

# Interim report January – September 2007

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**Outotec**  
More out of ore

# Operating profit more than doubled

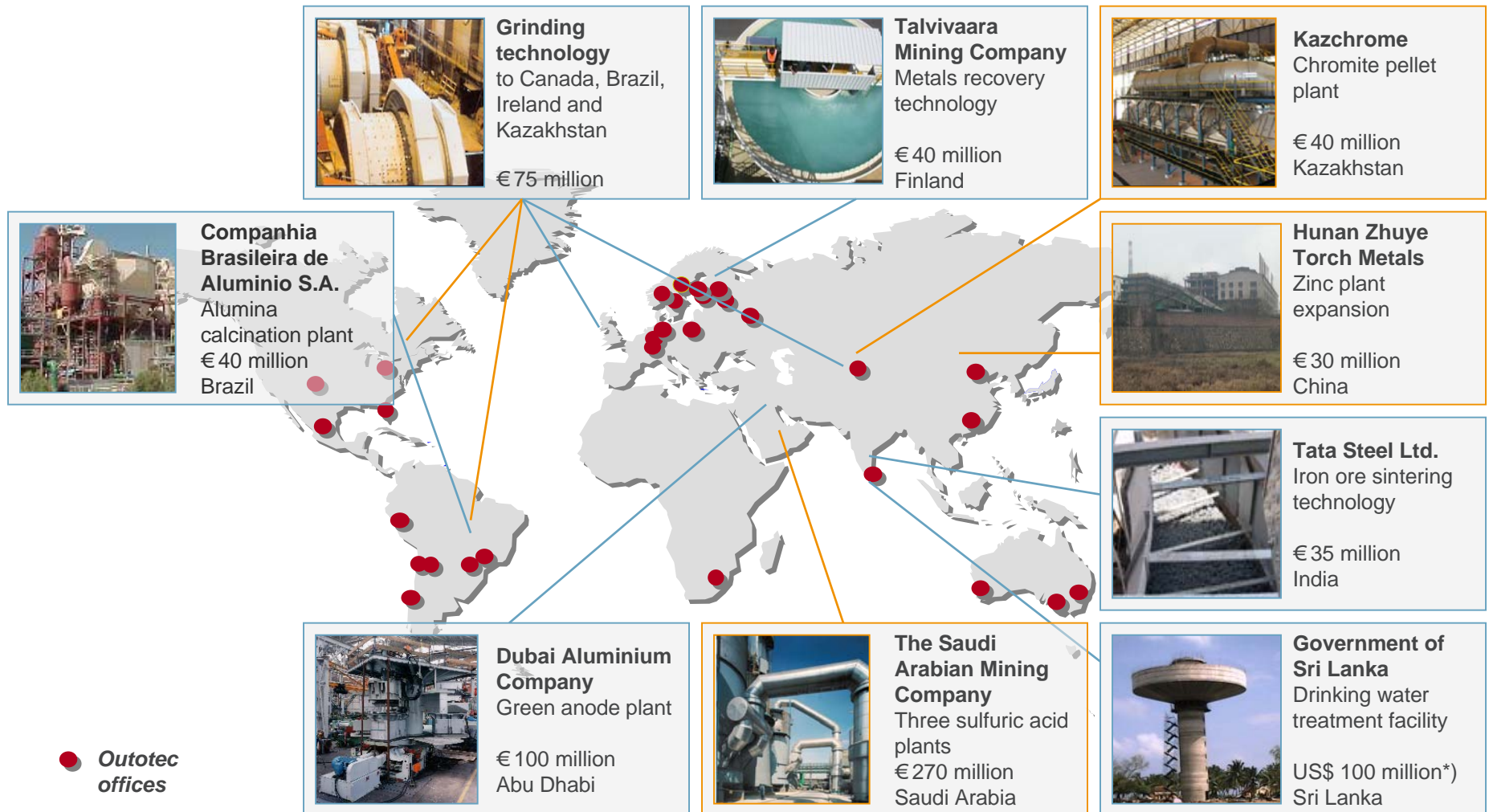
EUR million	Q1-Q3/2007	Q1-Q3/2006	Change-%
Sales	<b>684.6</b>	500.9	+ 37
Operating profit	<b>63.1</b>	28.6	+ 121
Profit before taxes	<b>68.7</b>	33.2	+ 107
Earnings per share, EUR	<b>1.20</b>	0.48	+ 150
Order intake	<b>1,078.8</b>	796.9	+ 35
Order backlog <sup>*)</sup>	<b>1,264.4</b>	878.6	+ 44
Net cash from operating activities	<b>97.7</b>	20.4	+ 379
Return on investment, %	<b>56.9</b>	38.4	+ 48

*\*) At the end of the period*

# Market development

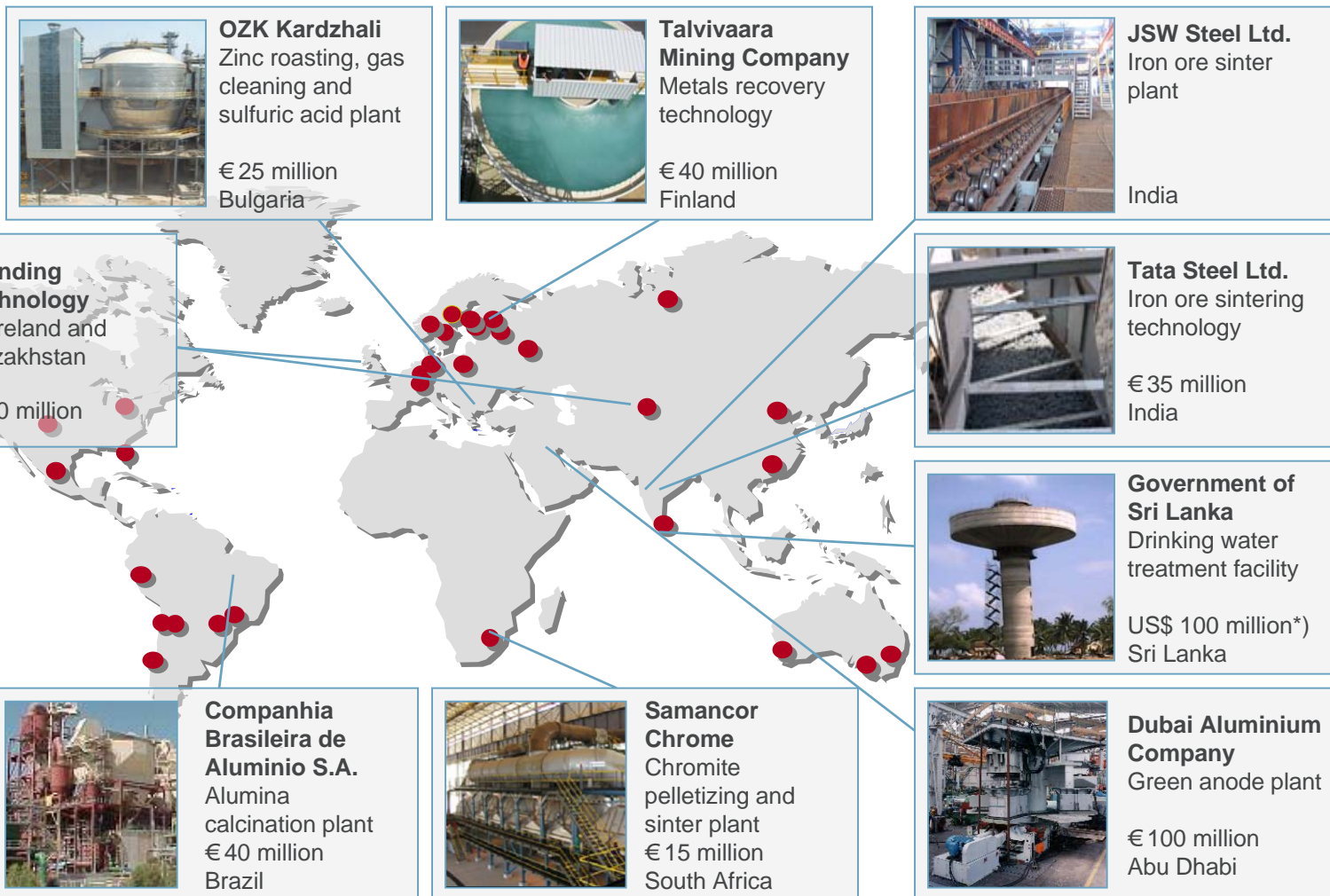
- The demand for minerals and metals technologies and services continued to develop favorably.
- Major mining and metals companies have updated their investment plans for the next three to five years in anticipation of continuing growth in the global consumption of metals. They are also actively looking for new expansion opportunities and avenues for rapidly satisfying the growth in demand foreseen for metals.
- New prospects further increased because of the strong cash position of the mining and metals companies.
- Outotec's customers have initiated projects relating to technologies for iron ore, aluminum, copper, nickel, zinc and precious metals. Also other process industries were active.

# Largest orders in Q1-Q3



\*) Not yet in the order backlog

# Largest orders in Q3



\*) Not yet in the order backlog

# Record-high order intake

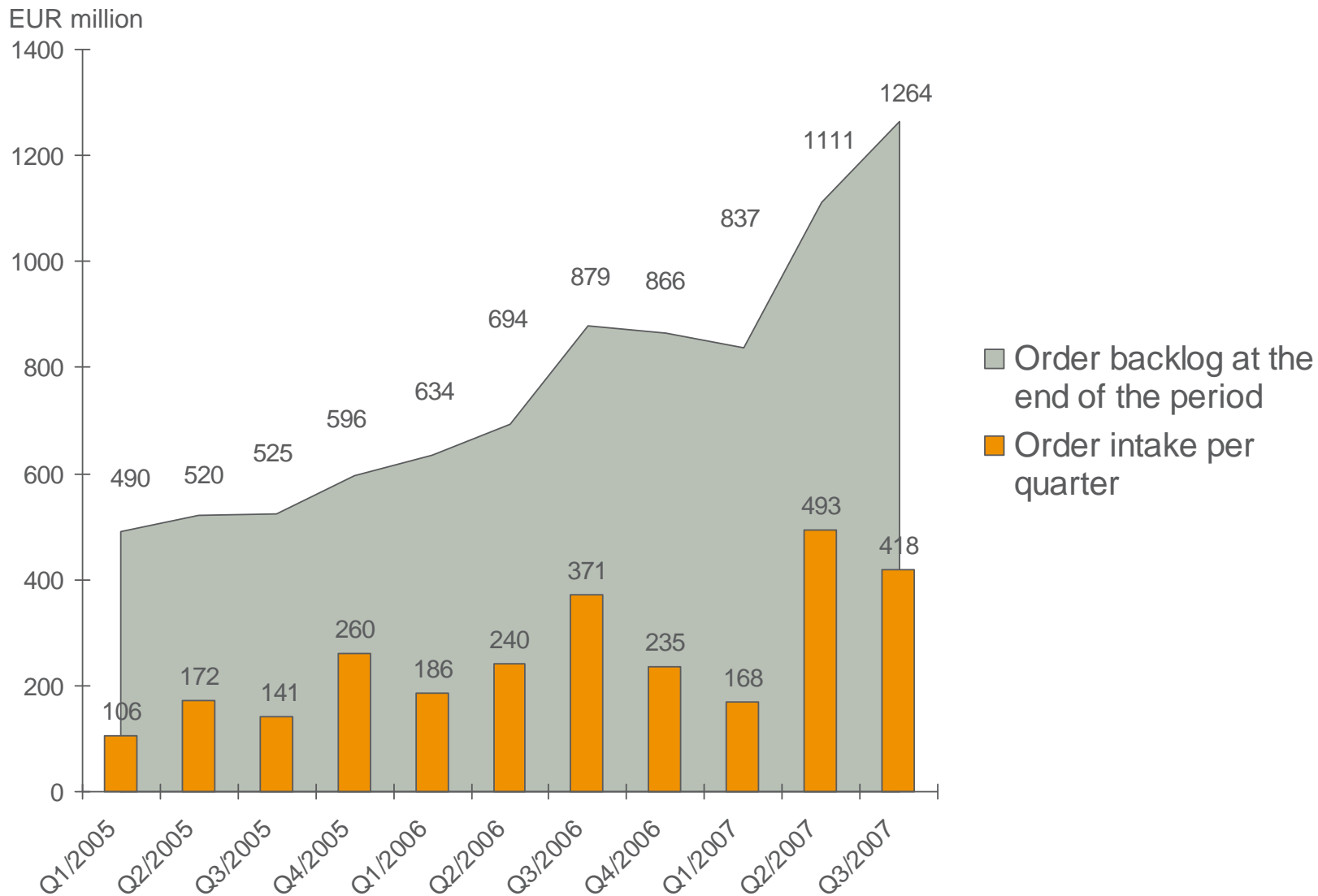
EUR million	Q3 2007	Q3 2006	Q1-Q3 2007	Q1-Q3 2006	LTM <sup>*)</sup>	2006
Order intake	<b>417.9</b>	370.9	<b>1,078.8</b>	796.9	1,314.1	1,032.2
Order backlog <sup>**)</sup>	<b>1,264.4</b>	878.6	<b>1,264.4</b>	878.6	1,264.4	866.4
Sales	<b>245.9</b>	179.9	<b>684.6</b>	500.9	924.2	740.4

*\*) Last twelve months*

*\*\*\*) At the end of the period*

- Some 25% of the current order backlog is estimated to be delivered in 2007 and the rest in 2008, 2009 and beyond

# Order intake and backlog development



# Profitability improved further

EUR million	Q3 2007	Q3 2006	Q1-Q3 2007	Q1-Q3 2006	LTM <sup>*)</sup>	2006
Operating profit	<b>26.0</b>	14.5	<b>63.1</b>	28.6	86.1	51.6
Profit before taxes	<b>28.8</b>	17.5	<b>68.7</b>	33.2	92.1	56.6
Earnings per share, EUR	<b>0.56</b>	0.27	<b>1.20</b>	0.48	1.60	0.88

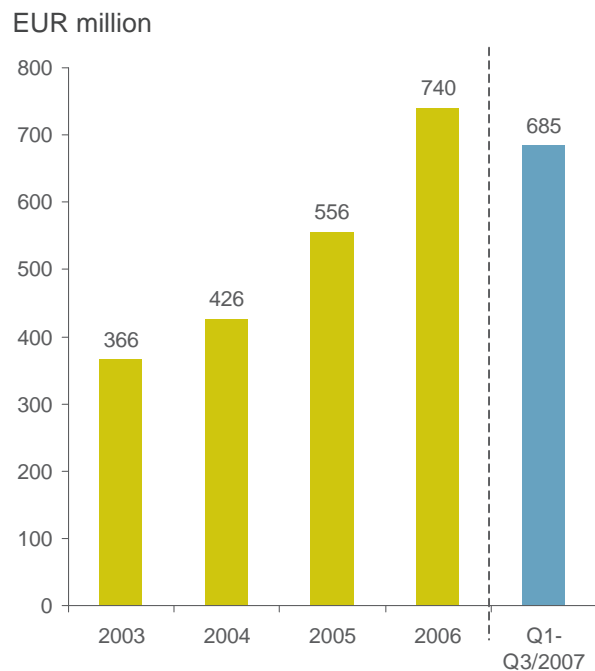
<sup>\*)</sup> Last twelve months

- Return on equity (ROE) was 40.5%
- Return on investment (ROI) was 56.9%

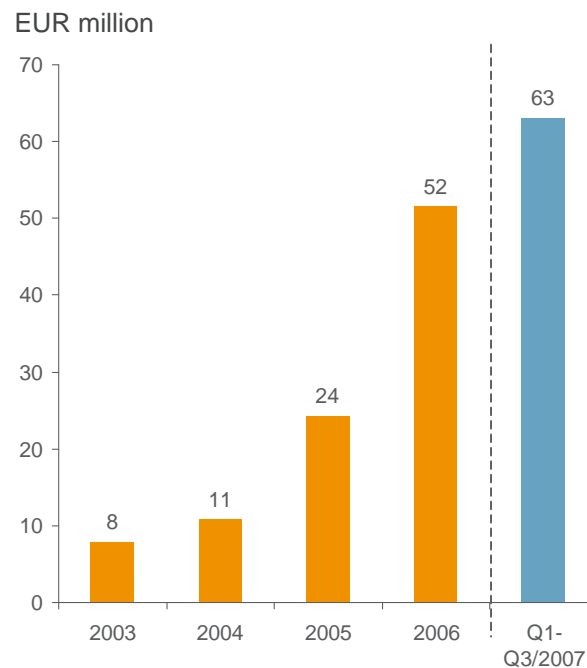


# Sales and profitability development

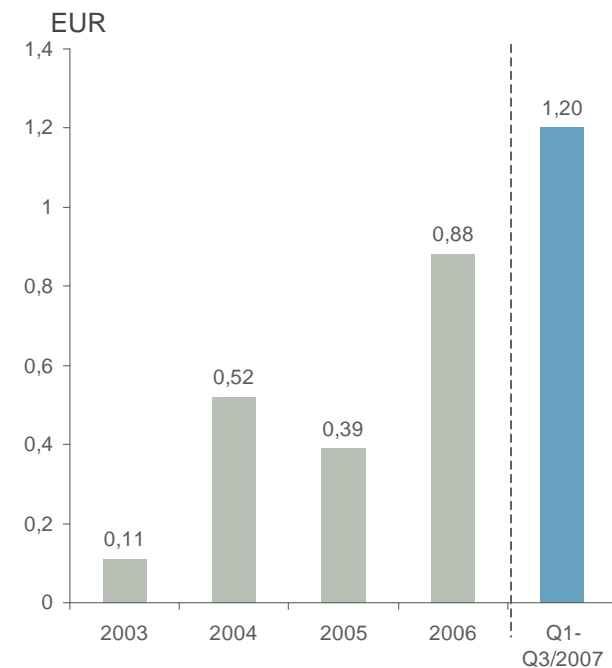
## Sales



## Operating profit



## Earnings per share



# Sales by division

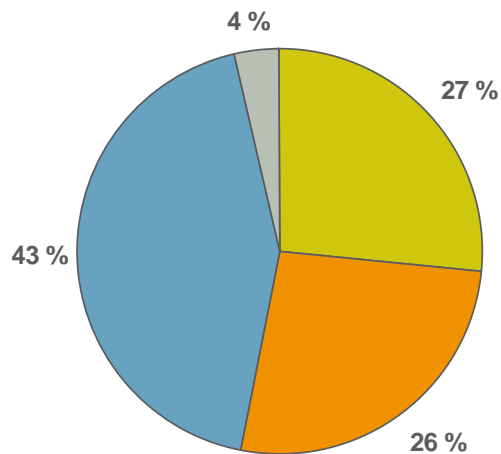
EUR million	Q3 2007	Q3 2006	Q1-Q3 2007	Q1-Q3 2006	2006
Minerals Processing	72.7	67.5	192.4	161.3	256.6
Base Metals	64.1	43.3	188.6	138.8	192.3
Metals Processing	113.0	71.0	311.4	201.4	292.2
Other businesses	11.1	6.0	26.7	20.7	32.6
Unallocated items and intra-group sales	- 15.0	- 7.9	- 34.5	- 21.3	- 33.2
<b>TOTAL</b>	<b>245.9</b>	179.9	<b>684.6</b>	500.9	740.4

# Operating profit by division

EUR million	Q3 2007	In relation to division sales	Q3 2006	Q1-Q3 2007	In relation to division sales	Q1-Q3 2006	2006
Minerals Processing	3.6	5 %	5.2	8.9	5 %	- 0.4	12.7
Base Metals	12.1	19 %	4.1	34.7	18 %	16.9	23.6
Metals Processing	11.5	10 %	5.6	26.6	9 %	15.9	21.2
Other businesses	1.3	12 %	- 0.3	1.9	7 %	- 0.7	0.3
Unallocated items and intra-group sales	- 2.5		- 0.2	- 8.9		- 3.1	- 6.1
<b>TOTAL</b>	<b>26.0</b>	<b>11 %</b>	14.5	<b>63.1</b>	<b>9 %</b>	28.6	51.6

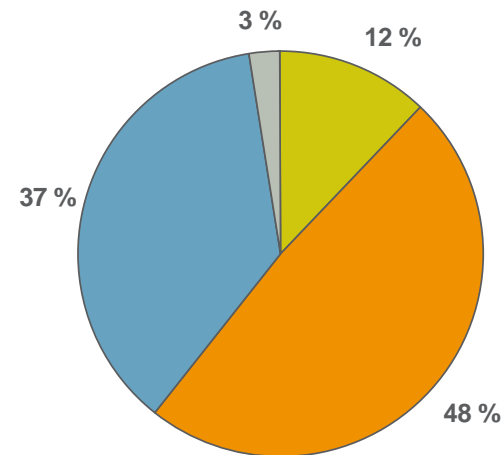
# Sales and operating profit by division

## Sales Q1-Q3/2007



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

## Operating profit Q1-Q3/2007



- excluding Unallocated items and intra-group sales

# Capital structure

EUR million	Q3 2007	Q3 2006	Q1-Q3 2007	Q1-Q3 2006	2006
Net cash from operating activities	<b>75.4</b>	19.8	<b>97.7</b>	20.4	67.8
Net interest-bearing debt <sup>*)</sup>	<b>- 247.8</b>	- 126.6	<b>- 247.8</b>	- 126.6	- 170.0
Equity <sup>*)</sup>	<b>188.4</b>	127.0	<b>188.4</b>	127.0	144.1
Equity-to-assets ratio, % <sup>*)</sup>	<b>40.1</b>	40.9	<b>40.1</b>	40.9	36.9
Gearing, % <sup>*)</sup>	<b>- 131.6</b>	- 99.7	<b>- 131.6</b>	- 99.7	- 118.0
Working capital <sup>*)</sup>	<b>- 145.6</b>	- 97.9	<b>- 145.6</b>	- 97.9	-122.3
ROI, %	<b>66.3</b>	54.6	<b>56.9</b>	38.4	45.4
ROE, %	<b>53.7</b>	37.7	<b>40.5</b>	22.6	29.1

<sup>\*)</sup> 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 decrease in working capital
- The parent company paid EUR 14.7 million in dividends in April 2007.

# Personnel

- An average of 1,980 employees in Q1-Q3/2007 (Q1-Q3/2006: 1,830)
- Increase due to business growth and active recruitment
- Temporary employees accounted for 15% of the total
- Additionally Outotec had roughly 500 (full-time equivalent) contracted project workers for engineering, project management and construction

Number of own employees



## Events after the reporting period

- In October, Outotec was awarded a contract by Votorantim Metais for the supply of a complete zinc roasting plant including gas cleaning and sulfuric acid plant to be built in Peru (EUR 80 million).
- In October, Hellas Gold awarded a contract to Outotec for the supply of a large technology package for the Skouries copper-gold concentrator in Greece (EUR 30 million).



# Outlook for 2007

## Market

Demand for Outotec's minerals and metals technologies and services continues to be strong.

## Outotec

Following good financial performance, strong order intake and backlog, coupled with sufficient resources, the management expects that:

- sales for the full-year of 2007 will moderately exceed EUR 1 billion; and
- operating profit will grow significantly from the 2006 level and is expected to moderately exceed EUR 90 million, subject to the timing of project completions and the product mix of the new orders received.



# More out of ore!

[www.outotec.com](http://www.outotec.com)

# Q & A