. On the basis of the first quarter result, existing order backlog and new order prospects, the management expects that in 2009:

- Sales will contract by approximately one quarter from 2008 figure,
- Gross margin will continue on a healthy level, and
- Operating profit margin will be lower than in 2008 because of lower sales volume.

Operating profit is dependent on exchange rates, product mix, timing of new orders and project completions. Operating profit tends to accrue more toward the year-end.



Grinding mill at Kittilä gold mine in Finland

Q & A