

**Date** 22/07/2011

**Consensus Rating\*:** 1.21 (Accumulate)

Previous rating 1.00 (Accumulate)

Stock price (in Euro)\*\* 38.39

High/Low (52 weeks)\*\* 43.15/27.63

Market cap (in Euro m)\*\* 5,771.9

ISIN FI0009007835

Reuters MEO1V.HE

Bloomberg MEO1V FH

Exchange OMX

Sector Industrials

 Internet [www.metso.com](http://www.metso.com)

Coverage 13

## Metso

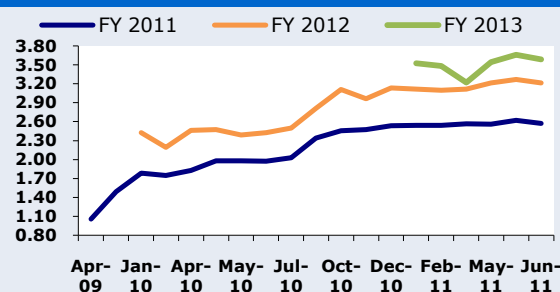
### Summary

#### Outlook after Q1 2011 results:

- Net sales in 2011 will grow about 15 percent compared to 2010
- Profitability (EBITA margin before non-recurring items) will improve

**Metso will release its Q2 2011 results on 28<sup>th</sup> July 2011.**

#### EPS Estimates in Euro:



#### YoY Change in Estimates

	Q2 11E	Q2 10A	Change
Sales	1,606.5	1,370.0	17.3%
EBIT clean	146.3	110.8	32.0%
EBIT reported	147.7	140.0	5.5%
EPS reported	0.63	0.56	12.2%
EPS clean	0.63	0.36	74.3%

#### \* Consensus Rating (CR):

##### Classification:

Buy:	1.50 ≤ CR < 2.00
Accumulate:	0.50 ≤ CR < 1.50
Hold:	-0.50 < CR < 0.50
Reduce:	-1.50 ≤ CR < -0.50
Sell:	-2.00 ≤ CR < -1.50

Disclaimer: This document has been issued by Vara Research GmbH for information purposes only and is not intended to constitute investment advice. It is based on estimates and forecasts of various analysts regarding revenues, earnings and business developments of relevant company. Such estimates and forecasts cannot be independently verified by reason of subjective character. Vara Research GmbH gives no guarantee, representation or warranty and is not responsible or liable as to its accuracy and completeness.

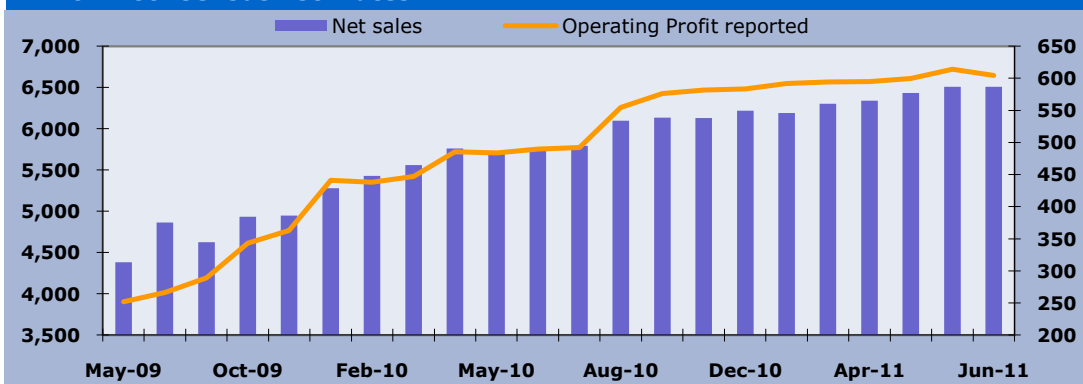
#### Price targets in Euro

	Current	Previous	Change	Up-/Downside
Current Price	38.39			
Highest	50.00	50.00	0.0%	30.2%
Consensus	45.54	44.13	3.2%	18.6%
Median	46.00	45.00	2.2%	19.8%
Lowest	35.00	37.00	-5.4%	-8.8%

#### Consensus Valuation

	EPS clean	EBIT clean	P/E	EV/Sales	EV/EBIT	Div.Yield
2008	2.75	637.2	3.1	0.36	3.62	8.2%
2009	1.06	293.6	23.2	0.85	14.56	2.8%
2010	1.71	445.1	22.4	1.09	13.60	4.0%
2011E	2.57	606.1	14.9	0.93	9.95	4.0%
2012E	3.21	742.8	12.0	0.84	8.12	4.5%

#### FY 2011 Consensus Estimates



#### Quarterly Development (in Euro m)

