metso
Expect results

Q3
2016

Interim Review
January 1 – September 30, 2016

Metso's Interim Review January 1 – September 30, 2016

Figures in brackets refer to the corresponding period in 2015, unless otherwise stated.

Third quarter 2016 in brief (compared to the third quarter of 2015)

- Minerals' equipment orders increased 19 percent while services orders decreased 3 percent.
- Oil & gas-related valve orders weakened in the Flow Control segment.
- Orders received totaled EUR 628 million (EUR 647 million), of which EUR 422 million (EUR 436 million) were services orders.
- Net sales totaled EUR 638 million (EUR 680 million), of which services accounted for EUR 413 million (EUR 435 million).
- Adjusted EBITA totaled EUR 77 million, or 12.1 percent of net sales (EUR 92 million, 13.6%).
- Operating profit totaled EUR 63 million, or 9.9 percent of net sales (EUR 76 million, 11.1%).
- Free cash flow was healthy at EUR 106 million (EUR 117 million).

Outlook for 2016 (changes in brackets)

Metso's overall trading conditions in 2016 will be somewhat weaker compared to 2015. Demand for our products and services is expected to develop as follows:

- remain weak for mining equipment and satisfactory for mining services
- remain satisfactory for aggregates equipment and services
- remain satisfactory for Flow Control products related to customers' new investments and has changed to satisfactory (previously: good) for Flow Control services, with increased uncertainty in the oil & gas market.

At the end of September 2016, our backlog for the remainder of 2016 totaled approximately EUR 680 million, but due to current market conditions we expect some of these deliveries to be postponed into 2017. Internal efficiency actions will continue to improve competitiveness and they will result in negative net adjustment items of approximately EUR 30 million in 2016. Capital expenditure excluding acquisitions is expected to be lower than in 2015. Net financial costs are expected to be on the same level as in 2015.

President and CEO Matti Kähkönen:

Demand in the mining market in the third quarter remained at the same level compared to the previous quarter. Activity in the capital equipment business was stable; despite the fact that orders increased year-on-year, we do not foresee a rapid recovery from the current low level. Mining services orders were on the same level seen during the past 12 months. A slight improvement could be seen in the aggregates business, where sales in some markets, such as the Nordic countries, India and the US, have been growing this year. In Flow Control we saw weakness in the oil & gas sector demand during the quarter. This resulted in lower valve orders for customers' capex projects. Services orders in Flow Control were relatively stable.

Despite challenges in the market place, we have been able to maintain our profitability and financial position at a healthy level, thanks to internal efficiency improvement actions that we will continue to implement during the fourth quarter. Our EBITA margin of 12.1% was the highest seen so far this year and our free cash flow was good at EUR 106 million.

Key figures

EUR million	Q3/2016	Q3/2015	Change %	Q1-Q3/ 2016	Q1-Q3/ 2015*	Change %	2015*
Orders received	**628**	647	-3	**2,052**	2,207	-7	2,965
Orders received by the services business	**422**	436	-3	**1,299**	1,438	-10	1,879
% of orders received	**67**	67		**63**	65		63
Order backlog at the end of the period				**1,305**	1,289	1	1,268
Net sales	**638**	680	-6	**1,910**	2,169	-12	2,923
Net sales of the services business	**413**	435	-5	**1,261**	1,359	-7	1,840
% of net sales	**65**	64		**66**	63		63
Earnings before interest, tax and amortization (EBITA), adjusted	**77**	92	-16	**210**	262	-20	356
% of net sales	**12.1**	13.6		**11.0**	12.1		12.2
Personnel at the end of the period				**11,647**	12,940	-10	12,619

** The Process Automation Systems (PAS) business was divested on April 1, 2015. The January-September 2015 and full-year 2015 comparison numbers for Metso Group and Flow Control including the PAS business are presented in the tables section.*

IFRS figures

EUR million	Q3/2016	Q3/2015	Change %	Q1-Q3/ 2016	Q1-Q3/ 2015	Change %	2015
Operating profit	**63**	76	-17	**183**	488*	-63	555*
% of net sales	**9.9**	11.1		**9.6**	21.9*		18.7*
Earnings per share, EUR	**0.24**	0.29	-17	**0.70**	2.60*	-73	2.95*
Free cash flow	**106**	117	-9	**242**	282	-14	341
Return on capital employed (ROCE) before taxes, annualized, %				**11.2**	26.5*		25.7*
Equity-to-asset ratio at the end of the period, %				**48.1**	46.4		48.3
Net gearing at the end of the period, %				**5.1**	15.0		10.6

** Including a capital gain on the disposal of PAS.*

Currency impact on orders received *(compared to the same period in 2015)*

	Q3/2016 Change %	Q3/2016 Change % using constant rates	Q1-Q3/2016 Change %	Q1-Q3/2016 Change % using constant rates
Minerals	4	3	-6	-2
Services business	-3	-4	-12	-8
Flow Control	-21	-21	-11	-10
Services business	-3	-2	-3	0
Metso total	**-3**	**-3**	**-7**	**-4**
Services business	**-3**	**-3**	**-10**	**-6**

Currency impact on net sales *(compared to the same period in 2015)*

	Q3/2016 Change %	Q3/2016 Change % using constant rates	Q1-Q3/2016 Change %	Q1-Q3/2016 Change % using constant rates
Minerals	-5	-5	-12	-9
Services business	-6	-6	-8	-4
Flow Control	-10	-10	-12	-11
Services business	0	1	-6	-3
Metso total	**-6**	**-6**	**-12**	**-9**
Services business	**-5**	**-5**	**-7**	**-4**

Operating environment, orders received and backlog

Demand for new capital equipment in our customer industries was weak in the third quarter, while overall trading activity remained stable compared to the second quarter. Market weakness in the oil & gas downstream sector had a negative effect on the demand for valves in Flow Control while demand for valve services was stable. Aggregates equipment demand in the Nordics grew and we continued to see healthy demand for aggregates equipment and services in the US and India. Mining equipment and services demand was unchanged.

The Group’s orders received in the third quarter were EUR 628 million, which was 3 percent lower than in the comparison period. Minerals’ orders increased 4 percent and were EUR 492 million, of which EUR 330 million were services orders (EUR 339 million). Thanks to growth in both aggregates and mining, minerals equipment orders increased 19 percent. Minerals’ services orders decreased 3 percent. Flow Control saw orders decline by 21 percent due to weaker demand for valves for new projects in the oil & gas sector. Orders for Flow Control’s services business remained fairly stable, declining 4 percent to EUR 92 million.

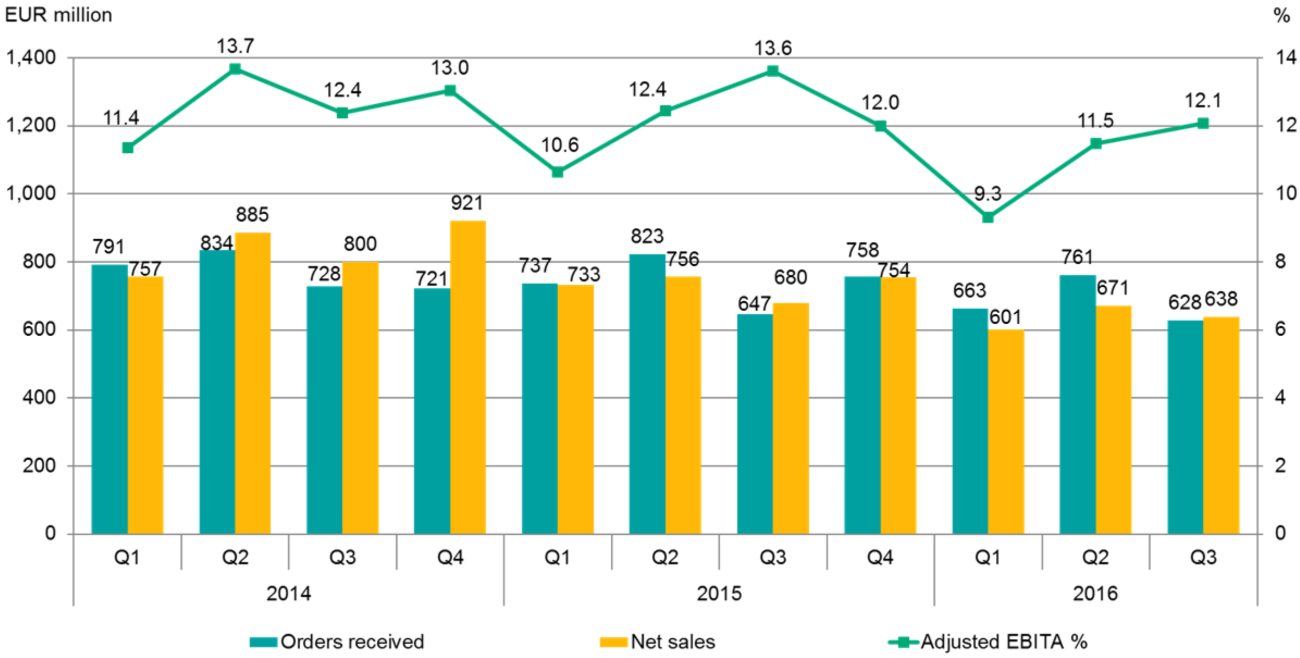
In January-September orders received totaled EUR 2,052 million which is 7 percent lower year-on-year. Our order backlog totaled EUR 1,305 million which is 3 percent higher than at the end of 2015. The backlog for the remainder of 2016 totals approximately EUR 680 million, but due to current market conditions we expect some deliveries to be postponed into 2017.

Net sales

Net sales in July-September were EUR 638 million, which is 6 percent lower than in the comparison period. Minerals' net sales were EUR 477 million and declined 5 percent following lower services sales. Minerals' equipment sales were down 1 percent as growth in aggregates was offset by a decline in mining. Flow Control's sales declined 10 percent and totaled EUR 161 million. The large drop resulted from lower deliveries to oil & gas customers. Flow Control's services net sales was flat year-on-year and totaled EUR 94 million. Currencies had only a minor effect on net sales in the third quarter.

Net sales in January-September totaled EUR 1,910 million, which is 12 percent lower year-on-year. Sales of services totaled EUR 1,261 million and accounted for 66 percent of net sales (EUR 1,359 million and 63 percent).

Net sales, orders received and adjusted EBITA margin



Financial performance

Adjusted EBITA (earnings before interest, taxes and amortization) in the third quarter was EUR 77 million, or 12.1 percent of net sales (EUR 92 million or 13.6%). Adjusted EBITA in January-September was EUR 210 million, or 11.0 percent of net sales (EUR 262 million or 12.1%).

Operating profit (EBIT) in the third quarter was EUR 63 million, or 9.9 percent of net sales (EUR 76 million or 11.1%). Net adjustment items in the third quarter were EUR 10 million negative and included restructuring costs and income from the divestment of the head office property.

Operating profit for January-September was EUR 183 million, or 9.6 percent of net sales. Profit before taxes was EUR 152 million (EUR 457 million including the gain from the divestment of PAS). The tax rate for 2016 is expected to be about 30 percent, which is at the same level as in 2015. Net cash generated by operating activities totaled EUR 238 million (EUR 294 million) and free cash flow was EUR 242 million (EUR 282 million). Changes in net working capital had a EUR 37 million positive impact on the cash flow.

Net financing expenses in January-September were EUR 31 million (EUR 31 million). Interest expenses accounted for EUR 23 million (EUR 22 million), interest income for EUR 5 million (EUR 5 million), foreign exchange losses for EUR 2 million (EUR 3 million loss), and other net financial expenses for EUR 11 million (EUR 11 million).

Financial position

Metso's liquidity position is strong. Total cash assets at the end of September 2016 were EUR 721 million (EUR 657 million at the end of 2015), of which EUR 101 million (EUR 67 million) was invested in financial instruments with an initial maturity exceeding three months, and the remaining EUR 620 million (EUR 590 million) is accounted for as cash and cash equivalents. The Group has a committed EUR 500 million revolving credit facility, which is undrawn.

The Group's balance sheet remains strong. Net interest-bearing liabilities totaled EUR 70 million at the end of September (EUR 153 million at the end of 2015) and gearing was 5.1 percent (10.6% at the end of 2015). The equity-to-asset ratio was 48.1 percent (48.3% at the end of 2015).

There were no changes in our credit rating during the reporting period. Standard & Poor's Ratings Services confirmed the latest rating in March 2016: long-term corporate credit rating BBB and short-term A-2, outlook stable.

Capital expenditure and R&D

Gross capital expenditure in January-September, excluding business acquisitions, was EUR 21 million (EUR 31 million). Maintenance accounted for 88 percent, i.e. EUR 18 million (78% and EUR 25 million). Capital expenditure in 2016 is expected to decline compared to 2015 (EUR 45 million). Research and development expenses in January-September totaled EUR 26 million, i.e. 1.4 percent of net sales (EUR 25 million or 1.2%).

On July 12, 2016, Metso divested its head office property, in Helsinki, Finland, for a value of EUR 19.3 million and booked a EUR 10.4 million capital gain before taxes during the third quarter of 2016. Metso's head office will move to a new location in Helsinki in December 2016.

Reporting Segments

Minerals

- Orders from both aggregates and mining customers increased
- Low equipment sales continued to put pressure on profitability

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Minerals' key figures

EUR million	**Q3/ 2016**	Q3/ 2015	Change %	**Q1-Q3/ 2016**	Q1-Q3/ 2015	Change %	2015
Orders received	**492**	475	4	**1,579**	1,675	-6	2,260
Orders received by the services business	**330**	339	-3	**1,002**	1,133	-12	1,477
% of orders received	**67**	71		**63**	68		65
Order backlog at the end of the period				**1,046**	1,004	4	1,006
Net sales	**477**	501	-5	**1,434**	1,624	-12	2,198
Net sales of the services business	**320**	341	-6	**983**	1,063	-8	1,437
% of net sales	**67**	68		**69**	65		65
Earnings before interest, taxes and amortization (EBITA), adjusted	**52**	56	-8	**143**	172	-17	241
% of net sales	**10.8**	11.2		**10.0**	10.6		11.0
Operating profit	**31**	51	-39	**116**	163	-29	213
% of net sales	**6.5**	10.2		**8.1**	10.0		9.7
Return on operative capital employed (ROCE), %				**13.6**	17.4		17.5
Personnel at the end of the period				**8,447**	9,493	-11	9,222

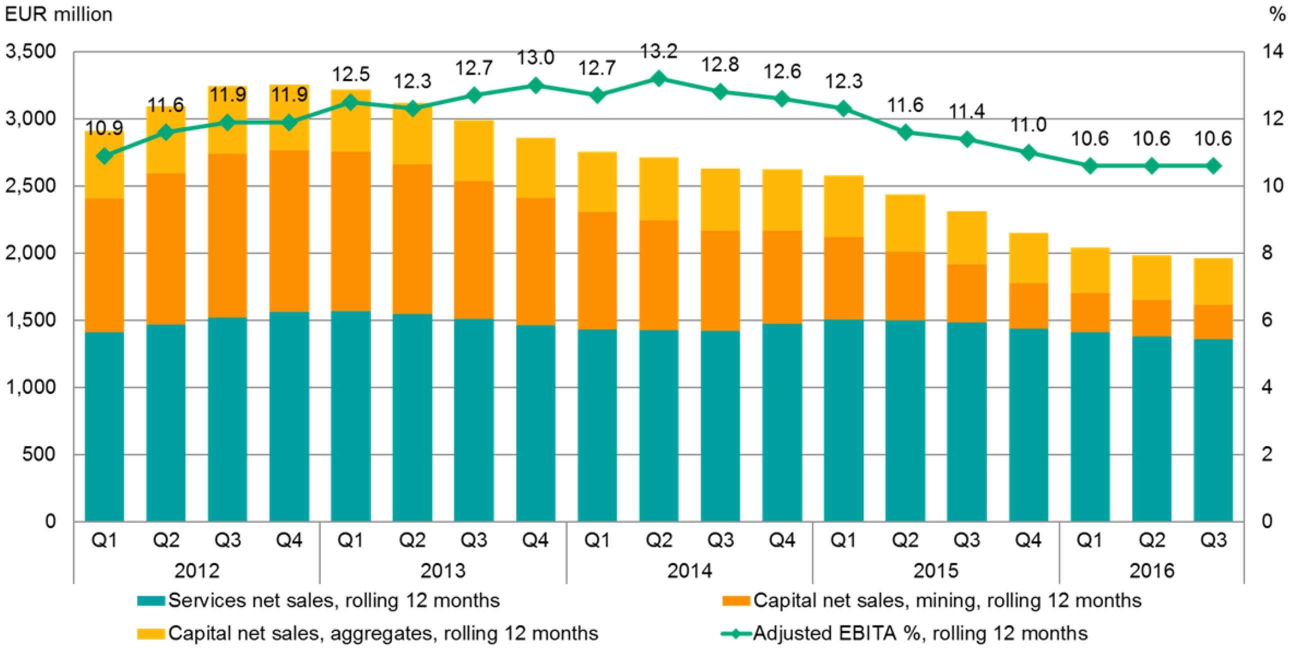
Minerals' orders received increased 4 percent from the comparison quarter and totaled EUR 492 million. Aggregates orders increased 1 percent following an improved performance in the Nordics and a healthy demand in the US and India. The South American market remains depressed following weak demand in Brazil. The demand for mining services and equipment remained under pressure but stable. Mining orders remained on the same level seen earlier this year and increased 5 percent from the comparison quarter. Mining equipment orders totaled EUR 76 million (EUR 56 million), while mining services orders declined 3 percent from the comparison period and totaled EUR 243 million. The decline was a result of lower wear parts orders from mining customers. Demand for engineered services and spare parts was stable compared to the corresponding period in 2015.

Minerals' net sales declined 5 percent from the comparison quarter and totaled EUR 477 million, of which 67 percent was services (EUR 501 million and 68%). Aggregates sales increased 6 percent following a 21 percent increase in equipment deliveries, while services declined 8 percent. Mining equipment sales totaled EUR 57 million which is on the same level seen in earlier quarters this year. Mining services sales declined 6 percent year-on-year as a result of lower sales of engineered services. Minerals' January-September sales were down 12 percent and totaled EUR 1,434 million (EUR 1,624 million).

The segment's adjusted EBITA totaled EUR 52 million, or 10.8 percent of net sales (EUR 56 million or 11.2%). Adjusted EBITA in January-September was EUR 143 million, or 10.0 percent of net sales (EUR 172 million or 10.6%). Profitability of the services business in the third quarter remained on a healthy level, while low mining equipment sales continued to drag on profitability. Operating profit was EUR 31 million, or 6.5 percent of net sales, in the third quarter (EUR 51 million or 10.2%), and EUR 116 million, or 8.1 percent of net sales, in January-September (EUR 163 million or 10.0%).

The order backlog in Minerals at the end of September was EUR 1,046 million, which is 4 percent higher than at the end of 2015.

Minerals, net sales and adjusted EBITA margin, rolling 12 months



Flow Control

- Low order intake from oil & gas customers, while services orders and sales held up.
- Profitability declined due to lower valve sales.

Flow Control key figures

EUR million	Q3/ 2016	Q3/ 2015	Change %	Q1-Q3/ 2016	Q1-Q3/ 2015*	Change %	2015*
Orders received	**136**	172	-21	**473**	532	-11	705
Orders received by the services business	**92**	96	-4	**297**	305	-3	402
% of orders received	**68**	56		**63**	57		57
Order backlog at the end of the period				**259**	285	-9	262
Net sales	**161**	179	-10	**476**	544	-13	723
Net sales of the services business	**93**	93	0	**278**	295	-6	402
% of net sales	**58**	52		**58**	54		56
Earnings before interest, taxes and amortization (EBITA), adjusted	**28**	37	-24	**69**	100	-30	126
% of net sales	**17.5**	20.7		**14.6**	18.3		17.5
Operating profit	**26**	33	-21	**66**	94	-30	119
% of net sales	**16.1**	18.4		**13.8**	17.3		16.5
Return on operative capital employed (ROCE), %				**27.5**	33.4		37.2
Personnel at the end of the period				**2,735**	2,858	-4	2,821

** Comparison numbers including PAS are presented in the tables section.*

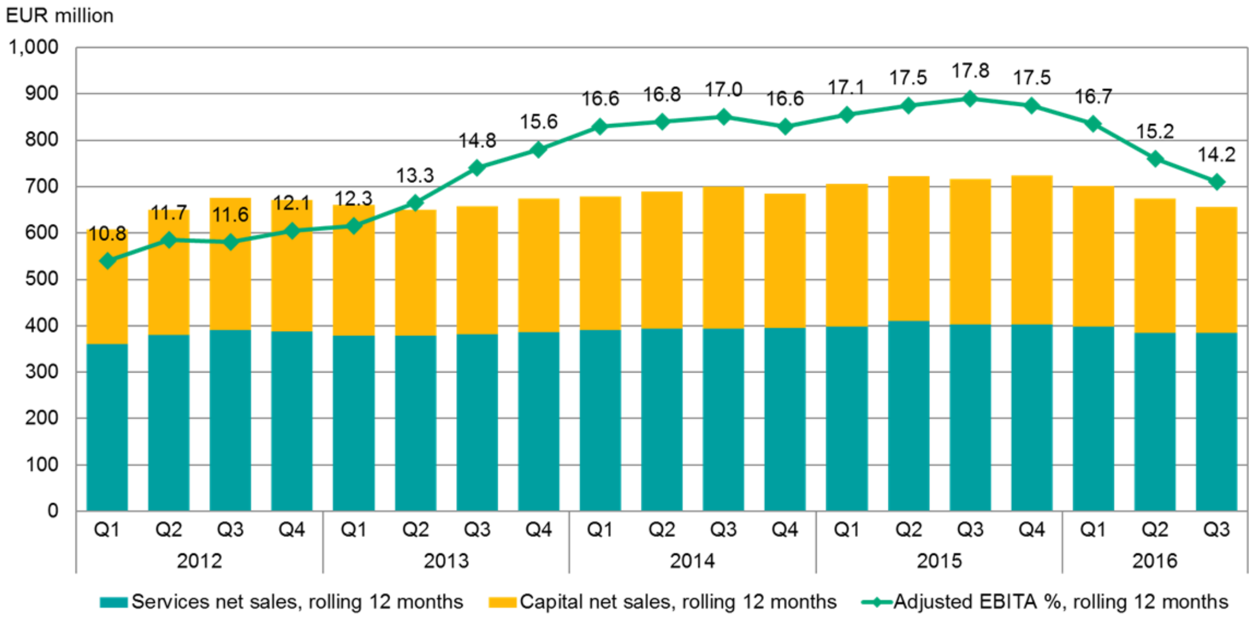
Flow Control's orders received in the third quarter decreased 21 percent to EUR 136 million. The decline was a result of sudden weakening in the demand from oil & gas customers. Services held up reasonably well as orders declined 4 percent in total. In January-September, orders received were 11 percent lower year-on-year and totaled EUR 473 million.

Net sales in July-September decreased 10 percent following lower project deliveries to oil & gas customers. Net sales of pumps and replacement valves remained on the same level as in the comparison period. In January-September, net sales were 13 percent lower than in the comparison period and totaled EUR 476 million. Services sales decreased by 6 percent to EUR 278 million (EUR 295 million).

Flow Control's adjusted EBITA for July-September totaled EUR 28 million or 17.5 percent of net sales (EUR 37 million or 20.7%). Adjusted EBITA in January-September was EUR 69 million, or 14.6 percent of net sales (EUR 100 million and 18.3%). The decline was due to lower sales for oil & gas projects. Operating profit was EUR 26 million and 16.1% of net sales (EUR 33 million and 18.4%) in the third quarter and EUR 66 million, or 13.8 percent of net sales in January-September (EUR 94 million or 17.3%).

Flow Control's order backlog at the end of September was EUR 259 million, which is 1 percent lower than at the end of 2015.

Flow Control, net sales and adjusted EBITA margin, rolling 12 months



Personnel

Metso had 11,647 employees at the end of September, 972 fewer than at the end of December 2015. Personnel numbers decreased by 775 and 86, respectively, in Minerals and Flow Control. Personnel in emerging markets accounted for 50 percent (49%).

Personnel by area

	Sep 30, 2016	**% of personnel**	Sep 30, 2015	% of personnel	Change %	Dec 31, 2015
Europe	**4,136**	**35**	4,458	34	-7	4,380
North America	**1,684**	**14**	2,012	16	-16	1,961
South and Central America	**2,412**	**21**	2,771	21	-13	2,623
China	**1,040**	**9**	1,214	9	-14	1,189
Other Asia-Pacific	**1,485**	**13**	1,502	12	-1	1,493
Africa and Middle East	**890**	**8**	983	8	-9	973
Metso total	**11,647**	**100**	12,940	100	-10	12,619

	Sep 30, 2016	**% of personnel**	Sep 30, 2015	% of personnel	Change %	Dec 31, 2015
Emerging markets	**5,768**	**50**	6,403	49	-10	6,221
Developed markets	**5,879**	**50**	6,537	51	-10	6,398
Metso total	**11,647**	**100**	12,940	100	-10	12,619

Shares and share trading

As of September 30, 2016, Metso's share capital was EUR 140,982,843.80 and the number of shares was 150,348,256. This included 363,718 shares held by the Parent Company, which represented 0.2 percent of all shares and votes. The average number of shares outstanding in January-September 2016, excluding those held by the Parent Company, was 149,984,538, and the average number of diluted shares was 150,051,194.

A total of 107,230,469 Metso shares were traded on NASDAQ OMX Helsinki in January-September 2016, equivalent to a turnover of EUR 2,315 million. The volume weighted average trading price for the period was EUR 21.59. The highest quotation was EUR 26.23 and the lowest EUR 17.40. The share price on the last trading day of the period, September 30, 2016, was EUR 25.97, giving Metso a market capitalization, excluding shares held by the Parent Company, of EUR 3,895 million (EUR 3,105 million at the end of 2015). Metso is not aware of any shareholders' agreements regarding the ownership of Metso shares and voting rights.

Metso's ADRs (American Depositary Receipts) are traded on the International OTCQX market in the United States, under the ticker symbol 'MXCYY', with four ADRs representing one Metso share. The closing price of the Metso ADR on September 30, 2016, was USD 7.30.

Flagging notifications

In January-September 2016, Metso received the following flagging notifications of changes in direct shareholding, shareholding through financial instruments or their total amount. Metso has 150,348,256 issued shares.

Date	Shareholder	Threshold	Direct, %	Indirect, %	Total, %	Total shares
April 4, 2016	Blackrock, Inc.	above 5%	5.19	1.55	6.75	10,161,873
April 7, 2016	Blackrock, Inc.	below 5%	4.81	1.40	6.22	9,352,194
April 11, 2016	Blackrock, Inc.	at 5%	5.00	1.21	6.21	9,340,068
April 15, 2016	Blackrock, Inc.	below 5%	4.85	1.36	6.21	9,350,928
June 9, 2016	Blackrock, Inc.	above 5%	5.05	1.00	6.05	9,097,501
June 13,2016	Blackrock, Inc.	below 5%	4.96	1.08	6.04	9,086,976
June 22, 2016	Blackrock, Inc.	above 5%	5.03	1.09	6.13	9,218,427
June 23, 2016	Blackrock, Inc.	below 5%	4.95	1.08	6.04	9,081,528
June 28, 2016	Blackrock, Inc.	above 5%	5.06	0.97	6.04	9,081,795
June 29, 2016	Blackrock, Inc.	below 5%	4.96	1.02	5.98	9,000,535
August 16, 2016	Blackrock, Inc.	above 5%	5.01	0.91	5.92	8,910,131
August 19, 2016	Blackrock, Inc.	below 5%	4.84	1.02	5.87	8,834,722
August 22, 2016	Blackrock, Inc.	above 5%	5.07	1.01	6.08	9,155,653
August 23, 2016	Blackrock, Inc.	below 5%	4.85	1.05	5.90	8,877,298
August 25, 2016	Blackrock, Inc.	above 5%	5.09	0.94	6.03	9,074,575
August 31, 2016	Blackrock, Inc.	below 5%	4.97	0.87	5.85	8,799,162
September 2, 2016	Blackrock, Inc.	above 5%	5.03	0.76	5.80	8,727,744
September 5, 2016	Blackrock, Inc.	below 5%	4.93	0.92	5.86	8,817,007

Changes in Metso’s Executive Team

On June 9, 2016, Metso announced the following changes in its Executive Team, effective from August 1, 2016. New members of the Executive Team; Eeva Sipilä, who joined Metso as Chief Financial Officer, Jani Puroranta, who started as Chief Digital Officer, Urs Pennanen, Senior Vice President, Marketing and Customer Operations, and Olli-Pekka Oksanen, who was appointed Senior Vice President, Strategy and Business Development.

Metso’s Executive Team consists of:
Matti Kähkönen, President and CEO (Chairman of the Executive Team)
Eeva Sipilä, CFO
João Ney Colagrossi, President, Minerals
Perttu Louhiluoto, President, Services
John Quinlivan, President, Flow Control
Merja Kamppari, Senior Vice President, Human Resources
Olli-Pekka Oksanen, Senior Vice President, Strategy and Business Development
Urs Pennanen, Senior Vice President, Customer and Marketing Operations
Jani Puroranta, Chief Digital Officer

Short-term business risks and market uncertainties

Uncertainties surrounding economic growth globally might affect our customer industries and weaken the demand for Metso's products and services. Fluctuations in commodity prices may cause projects to be postponed, delayed or discontinued, and low prices may reduce the investment appetite and cut spending among our customers. Our backlog, projects under negotiation and other business operations might also be adversely affected by political turbulence seen in many regions.

Exchange rate fluctuations might adversely affect our order intake, sales and financial performance, although the wide geographical scope of our operations limits the exposure to single currencies. Metso hedges currency exposure linked to firm delivery and purchase agreements.

Uncertain market conditions might 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.

Outlook for 2016 (changes in brackets)

Metso's overall trading conditions in 2016 will be somewhat weaker compared to 2015. Demand for our products and services is expected to develop as follows:

- remain weak for mining equipment and satisfactory for mining services
- remain satisfactory for aggregates equipment and services
- remain satisfactory for Flow Control products related to customers' new investments and has changed to satisfactory (previously: good) for Flow Control services, with increased uncertainty in the oil & gas market.

At the end of September 2016, our backlog for the remainder of 2016 totaled approximately EUR 680 million, but due to current market conditions we expect some of these deliveries to be postponed into 2017. Internal efficiency actions will continue to improve competitiveness and they will result in negative net adjustment items of approximately EUR 30 million in 2016. Capital expenditure excluding acquisitions is expected to be lower than in 2015. Net financial costs are expected to be on the same level as in 2015.

Helsinki, October 20, 2016

Metso Corporation's Board of Directors

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 materially differ 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.

Consolidated statement of income

EUR million	7-9/2016	7-9/2015	1-9/2016	1-9/2015	1-12/2015
Net sales	**638**	680	**1,910**	2,223	2,977
Cost of goods sold	**-457**	-456	**-1,357**	-1,528	-2,062
Gross profit	**181**	224	**553**	695	915
Selling, general and administrative expenses	**-125**	-127	**-381**	-444	-593
Other operating income and expenses, net	**7**	-21	**11**	237	234
Share in profits of associated companies	**0**	0	**0**	0	-1
Operating profit	**63**	76	**183**	488	555
Financial income and expenses, net	**-10**	-12	**-31**	-31	-39
Profit before taxes	**53**	64	**152**	457	516
Income taxes	**-17**	-22	**-47**	-68	-74
Profit	**36**	42	**105**	389	442
Attributable to:					
Shareholders of the company	**36**	42	**105**	389	442
Non-controlling interests	**0**	0	**0**	0	0
Profit	**36**	42	**105**	389	442
Earnings per share					
Basic, EUR	**0.24**	0.29	**0.70**	2.60	2.95
Diluted, EUR	**0.24**	0.29	**0.70**	2.60	2.95

Consolidated statement of comprehensive income

EUR million	7-9/2016	7-9/2015	1-9/2016	1-9/2015	1-12/2015
Profit	**36**	42	**105**	389	442
Items that may be reclassified to profit or loss in subsequent periods:					
Cash flow hedges, net of tax	**-1**	1	**0**	2	2
Available-for-sale equity investments, net of tax	**0**	0	**0**	0	0
Currency translation on subsidiary net investments	**-5**	-48	**3**	-24	-19
	-6	-47	**3**	-22	-17
Items that will not be reclassified to profit or loss:					
Defined benefit plan actuarial gains (+) / losses (-), net of tax	**-**	-	**-**	-	12
Other comprehensive income (+) / expense (-)	**-6**	-47	**3**	-22	-5
Total comprehensive income (+) / expense (-)	**30**	-5	**108**	367	437
Attributable to:					
Shareholders of the company	**30**	-5	**108**	367	437
Non-controlling interests	**0**	0	**0**	0	0
Total comprehensive income (+) / expense (-)	**30**	-5	**108**	367	437

Consolidated balance sheet

ASSETS

EUR million	Sep 30, 16	Sep 30, 15	Dec 31, 15
Non-current assets			
Intangible assets			
Goodwill	**450**	453	452
Other intangible assets	**87**	99	98
	537	552	550
Property, plant and equipment			
Land and water areas	**44**	51	49
Buildings and structures	**112**	121	123
Machinery and equipment	**147**	151	161
Assets under construction	**7**	22	10
	310	345	343
Financial and other assets			
Investments in associated companies	**1**	1	1
Available-for-sale equity investments	**1**	1	1
Loan and other interest bearing receivables	**3**	11	11
Derivative financial instruments	**10**	12	10
Deferred tax asset	**104**	122	108
Other non-current assets	**37**	36	39
	156	183	170
Total non-current assets	**1,003**	1,080	1,063
Current assets			
Inventories	**709**	752	715
Receivables			
Trade and other receivables	**607**	656	632
Cost and earnings of projects under construction in excess of advance billings	**56**	131	90
Loan and other interest bearing receivables	**9**	1	1
Financial instruments held for trading	**101**	70	67
Derivative financial instruments	**4**	9	6
Income tax receivables	**16**	30	45
Receivables total	**793**	897	841
Cash and cash equivalents	**620**	537	590
Total current assets	**2,122**	2,186	2,146
TOTAL ASSETS	**3,125**	3,266	3,209

SHAREHOLDERS' EQUITY AND LIABILITIES

EUR million	Sep 30, 16	Sep 30, 15	Dec 31, 15
Equity			
Share capital	**141**	141	141
Cumulative translation adjustments	**-68**	-76	-71
Fair value and other reserves	**301**	304	302
Retained earnings	**1,013**	1,005	1,064
Equity attributable to shareholders	**1,387**	1,374	1,436
Non-controlling interests	**7**	8	8
Total equity	**1,394**	1,382	1,444
Liabilities			
Non-current liabilities			
Long-term debt	**769**	766	765
Post employment benefit obligations	**92**	112	99
Provisions	**35**	23	27
Derivative financial instruments	**7**	8	7
Deferred tax liability	**10**	12	15
Other long-term liabilities	**3**	3	2
Total non-current liabilities	**916**	924	915
Current liabilities			
Current portion of long-term debt	**0**	26	27
Short-term debt	**34**	34	30
Trade and other payables	**437**	506	469
Provisions	**73**	70	68
Advances received	**188**	225	164
Billings in excess of cost and earnings of projects under construction	**41**	62	54
Derivative financial instruments	**7**	6	9
Income tax liabilities	**35**	31	29
Total current liabilities	**815**	960	850
Total liabilities	**1,731**	1,884	1,765
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**3,125**	3,266	3,209

NET INTEREST BEARING LIABILITIES

EUR million	Sep 30, 16	Sep 30, 15	Dec 31, 15
Long-term interest bearing debt	**769**	766	765
Short-term interest bearing debt	**34**	60	57
Cash and cash equivalents	**-620**	-537	-590
Other interest bearing assets	**-113**	-82	-79
Net interest bearing liabilities	**70**	207	153

Condensed consolidated cashflow statement

EUR million	7-9/2016	7-9/2015	1-9/2016	1-9/2015	1-12/2015
Cash flows from operating activities:					
Profit	**36**	42	**105**	389	442
Adjustments to reconcile profit to net cash provided by operating activities					
Depreciation and amortization	**15**	16	**46**	50	69
Financial income and expenses, net	**10**	11	**31**	31	39
Income taxes	**17**	22	**47**	68	74
Other	**-8**	20	**-1**	-235	-232
Change in net working capital	**33**	18	**37**	70	64
Cash flows from operations	**103**	129	**265**	373	456
Financial income and expenses, net paid	**-2**	-4	**-14**	-14	-24
Income taxes paid	**-10**	-6	**-13**	-65	-72
Net cash provided by operating activities	**91**	119	**238**	294	360
Cash flows from investing activities:					
Capital expenditures on fixed assets	**-6**	-8	**-21**	-31	-46
Proceeds from sale of fixed assets	**20**	7	**22**	13	17
Proceeds from sale of businesses, net of cash sold	**-**	-14	**-**	304	305
Proceeds from (+)/ Investments in (-) financial assets	**3**	-43	**-34**	-58	-56
Other	**2**	5	**2**	-5	-5
Net cash provided by (+) / used in (-) investing activities	**19**	-53	**-31**	223	215
Cash flows from financing activities:					
Dividends paid	**-**	-60	**-157**	-217	-217
Net funding	**-**	3	**-25**	-33	-40
Other	**-**	-	**0**	0	0
Net cash provided by (+) / used in (-) financing activities	**-**	-57	**-182**	-250	-257
Net increase (+) / decrease (-) in cash and cash equivalents	**110**	9	**25**	267	318
Effect from changes in exchange rates	**-1**	-14	**5**	-9	-7
Cash and cash equivalents at beginning of period	**511**	542	**590**	279	279
Cash and cash equivalents at end of period	**620**	537	**620**	537	590

FREE CASH FLOW

EUR million	7-9/2016	7-9/2015	1-9/2016	1-9/2015	1-12/2015
Net cash provided by operating activities	**91**	119	**238**	294	360
Capital expenditures on maintenance investments	**-5**	-9	**-18**	-25	-36
Proceeds from sale of fixed assets	**20**	7	**22**	13	17
Free cash flow	**106**	117	**242**	282	341

Consolidated statement of changes in shareholders' equity

EUR million	Share capital	Cumulative translation adjustments	Fair value and other reserves	Retained earnings	**Equity attribut-able to share-holders**	Non-controlling interests	**Total equity**
Balance at Jan 1, 2015	**141**	**-52**	**302**	**830**	**1,221**	**8**	**1,229**
Profit	-	-	-	389	389	0	389
Other comprehensive income (+) / expense (-)							
Cash flow hedges, net of tax	-	-	2	-	2	-	2
Available-for-sale equity investments, net of tax	-	-	0	-	0	-	0
Currency translation on subsidiary net investments	-	-24	-	-	-24	-	-24
Net investment hedge gains (losses), net of tax	-	-	-	-	-	-	-
Total comprehensive income (+) / expense (-)	-	-24	2	389	367	0	367
Dividends	-	-	-	-217	-217	0	-217
Share-based payments, net of tax	-	-	1	0	1	-	1
Other	-	-	-1	3	2	0	2
Changes in non-controlling interests	-	-	-	-	-	-	-
Balance at September 30, 2015	**141**	**-76**	**304**	**1,005**	**1,374**	**8**	**1,382**
Balance at Jan 1, 2016	**141**	**-71**	**302**	**1,064**	**1,436**	**8**	**1,444**
Profit	-	-	-	105	105	0	105
Other comprehensive income (+) / expense (-)							
Cash flow hedges, net of tax	-	-	0	-	0	-	0
Available-for-sale equity investments, net of tax	-	-	0	-	0	-	0
Currency translation on subsidiary net investments	-	3	-	-	3	-	3
Total comprehensive income (+) / expense (-)	-	3	0	105	108	0	108
Dividends	-	-	-	-157	-157	0	-157
Share-based payments, net of tax	-	-	0	0	0	-	0
Other	-	-	-1	1	0	-1	-1
Changes in non-controlling interests	-	-	-	-	-	-	-
Balance at September 30, 2016	**141**	**-68**	**301**	**1,013**	**1,387**	**7**	**1,394**

Basis of preparation

This Interim Review has been prepared in accordance with IAS 34 'Interim Financial Reporting'. The same accounting policies have been applied in the Annual Financial Statements. This Interim review is unaudited.

Metso has adopted the ESMA European Securities and Markets Authority guidelines on Alternative Performance Measures which were effective from July 3, 2016. Metso uses alternative performance measures to reflect the underlying business performance and to improve comparability between financial periods. These alternative performance measures should, however, not be considered as a substitute for measures of performance in accordance with the IFRS. Metso replaced the previously referenced “before non-recurring items” with “adjusted items”. Adjusted items affecting comparability and alternative performance measures used by Metso are defined in the tables section of this interim report.

Acquisitions and disposals of businesses

Metso made no business acquisitions during 2016 or 2015.

On April 13, 2015, Metso completed the sale of its Tampere foundry in Finland to a Finnish company TEVO Oy. The divestment was treated as sale of fixed assets and it had no significant effect on Metso's result.

On April 1, 2015 Metso closed the disposal of Process Automation Systems (PAS) business. The PAS business included process automation solutions for the pulp, paper and power industries, covering automation and quality control systems, analyzers and measurements and related services and was reported in Metso's Flow Control segment.

The final cash consideration was EUR 312 million. The net assets of the entity disposed were EUR 55 million, direct transaction costs were EUR 6 million and related cumulative translation adjustments were EUR 1 million positive, whereby Metso booked a gain of EUR 252 million on the transaction.

Fair value estimation

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

Level 1 Quoted unadjusted prices at the balance sheet date in active markets. 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 debt and equity investments classified as financial instruments available-for-sale or at 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 available-for-sale or 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. Metso had no such instruments.

The table below present Metso’s financial assets and liabilities that are measured at fair value. There has been no transfers between fair value levels during 2015 or 2016.

September 30, 2016

EUR million	Level 1	Level 2	Level 3
Assets			
Financial assets at fair value through profit and loss			
• Derivatives	-	2	-
• Securities	9	92	-
Derivatives qualified for hedge accounting	-	12	-
Available for sale investments			
• Equity investments	0	-	-
• Debt investments	-	-	-
Total assets	**9**	**106**	**-**
Liabilities			
Financial liabilities at fair value through profit and loss			
• Derivatives	-	8	-
• Long term debt at fair value	-	420	-
Derivatives qualified for hedge accounting	-	4	-
Total liabilities	**-**	**432**	**-**

September 30, 2015

EUR million	Level 1	Level 2	Level 3
Assets			
Financial assets at fair value through profit and loss			
• Derivatives	-	7	-
• Securities	20	30	-
Derivatives qualified for hedge accounting	-	13	-
Available for sale investments			
• Equity investments	0	-	-
• Debt investments	-	-	-
Total assets	**20**	**50**	**-**
Liabilities			
Financial liabilities at fair value through profit and loss			
• Derivatives	-	9	-
• Long term debt at fair value	-	421	-
Derivatives qualified for hedge accounting	-	4	-
Total liabilities	**-**	**434**	**-**

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

Assets pledged and contingent liabilities

EUR million	Sep 30, 16	Sep 30, 15	Dec 31, 15
On own behalf			
Mortgages	**-**	-	-
On behalf of others			
Guarantees	**-**	1	1
Other commitments			
Repurchase commitments	**1**	2	2
Other contingencies	**2**	3	3
Lease commitments	**136**	141	142

Notional amounts of derivative financial instruments

EUR million	Sep 30, 16	Sep 30, 15	Dec 31, 15
Forward exchange rate contracts	**877**	777	1,009
Interest rate swaps	**245**	265	265
Cross currency swaps	**244**	244	244
Option agreements			
Bought	**-**	-	-
Sold	**-**	20	20

The notional amount of electricity forwards was 41 GWh as of September 30, 2016 and 81 GWh as of September 30, 2015.

The notional amount of nickel forwards to hedge stainless steel prices was 306 tons as of September 30, 2016 and 318 tons as of September 30, 2015.

The notional amounts indicate the volumes in the use of derivatives, but do not indicate the exposure to risk.

Key ratios

	1-9/2016	1-9/2015	1-12/2015
Earnings per share, EUR	**0.70**	2.60	2.95
Diluted earnings per share, EUR	**0.70**	2.60	2.95
Equity/share at end of period, EUR	**9.24**	9.16	9.58
Return on equity (ROE), %, (annualized)	**9.8**	33.3	33.1
Return on capital employed (ROCE) before taxes, %, (annualized)	**11.2**	26.5	25.7
Return on capital employed (ROCE) after taxes, %, (annualized)	**8.4**	22.3	22.4
Equity to assets ratio at end of period, %	**48.1**	46.4	48.3
Net gearing at end of period, %	**5.1**	15.0	10.6
Free cash flow, EUR million	**242**	282	341
Free cash flow/share, EUR	**1.61**	1.88	2.27
Cash conversion, % *)	**233**	206	180
Gross capital expenditure (excl. business acquisitions), EUR million	**21**	31	46
Business acquisitions, net of cash acquired, EUR million	**-**	-	-
Depreciation and amortization, EUR million	**46**	50	69
Number of outstanding shares at end of period (thousands)	**149,985**	149,985	149,985
Average number of shares (thousands)	**149,985**	149,958	149,965
Average number of diluted shares (thousands)	**150,051**	149,971	149,989

* Gain on disposal of the PAS business is excluded from Profit, when calculating Cash conversion in 2015.

Exchange rates used

		1-9/2016	1-9/2015	1-12/2015	**Sep 30, 16**	Sep 30, 15	Dec 31, 15
USD	(US dollar)	**1.1115**	1.1220	1.1130	**1.1161**	1.1203	1.0887
SEK	(Swedish krona)	**9.3673**	9.3656	9.3414	**9.6210**	9.4083	9.1895
GBP	(Pound sterling)	**0.7997**	0.7312	0.7284	**0.8610**	0.7385	0.7340
CAD	(Canadian dollar)	**1.4710**	1.4130	1.4236	**1.4690**	1.5034	1.5116
BRL	(Brazilian real)	**3.9617**	3.5476	3.7024	**3.6210**	4.4808	4.3117
CNY	(Chinese yuan)	**7.3103**	7.0101	6.9924	**7.4463**	7.1206	7.0608
AUD	(Australian dollar)	**1.4984**	1.4776	1.4836	**1.4657**	1.5939	1.4897

Formulas for calculation of indicators

Earnings before interest, tax and amortization (EBITA), adjusted:
Operating profit + adjustment items + amortization + goodwill impairment

Earnings per share, basic:

$$\frac{\text{Profit attributable to shareholders}}{\text{Average number of outstanding shares during period}}$$

Earnings per share, diluted:

$$\frac{\text{Profit attributable to shareholders}}{\text{Average number of diluted shares during period}}$$

Equity/share:

$$\frac{\text{Equity attributable to shareholders}}{\text{Number of outstanding shares at the end of period}}$$

Return on equity (ROE), %:

$$\frac{\text{Profit}}{\text{Total equity (average for period)}} \times 100$$

Return on capital employed (ROCE) before taxes, %:

$$\frac{\text{Profit before tax + interest and other financial expenses}}{\text{Balance sheet total - non-interest bearing liabilities (average for period)}} \times 100$$

Return on capital employed (ROCE) after taxes, %:

$$\frac{\text{Profit + interest and other financial expenses}}{\text{Balance sheet total - non-interest bearing liabilities (average for period)}} \times 100$$

Net gearing, %:

$$\frac{\text{Net interest bearing liabilities}}{\text{Total equity}} \times 100$$

Equity to assets ratio, %:

$$\frac{\text{Total equity}}{\text{Balance sheet total – advances received}} \times 100$$

Free cash flow:
Net cash provided by operating activities
- capital expenditures on maintenance investments
+ proceeds from sale of fixed assets

= Free cash flow

Free cash flow / share:

$$\frac{\text{Free cash flow}}{\text{Average number of outstanding shares during period}}$$

Cash conversion, %:

$$\frac{\text{Free cash flow}}{\text{Profit}} \times 100$$

Net interest bearing liabilities:
Long term debt + current portion of long term debt + short term debt - loan and other interest bearing receivables (non-current and current) - financial instruments held for trading - cash and cash equivalents

Capital employed:
Balance sheet total - non interest bearing liabilities

Operative capital employed:
Fixed assets + investments in associated companies and joint ventures + available-for-sale equity investments + inventories + non-interest bearing operative assets and receivables (external) - non-interest bearing operating liabilities (external)

Return on operative capital employed (ROCE) for reporting segments, %:

$$\frac{\text{Operating profit (annualized)}}{\text{Operative capital employed (average for period)}} \times 100$$

Segment information

ORDERS RECEIVED

EUR million	**7-9/2016**	7-9/2015	**1-9/2016**	1-9/2015	10/2015-9/2016	1-12/2015
Minerals	**492**	475	**1,579**	1,675	2,164	2,260
Flow Control	**136**	172	**473**	594	646	767
Group Head Office and other	**-**	-	**-**	-	-	-
Intra Metso orders received	**0**	0	**0**	0	0	0
Metso total	**628**	647	**2,052**	2,269	2,810	3,027

NET SALES

EUR million	**7-9/2016**	7-9/2015	**1-9/2016**	1-9/2015	10/2015-9/2016	1-12/2015
Minerals	**477**	501	**1,434**	1,624	2,008	2,198
Flow Control	**161**	179	**476**	598	656	778
Group Head Office and other	**-**	1	**-**	2	-	2
Intra Metso net sales	**0**	-1	**0**	-1	0	-1
Metso total	**638**	680	**1,910**	2,223	2,664	2,977

ADJUSTED EBITA

EUR million	**7-9/2016**	7-9/2015	**1-9/2016**	1-9/2015	10/2015-9/2016	1-12/2015
Minerals	**51.7**	55.9	**142.9**	171.5	212.1	240.7
Flow Control	**28.2**	37.0	**69.3**	93.9	92.9	117.5
Group Head Office and other	**-2.7**	-0.6	**-2.0**	-8.9	-4.1	-11.0
Metso total	**77.2**	92.3	**210.2**	256.5	300.9	347.2

ADJUSTED EBITA, % OF NET SALES

%	**7-9/2016**	7-9/2015	**1-9/2016**	1-9/2015	10/2015-9/2016	1-12/2015
Minerals	**10.8**	11.2	**10.0**	10.6	10.6	11.0
Flow Control	**17.5**	20.7	**14.6**	15.7	14.2	15.1
Group Head Office and other	**n/a**	n/a	**n/a**	n/a	n/a	n/a
Metso total	**12.1**	13.6	**11.0**	11.5	11.3	11.7

ADJUSTMENT ITEMS

EUR million	**7-9/2016**	7-9/2015	**1-9/2016**	1-9/2015	10/2015-9/2016	1-12/2015
Minerals	**-19.3**	-3.3	**-22.9**	-3.3	-39.7	-20.1
Flow Control	**-1.6**	-3.3	**-1.6**	-3.3	-2.8	-4.5
Group Head Office and other	**10.9**	-5.8	**9.9**	251.4	9.3	250.8
Metso total	**-10.0**	-12.4	**-14.6**	244.8	-33.2	226.2

AMORTIZATION

EUR million	**7-9/2016**	7-9/2015	**1-9/2016**	1-9/2015	10/2015-9/2016	1-12/2015
Minerals	**-1.5**	-1.7	**-4.6**	-5.2	-6.8	-7.4
Flow Control	**-0.6**	-0.7	**-1.9**	-2.1	-2.4	-2.6
Group Head Office and other	**-2.2**	-2.0	**-6.6**	-6.1	-8.6	-8.1
Metso total	**-4.3**	-4.4	**-13.1**	-13.4	-17.8	-18.1

OPERATING PROFIT (LOSS)

EUR million	**7-9/2016**	7-9/2015	**1-9/2016**	1-9/2015	10/2015-9/2016	1-12/2015
Minerals	**30.9**	50.9	**115.5**	163.0	165.7	213.2
Flow Control	**26.0**	33.0	**65.8**	88.5	87.7	110.4
Group Head Office and other	**6.0**	-8.4	**1.3**	236.4	-3.4	231.7
Metso total	**62.9**	75.5	**182.6**	487.9	250.0	555.3

OPERATING PROFIT (LOSS), % OF NET SALES

%	**7-9/2016**	7-9/2015	**1-9/2016**	1-9/2015	10/2015-9/2016	1-12/2015
Minerals	**6.5**	10.2	**8.1**	10.0	8.3	9.7
Flow Control	**16.1**	18.4	**13.8**	14.8	13.4	14.2
Group Head Office and other	**n/a**	n/a	**n/a**	n/a	n/a	n/a
Metso total	**9.9**	11.1	**9.6**	21.9	9.4	18.7

Quarterly information

ORDERS RECEIVED

EUR million	7-9/2015	10-12/2015	1-3/2016	4-6/2016	7-9/2016
Minerals	475	585	494	593	**492**
Flow Control	172	173	169	168	**136**
Group Head Office and other	-	-	-	-	**-**
Intra Metso orders received	0	0	0	0	**0**
Metso total	647	758	663	761	**628**

NET SALES

EUR million	7-9/2015	10-12/2015	1-3/2016	4-6/2016	7-9/2016
Minerals	501	574	453	504	**477**
Flow Control	179	180	148	167	**161**
Group Head Office and other	1	-	-	-	**-**
Intra Metso net sales	-1	0	0	0	**0**
Metso total	680	754	601	671	**638**

ADJUSTED EBITA

EUR million	7-9/2015	10-12/2015	1-3/2016	4-6/2016	7-9/2016
Minerals	55.9	69.2	36.9	54.3	**51.7**
Flow Control	37.0	23.6	19.0	22.1	**28.2**
Group Head Office and other	-0.6	-2.1	-0.2	0.9	**-2.7**
Metso total	92.3	90.7	55.7	77.3	**77.2**

ADJUSTED EBITA, % OF NET SALES

%	7-9/2015	10-12/2015	1-3/2016	4-6/2016	7-9/2016
Minerals	11.2	12.1	8.2	10.8	**10.8**
Flow Control	20.7	13.1	12.8	13.2	**17.5**
Group Head Office and other	n/a	n/a	n/a	n/a	**n/a**
Metso total	13.6	12.0	9.3	11.5	**12.1**

ADJUSTMENT ITEMS

EUR million	7-9/2015	10-12/2015	1-3/2016	4-6/2016	7-9/2016
Minerals	-3.3	-16.8	-0.7	-2.9	**-19.3**
Flow Control	-3.3	-1.2	-	-	**-1.6**
Group Head Office and other	-5.8	-0.6	-0.2	-0.8	**10.9**
Metso total	-12.4	-18.6	-0.9	-3.7	**-10.0**

AMORTIZATION

EUR million	7-9/2015	10-12/2015	1-3/2016	4-6/2016	7-9/2016
Minerals	-1.7	-2.2	-1.6	-1.5	**-1.5**
Flow Control	-0.7	-0.5	-0.6	-0.7	**-0.6**
Group Head Office and other	-2.0	-2.0	-2.2	-2.2	**-2.2**
Metso total	-4.4	-4.7	-4.4	-4.4	**-4.3**

OPERATING PROFIT (LOSS)

EUR million	7-9/2015	10-12/2015	1-3/2016	4-6/2016	7-9/2016
Minerals	50.9	50.2	34.7	49.9	**30.9**
Flow Control	33.0	21.9	18.4	21.4	**26.0**
Group Head Office and other	-8.4	-4.7	-2.7	-2.0	**6.0**
Metso total	75.5	67.4	50.4	69.3	**62.9**

OPERATING PROFIT (LOSS), % OF NET SALES

%	7-9/2015	10-12/2015	1-3/2016	4-6/2016	7-9/2016
Minerals	10.2	8.7	7.7	9.9	**6.5**
Flow Control	18.4	12.2	12.4	12.8	**16.1**
Group Head Office and other	n/a	n/a	n/a	n/a	**n/a**
Metso total	11.1	8.9	8.4	10.3	**9.9**

CAPITAL EMPLOYED

EUR million	Sep 30, 2015	Dec 31, 2015	Mar 31, 2016	June 30, 2016	Sep 30, 2016
Minerals *	1,167	1,162	1,142	1,141	**1,075**
Flow Control *	322	321	323	322	**322**
Group Head Office and other	718	784	827	701	**800**
Metso total	2,207	2,267	2,292	2,164	**2,197**

* Operative capital employed includes only external balance sheet items.

ORDER BACKLOG

EUR million	Sep 30, 2015	Dec 31, 2015	Mar 31, 2016	June 30, 2016	Sep 30, 2016
Minerals	1,004	1,006	1,020	1,113	**1,046**
Flow Control	285	262	280	286	**259**
Group Head Office and other	-1	-	-	-	**-**
Intra Metso order backlog	0	0	0	0	**0**
Metso total	1,289	1,268	1,300	1,399	**1,305**

PERSONNEL

	Sep 30, 2015	Dec 31, 2015	Mar 31, 2016	June 30, 2016	Sep 30, 2016
Minerals	9,493	9,222	9,068	8,701	**8,447**
Flow Control	2,858	2,821	2,797	2,878	**2,735**
Group Head Office and other	589	576	521	520	**465**
Metso total	12,940	12,619	12,386	12,099	**11,647**

Adjustments and reconciliation to operating profit

7-9/2016

EUR million	Minerals	Flow Control	Group Head office and other	Metso total
Adjusted EBITA	**51.7**	**28.2**	**-2.7**	**77.2**
% of net sales	**10.8**	**17.5**	**-**	**12.1**
Capacity adjustment expenses	-16.2	-1.6	0.4	**-17.4**
Gain on sale of fixed assets	-	-	10.4	**10.4**
Other costs	-3.1	-	0	**-3.1**
Amortization of intangible assets	-1.5	-0.6	-2.2	**-4.3**
Operating profit (EBIT)	30.9	26.0	6.0	**62.9**

1-9/2016

EUR million	Minerals	Flow Control	Group Head office and other	Metso total
Adjusted EBITA	**142.9**	**69.3**	**-2.0**	**210.2**
% of net sales	**10.0**	**14.6**	**-**	**11.0**
Capacity adjustment expenses	-19.8	-1.6	0	**-21.4**
Gain on sale of fixed assets	-	-	10.4	**10.4**
Other costs	-3.1	-	-0.6	**-3.7**
Amortization of intangible assets	-4.6	-1.9	-6.6	**-13.1**
Operating profit (EBIT)	115.5	65.8	1.3	**182.6**

7-9/2015

EUR million	Minerals	Flow Control	Group Head office and other	Metso total
Adjusted EBITA	**55.9**	**37.0**	**-0.6**	**92.3**
% of net sales	**11.2**	**20.7**	**-**	**13.6**
Gain on disposal of the PAS business	**-**	**-**	-5.8	**-5.8**
Capacity adjustment expenses	-3.3	**-**	-	**-3.3**
Other costs	**-**	-3.3	-	**-3.3**
Amortization of intangible assets	-1.7	-0.7	-2.0	**-4.4**
Operating profit (EBIT)	50.9	33.0	-8.4	**75.5**

1-9/2015

EUR million	Minerals	Flow Control	Group Head office and other	Metso total
Adjusted EBITA, excluding PAS	**171.5**	**99.7**	**-8.9**	**262.3**
% of net sales	**10.6**	**18.3**	**-**	**12.1**
PAS adjustment	-	-5.8	-	**-5.8**
Adjusted EBITA	**171.5**	**93.9**	**-8.9**	**256.5**
Gain on disposal of the PAS business	**-**	**-**	252.3	**252.3**
Capacity adjustment expenses	-3.3	**-**	-	**-3.3**
Other costs	**-**	-3.3	-0.9	**-4.2**
Amortization of intangible assets	-5.2	-2.1	-6.1	**-13.4**
Operating profit (EBIT)	163.0	88.5	236.4	**487.9**

1-12/2015

EUR million	Minerals	Flow Control	Group Head office and other	Metso total
Adjusted EBITA, excluding PAS	**240.7**	**126.2**	**-11.0**	**355.9**
% of net sales	**11.0**	**17.5**	**-**	**12.2**
PAS adjustment	-	-8.7	-	**-8.7**
Adjusted EBITA	**240.7**	**117.5**	**-11.0**	**347.2**
Gain on disposal of the PAS business	-	**-**	252.3	**252.3**
Capacity adjustment expenses	-20.1	-1.2	-	**-21.3**
Other costs	-	-3.3	-1.5	**-4.8**
Amortization of intangible assets	-7.4	-2.6	-8.1	**-18.1**
Operating profit (EBIT)	213.2	110.4	231.7	**555.3**

Reconciliation concerning PAS figures in 2015

The Process Automation Systems (PAS) business was disposed on April 1, 2015 and was included in Flow Control -segment and Metso total figures in first quarter in 2015.

FLOW CONTROL SEGMENT

1-9/2015

EUR million	Flow Control including PAS	PAS	Flow Control without PAS
Orders received	594	62	532
Order backlog	285	-	285
Net sales	598	54	544

1-12/2015

EUR million	Flow Control including PAS	PAS	Flow Control without PAS
Orders received	767	62	705
Order backlog	262	-	262
Net sales	778	54	723

METSO TOTAL

1-9/2015

EUR million	Metso including PAS	PAS	Metso without PAS
Orders received	2,269	62	2,207
Order backlog	1,289	-	1,289
Net sales	2,223	54	2,169

1-12/2015

EUR million	Metso including PAS	PAS	Metso without PAS
Orders received	3,027	62	2,965
Order backlog	1,268	-	1,268
Net sales	2,977	54	2,923

Metso's Financial Reports publication dates in 2017

Financial Statements Review for 2016 on February 3

Annual Report in the week of February 22 at the latest

Interim Review for January – March 2017 on April 25

Half-Year Financial Review for January – June 2017 on July 21

Interim Review for January – September 2017 on October 20

Metso's Annual General Meeting is planned to be held on March 23, 2017.

Metso's Capital Markets Day is planned to be held in the spring of 2017.

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