



Financial statements review 2007

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Outotec Oyj

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Outotec

More out of ore

Profitable growth continued

EUR million	2007	2006	Change %
Sales	1,000.1	740.4	+ 35
Operating profit	96.1	51.6	+ 86
Profit before taxes	104.8	56.6	+ 85
Earnings per share, EUR	1.85	0.88	+ 110
Order intake	1,463.0	1,032.2	+ 42
Order backlog ^{*)}	1,317.2	866.4	+ 52
Net cash from operating activities	143.0	67.8	+ 111
Return on investment, %	59.8	45.4	+ 32

**) at the end of the period*

Market development

- The demand for minerals and metals technologies continued robust.
- Outotec's customers initiated projects relating to technologies for iron ore, aluminum, copper, nickel, zinc and precious metals. Also other process industries were more active than earlier.
- In addition to the traditional mining countries, new projects have been started in the CIS, Middle East and South Asia.
- New prospects further increased because of the strong cash position of the mining and metals companies. These companies have upgraded their investment plans for the next three to five years in anticipation of the continuing growth in the global consumption of metals. They are also actively looking for new expansion opportunities to faster satisfy the foreseen metals demand growth.
- Changes in the global economy or uncertainty in the financial markets have not affected the ongoing negotiations between Outotec and its customers.
- Outotec established subsidiaries in India and Kazakhstan.

Largest orders in 2007



Hellas Gold
Concentrator
technology

€30 million
Greece



**Talvivaara
Mining Company**
Metals recovery
technology

€40 million
Finland



Kazchrome
Chromite pellet
plant

€40 million
Kazakhstan



**Companhia
Brasileira de
Alumínio**

Alumina calcining
plant
€40 million
Brazil



**Votorantim
Metais**
Zinc roasting and
sulfuric acid plants

€80 million
Peru



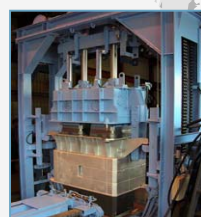
**Hunan Zhuye
Torch Metals**
Zinc plant
expansion

€30 million
China



Tata Steel
Iron ore sintering
technology

€35 million
India



**Emirates
Aluminium**
Anode plant
technology for
aluminum smelter
€100 million
Abu Dhabi



**The Saudi
Arabian Mining
Company**
Three sulfuric acid
plants
€270 million
Saudi Arabia



**Government of
Sri Lanka**
Drinking water
treatment facility
US\$ 100 million*)
Sri Lanka



*) Not yet in the order backlog

Largest orders in Q4/2007



Boliden
 Flotation circuit
 and engineering
 services

€ 25 million
 Sweden



**Scandinavian
 Minerals**
 Grinding
 technology

€ 20 million
 Finland



**Votorantim
 Metqis**
 Zinc roasting and
 sulfuric acid plant

€ 80 million
 Peru



**Steel Authority
 of India**
 Two iron ore
 sintering plants

€ 22 million
 India



**Centenario
 Copper**
 Copper solvent
 extraction and
 electrowinning plant

€ 30 million
 Chile



Hellas Gold
 Concentrator
 technology

€ 30 million
 Greece

 **Outotec
 offices**

Record-high order intake and backlog

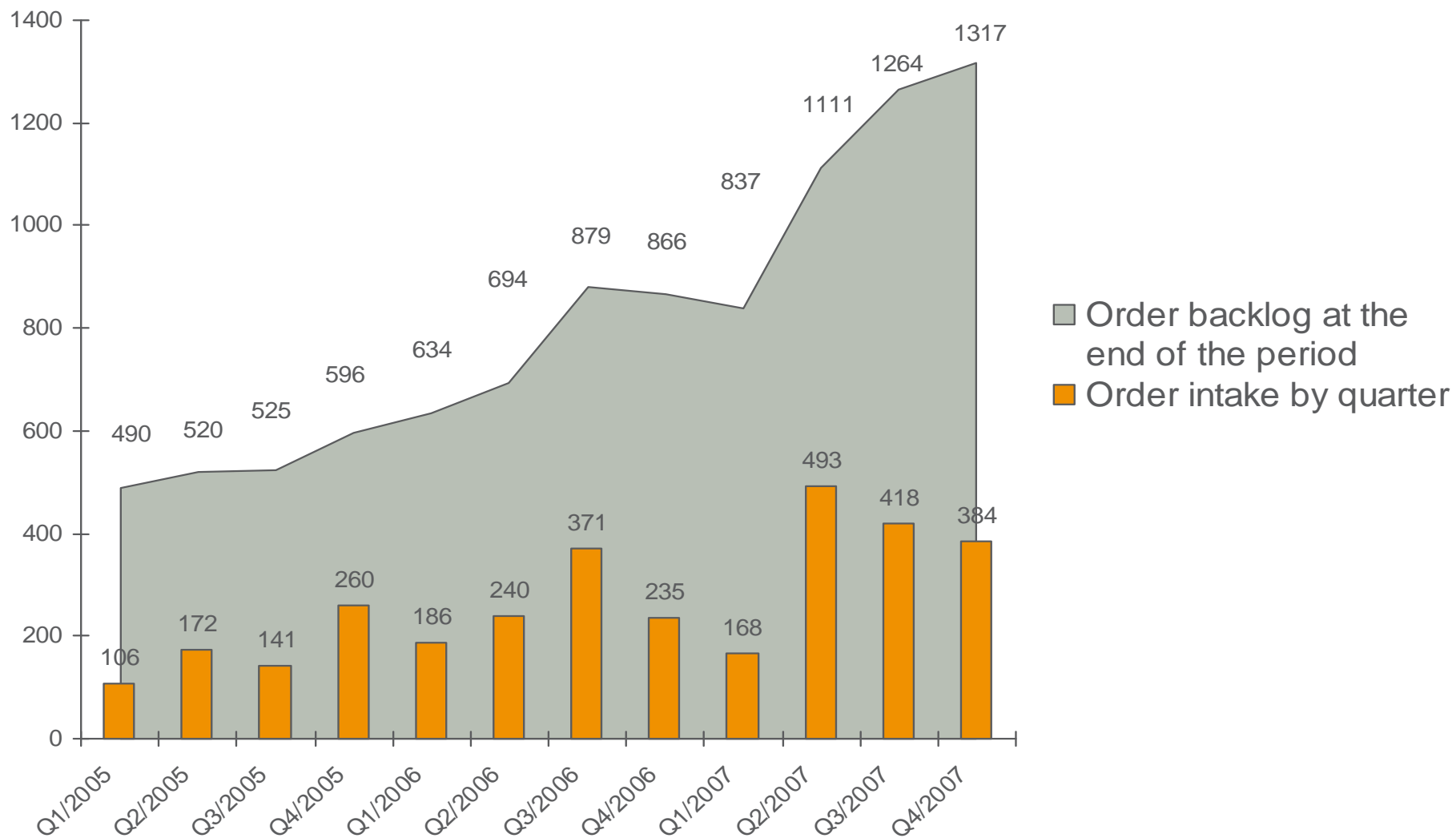
EUR million	Q4 2007	Q4 2006	2007	2006
Order intake	384.2	235.3	1,463.0	1,032.2
Order backlog ^{*)}	1,317.2	866.4	1,317.2	866.4
Sales	315.5	239.6	1,000.1	740.4

**) At the end of the period*

- Order intake increased by 42%
- Order backlog grew by 52%
- Some 70% of the current order backlog is estimated to be delivered in 2008 and the rest in 2009 and beyond

Order intake and backlog development

EUR million



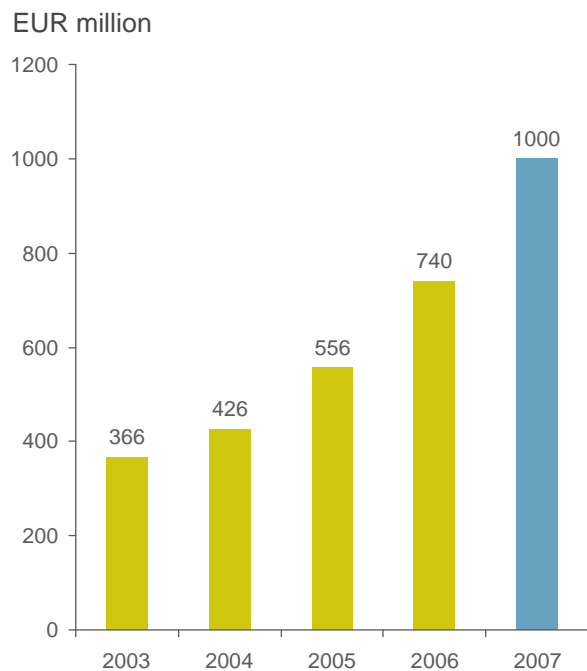
Profitability improved further

EUR million	Q4 2007	Q4 2006	2007	2006
Operating profit	33.0	23.0	96.1	51.6
Profit before taxes	36.1	23.5	104.8	56.6
Earnings per share, EUR	0.65	0.40	1.85	0.88

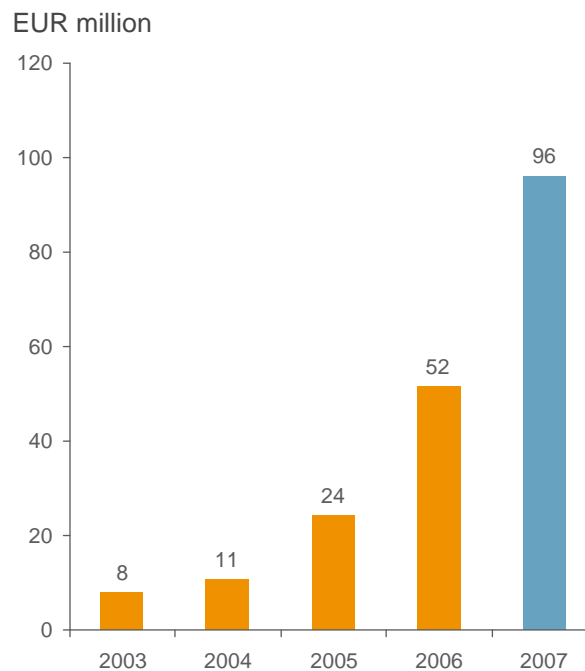
- Return on equity (ROE) was 43.3%
- Return on investment (ROI) was 59.8%

Sales and profitability development

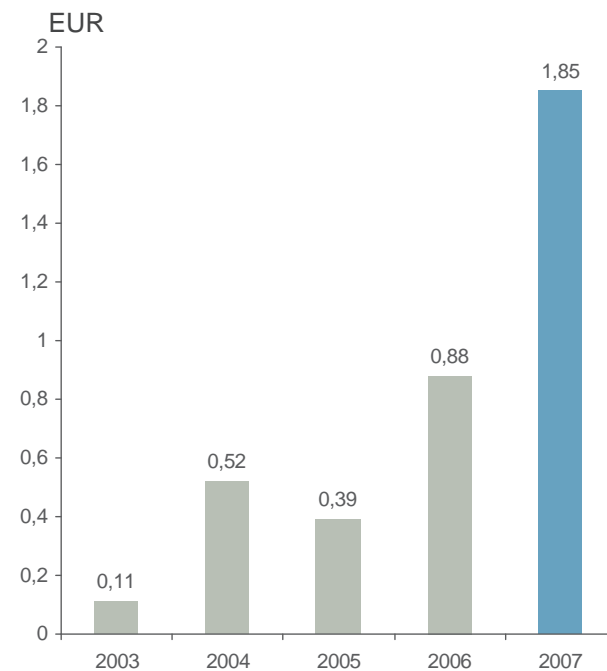
Sales



Operating profit



Earnings per share



Sales by division

EUR million	Q4 2007	Q4 2006	2007	2006
Minerals Processing	110.5	95.3	302.9	256.6
Base Metals	85.6	53.4	274.2	192.3
Metals Processing	120.8	90.8	432.3	292.2
Other businesses	11.1	11.9	37.8	32.6
Unallocated items and intra-group sales	- 12.5	- 11.9	- 47.0	- 33.2
TOTAL	315.5	239.6	1,000.1	740.4

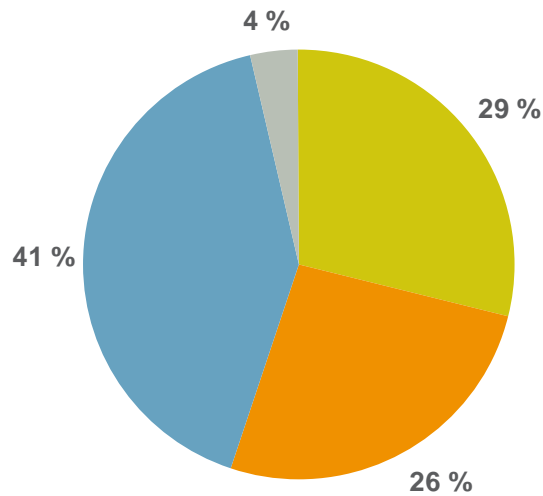
- In 2007 the Services and After Sales business, which is included in the divisional figures, was EUR 80.6 million (2006: EUR 55.3 million), it grew by 46%

Operating profit by division

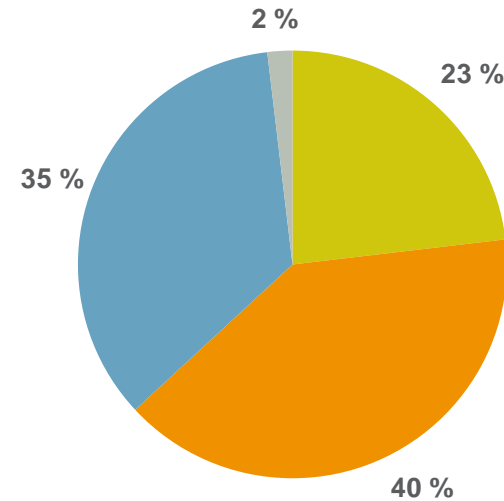
EUR million	Q4 2007	In relation to division sales	Q4 2006	2007	In relation to division sales	2006
Minerals Processing	16.3	14.8%	13.1	25.2	8.3%	12.7
Base Metals	9.3	10.8%	6.7	43.9	16.0%	23.6
Metals Processing	11.5	9.5%	5.3	38.1	8.8%	21.2
Other businesses	0.3	2.6%	1.0	2.2	5.7%	0.3
Unallocated items and intra-group sales	- 4.4		- 3.0	- 13.3		- 6.1
TOTAL	33.0	10.5%	23.0	96.1	9.6%	51.6

Sales and operating profit by division

Sales in 2007



Operating profit in 2007

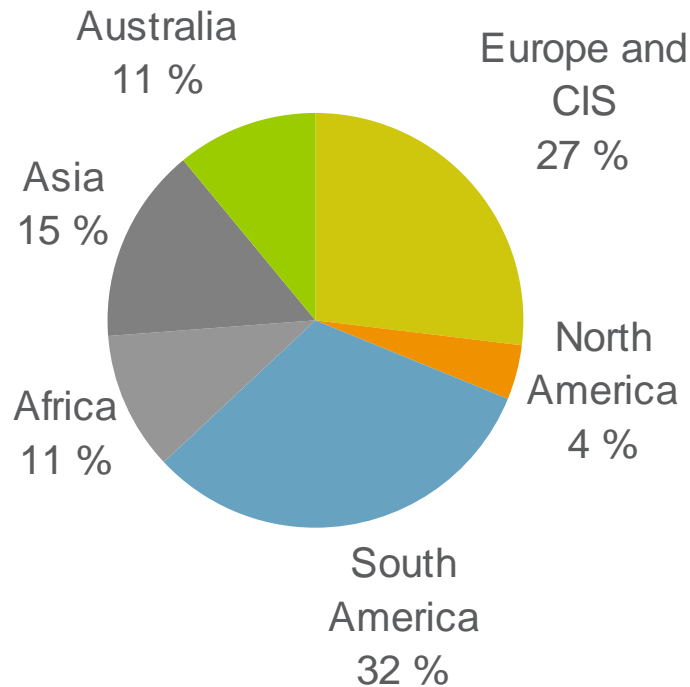


- Minerals Processing
- Base Metals
- Metals Processing
- Other businesses

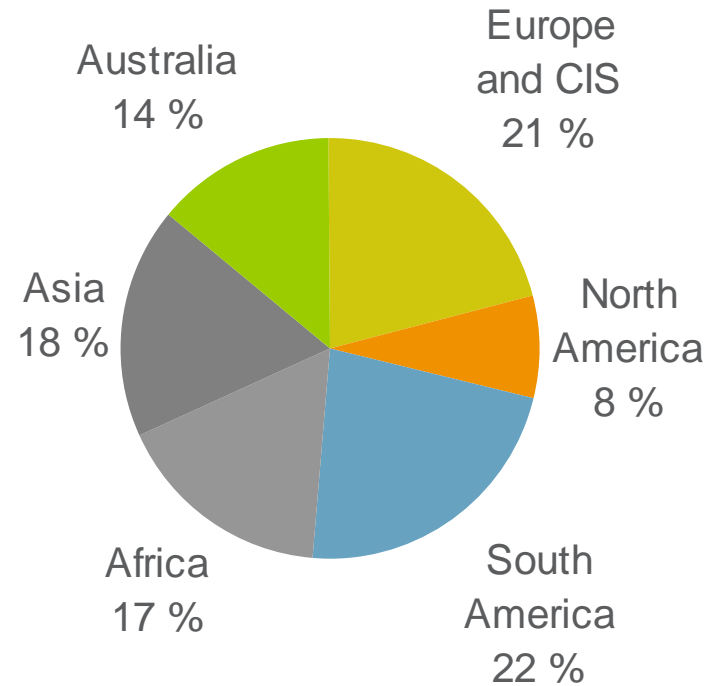
- excluding Unallocated items and intra-group sales

Sales by destination

2007

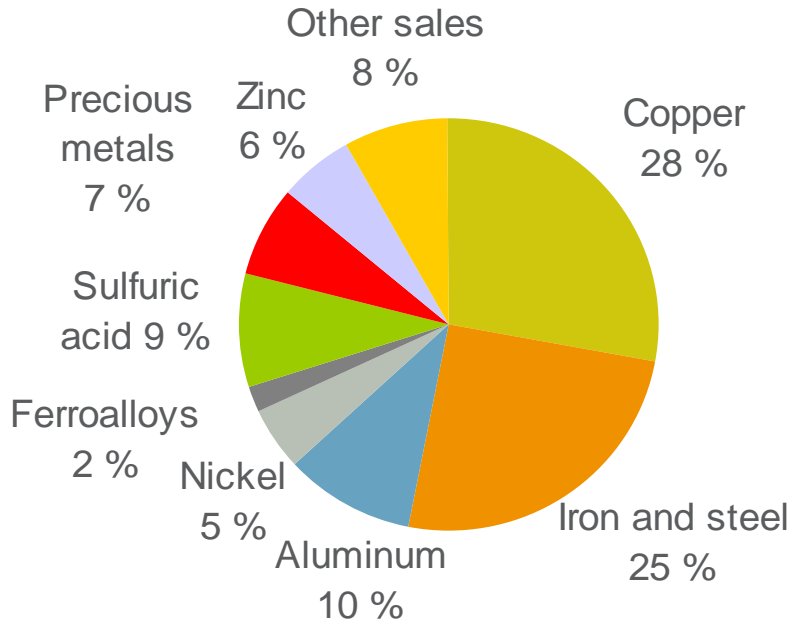


2006

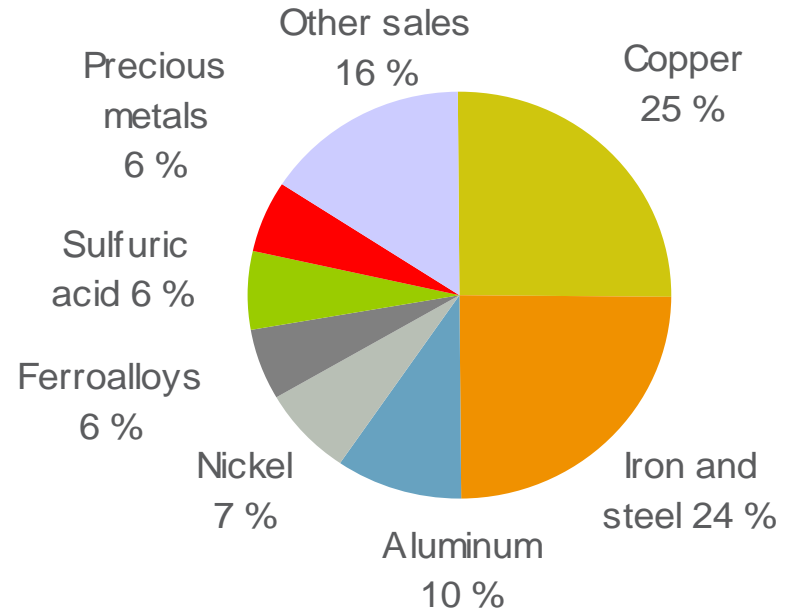


Technology sales by metal

2007



2006



Research and technology development

- Several new technologies were commercialized in 2007
- Outotec received the Cleantech Finland[®] award for developing new ferrochrome production technology that promotes sustainable development
- Outotec's new copper production method for the Cobre Las Cruces ore was selected as the Quality Innovation of the Year 2007

	2007	2006
R&D expenses, EUR million	19.9	19.2
New priority patent applications filed	45	34
New national patents granted	303	298
Total number of national patents	2,322	1,987

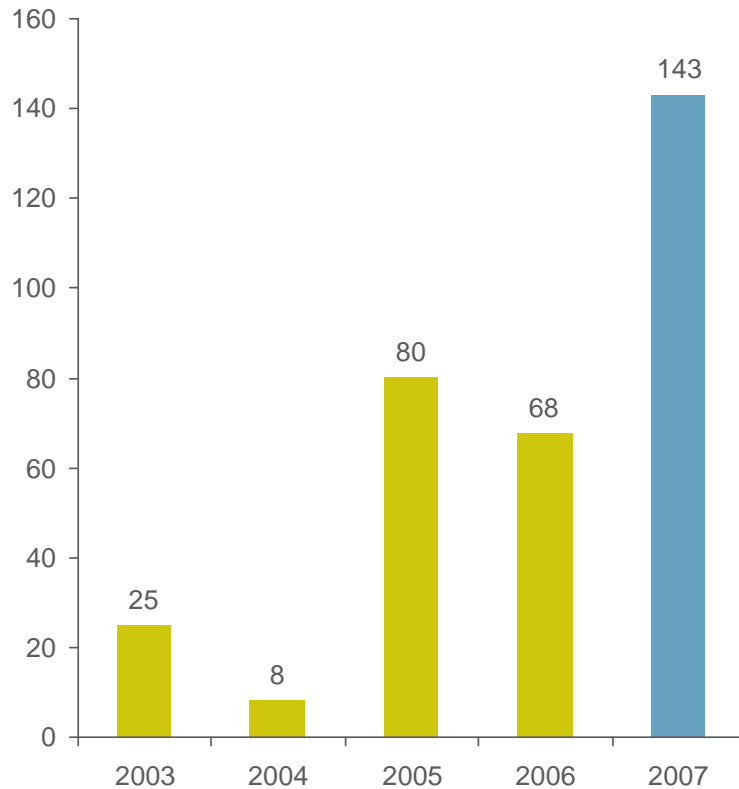


Capital structure

EUR million	Q4 2007	Q4 2006	2007	2006
Net cash from operating activities	45.3	47.4	143.0	67.8
Net interest-bearing debt ^{*)}	- 292.9	- 170.0	- 292.9	- 170.0
Equity ^{*)}	214.8	144.1	214.8	144.1
Equity-to-assets ratio, % ^{*)}	38.2	36.9	38.2	36.9
Gearing, % ^{*)}	- 136.4	- 118.0	- 136.4	- 118.0
Working capital ^{*)}	- 153.9	- 122.3	- 153.9	-122.3
ROI, %	71.9	73.3	59.8	45.4
ROE, %	53.9	50.0	43.3	29.1

^{*)} at the end of the period

Net cash from operating activities

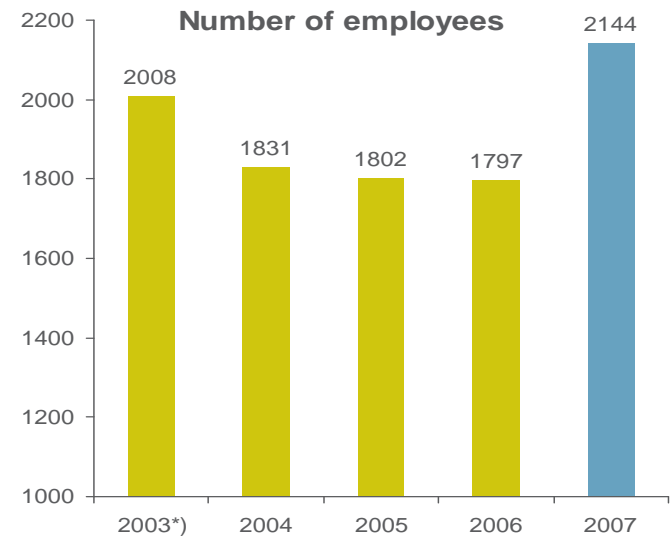
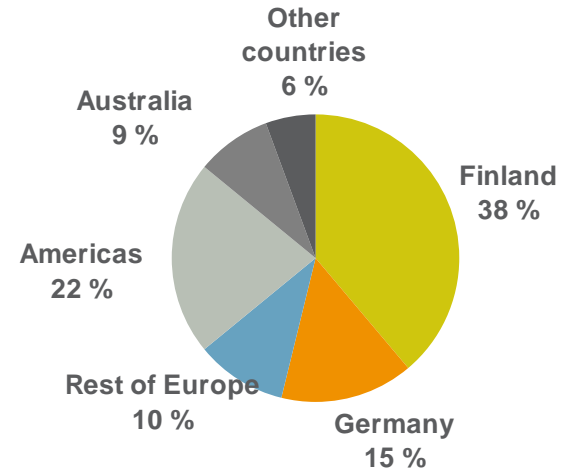


- A significant improvement in net cash flow from operating activities due to good result and improved working capital.
- The parent company paid EUR 14.7 million in dividends in April 2007.
- The Board will propose to the AGM 0.95 euro dividend per share.

Personnel

- An average of 2,031 employees (2006: 1,825)
- Increase due to business growth and active recruitment
- Temporary employees accounted for 14% of the total
- Additionally some 490 full-time equivalent contracted people for engineering, construction and project management
- In 2007, salaries and other employee benefit expenses totaled EUR 135.4 million (2006: EUR 116.6 million)

Personnel by country



*) includes the personnel (175) of the filter business sold to Larox

Events after the reporting period

- In January 2008 Outotec specified its target for the Services and After Sales business to grow the service business to an annual level of EUR 250-300 million by the end of 2010.
- The targeted growth will increase the share of value added services in sales and balance out some of the cyclicity related to the capital investments of the mining and metals industry.

Outlook for 2008

Market

Outotec's market outlook is expected to remain good in 2008. The mining and metals industry's outlook remains robust and the underlying global imbalance in the supply and demand for all metals encourages the industry to invest extensively in greenfield projects and expansions. Driven by the strong market situation, the demand for Outotec's process technologies and services is expected to continue strong in 2008.

Outotec

Based on the strong existing order backlog and new order prospects, the management expects that in 2008:

- sales will grow of over 25% compared to 2007, and
- operating profit will continue to improve from 2007 and the operating profit margin will be moderately above the 2007 level, depending on the mix of the new orders received and the timing of project completions.



More out of ore!

www.outotec.com

Q & A