

Metso is a leading process performance provider, with customers in the mining, construction, and oil & gas industries. Our focus is on the continuous development of intelligent solutions that improve sustainability and profitability. Metso's shares are listed on the NASDAQ OMX Helsinki Ltd. Metso employs around 16,000 professionals in 50 countries. Expect results.



Metso 2013



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How to read this report

This printed review about Metso's year in 2013 is published in Finnish and English. The Financial Statements are also available in printed format in the same languages. For the complete Annual Report, including the Financial Statements and the Sustainability Report, please see our online Annual Report at www.metso.com/2013. In this printed summary, we briefly discuss the past year, our strategic must-wins, sustainability at Metso and the key financial data. We also provide some insight into Metso's business through short segment reviews. The online Annual Report 2013 expands the focus on these topics.

The 'Key links' section contains additional sources and information about the topics presented in this review. Some links are presented as QR codes for camera-equipped mobile devices.



KEY LINKS

- www.metso.com
- www.metso.com/2013
- [www.twitter.com/metsogroup](https://twitter.com/metsogroup)
- www.linkedin.com/company/metso
- www.facebook.com/metsoworld
- www.youtube.com/metsoworld



Metso in brief

Metso is a leading process performance provider, with customers in the mining, construction, and oil & gas industries. Our focus is on the continuous development of intelligent solutions that improve sustainability and profitability. Metso's shares are listed on the NASDAQ OMX Helsinki Ltd. Metso employs around 16,000 professionals in over 50 countries. Expect results.

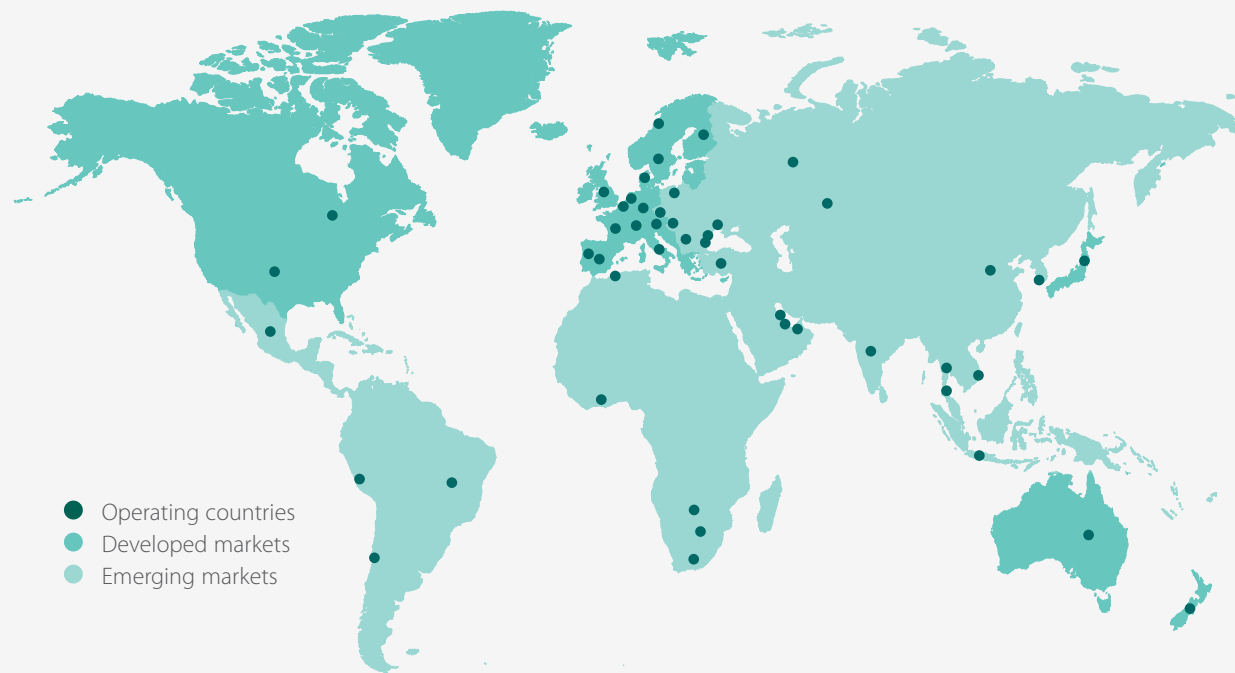
Global presence

North America

Net sales EUR **719** million
Personnel **2,740**

Europe

Net sales EUR **1,055** million
Personnel **6,277**



South and Central America

Net sales EUR **836** million
Personnel **3,020**

Africa and Middle East

Net sales EUR **348** million
Personnel **1,157**

Asia-Pacific

Net sales EUR **899** million
Personnel **3,231**

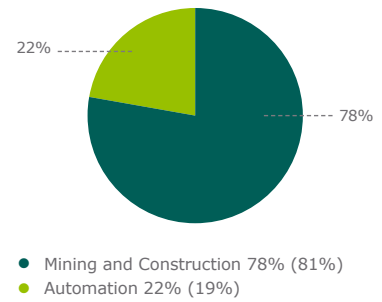


KEY LINKS

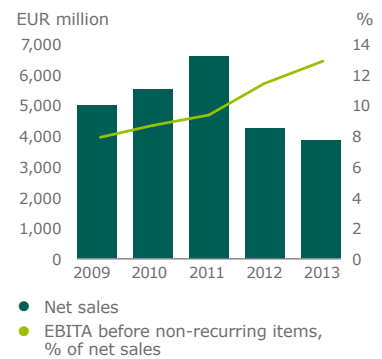
- www.metso.com/2013 > Global presence



Net sales by segment



Net sales and EBITA before non-recurring items



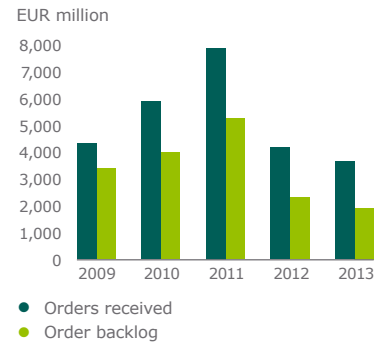
Key figures

EUR million	2012	2013	Change %
Net sales	4,282	3,858	-10
Services net sales	2,072	1,976	-5
Services, % of net sales	48	51	
Earnings before interest, tax and amortization (EBITA) and non recurring items	486	496	2
% of net sales	11.4	12.8	
Profit	256	238	-7
Earnings per share, EUR	1.71	1.59	-7
Dividend per share *	1.85	1.00	-46
Return on capital employed (ROCE) before taxes, %	21.2	18.6	
Gearing at the end of period, %	28.4	41.6	
Free cash flow	257	224	-13
Research and development expenses**	60	60	0
Orders received	4,215	3,709	-12
Orders received of services business	2,153	2,038	-5
Order backlog, December 31	2,324	1,927	-17
Personnel, December 31	16,612	16,425	-1
Lost time incident factor (LTIF)	6.0	4.2	-30
Sponsorships and donations	1.3	0.9	-31
Carbon dioxide emissions, 1,000t	127.2	120.2	-5
Energy consumption, TJ	1,653.3	1,540.8	-7
Metals use, 1,000t	143.6	127.7	-11

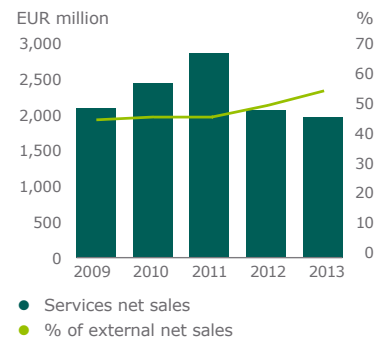
* 2013 Board's proposal

** without IPR expenses

Orders received and order backlog



Services net sales



2012 and 2013 figures describe continuing operations.

From the CEO

2013 was a historic year for Metso. We demerged our Pulp, Paper and Power businesses at the end of the year, creating a new company, Valmet, which was listed on the Helsinki Stock Exchange at the beginning of 2014.

At the end of 2013, we completed the demerger which was a major milestone for the future of Metso. We will now be able to focus our resources more effectively on serving our customers in the mining, construction, energy, and oil & gas industries, and respond more quickly to the changing needs of our customers and the marketplace. We expect a number of global megatrends to increase demand for equipment, technology, and services in our customer industries. We also expect these same megatrends to increase the challenges our customers face, in the shape of things like tougher regulations on emissions and energy and water consumption, growing difficulties linked to the scarcity of natural resources, and shortages of skilled labor. Our customers worldwide will need to answer one big question: how to produce more from less and less?

Integrating more intelligent technology into our offering

This future represents an opportunity for Metso. For decades, we have developed our equipment and technology offering to meet increasingly tougher requirements. We have also steadily invested in our services business, which has become an increasingly important key factor in terms of our overall competitiveness. The next step will be to make intelligent technology an even more integral part of our offering. Intelligent technology will help our customers respond to the trends that I described above in numerous different ways, and will become increasingly essential in the future. We are well-positioned, I believe, to leverage the decades of expertise that we have built up in our businesses and develop our offering to serve our customers' needs even more effectively in the future.

Profitability developed well

Looking at our figures, 2013 was a challenging year. Global economic growth was slow and this was reflected in the demand for our equipment and services. The oil & gas industry was a welcome exception here, and our order intake from this sector helped our Automation segment reach an all-time high in terms of order backlog. Things were quieter in the mining sector, with customers investing less than they did in previous years. Given the challenging market situation, new orders and net sales were both lower overall than in 2012. On the other hand our result (EBITA) and profitability both improved, which was encouraging. Two main drivers were behind this improvement: the relatively steady development of our high-margin services business and the various measures that we implemented across Metso aimed at improving our cost efficiency.

Over the short term, we do not expect to see much improvement in demand in our customer industries. As a result, concentrating on developing our internal operations will be extremely important. I am convinced that we have the know-how and the determination to keep Metso in good shape through these challenging times.

In conclusion, I would like to thank everyone at Metso for their excellent work during 2013. I would also like to thank our customers, our shareholders, and our other stakeholders for working with us and for the support that you have given us. I wish all of you a successful 2014!



INTELLIGENCE IS PART
OF THE OFFERING.



Matti Kähkönen
President and CEO



12.8%

EBITA % OF NET SALES



KEY LINKS

1. CEO's video greeting
www.metso.com/2013
2. Our strategy p. 4-5



51%

SERVICES NET SALES SHARE
OF TOTAL NET SALES

56%

EMERGING MARKETS SHARE
OF ORDERS RECEIVED

Our strategy

Our aim is to strengthen and expand our leading market positions in our core businesses in order to achieve faster-than-market growth and improved profitability. The unique combination of equipment, services and intelligence in our existing offering can deliver customer value propositions that improve customers' operational efficiency, safety, sustainability and cost effectiveness over the life cycle. These elements can be supplied to our customers through our standard or value-based business models, either as stand-alone offerings or as different types of combinations.

Our strategic ambition is to become the leading process performance provider for our customers to enable them to achieve sustainable process improvements. Our capabilities and our market-leading businesses and technologies put us in a unique position to realize this ambition. The core of this strategy as an intelligent processes and services company is based on the ability to create significant and sustainable customer value by combining and integrating our core equipment, services and intelligence. The Metso advantage is based on owning products, services, skills and technologies that are robust and market-tested also on a stand-alone basis.

Strategic must-wins

With the need to embed even more intelligence into machines, services and processes, we have adjusted our must-win agenda and its priorities. We will highlight the equipment and intelligent solutions much more in the future. Our strategy implementation will continue based on five Group-level must-wins (Services, Technology offering, Growth countries, Operational excellence, People and leadership).



Must-wins

 **Services**


Create excellent services, know-how, networks and a services culture.

 **Technology offering**


Develop a cost-competitive and market driven technology offering. Build capability to embed intelligence into machines, services and processes.

 **Growth countries**

Increase presence in BRIC and other growth countries that are relevant for our business.

 **Operational excellence**

Improve operational excellence to achieve profitable growth. Develop common global platforms, processes and ways to operate.

 **People and leadership**

Develop a working environment that enables our business success.

 **KEY LINKS**

1. [Metso today p. 6-7](#)
2. www.metso.com/2013
> [Metso strategy](#)
3. www.metso.com/2013
> [Sustainability](#)
> [Metso people](#)

46%

SHARE OF PERSONNEL IN EMERGING MARKETS

29.8%

GROSS PROFIT

Metso today

In 2013 we continued organic actions, acquisitions and structural arrangements in order to achieve our strategic targets. We also separated our Pulp, Paper and Power businesses into a separate company, Valmet Corporation.

1. SERVICES – Create excellent services, know-how, networks and a services culture

Key achievements 2013	Initiatives
<ul style="list-style-type: none"> Continued strong growth and further development of the full comminution life-cycle services and agreements and performance-based services Better services coverage through investments in services parts supply and foundry capacity 	<ul style="list-style-type: none"> Strengthening our full-scope comminution services offering by acquiring the Spanish grinding media supplier Sabo Strengthening performance services by acquiring ExperTune. The acquisition is an example of our focus on intelligent technologies, as the software tools are used to analyze and monitor the performance of industrial processes and to identify the associated maintenance and improvement opportunities Long-term mining life-cycle services agreements with Russian Copper Company Continued expansion of local services presence and service centers and hubs (e.g. in Chile, Peru, Brazil, Mexico) Strengthening our services presence and capabilities to supply wear parts to our mining and construction industry customers in China and other markets in Asia-Pacific by acquiring the JX manganese steel foundry

2. TECHNOLOGY OFFERING – Develop a cost-competitive and market-driven technology offering. Build capability to embed intelligence into machines, services and processes

Key achievements 2013	Initiatives
<ul style="list-style-type: none"> Development of our mid-market offering 	<ul style="list-style-type: none"> Acquisition of Chinese mid-market crushing and screening equipment provider Shaorui Heavy Industries to penetrate markets in China and other emerging countries Joint venture with LiuGong Group to develop track-mounted crushing and screening business
<ul style="list-style-type: none"> Automation platform development Product gaps filled 	<ul style="list-style-type: none"> Continued development of Metso DNA platform Integration of globe valves into our offering Big vertical mills and hydraulic roller crushers Slurry handling Engineering offering and solutions for mining processes continued

3. GROWTH COUNTRIES – Increase presence in BRIC and other growth countries that are relevant for our business

Key achievements 2013	Initiatives
<ul style="list-style-type: none"> Presence strengthened in China and Asia-Pacific markets 	<ul style="list-style-type: none"> Development of Chinese and Indian area organizations Dissolving SNJ valve joint venture to gain control of our own direct valve production in China Strengthened position in the strongly growing Asian mid-market and reinforced the existing mid-market offering Acquisition of Shaorui and joint venture with LiuGong
<ul style="list-style-type: none"> Presence strengthened in the Middle East 	<ul style="list-style-type: none"> Strong development of automation in the Middle East
<ul style="list-style-type: none"> Presence strengthened in South America 	<ul style="list-style-type: none"> Expanding our services network

4. OPERATIONAL EXCELLENCE – Improve operational excellence to achieve profitable growth. Develop common global platforms, processes and ways to operate

Key achievements 2013	Initiatives
<ul style="list-style-type: none"> Significant profitability improvement driven especially by Flow Control, and Service businesses in Automation as well as in Mining and Construction 	<ul style="list-style-type: none"> Direct and indirect procurement initiatives provided us with profitability and cost competitiveness improvements during 2013. We continued to harmonize our procurement organizations, processes and tools Continued focus on day-to-day cost awareness in our operations. Start of a global efficiency program targeting EUR 100 million annual savings in operating costs by the end of 2015 in response to weakening markets
<ul style="list-style-type: none"> Resizing the non-core businesses, resized and optimizing footprint 	<ul style="list-style-type: none"> Restructuring of the EMEA (Europe, Middle East, Africa) sales organization and reductions of locations to improve our performance and competitiveness Divestment of industrial conveyor belt manufacturing and related sales and services operations Transfers or closures of small local operations and streamlining of organizations
<ul style="list-style-type: none"> Strengthening the footprint and supply chain 	<ul style="list-style-type: none"> Global supply chain operations developed in Construction and Flow Control business lines Expansion in China and other growth markets in Mining & Construction footprint Strengthening of sales organization in APAC Investments in service centers and hubs
<ul style="list-style-type: none"> Good progress in Health, Safety and Environment (HSE) development 	<ul style="list-style-type: none"> Lost time incident factor (LTIF) target is less than 1

5. PEOPLE AND LEADERSHIP – Develop a working environment that enables our business success

Key achievements 2013	Initiatives
<ul style="list-style-type: none"> Consistent development of leadership capabilities 	<ul style="list-style-type: none"> Investment in leadership capabilities through global implementation of Leadership Essentials workshops to line managers, focusing on leadership development (in 2013 around 2,100 line managers attended) Global leadership development programs continued
<ul style="list-style-type: none"> Continued development of global compensation processes 	<ul style="list-style-type: none"> Pay range system implemented globally, enhancing the global analytical capabilities of Metso's global HR information system (SAP HR) Understanding and visibility of country-specific pay practices also increased In addition, compensation basics training for Metso's managers was developed
<ul style="list-style-type: none"> Competencies on services along with value proposition thinking enhanced 	<ul style="list-style-type: none"> Services Management Programs implementation continued
<ul style="list-style-type: none"> Recruitment and onboarding further strengthened 	<ul style="list-style-type: none"> Renewed onboarding process and tools in place



LTIF 4.2 — 5%

LOST TIME INCIDENT FACTOR IN 2013

LTIF lost-time incident factor reflects the number of incidents resulting in an absence of at least one workday per million hours worked.

REDUCTION OF OUR CO₂ EMISSIONS IN 2013

Targeting thought leadership in sustainability

Sustainability is at the core of our business. We believe that integrating sustainability into our strategy and business operations will create long-term success and wellbeing for all our stakeholders, including society.

Our approach suggests that a company that supports positive, global social and environmental development through its offering will outperform its competitors and will be well-positioned to also stay competitive and profitable in the longer run.

Sustainability integrated into our daily operations

Metso's target is to be considered a thought leader in sustainability by 2020; we have integrated sustainability into our daily operations, and we have an effective sustainability governance and measurement system in place. We engage our stakeholders in an active dialogue about sustainability in all the communities we work in, and we use the feedback in developing our products and operations.

The sustainability strategy integrates our sustainability goals with our strategic must-wins. In line with our mission, we contribute to sustainable development by offering products and services that reduce the environmental load and improve the quality of our customers' operations. We develop innovative service models that meet the complex and varying sustainability needs of our customers. By continuing to strengthen our presence in growth countries, we are able to operate close to our customers and to be a local partner for them. In our own operations, we prioritize the wellbeing, health and safety of all individuals. We are committed to offer a safe working environment and preventing all work-related injuries and accidents. We also strive for sustainable operations throughout the supply chain.

Focus areas in sustainability

Metso is continuing on its chosen path to embed sustainability into its daily business operations, as outlined in its sustainability statement published in 2012. The work is distributed among four focus areas:

Metso People

We prioritize the wellbeing, health and safety of individuals in all our operations. We actively promote equal opportunities and diversity, and we train our leaders to promote sustainability thinking and to link individual objectives to sustainability.

Metso Environment

We constantly strive for improvements in our energy and materials efficiency and in reducing water consumption, emissions to water, soil and air, and the amount of waste in our operations. We have identified environmental risks related to our operations and practice precautionary procedures to avoid any environmental accidents.

Society

We strive to act as a responsible corporate citizen and to support sustainable development in the communities we operate in by forming partnerships with customers and other stakeholders. By sponsoring and donating to local projects in science, research and education, environmental protection and nature conservation, and youth activities, we contribute towards a more sustainable world.

Marketplace

We help our customers improve the sustainability of their operations through the use of our technology and solutions, and we develop transparent and responsible supply chain management to support our own sustainability efforts.

Sustainability key figures

EUR million	2012	2013	Change %
Lost time incident factor (LTIF)	6.0	4.2	-30
Absences due to illness or injury, days/employee	7.0	6.6	-6
Sponsorships	1.3	0.9	-31
Water consumption, 1,000m ³ *	590.5	579.8	-2
Carbon dioxide emissions, 1,000t	127.2	120.2	-5
Energy consumption, TJ	1,653.3	1,540.8	-7
Metals use, 1,000t	143.6	127.7	-11

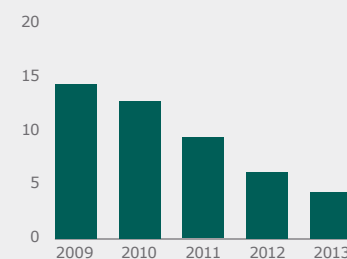
* excluding surface water and water from recycled source



KEY LINKS

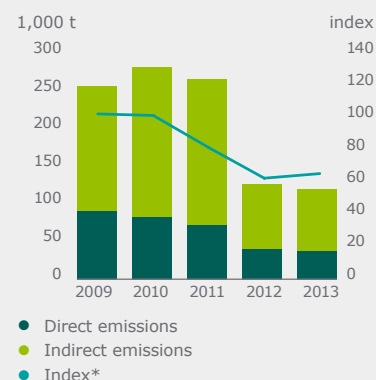
1. www.metso.com/2013 > Sustainability
2. www.metso.com/sustainability
3. www.metso.com/2013

LTIF at Metso



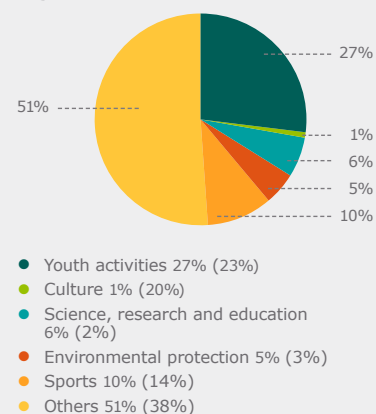
- LTIF
Lost-time incident factor reflects the number of incidents resulting in an absence of at least one workday per million hours worked.

CO₂ emissions



* The index is proportioned to Metso's net sales. For comparison, the reference year is 2009 = 100 index value

Support for non-profit organizations



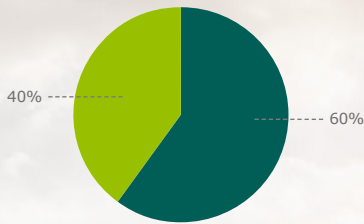
2012 and 2013 figures describe continuing operations.

Customer industries

We offer technology and services to a range of process industries around the world. Our core customer industries are mining, construction as well as oil and gas. We also serve our customers in the pulp, paper and power industries with leading automation solutions. We have a strong global or niche market position in all of these areas.

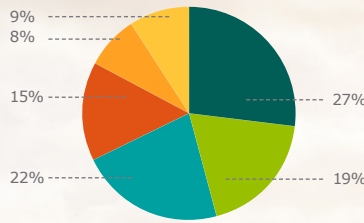
We have a balanced offering of products, projects and services business. Large-scale project deliveries are typical to the mining industry, whereas our deliveries to the construction and the oil and gas industries mainly consist of individual equipment components and smaller package solutions. The share of services business is significant in all our businesses.

Metso's addressable markets in 2013 EUR 42 billion



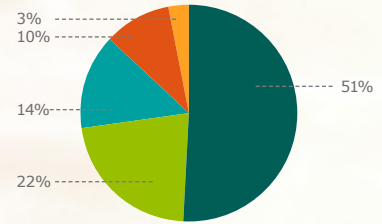
- Mining and Construction EUR 25 billion
 - Mining EUR 14 billion
 - Construction EUR 8 billion
 - Recycling EUR 3 billion
- Automation EUR 17 billion
 - Systems EUR 6 billion
 - Flow control EUR 11 billion

Net sales by market area



- Europe 27% (28%)
- North America 19% (18%)
- South and Central America 22% (23%)
- Asia-Pacific 15% (17%)
- China 8% (6%)
- Africa and Middle East 9% (8%)

Orders received by customer industry



- Mining 51% (58%)
- Construction 22% (18%)
- Oil and gas 14% (12%)
- Pulp and paper 10% (8%)
- Other 3% (4%)



KEY LINKS

1. www.metso.com/2013
 > Metso's businesses
2. www.metso.com



Mining

- Mining investments driven by demand for minerals
- Emerging markets' growth
- Growth of middle class with purchasing power
- Urbanization, infrastructure investments



Construction

- Infrastructure investments
- Growth of emerging markets
- Urbanization



Oil and gas

- Growth of emerging markets
- Growth in energy consumption
- Long-term supply and demand for oil and gas

MARKET DRIVERS

MARKET TRENDS

SHORT-TIME MARKET OUTLOOK

- Declining ore grades, more materials to be processed
- Performance and cost awareness and high capacity utilization rates drive services
- Supply limitations in minerals production will sustain metals prices
- Personnel shortage
- Increased social and environmental responsibilities

- Future growth in the emerging markets, particularly in China, India, South-East Asia, South America and Eastern Europe, where the public sector also supports infrastructure projects
- An increasing need to upgrade and maintain the western infrastructure after years of limited fiscal spending

- Increased demand and price for energy creates favorable development in investments and demand for automation and flow control products as well as services
- Growth driven by China, India, Brazil, Russia and the Middle East
- Shale gas and tar sands fuel growth in North America
- Constant demand to maximize production capacity means strong demand for high quality maintenance services and optimization services

- Good demand for our mining services from growing mineral demand and our large installed base
- Weak demand for equipment and project businesses
- Services demand good

- Satisfactory demand for equipment
- Services demand satisfactory

- Industry growing faster than the market on average
- Investments estimated to remain at a good level
- High energy cost and increasing regulations force energy efficiency and emission reduction
- Services demand good

Long term organic growth potential

Acquisition potential

Share of orders received in 2013

Service intensity

Good

Good

51%

55%

Good

Good

22%

40%

Good

Good

14%

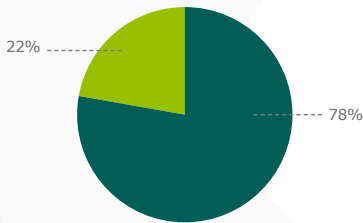
45%

Metso's businesses

We operate through two reporting segments: Mining and Construction, consisting of the Minerals Processing Solutions, the Crushing and Screening Equipment and the Services business lines; and Automation, consisting of the Process Automation Systems, the Flow Control and the Services business lines.

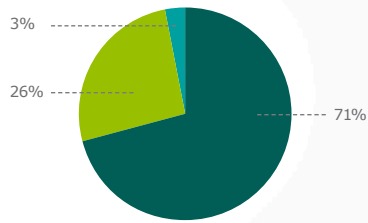
In conjunction with Metso's demerger, Metso's Pulp, Paper and Power businesses formed a new company: Valmet Corporation.

Net sales by segment



- Mining and Construction 78% (81%)
- Automation 22% (19%)

Personnel by segment



- Mining and Construction 71% (70%)
- Automation 26% (25%)
- Other 3% (5%)



KEY LINKS

1. Mining and Construction p. 14–15
2. Automation p. 16–17
3. www.metso.com/2013



	Mining and Construction	Automation
SEGMENT	<p>EUR 3,070 million</p> <p>NET SALES IN 2013</p> <p>EUR 1,579 million</p> <p>SERVICES NET SALES</p>	<p>EUR 854 million</p> <p>NET SALES IN 2013</p> <p>EUR 398 million</p> <p>SERVICES NET SALES</p>
PRODUCTS AND SERVICES	<ul style="list-style-type: none"> • Full-scope solutions for mining industry • Grinding mills, grinding solutions • Crushers, crushing solutions • Process equipment, such as pumps, filters, thickeners, separation equipment • Mobile crushers and screens • Bulk materials handling solutions, conveyors • Shears, balers and shredders • Expert and maintenance services • Spare and wear parts 	<ul style="list-style-type: none"> • Process automation and information management application networks and systems • Process measurement systems and analyzers • Control, on-off and emergency shutdown (ESD) valves • Intelligent positioners • Intelligent condition monitoring • Intelligent maintenance services • Production optimization services • Lifecycle services • Spare parts
CUSTOMERS	<ul style="list-style-type: none"> • Mining industry • Construction industry (quarries and contractors) • Scrap yards, waste handling companies and recycling 	<ul style="list-style-type: none"> • Oil and gas industry • Power generation industry • Pulp and paper industry • Mining and construction industry • Other selected process industries
COMPETITORS	<ul style="list-style-type: none"> • Mining industry: FLSmidth, Outotec, ThyssenKrupp, Sandvik, Weir, Citic Heavy Industries, Sierra, Doppstadt Calbe • Construction industry: Sandvik, Terex, Wirtgen, Atlas Copco, Astec • Services business: Sigdo Koppers, Arrium, other regional companies 	<ul style="list-style-type: none"> • Process Automation systems: ABB, Siemens, Honeywell, Emerson, Invensys • Flow Control: Cameron, Emerson, Flowserve, IMI • Services: ABB, Honeywell, Andritz
GLOBAL MARKET POSITION	<ul style="list-style-type: none"> • Mining: Grinding mills 1., Mining crushers 1. • Recycling: Metal recycling 1. • Construction: Crushing and screening 1–2., a strong position in selected niches • Services: 1 	<ul style="list-style-type: none"> • Process Automation systems: Pulp and paper control systems 1–3., Power control systems 9., a strong position in selected niches • Flow control: Pulp and paper control valves 1., Oil and gas control valves 5., Refining control valves 4., Chemical control valves 7.
BUSINESSES	<ul style="list-style-type: none"> • Minerals Processing Solutions: net sales EUR 797 million • Grushing and Screening Equipment: net sales EUR 437 million • Services: net sales 1,616 million 	<ul style="list-style-type: none"> • Process Automation Systems: net sales EUR 128 million • Flow Control: net sales EUR 270 million • Services: net sales EUR 398 million
OPERATING MODEL	In mining equipment, we focus on engineering and managing delivery projects. In construction equipment, we focus on the final assembly of components supplied by our subcontractor network. We manufacture spare and wear parts mainly in our own factories.	Automation focuses on the delivery, maintenance and optimization of automation control systems and constituent elements such as control and automated on-off valves. We design and assemble products as well as provide knowledge based and OEM services in-house. We source components from subcontractors operating in cost competitive countries.
Share of orders received in 2013	76%	24%
Services business' share of segments' orders received	57%	47%



51%

SERVICES NET SALES OF TOTAL NET SALES

Segment
review

Mining and Construction

Improving customer performance through intelligent equipment, processes and services

Metso is a leading, full-scope supplier of intelligent equipment, processes and services for the mining and construction industries. Energy and process efficiency, safety and availability are attributes that are important to both us and our customers. We are committed to driving sustainable industry development through continuous innovations, and utilize our deep technological and process know-how to deliver intelligent solutions designed to make a real and sustainable difference to our customers' businesses over the life cycle of their equipment and processes. We work in close collaboration with our customers to improve their productivity and to develop solutions that increase their operational performance and profitability where ever they operate.

Our position in the crushing and screening niche of the construction industry continues to be strong. China is a very important market for us, and one of our strategic targets is to strengthen our presence there. By establishing strategic partnerships or by acquiring reputable local players, we will gain the understanding needed to establish a market-driven technology offering and improve our customer service.

The one and only full comminution services partner in the mining industry

We have grown our services business rapidly over the past few years by establishing new business models for services and by leveraging our installed base. Currently, there are more than 70 Metso service centers and 10 regional distribution centers around the world, offering everything from spare and

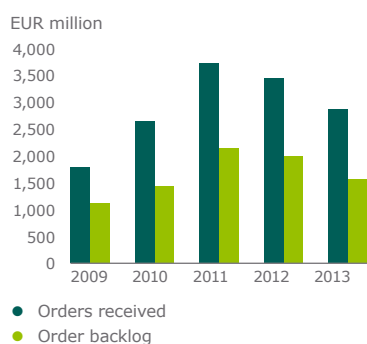
wear parts to complete process optimization for the mining and construction industries. During 2013 we inaugurated our new service center in Chile and we will expand the network even further through new centers in Mexico, Peru, Canada and the USA.

Through the acquisition of Spanish grinding media supplier Santa Ana de Bolueta SA (Sabo) we become the market leader in performance solutions in comminution and the one and only full comminution supplier in the mining industry.

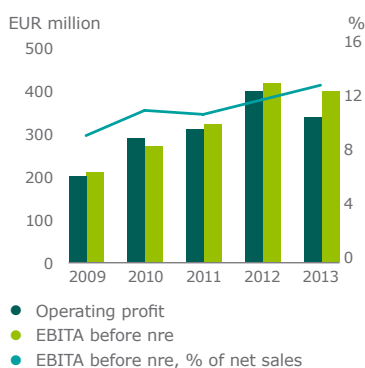
Always working close to our customers

Our success is based on our ability to serve our customers wherever they operate. We have strengthened our presence in the fast-growing emerging markets, and our intention is to continue to grow our presence near our customers.

Orders received and order backlog



Operating profit and EBITA before non-recurring items



Segment key figures

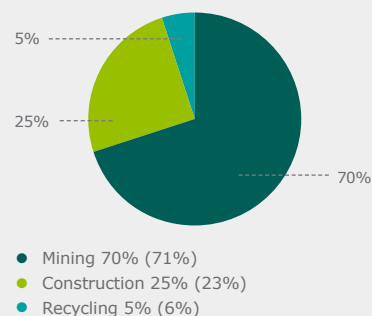
EUR million	2012	2013
Net sales	3,492	3,070
Services net sales	1,692	1,579
% of net sales	48	51
EBITA before non-recurring items	420	401
% of net sales	12.0	13.1
Operating profit	401	340
Capital employed, Dec 31	1,357	1,344
Gross capital expenditure	67	76
Research and development expenses	28	24
Orders received	3,436	2,855
Services orders received	1,771	1,616
Order backlog, Dec 31	1,983	1,555
Personnel, Dec 31	11,721	11,670



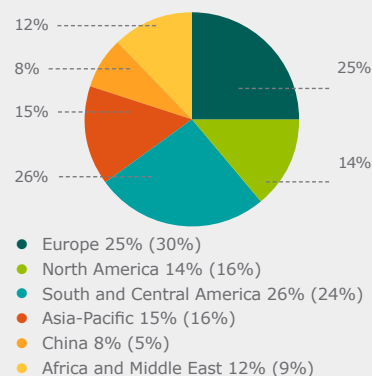
KEY LINKS

1. Customer industries p. 10–11
2. www.metso.com/2013 > Mining and Construction
3. www.metso.com/mining

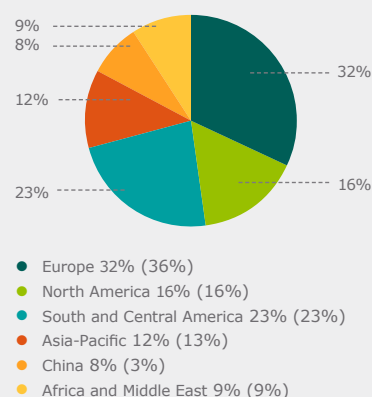
Net sales by customer industry



Orders received by market area



Personnel by area



14%

SERVICES ORDERS INCREASED

Segment
review

Automation

Maximizing the lifetime value of our customers' investments

Automation is a growing business standing at the forefront in answering the global process industry challenges related to profitability, environmental concerns and safety. Automation enables our customers to generate more output from less input, such as labor, materials and energy, while producing less waste and pollution, optimizing yields, improving environmental compliance, and maximizing uptime.

The Automation business segment's biggest customer industries are oil & gas, and pulp and paper. In addition, we have an increasing focus on mining and construction and power generation, with a broad set of capabilities globally. We also have noteworthy references and capabilities across a wide spectrum of other process industries.

Services account for about half of our business. Our services portfolio ranges from spare parts and upgrades services to managed services solutions in which we take full responsibility for a business area of the customer. Our extensive range of flow control and process automation solutions and services is supported by a worldwide network of more than 1,000 automation experts, over 55 automation service locations and 35 valve service centers.

We are one of the few large global players in a very fragmented market. We have a very strong footprint in many areas with 40 percent of our business coming from the Americas, 30 percent from EMEA, and 30 percent from APAC. We have established strong direct sales channels and a service presence in areas with major end customers and engineering, procurement and construction (EPCs) companies. Automa-

tion's valve technology and supply centers are located in Finland, the US, Germany, China, South Korea, India and Brazil.

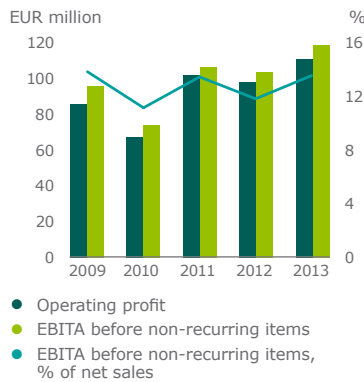
Solid growth opportunities in all our target industries

Our customers are constantly looking for ways to improve their production performance and enhance their cost, material and energy efficiency, in other words, to maximize the business value over the lifetime of their investments. We will continue to strengthen our core competences of increasing our process industry customers' production performance, enhancing their cost, material and energy efficiency, and improving customer risk management. We are continuing to focus on improving our cost competitiveness and operational excellence, expanding our service business, and developing our technology leadership and new business models.

Orders received and order backlog



Operating profit and EBITA before non-recurring items



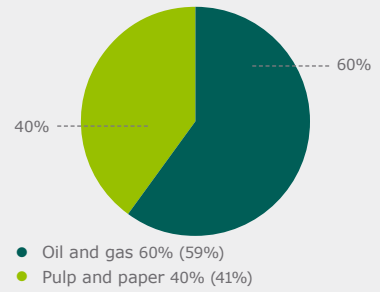
Segment key figures

EUR million	2012	2013
Net sales	859	854
Services net sales	380	398
% of net sales	44	47
EBITA before non-recurring items	101	116
% of net sales	11.8	13.6
Operating profit	96	109
Capital employed, Dec 31	289	266
Gross capital expenditure	25	17
Research and development expenses	32	36
Orders received	845	902
Services orders received	382	422
Order backlog, Dec 31	343	373
Personnel, Dec 31	4,128	4,241

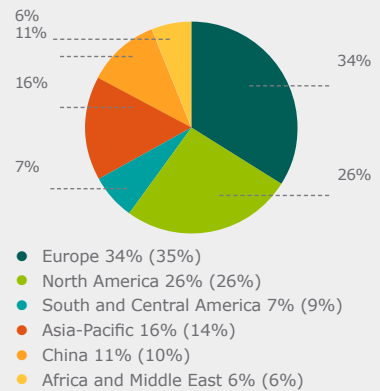
KEY LINKS

1. Customer industries p. 10–11
2. www.metso.com/2013 > Automation
3. www.metso.com/automation

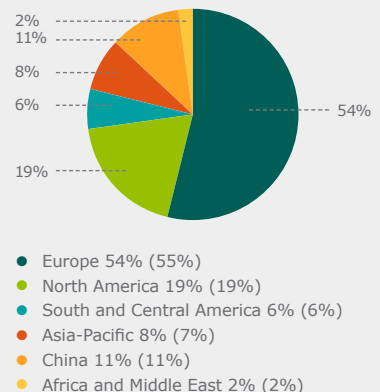
Net sales by customer industry



Orders received by market area



Personnel by area





Board of Directors, December 31, 2013



Mikael Lilius

Chairman of the Board

Born: 1949, Finnish citizen
Education: B.Sc. (Econ)
 Chairman of the Board since 2013.
 Member of the Board since 2013.
 Chairman of the Board's Remuneration and HR Committee. Independent of the company and independent of significant shareholders.
Main occupation: Miscellaneous positions of trust



Wilson Nélio Brumer

Member of the Board

Born: 1948, Brazilian citizen
Education: BA
 Member of the board since 2013.
 Independent of the company and independent of significant shareholders.
Main occupation: Managing Partner GRP Investimentos Ltda and President at Vicenza Mineracao e Participacoes S.A



Christer Gardell

Vice Chairman of the Board

Born: 1960, Swedish citizen
Education: M.Sc. (Business Administration and Economics)
 Vice Chairman of the Board since 2013. Member of the Board since 2006.
 Member of the Board's Remuneration and HR Committee. Independent of the company and not independent of significant shareholder.
Main occupation: CEO, Cevian Capital



Lars Josefsson

Member of the Board

Born: 1953, Swedish citizen
Education: M.Sc in Engineering Physics
 Member of the board since 2013.
 Member of the Board's Audit Committee. Independent of the company and independent of significant shareholders.
Main occupation: Independent consultant



Ozey K. Horton, Jr.

Member of the Board

Born: 1951, U.S. citizen
Education: MBA, BSE
 Member of the Board since 2011.
 Member of the Board's Remuneration and HR Committee. Independent of the company and independent of significant shareholders.
Main occupation: Board professional, independent advisor



Nina Kopola

Member of the Board

Born: 1960, Finnish citizen
Education: BA
 Member of the board since 2013.
 Member of the Board's Audit Committee. Independent of the company and independent of significant shareholders.
Main occupation: President and CEO, Suominen Corporation



Eeva Sipilä

Member of the Board

Born: 1973, Finnish citizen
Education: M.Sc. (Econ.), CEFA
 Member of the board since 2012.
 Chairman of the Board's Audit Committee. Independent of the company and independent of significant shareholders.
Main occupation: Executive Vice President, CFO, Cargotec Corporation



RELATED LINKS

These are summaries of the Board of Directors CV's. Read the full CV's online on www.metso.com/management



Metso Executive Team, December 31, 2013



Matti Kähkönen

President and CEO

Born: 1956, Finnish citizen

Education: M.Sc. (Eng.)

Chairman of the Executive Team since 2011. Joined the company in 1980.

Key experience: President, Mining and Construction Technology 2008–2011; President, Metso Minerals 2006–2008; President, Metso Automation 2001–2006.



Perttu Louhiluoto

President, Automation

Born: 1964, Finnish citizen

Education: Master of Laws, M. Sc. (Economics)

Member of the Executive Team since 2009, 2011–. Joined the company in 2008.

Key experience: President, Energy and Environmental Technology 2011; SVP, EMEA Market Area, Mining and Construction Technology 2009–2011.



Harri Nikunen

CFO, Deputy to CEO

Born: 1955, Finnish citizen

Education: BA (Finance and business administration)

Member of the Executive Team since 2011. Joined the company in 1986.

Key experience: Various senior management positions, Metso 1986–2011.



Merja Kamppari

Senior Vice President, Human Resources

Born: 1958, Finnish citizen

Education: M. Sc. (Economics)

Member of the Executive Team since 2011. Joined the company in 2009.

Key experience: Head of Operational Excellence, HR, 2008–2009, Head of Global HR 2007–2008, Nokia Siemens Networks.



Andrew Benko

President, Mining and Construction (until December 31, 2013)

Born: 1949, U.S. citizen

Education: B.S., Mechanical Engineering, Master of Engineering

Member of the Executive Team since 2011. Joined the company in 1972.

Key experience: President, Metso Equipment and Systems 2009–2011.



Simo Säaskilahti

Senior Vice President, Strategy and Business Development

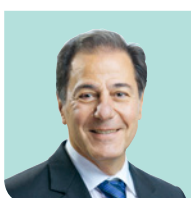
Born: 1971, Finnish citizen

Education: M. Sc. (Economics)

M. Sc. (Eng.)

Member of the Executive Team since 2013. Joined the company in 2011.

Key Experience: Vice President, Business Development, Metso Automation 2011–10/2013; SVP, Corporate Development (Deputy to CEO, 2011) 2001–2011, Comptel Corporation.



João Ney Colagrossi

President, Mining and Construction (January 1, 2014 onwards)

Born: 1955, Brazilian citizen

Education: M. Sc. (Eng.), M. Sc. (Economics)

Member of the Executive Team since 2013. Joined the company in 1979.

Key experience: President, Services business line 2009–2013. President, Construction business line 2008–2009.



RELATED LINKS

These are summaries of the Executive Management Team's CV's. Read the full CV's online on www.metso.com

2013 was a historic year for Metso. We separated our Pulp, Paper and Power businesses into a new company to increase our focus on our customers in the mining, construction, and oil & gas industries.

This brochure presents Metso's 2013 in brief; our businesses, performance, management, sustainability, and strategy. These themes are discussed in more detail in our online Annual Report, available at www.metso.com/2013.



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