

Interim Review

January 1 - June 30, 2001



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Metso is a global leader in the supply of processes, machinery and systems for the pulp and paper industry and of rock and mineral processing systems. The Corporation also has a strong position as a supplier of automation and flow control solutions. The main customer sectors are the pulp and paper industry, construction and civil engineering, mining and the energy industry.

Key figures

	1-6/2000	1-6/2001
(in millions)	EUR	EUR
Net sales	1,825	2,019
Operating profit	69	121
Income before extraordinary items and income taxes	58	128
Earnings per share , EUR	0.30	0.61
Orders received	2,525	1,915
	31.12.2000	30.6.2001
Order backlog	1,907	1,813

The Timberjack forest machinery group, sold at the end of April 2000, is included in the Corporation's figures for the comparison period.

Markets

Concerning Metso's customer industries, the market conditions of the pulp and paper industry weakened rapidly in the second quarter of the year. This change in the operating environment was reflected in a postponement of decision making regarding larger investment projects, resulting in a decline in orders received by Metso Paper, especially towards the end of the second quarter.

The demand for Metso Paper's products was satisfactory in Europe and South America for the January-June period. Investment projects for new machines were pending mainly in China, and also somewhat in Europe. The capacity utilization rates of customer production mills declined, due to an increase in shutdowns in the second quarter.

The demand for products supplied to the construction and civil engineering industries was good in Europe, except for Germany, but was weaker than last year in North America. The demand for mining industry products picked up in the southern hemisphere.

The demand for Metso Automation products was good, principally in Europe. Demand was also more active than expected in certain Asian countries. On the other hand, demand slowed down in North America.

Orders received and order backlog

The value of new orders received by Metso in January-June totaled EUR 1,915 million, representing an 18 percent decline from the comparison period in 2000 (based on the

current corporate structure, i.e. excluding the divested Timberjack business). The value of new orders received by Metso Paper declined by 31 percent on the comparison period, while orders received by Metso Minerals were approximately the same as in the comparison period. New orders received by Metso Automation and Metso Ventures grew by 6 percent and 23 percent respectively. At the end of June, Metso's order backlog was 5 percent lower than at the end of last year, totaling EUR 1,813 million (EUR 1,907 million on Dec. 31, 2000).

Net sales

Metso's net sales for January-June totaled EUR 2,019 million, an increase of 23 percent over the comparison period (excluding Timberjack). Of the Corporation's net sales, 63 percent originated from Metso Paper, 13 percent from Metso Minerals, 15 percent from Metso Automation and 9 percent from Metso Ventures.

In January-June, 52 percent of net sales were from Europe, 28 percent from North America, 11 percent from Asia-Pacific, 7 percent from South America and 2 percent from the rest of the world.

Profitability

The operating profit was EUR 121 million in January-June and the Corporation's operating profit percentage was 6.0. The operating profit percentage of Metso Paper was 6.5 percent, Metso Minerals 6.6 percent, Metso Automation 3.0 percent and Metso Ventures 13.1 percent. With the exception of Metso Automation, January-June profitability was clearly better in all business areas compared with the corresponding period last year. Profitability improved due to the rationalization measures completed at the end of the previous year, increased deliveries and higher capacity utilization rates.

Income before extraordinary items and income taxes was EUR 128 million (EUR 58 million). The Corporation's net financing income totaled EUR 7 million, including dividend income of EUR 11 million. Net income for the review period excluding extraordinary items was EUR 84 million (EUR 40 million). Earnings per share was EUR 0.61 (EUR 0.30). The return on capital employed (ROCE) was 15.0 percent (9.5%) and the return on equity (ROE) was 12.2 percent (7.0%). Extraordinary expenses include accounting adjustments totaling EUR 5 million, net of taxes, related to restructuring in Metso Automation's US operations in prior years.

The taxes corresponding to the income for the review period have been entered as taxes. The Corporation's tax rate was 32 percent (30%).

Cash flow and balance sheet

Metso's net cash provided by operating activities was EUR 134 million positive (EUR 140 million positive). Second quarter cash flow was burdened by a seasonal increase in

net working capital as well as a reduction in customer advances received, which was the result of a slowdown in the booking of new orders for larger projects. The Corporation's net interest-bearing liabilities were EUR 56 million (net interest-bearing receivables EUR 40 million). Gearing, i.e. the ratio of net interest-bearing liabilities to shareholders' equity, was 3.9 percent (negative by 2.9%). The Corporation's equity to assets ratio was 45.5 percent (44.8%).

Capital expenditure

Gross capital expenditure in January-June totaled EUR 110 million (EUR 225 million), including EUR 42 million in acquisition costs concerning Svedala Industri AB shares.

Changes in corporate structure

Metso acquired Valvcon Corporation (from the U.S.) in May in order to strengthen the product range of Metso Automation.

Offer to acquire Svedala Industri AB

In June 2000 Metso made a public offer for the acquisition of Svedala Industri AB, the Swedish manufacturer of rock and mineral processing equipment. The transaction was approved by the EU Commission in January 2001 subject to certain provisions. Clearance from the US Federal Trade Commission (FTC) was still pending on June 30, 2001. Metso received a draft of a consent decree from the FTC after providing the FTC with a proposal for the sale of certain operations to Sandvik and Outokumpu as part of a remedy package. Although the FTC has not expressed concerns over the buyer candidates themselves, negotiations are still underway with the FTC concerning certain aspects of the agreements. Metso has received the approvals of other competition authorities in critical markets. The deal can be closed when the FTC clearance has been received and Metso has acquired 90 percent of Svedala's share capital.

Metso agreed on the sale of a remedy package to Sandvik AB in June, as required by the EU Commission. The sale involves certain crushing and screening operations, the combined net sales of which amounted to roughly EUR 150 million in 2000. It is estimated that about 900 employees will transfer to Sandvik as a result of the sale. Metso has also agreed to sell its grinding mill operations to Outokumpu Mintec Oy. This sale is related to the negotiations with the FTC. The annual net sales from grinding mill operations are approximately EUR 20-30 million. Grinding mill operations directly employ approximately 30 people who will transfer to Outokumpu with the sale. The completion of these sales is contingent on the completion of the Svedala acquisition and receipt of the necessary official approvals.

Except for the extension of the acceptance period, the terms of Metso's conditional offer to the Svedala share-

holders will remain the same as in the offer document published on July 7, 2000. The offer's acceptance period will continue until August 16, 2001.

On June 30, 2001, Metso owned 2,696,500 Svedala shares. The shares represent about 5.6 percent of the company's share capital and voting rights.

Research and development

Metso's research and development expenditure totaled EUR 63 million (EUR 65 million) in January-June, i.e. 3 percent of the Corporation's net sales.

Shares

The Helsinki Exchanges traded 25.2 million Metso Corporation shares in January-June, equivalent to a turnover of EUR 295 million. The share price on June 30, 2001 was EUR 13.10. The highest quotation was EUR 13.45 and the lowest EUR 9.35. The Corporation's market capitalization on June 30, 2001 was EUR 1,785 million. Metso's ADR turnover on the New York Stock Exchange in January-June amounted to USD 4.9 million. The price of an ADR on June 30, 2001 was USD 11.15. The highest quotation was USD 11.25 and the lowest USD 8.25.

At the end of June, the total number of Metso Corporation's outstanding shares was 136,189,704.

Personnel

Metso employed 22,873 persons (22,138) at the end of June.

Events taking place after the review period

Metso has extended the acceptance period of its conditional offer for Svedala Industri AB until August 16, 2001. Except for the extension of the acceptance period, the terms of the offer will remain the same as in the offer document published on July 7, 2000.

On July 16, 2001, Capital Group Companies Inc. disclosed that the funds under its management had increased their holdings in Metso to more than 5 percent.

Short-term outlook

Despite weak economic growth in North America and the general economic uncertainty, the short-term market situation is estimated to continue as satisfactory for Metso.

The investment willingness of the pulp and paper industry is expected to remain satisfactory. Although the demand for completely new production lines is expected to remain low in Europe and North America, the demand for new machines is expected to remain good in China. The demand for smaller rebuilds and spare parts and maintenance services is expected to continue satisfactory.

Construction and civil engineering industry demand is estimated to stay at last year's level in Europe. The North American market prospects are uncertain. Mining industry investments are expected to remain satisfactory in the main

markets in South America, Australia and the southern part of Africa. Infrastructure investments are expected to increase in China and India.

The focus of demand for automation and flow control products is expected to remain in Europe and demand is expected to remain satisfactory.

The Corporation's profitability is expected to improve this year, compared with 2000. This estimate is based on the order backlog at the end of June, the growing share of service operations and on the synergy benefits and cost savings of the merger that created Metso.

August 7, 2001

Board of Directors

Business areas

Metso Paper

Metso Paper develops, designs and manufactures machinery and equipment for the pulp and paper industry, complete production lines for pulping and papermaking, and machinery and equipment for the panelboard, packaging and converting industries.

Since January 1, 2001, Metso Paper's operations have been divided into three groups, namely Pulping Technology (formerly Fiber Technology), Paper Technology and Others. The last-mentioned includes Converting Technology and Panelboard Technology (previously in the Fiber Technology business group).

Key figures

	1-6/2000	1-6/2001
(in millions)	EUR	EUR
Net sales	967	1,280
Operating profit	28	83
Orders received	1,607	1,107
	31.12.2000	30.6.2001
Order backlog	1,603	1,431

The net sales of Metso Paper for the January-June period totaled EUR 1,280 million, up 32 percent on the corresponding period last year. The increase in net sales was due to the realization of large orders received last year and the increase in service operations, which was particularly influenced by the integration of Beloit's spare parts and roll cover business in May of last year. The net sales of pulping technology grew by 8 percent, totaling EUR 215 million,

while the net sales of paper technology grew by 45 percent, totaling EUR 961 million. The net sales of other business units increased by 26 percent and totaled EUR 180 million.

The operating profit of Metso Paper was EUR 83.3 million. Profitability improved notably from the comparison period. The operating profit of pulping technology declined to EUR 10.2 million, while the operating profit of paper technology improved to EUR 74.3 million. The operating loss of other business units was EUR 1.2 million, representing the net result of an operating profit of EUR 1.5 million for converting technology and an operating loss of EUR 2.7 million for panelboard technology. The improved profitability of Metso Paper was mainly due to higher capacity utilization rates, an increase in the share of service operations, more efficient project implementation as a result of rationalization measures, and the synergy benefits achieved by the merger creating Metso. During the review period, a decision was made to close the unit located in Charlotte, USA, and to transfer the businesses to other units. This was entered a cost of USD 8.0 million for the first quarter. Furthermore, the rationalization measures, commenced in the year 2000 in response to decreased profitability in panelboard technology, were continued during the review period.

Demand for the products of Metso Paper was satisfactory during the whole January-June period, despite the weakening in the pulp and paper industry demand in the second quarter. The value of new orders received totaled EUR 1,107 million, a decline of 31 percent on the comparison period. The reduction in the value of orders received was in part due to the postponement of some investment decisions until the end of the year. In Europe and North America most of the orders were for machine rebuilds, paper finishing systems and converting equipment. Most of the orders received from Latin America and Asia were for pulping lines. The value of new orders received by pulping technology grew by 33 percent to EUR 285 million mainly due to orders for woodhandling and pulping lines. The value of new orders received by paper technology decreased compared with the record high levels of the comparison period and totaled EUR 721 million. The value of new orders for other business units decreased and stood at EUR 150 million. Service operations grew steadily in all market areas, and were most significant in the mature markets of Europe and North America. Service business volume increased considerably especially in North America during the review period as a result of the Beloit acquisition. The order backlog of the service center opened in Wuxi, China, in June also developed favorably.

The order backlog of Metso Paper totaled EUR 1,431 million at the end of June, 11 percent lower than at the end of 2000. The order backlog of pulping technology increased by 16 percent, totaling EUR 364 million, while

the order backlog of paper technology decreased by 18 percent, totaling EUR 995 million. The order backlog of other business units was EUR 146 million.

Metso Minerals

Metso Minerals develops, designs and supplies equipment and total solutions for the crushing, grinding, screening and transportation of rock and other minerals.

Key figures

	1-6/2000	1-6/2001
(in millions)	EUR	EUR
Net sales	286	273
Operating profit	16	18
Orders received	291	301
	31.12.2000	30.6.2001
Order backlog	100	130

The net sales of Metso Minerals for the January-June period totaled EUR 273 million, a decline of 5 percent on the comparison period. The operating profit improved by 12 percent and was EUR 18.1 million. Profitability improved following internal rationalization measures undertaken in 2000.

The value of new orders remained at the level of the comparison period and amounted to EUR 301 million. Stronger demand in the southern hemisphere and in China offset the weaker demand in North America. The order backlog at the end of June was good, totaling EUR 130 million, which was 30 percent higher than at the end of last year.

In June 2000, Metso made a public offer to acquire Svedala, a Swedish manufacturer of rock and mineral processing equipment. The acquisition of Svedala is a strategic decision, aimed at developing rock and mineral processing into a second strong business to complement pulping and papermaking technology. Upon completion of the deal, Metso will combine the business operations of Svedala and Metso Minerals. The integration of these businesses will create a strong, global market leader in rock and mineral processing, which will provide service solutions and processes and the associated equipment for quarrying, construction and mineral processing customers. The extensive population of installed machinery delivered by the integrated Metso Minerals, combined with the company's comprehensive distribution and service network, will substantially strengthen Metso's growth potential in rock and mineral processing technology. Moreover, Metso's strong process automation know-how can also be combined with its rock and mineral processing technology to create new potential for the development of new generation rock crushing solutions. The planning for this integration process began last autumn within the framework permitted by the regulations of the competition authorities and has

progressed on schedule. The actual integration is ready to begin as soon as all the approvals required by the competition authorities have been received. The synergy benefits to be achieved through the merger are estimated, when fully implemented, to increase annually to about EUR 70 million, regardless of the fact that some business operations will have to be divested as required by the competition authorities, in order to conclude the acquisition.

Metso Automation

Metso Automation develops, designs and supplies process industry automation and information management application networks and systems, as well as field control solutions. The main customers are the pulp and paper industry, power generation and distribution, and other process industry.

Key figures

	1-6/2000	1-6/2001
(in millions)	EUR	EUR
Net sales	289	322
Operating profit	13	10
Orders received	333	354
	31.12.2000	30.6.2001
Order backlog	197	238

Metso Automation's net sales totaled EUR 322 million in the January-June period, an increase of 11 percent over the comparison period. The growth in net sales was due to increased deliveries of control technology products to the pulp and paper industry. The service business also increased favorably. About half of the growth in the net sales derived from the acquisitions made last year.

The operating profit for January-June was EUR 9.6 million, almost a quarter less than in the comparison period. Profitability was weakened by one-off items arising from internal restructuring during the second quarter, greater emphasis on product development and marketing and a tighter competitive situation.

The market situation for Metso Automation's products continued to be favorable in the review period. New orders totaled EUR 354 million, up by 6 percent over the comparison period. In particular, the demand for SCADA systems recovered to the normal level after last year. Process and field equipment demand also grew. Pulp and paper industry demand remained good in Europe, but was clearly lower than in the comparison period in North America. The order backlog comprised mainly automation and information systems whose lead time in production is significantly longer than that of field equipment. The order backlog grew by 21 percent compared with the order backlog at the end of the year and was EUR 238 million at the end of June.

Metso Ventures

Metso Ventures contains the synergetic businesses of Metso's core business areas, as well as new businesses and those which are under strategic development. The business area comprises Metso Engineering and Valmet Automotive.

Key figures

	1-6/2000	1-6/2001
(in millions)	EUR	EUR
Net sales	150	189
Operating profit	14	25
Orders received	175	216

Metso Engineering

Metso Engineering develops, manufactures and supplies wind turbine gears, paper machine drives, other industrial gears and hydraulic motors, and related maintenance services. It also offers production and know-how services in machine building and materials technology.

Metso Engineering's net sales in the January-June period totaled EUR 110 million, up 26 percent on the comparison period. The net sales growth was due primarily to increased demand for wind turbine gears, gear maintenance and machine building services. Metso Engineering's operating profit was EUR 6.5 million, an increase of 51 percent over the comparison period. The considerable improvement in profitability was due, above all, to the successful integration of the Santasalo businesses acquired at the beginning of last year and good capacity utilization rates.

The value of new orders totaled EUR 137 million, an increase of 21 percent over the comparison period. The growth in the value of orders resulted from the continuing willingness of customer industries to invest and the strong growth of wind power construction which was reflected in the demand for wind turbine gears. Orders related to materials technology also increased. At the end of June, the order backlog was EUR 101 million, which is 35 percent higher than at the end of last year.

Valmet Automotive

Valmet Automotive is an independent contract manufacturer of specialty cars which offers its expertise to other car manufacturers. It has focused on the production and product development of demanding specialty cars.

The net sales of Valmet Automotive grew by 25 percent over the comparison period and were EUR 79 million. The slowdown in European and US economic growth and the contraction in the production volumes of the large car manufacturers were not reflected in the demand for specialty cars produced by Valmet Automotive. Rather, production volumes increased over the comparison period. The operating profit increased by 85 percent, totaling EUR 18.3 million. In January-June, 24,664 cars (20,166) were produced.

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. Since these statements are based on current decisions and plans and currently known factors, they involve risks and uncertainties which 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 customer industries and groups and thereby the orders received by the company and their margins; (2) the competitive situation, especially significant technological solutions developed by competitors in the company's business areas; (3) the company's own operating conditions, such as the success of production, product development and project management and their continuous development and improvement; and (4) the success of pending and future acquisitions and restructuring and changes in the company's business strategy.

Consolidated statements of income

(The interim review is unaudited)

(Millions)	4-6/2001 EUR	4-6/2000 EUR	1-6/2001 EUR	1-6/2000 EUR	1-12/2000 EUR
Net sales	1,017	965	2,019	1,825	3,891
Cost of goods sold	(749)	(718)	(1,484)	(1,365)	(2,901)
Gross profit	268	247	535	460	990
Selling, general and administrative expenses	(209)	(195)	(414)	(391)	(790)
Operating profit	59	52	121	69	200
Financial income and expenses	3	(9)	7	(11)	(20)
Income before extraordinary items and income taxes	62	43	128	58	180
Extraordinary income and expenses	(5)	275	(5)	275	268
Income before taxes	57	318	123	333	448
Income taxes	(20)	(12)	(41)	(17)	(59)
Minority interests	(1)	(1)	(3)	(1)	0
Net income	36	305	79	315	389

Consolidated balance sheets

(Millions)	June 30,2001 EUR	June 30,2000 EUR	Dec 31,2000 EUR
Fixed assets and financial assets			
Intangible assets	276	245	262
Tangible assets	678	688	670
Financial assets	246	211	238
Current assets			
Inventories	787	690	699
Receivables	1,162	1,149	1,210
Cash and cash equivalents	398	477	485
Total assets	3,547	3,460	3,564
Share capital	232	230	230
Other shareholders' equity	1,211	1,145	1,195
Minority interests	11	7	8
Long-term liabilities	487	486	507
Current liabilities	1,606	1,592	1,624
Total shareholders' equity and liabilities	3,547	3,460	3,564
Net interest-bearing liabilities			
Long-term interest-bearing liabilities	399	433	428
Short-term interest-bearing liabilities	130	115	120
Cash and cash equivalents	(398)	(477)	(485)
Other interest-bearing assets	(75)	(111)	(116)
Total	56	(40)	(53)

Consolidated statements of cash flows

(Millions)	4-6/2001 EUR	4-6/2000 EUR	1-6/2001 EUR	1-6/2000 EUR	1-12/2000 EUR
Cash flows from operating activities:					
Net income	36	305	79	315	389
Adjustments to reconcile net income to net cash provided by operating activities					
Depreciation and amortization	33	31	63	64	128
Gain on sale of Timberjack, net of tax	-	(275)	-	(275)	(275)
Other	(2)	1	(9)	1	30
Change in net working capital	(91)	23	1	35	28
Net cash provided by (used in) operating activities	(24)	85	134	140	300
Cash flows from investing activities:					
Capital expenditures on fixed assets	(33)	(37)	(62)	(53)	(111)
Proceeds from sale of fixed assets	4	12	12	17	41
Business acquisitions, net of cash acquired	(6)	(172)	(6)	(172)	(186)
Proceeds from sale of Timberjack, net of tax	-	502	-	502	506
Taxes (paid) / payable on gain of Timberjack sale	(14)	107	(57)	107	85
(Investments in) proceeds from sale of marketable securities	(2)	(8)	(34)	1	(26)
Net cash provided by (used in) investing activities	(51)	404	(147)	402	309
Cash flows from financing activities:					
Dividends paid	(81)	(54)	(81)	(54)	(54)
Net funding	(22)	(189)	(44)	(218)	(240)
Proceeds from Timberjack installment credit receivables	-	35	-	35	35
Other	36	(1)	40	10	(25)
Net cash provided by (used in) financing activities	(67)	(209)	(85)	(227)	(284)
Effect of changes in exchange rates on cash and cash equivalents	9	(2)	11	3	1
Net increase (decrease) in cash and cash equivalents	(133)	278	(87)	318	326
Cash and cash equivalents at beginning of period	531	199	485	159	159
Cash and cash equivalents at end of period	398	477	398	477	485

Consolidated statement of changes in shareholders' equity

(Millions)	Number of shares (thousands)	Share capital (par value EUR 1.70 per share)	Share premium reserve EUR	Legal reserve EUR	Cumulative translation adjustments EUR	Reserve for own shares EUR	Other reserves EUR	Retained earnings EUR	Total EUR
Balance at Dec 31, 2000	135,562	230	8	220	46	1	202	718	1,425
Dividends	-	-	-	-	-	-	-	(81)	(81)
Share issue (option rights)	689	2	6	-	-	-	-	-	8
Translation differences	-	-	-	-	15	-	-	-	15
Other	-	-	-	-	-	-	-	(3)	(3)
Net income	-	-	-	-	-	-	-	79	79
Balance at June 30, 2001	136,251	232	14	220	61	1	202	713	1,443

The distributable funds of Metso Corporation at June 30, 2001 consist of retained earnings (EUR 713 million) excluding accelerated depreciation and untaxed reserves (EUR 56 million), and other reserves (EUR 202 million), totaling EUR 859 million. At the end of the period Metso Corporation possessed 61 thousand of its own shares.

Assets pledged and contingent liabilities

(Millions)	June 30,2001 EUR	Dec 31,2000 EUR
Mortgages on corporate debt	2	2
Other mortgages	2	2
Guarantees on behalf of associated company obligations	1	1
Other guarantees	3	8
Repurchase and other commitments	7	6
Leasing commitments	127	121

Notional amounts, carrying amounts and fair values of derivative financial instruments

(Millions)	Notional amount		Carrying amount		Fair value	
	June 30,2001 EUR	Dec 31,2000 EUR	June 30,2001 EUR	Dec 31,2000 EUR	June 30,2001 EUR	Dec 31,2000 EUR
Forward exchange rate contracts	1,216	1,119	(25)	15	(39)	3
Interest rate and currency swaps	40	57	(10)	(8)	(11)	(8)
Currency swaps	130	128	(3)	(6)	(4)	(6)
Interest rate swaps	23	42	0	0	0	0
Option agreements	11	-	0	-	0	-

Carrying amounts noted in the table above are included in the balance sheet. The notional amounts indicate the volumes in the use of derivatives, but do not indicate the exposure to risk. The fair value reflects the estimated amounts that Metso would receive or pay to terminate the contracts at the reporting date, thereby taking into account the current unrealized gains or losses of open contracts.

Key ratios

	June 30, 2001	June 30, 2000	Dec 31,2000
Earnings/share, EUR	0.61	0.30	0.90
Equity/share, EUR	10.59	10.15	10.51
Return on equity (ROE), %	12.2	7.0	9.5
Return on capital employed (ROCE), %	15.0	9.5	12.2
Equity to assets ratio, %	45.5	44.8	45.4
Gearing, %	3.9	(2.9)	(3.7)
Average number of shares (thousands)	136,080	135,333	135,364

Exchangerates used

	1-6/2001	1-6/2000	1-12/2000	June 30,2001	June 30,2000	Dec 31, 2000
USD (US dollar)	0.8982	0.9606	0.9240	0.8480	0.9556	0.9305
SEK (Swedish krona)	9.0649	8.3871	8.4459	9.2125	8.4210	8.8313
GBP (Pound sterling)	0.6236	0.6121	0.6094	0.6031	0.6323	0.6241

Formulas for calculation of key ratios

Earnings / share:

$$\frac{\text{Profit before extraordinary items and income taxes} - \text{taxes +/- minority interests}}{\text{Average number of shares during period}}$$

Equity / share:

$$\frac{\text{Shareholders' equity}}{\text{Number of shares at end of period}}$$

Return on capital employed (ROCE), %:

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

Return on equity (ROE), %:

$$\frac{\text{Profit before extraordinary items and income taxes} - \text{taxes}}{\text{Shareholders' equity} + \text{minority interests (average for period)}} \times 100$$

Equity to assets ratio, %:

$$\frac{\text{Shareholders' equity} + \text{minority interests}}{\text{Balance sheet total} - \text{advances received}} \times 100$$

Gearing, %:

$$\frac{\text{Net interest-bearing liabilities}}{\text{Shareholders' equity} + \text{minority interests}} \times 100$$

Business area information

Net sales by business area

(Millions)	4-6/2001 EUR	4-6/2000 EUR	1-6/2001 EUR	1-6/2000	7/2000-6/2001 EUR	1-12/2000 EUR
Pulping Technology	111	127	215	199	456	440
Paper Technology	470	372	961	662	1,879	1,580
Others	89	86	180	143	386	349
Intra-business area net sales	(43)	(25)	(76)	(37)	(122)	(83)
Metso Paper	627	560	1,280	967	2,599	2,286
Metso Minerals	150	155	273	286	548	561
Metso Automation	169	158	322	289	677	644
Metso Engineering	55	45	110	87	217	194
Manufacture of Specialty Cars	37	33	79	63	135	119
Metso Ventures	92	78	189	150	352	313
Intra Metso net sales	(21)	(31)	(45)	(46)	(91)	(92)
Continuing operations	1,017	920	2,019	1,646	4,085	3,712
Forest Machines*	-	45	-	179	-	179
Metso total	1,017	965	2,019	1,825	4,085	3,891

Operating profit (loss) by business area

(Millions)	4-6/2001 EUR	4-6/2000 EUR	1-6/2001 EUR	1-6/2000	7/2000-6/2001 EUR	1-12/2000 EUR
Pulping Technology	3.3	14.3	10.2	15.7	34.2	39.7
Paper Technology	37.6	9.2	74.3	17.2	134.6	77.5
Others	(1.6)	0.3	(1.2)	(5.1)	(6.9)	(10.8)
Metso Paper	39.3	23.8	83.3	27.8	161.9	106.4
Metso Minerals	11.7	10.9	18.1	16.2	29.6	27.7
Metso Automation	4.8	10.2	9.6	12.5	42.1	45.0
Metso Engineering	3.3	2.7	6.5	4.3	12.9	10.7
Manufacture of Specialty Cars	7.2	6.1	18.3	9.9	24.0	15.6
Metso Ventures	10.5	8.8	24.8	14.2	36.9	26.3
Corporate Headquarters and other	(7.5)	(6.2)	(15.0)	(14.8)	(18.8)	(18.6)
Continuing operations	58.8	47.5	120.8	55.9	251.7	186.8
Forest Machines*	-	4.6	-	13.3	-	13.3
Metso total	58.8	52.1	120.8	69.2	251.7	200.1

*) Forest Machines (Timberjack) was part of Metso until April 28, 2000 and it is included in the consolidated figures of Metso Corporation 1-4/2000.

Orders received by business area

(Millions)	4-6/2001 EUR	4-6/2000 EUR	1-6/2001 EUR	1-6/2000 EUR	7/2000-6/2001 EUR	1-12/2000 EUR
Pulping Technology	69	117	285	215	541	471
Paper Technology	261	606	721	1,213	1,374	1,866
Others	69	100	150	206	331	387
Intra-business area orders received	(8)	(12)	(49)	(27)	(98)	(76)
Metso Paper	391	811	1,107	1,607	2,148	2,648
Metso Minerals	152	143	301	291	570	560
Metso Automation	165	170	354	333	672	651
Metso Engineering	66	53	137	113	242	218
Manufacture of Specialty Cars	37	32	79	62	136	119
Metso Ventures	103	85	216	175	378	337
Intra Metso orders received	(26)	(39)	(63)	(68)	(110)	(115)
Continuing operations	785	1,170	1,915	2,338	3,658	4,081
Forest Machines*	-	41	-	187	-	187
Metso total	785	1,211	1,915	2,525	3,658	4,268

Personnel by business area

	June 30, 2001	June 30, 2000	Dec 31, 2000
Pulping Technology	2,124	2,037	1,956
Paper Technology	7,929	7,734	7,558
Others	1,397	1,422	1,400
Metso Paper	11,450	11,193	10,914
Metso Minerals	3,235	3,328	3,298
Metso Automation	4,804	4,493	4,551
Metso Engineering	1,628	1,531	1,487
Manufacture of Specialty Cars	1,632	1,470	1,658
Metso Ventures	3,260	3,001	3,145
Corporate Headquarters and other	124	123	116
Continuing operations	22,873	22,138	22,024
Forest Machines*	-	-	-
Metso total	22,873	22,138	22,024

*) Forest Machines (Timberjack) was part of Metso until April 28, 2000 and it is included in the consolidated figures of Metso Corporation 1-4/2000.

Quarterly information

Net sales by business area

(Millions)	4-6/2000 EUR	7-9/2000 EUR	10-12/2000 EUR	1-3/2001 EUR	4-6/2001 EUR
Pulping Technology	127	111	130	104	111
Paper Technology	372	405	513	491	470
Others	86	87	119	91	89
Intra-business area net sales	(25)	(23)	(23)	(33)	(43)
Metso Paper	560	580	739	653	627
Metso Minerals	155	121	154	123	150
Metso Automation	158	157	198	153	169
Metso Engineering	45	49	58	55	55
Manufacture of Specialty Cars	33	21	35	42	37
Metso Ventures	78	70	93	97	92
Intra Metso net sales	(31)	(18)	(28)	(24)	(21)
Continuing operations	920	910	1,156	1,002	1,017
Forest Machines*	45	-	-	-	-
Metso total	965	910	1,156	1,002	1,017

Operating profit (loss) by business area

(Millions)	4-6/2000 EUR	7-9/2000 EUR	10-12/2000 EUR	1-3/2001 EUR	4-6/2001 EUR
Pulping Technology	14.3	12.6	11.4	6.9	3.3
Paper Technology	9.2	27.3	33.0	36.7	37.6
Others	0.3	(4.0)	(1.7)	0.4	(1.6)
Metso Paper	23.8	35.9	42.7	44.0	39.3
Metso Minerals	10.9	4.9	6.6	6.4	11.7
Metso Automation	10.2	15.3	17.2	4.8	4.8
Metso Engineering	2.7	4.0	2.4	3.2	3.3
Manufacture of Specialty Cars	6.1	(0.4)	6.1	11.1	7.2
Metso Ventures	8.8	3.6	8.5	14.3	10.5
Corporate Headquarters and other	(6.2)	(2.4)	(1.4)	(7.5)	(7.5)
Continuing operations	47.5	57.3	73.6	62.0	58.8
Forest Machines*	4.6	-	-	-	-
Metso total	52.1	57.3	73.6	62.0	58.8

Orders received by business area

(Millions)	4-6/2000 EUR	7-9/2000 EUR	10-12/2000 EUR	1-3/2001 EUR	4-6/2001 EUR
Pulping Technology	117	104	152	216	69
Paper Technology	606	221	432	460	261
Others	100	39	142	81	69
Intra-business area orders received	(12)	(19)	(30)	(41)	(8)
Metso Paper	811	345	696	716	391
Metso Minerals	143	115	154	149	152
Metso Automation	170	138	180	189	165
Metso Engineering	53	51	54	71	66
Manufacture of Specialty Cars	32	22	35	42	37
Metso Ventures	85	73	89	113	103
Intra Metso orders received	(39)	(16)	(31)	(37)	(26)
Continuing operations	1,170	655	1,088	1,130	785
Forest Machines*	41	-	-	-	-
Metso total	1,211	655	1,088	1,130	785

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