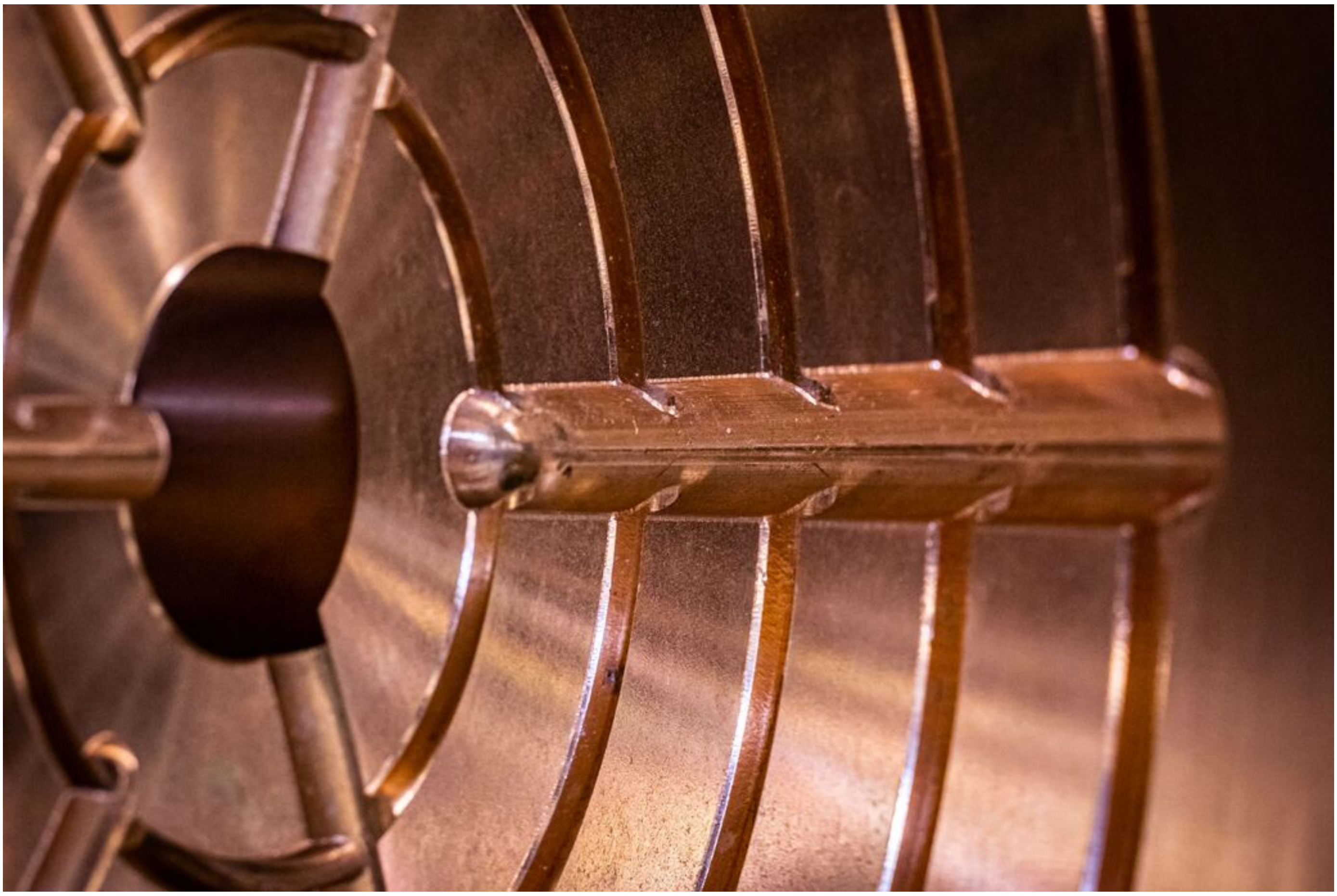
Metso



Q1

Interim Report
January – March 2024

Metso’s Interim Report January 1 – March 31, 2024

Figures in brackets refer to the corresponding period in 2023, unless otherwise stated.

First quarter 2024 in brief

- Customer activity in line with expectations; sequential improvement in Aggregates segment and Minerals services
- Orders received declined 8% to EUR 1,361 million (EUR 1,485 million). Services orders declined 5%
- Sales declined 9% to EUR 1,217 million (EUR 1,334 million). Services sales increased 6%
- Adjusted EBITA was EUR 200 million, or 16.5% of sales (EUR 211 million, or 15.8%)
- Operating profit EUR was 188 million, or 15.4% of sales (EUR 193 million, or 14.5%)
- Cash flow from operations increased to EUR 158 million (EUR 110 million)

President and CEO Pekka Vauramo:

"I am proud to see that we can maintain very healthy margin levels in a softer demand environment."

The year started in line with our expectations. We saw improvements in Minerals services and Aggregates equipment orders, while customer decision-making in the Minerals equipment business was slow. Despite this quarter-on-quarter improvement, the Group's orders received were 8% lower year-on-year. Key metal prices such as that of copper have improved and hence customers continued to run their production at high rates, supporting the Minerals services business where orders almost achieved the same high level recorded a year ago.

Quarterly sales declined in both segments due to lower equipment order backlogs going into the year. However, sales of Minerals services increased 8% year-on-year, which had a positive impact on the sales mix and services accounted for 68% of the Minerals segment sales.

Overall, the profitability was supported by an improvement in gross margin, thanks to successful cost management and overall operational performance, as well as a higher share of services in the sales mix. I am proud to see that we can maintain very healthy margin levels in a softer demand environment. We also showed positive cash generation performance during the quarter, with cash flow from operations increasing to EUR 158 million. The first-quarter results confirm that actions to improve our financial performance have been successful, and we are on track to meet our profitability target.

Our focused actions have resulted in resilient profitability in both segments. The adjusted EBITA margin of 17.0% in Aggregates was only slightly lower year-on-year, despite the decline in the segment's top line. The Minerals segment reported the same adjusted EBITA margin of 17.5% as in the comparison period. The negative impact of lower equipment sales in Minerals was offset by cost savings and services sales growth.

Our safety performance faced a setback in March due to a major incident at our rubber plant in Irapuato, Mexico. Eleven of our colleagues were injured in a steam explosion at the site, which also resulted in property damage. The well-being of the injured is our top priority, and the investigation of the causes of the incident continues.

The focus areas of our sustainability work continue to be the Planet Positive offering and innovations for our customers, our people and culture, as well as environmental efficiency in our own operations and a responsible supply chain. In all these we have made considerable progress, and I anticipate ongoing achievements throughout 2024.

We expect the market activity to remain at the current level in both segments. There is general anticipation that higher metal prices and potential interest rate cuts could accelerate overall economic activity and demand in our industries later in the year. Under all market conditions, we will continue to control our costs, implement other actions to improve our profitability and cash flow and make sure that we are offering our customers the best service possible.

Market outlook

Metso expects that the market activity in both Minerals and Aggregates will remain at the current level.

In its previously published outlook, Metso expected that the market activity in Minerals will remain at the current level, while the activity in Aggregates was expected to improve.

According to the company's disclosure policy, Metso’s market outlook describes the expected sequential development of market activity during the following six-month period using three categories: improve, remain at the current level, or decline.

Group review

Key figures

EUR million	Q1/2024	Q1/2023	Change %	2023
Orders received	1,361	1,485	-8	5,252
Orders received by services business	815	855	-5	2,955
% of orders received	60	58	–	56
Order backlog	2,998	3,397	-12	2,951
Sales	1,217	1,334	-9	5,390
Sales by services business	727	689	6	2,891
% of sales	60	52	–	54
Adjusted EBITA	200	211	-5	887
% of sales	16.5	15.8	–	16.5
Operating profit	188	193	-3	805
% of sales	15.4	14.5	–	14.9
Earnings per share, continuing operations, EUR	0.15	0.17	-12	0.65
Cash flow from operations	158	110	43	550
Gearing, %	30.1	27.2	–	33.8
Personnel at end of period	17,121	17,015	1	17,134

The Group’s financial performance

The aggregates industry saw improved activity compared to the previous quarter, as anticipated at the beginning of the year. This was driven by an uptick in North America and improved activity in other regions. Demand for Minerals services increased compared to the end of the previous year, whereas the demand for equipment remained unchanged. The Group's orders received declined 8% year-on-year and totaled EUR 1,361 million compared to EUR 1,485 million in the comparison period. Equipment orders declined 13%, largely due to slow customer decision-making in Minerals equipment, and services orders declined 5%.

Sales were EUR 1,217 million (EUR 1,334 million), reflecting declines in the Aggregates segment and Minerals equipment business due to lower order backlogs. Minerals services sales increased. The Group's services sales grew 6%, while equipment sales declined 24%.

Adjusted EBITA totaled EUR 200 million and the adjusted EBITA margin improved to 16.5% (EUR 211 million and 15.8%), thanks to an improved gross margin. The profitability of the Minerals segment was unchanged year-on-year, while the profitability of Aggregates was slightly lower compared to the very strong level seen in the comparison period. Adjusted EBITA of Group items was EUR -11 million (EUR -24 million).

Operating profit (EBIT) was EUR 188 million and the EBIT margin 15.4% (EUR 193 million and 14.5%). Adjustments in the quarter were EUR 4 million (EUR -2 million). PPA amortization was EUR -13 million. Net financing expenses amounted to EUR -22 million (EUR -12 million).

Profit before taxes was EUR 165 million (EUR 182 million). The effective tax rate was 25% (25%). Earnings per share for continuing operations were EUR 0.15 (EUR 0.17).

Cash flow from operations increased to EUR 158 million (EUR 110 million), supported by a reduced effect of net working capital.

Impacts of currencies and structural changes

EUR million, %	Orders received Q1	Sales Q1
2023	**1,485**	**1,334**
Organic growth in constant currencies, %	-6	-7
Impact of changes in exchange rates, %	-3	-2
Structural changes, %	1	1
Total change, %	**-8**	**-9**
2024	**1,361**	**1,217**

The Group's financial position

At the end of March, the Group's net interest-bearing liabilities were EUR 825 million (Dec 31, 2023: EUR 884 million). The Group's gearing was 30.1% (Dec 31, 2023: 33.8%) and debt-to-capital ratio 33.7% (Dec 31, 2023: 35.0%). The equity-to-assets ratio was 42.2% (Dec 31, 2023: 40.2%).

The Group's liquidity position remained strong. Liquid funds, consisting of cash and cash equivalents, amounted to EUR 680 million (Dec 31, 2023: EUR 638 million). There were no deposits or securities with a maturity of more than three months (Dec 31, 2023: EUR 0 million). The Group has a committed syndicated revolving credit facility of EUR 600 million with a maturity in 2026. The facility includes sustainability performance targets impacting the cost of borrowing. At the end of the quarter, the facility was undrawn. The company also has a EUR 600 million Finnish commercial paper program, which was not utilized at the end of March.

Metso has a Euro Medium Term Note Program (EMTN) of EUR 2 billion, under which EUR 1,078 million at carrying value was outstanding at the end of March (Dec 31, 2023: EUR 1,081 million). EUR 197 million is due in June as part of a bond maturity. This repayment is funded by proceeds from a EUR 300 million Sustainability Linked bond issued in November 2023.

The average interest rate of total loans and derivatives was 4.2% on March 31, 2024. The duration of total interest-bearing debt was 1.6 years and the average maturity 3.7 years.

At the end of March, Metso had a 'BBB' long-term issuer credit rating with stable outlook from S&P Global Ratings and a 'Baa2' long-term issuer rating with stable outlook from Moody's Investor Service.

Aggregates

- **Orders increased from the previous quarter**
- **Sales affected by lower backlog**
- **Profitability continues to show resilience**

EUR million, %	Orders received Q1	Sales Q1
2023	**379**	**363**
Organic growth in constant currencies, %	-4	-18
Impact of changes in exchange rates, %	-1	0
Structural changes, %	1	2
Total change, %	**-4**	**-17**
2024	**365**	**303**

First quarter

- Market activity saw improvement in North America, while the European market remained subdued. Activity increased in other regions.
- Order intake was significantly higher compared to the previous quarter but did not reach the high levels seen in the first quarter of 2023. Orders for new equipment declined 6% year-on-year, while services orders increased 1%.
- The sales decline of 17% year-on-year was due to lower order intake during the previous quarters. Equipment sales declined 22% and services sales declined 5%.
- Adjusted EBITA was EUR 52 million (EUR 66 million) and the adjusted EBITA margin 17.0% (18.1%). The resilience in the margin was attributable to successful cost management and the sales mix.

Key figures

EUR million	**Q1/2024**	Q1/2023	Change %	2023
Orders received	365	379	-4	1,274
Orders received by services business	120	119	1	442
% of orders received	33	31	–	35
Order backlog	499	553	-10	453
Sales	303	363	-17	1,346
Sales by services business	108	114	-5	434
% of sales	36	31	–	32
Adjusted EBITA	52	66	-21	232
% of sales	17.0	18.1	–	17.2
Operating profit	47	62	-24	214
% of sales	15.5	17.0	–	15.9

Segment review

Minerals

- **Strong growth in services orders q-o-q**
- **Activity in the equipment market unchanged**
- **Services sales growth supported profitability**

EUR million, %	Orders received Q1	Sales Q1
2023	**1,107**	**970**
Organic growth in constant currencies, %	-7	-3
Impact of changes in exchange rates, %	-3	-3
Structural changes, %	0	0
Total change, %	**-10**	**-6**
2024	**997**	**914**

First quarter

- Market activity in the services business improved, while the activity in the equipment business remained unchanged compared to the previous quarter. The demand for services was broad-based and was driven by customers' high production volumes and their continued focus on improving productivity. The proposal pipeline for new equipment orders remained healthy, particularly related to investments in copper. However, uncertainties in the macroeconomy, increased funding costs, and political and permitting issues continued to hamper customers' decision-making.
- Equipment order intake declined 19% as a result of slower customer decision-making. Services orders were at a healthy level but 5% lower compared to the very strong first quarter of 2023.
- Services sales grew 8% and represented 68% (59%) of the segment's sales. Equipment sales declined 25% year-on-year as a result of slow revenue recognition from the lower backlog at the beginning of the year. The segment's total sales declined 6% to EUR 914 million (EUR 970 million).
- Adjusted EBITA totaled EUR 160 million (EUR 170 million) and the adjusted EBITA margin was 17.5% (17.5%). The margin resilience was attributable to sales mix and cost control.

Key figures

EUR million	**Q1/2024**	Q1/2023	Change %	2023
Orders received	997	1,107	-10	3,978
Orders received by services business	696	736	-5	2,513
% of orders received	70	67	–	63
Order backlog	2,499	2,844	-12	2,498
Sales	914	970	-6	4,044
Sales by services business	619	575	8	2,458
% of sales	68	59	–	61
Adjusted EBITA	160	170	-6	707
% of sales	17.5	17.5	–	17.5
Operating profit	141	156	-10	627
% of sales	15.4	16.0	–	15.5

Sustainability

- **Major incident in Mexico**
- **A significant Planet Positive order in Chile and healthy overall pipeline**
- **EUR 8 million investment to DRI smelting pilot in Pori, Finland**

Sustainability KPI	Target	Q1/2024	FY 2023
Lost time injury frequency rate (LTIFR)	Zero harm	1.5	1.2
Total recordable injury frequency rate (TRIFR)	Zero harm	3.2	3.0
Employee Net Promoter Score (eNPS)*	Top 10% of industry benchmark	N/A	Top 10%
Inclusion score*	Top 10% of industry benchmark	N/A	Top 5%
Planet Positive sales (EUR million)**	To grow faster than overall Group sales	1,417	1,447
Reduction of CO_2 emissions: own operations (scope 1 and 2)***	Net zero by 2030	-75%	-73%
Reduction of CO_2 emissions: logistics****	-20% by 2025	-6%	-7%
Spend with direct suppliers having set Science Based Targets	30% by 2025	25.9%	25.6%

*eNPS and Inclusion for all employees are measured in June and December **Rolling 12 months as of end of February 2024. Discontinued operations excluded. ***Rolling 12 months as of end of March 2024 with approx. 10% estimated based on previous months' actual data. Baseline 2019. ****Baseline 2019.

Health and safety. A major incident occurred at Metso's rubber plant in Irapuato, Mexico, in March. A steam explosion in the hand-lining area of the plant resulted in eleven people being injured as well as property damage. Metso is cooperating with the local authorities and is committed to ensuring the safety of the site and the well-being of its employees. The investigation is still ongoing.

Last year, locations were requested to evaluate their current safety systems to identify and address gaps against Metso's safety directives. The program is on track. The Modus Operandi program that establishes Metso's core safety behaviors and sets clear safety expectations for all levels of the organization was reintroduced with an updated training course.

People and culture. Metso's engagement score (eNPS) sustained its positive trend in the first-quarter survey for white-collar employees. The global participation rate for the survey stood at 84%. Scores for inclusion and for health and well-being have remained consistently good. A primary focus area of Metso's Diversity and Inclusion initiatives is gender diversity. In Q1, special emphasis was placed on building awareness and on celebrating the achievements of women leaders at Metso.

Planet Positive. During the 12-month period that ended at the end of February, Planet Positive sales grew 11% year-on-year to EUR 1,417 million. The majority of the orders were small- or medium-sized and included solvent extraction technology for the production of a battery-grade nickel sulfate solution and a grinding solution for a low-carbon aluminum industry project, both in China, ball mills for a gold project in Australia and a cooling solution for a Flash Smelting Furnace rebuild in Bulgaria. In addition, a major Planet Positive order for key concentrator equipment for a copper mining project in Chile was published during the quarter.

During the quarter, Metso introduced five Planet Positive products including an electric furnace for melting mineral wool and a Kaldo furnace upgrade for optimal recovery of metals. Planet Positive crusher wear product launches included Metso LongLife, which reduces the need for liner change-outs significantly increasing both uptime and customer revenue, and Planet Positive Coarse Corrugated XT715 alloy jaws that provide up to 50% higher wear life. In addition, Metso's proprietary, sulfate-free alkaline pressure leach process was validated as Planet Positive.

Footprint. Renewable energy generation from solar panels grew by approximately 70% year-on-year, and around 10 energy savings and/or CO_2-reduction projects were completed. Metso's supplier engagement program continued with good results, and more than 40 new suppliers committed to science-based emissions targets in the first quarter. 25.9% of direct procurement spend was with suppliers who have committed to emissions reductions validated by the Science-Based Targets initiative (SBTi), and 27.0% of total procurement spend was with suppliers that have committed to SBTi or an alternative ambitious climate target validated by Metso.

Research, development and partnerships. During the quarter Metso announced a EUR 8 million investment to build a state-of-the-art DRI (direct reduced iron) smelting furnace pilot facility in Pori, Finland, that will allow comprehensive customer-specific emissions-free smelting testing. In addition, Metso signed a frame agreement with Ma'aden and Thyssenkrupp Uhde for the development and licensing of a phosphogypsum recycling solution for a calcination plant in Saudi Arabia, that will also include technologies for CO_2 capture, and a technical partnership frame agreement with EV Metals Group plc., for a lithium chemicals plant to be built in Saudi Arabia.

Capital expenditure and investments

Gross capital expenditure, excluding right-of-use assets, was EUR 34 million in January–March 2024 (EUR 32 million). This consisted of various small investments at manufacturing sites as well as new service centers.

Research and development

Research and development (R&D) expenses and investments were EUR 27 million, or 2.2% of sales, in January–March 2024 (EUR 19 million, or 1.4% of sales). Battery minerals play a significant role in the current R&D and customer raw material test work.

Personnel

Metso had 17,121 (17,015) employees at the end of March 2024.

Personnel by area on March 31, 2024

	Share, %
Europe	33
North and Central America	13
South America	27
Asia Pacific and Greater China	13
Africa, Middle East and India	14
Total	100

Shares and share trading

Metso has a total of 828,972,440 shares and its share capital is EUR 107,186,442.52. On March 20, 2024, a total of 984,288 treasury shares were conveyed to participants of the company's long-term incentive plans. Treasury shares totaled 1,659,961 at the end of March.

Share performance on Nasdaq Helsinki

EUR	January 1–March 31, 2024
Closing price	11.01
Highest share price	11.08
Lowest share price	8.81
Volume-weighted average trading price	9.78

Other main events between January 1 and March 31, 2024

Conveyance of own shares based on the long-term incentive plans

On March 20, 2024, a total of 984,288 treasury shares were conveyed without consideration to 144 key persons and executives from the Performance Share Plan 2021–2023. The Board of Directors had decided on the conveyance on February 15, and the directed share issue was based on an authorization given by the Annual General Meeting 2023.

Annual report 2023

On March 20, 2024, Metso published its Annual Report for 2023. The report consists of five sections: Business Overview, Financial Review, Corporate Governance Statement, Remuneration Report and GRI Supplement.

Largest service center opened in Australia

On March 21, 2024, Metso opened its largest service center globally in Karratha, Western Australia. The center supports the growing demand of customers' needs, delivering more sustainable, state-of-the-art services. Located in Pilbara, a region which is a very significant supplier of iron ore and lithium in the world. The center serves mining and aggregates customers with comprehensive maintenance and repair solutions.

Frame agreement for major copper smelter delivery

After the reporting period, on April 2, 2024, Metso and JSC Almalyk Mining and Metallurgical company (Almalyk MMC) signed a frame agreement for significant process technology deliveries for Almalyk MMC's new copper smelter investment in Uzbekistan. Equipment package contracts under the framework agreement will be booked once they have been signed and become effective.

Short-term business risks and market uncertainties

The uncertainty in the global markets may affect Metso's market environment. While easing of the prevailing tight monetary policy by central banks is expected, as inflation has moderated, macroeconomic risks continue to pose uncertainty on global economic growth, causing challenges both for Metso's customers and suppliers. High financing costs risk having a negative impact on customers' capex decision-making. There are also other market and customer-related risks that could cause on-going projects to be postponed, delayed, discontinued or terminated.

Continued geopolitical uncertainties also impact the company's global supply chains and may affect the ability to deliver on time and/or on budget. The financial position of suppliers may be at risk, due to working capital requirements and increased funding costs, which could also lead to challenges with on-time deliveries. If suppliers are unable to deliver and the company is unable to find alternative sources in the time required, it may lead to contractual penalties and/or obligations.

Uncertain market conditions could adversely affect our customers' payment behavior and increase the risk of lawsuits, claims and disputes taken against Metso in various countries related to, among other things, Metso's products, projects and other operations.

Even though currency exposure of firm delivery and purchase agreements is hedged, exchange rate fluctuations may impact the company's financial position.

Information security and cyber threats could disturb or disrupt Metso's businesses and operations.

In discontinued operations, the company has a risk related to the UK waste-to-energy projects from 2015, where, in addition to delayed delivery and non-performance claims, the customer is claiming fraudulent misrepresentation and deliberate breach in its claims and lawsuits. Metso has assessed that it can protect itself against these claims and lawsuits. Even though provisions have been made against these risks, the possibility of additional liabilities materializing cannot be excluded.

Disputes related to delivery execution and resulting in extra costs and/or penalties are a risk for Metso. In contracts related to the delivery of major projects, the liquidated damages attributable to, for instance, delayed delivery or non-performance may be significant. Even though provisions are provided for in accordance with accounting principles, the possibility of additional liabilities materializing cannot be excluded.

Metso is involved in some disputes that may lead to or are in litigation and arbitration. Differing interpretations of international contracts and laws may cause uncertainties in estimating the outcome of these disputes. The enforceability of contracts in certain market areas may be challenging or difficult to foresee.

Market outlook

Metso expects that the market activity in both Minerals and Aggregates will remain at the current level.

In its previously published outlook, Metso expected that the market activity in Minerals will remain at the current level, while the activity in Aggregates was expected to improve.

According to the company's disclosure policy, Metso's market outlook describes the expected sequential development of market activity during the following six-month period using three categories: improve, remain at the current level, or decline.

Helsinki, April 25, 2024

Metso Corporation's Board of Directors

Metso Interim Report January 1–March 31, 2024: Tables

Consolidated statement of income, IFRS

Figures comprise continuing operations; the comparison period for year 2023 has been restated accordingly.

EUR million	1–3/2024	1–3/2023	1–12/2023
Sales	1,217	1,334	5,390
Cost of sales	-800	-918	-3,687
Gross profit	417	416	1,703
Selling and marketing expenses	-104	-108	-438
Administrative expenses	-94	-91	-372
Research and development expenses	-24	-15	-66
Other operating income and expenses, net	-8	-8	-25
Share of results of associated companies	–	0	0
Operating profit	188	193	805
Finance income	6	4	17
Foreign exchange gains/losses	3	9	4
Finance expenses	-30	-24	-101
Finance income and expenses, net	-22	-12	-80
Profit before taxes	165	182	724
Income taxes	-41	-45	-187
Profit for the period from continuing operations	124	137	537
Profit from discontinued operations	-3	-3	8
Profit for the period	121	134	546
Profit attributable to			
Shareholders of the Parent company	121	135	543
Non-controlling interests	0	-1	2
Profit from continuing operations attributable to			
Shareholders of the Parent company	124	138	535
Non-controlling interests	0	-1	2
Profit from discontinued operations attributable to			
Parent company shareholders	-3	-3	8
Non-controlling interest	0	0	0
Earnings per share, EUR	0.15	0.16	0.66
Earnings per share, diluted, EUR	0.15	0.16	0.66
Earnings per share, continuing operations, EUR	0.15	0.17	0.65
Earnings per share, discontinued operations, EUR	0.00	-0.01	0.01

More information under "Key figures, IFRS".

Metso has classified two of its businesses as discontinued operations starting from September 30, 2023. Consequently, the figures related to the consolidated statement of income are presented separately from the continuing operations, and figures for 2023 comparison period have been restated accordingly. More information is disclosed under Note 10. Discontinued operations.

Consolidated statement of comprehensive income, IFRS

Figures comprise continuing operations; the comparison period for year 2023 has been restated accordingly.

EUR million	**1–3/2024**	1–3/2023	1–12/2023
Profit for the period	121	134	546
Other comprehensive income			
Cash flow hedges, net of tax	3	1	-2
Currency translation on subsidiary net investment	-5	-12	-27
Items that may be reclassified to profit or loss in subsequent periods	-2	-11	-29
Defined benefit plan actuarial gains and losses, net of tax	–	0	-4
Items that will not be reclassified to profit or loss	–	0	-4
Other comprehensive income	-2	-10	-33
Total comprehensive income	119	124	513
Total comprehensive income attributable to			
Parent company shareholders	119	125	510
Non-controlling interest	0	-1	2
Total comprehensive income attributable to, continuing operations			
Parent company shareholders	122	128	502
Non-controlling interest	0	-1	2
Total comprehensive income attributable to, discontinued operations			
Parent company shareholders	-3	-3	8
Non-controlling interest	0	0	0

Consolidated balance sheet – Assets, IFRS

EUR million	Mar 31, 2024	Mar 31, 2023	Dec 31, 2023
Non-current assets			
Goodwill and intangible assets			
Goodwill	1,094	1,126	1,097
Other intangible assets	781	831	790
Total goodwill and intangible assets	1,875	1,957	1,886
Property, plant and equipment			
Land and water areas	39	40	39
Buildings and structures	132	115	131
Machinery and equipment	209	192	211
Assets under construction	104	72	91
Total property, plant and equipment	484	419	472
Right-of-use assets	109	117	114
Other non-current assets			
Investments in associated companies	3	6	3
Non-current financial assets	2	2	2
Derivative financial instruments	7	2	10
Deferred tax assets	239	232	234
Other non-current receivables	22	20	22
Total other non-current assets	273	263	271
Total non-current assets	2,741	2,757	2,744
Current assets			
Inventories	1,962	1,960	1,951
Trade receivables	822	751	855
Customer contract assets	244	399	308
Loan receivables	2	4	6
Derivative financial instruments	22	72	36
Income tax receivables	76	66	107
Other current receivables	254	295	273
Liquid funds	680	531	638
Total current assets	4,063	4,077	4,175
Assets held for sale	237	–	238
TOTAL ASSETS	7,041	6,834	7,156

Metso has classified two of its businesses as discontinued operations starting from September 30, 2023. The assets and liabilities held for sale have been transferred to separate lines in the consolidated balance sheet on March 31, 2024, and December 31, 2023. The comparative figures for March 31, 2023, related to the consolidated balance sheet have not been restated. More information is disclosed under Note 10. Discontinued operations.

Consolidated balance sheet – Equity and liabilities, IFRS

EUR million	Mar 31, 2024	Mar 31, 2023	Dec 31, 2023
Equity			
Share capital	107	107	107
Share premium fund	20	20	20
Cumulative translation adjustments	-182	-162	-177
Fair value and other reserves	1,138	1,126	1,131
Retained earnings	1,648	1,377	1,527
Equity attributable to shareholders	2,731	2,469	2,608
Non-controlling interests	10	6	10
Total equity	2,741	2,475	2,618
Liabilities			
Non-current liabilities			
Borrowings	1,123	1,002	1,167
Lease liabilities	83	89	86
Post-employment benefit obligations	96	95	90
Provisions	67	63	63
Derivative financial instruments	19	30	18
Deferred tax liability	180	199	182
Other non-current liabilities	7	2	7
Total non-current liabilities	1,574	1,481	1,614
Current liabilities			
Borrowings	271	85	243
Lease liabilities	31	31	32
Trade payables	648	765	675
Provisions	230	258	235
Advances received	323	304	325
Customer contract liabilities	217	427	322
Derivative financial instruments	24	42	28
Income tax liabilities	149	148	186
Other current liabilities	698	817	711
Total current liabilities	2,591	2,878	2,756
Liabilities held for sale	136	–	169
TOTAL EQUITY AND LIABILITIES	7,041	6,834	7,156

Metso has classified two of its businesses as discontinued operations starting from September 30, 2023. The assets and liabilities held for sale have been transferred to separate lines in the consolidated balance sheet on March 31, 2024, and December 31, 2023. The comparative figures for March 31, 2023, related to the consolidated balance sheet have not been restated. More information is disclosed under Note 10. Discontinued operations.

Consolidated statement of changes in shareholders' equity, IFRS

EUR million	Share capital	Share premium fund	Cumulative translation adjustments	Fair value and other reserves	Retained earnings	Equity attributable to shareholders	Non-controlling interests	Total equity
Jan 1, 2024	107	20	-177	1,131	1,527	2,608	10	2,618
Profit for the period	–	–	–	–	121	121	0	121
Other comprehensive income								
Cash flow hedges, net of tax	–	–	–	3	–	3	–	3
Currency translation on subsidiary net investments	–	–	-5	–	–	-5	–	-5
Total comprehensive income	–	–	-5	3	121	119	0	119
Share-based payments, net of tax	–	–	–	3	–	3	–	3
Other items	–	–	–	–	1	1	0	1
Mar 31, 2024	107	20	-182	1,138	1,648	2,731	10	2,741

EUR million	Share capital	Share premium fund	Cumulative translation adjustments	Fair value and other reserves	Retained earnings	Equity attributable to shareholders	Non-controlling interests	Total equity
Jan 1, 2023	107	20	-150	1,122	1,243	2,342	7	2,350
Profit for the period	–	–	–	–	135	135	-1	134
Other comprehensive income								
Cash flow hedges, net of tax	–	–	–	1	–	1	–	1
Currency translation on subsidiary net investments	–	–	-12	–	–	-12	–	-12
Defined benefit plan actuarial gains (+) / losses (-), net of tax	–	–	–	–	0	0	–	0
Total comprehensive income	–	–	-12	1	135	125	-1	124
Share-based payments, net of tax	–	–	–	3	–	3	–	3
Other items	–	–	–	–	-1	-1	0	-1
Mar 31, 2023	107	20	-162	1,126	1,377	2,469	6	2,475

Condensed consolidated statement of cash flow, IFRS

EUR million	**1–3/2024**	1–3/2023	1–12/2023
Operating activities			
Profit for the period	121	134	546
Adjustments:			
Depreciation and amortization	42	39	158
Financial expenses, net	22	12	80
Income taxes	43	45	199
Other items	-6	7	15
Change in net working capital	-64	-127	-449
Net cash flow from operating activities before financial items and taxes	158	110	550
Financial income and expenses paid, net	-5	8	-17
Income taxes paid	-57	-59	-231
Net cash flow from operating activities	96	60	302
Investing activities			
Capital expenditures on non-current assets	-34	-32	-170
Proceeds from sale of non-current assets	4	6	16
Business acquisitions, net of cash acquired	–	–	-28
Cash received from liquidation of associated companies	–	–	4
Change in loan receivables, net	–	-1	0
Net cash flow from investing activities	-29	-27	-178
Financing activities			
Dividends paid	0	0	-248
Proceeds from and repayments of non-current debt, net	–	0	347
Proceeds from and repayment of current debt, net	-14	-90	-139
Repayment of lease liabilities	-9	-9	-37
Net cash flow from financing activities	-23	-99	-76
Net change in liquid funds	44	-66	47
Effect from changes in exchange rates	-2	-4	-10
Liquid funds at beginning of period	638	601	601
Liquid funds at end of period	680	531	638

Key figures, IFRS

EUR million	Mar 31, 2024	Mar 31, 2023	Dec 31, 2023
Profit for the period from continuing operations	124	137	537
Earnings per share from continuing operations, EUR	0.15	0.17	0.65
Profit for the period from discontinued operations	-3	-3	8
Earnings per share from discontinued operations, EUR	0.00	-0.01	0.01
Profit for the period	121	134	546
Earnings per share, EUR	0.15	0.16	0.66
Equity/share at end of period, EUR	3.31	2.99	3.16
Total number of shares at end of period (thousands)	828,972	828,972	828,972
Own shares held by Parent Company (thousands)	1,660	2,644	2,644
Number of outstanding shares at end of period (thousands)	827,312	826,328	826,328
Average number of outstanding shares (thousands)	826,447	825,874	826,216

EUR million	Mar 31, 2024	Mar 31, 2023	Dec 31, 2023
Net debt	825	673	884
Gearing, %	30.1%	27.2%	33.8%
Equity-to-asset ratio, %	42.2%	40.6%	40.2%
Debt to capital, %	33.7%	30.5%	35.0%
Debt to equity, %	50.9%	43.9%	53.9%
Net working capital (NWC)	1,027	709	990
Net debt and gearing			
Borrowings	1,394	1,087	1,410
Lease liabilities	113	121	118
Gross debt	1,508	1,208	1,528
Loan receivables	2	4	6
Liquid funds	680	531	638
Net debt	825	673	884
Gearing	30.1%	27.2%	33.8%

Formulas for key figures

Earnings before financial expenses, net, taxes, and amortization, adjusted (adjusted EBITA)	=	Operating profit + adjustment items + amortization	
Earnings per share, basic	=	$\frac{\text{Profit attributable to shareholders}}{\text{Average number of outstanding shares during the period}}$	
Earnings per share, diluted	=	$\frac{\text{Profit attributable to shareholders}}{\text{Average number of diluted shares during the period}}$	
Equity/share	=	$\frac{\text{Equity attributable to shareholders}}{\text{Number of outstanding shares at the end of the period}}$	
Gearing, %	=	$\frac{\text{Net interest-bearing liabilities}}{\text{Total equity}}$	x 100
Debt to capital, %	=	$\frac{\text{Interest-bearing liabilities - lease liabilities}}{\text{Total equity + interest-bearing liabilities - lease liabilities}}$	x 100
Debt to equity, %	=	$\frac{\text{Interest-bearing liabilities - lease liabilities}}{\text{Total equity}}$	x 100
Equity-to-asset ratio, %		$\frac{\text{Total equity}}{\text{Balance sheet total - advances received}}$	x 100
Interest-bearing liabilities (Gross debt)	=	Interest-bearing liabilities, non-current and current + lease liabilities, non-current and current	
Net interest-bearing liabilities (Net debt)	=	Interest-bearing liabilities - non-current financial assets - loan and other interest-bearing receivables (current and non-current) - liquid funds	
Net working capital (NWC)	=	Inventories + trade receivables + other non-interest-bearing receivables + customer contract assets and liabilities, net - trade payables - advances received - other non-interest-bearing liabilities	

Alternative performance measures

Metso presents certain key figures (alternative performance measures) as additional information to the financial measures presented in the consolidated statements of comprehensive income and the consolidated balance sheet and cash flows prepared in accordance with IFRS. In Metso's view, alternative performance measures provide meaningful supplemental information on its operational results, financial position and cash flows and are widely used by analysts, investors and other parties.

To improve the comparability between periods, Metso presents adjusted EBITA, being earnings before interest, tax, and amortization, adjusted by capacity adjustment costs, acquisition costs, gains and losses on business disposals, as well as Metso transaction and integration costs. Their nature and net effect on cost of goods sold, selling, general and administrative expenses, as well as other income and expenses are presented in the segment information. Net debt, gearing, equity-to-asset ratio, debt-to-capital ratio, and debt-to-equity ratio are presented as complementing measures because, in Metso's view, they are useful measures of Metso's ability to obtain financing and to service its debts. Net working capital provides additional information concerning the cash flow needs of Metso's operations.

Alternative performance measures should not be viewed in isolation or as a substitute to the IFRS financial measures. All companies do not calculate alternative performance measures in a uniform manner, and therefore Metso's alternative performance measures may not be comparable with similarly named measures presented by other companies.

Notes to the Interim Report

Contents

1. Basis of preparation

This Interim Report has been prepared in accordance with IAS 34 'Interim Financial Reporting', applying the accounting policies of Metso, which are consistent with the accounting policies of Metso Financial Statements 2023. New accounting standards have been adopted, as described in Note 2. This Interim Report is unaudited.

All figures presented have been rounded; consequently, the sum of individual figures might differ from the presented total figures.

On March 29, 2023, Metso announced its decision to initiate the divestment of the Metals & Chemical Processing and Ferrous & Heat Transfer businesses. Starting from September 30, 2023, these businesses have been classified as discontinued operations. Consequently, both the 2024 figures as well as comparative figures for 2023 related to the consolidated statement of income are presented separately from the continuing operations. The assets and liabilities held for sale have been transferred to separate lines in the consolidated balance sheet. The comparative figures for June 30, 2023, and March 31, 2023, related to the consolidated balance sheet have not been restated. More information is disclosed under Note 10. Discontinued operations.

In 2022, the balance sheet classification of the Waste-to-energy business was changed, and the assets and liabilities directly attributable to it have been classified as part of continuing operations. Due to the change in classification, depreciation of fixed assets and right-of-use assets continues, and the cumulative effect of depreciation has been recorded in the balance sheet of continuing operations through the income statement. All the income statement items related to the Waste-to-energy business continue to be adjusted to show the discontinued operations separately from continuing operations.

Reporting segments

Metso Group is a global supplier of sustainable technologies, end-to-end solutions, and services for the minerals processing and aggregates industries. Metso has a broad offering in terms of equipment, solutions and various types of aftermarket services. Reportable segments of Metso are based on end-customer groups, which are differentiated both by offering and business model.

On September 30, 2023, Metso updated its segment reporting by moving its two businesses currently under divestment (Metals & Chemical Processing and Ferrous & Heat Transfer), both of which have been reported under the Metals segment, into discontinued operations, and transferring the Smelting business to the Minerals segment. As a result, and in line with the Group's strategy, Metso's segment reporting consists of two segments: Aggregates and Minerals. Metso's restated segment information based on the new reporting structure for the financial year 2022 and for January–June 2023 was published on October 2, 2023.

The segments are reported in a manner consistent with the internal reporting provided to the Board of Directors, Metso's chief operating decision-maker with responsibility for allocating resources and assessing the performance of the segments, deciding on strategy, selecting key employees, as well as deciding on major development projects, business acquisitions, investments, organizational structure, and financing. The accounting principles applied to the segment reporting are the same as those used in preparing the consolidated financial statements.

Aggregates offers a wide range of equipment, aftermarket parts, and services for quarries, aggregates contractors and construction companies. Minerals supplies a wide portfolio of process solutions, equipment, and aftermarket services, as well as plant delivery capability for minerals operations. The Group Head Office and other is comprised of the Parent Company with centralized Group functions, such as treasury, tax, legal and compliance, as well as global business service centers and holding companies.

Segment performance is measured with operating profit/loss (EBIT). In addition, Metso uses alternative performance measures to reflect the underlying business performance and to improve comparability between financial periods: earnings before interest, tax and amortization (EBITA), and adjusted net working capital. Alternative performance measures, however, should not be considered as a substitute for measures of performance in accordance with the IFRS.

2. New accounting standards

Metso has applied the IFRS revisions that have been effective since January 1, 2024. These amendments have not had a material impact on the reported figures.

3. Disaggregation of sales

SALES BY SEGMENT

EUR million	1–3/2024	1–3/2023	1–12/2023
Aggregates	303	363	1,346
Minerals	914	970	4,044
Sales, continuing operations	**1,217**	**1,334**	**5,390**

SALES BY SEGMENT

EUR million	1–3/2024	1–3/2023	1–12/2023
Sales of services	**727**	**689**	**2,891**
Aggregates	108	114	434
Minerals	619	575	2,458
Sales of projects, equipment and goods	**489**	**645**	**2,499**
Aggregates	194	249	913
Minerals	295	395	1,586
Sales, continuing operations	**1,217**	**1,334**	**5,390**

EXTERNAL SALES BY TIMING OF REVENUE RECOGNITION

EUR million	1–3/2024	1–3/2023	1–12/2023
At a point in time	946	1,043	4,306
Over time	271	290	1,084
Sales, continuing operations	**1,217**	**1,334**	**5,390**

EXTERNAL SALES BY DESTINATION

EUR million	1–3/2024	1–3/2023	1–12/2023
Europe	223	280	1,061
North and Central America	283	349	1,260
South America	280	269	1,142
APAC	247	268	1,086
Africa, Middle East and India	184	167	840
Sales, continuing operations	**1,217**	**1,334**	**5,390**

4. Financial risk management

As a global company, Metso is exposed to a variety of business and financial risks. Financial risks are managed centrally by Group Treasury under annually reviewed written policies approved by the Board of Directors. Treasury operations are monitored by the Treasury Management Team chaired by the CFO. Group Treasury identifies, evaluates and hedges financial risks in close cooperation with the operating units. Group Treasury functions as a counterparty to the operating units, centrally manages external funding, and is responsible for the management of financial assets and appropriate hedging measures. The objective of financial risk management is to minimize potential adverse effects on Metso's financial performance.

Liquidity and refinancing risk, capital structure management

Liquidity or refinancing risk arises when a company is not able to arrange funding on terms and conditions corresponding to its creditworthiness. Sufficient cash, short-term investments, and committed and uncommitted credit facilities are maintained to protect short-term liquidity. Diversification of funding among different markets and an adequate number of financial institutions is used to safeguard liquidity. Group Treasury monitors bank account structures, cash balances and forecasts of the operating units, and manages the utilization of the consolidated cash resources.

The liquidity position of Metso remained good, supported by the healthy operative cash flow, maturity structure of the funding, and available credit facilities. As of March 31, 2024, liquid funds, consisting of cash and cash equivalents, amounted to EUR 680 million (EUR 638 million on December 31, 2023) and there were no deposits or securities with a maturity of more than three months (EUR 0 million on December 31, 2023).

In addition, Metso has a committed syndicated revolving credit facility of EUR 600 million with a maturity in 2026. The facility includes sustainability performance targets impacting the cost of borrowing. At the end of the reporting period, the facility was undrawn. The company also has a EUR 600 million Finnish commercial paper program, which was not utilized at the end of March.

Metso has a Euro Medium Term Note Program (EMTN) of EUR 2 billion, under which EUR 1,078 million at carrying value was outstanding at the end of March (EUR 1,081 million on December 31, 2023). EUR 197 million is due in June as part of a bond maturity. This repayment is funded by proceeds from a EUR 300 million Sustainability Linked bond issued in November 2023. On March 31, 2024, the average interest rate of total loans and derivatives was 4.2%. The duration of total interest-bearing debt was 1.6 years and the average maturity 3.7 years.

Capital structure management in Metso comprises both equity and interest-bearing debt. As of March 31, 2024, the equity attributable to shareholders was EUR 2,731 million (EUR 2,608 million on December 31, 2023), and the amount of interest-bearing debt, excluding lease liabilities, was EUR 1,394 million (EUR 1,410 million on December 31, 2023).

One of Metso's key financial targets is to maintain an investment-grade credit rating. Metso has a ‘BBB’ long-term issuer credit rating with stable outlook from S&P Global Ratings and a ‘Baa2’ long-term issuer rating with stable outlook from Moody’s Investor Service.

There are no prepayment covenants in Metso’s financial contracts that would be triggered by changes in the credit rating. Covenants included in some financing agreements would only become valid if Metso's credit rating was below investment-grade, and the covenants would be related to Metso’s capital structure. Metso is in compliance with all covenants and other terms of its debt instruments.

5. Fair value estimation

For those financial assets and liabilities that have been recognized at fair value in the balance sheet, the following measurement hierarchy and valuation methods have been applied:

Level 1 — Unadjusted quoted prices in active markets at the balance sheet date. The market prices are readily and regularly available from an exchange, dealer, broker, market information service system, pricing service or regulatory agency. The quoted market price used for financial assets is the current bid price. Level 1 financial instruments include fund investments classified as fair value through profit and loss.

Level 2 — The fair value of financial instruments in Level 2 is determined using valuation techniques. These techniques utilize observable market data readily and regularly available from an exchange, dealer, broker, market information service system, pricing service or regulatory agency. Level 2 financial instruments include:

- Over-the-counter derivatives classified as financial assets/liabilities at fair value through profit and loss or qualified for hedge accounting

- Debt securities classified as financial instruments at fair value through profit and loss
- Fixed-rate debt under fair value hedge accounting

Level 3 A financial instrument is categorized into Level 3 if the calculation of the fair value cannot be based on observable market data. There were no such instruments on March 31, 2024, or on December 31, 2023.

The next table presents financial assets and liabilities that are measured at fair value. There have been no transfers between fair value levels during the presented period.

	Mar 31, 2024		
EUR million	Level 1	Level 2	Level 3
Assets			
Financial assets at fair value through profit and loss			
Derivatives not under hedge accounting	–	14	–
Financial assets at fair value through other comprehensive income			
Derivatives under hedge accounting	–	16	–
Total	–	29	–
Liabilities			
Financial liabilities at fair value through profit and loss			
Derivatives not under hedge accounting	–	16	–
Financial liabilities at fair value through other comprehensive income			
Derivatives under hedge accounting	–	27	–
Total	–	43	–

	Dec 31, 2023		
EUR million	Level 1	Level 2	Level 3
Assets			
Financial assets at fair value through profit and loss			
Derivatives not under hedge accounting	–	33	–
Financial assets at fair value through other comprehensive income			
Derivatives under hedge accounting	–	12	–
Total	–	46	–
Liabilities			
Financial liabilities at fair value through profit and loss			
Derivatives not under hedge accounting	–	36	–
Financial liabilities at fair value through other comprehensive income			
Derivatives under hedge accounting	–	9	–
Total	–	45	–

The carrying value of financial assets and liabilities other than those presented in this fair value level hierarchy table approximates their fair value. Fair values of other debt are calculated as net present values.

6. Notional amounts of derivative instruments

EUR million	**Mar 31, 2024**	Mar 31, 2023	Dec 31, 2023
Forward exchange rate contracts	3,175	3,831	3,269
Interest-rate swaps	605	425	605

7. Contingent liabilities and commitments

EUR million	**Mar 31, 2024**	Mar 31, 2023	Dec 31, 2023
Guarantees			
External guarantees given by Parent and Group companies	1,516	1,643	1,608
Other commitments			
Other contingencies	0	1	0
Total	1,516	1,644	1,608

8. Acquisitions

Acquisitions 2024

There have been no business acquisitions in 2024.

Acquisitions 2023

Metso completed the acquisition of Ab A. Häggblom Oy, a Finnish engineering and manufacturing company, on August 1, 2023, by acquiring 100% of the company's shares. The acquisition broadens Metso's offering in mining truck bodies and buckets and strengthens its position in the aftermarket. The acquired business was consolidated into the Minerals segment. Häggblom's sales in 2022 were approximately EUR 25 million. The company employs about 100 people.

Metso completed the acquisition of Brouwer Engineering Ltd on August 1, 2023, by acquiring 100% of the company's shares. Brouwer is an Australian company specialized in automation, control systems, and electrical solutions for bulk material handling solutions. The acquired business was consolidated into the Minerals segment. Brouwer's sales in the financial year that ended in June 2023 were approximately EUR 8 million. The company employs about 30 people.

Metso completed the acquisition of Tedd Engineering Ltd on November 1, 2023, by acquiring 100% of the company's shares. Tedd Engineering employs approximately 70 employees and is based in Chesterfield, UK. The company is specialized in automation, control systems, and electrical solutions for mobile equipment and aftermarket, primarily focusing on the aggregates business. The acquired business was consolidated into the Aggregates segment. The company's sales in the financial year that ended in June 2023 were approximately EUR 17 million.

9. Business disposals

There have been no business disposals during 2024 and no business disposals took place in 2023.

10. Discontinued operations

On March 29, 2023, Metso announced its decision to initiate the divestment of the Metals & Chemical Processing and Ferrous & Heat Transfer businesses. These businesses have been reported under the Metals segment. Starting from September 30, 2023, these businesses have been classified as discontinued operations, including the transfer of assets and liabilities held for sale on separate lines in the consolidated balance sheet. The comparative figures in the consolidated balance sheet on March 31, 2023, and on June 30, 2023, have not been restated. The figures in the consolidated statement of income have been adjusted to show the discontinued operations separately from continuing operations. In addition to the previously mentioned businesses, the result of discontinued operations includes the income statement items related to the Waste-to-energy business, which was already classified as a discontinued operation.

The result from discontinued operations was EUR -3 million for January 1–March 31, 2024 (EUR -3 million for January 1–March 31, 2023). Assets held for sale totaled EUR 237 million and liabilities EUR 136 million on March 31, 2024.

EUR million	1–3/2024 Continuing operations	 Discontinued operations	 **Metso total**
Sales	1,217	66	1,282
Cost of sales	-800	-48	-848
Gross profit	417	18	434
Selling and marketing expenses	-104	-10	-113
Administrative expenses	-94	-2	-97
Research and development expenses	-24	-2	-26
Other operating income and expenses, net	-8	-5	-12
Operating profit	188	-1	186
Finance income and expenses, net	-22	–	-22
Profit before taxes	165	-1	164
Income taxes	-41	-2	-43
Profit for the period	124	-3	121
Profit attributable to			
Shareholders of the Parent Company	124	-3	121
Non-controlling interests	0	0	0
Earnings per share, EUR	0.15	0.00	0.15

EUR million	Mar 31, 2024 Continuing operations	 Discontinued operations	 **Metso total**
Non-current assets	2,741	97	2,838
Inventories	1,962	51	2,013
Trade and other receivables	1,421	89	1,510
Liquid funds	680	–	680
Assets total	6,804	237	7,041
Non-current liabilities	1,574	25	1,599
Short-term liabilities	2,591	111	2,701
Liabilities total	4,164	136	4,300

EUR million	1–3/2023 Continuing operations	 Discontinued operations	 **Metso total**
Sales	1,334	91	1,425
Cost of sales	-918	-84	-1,002
Gross profit	416	7	423
Selling and marketing expenses	-108	-4	-112
Administrative expenses	-91	-3	-94
Research and development expenses	-15	-2	-18
Other operating income and expenses, net	-8	0	-8
Share of results of associated companies	0	0	0
Operating profit	193	-2	191
Finance income and expenses, net	-12	0	-12
Profit before taxes	182	-2	180
Income taxes	-45	-1	-45
Profit for the period	137	-3	134
Profit attributable to			
Shareholders of the Parent Company	138	-3	135
Non-controlling interests	-1	0	-1
Earnings per share, EUR	0.17	-0.01	0.16

11. Segment information, IFRS

The Smelting business has been transferred to the Minerals segment. In addition, the Metals & Chemical Processing and the Ferrous & Heat Transfer businesses have been classified as discontinued operations; their figures are not included in the segment figures below.

ORDERS RECEIVED

EUR million	1–3/2024	1–3/2023	1–12/2023
Aggregates	365	379	1,274
Minerals	997	1,107	3,978
Metso total, continuing operations	1,361	1,485	5,252

ORDERS RECEIVED BY SERVICES BUSINESS

EUR million	1–3/2024	1–3/2023	1–12/2023
Aggregates	120	119	442
% of orders received	32.8	31.3	34.7
Minerals	696	736	2,513
% of orders received	69.8	66.5	63.2
Metso total, continuing operations	815	855	2,955
% of orders received	59.9	57.5	56.3

SALES

EUR million	1–3/2024	1–3/2023	1–12/2023
Aggregates	303	363	1,346
Minerals	914	970	4,044
Metso total, continuing operations	1,217	1,334	5,390

SALES BY SERVICES BUSINESS

EUR million	1–3/2024	1–3/2023	1–12/2023
Aggregates	108	114	434
% of sales	35.8	31.4	32.2
Minerals	619	575	2,458
% of sales	67.7	59.2	60.8
Metso total, continuing operations	727	689	2,891
% of sales	59.8	51.7	53.6

ADJUSTED EBITA AND OPERATING PROFIT

EUR million, %	1–3/2024	1–3/2023	1–12/2023
Aggregates			
Adjusted EBITA	52	66	232
% of sales	17.0	18.1	17.2
Amortization of intangible assets	-4	-4	-15
Adjustment items	-1	0	-4
Operating profit	47	62	214
% of sales	15.5	17.0	15.9
Minerals			
Adjusted EBITA	160	170	707
% of sales	17.5	17.5	17.5
Amortization of intangible assets	-13	-11	-48
Adjustment items	-6	-3	-32
Operating profit	141	156	627
% of sales	15.4	16.0	15.5
Group Head Office and other			
Adjusted EBITA	-11	-24	-52
Amortization of intangible assets	-1	0	-2
Adjustment items	11	1	17
Operating profit	0	-24	-36
Metso total, continuing operations			
Adjusted EBITA	200	211	887
% of sales	16.5	15.8	16.5
Amortization of intangible assets	-17	-16	-65
Adjustment items	4	-2	-18
Operating profit	188	193	805
% of sales	15.4	14.5	14.9

ADJUSTMENT ITEMS BY CATEGORY

EUR million	1–3/2024	1–3/2023	1–12/2023
Capacity adjustment costs	-4	-2	-27
Acquisition costs	0	–	-2
Profits on disposals, net	0	–	1
Wind-down of Russian business	8	–	9
Adjustment items, total	4	-2	-18

Quarterly segment information, IFRS

ORDERS RECEIVED

EUR million	**1–3/2024**	10–12/2023	7–9/2023	4–6/2023	1–3/2023
Aggregates	365	297	269	330	379
Minerals	997	935	922	1,014	1,107
Metso total, continuing operations	1,361	1,232	1,191	1,344	1,485

SALES

EUR million	**1–3/2024**	10–12/2023	7–9/2023	4–6/2023	1–3/2023
Aggregates	303	289	308	386	363
Minerals	914	1,052	1,011	1,010	970
Metso total, continuing operations	1,217	1,342	1,319	1,396	1,334

Adjusted EBITA

EUR million	**1–3/2024**	10–12/2023	7–9/2023	4–6/2023	1–3/2023
Aggregates	52	47	53	66	66
Minerals	160	179	174	184	170
Group Head Office and other	-11	-1	-15	-11	-24
Metso total, continuing operations	200	225	213	238	211

Adjusted EBITA, % OF SALES

%	**1–3/2024**	10–12/2023	7–9/2023	4–6/2023	1–3/2023
Aggregates	17.0	16.2	17.3	17.0	18.1
Minerals	17.5	17.0	17.2	18.2	17.5
Group Head Office and other	n/a	n/a	n/a	n/a	n/a
Metso total, continuing operations	16.5	16.8	16.1	17.1	15.8

AMORTIZATION OF INTANGIBLE ASSETS

EUR million	**1–3/2024**	10–12/2023	7–9/2023	4–6/2023	1–3/2023
Aggregates	-4	-4	-4	-4	-4
Minerals	-13	-13	-12	-12	-11
Group Head Office and other	-1	0	0	0	0
Metso total, continuing operations	-17	-17	-16	-16	-16

ADJUSTMENT ITEMS

EUR million	1–3/2024	10–12/2023	7–9/2023	4–6/2023	1–3/2023
Aggregates	-1	-3	0	0	0
Minerals	-6	-23	-2	-4	-3
Group Head Office and other	11	18	-6	4	1
Metso total, continuing operations	4	-8	-8	0	-2

OPERATING PROFIT

EUR million	1–3/2024	10–12/2023	7–9/2023	4–6/2023	1–3/2023
Aggregates	47	41	49	62	62
Minerals	141	143	160	168	156
Group Head Office and other	0	16	-21	-8	-24
Metso total, continuing operations	188	200	189	222	193

OPERATING PROFIT, % OF SALES

%	1–3/2024	10–12/2023	7–9/2023	4–6/2023	1–3/2023
Aggregates	15.5	14.0	16.1	16.0	17.0
Minerals	15.4	13.6	15.8	16.6	16.0
Group Head Office and other	n/a	n/a	n/a	n/a	n/a
Metso total, continuing operations	15.4	14.9	14.3	15.9	14.5

ORDER BACKLOG

EUR million	Mar 31, 2024	Dec 31, 2023	Sep 30, 2023	Jun 30, 2023	Mar 31, 2023
Aggregates	499	453	451	486	553
Minerals	2,499	2,498	2,728	2,825	2,844
Metso total, continuing operations	2,998	2,951	3,179	3,311	3,397
Discontinued operations	251	287	452	518	587
Metso total	3,249	3,238	3,632	3,829	3,984

12. Exchange rates

Currency		1–3/2024	1–3/2023	1–12/2023	Mar 31, 2024	Mar 31, 2023	Dec 31, 2023
USD	(US dollar)	1.0881	1.0748	1.0816	1.0811	1.0875	1.1050
SEK	(Swedish krona)	11.2761	11.2071	11.4563	11.5250	11.2805	11.0960
GBP	(Pound sterling)	0.8588	0.8810	0.8702	0.8551	0.8792	0.8691
CAD	(Canadian dollar)	1.4648	1.4540	1.4606	1.4672	1.4737	1.4642
BRL	(Brazilian real)	5.3863	5.5549	5.4128	5.4032	5.5158	5.3618
CNY	(Chinese yuan)	7.8083	7.3802	7.6589	7.8144	7.4763	7.8509
AUD	(Australian dollar)	1.6506	1.5799	1.6297	1.6607	1.6268	1.6263

It should be noted that certain statements herein which are not historical facts, including, without limitation, those regarding expectations for general economic development and the market situation, expectations for customer industry profitability and investment willingness, expectations for company growth, development and profitability and the realization of synergy benefits and cost savings, and statements preceded by “expects”, “estimates”, “forecasts” or similar expressions, are forward-looking statements. These statements are based on current decisions and plans and currently known factors. They involve risks and uncertainties that may cause the actual results to differ materially from the results currently expected by the company.

Such factors include, but are not limited to:

(1) general economic conditions, including fluctuations in exchange rates and interest levels which influence the operating environment and profitability of customers and thereby the orders received by the company and their margins,

(2) the competitive situation, especially significant technological solutions developed by competitors,

(3) the company’s own operating conditions, such as the success of production, product development and project management and their continuous development and improvement,

(4) the success of pending and future acquisitions and restructuring.

Metso's financial information in 2024

Half-Year Report for 2024 on July 24

Interim Report for January–September 2024 on October 24

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