

Transcript

Metsä Board Corporation

**Interim report
January–September 2025**

30 October 2025

Katri Sundström

Good afternoon, and welcome to Metsä Board's January–September interim report webcast and conference call.

My name is Kati Sundström, and I'm responsible for Investor Relations at Metsä Board.

The presentation will follow the usual format: CEO Esa Kaikkonen and CFO Henri Sederholm will present the results, after which we will open the conference call for questions.

You can also submit questions via the chat function, and I will present them to the management after we have taken the questions from the lines.

And please note an important reminder, as today's presentation may contain forward-looking statements.

But now, we are ready to get started. Thank you for joining us today — and I will now hand over to Esa.

Esa Kaikkonen

Before we move to the Q3 results, let's take a moment to look at the key themes shaping our actions right now.

First, the market environment remains challenging, and this continues to put pressure on our business. Our recent financial performance underlines the need for decisive measures.

To address this, we have launched a comprehensive cost savings and profitability improvement programme with around 350 initiatives. I will return to this later in the presentation

At the early stage of the transformation, we are placing strong emphasis on strengthening cash flow. In Q3, we succeeded exceptionally well – operating cash flow reached EUR 122 million

For the time being, we are updating our strategy to unlock long-term growth and value creation.

Together, these steps demonstrate our commitment to adapting and acting decisively for a stronger future.

Strong competitive advantages give us a solid foundation– the same strengths that have made us a leader in high-quality packaging solutions.

First and foremost, our people – highly skilled and deeply committed to Metsä Board's success and continuous development.

We have long-standing customer relationships built on trust and the strong performance of our paperboards, supported by a wide range of services.

Our production is backed by decades of expertise, and our quality consistently earns top ratings. Customers also value our high sustainability standards and transparent value chain.

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Together, these strengths form a powerful platform for transformation and long-term growth.

Let's now turn to our results for January to September and starting with an overview of the third quarter of 2025.

Profitability was in red and impacted by low pulp prices, big maintenance and investment shutdowns as well as market-driven production curtailments – which were due to various factors, including U.S. import tariffs that reduced folding boxboard orders. Husum mill was hit hardest as it serves U.S. customers and includes our only chemical pulp mill.

Paperboard deliveries declined vs. Q2, reflecting continued weak demand.

Transformation programme was implemented to restore competitiveness and ensure long-term profitability.

And as already mentioned, cash flow improved significantly during the quarter, driven by a substantial release of working capital.

After the review period, we initiated change negotiations covering all employees. These negotiations may lead to a reduction of up to 315 positions, including approximately 155 in Finland. These are difficult but necessary measures to align our cost structure with the market reality.

Finally, the modernization project at Simpele has been completed, and the upgraded board machine is now in operation. This investment marks a significant milestone in product performance and supports Metsä Board's transition toward fossil-free production.

Then the business development, and starting with folding boxboard.

In Europe, demand has remained subdued while supply has increased, keeping capacity utilization below the long-term average.

In U.S., a 15% import tariff came into effect in early August. Folding boxboard can be substituted with heavier, locally available grades, which has limited our ability to fully pass on the tariff impact. Price increases have only been partially successful. U.S. delivery volumes declined already in the Q2, compared to the previous quarters, and have not yet recovered.

Overall, year-to-date delivery volumes for folding boxboard are down by 9%, while average euro prices have remained stable. Here, the weaker dollar has been offset by the partial price increases.

Then white kraftliners.

In Europe, demand has been stable but moderate for both coated and uncoated grades.

In the U.S., our sales focus is almost entirely on coated white kraftliners. This product is difficult to substitute, which has allowed us to implement price increases corresponding to tariffs rather well.

Delivery volumes as well as average euro prices remained fairly stable.

Let's move on to pulp.

Weak consumer sentiment continues to weigh on market pulp demand in both Europe and China. The removal of tariffs on pulp imports to the U.S. has slightly reduced global trade uncertainty.

Prices for softwood pulp remain depressed across all regions, with China approaching unsustainable levels for many producers.

Production has been adjusted to reflect lower demand. Metsä Fibre's Joutseno mill has been curtailed since early summer.

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And looking at volumes: Metsä Board's pulp and BCTMP deliveries declined by 13% year-on-year.

Metsä Fibre's strong development is largely explained by the explosion at the Kemi mill in 2024, which significantly impacted their delivery volumes. Yet both companies are operating clearly below capacity.

And now I will let Henri to go through financials.

Henri Sederholm

Thank you, Esa, and good afternoon, everyone.

In 2025, Our sales has declined slightly each quarter, following the overall volume trend. Q3 ended at 441 million euros, bringing the year-to-date figure to approximately 1.4 billion.

Profitability, as has been mentioned several times, remains at a highly unsatisfactory level. As we guided in our previous earnings release, the comparable operating result was expected to continue to deteriorate. For Q3 – and for the entire reporting period – we posted an operating loss of 46 million euros.

Then let's take a closer look at the bridges.

Comparable operating result moved from 42 million in Q3 24 to a loss of 46 million euros in Q3 25.

While FX impacts, including hedging, provided some support, these were heavily outweighed by several negatives: lower market pulp prices, weaker contribution from Metsä Fibre, reduced paperboard delivery volumes, and market-related production shutdowns. In addition, last year's gain from the sale of unused emission rights did not recur this quarter. It is also important to note that Q3 2024 included 23 million euros in insurance compensation related to the gas explosion at Metsä Fibre's Kemi bioproduct mill in spring 2024.

Looking at the full review period, the comparable operating result decreased from 73 million in 24 to a loss of 46 million euros in 25. Positives included slightly higher paperboard prices in local currencies and lower chemical costs.

In the negative side, we had lower market pulp prices, which also lowers paperboards inventory value, weaker result share from Metsä Fibre, reduced delivery volumes, and market-related production shutdowns. Costs for wood and logistics increased, as did maintenance costs and depreciation. The gain from the sale of unused emission rights was 15 million euros lower this year compared to last year.

Next, let's look at an area where we've delivered real strength – cash flow.

Along with our transformation programme, we set a target to release 150 million euros of working capital. We performed exceptionally well against this goal, releasing a total of 120 million in operational working capital during Q3. This was achieved mainly by curtailing production, which lowered inventory levels, but also through financing arrangements related to payables.

Cash flow from operations and cash flow after investments were clearly positive in the third quarter.

At the end of period, our total interest-bearing debt stood at 551 million, and net debt was 338 million, which is clearly down from the levels seen in the first half of the year.

Liquidity remains strong at over 400 million, split roughly 50/50 between liquid assets and unused revolving credit facilities. After the review period, we renewed our previous RCF with a new 250 million sustainability-linked facility, further strengthening our financial resilience.

Metsä Board continues to hold an investment-grade rating from both Moody's and S&P.

Finally, it's worth noting that the elevated leverage—clearly above our target level of 2.5—is largely due to weak profitability.

And now back to Esa.

Esa Kaikkonen

Thank you, Henri. Before moving on to the outlook, let's take a quick look at our investments.

The major investment projects are now behind us, and our focus is to make the most of the recent capacity expansions – in Husum and Kemi. This means sharpening our sales and marketing efforts, which play a significant role in our transformation. In October, we also completed the approximately 60 million investment to modernize the Simpele paperboard machine.

Our estimate for this year's capex is approximately 100 million.

We have also decided to discontinue all our investments in pre-engineering, as their expected returns would not meet targets in the current market environment.

In addition, the Metsä Group-wide ERP project has been put on hold for the time being.

In today's challenging and volatile market environment, our priority is to safeguard cash flow. For now, we will not give an operating result guidance.

Yet we aim to provide a comprehensive and transparent view of the key market trends and company-specific factors – ensuring that markets have the best possible understanding of what drives our business and outlook.

First, let's look at the operating environment and what we expect for the next three to six months.

In Paperboard, weak consumer sentiment and U.S. tariffs continue to make sales development unpredictable. In Europe, overcapacity adds pressure, and in North America demand is expected to stay weak.

Global pulp demand remains stagnant. In Europe, production is further being limited by high raw material costs, and a weakening U.S. dollar.

Lower wood costs in Finland and Sweden should support profitability from 2026 onwards.

We have long avoided negative FX impacts through hedging, but these will start to show—slightly in Q4 and more clearly early next year.

Then, let's look at Metsä Board specific items and their impacts on fourth quarter:

First, Cash flow-based steering continues: Market-driven production curtailments expected at all mills, continuing to negatively impact profitability. This has a particular impact on our Husum integrate.

Operating cash flow is expected to remain positive.

Paperboard delivery volumes are expected to decline due to normal seasonality.

On the positive side, we will have less planned maintenance, although the ramp-up at Simpele may involve some production uncertainty. Employee costs will increase from Q3 based on seasonality.

And finally, there is a possibility that final insurance compensations related to the 2024 Kemi bioproduct mill accidents will be recognized in the Q4 result.

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Our strategic direction remains unchanged – we continue to focus on growth in fresh fibre-based packaging. At the same time, we have started updating our strategy to reflect the changing market environment and our future ambitions, with an update planned for the first quarter of 2026.

While the long-term direction is clear, our immediate priority is improving cash flow and profitability. To achieve this, we have launched a cost savings and profitability improvement programme targeting an annual EBITDA run-rate increase of 200 million by the end of 2027, and a 150 million release in working capital.

In the early phase, results will primarily come from cost savings, while actions to drive profitable growth will follow as the programme progresses.

Next, a deeper look into the programme's content and progression.

First, we need to be fit for the future – building a leaner, more competitive cost base aligned with current market realities. Then, we can drive margin expansion and accelerate growth through complexity reduction and commercial excellence.

How are we doing this?

On fixed costs, we are reducing personnel expenses. Statutory negotiations are ongoing and could result in up to 315 FTE reductions in Metsä Board. More savings potential is expected through Metsä Group.

In procurement, we are driving savings through logistics improvements via route and mode optimization, and reducing external spend in maintenance and ICT.

On mill productivity, we are e.g. optimizing pulp and chemical use, reducing complexity, and improving energy efficiency.

Finally, in commercial excellence, we are sharpening our focus on value-creating segments such as food, foodservice, and healthcare, and regaining share in Europe and North America. The commercial strategy developed in Q3 is now moving into implementation.

While these targets are ambitious and challenging, we are confident in our ability to achieve them.

As we have already mentioned, Our efforts to release working capital and strengthen cash flow have been highly successful. Most of the release has come from inventory reductions, but we've also seen positive development in payables and receivables.

Going forward, we will maintain strict discipline on working capital, and cash flow will remain a top priority in the coming years.

And then To summarize.

Market environment remains challenging, and we must improve our ability to adapt. We deliver everything that is in our own hands.

Profitability is unsatisfactory, yet we are supported by a strong financial position.

Our transformation has delivered promising early results, and maintaining this progress requires further capital discipline. The cash flow improvement achieved in Q3 was a good performance, and as part of our measures, we discontinued investments in the pre-engineering phase.

And where do we focus next?

We continue to steer the business with a strong focus on cash flow and customer-centricity, ensuring resilience and agility in a volatile market environment. Operationally, this will likely mean that market-related production curtailments will continue towards the end of the year.

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At the same time, we are driving our transformation forward with strong momentum and commitment, and reporting of financial impacts will start from Q4 2025 onwards.

Finally, the work on our strategy update is progressing, and we plan to share the revised strategy with you during the first quarter of 2026.

That concludes our presentation part, and we are now ready to take your questions. Operator, please go ahead and open the lines.

Operator: If you wish to ask a question, please dial Pound Key five on your telephone keypad to enter the queue. If you wish to withdraw your question, please dial Pound Key six on your telephone keypad. The first question comes from Linus Larsson from SEB. Please go ahead.

Linus Larsson: Thank you very much. And hello, Esa and Henri. Good day everyone. Maybe starting off with your, America's business. Shipments amounted to some 100 000 tons in the quarter. How much of that was subject to tariffs? And what was the total tariff cost in the quarter? And second to that, how much of that tariff cost could you cover by price increases and how much of that cost did you just have to carry yourself?

Esa Kaikkonen: Please, Henri, if you can.

Henri Sederholm: Yeah. If I start so I can I can say that, maturity of the volumes was under the tariffs, of the volumes that we delivered during this quarter. But but unfortunately we don't publish those exact amounts of tariffs.

Linus Larsson: Now, I'm just thinking because as you said in the presentation, the tariffs only hit sometime into August. And I know you also had some inventory going into this tariff situation. So that's why I wondered, you know, if it was... and you also sell to other countries than the US for that matter. So that's, that's my that's the reason for my question.

Esa Kaikkonen: Yeah. We appreciate the question, but we are not going to the details. There are of course currency impact as well. We have had a headwind on the currencies a bit as well. And then this tariff issue and the let's say how much those tariffs are impacted, our warehouses and everything. It could be very complicated to open all of this. But maybe the big picture in here is that as we have said saying regarding the prices. The prices in the market of FBB has they have been stable. And in the US we have we have gotten a, let's say, price increases that are bigger in the kraftliner than in FBB. And we have been compensating this partly, but not the not the big. Let's say that in FBB, we have been able to push the prices up on a, on a local currencies, to some extent, but not covering the full effect of the tariffs. And then in a white kraftliner the most of the tariffs have been absorbed in the prices, and we have been able to push those price, in the form of price increases further to the market. I hope that this this, this answers to that question.

Linus Larsson: Yeah. No that's helpful. And then now we're some time into the fourth quarter. I'm guessing, but I'm thinking probably you've exhausted the the inventory that you had. You have a full quarter of tariffs, whereas in the third quarter it wasn't the entire entire quarter. So are you expecting a step up in tariff costs in the fourth quarter compared to the third quarter, ending up with you rather than your customers? Is there an incremental burden, carried by yourselves Q4 compared to Q3?

Esa Kaikkonen: Yeah, I would say that if it would have been substantial in comparison to this, quarter, we would be guiding that through in our company specific items. So it's not a substantial there is some kind of effect or Henri can maybe add on this one, but there is there will be an impact, but it's not substantial. If you take the overall, let's say, results of the company.

Henri Sederholm: Yes I agree. Yeah.

Linus Larsson: Okay. That's that's great. And then a different set of questions relating to downtime and maybe starting with Metsä Fibre, a very challenging quarter apparently. But Metsä Fibre also took a lot of planned market related downtime in the third quarter. What's the curtailment schedule looking like in the fourth compared to the third quarter in MetsäFiber? And in MetsäBoard, please.

Esa Kaikkonen: Well, what we have been saying, you know, production curtailments, market related. I think that we are not expecting big changes in the MetsäBoard side. And then, in Metsä Fibre's part will be, the Joutseno has been already standing since spring and we are not assuming that it will be starting up anytime soon. It will be started before the winter arrives, but we don't have any exact time for that currently.

Linus Larsson: Okay, so you're saying that the curtailment schedules look pretty similar Q4 versus Q3?

Esa Kaikkonen: Yes.

Linus Larsson: Okay. Thank you. That's very helpful.

Operator: The next question comes from Robin Santavirta from DNB Carnegie. Please go ahead.

Robin Santavirta: Yes, thank you very much. Now you're the largest producer of folding boxboard in Europe. If I look at the markets right now, they seem to be quite significantly oversupplied, potentially getting even worse with Stora Enso launching new capacity in Oulu. And then with the problematic in North America, where a lot of European guys cannot sell. Normally in North America it seems as quite a challenging market. So I was wondering, I guess, you're now discussing pricing for folding boxboard for Europe 2026. Could you share some light on on those discussions? I mean, you're deeply in the red here. You will have quite significant negative effects, sort of impact on earnings in 2026. But everything I see and read relates to quite significant declines in folding boxboard pricing going into 2026. What are you sort of what is happening in the market when it comes to pricing. And what kind of measures are you taking to make sure that the prices would hold up better than the current speculations?

Esa Kaikkonen: Thank you, Robin, for the question. I think that that's very topical. I would say in a way, seeing clearly that the market the same way, at the same time as I was referring and we were referring to in our quarterly results as well, the biggest impact on the market is currently in Husum integrate. And that is the concern that we have mostly currently at hand. And we have been acting pretty swiftly to actually correct those as well. And these transformation program measures, also what comes to the cost cutting is targeted. A big part of those are targeted into our Husum integrate. So we

are answering to these pressures through of course being more cost competitive in the market. Of course, goes through the whole mill fleet, but especially in Husum, which is the most suffering on the current situation. The biggest mill and biggest integrate that we have. And seeing what comes to the annual negotiations, we have roughly 40% of our volumes are under the annual contracts. And we are in the early stage of those discussions currently. And I we will not give a forward looking view in our prices. But the market situation, of course, is having an impact on the overall sentiment as you were referring to. But I will not kind of go into the negotiations that much because we don't have any news to break at this point of time.

Robin Santavirta: I understand. Thank you very much Esa, but I was just wondering, would it make sense for you and for Stora Enso, maybe a few other Nordic producers, to simply make sure that your ownership is very tight and and simply close the weakest assets, because now it seems to me it's not a question of. Sure, there's some cyclicity included, and the markets will be some. I mean, is it then 26 or 27 will be better demand at some stage, but now it seems to be a case where the capacity utilization is getting so low that the temporary curtailment of production is not enough. So are you looking at your weakest mills and, you know, in order to not get into the Tako problematic, where all of a sudden we realize that you have been running a mill on losses for two years. Would it now be smart? You know, we have the big cost cutting program to just make sure that you have a very tight sort of and competitive production. That to me, we then also include a closure. Is that a low at all what you are looking at, or is it just to try to be more efficient than and then temporary curtail production?

Esa Kaikkonen: Robin that's a again, very, very good question. And I think that we have been discussing this earlier as well. And our if you're looking at our mill fleet, it's well invested. We have really competent people and really committed customer base in our mills as well. We have just closed the Tako mill and we have been circulating our product and customers in our in other mills very, very successful. So I'm not concerned, as I said, the the situation currently that we have at hand is more of an US problem on FBB side than the, let's say, a domestic issue for us, and we believe that we have a kind of a competitive and really specialized and quality wise, excellent meal fleet. To answer that. The customer needs that we have.

Robin Santavirta: Thank you, Esa. That is very clear. Final quick question to to Henri. Can you help me with this current FX spot rates. Was the EBIT impact 2026, ballpark is enough?

Henri Sederholm: Yeah. So I think I also earlier commented about the sort of effective dollar rates that we are seeing as head. So we are for this year at the level of 1.08 roughly. And when we get to the spot rates, you will you will be able to calculate that 10% change in the US dollar is roughly €60 million. So you will get the kind of idea from from that.

Robin Santavirta: Perfect. Thank you very much, gentlemen.

Operator: The next question comes from Joni Sandvall from Nordea. Please go ahead.

Joni Sandvall: Yeah. Thanks. Hey, maybe follow up on the Husum mill. Can you give us a reminder of the ramp up there? Are you still expecting, you know, are you at full, full speed there? And correct me if I'm wrong, but were these additional volumes targeted to go to US? Obviously I'm asking this because as mentioned many times, the European market is in oversupply. So what to do actually with these volumes?

Esa Kaikkonen: Thank you Joni for the question. This Husum mill, after the investment that we had of increasing the capacity by 200 000 tonnes. Is, the capacity is 600 000 tonnes. And it's a modern new facility and very competitive as well. But of course at this situation it was specified for the predominantly to the US. And this is of course having a currently the impact just kind of in the ramp up curve. All of this kind of a geopolitical situation has changed rather dramatically and has an impact to our, let's say capacity utilization rate. But technically speaking the mill is excellent. It produces what it should be, what we are expecting that to produce. So in that sense we have all the capabilities. Currently, of course, we are looking at everything that is at our hands to to sell that volume in, all of our main markets that we have, meaning that Europe and US as well. But the most suitable that machine is for the US market. And as said, if you're looking at the year on year, the volumes that we have had the decline of 9%, it's not that dramatic. If you see that we have been in the US market even when the currency has been one point six. So we have a great belief. And while I have been also visiting us, so excellent team there, very, very competent team. And we have an excellent service concept and reliability. And, and our customers are appreciating that a lot. So I believe that we can turn when the market sentiment is turning. We can we can still grow in the US as well.

Joni Sandvall: Okay. That's clear. I understand that you are starting to give, give some indication of of the run rate in Q4 of the, of the cost savings measures. But could you give any indication of the absolute EBITDA that you are or how large part of this initiatives you have started from the 350 that you mentioned?

Esa Kaikkonen: Well, I said it's an early stage in there. Of course, the cost part is something that we will get first our hands at. And and this is something that we will be starting to report. And also this profitability improvement. There are early signs that are promising, but unfortunately I don't have numbers currently to disclose to you because we have to verify them and build the audit trail as well in order to give you accurate good information on those.

Joni Sandvall: Okay. And lastly, about the European ETS scheme, it is now going to phase out during 26, could you just remind us of of the situation there.

Henri Sederholm: Yeah that is our understanding.

Joni Sandvall: Okay. Thanks. That's all from me.

Esa Kaikkonen: Thanks.

Operator: The next question comes from Cole Hathorn from Jefferies. Please go ahead.

Cole Hathorn: Good afternoon. Thanks for taking my question. Just to follow up on the the export volumes to the US on folding boxboard and the white kraftliner grade. Am I right in assuming that the majority of the pressures on the folding boxboard side versus the the white kraftliner, I imagine you're probably more likely to have passed on a portion of the tariffs on the white kraftliner side. And could you just remind us you said 50/50. That's kind of the goal to split the tariffs. And I'm just wondering if would costs ease into 2026? Is that kind of what you're looking for to also help you on your kind of cost positioning on the folding box world machine at ?? ? Thank you.

Esa Kaikkonen: Yeah. Of course, market is deciding the, first question regarding the price is the market is deciding the market prices. So we cannot state anything on that. Currently, I said that we have been able to push some increases in the prices and folding boxboard and then white Kraftliner. We said that a substantial part of those tariff impacts have been able to push forward, and I suppose that that will be the situation also, going forward, that we don't expect that the market could at this stage when the consumer confidence is also rather weak in the US market. So we don't see that we could be capable of, actually pushing the prices upwards. It's not the market is not supporting that currently or as we speak. But let's see, of course we are following it very closely. Even the small, let's say, adjustments in the in the capacity in the US, which is rather dynamic, could change the situation, of course, very very fast. And then this would procurement side. We have been actually guiding that as of the beginning of 2026. We'll see that the price is decreasing. And if you see that statistic prices with which in Finland we are following very, very closely, they have been actually have been going down by 20% from the peak level, uh, as current compared to the current level. So it is a significant to step down as well. And those, when we have a standing stock consumed thereafter, we will have an impact in the beginning of the year on the wood prices. And we are expecting some easing from that as we have been guiding.

Cole Hathorn: And then this is a difficult medium term question to answer. But, you know, post-Covid, I think everyone in the industry re-evaluated upwards kind of the medium term demand trends and packaging. And now after the cyclical downturn, you know, delays in PPWR. People are kind of re-evaluating downwards their longer term views on kind of packaging growth. How do you think about kind of medium term demand in folding box board. You know, have you kind of lowered your expectation of growth medium term? And how are you protecting, you know, with the wider European industry, the European business? You know, are you kind of trying to ensure that we're not getting imports or at least lobbying some of the trade bodies to, to protect against, imports into the future?

Esa Kaikkonen: Yeah. If you start with the let's say this, the imported flow of goods to the European market, the main, main market. Of course, we see some unhealthy, let's say volumes coming to this region because of the US has been kind of imposing a tariffs to, for instance, to Asian suppliers. So in that regard, we see this development now in the Europe, but at the same time saying that our customer base and our quality, I think that and our brand among our customers is so good that I'm not really concerned on on the imported volumes that much in those high value categories that we are. There are issues related to reliability, service levels, the quality and then the safety of the products, etc., that are let's say that they have been safeguarding throughout this and also the, the value chain and the whole let's say fiber security and everything is an in our value proposition that could that I would not be too concerned about these imported volumes. Having said this, in the longer term, the market growth, I think that this is like a we cannot think in this industry that we would be having the same size of a cake going forward. I think that we have to take a market share from different packaging material, as we have been believing also earlier, and it's really difficult to to say that. What would be the expectations on a short term? We know that how it is, the market is not having a tailwind too much, but the medium and long term, I'm really 100% sure that the fresh fiber packaging materials will be the winning concept going forward, taking into account this regulatory framework as well that we have in the US, in the US partly, and in Europe particularly. So I hope that this answer to your question, I don't give any numbers on the on the growth, but because we are currently in the face of, let's say, making assumptions to do our strategy work, and thus I will not be updating our, overview on the markets in the current circumstances.

Cole Hathorn: Thank you. I Understand.

Operator: As a reminder, if you wish to ask a question, please dial Pound Key five on your telephone keypad. There are no more questions at this time, so I hand the conference back to the speakers.

Katri Sundström: Okay, let's take questions from the chat function then and starting with the our decision not to give the result guidance anymore. So can you still go through the, the reasons for that, that why have we discontinued that?

Esa Kaikkonen: Well, in these circumstances. It's an, let's say, impossible to give a profit guidance in that level that we were earlier. The market is so volatile, easy that we'll have to drive the business through securing our cash flow. And in this, let's say if you see that, then we really have to see that how we are tying our capital, etc.. So it means that we have to be really agile and act swiftly according to the market conditions, not losing the ability to serve our customers at the same time. So therefore it's really difficult. And then taking again the bulk market as well, which is actually very volatile currently as well.

Katri Sundström: True. Then do you see other options on top of profitability improving to support your balance sheet and get closer to the targeted leverage?

Esa Kaikkonen: Of course, if you're looking at the our total balance sheet. So we have an items that during the process of strategy. Everything. When you are looking at the strategy process, you're looking at your balance sheet, of course. And through that we see that our balance sheet is healthy. We have well invested the mill fleet. We have very good, let's say, ownership, ownership of MetsäFiber. And they have just invested the two most modern pulp mills in Finland as well. So in that sense, I see that our balance sheet is really, really in a good shape in order to actually transform our business going forward as well. But I don't go to the details, of course, at this point of time.

Katri Sundström: A bit follow up there, that do you see any potential divestment opportunities?

Esa Kaikkonen: Well, I don't comment on that, but absolutely everything in a in a way, when you're looking at the strategy process, everything in your balance sheet, in your profitability side, how you generate the cash flow, how you win in the market. There are all the questions that we have to ask.

Katri Sundström: Yeah. And then maybe for Henri this following so a further potential to release from working capital.

Henri Sederholm: Yes, absolutely. We still have not reached 150 million targets, so there is definitely a potential in the short term, but also in the long term when we start looking into the more sort of slower items that we have there and also looking into the capital tied in our commercial operations, that's also very important to look at. So we really have good ideas also for the medium term.

Katri Sundström: And what is the estimated cost of implementing your cost reduction program?

Henri Sederholm: Well, at this stage we are not sort of estimating that cost and we will get back to the more details later on.

Esa Kaikkonen: And of course they are always one-off costs when you're talking about this kind of, uh, Transformation in relation to the, you know, the cost cutting. So I think that the overall overarching theme is that we are improving our run rate in structural cost cutting and then the commercial excellence as well.

Katri Sundström: And once we have implemented the actions, then we come back on Possible one-off costs.

Esa Kaikkonen: Yes, exactly.

Katri Sundström: Okay. Looks like there's no more questions on the line or not in the chat. So with that, we'll conclude our result presentation. If you have any additional questions, please don't hesitate to reach out to our Investor Relations. We are happy to continue the discussion. Our next earnings release will be 2025 financial statements, coming out on February 5th on 2026. Thank you all for joining us today. Wishing you a great autumn and rest of the week.