



## **Profitable growth with fresh fibre paperboards**

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Metsä Board  
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# Restructuring to a pure-play paperboard company from 2005 onwards

- From 26 to 8 production units
- Paper capacity from 5 million tonnes to zero
- Paperboard capacity from 1.1 million tonnes to 2.0 million tonnes
- Major divestments incl. Graphic Papers and Map Merchants
- Paperboard (incl. market pulp) 100% of sales from 2017 onwards
- Major improvement in profitability and financial position

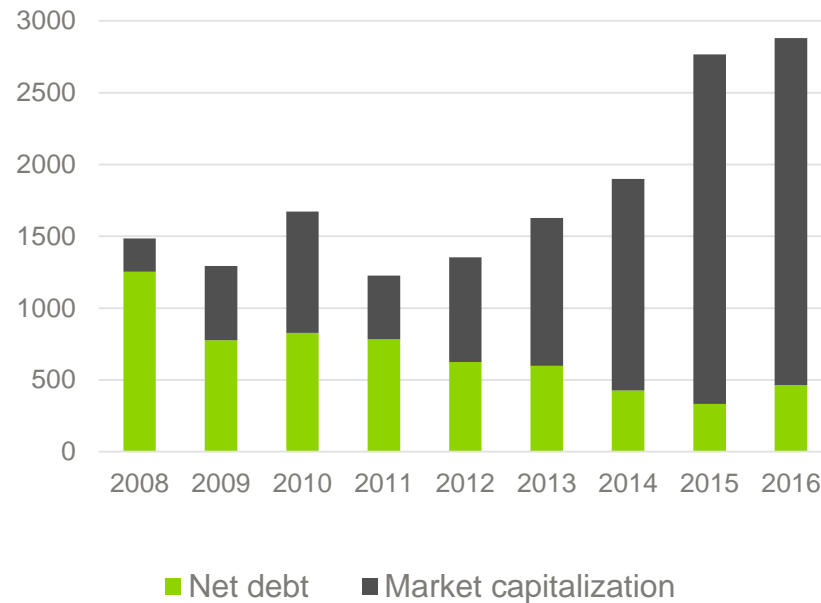
## Today strong position and growing

- #1 producer of folding boxboard in Europe
- #1 producer of coated white-top kraftliner globally
- Husum investment programme enabling significant growth steps

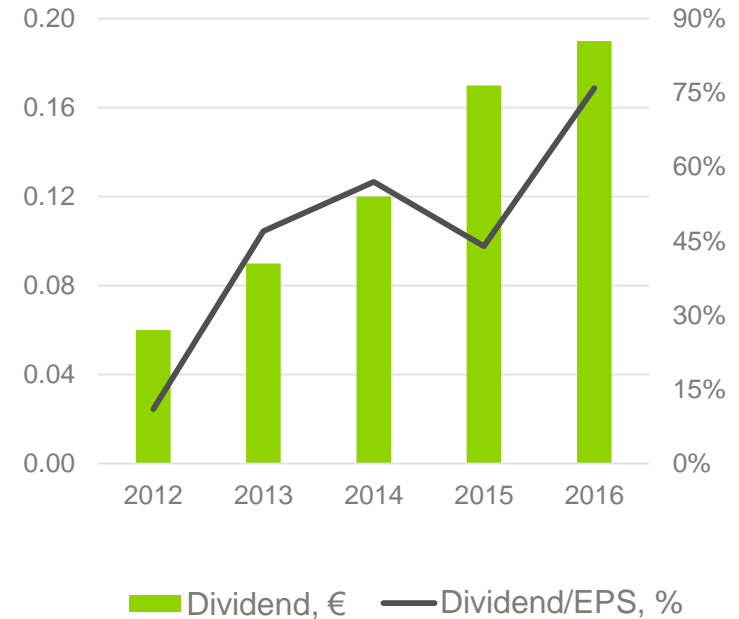


# Transformation has increased shareholder value

Enterprise value, EUR million



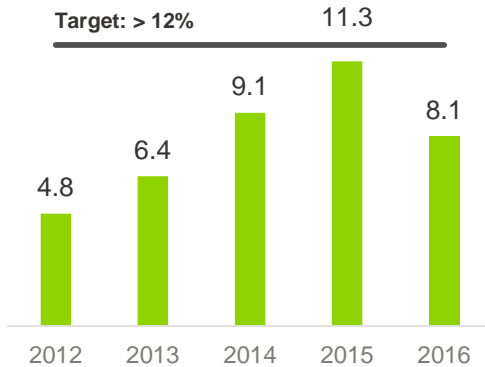
Dividend, EUR and payout ratio, %



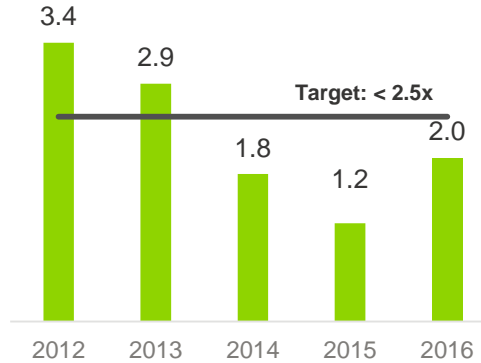
# Financial targets have been updated

Efficient use of capital and higher profitability through focused growth

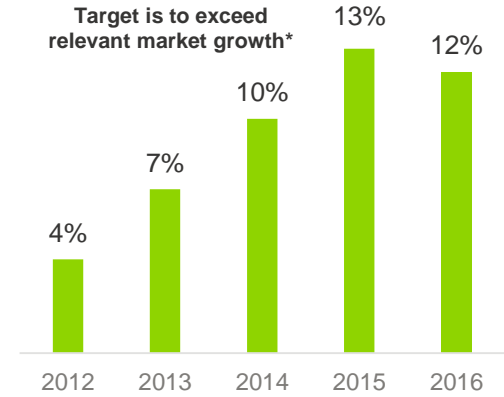
Comparable ROCE, %



Net debt /  
Comparable EBITDA, %



Annual growth in total  
paperboard deliveries, %



**Dividend policy:** Metsä Board aims to distribute at least 50% of its result for the financial period in annual dividends to its shareholders

# Strong focus on premium fresh fibre paperboards

- Leading market position in folding boxboard in Europe and in coated white kraftliner globally
- Long-lasting customer relationships with significant brand owners
- Efficient production, especially through the integrated mill models
- Active product development
- Recognised several times for sustainability performance
- Solid financial performance with efficient capital structure
- Strong synergies within Metsä Group



# World economy – signs of improvement

- Improving outlook in most regions
- Asia, especially China, remains the growth engine
- Solid basis for market growth in North-America
- Europe is slowly picking up from low levels
  - Finland also finally back on growth track with increasing export volumes
- Major uncertainties remain
  - European debt crisis
  - Geopolitics incl. future of European Union
  - Barriers to trade
  - Migration



# Metsä Fibre's Äänekoski bioproduct mill project starts up in Q3 2017

- Investment cost of EUR 1.2 billion. Pulp capacity 1.3 million t/a
- World's most modern pulp mill as the core. In addition, integrated production of new biomaterials, biochemicals and bioenergy with great resource efficiency
- No fossil fuels used
- Significant contribution to the Finnish economy
  - Revenue increase over EUR 30 billion\*
  - Employment impact in total over 61,000 person-years\*
  - Supports reaching the goal for renewable energy
- Capital invested by Metsä Board: EUR 24.9 million. Metsä Board's share of increased pulp capacity ~200,000 t/a



# Key actions in the future

- Further enforcement of the current strategy
  - Continue profitable growth globally
  - Strengthen market and quality leadership
  - Full benefit of Husum investment programme
- Continued active product development with key customers and partners
  - Success in the bioeconomy era is a team game
- Further strengthening of current production capacity and preparations for the next growth steps





**Make the most of Metsä Board**

