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Rita Uotila: Good afternoon, ladies and gentlemen, and welcome to Outotec's financial statements review briefing. We will hear presentations from President and CEO Markku Teräsvasara, and CFO Jari Ålgars, and after that there will be a possibility to ask questions. Now we will start with the full-year results presentation by Markku Teräsvasara. Please go ahead.

Markku Teräsvasara: Okay. Thank you, Rita, and good afternoon everyone. As always, we will start with the safety performance information – our employees are the biggest asset of the company and of course their well-being is most important to us. Our lost-time incident rate stayed on a low level, even improving – dropping means improving – towards the end of the year, and it ended up with 1.7, which is a good level, but at the same time we are not happy before we reach a situation where there is no lost-time incidents in the company.

About the market development, market for Outotec products continued developing positive, supported by metal prices and increased production levels. Investments are still very much focussing on brownfield, de-bottlenecking, productivity improvement, getting the efficiencies out, doing small modifications, not so much greenfield opportunities yet. Having said that, I think it's worth mentioning that if you look at our Minerals Processing, order intake for that segment in quarter four, the order intake was actually, I think, towards the end of the year in all categories, small orders, mid-size orders and also big orders in our fourth quarter order intake for Minerals Processing business unit was – you have to go back to 2012, 2013 to find as strong order intake. So, good achievements. And also, I think we believe that our order intake in that segment was beating the market, which of course is a very, in a way, we are satisfied with that.

That great demand came quite widely from different metals, of course, copper traditionally being very important for Outotec over the years, it's 30% of our business in average has been in copper. Also zinc, lead and gold, of course, copper and gold, one of the big items. And also we saw so-called battery metals, cobalt, lithium and nickel picking up. Not only from the metals point of view, but also from geographical point of view the improvement was pretty widely spread.

When it comes to large investments, the activity improved, and we saw even projects coming closer to decision making and even customers making decisions on metals refining which typically comes a bit later in the cycle.

So, if you summarise 2017, some of the highlights, I think we can conclude the year by saying that we had strong development in many areas. In September we communicated our new strategy and new vision for the company. In April already, from April the 1st we introduced a new service organisation, and I think we are encouraged by the results we have achieved during the second part of the year in order intake and also of course sales following that up. Our order intake increased 20%, and accelerating towards the end of the year, fourth quarter order intake increase was 29% and it was pulling the sales up of course afterwards.

Profitability, there was a clear improvement from 2016, and I think Jari will in his presentation open this up a bit more. We, of course, we see both positive sides and then challenges in our profitability improvement. Clearly driving up was the volume increased sales generated more profit and we also were able to control our fixed costs and actually achieve a saving there, so those are the positive contributors. And, then, on the other hand, we had a low workload on ME&W that was putting burden on our absorption, low utilisation of the resource, and then the sales mix contributing to the other direction. But as said Jari will open this up more in details.

Also a positive after a couple – a few years of negative cash flow we had a positive cash flow, and actually developing well towards the end of the year. So even on the fourth quarter I think it was a very strong cash flow coming mainly from basically working capital reductions, inventories going up, receivable collection, but also down payments, advance payments received from the customer for the new orders. So, all this supported the cash flow development well.

And then the people side. We also did a lot of training, safety training, service training, leadership training within the company. Another people point I think that deserves to be mentioned is that our employee satisfaction or employee engagement index, we measure that every year. So that increased 18 percentage points from 2016 to 2017. And I really – we think it is a really good achievement, and we are happy to see that our employees are actually relating very well in the new strategy and mission that we have agreed to do in the company. And of course, we'd like to develop that even further.

And, then, last but not least, again on the fifth year in a row Outotec was selected to be part of the Global 100 list, the most sustainable companies in the world. And this year's rating was 5th, which, of course, we are very, very proud of. And of course, that comes from our environment-friendly technologies. Customers were able to reduce their CO_2 emissions by 6.2 million tonnes basically per year using Outotec technologies comparing that with an annual baseline. And if you try to put that in relation to something that compares to the electric consumption of a city with 1 million inhabitants, so I think it's a major reduction with our technologies. And most of the order intake is representing so-called environmental goods and services.

Looking at order intake for the fourth quarter, you see a lot of copper. So this is again a list of orders we received during the fourth quarter with value over €10 million. And all the other orders, except the one which was zinc related, were related to copper. And you see cobalt in the DRC order, where we received an order for hydrometallurgical processing technology. And from the same customer actually we have already announced a new order for a sulfuric acid plant for this year. So the same project continues and we have received more orders from them.

On the low right hand side corner we have quarterly development for order intake. And of course, green is representing Capex orders, blue is representing service orders. And there's a nice increase on both in – during last year. This is telling a little bit the same information but showing the two of the business segments and services separately. Looking at the mining value chain, I think we all have realised that investments start from the mine side. So the mining equipment, having a shorter life, started receiving more orders first. And then it follows the value chain, so the mineral processing, which is the next step, and the first for us to come into the picture, that started picking up the second half of 2016 and then continued to go up. And then later on, you see the metals refining following. And of course, if you look at the orange line for orders received for Minerals Processing you have to go back quite far to come to the same level of quarterly order intake. And I think it's quite encouraging because this order intake didn't include many big projects, this was mainly coming from the smaller size and mid-size orders and high activity on those levels. And based on that I think we also have mentioned already that we are quite confident that we were able to beat the market on this segment.

On Metals, Water & Energy, we of course started last year with a nice order in the first quarter, but then the new orders were delayed. Now we have another situation, we see that if you divide our business in six different areas based on our business lines: three business lines in Minerals Processing; three business lines in Metals, Energy & Water. Last year we had four of them with high activity, and two of them with lower activity, and that was the capacity that in our organisation was underutilised. We did some reduction cost savings but then the workload was disappearing as we went on. Now there is a different situation, we have started receiving orders to these sectors and we see that the pipeline even there is building up. So I think we are fairly confident in saying that for Metals, Energy & Water 2017 was the most difficult year and now we will see an improvement.

We also saw an improvement in Service quite early from already starting again in 2016. And then looking at the down right side you see the split between the recurring services and shutdown, and modernisation which are maybe fluctuating a bit from quarter to quarter. I think what was very strong in quarter four was that we had a very high level of recurring services, actually highest since we started making these statistics from 2012. So in that sense, also a strong contribution.

Order backlog sales, we had in the fourth quarter, we had book to bill over one – but order backlog stayed fairly stable at €1 billion, of which 20% is services, and then roughly €750 million of this will be delivered in 2018. And now some of the – some more of the finances by Jari.

Jari Ålgars: Yeah. Thank you, Markku. We need to put some numbers behind what Markku was stating. So, obviously, the order intake grew by 20%, going from €1 billion to €1.2 billion. And that impacted already sales, so it improved 8% from 2016 to €1,139 million. The service sales improved by 6%, to €475 million. And the share of services out of the sales remained at the same 42%. The gross margin improved from 22% to 24%, I will go more into that on the next page where that development came from. And then adjusted EBIT improved significantly from minus €23 million in 2016 to plus €32 million in 2017. And the result for the period was slightly positive, plus €2 million when it was minus €69 million a year before.

If you then look at the adjusted EBIT analysis, looking at the minus €23 million in 2016, we have to remember that we took quite a significant risk provision in Q4 in Metals, Energy & Water, of €40 million. If we put that back, and also take into account that the volume increased, and the margin impact due to that, we end up at a nice number but then we come to the, let's say more negative side of the year, which was that we actually had a low workload in Metals, Energy & Water. We were running quite empty in two business lines during most of the year, despite that we had good workload situation in Smelting & Hydro, it was not the case in Metals & Chemicals Processing and Energy & Environment, and this impacted the result. We also had impacts from the sales mix, and then we had cost overruns in some projects. This was mainly in projects that we announced for earlier during the year, but obviously they had an impact also on Q4 because the margin went lower and we had some sales coming out of these orders, so it was an impact also in Q4 out of this.

What is positive, we stated when we had the CMD that our target going forward and strategy is that we will grow our sales, and keeping the fixed cost flat – actually, we were able to save some out of the fixed cost, so therefore I'm very happy that this part of the strategy we actually were able to keep. So we are going into the right direction. And as we go into the businesses we'll see a little bit more granularity.

As you can see the order intake increased in Minerals Processing by 16%, which is nice because we had also a strong growth the year before. Which means we are on – well on the up cycle or on the upside side of the cycle, growing from €627 million to €727 million. Sales also growing from the previous years and this year. Good order intake from €540 million to €661 million, or 22%. The service sales increased from €283 to €304 million, or 7%. And this had an impact that our adjusted EBIT went up nicely from €37 million to €61 million, and which is 9% of the total year. So we are going clearly into the right direction. And with the increased order intake and which will lead to increased sales going forward, keeping the fixed cost flat, we should have a good opportunity of improving this number this year.

If we look at Metals, Energy & Water, again, as Markku already pointed out, this hopefully was the bottom what we saw of the cycle. We were able already to increase the order intake by 25% from €381 million to €478 million. We are probably at some type of changing point here, in that way that our sales was also €478 million for the year-end – exactly the same number – coming down with 8% from €518 million the year before. So with the orders we have recently announced here, and especially coming into the business lines where we were in urgent need of work, we are going into the right direction. The adjusted EBIT was minus €22 million, an improvement on the year before when it was minus €55 million. If we consider the €40 million provision we had to do on one project in 2016 it would be €50 million, so you could see the impact from the lowered sales during the year. Now with more even workload going – having work for both Smelting & Hydro where we have a good workload, and continue to have a very good workload, also starting to get some workload in Metals & Chemicals Processing. We need more orders than the ones what we see now, but these are already a good help.

And then as Markku stated, the funnel is growing in Energy but we don't see decisions yet, so we hope to see some orders there soon as well, which will also help the business. As we – when we have an even workload in all of the different business lines then we are in a much better situation. And just to remember that the orders usually in Metals, Energy & Water are bigger, longer and therefore it also takes a longer time before we start to see the sales impact – usually, we talk about six to eight months. It will help immediately, the orders what we are getting in the workload side, but the sales effects will come a bit later. So we will only see the impact of the last orders in Q4 and in Q1 what we have announced now in the second half of the year. So we are going into the right direction, but it still takes some time before we are fully turned.

Cash flow, very positive in Q4. We had a total cash flow – free cash flow for the year of €28 million, which is a significant increase from last year or the year before when we had minus €95 million, and on the fourth quarter we had a very strong cash flow. The operating profit was €25 million. If we add the depreciation and amortisation to that, look at EBITDA, it ends up at €65 million. Working capital, we were slightly negative, minus €20 million. And then we had a Capex of €19 million, ending up at the free cash flow of €28 million. We also have a very solid cash situation with €230 million.

And the balance sheet also strengthened slightly, it started to turn in the right direction. And then net interest-bearing debt improved slightly, gearing remained the same, equity-to-assets ratio increased by 1%, and is a very solid number. And then we also, as Markku already pointed out, with the new order intake we got, we also were able to increase the advances received from €181 million to €203 million. And the balance sheet as a total came down from €1,427 million to €1,346 million, it's coming up, being able to collect some receivables. And then also we had some inventory changes. So, this is over to Markku again. Thank you.

Markku Teräsvasara: Okay, thank you, Jari. And then about the market outlook, going forward what we see is that market activity continues to improve. I think we have repeated that a couple of times, it's still up from last year, very much brownfield with smaller projects, smaller modifications. But there is, of course, at some point where there is a deficiency in metals production and need to start investing in the new capacity as well, and we expect that to start increasing going forward. From Outotec's point of view, I think what is also good, I think the challenges our customers are having at the moment with energy, with water resources, and with more complex ore and decreasing grade I think they are all – in a way, even though they are challenges for our customers they are good opportunities for Outotec, because we are very well equipped to help our customers with energy efficiency throughout our solutions. But also through our metallurgical expertise to extract metals from more complex ores and also using as little resources as possible when it comes to water, but also when it comes to tailings treatment. And of course, there is several methods that are active at the moment. There is a lot of discussion on electric vehicles and then driving so-called battery metals – did we lose the line?

Do you see if we lost the line? Maybe I just continue. Okay, there was a disturbance, someone said that we lost the line.

But, anyway, of course these battery metals, lithium, cobalt and nickel, we are involved in most of the projects when it comes to those metals. Also, copper continues to develop well, and gold. So I think from that point of view, it's – there is continued good opportunities for Outotec technologies. And then also in geographically I think we will have an even distribution even going forward.

And then we believe that Service will continue to give us more opportunities. And I think you will remember our service presentation at the Capital Markets Day having annual growth of 10% or more. We see that there is clear opportunities to achieve that this year, and we will continue with those activities.

Our financial guidance for 2018 sales are expected to be approximately between €1.2 billion and €1.3 billion, and our adjusted EBIT is expected to be approximately between 5% and 7%. And then, of course, the question is how do we bridge that from today's or from the last year's results going forward? Of course, there is a number of components which we are working on. First, view of sales growth, we expect our sales to continue to grow. And follow the increased order intake, and as we discussed, and also Jari mentioned already we plan to keep our fixed costs flat so we will have better leverage against the fixed cost when our sales will continue to go up.

Our Service sales is coming in at higher margins. That we expect to continue growth supporting this. With these new orders that we have received on Metals, Energy & Water they are coming into the product areas where we have had low utilisation of capacity, so we see that we have – we will have improved under-absorption in – or improved absorption in those areas. And then we will focus very much on project execution and best cost country resourcing and developing that forward.

So, increasing sales, improving our margins, and then pricing, using pricing components, and controlling our cost. These are the things that we are going to use to bridge that difference. And, of course, we have separate programmes for that, addressing the topics. We introduced this must-win battle concept in our Capital Markets Day. And very much in line with what I said in the guidance slide, the topics that we have we are running under these programmes are addressing our improvement and our margin. And I think Jari touched upon it already, as we are going up then we will see that our result improvement in the second half of the year will be increasing. So I [inaudible] – so we will be focussing on these activities to develop our company further. Thank you.

Rita Outila: Thank you, Markku and Jari. And now we are ready to take the questions. But before that, thank you to our audience on Facebook. And now there will be a possibility to ask questions from Markku and Jari.

Operator: Thank you. If you would like to ask a question at this time, please press the star key followed by the digit one on your telephone. Please ensure that your mute function is switched off to allow your signal to reach our equipment. Again, that's star one if you would like to ask a question. We will pause for a brief moment to allow everyone to signal.

We can now take our first question. Please go ahead, caller. Please state your name before posing your question.

Manu Rimpelä: Good afternoon, it's Manu Rimpelä from Nordea Markets. My first question would be on the order backlog for delivery that you have for this year. I think it's pretty much on the same level as it was at the end of the previous year, but you are still expecting to get a significant boost to your sales compared to the 2017 reported number. So just – could you just elaborate on how where do you see the kind of sales growth coming from the announced or the orders that you take during the quarter and the year, because obviously the sales you have for '18 is not higher in the backlog than it was at the start of the previous year.

Jari Ålgars: Yes. Obviously, as you could see also from the order intake we had in 2016 and where we ended up in 2017, I think you can see the impact that we have now from having orders in Minerals Processing more and Service. So a bigger share of our orders is coming from there and the turnaround time is faster. So it's – the order intake is moving more – faster into sales. So some of the growth we are seeing and expected to see we think will faster turn into sales. Obviously, then Metals, Energy & Water, the larger orders that we are getting, we still assume that they will move on a slower phase. But, I think if you look at the 2016 order intake backlog and look at how we ended up in 2017, I think they're very much the same picture.

Manu Rimpelä: Okay, that's clear. And can you just talk about the Metals, Energy & Water, then how do you see the utilisation rate and the backlog converting into sales, because I think your order intake in this year was equal to your sales but I guess that it will take some time before those orders really turn into sales, and some gets postponed into '19 potentially. But do you expect to be able to increase your sales in Metals, Energy & Water in 2018 if you think about the equipment part of the business?

Jari Ålgars: Let's say so that we are obviously not guiding for this separately, but where a big problem during 2017 was that we were very uneven in our workload. In Smelting & Hydro we had a very good work situation, it was very high workload. But then in Metals & Chemicals Processing, as well as in Energy & Environment we had very little work. And that means that the margins that you get in Smelting & Hydro is used to pay salaries in the two other business lines, and this is not a good situation. You rather want to see more even workload in all three of them, that would be a much more preferred situation. And this is what we expect will happen this year, that we will see more order intake in the Metals & Chemicals and in the Energy side and that will then help us by having more even workload. Which was really one of the big problems out of last year and which impacted our result.

Manu Rimpelä: Okay. And then on the operational leverage that you have in the Metals, Energy & Water division. I mean, your sales were €140 million in this Q4, and was clearly up compared to the third quarter, for instance, with the higher service content but still the EBIT was unchanged. So why didn't we see a fixed cost leverage in the quarter compared to Q3?

Jari Ålgars: Actually coming from the same explanation as I already did. We were kind of going into deeper and deeper situation in Metals & Chemicals and Energy & Environment as we did not get enough orders. So, let's say, the problems deepened towards the end of the year, so despite Smelting & Hydro was improving also, we got into a tougher situation. What was helping that a bit was we were cutting costs throughout the year, but then we were chasing this problem throughout the whole year that we had problems with the recoveries and the under-absorption. And now it's really a good help that we start to see some orders. We need more orders than the ones we have announced, but it will be a great help because what it means is that salaries, what have been paid out of the fixed cost, now can be paid by the customer. So it will be a good help, each and every order we are getting in these two business lines.

Markku Teräsvasara: That's for the sake of clarity. I think these two orders that we actually announced this year, €33 million extension to the DRC, and then what we announced today, the pelletising plant to China, they are both going into the Metals & Chemicals business line, so work directly where we had an under-absorption.

Manu Rimpelä: Okay, that is clear. And then the final question. Can you just talk about the – how do you see the Minerals Processing? Are you seeing that the demand is currently driven by replacements and are we seeing that the replacement kind of order intake has reached – can you compare where we stand against the previous year, for instance? Because we see in some of the other competitors in the underground space talking about that they are starting to near kind of very high levels of replacement demand and actually start thinking. So are you seeing any similar type of challenges in the replacement side of your business?

Markku Teräsvasara: What we see that it will continue on a high level. If you look at the Minerals Processing order intake last year, quarter by quarter it's increasing in all categories. Of course, if you look at the announced big orders they are a bit swingers between the quarters so it's somewhat difficult to compare quarter to quarter. But what was underneath is non-announced orders, mid-size and smaller, they actually continued to increase throughout the year. And we see a good outlook for those orders going forward, but we also see that there are bigger orders in the pipeline for 2018.

Operator: Thank you, we will now take our next question. Please go ahead, you line is now open.

Alexander Virgo: Thanks very much. Good morning everybody, Alexander Virgo, Bank of America Merrill Lynch. I just wanted to ask about consumables pricing and the competitive dynamics. We just heard one of your key competitors talking about how they've walked away from business because pricing was too unfavourable for them so – in a number of instances on the minerals side. But I'm just wondering if you could comment on anything that you have seen and then competitive dynamics that you're seeing in Minerals Processing in particular. Thank you.

Markku Teräsvasara: We, of course, there is always competition and high competition on the market, but we didn't see any extraordinary – we actually were able to increase our pricing during 2017 on the spare parts and wear parts on that segment. So, I don't want to comment on other companies' results or achievements, but from our point of view we didn't see that the competition was increasing in 2017. I think we had even some room for price increasement.

Alexander Virgo: Okay. That's helpful, thank you. And then secondly, just the line cut out for a period of time, I'm afraid, so perhaps you answered this while we were unable to hear. But I'm just wondering if you can explain the EBIT margin deterioration in Q4, again if you did.

Jari Ålgars: For one of the business units or for the segment or…?

Alexander Virgo: Well, I guess overall, generally. But if I look at your EBIT bridge you call out low workload in ME&W, so I understand that. I'm just wondering if you could talk a little bit more perhaps about the cost overruns maybe, and whether or not those have been resolved now in terms of, I guess, whether or not you think that that's something we need to bear in mind when we look at next year?

Jari Ålgars: We were already announcing in some of the earlier quarters that we have these cost overruns. There were none – nothing to mention as such in Q4, it's more that the same orders continued to progress. And we got sales out of them, and as they had had cost overruns before that still came in with some lower gross margin, that had some impact on Q4. But more of the gross margin changes itself happened in the previous quarters. And these were related to – we had some new businesses, new technologies that we started to sell beginning of the year, and we were actually quite successful, we got a number of orders. And then we learned that we had some extra costs in those deliveries, and as there were a number of orders – they were not a lot of costs, but some cost increased in a number of orders actually led to that having an impact on the year result. And this is why we felt we needed to tell that. I think in those ones we have learned our lessons and changed the pricing accordingly. And, but to always mention we are in the project business, and there is always an element of risk in projects compared to selling a spare part. In – on that note I think also you noted that we have a programme must-win-battle, which is called Project Excellence. So I think that from that you can also read that we are seeking to improve how we can do our projects also going forward.

Alexander Virgo: Okay, understood. Thanks very much, very helpful.

Operator: Thank you. We can now take our next question. Please go ahead, caller. Your line is open.

Tomi Railo: Hello, this is Tomi from SEB. I just noticed that you have removed the sort of usual comment that you have difficulties to foresee the timing of booking larger orders. Can I just get a comment, does it reflect your confidence getting larger orders from the pipeline?

Markku Teräsvasara: Of course, at the end of the day it's always – you could always have that comment or always take it away. We can never 100% surely know exactly when things are moving. But we do feel that there is in a way more positive development on the market when it comes to bigger projects, and that's why we considered that we take it away. In the foreseeable future there will be more decisions on bigger projects, and that was the reason why we took the comment away.

Tomi Railo: Well understood, thank you. Secondly, if you could just comment, the pricing of your new orders what you are taking in. Is it improving steadily, or can you comment on that?

Markku Teräsvasara: What is always difficult, because with individual projects and cases they are priced individually. So at the end of the day, what we've said one of the levers in the profitability is the mix, what kind of orders you get in. But having said that, we – on the other side we do not see an increased pricing pressure. So I think where we are, we are able to maintain pricing and in some areas even increase. And I think that is what we do, and we are definitely not interested in taking business with lower margins at this stage.

Tomi Railo: Then if I may ask on the AMG lithium project. If you could comment just whether it's still in the pipeline or has it gone to someone else, to your competitor?

Jari Ålgars: We usually don't want to address these types of questions. I think then you will see it when AMG will announce at that time. But so far, I think they have not announced anything.

Tomi Railo: But, can you comment are you still working on the possible project? Or have you sort of – has that slipped away from your radar?

Jari Ålgars: No, we got the pre-engineering contract end of last year which they announced. And we said yes, we have it, and we are still working on the pre-engineering contract. So I don't want to state anymore on that one, but we are, we are still working on finalising the pre-engineering.

Tomi Railo: Okay, thank you.

Operator: Thank you. We can now take our next question. Please go ahead. And please state your name before posing your question.

Andy Wilson: Hi, Andy Wilson from JP Morgan. I've got three questions, please. On the service levels in terms of orders, and I guess sales as well in Q4, is there any seasonality we need to think about in terms of that order development? And, kind of, how does that – how should we think about it as run rate as we kind of look through Q1, Q2 in 2018? Is it fair to assume that you can maintain orders and sales at the same kind of level we saw in Q4?

Markku Teräsvasara: There's always some seasonality, and particularly when it comes to these kind of one-offs when it comes to shutdown services and bigger modifications and they are not coming equally in every quarter. And that is the same seasonality for the spare parts and other services. Normally in quarter four when you are closing the year is a strong quarter. So there will be some quarterly fluctuations. As we said, we aim – and we believe we can, grow – steadily grow the service business going forward with the rate we announced last year, so, overall, in average more than 10% per annum.

Andy Wilson: In terms of just to clarify on Alex's earlier question on the pricing dynamics in consumables. To what extent are you offsetting – if you can compare price versus cost, are you more than offsetting any raw material headwinds that you see in the year? So when you're putting prices through are they offsetting, more than offsetting the cost of inflation?

Markku Teräsvasara: Of course, so it's – and we should note that it's difficult to forecast that going forward what will happen with the raw material cost. And, so if looking back and looking at the 2017 outcome, there was a contribution from our price increase, so we definitely can say that price increases exceeded the cost increase.

Andy Wilson: Okay. And just to try and get an insight into 2018 in terms of the margin development, I don't know if you said this as you were summarising because the line got cut off. But if we kind of think about bridging 2018 versus 2017 is it as simple as additional volume improved execution, and then I guess some incremental cost savings as you continue to drive efficiencies in the business? I mean, is that, is it as simple as that in terms of how to think about the outcome for 2017 and if we need to get to, for example, the mid '18 guidance?

Markku Teräsvasara: It was a pity the line was cut off because that was explained when we were discussing about the guidance. And I'm happy to repeat what we said. There is a number of elements in that. Of course for sales growth, we expect the sales to continue to grow and follow the order intake that is increasing. And our aim, as we've also communicated earlier is to do that without increasing the fixed cost, so there you have one component. We expect our service business which comes in at a higher margin to continue to grow. We will have, or we believe we will have improved absorption on ME&W. There were very low workloads in some of the business lines in 2017, now we have already received new orders for those business lines. And we expect to receive more, so that will help. Jari mentioned project execution, so really making sure that we don't have, even when it comes to new technologies and products to be launched, that there is no margin erosion. And then, of course, last but not least, continual efforts in best cost country resourcing and taking costs away from our purchasing basket.

Andrew Wilson: Okay, that's very helpful. And, maybe just to clarify then on one other point. And, so the anticipation is that you would have a positive mix in 2018 [inaudible].

Jari Ålgars I'm sorry, the line was breaking up. Could you repeat, please?

Operator: Sorry for the interruption. The gentleman's line reception seems to have gone. So I'll take the next question in the meantime. Please go ahead, caller. Your line is open.

Antti Suttelin: Yeah, hi. This is Antti from Danske. I wonder why did large orders delay, that's what you say in the presentation, and why is that you now expect to get them in 2018? So what's driving that?

Markku Teräsvasara: Why they are delayed? Then of course maybe that is a question to our customers rather than to us, of course we would like to have them earlier. But what the confidence that we have in receiving more of them now is simply where we are with the negotiations with some of the projects. And also there is, as I said or we both said, we have already received orders this year for these business lines with the lower order intake. So just purely seeing what projects are in the pipeline, where are we in the negotiations. But then at the end of the day it is decided by the customer when they exactly will place the order.

Antti Suttelin: And can you give us any flavour, what are we talking about? Is it – could it be that we get or you get 500 million big orders this year or are we talking about double digit, 50 million here and there? What's the scale we should be thinking of?

Markku Teräsvasara: We are not guiding our order intake, as you know, so.

Antti Suttelin: Okay, thank you.

Operator: Again as a reminder, that's star one if you would like to ask a question. That's star one if you would like to ask a question at this time. As a final reminder, that's star one if you would like the opportunity to ask a question. We can now take a follow-up question. Please go ahead, your line is open.

Manu Rimpelä: Yeah, hi gentlemen. Just a quick follow-up on the first question that was asked about backlog for 2018. If – am I right in thinking that the midpoint of the guidance implies transactional business in the year of something worth of €500 million? Which would be another sort of 30% growth on the number you delivered in 2017, which I think was more about €400 million if I compare it to the backlog for delivery in the next 12 months this time last year. Just explain to me what you think is driving that? Is that purely just the service business growth or there must be more in there? Is that anything you can talk about?

Markku Teräsvasara: Yeah, there is of course growing services is one element, but maybe the line was cut off while I think Jari explained as well. When we see our backorder list going forward there is orders that we receive in Minerals Processing, they are converting into sales faster than ME&W orders which normally takes a longer time, projects are bigger and it takes a longer time to complete. So the remaining balance will come from the new orders mainly for Service and Minerals Processing and of course, some early orders for ME&W received during the first quarter and early parts of second will also contribute depending on what kind of orders we receive. But I think the simple answer is, yes, it's the new orders coming in this year.

Manu Rimpelä: Okay, thank you.

Operator: Again a final reminder, that's star one if you wish to ask a question. As there are no further questions in the queue, I'd like to turn the call back over to you for any additional or closing remarks.

Rita Outila: Okay. Thank you, Operator. Those were all the questions this time. So thank you for participating. Thank you and have a good day.

Markku Teräsvasara: Thank you.

Jari Ålgars: Thank you.