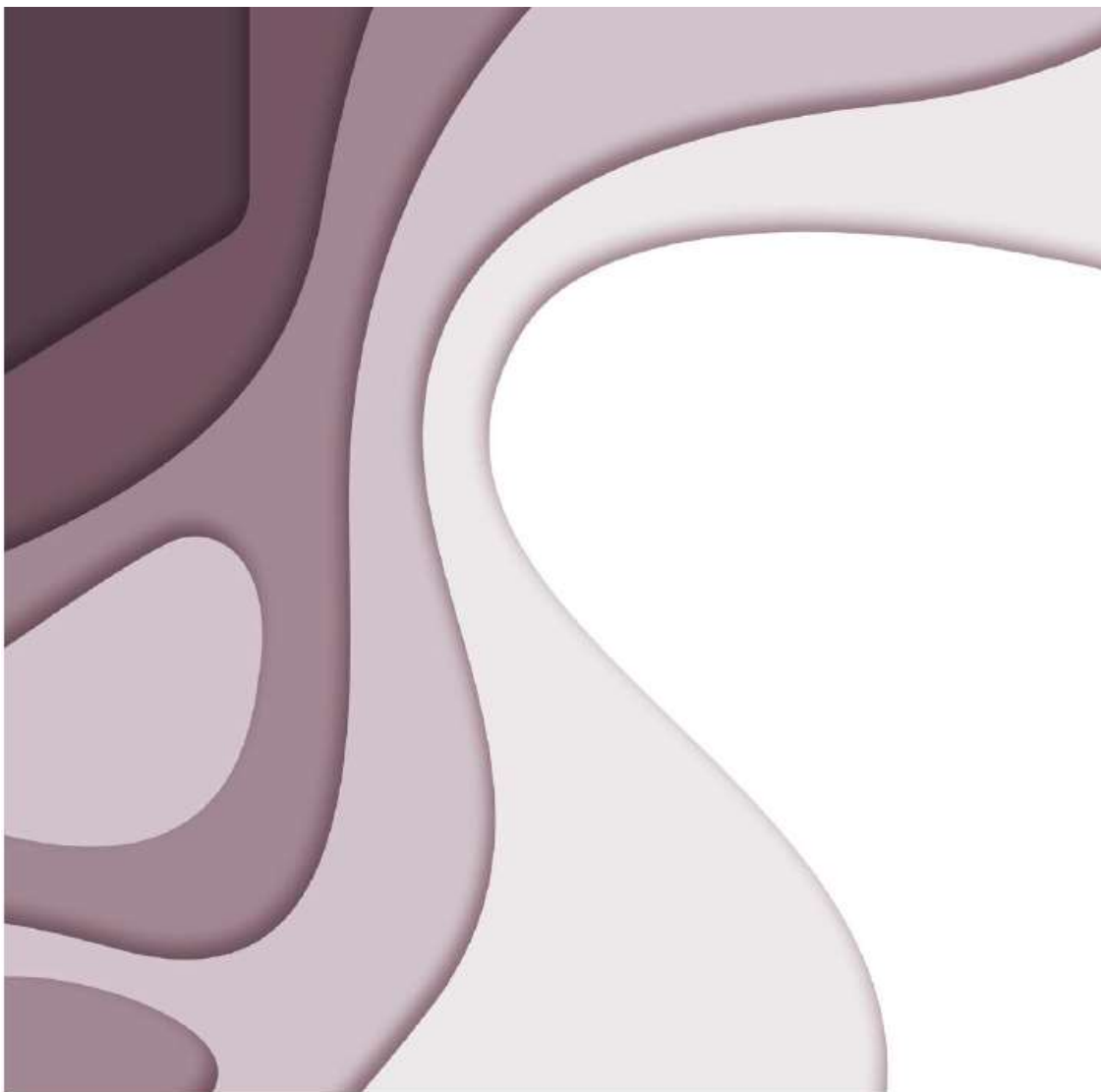


METSÄ BOARD

HALF-YEAR FINANCIAL REPORT

JANUARY–JUNE 2022



METSÄ BOARD'S COMPARABLE OPERATING RESULT IN JANUARY–JUNE 2022 WAS EUR 267 MILLION

JANUARY–JUNE 2022 (compared to 1–6/2021)

- Sales were EUR 1,232.5 million (1,049.5).
- The comparable operating result was EUR 267.4 million (191.3), or 21.7% (18.2) of sales. Operating result was EUR 283.3 million (185.6).
- Comparable earnings per share were EUR 0.57 (0.42), and earnings per share were EUR 0.61 (0.41).
- Comparable return on capital employed was 23.0% (19.3).
- Net cash flow from operations was EUR 95.3 million (150.7).

APRIL–JUNE 2022 (compared to 4–6/2021)

- Sales were EUR 650.5 million (555.8).
- The comparable operating result was EUR 145.9 million (102.5), or 22.4% (18.4) of sales. Operating result was EUR 142.6 million (103.7).
- Comparable earnings per share were EUR 0.31 (0.22), and earnings per share were EUR 0.30 (0.23).
- Comparable return on capital employed was 25.0% (19.7).
- Net cash flow from operations was EUR 2.7 million (134.0).

IMPACTS OF RUSSIA'S WAR IN UKRAINE

Russia's attack on Ukraine has an impact on Metsä Board's business operations. In 2021, Russia accounted for 5.6%, and Ukraine for 0.7%, of Metsä Board's sales. Russian sales have mainly consisted of folding boxboard sales to multinational brand owners. In 2021, folding boxboard deliveries to Russia were approximately 130,000 tonnes. In March 2022, Metsä Board discontinued its sales to Russia. The strong demand for paperboard in the company's main markets Europe and North America has supported the reallocation of the folding boxboard sales previously directed to Russia.

Metsä Group, responsible for Metsä Board's wood procurement, discontinued its wood procurement from Russia in March and focused it on existing sourcing areas in Finland, Sweden and the Baltic countries. In

2021, Russian wood accounted for approximately 9% of Metsä Board's wood supply. Most of the wood imports from Russia have been birch. In the second quarter, the market situation for birch pulpwood grew tighter in all of Metsä Group's operating areas, but wood deliveries ran normally.

In May, Russia halted natural gas supplies to Finland. Prior to this, Metsä Board's Joutseno BCTMP mill and the Tako and Kyro paperboard mills used natural gas imported from Russia in their production. Despite the halt to deliveries from Russia, the mills have been supplied with natural gas as planned. Natural gas can also be partly replaced by oil and the company is also preparing to use liquefied natural gas. Constraints in the availability of alternative forms of energy could affect the continuity of Metsä Board's production. In the long term, by the end of 2030 at the latest, Metsä Board's target is that all the energy it uses will be fossil free.

IMPACTS OF THE CORONAVIRUS PANDEMIC

The coronavirus pandemic shifted consumption from services to goods and increased the consumption of products used at home. This increased the demand for packaging materials, especially in food and other daily consumer goods – the main end uses for Metsä Board's paperboards. The pandemic also accelerated sales in e-commerce, which increased the demand for white kraftliners. The demand for Metsä Board's fresh fibre paperboards has been at a record high in all end uses throughout the pandemic.

Metsä Board's production and deliveries have run smoothly during the pandemic.

Most of the strict precautionary measures adopted at Metsä Board's production and office facilities during the coronavirus pandemic have been removed, depending on the country of operations. The company continues its efforts to ensure the health of employees, prevent the spread of the virus and secure business continuity. The situation is monitored continuously, and local precautionary measures can be quickly initiated if required. A prolonged pandemic could lead to disruptions in production and/or the supply chain.

Metsä Board's financial position is very good. The maturity structure of the loans is healthy, and the company has adequate liquidity. Metsä Board's paperboard product portfolio has responded to the changes in demand resulting from the pandemic, and the cash flow, which

has remained strong, supports financial flexibility.

EVENTS IN APRIL–JUNE 2022

- Russia's war in Ukraine did not have a significant impact on Metsä Board's profitability in the second quarter or on the company's financial position at the end of June.
- The demand for fresh fibre paperboards remained strong, and the average prices of Metsä Board's paperboards in euros increased from the first quarter.
- Total deliveries of paperboards were 472,000 tonnes (Q2 2021: 514,000). Inventory levels were increased as planned in the second quarter. In addition, the delivery volumes in the comparison period exceeded the production capacity.
- Production volumes remained high in paperboard as well as in pulp and BCTMP. Several annual maintenance shutdowns took place in the second quarter, mainly at mills in Finland.
- Cost inflation continued to be rapid. The rise in costs was faster than expected, especially in chemicals and energy. In addition, logistics costs increased clearly from the previous quarter.
- The expected start-up of the recovery boiler and turbine in Husum has been postponed from September to November due to delays in installation work.
- In May, Metsä Board announced it was going to explore possibilities to increase its folding boxboard capacity in Finland or Sweden. The evaluation of options is expected to be completed by the end of 2022.
- Metsä Board was again awarded the Platinum level rating by EcoVadis for its sustainability and corporate social responsibility. The company is in the top 1% of producers of paper, paperboard and packaging.

RESULT GUIDANCE FOR JULY–SEPTEMBER 2022

Metsä Board's comparable operating result in July–September 2022 is expected to be roughly at the same level as in April–June 2022.

METSÄ BOARD'S CEO

MIKA JOUKIO:

"Metsä Board's second quarter was again a record quarter in many ways. Our sales amounted to EUR 650 million, and our comparable operating result to EUR 146 million. The comparable return on capital employed

was as high as 25%. Despite several annual maintenance shutdowns in the second quarter, the paperboard production volumes actually increased from the first quarter. In the first half of the year, the total production volumes of paperboards, pulp and BCTMP were at a record high.

Our comparable operating result in January–June was EUR 267 million, or nearly 22% of sales. Our profitability improved due to significantly higher sales prices of folding boxboard and white kraftliners in all our market areas. The stronger dollar against the euro has had a positive effect on results, especially on the paperboard business in the Americas and in the market pulp business overall.

Thanks to the strong market situation, the end of sales in Russia did not have a negative impact on our paperboard sales. On the contrary, we used the volumes released to support our key customers' growth projects and thus improved customer satisfaction. The supply of wood and natural gas to our mills has also been normal, despite the end of supplies from Russia.

Cost inflation has remained strong especially in chemicals, energy and logistics. We expect costs to remain high in the near future. Concerning energy, our dependence on market electricity will decrease when the new recovery boiler and turbine start up in Husum later this year.

The negative impacts of high inflation on consumer purchasing power and thus on demand for consumer products are unavoidable. However, the focus of our recent discussions with customers has already turned to 2023 and to securing the availability of paperboard. Megatrends continue to support growth in paperboard packaging. Last year, strong demand for paperboards slowed down the substitution of plastics with renewable materials, but this year the substitution projects have been reactivated.

In line with our strategy, we aim to grow in fibre-based packaging materials and renew our industrial operations. In addition to our ongoing investment projects, we will explore new opportunities to increase our folding boxboard production in Finland or Sweden. The evaluation of options is expected to be completed by the end of 2022. We believe that the demand for sustainably produced packaging materials, that promote the circular economy, will continue to exceed supply in our main markets in the coming years."

KEY FIGURES

	2022 Q2	2021 Q2	2022 Q1	2022 Q1–Q2	2021 Q1–Q2	2021 Q1–Q4
Sales, EUR million	650.5	555.8	582.0	1,232.5	1,049.5	2,084.1
EBITDA, EUR million	164.2	126.3	161.9	326.1	231.9	466.0
comparable, EUR million	167.2	125.2	142.7	309.9	237.6	472.2
EBITDA, % of sales	25.2	22.7	27.8	26.5	22.1	22.4
comparable, % of sales	25.7	22.5	24.5	25.1	22.6	22.7
Operating result, EUR million	142.6	103.7	140.7	283.3	185.6	375.9
comparable, EUR million	145.9	102.5	121.5	267.4	191.3	386.6
Operating result, % of sales	21.9	18.6	24.2	23.0	17.7	18.0
comparable, % of sales	22.4	18.4	20.9	21.7	18.2	18.6
Result before taxes, EUR million	140.0	99.8	139.1	279.1	178.7	365.8
comparable, EUR million	143.3	98.7	119.9	263.2	184.4	376.6
Result for the period, EUR million	118.1	85.9	120.7	238.8	150.1	314.0
comparable, EUR million	122.7	84.9	101.5	224.2	156.0	326.6
Earnings per share, EUR	0.30	0.23	0.31	0.61	0.41	0.82
comparable, EUR	0.31	0.22	0.26	0.57	0.42	0.85
Return on equity, %	25.2	21.1	26.1	25.5	19.6	19.4
comparable, %	26.2	20.8	22.0	24.0	20.4	20.2
Return on capital employed, %	24.5	19.9	24.4	24.4	18.7	18.2
comparable, %	25.0	19.7	21.1	23.0	19.3	18.7
Equity ratio ¹⁾ , %	63	63	60	63	63	63
Net gearing ¹⁾ , %	6	0	-5	6	0	-4
Interest-bearing net liabilities/comparable EBITDA	0.2	0.0	-0.2	0.2	0.0	-0.2
Shareholders' equity per share ¹⁾ , EUR	4.92	4.36	4.76	4.92	4.36	4.78
Interest-bearing net liabilities ¹⁾ , EUR million	108.7	3.7	-99.7	108.7	3.7	-78.4
Total investment, EUR million	74.7	63.4	107.1	181.8	98.3	220.2
Net cash flow from operations, EUR million	2.7	134.0	92.6	95.3	150.7	329.6
Personnel ¹⁾	2,476	2,623	2,235	2,476	2,623	2,389

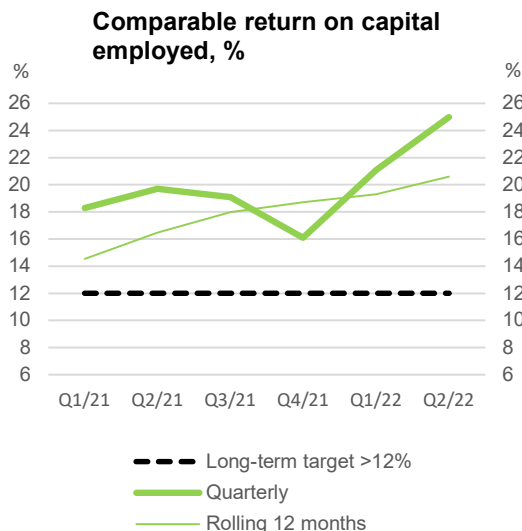
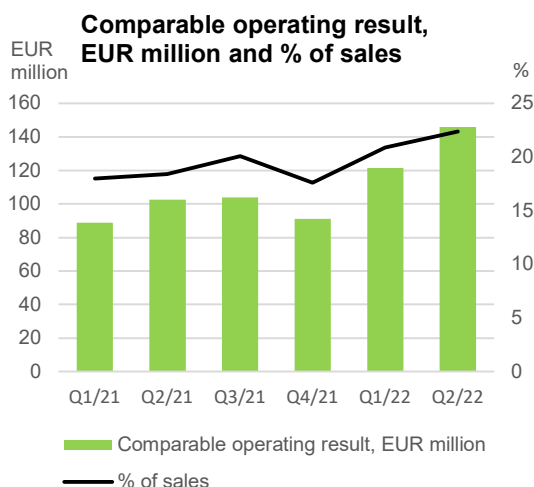
1) At the end of the period

DELIVERY AND PRODUCTION VOLUMES

1,000 tonnes	2022 Q2	2022 Q1	2021 Q4	2021 Q3	2021 Q2	2022 Q1–Q2	2021 Q1–Q2	2021 Q1–Q4
Delivery volumes								
Folding boxboard	308	307	300	319	348	615	678	1,296
White kraftliner	164	165	143	156	166	329	328	627
Metsä Board's market pulp ¹⁾	152	122	120	104	156	274	272	496
Metsä Fibre's market pulp ²⁾	192	187	203	178	185	379	381	762
Production volumes								
Folding boxboard	336	335	295	317	318	671	660	1,272
White kraftliner	164	162	155	155	160	325	324	634
Metsä Board's pulp ¹⁾	362	368	335	335	329	731	692	1,362
Metsä Fibre's pulp ²⁾	171	181	183	184	194	351	380	747

¹⁾ Includes chemical pulp and high-yield pulp (BCTMP).

²⁾ Equal to Metsä Board's 24.9% holding in Metsä Fibre.



HALF-YEAR FINANCIAL REPORT 1 JANUARY–30 JUNE 2022

SALES AND RESULT

April–June 2022 (compared to 4–6/2021)

Metsä Board's sales totalled EUR 650.5 million (555.8). Folding boxboard accounted for 55% (57) of sales, while 25% (24) of sales came from white kraftliner, 17% (15) from market pulp and 2% (4) from other operations. Sales increased due to the higher average prices of paperboards and market pulp.

Total deliveries of paperboards were 472,000 (514,000) tonnes, of which 66% was delivered to the EMEA region, 30% to the Americas, and 5% to the APAC region. The changes in paperboard delivery volumes were due to the planned increase in inventories and record high sales volumes in the comparison period. Metsä Board's deliveries of market pulp were 152,000 (156,000) tonnes, of which 62% was delivered to the EMEA region, and 38% to the APAC region.

The comparable operating result for the review period was EUR 145.9 million (102.5), and the operating result was EUR 142.6 million (103.7). Items affecting comparability totalled EUR -3.3 million in the review period. They comprised a EUR 6.5 million capital gain from the sale of a land area unrelated to business operations; a EUR 2.9 million valuation gain related to the divestment of shares; a EUR -0.9 million impairment recognised for Russian operations; a EUR -10.9 million impairment recognised for the Russian operations of the associated company Metsä Fibre; and a EUR -0.9 million impairment recognised in the assets of Metsä Fibre's Kyrö sawmill.

The comparable operating result improved especially due to the increased average prices of paperboards, folding boxboard and white kraftliners. The higher prices of market pulp also supported profitability.

Cost inflation continued to be rapid especially in chemicals, logistics and energy. Higher energy costs were compensated by the sale of emission allowances, totalling roughly EUR 7.0 million (0.0). Logistics costs increased due to higher fuels prices, limited availability of transport capacity and the rerouting of paperboard volumes released from Russia. In addition, wood costs increased from the corresponding period last year. In the paperboard business, profitability was weakened by higher pulp prices, but the overall impact of pulp on Metsä Board's result was positive. Cost inflation also increased fixed costs.

Exchange rate fluctuations, including hedges, had a positive impact of EUR 12 million on the operating result compared to the corresponding period last year.

The result of the associated company Metsä Fibre accounted for EUR 45.7 million (31.7) of Metsä Board's comparable operating result in April–June. Metsä Fibre's profitability improved thanks to the higher sales prices of market pulp and sawn timber products, as well as the US dollar strengthening against the euro.

Financial income and expenses totalled EUR -2.6 million (-3.9), including foreign exchange rate differences from trade receivables, trade payables, financial items and the valuation of currency hedging instruments, totalling EUR -2.3 million (-1.1).

The result before taxes was EUR 140.0 million (99.8). The comparable result before taxes was EUR 143.3 million (98.7). Income taxes amounted to EUR 21.9 million (13.9).

Earnings per share were EUR 0.30 (0.23). The return on equity was 25.2% (21.1), and the comparable return on equity was 26.2% (20.8). The return on capital employed was 24.5% (19.9), and the comparable return on capital employed was 25.0% (19.7).

January–June 2022 (compared to 1–6/2021)

Metsä Board's sales were EUR 1,232.5 million (1,049.5). Folding boxboard accounted for 56% (57) of sales, while 26% (25) of sales came from white kraft-liner, 15% (13) from market pulp, and 3% (5) from other operations. Sales increased due to the higher average prices of paperboards and market pulp.

Total deliveries of paperboards were 944,000 (1,005,000) tonnes, of which 67% was delivered to the EMEA region, 29% to the Americas, and 4% to the APAC region. The changes in delivery volumes were due to the planned increase in inventories and record high sales volumes in the comparison period. Metsä Board's deliveries of market pulp were 274,000 (272,000) tonnes, of which 66% was delivered to the EMEA region, and 34% to the APAC region.

The comparable operating result was EUR 267.4 million (191.3), and the operating result was EUR 283.3 million (185.6). Items affecting comparability totalled EUR 15.9 million in the review period. They comprised EUR 19.2 million from the sale of the share capital in Hangö Stevedoring Ab to Euroports Finland Oy; a EUR 6.5 million capital gain from the sale of a land area unrelated to business operations; a EUR 2.9 million valuation gain related to the divestment of shares; a EUR -0.9 million impairment recognised for Russian operations; a EUR -10.9 million impairment recognised for the Russian operations of the associated company Metsä Fibre; and a EUR -0.9 million impairment recognised in the assets of Metsä Fibre's Kyrö sawmill.

The comparable operating result for the review period improved especially due to the average paperboard prices in euros, which increased by approximately 25% from the comparison period. The higher prices of market pulp also supported profitability.

Cost inflation continued to be fast especially in chemicals, logistics and energy. The rapidly rising chemicals prices burdened the profitability of both paperboard and pulp business. Higher energy costs were compensated by the sale of emission allowances, totalling roughly EUR 14.0 million (0.0). Logistics costs increased due to higher fuels prices, limited availability of transport capacity and the rerouting of paperboard volumes released from Russia. In addition, wood costs increased from the comparison period. In the paperboard business, profitability was weakened by higher pulp prices, but the overall impact of pulp on Metsä Board's result was positive. Cost inflation also increased fixed costs.

Exchange rate fluctuations, including hedges, had a positive impact of around EUR 9 million on the operating result compared to the comparison period.

Metsä Board's share of the comparable operating result of its associated company Metsä Fibre was EUR 76.4 million (44.9). Metsä Fibre's profitability improved thanks to the higher sales prices of market pulp and sawn timber products, as well as the US dollar strengthening against the euro.

Financial income and expenses totalled EUR -4.3 million (-6.9), including foreign exchange rate differences from trade receivables, trade payables, financial items and the valuation of currency hedging instruments, totalling EUR -2.7 million (-1.4).

The result before taxes was EUR 279.1 million (178.7). The comparable result before taxes was EUR 263.2 million (184.4). Income taxes amounted to EUR 40.3 million (28.6).

Earnings per share were EUR 0.61 (0.41). The comparable earnings per share were EUR 0.57 (0.42). The return on equity was 25.5% (19.6), and the comparable return on equity was 24.0% (20.4). The return on capital employed was 24.4% (18.7), and the comparable return on capital employed was 23.0% (19.3).

Operating result in April–June 2022 in brief (compared to 1–3/2022)

The comparable operating result in April–June was EUR 145.9 million (121.5). The operating result improved due to the higher average prices of paperboard and market pulp, as well as the higher delivery volumes of market pulp. In turn, profitability was weakened by the high cost inflation in chemicals, logistics and energy, as well as the increase in fixed costs. The planned annual maintenance shutdowns had a negative impact of approximately EUR 15 million on the result. Exchange rate fluctuations, including hedges, had a positive impact of around EUR 7 million. The result of Metsä Fibre accounted for EUR 45.7 million (30.8) of Metsä Board's comparable operating result in April–June.

MARKET DEVELOPMENT

The table below shows the deliveries and market prices of paperboard grades important for Metsä Board in Europe, the market prices of paperboards in United States, and the development of the PIX market prices of pulp in Europe and China. The changes in market prices have been calculated from the review period's average prices. Sources: Fastmarkets FOEX, Fastmarkets RISI, CEPI Cartonboard, CEPI Containerboard.

	Q2/22 vs Q2/21	Q2/22 vs Q1/22	H1/22 vs H1/21
Paperboard deliveries, Cepi members			
Folding boxboard, Europe	decreased clearly	decreased clearly	stable
White kraftliners, Europe	increased clearly	stable	increased clearly
Market prices of paperboards in local currencies			
Folding boxboard, Europe	increased clearly	increased clearly	increased clearly
White kraftliners, Europe	increased clearly	increased clearly	increased clearly
Solid bleached board, USA	increased clearly	increased clearly	increased clearly
Food service board, USA	increased clearly	increased clearly	increased clearly
-1% < stable < +1%, increased (decreased): +1...+2% (-1%...-2%), increased clearly (decreased clearly): > +2% (< -2%)			
Market prices of pulp, PIX, USD			
Long-fibre pulp, Europe	+15%	+7%	+24%
Short-fibre pulp, Europe	+23%	+8%	+35%
Long-fibre pulp, China	+1%	+15%	+2%
Short-fibre pulp, China	+4%	+25%	+4%

METSÄ BOARD'S BUSINESS DEVELOPMENT

Metsä Board produces high-quality, sustainable fresh fibre paperboards, and is Europe's largest producer of folding boxboard and white kraftliners. Metsä Board's folding boxboard is mainly used in consumer product packaging like food and pharmaceutical packaging. Correspondingly, the end uses of white kraftliners are mainly related to the various packaging needs of the retail sector. More than half of the white kraftliners made by Metsä Board are coated. The total annual paperboard capacity is approximately 2 million tonnes, and it is sold to more than 100 countries. Metsä Board's main market areas are Europe and North America.

Metsä Board aims to be self-sufficient in pulp, which enables the development of its paperboard business and ensures a consistently high quality in paperboard production. Metsä Board produces chemical pulp and bleached mechanical pulp (BCTMP), which are used in its own paperboard production, with some sold as market pulp. The annual capacity for pulp and BCTMP is nearly 1.5 million tonnes. In addition, Metsä Board owns 24.9% of its associated company Metsä Fibre, a global leader in the production of softwood market pulp.

Metsä Fibre's annual capacity for pulp is roughly 3.3 million tonnes.

Metsä Board covers its energy consumption with its own production and supplementary purchases from the market. Around 60% of its electricity consumption is covered by the company's own production and by electricity purchased from Pohjolan Voima and Metsä Fibre. Metsä Board has a 2.6% holding in Pohjolan Voima, from which it purchases electricity at cost price. In 2022, Metsä Board's electricity self-sufficiency is expected to rise to approximately 85%, when the Olkiluoto 3 power plant and the new recovery boiler and turbine in Husum come online.

Paperboard sales

Metsä Board's paperboard deliveries in January–June totalled 944,000 tonnes (1–6/2021: 1,005,000). In the comparison period, paperboard delivery volumes were at a record high, exceeding the production capacity. In 2022, Metsä Board has increased its inventories and company is also preparing for the ramp-up of Husum's new folding boxboard capacity in the autumn of 2023. In addition, reallocation of paperboard volumes previously directed to Russia to other markets was partly ongoing at the end of period.

Deliveries of folding boxboard were 615,000 tonnes (677,000), of which 70% (68) was delivered to the EMEA region, 23% (24) to the Americas, and 7% (9) to the APAC region. Deliveries of white kraftliners were 329,000 tonnes (328,000), of which 60% (63) was delivered to the EMEA region, 40% (36) to the Americas, and 0% (1) to the APAC region.

Demand for folding boxboard and white kraftliners remained strong in Metsä Board's main market areas in Europe and North America. The folding boxboard volumes previously directed to Russia were made available on other markets, easing the tight market situation in Europe. Paperboard delivery volumes from Asia and South America to Europe remained below normal levels.

Paperboard prices continued to increase in the second quarter. The average prices of Metsä Board's paperboards in euros increased by roughly 25% compared to the corresponding period. The strengthening of the US dollar against the euro has partly contributed to the increase.

Metsä Board's order books in folding boxboard and white kraftliners were higher than normal at the end of the review period.

Market pulp sales

Metsä Board's market pulp deliveries totalled 274,000 tonnes (272,000) during the review period, with the EMEA region accounting for 66% (64), and the APAC region for 34% (36).

The associated company Metsä Fibre's overall paperboard deliveries totalled 1,521,000 (1,530,000) tonnes, of which 54% was delivered to the EMEA region, 43% to the APAC region, and 3% to the Americas. Metsä Board holds 24.9% of Metsä Fibre.

The demand for market pulp was at a good level during the review period in both Europe and China. The global supply of pulp has decreased due to bottlenecks in logistics, as well as several planned and unplanned production shutdowns. The imbalance between supply and demand has kept price levels high.

Paperboard, pulp and BCTMP production

Production volumes were at a record high in the review period: the production volume of paperboard totalled 996,000 tonnes (984,000), while the combined production volume of pulp and BCTMP amounted to 731,000 tonnes (692,000). Several planned annual maintenance shutdowns took place in the second quarter, especially at the mills in Finland. They were carried out as planned.

In June 2021, a fire broke out on the chip conveyor of the Husum pulp mill, closing Husum's pulp production for four weeks. Paperboard production was run at a lower-than-normal capacity following the pulp mill's

shutdown. The production losses resulting from the fire amounted to roughly 50,000 tonnes in pulp and roughly 30,000 tonnes in paperboard. Around half the total production losses were allocated to the comparison period.

Corporate transactions

On 1 January 2022, Metsä Board acquired all the shares in Hämeenkyrön Voima Oy held by Pohjolan Voima Oyj and DL Power Oy, part of Leppäkoski Group. Following the transaction, Metsä Board owns 100% of Hämeenkyrön Voima Oy. The arrangement will not have a significant impact on Metsä Board's key financial figures.

The share capital of Metsä Board's subsidiary Oy Hangö Stevedoring Ab was sold to Euroports Finland Oy on 31 March 2022. The company recognised a capital gain of EUR 19.2 million in its January–March operating result as an item affecting comparability.

CASH FLOW

Net cash flow from operations in January–June 2022 was EUR 95.3 million (1–6/2021: 150.7). Working capital increased by EUR 145.9 million (increase of 18.2). The increase in working capital derived from the increase in paperboard inventories, a rise in inventory value due to cost inflation, and the increase in trade receivables resulting from the higher prices of finished products.

BALANCE SHEET AND FINANCING

Metsä Board's equity ratio at the end of the review period was 63% (31 December 2021: 63) and the net gearing ratio was 6% (-4). The ratio of interest-bearing net liabilities to comparable EBITDA in the previous 12 months was 0.2 (-0.2).

At the end of the review period, interest-bearing liabilities totalled EUR 461.5 million (31 December 2021: 448.6). Non-euro-denominated loans accounted for 1.9% of loans and floating-rate loans for 10.7%, the rest being fixed-rate loans. The average interest rate on liabilities was 2.3% (2.3), and the average maturity of non-current liabilities was 4.4 years (5.2). The interest rate maturity of loans was 41.3 months (47.0).

At the end of the review period, interest-bearing net debt totalled EUR 108.7 million (31 December 2021: -78.4).

Metsä Board's liquidity has remained strong. At the end of the review period, the available liquidity was EUR 675 million (31 December 2021: 916.0), consisting of the following items: liquid assets and investments of EUR 350.2 million, a syndicated credit facility (revolving credit facility) of EUR 200.0 million, and other committed credit facilities of EUR 125.0 million. Of the liquid

assets, EUR 329.4 million consisted of short-term deposits with Metsä Group Treasury, and EUR 20.8 million were cash funds and investments. Other interest-bearing receivables amounted to EUR 2.7 million. In addition to items reported as liquidity, the liquidity reserve is complemented by Metsä Group's internal undrawn short-term credit facility of EUR 150.0 million and undrawn pension premium (TyEL) funds of EUR 209.7 million

The fair value of other non-current investments was EUR 172.0 million at the end of the review period (31 December 2021: 181.0). The change in the fair value is related to the decrease in the fair value of Pohjolan Voima Oyj's shares.

At the end of the review period, an average of 8.1 months of the net foreign currency exposure was hedged, including the hedging of the balance sheet position of trade receivables and trade payables.

Metsä Board has investment grade credit ratings by S&P Global and Moody's Investor Service. The company's rating by S&P Global is BBB-, with a stable outlook. The company's rating by Moody's is Baa3, with a positive outlook.

INVESTMENTS

Investments during the review period totalled EUR 181.8 million (1-6/2021: 98.3), with growth and development investments accounting for 73%, acquired business operations for 17%, and maintenance investments for 10%. Of overall investments, the company's own property, plant and equipment amounted to EUR 156.3 million (95.8), and leased property, plant and equipment to EUR 25.5 (2.5). In the latter, the most significant item was the machinery and equipment for the boiler plant from the acquisition of Hämeenkyrön Voima Oy, totalling EUR 18.0 million.

Renewal of the Husum pulp mill

Metsä Board initiated the first phase of the renewal of the Husum pulp mill in 2019. The first phase comprises a new recovery boiler and turbine. The investment value of the first phase is approximately EUR 360 million. By the end of the review period, the investments made in the project totalled around EUR 330 million.

The planned start-up of the new recovery boiler and turbine has been postponed from September 2022 to November 2022 due to delays in installation work.

The first phase of the renewal will reduce energy costs, improve energy efficiency and reduce the duration of annual maintenance shutdowns at the Husum integrated mill. The mill's bioenergy production will increase, and its electricity self-sufficiency will rise from 40% to 80%. The investments are expected to improve

Metsä Board's annual cash flow by some EUR 35 million as of 2023.

The plan is to replace the current fibre lines with a new fibre line during the second phase of the investment, later in the 2020s.

The renewal of the pulp enables the long-term development and growth of competitive paperboard business operations at the Husum integrated mill. The investment will develop Metsä Board's energy production and have a major impact on the company's goal of transitioning to fossil free mills.

Development programme of the Kemi paperboard mill

In 2021, Metsä Board initiated the development programme for the Kemi paperboard mill, which produces white-top kraftliner. The programme's investment value is approximately EUR 67 million, and the mill's annual paperboard capacity will increase by around 40,000 tonnes. The investments will take place in 2021–2023.

The programme includes a series of modernisation and bottleneck investments in the paperboard machine. As part of the programme, Metsä Board will also buy a modernised production line for unbleached pulp from Metsä Fibre. The production line's annual capacity is roughly 180,000 tonnes. The development programme will also reduce water use by 40% and energy use by 5% per tonne of paperboard produced and represents a significant step towards the company's sustainability targets set for 2030.

Increasing the paperboard capacity at Husum

Metsä Board will increase its annual folding boxboard capacity by 200,000 tonnes at the Husum integrated mill in Sweden. Following the investment, the folding boxboard capacity of paperboard machine BM1 will be 600,000 tonnes per year. The value of the investment is approximately EUR 210 million. It will take place in 2021–2024, mainly in 2022 and 2023.

The investment is expected to increase Metsä Board's annual sales by approximately EUR 200 million. In addition, the investment is expected to have a positive impact of approximately EUR 50 million on the company's annual comparable EBITDA. The company expects to achieve the growth and improved result in full in 2026.

Due to the growing logistics volumes of the Husum integrated mill, the port concept will also be renewed. The value of the investments still partly being planned is EUR 20–30 million. The investments mainly target new warehouse capacity, expected to be completed in 2023.

Metsä Fibre's Kemi bioproduct mill

Metsä Board's associated company Metsä Fibre is building a new bioproduct mill in Kemi. The new bioproduct mill will produce annually some 1.5 million tonnes of softwood and hardwood pulp as well as other bioproducts. The estimated value of the bioproduct mill investment is approximately EUR 1.85 billion, and the mill is expected to be completed in 2023.

The bioproduct mill will not use any fossil fuels, and its electricity self-sufficiency will be 250%. The pulp production capacity includes the existing pulp production line for unbleached pulp used in the production of white kraftliner, with an annual capacity of roughly 180,000 tonnes. The new mill will replace the current pulp mill in Kemi, with an annual capacity of about 620,000 tonnes.

The financing of Metsä Fibre's bioproduct mill is composed of internal financing and debt. Metsä Board will not invest equity in Metsä Fibre to finance the project.

Metsä Board holds 24.9% of Metsä Fibre.

PERSONNEL

At the end of the review period, the number of personnel was 2,476 (30/06/2021: 2,623), of whom 1,428 (1,631) were based in Finland. In January–June, Metsä Board employed 2,372 people on average (1–6/2021: 2,464). The changes in the number of personnel were mainly caused by the sale of Oy Hangö Stevedoring Ab to Euroports Oy in the first quarter. Personnel expenses in January–June totalled EUR 112.0 million (110.4).

SUSTAINABILITY

Metsä Board is a forerunner in sustainability and advances the bio- and circular economy. Climate change mitigation and adapting the business to a low-carbon future are at the core of Metsä Board's objectives. The company aims for entirely fossil free production and products by the end of 2030. In accordance with the principles of the circular economy, the company focuses on the sustainable use of forests and the resource efficiency of processes, and in generating as little waste and emissions as possible, and keeping materials in circulation for extended periods of time. Resource-efficiently produced lightweight, recyclable and/or compostable products also provide alternatives to plastic.

KEY SUSTAINABILITY FIGURES

	2022 Q2	2021 Q2	2022 Q1–Q2	2021 Q1–Q2	2021 Q1–Q4	Target year 2030
Total recordable incident frequency TRIF ¹⁾	10.1	11.1	8.6	11.5	9.8	0
Lost-time accidents frequency LTA1F ¹⁾	10.1	8.4	7.6	8.6	7.0	0
Share of certified wood fibre ²⁾ , %	83%	82%	83%	83%	83%	>90%
Direct fossil-based CO ₂ emissions, tonnes (Scope 1)	55,433	63,146	109,879	126,555	255,467	0
Indirect fossil-based CO ₂ emissions ³⁾ , tonnes (Scope 2)					184,028	0
Energy efficiency improvement ⁴⁾	+5.3 %	+4.4%			+4.3%	+10%
Reduction in process water use ⁴⁾	-12.4 %	-12.8%			-12.6%	-30%

1) per million hours worked

2) the Q1/2022 figure has been revised from previously reported 87% to 83%

3) market-based, reported annually. Year 2021 figure has been revised from previously reported 173,371 to 184,028 tonnes

4) change from the base year of 2018, per tonne produced, rolling 12 months

Safety at work

Metsä Board aims for zero accidents. Several injuries to hands occurred in the second quarter. Metsä Board has launched a project to improve hand safety. All Metsä Board production units comply with the ISO 45001 management system, and the goal of the company's safety-at-work standards is to prevent accidents. Safety

at work is developed through proactive safety work, training and investments, for example.

Share of certified wood fibre

All the wood used by Metsä Board comes from sustainably managed Northern European forests. The target is for at least 90% of the wood fibre used by Metsä Board to be certified by the end of 2030. The cooperation agreement concluded in 2021 with the Swedish forest-

owner cooperative Norra Skog will increase the proportion of certified wood fibre.

Energy and water use, and CO₂ emissions

During the last 12-month period, the use of process water per tonne produced reduced by 12.4% and energy efficiency improved by 5.3% compared to the base year of 2018.

Some 85% of the energy used by Metsä Board is based on fossil free energy sources. The goal is to phase out the use of fossil-based energy altogether by the end of 2030, at which point the company's direct and indirect fossil-based carbon dioxide emissions (Scope 1 and 2) will drop to zero. By then, the raw materials and packaging materials used by the company must also be fossil free.

Metsä Board's reduction targets for greenhouse gas emissions have been approved by the Science Based Targets initiative and they meet the strictest requirements of the Paris Agreement, which aim to limit global warming to 1.5°C degrees. Metsä Board is committed to 70% of its non-fibre suppliers and of the logistics operators related to its customer deliveries, measured as a share of the total purchase costs, setting themselves targets in accordance with the SBTi by 2024. In 2021, 16% of the company's suppliers had done so (2020: 5).

Other important events

In the second quarter, Metsä Board was again awarded the Platinum level rating in EcoVadis's sustainability assessment. With an overall score of 87/100, the company is in the top 1% of producers of paper, paperboard and packaging. In the Environment section, Metsä Board scored a full 100 points. Sustainability is discussed in more detail on the company's website at <https://www.metsagroup.com/metsaboard/sustainability/>

R&D AND INNOVATION

Key themes in Metsä Board's development work include further reducing the weight of paperboards without compromising on other properties, as well as developing barrier solutions. Lightweight paperboards are resource-efficient and help reduce the carbon footprint of packaging throughout the whole value chain.

Metsä Board also continues to develop barrier solutions and is investigating their commercial potential in food and food service applications. The company is running a biobarrier programme, which aims to ensure that the solutions and polymers developed for paperboards are based on fossil free raw materials by the end of 2030. The development of barrier solutions is also part of the ExpandFibre programme, Fortum and Metsä Group's EUR 50 million programme promoting the circular bioeconomy.

Production started up at the Äänekoski demo plant for 3D fibre products built by Metsä Group's innovation company Metsä Spring and Valmet Oyj. The demo plant produces ready 3D fibre packaging from wet pulp without intermediate phases. The moulded fibre-based packaging can replace plastic in food packaging, for example. The value of the demo plant investment is approximately EUR 20 million. If the markets' interest and the product's viability can be demonstrated on a large scale, Metsä Group will consider building a bigger production unit.

SHARES AND TRADING

Metsä Board has two series of shares. Each series A share entitles its holder to twenty (20) votes at a General Meeting of Shareholders, and each series B share entitles the holder to one (1) vote. All shares carry the same right to receive a dividend.

At the end of the review period, the price for Metsä Board's B share on the Nasdaq Helsinki was EUR 7.95. The share's highest and lowest prices were EUR 10.49 and EUR 7.58, respectively. Correspondingly, the closing price of the A share was EUR 8.56; the share's highest and lowest prices were EUR 10.50 and EUR 7.66, respectively.

In January–June, the average daily trading volumes of the B and A shares on the Nasdaq Helsinki were around 392,000 shares and around 4,200 shares respectively. The total trading volume of the B share was EUR 447 million, and the total trading volume of the A share was EUR 5 million.

In addition to the Nasdaq Helsinki, Metsä Board's shares are also traded on other marketplaces. The Nasdaq Helsinki stock exchange accounted for around 69% of total trading during the review period.

At the end of the review period, the market value of all Metsä Board shares was EUR 2.8 billion, of which the market value of the B shares and the A shares accounted for EUR 2.6 billion and EUR 0.3 billion respectively.

At the end of the review period, Metsäliitto Cooperative held 48% (30 June 2021: 48) of all shares, and the votes conferred by these shares accounted for 68% (67) of the total votes. International and nominee-registered investors held approximately 15% (15) of all shares. The company does not hold any treasury shares.

NEAR-TERM RISKS AND UNCERTAINTIES

Accelerated global cost inflation may, if prolonged, weaken Metsä Board's profitability. Important production factors for the company are wood, energy and

chemicals. A weakening in the availability of global transport capacity may result in additional costs or restrict paperboard and pulp deliveries altogether, thereby having a negative effect on the company's profitability. The electricity market price risk will increase towards the end of the year, and if realised, it may have a negative impact on Metsä Board's profitability or production continuity. Prolonged cost inflation may also weaken consumers' purchasing power, reducing the demand for paperboard products.

The world is witnessing major geopolitical tensions, and if these are aggravated, they may have a negative impact on Metsä Board's business. There have been, and will continue to be, international sanctions related to these crises, and they may also have a direct or indirect impact on the demand for paperboards and, therefore, on Metsä Board's profitability.

Russia's attack on Ukraine has an impact on Metsä Board's business through wood and energy supplies. Wood accounts for more than a quarter of Metsä Board's total costs. The availability of the wood raw material becoming more difficult or a sudden increase in prices would have a weakening effect on Metsä Board's result. Reduced availability of energy sources replacing natural gas from Russia could affect the continuity of paperboard and/or BCTMP production.

A prolongation of the coronavirus pandemic may cause disruptions in Metsä Board's production and supply chains.

There are also other considerable uncertainties in the global economy. If realised, they may result in weakened demand and reduced prices for paperboard and pulp products. An imbalance in supply and demand may impact the prices of end products and Metsä Board's profitability. In addition, customers' weaker cash position or slower payment behaviour may have an impact on Metsä Board's cash flow and lead to credit losses.

Various countries have imposed import duties and other trade restrictions on each other's products, but these have not had a direct impact on Metsä Board's business operations so far. Negative developments in world trade could, if continued, weaken Metsä Board's profitability.

Metsä Board is focusing on the active development and growth of its paperboard business. The growth of the paperboard business and the introduction of new products to the markets depend on the success of sales. Increasing sales on a global scale also involves cost and exchange rate risks. In addition, the acceptability and taxation of various packaging materials involve regulatory risks.

A majority of Metsä Board's production is located in Finland. Finland has a history of labour disputes in both

the forest industry and the distribution chain of forest industry products. These may have a negative impact on production volumes and customer deliveries and weaken the company's competitiveness and profitability.

Metsä Board's climate risks mainly concern forests and the use of energy and water. Regulation may steer the future use of forests. Increased regulation aiming to mitigate climate change and reduce greenhouse gas emissions may, furthermore, increase costs and result in substantial change requirements applicable to production technology. The supply and demand of products in a low-carbon economy may differ from the current situation. Climate change may cause an increasing number of extreme weather phenomena, such as storms, floods and drought, and weaken the availability of the process water and electricity required by mills and result in breaks in production. Extreme weather conditions may also limit the availability of the wood raw material. Should they materialise, climate risks could have a negative impact on Metsä Board's profitability.

Changes in the market price of pulp have a significant impact on Metsä Board's profitability. A 10% decline (increase) in the price of market pulp would have an approximately EUR 30 million negative (positive) impact on the company's annual operating result.

The US dollar strengthening by 10% against the euro would have a positive impact of approximately EUR 100 million on Metsä Board's annual operating result. Correspondingly, the Swedish krona strengthening by 10% would have a negative impact of approximately EUR 60 million. The British pound strengthening by 10% would have a positive impact of approximately EUR 10 million. The impact of weakened exchange rates would be the opposite. The sensitivities do not include the impact of hedging.

The forward-looking estimates and statements in this half-year financial report are based on current plans and estimates. They therefore contain risks and other uncertainties that may cause the results to differ from the statements concerning them. In the short term, Metsä Board's result will be particularly affected by the price and demand for finished products, raw material costs, the price of energy, and the exchange rate development of the euro compared to the company's other main currencies.

Further information on long-term risks and risk management is available on pages 76-79 of Metsä Board's 2021 Annual Report.

NEAR-TERM OUTLOOK

Demand for fresh fibre paperboards is expected to remain good in the company's main market areas in Europe and North America. Demand will continue to be

supported by long-term megatrends such as the use of renewable packaging materials to replace plastic. The slowdown in global economic growth and decrease in consumer's purchasing power create uncertainty in the operating environment.

Metsä Board's paperboard delivery volumes in July–September are expected to remain roughly at the same level as in April–June (472,000 tonnes). The average prices of folding boxboard and white kraftliners are expected to continue to increase.

Demand for long-fibre market pulp is expected to remain good in Europe and China. The global supply of market pulp will continue to be restricted by bottlenecks in logistics as well as planned and unplanned production shutdowns. A stronger than expected slowdown in global economic growth and the impacts of the Covid-19 situation in China are creating uncertainty about the development of the market situation.

The planned annual maintenance shutdowns are expected to have a similar impact on results in July–September 2022 to those in April–June 2022.

Cost inflation is expected to continue, especially in chemicals and energy. Logistics costs will remain high due to limited availability of transport equipment and high fuel prices. The increases in the wood price in the early part of the year together with higher harvesting and transport costs are expected to increase total wood costs in the second half the year compared to the first half.

In July–September 2022, exchange rate fluctuations, including the impact of hedges, will have a positive impact on the result compared to April–June 2022 and a clearly positive impact compared to July–September 2021.

ANNUAL MAINTENANCE AND INVESTMENT SHUTDOWNS IN 2022

The annual maintenance shutdowns of paperboard and BCTMP mills in Finland will be spread fairly evenly over the second, third and fourth quarters of 2022.

Husum's new recovery boiler and turbine are expected to start up in November. Due to this, the Husum integrated mill will not have a large-scale annual maintenance shutdown like those in previous years during 2022.

Major planned annual maintenance and investment shutdowns at mills in 2022

Q1/2022	No large-scale maintenance activities
Q2/2022	Metsä Fibre's Joutseno and Rauma pulp mills
Q3/2022	The Kemi integrated mill
Q4/2022	Metsä Fibre's Äänekoski bioproduct mill.

The Kemi integrated mill includes Metsä Board's paperboard mill and Metsä Fibre's pulp mill

RESULT GUIDANCE FOR JULY–SEPTEMBER 2022

Metsä Board's comparable operating result in July–September 2022 is expected to be roughly at the same level as in April–June 2022.

METSÄ BOARD CORPORATION

Espoo 28 July 2022
BOARD OF DIRECTORS

Further information:

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Katri Sundström, VP, Investor Relations
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A conference call for investors and analysts will begin on 28 July at 3 p.m. Conference call participants are requested to dial in and register a few minutes earlier on the following numbers:

Finland: +358 9 81710310
Sweden: +46 856642651
United Kingdom: +44 3333000804
United States: +1 6319131422

The conference call ID is **69268582#**.

The presentation material will be available before the start of the conference call at <https://www.metsa-group.com/metsaboard/investors/> and <https://metsaboard.videosync.fi/2022-q2>.

Events in 2022:

27 October 2022: Interim Report 1–9/2022
10 November 2022: Capital Markets Day

CALCULATION OF KEY RATIOS

Operating result	=	Result before income tax, financial income and expenses, exchange gains and losses share of results from associated companies and joint ventures
EBITDA	=	Operating result before depreciation, amortisation and impairment losses
Return on equity (%)	=	(Result before income tax - income taxes) per (Shareholder's equity (average))
Return on capital employed (%)	=	(Result before income taxes + net exchange differences and other financial expenses) (Balance total + non-interest bearing liabilities (average))
Equity ratio (%)	=	(Shareholder's equity) per (Balance total - advance payments received)
Net gearing ratio (%)	=	(Interest-bearing net liabilities) per (Shareholder's equity)
Interest-bearing net liabilities	=	Interest-bearing liabilities – cash and cash equivalents and interest-bearing receivables
Total investments	=	Investments in owned and leased fixed assets and investments in business combinations
Earnings per share	=	(Profit attributable to shareholders of parent company) per (Adjusted number of shares (average))
Shareholders' equity per share	=	(Equity attributable to shareholders of parent company) per (Adjusted number of shares at the end of the period)
Adjusted average share price	=	(Total traded volume per share (EUR)) per (Average adjusted number of shares traded during the financial year)
Market capitalisation	=	(Number of shares) x (market price at the end of period)

COMPARABLE KEY RATIOS

According to the guidelines of the European Securities and Markets Authority (ESMA), alternative performance measures are key figures concerning historical or future financial performance, financial standing or cash flows that are not determined by the financial reporting framework applied by the company. Metsä Board's financial reporting framework consists of the IFRS standards in the form in which they were adopted by the EU in line with Regulation (EC) No. 1606/2002. With the exception of earnings per share, which have been defined in standard IAS 33 (Earnings per Share), the key figures presented in this financial report meet ESMA's criteria for alternative performance measures.

Metsä Board believes that the presentation of alternative performance measures provides users of financial statements with a better understanding of the company's financial performance and standing, including its use of equity, operational profitability and ability to service debt.

The reconciliation of the comparable key figures is presented in this financial report. Metsä Board considers

that the key figures derived in this manner improve the comparability of reporting periods.

None of these key figures with items affecting comparability eliminated are key figures used in IFRS reporting, and they cannot be compared with other companies' key figures identified by the same names. Items affecting comparability include material gains and losses on disposals of assets, impairment and impairment reversals in accordance with IAS 36 "Impairment of Assets", corporate divestments and acquisitions, adjustment measures and other restructuring measures and their adjustments, costs arising from extensive and unforeseeable interruptions in production and the compensation received for them as well as items arising from legal proceedings.

Metsä Board considers comparable key figures to better reflect its operational performance, as they eliminate the effect on the result of items and business transactions arising from outside normal business operations.

HALF-YEAR FINANCIAL REPORT

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR million	Note	Q2 2022	Q2 2021	Q1-Q2 2022	Q1-Q2 2021	Q1-Q4 2021
Sales	2, 6	650.5	555.8	1,232.5	1,049.5	2,084.1
Change in stocks of finished goods and work in progress		27.6	-37.2	46.4	-15.0	11.9
Other operating income	2, 6	19.8	12.1	49.4	14.3	57.0
Material and services	6	-472.7	-345.4	-882.7	-683.6	-1,461.0
Employee costs		-57.0	-57.0	-112.0	-110.4	-216.0
Share of result of associated company	6	33.8	31.7	64.6	38.0	114.4
Depreciation, amortisation and impairment losses		-21.5	-22.7	-42.7	-46.3	-90.2
Other operating expenses		-37.8	-33.6	-72.1	-61.0	-124.4
Operating result	2	142.6	103.7	283.3	185.6	375.9
Share of results of associated companies and joint ventures		0.0	0.1	0.0	0.0	0.0
Net exchange gains and losses		-2.3	-1.1	-2.7	-1.4	-2.3
Other net financial items	2, 6	-0.3	-2.8	-1.6	-5.5	-7.7
Result before income tax		140.0	99.8	279.1	178.7	365.8
Income taxes	3	-21.9	-13.9	-40.3	-28.6	-51.8
Result for the period		118.1	85.9	238.8	150.1	314.0

EUR million	Note	Q2 2022	Q2 2021	Q1-Q2 2022	Q1-Q2 2021	Q1-Q4 2021
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Actuarial gains/losses on defined pension plans		-8.8	-0.9	-5.7	3.0	3.0
Financial assets valued at fair value through other comprehensive income	8	-8.6	-1.2	0.1	-8.6	-5.8
Share of other comprehensive income of associated company		0.3	0.1	-0.1	0.0	-0.1
Income tax relating to items that will not be reclassified		3.2	0.4	0.8	1.1	-0.8
Total		-13.9	-1.6	-4.9	-4.5	-3.7
Items that may be reclassified to profit or loss						
Cash flow hedges		-36.7	13.0	-13.3	-15.1	-11.0
Translation differences		-19.1	6.9	-22.8	0.1	-4.8
Share of other comprehensive income of associated company		4.6	1.6	9.3	-3.2	-3.8
Income tax relating to items that may be reclassified		7.3	-2.9	2.7	3.0	2.2
Total		-43.7	18.6	-24.1	-15.2	-17.4
Other comprehensive income, net of tax		-57.6	16.9	-29.1	-19.7	-21.1
Total comprehensive income for the period		60.4	102.8	209.7	130.5	292.8
Result for the period attributable to						
Shareholders of parent company		106.4	81.2	217.2	144.1	292.1
Non-controlling interests		11.6	4.7	21.6	6.1	21.9
Total		118.1	85.9	238.8	150.1	314.0
Total comprehensive income for the period attributable to						
Shareholders of parent company		54.8	96.7	195.1	124.0	272.4
Non-controlling interests		5.6	6.1	14.6	6.4	20.4
Total		60.4	102.8	209.7	130.5	292.8
Earnings per share for result attributable to shareholders of parent company (EUR/share)		0.30	0.23	0.61	0.41	0.82

The notes are an integral part of the condensed financial report.

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET

EUR million	Note	30 Jun 2022	30 Jun 2021	31 Dec 2021
ASSETS				
Non-current assets				
Goodwill		12.2	12.4	12.4
Other intangible assets		5.8	5.7	6.2
Tangible assets	4	1,045.5	871.9	935.0
Investments in associated companies and joint ventures		493.7	403.7	479.0
Other investments	8	172.0	178.2	181.0
Other non-current financial assets	6, 8	11.3	15.8	15.3
Deferred tax receivables	2	9.3	7.2	8.4
		1,749.8	1,494.7	1,637.2
Current assets				
Inventories		447.6	361.4	382.6
Accounts receivable and other receivables	6, 8	463.3	377.4	366.5
Cash and cash equivalents	6, 8	350.2	445.8	524.2
		1,261.0	1,184.7	1,273.4
Assets classified as held for sale				11.0
Total assets		3,010.8	2,679.4	2,921.5
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity				
Equity attributable to shareholders of parent company		1,747.8	1,549.5	1,699.4
Non-controlling interests		149.6	132.2	146.2
Total equity		1,897.3	1,681.7	1,845.6
Non-current liabilities				
Deferred tax liabilities		90.6	92.7	96.2
Post-employment benefit obligations	2	11.1	12.6	13.7
Provisions	5	2.0	3.7	2.0
Borrowings	8	442.5	441.7	437.0
Other liabilities	8	2.4	4.2	3.2
		548.7	554.9	552.1
Current liabilities				
Provisions	5	1.0	1.0	1.0
Current borrowings	6, 8	19.0	10.7	10.0
Accounts payable and other liabilities	6, 8	544.8	431.2	506.0
		564.8	442.9	517.0
Liabilities classified as held for sale				6.8
Total liabilities		1,113.5	997.8	1,076.0
Total shareholders' equity and liabilities		3,010.8	2,679.4	2,921.5

The notes are an integral part of the condensed financial report.

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

EUR million	Note	Share capital	Translation differences	Fair value and other reserves	Reserve for invested unrestricted equity	Retained earnings	Total	Non-controlling interests	Equity Total
Shareholders' equity, 1 January 2021		557.9	-24.9	136.6	265.8	448.4	1,383.8		1,383.8
Comprehensive income for the period									
Result for the period						144.1	144.1	6.1	150.1
Other comprehensive income net of tax total			0.4	-22.8		2.4	-20.0	0.4	-19.7
Comprehensive income total			0.4	-22.8		146.4	124.0	6.4	130.5
Share based payments						-0.4	-0.4		-0.4
Transactions with non-controlling interests						134.4	134.4	125.7	260.2
Related party transactions									
Dividend and capital distribution					-56.9	-35.6	-92.4		-92.4
Shareholders' equity, 30 June 2021		557.9	-24.4	113.8	208.9	693.4	1,549.5	132.2	1,681.7

EUR million	Note	Share capital	Translation differences	Fair value and other reserves	Reserve for invested unrestricted equity	Retained earnings	Total	Non-controlling interests	Equity Total
Shareholders' equity, 1 January 2022		557.9	-27.2	118.3	208.9	841.5	1,699.4	146.2	1,845.6
Comprehensive income for the period									
Result for the period						217.2	217.2	21.6	238.8
Other comprehensive income net of tax total			-10.0	-7.3		-4.8	-22.1	-7.0	-29.1
Comprehensive income total			-10.0	-7.3		212.3	195.1	14.6	209.7
Share based payments						-0.9	-0.9		-0.9
Related party transactions									
Dividend and capital distribution						-145.8	-145.8	-11.2	-157.0
Shareholders' equity, 30 June 2022		557.9	-37.2	111.0	208.9	907.1	1,747.8	149.6	1,897.3

The notes are an integral part of the condensed financial report.

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

EUR million	Note	Q1-Q2 2022	Q1-Q2 2021	Q1-Q4 2021	Q2 2022
Result for the period		238.8	150.1	314.0	118.1
Total adjustments	7	-19.3	38.3	11.8	-3.7
Change in working capital		-145.9	-18.2	49.5	-103.0
Net financial items	7	61.0	-3.0	-14.6	2.8
Income taxes paid		-39.4	-16.6	-31.1	-11.5
Net cash flow from operations		95.3	150.7	329.6	2.7
Acquisitions		-13.6			
Investments in intangible and tangible assets		-146.3	-95.6	-213.7	-75.9
Disposals and other items	6, 7	60.3	9.1	30.7	25.1
Net cash flow from investing		-99.6	-86.5	-183.0	-50.8
Changes in non-controlling interests	7		261.2	261.2	
Changes in non-current loans and in other financial items	6	-11.3	-2.7	-8.0	-8.6
Paid dividend and capital distribution		-157.3	-92.4	-92.4	-157.3
Net cash flow from financing		-168.5	166.0	160.7	-165.9
Changes in cash and cash equivalents		-172.8	230.1	307.3	-214.0
Cash and cash equivalents at beginning of period	6	524.2	214.0	214.0	565.0
Translation difference in cash and cash equivalents		-1.2	1.7	3.0	-0.9
Changes in cash and cash equivalents		-172.8	230.1	307.3	-214.0
Cash and cash equivalents at end of period	6	350.2	445.8	524.2	350.2

The notes are an integral part of the condensed financial report.

NOTES TO THE UNAUDITED FINANCIAL REPORT

NOTE 1 – BACKGROUND AND BASIS OF PREPARATION

Metsä Board Corporation and its subsidiaries comprise a forest industry group whose main product areas are fresh fibre cartonboards and linerboards. Metsä Board Corporation, the parent company, is domiciled in Helsinki and the registered address of the company is Revontulenpuisto 2, 02100 Espoo, Finland. Metsä Board's ultimate parent company is Metsäliitto Cooperative.

This financial report has been prepared in accordance with IAS 34, Interim Financial Reporting, and it should be read in conjunction with the 2021 IFRS financial statements. The effects of foreign exchange changes on review period operating result vis-à-vis comparison period result have been calculated based on estimated review period net cash flows in relevant currencies and taking into account the realized effects of foreign exchange hedges.

The same accounting policies have been applied as in the 2021 IFRS financial statements with the following exception:

Depreciation of machinery and equipment during the financial year has been adjusted between the quarters when applicable in order to correspond with the distribution of the economic benefit of the asset between quarters. Refinitiv FX closing rate has been used as EUR/RUB valuation rate representing market rate at the time.

Amendments to standards applied during the 2022 financial period:

Amendments to IAS 16 Property, Plant and Equipment – Proceeds before intended use. According to the amendments, the revenue accumulated from the sales of products created by the use of an unfinished tangible asset must be recognised through profit and loss. The amendments have an impact on the determination of the acquisition cost of the Group's tangible assets.

Other amendments to the standards do not have a material effect on the Group's financial report.

All amounts in the financial report are presented in millions of euros, unless otherwise stated.

This financial report was authorised for issue by the Board of Directors of Metsä Board on 28 July 2022.

NOTE 2 – SEGMENT INFORMATION

The Corporate Management Team is the chief operational decision-maker monitoring business operations performance based on the operating segments. Metsä

Board's business operations consist solely of folding boxboard, fresh fibre linerboard and market pulp businesses. Metsä Board reports on its financial performance in one reporting segment.

GEOGRAPHICAL DISTRIBUTION OF SALES

	Q2	Q2	Q1-Q2	Q1-Q2	Q1-Q4
EUR million	2022	2021	2022	2021	2021
EMEA	402.1	359.5	792.1	697.2	1 409.3
Americas	176.4	128.8	324.9	247.8	482.2
APAC	72.1	67.5	115.5	104.6	192.7
Total	650.5	555.8	1,232.5	1,049.5	2,084.1

RECONCILIATION OF COMPARABLE FIGURES

EUR million	Q2 2022	Q2 2021	Q1-Q2 2022	Q1-Q2 2021	Q1-Q4 2021
Operating result	142.6	103.7	283.3	185.6	375.9
Depreciation, amortisation and impairment losses	21.5	22.7	42.7	46.3	90.2
EBITDA	164.2	126.3	326.1	231.9	466.0
Items affecting comparability:					
Other operating income	-9.5	-9.6	-28.6	-9.6	-12.2
Share of results of associated companies	11.9		11.9	6.9	8.7
Other operating expense	0.7	8.5	0.7	8.5	9.7
Total	3.1	-1.2	-16.1	5.7	6.2
EBITDA, comparable	167.2	125.2	309.9	237.6	472.2
Depreciation, amortisation and impairment losses	-21.5	-22.7	-42.7	-46.3	-90.2
Items affecting comparability:					
Impairment charges and reversals of impairments	0.2		0.2		4.6
Operating result, comparable	145.9	102.5	267.4	191.3	386.6
Share of results of associated companies and joint ventures	0.0	0.1	0.0	0.0	0.0
Net financial items	-2.6	-3.9	-4.3	-6.9	-10.0
Result before income tax, comparable	143.3	98.7	263.2	184.4	376.6
Income taxes	-21.9	-13.9	-40.3	-28.6	-51.8
Income taxes related to items affecting comparability	1.3	0.2	1.3	0.2	1.9
Result for the period, comparable	122.7	84.9	224.2	156.0	326.6

Additional information on the reconciliation

"+" sign items = expense affecting comparability

"-" sign items = income affecting comparability

Items affecting operating result comparability in 2022 totalled EUR 15.9 million. They comprised EUR 19.2 million from the sale of the share capital in Hangö Stevedoring Ab to Euroports Finland Oy; a EUR 6.5 million capital gain from the sale of a land area unrelated to business operations; a EUR 2.9 million valuation gain related to the divestment of shares; a EUR -0.9 million impairment recognised for the Russian operations; a EUR -10.9 million impairment recognised for the Russian operations of the associated company Metsä Fibre; and a EUR -0.9 million impairment recognised in the assets of Metsä Fibre's Kyrö sawmill.

Items affecting comparability in 2021 totalled EUR 10.8 million. They comprised a EUR 7.0 million capital gain from the sale of a land area unrelated to business operations; a EUR -6.9 million impairment recognised in the assets of Metsä Fibre's Kemi pulp mill; EUR -1.8 million recognised in taxes as a result of the tax audit in Metsä Fibre's subsidiary in Italy; a EUR -4.6 million impairment recognised in the current paperboard production assets in Husum; and EUR -4.5 million in costs related to the chip conveyor fire at the Husum pulp mill. In addition, EUR -2.3 million of taxes affecting comparability are reported in the taxes of previous financial years based on the tax audit of the Italian subsidiary.

NOTE 3 – INCOME TAXES

	Q1-Q2	Q1-Q2	Q1-Q4
EUR million	2022	2021	2021
Taxes for the current period	40.7	27.9	48.6
Taxes for the prior periods	-0.1	0.9	3.2
Change in deferred taxes	-0.2	-0.2	0.1
Total income taxes	40.3	28.6	51.8

NOTE 4 – CHANGES IN PROPERTY, PLANT AND EQUIPMENT

	Q1-Q2	Q1-Q2	Q1-Q4
EUR million	2022	2021	2021
Carrying value at beginning of period	935.0	824.7	824.7
Acquired businesses	29.6		
Investments to owned property, plant and equipment	143.1	95.8	214.6
Investments to leased property, plant and equipment	7.5	2.5	4.1
Decreases	-3.1	-2.6	-2.9
Depreciation, amortization and impairment losses	-42.4	-45.2	-88.2
Translation difference	-24.2	-3.3	-8.6
Transfers to assets held for sale (Oy Hangö Stevedoring Ab)			-8.6
Carrying value at end of the period	1,045.5	871.9	935.0

Acquired businesses in January-March 2022 include the tangible assets of Hämeenkyrön Voima Oy.

In 2021 there were an impairment loss of EUR -0.2 million recognised for the Russian operations. In 2021

there were an impairment loss of EUR -4.6 million recognised in the current paperboard production assets in Husum, which the company plans to replace in the investment increasing the mill's folding boxboard capacity.

NOTE 5 – PROVISIONS

		Environmental	Other	
EUR million	Restructuring	obligations	provisions	Total
1 January 2022	0.2	2.7	0.0	3.0
Translation differences	0.0		0.0	0.0
Additions				
Utilised during the year			0.0	0.0
30 June 2022	0.2	2.7	0.0	3.0
Non-Current Provisions		2.0	0.0	2.0
Current Provisions	0.2	0.8		1.0
Total	0.2	2.7	0.0	3.0

Half of non-current provisions are estimated to be utilised by the end of 2025 and the rest in 2030s.

NOTE 6 – RELATED PARTY TRANSACTIONS

Related parties include Metsä Board's ultimate parent company Finnish Metsäliitto Cooperative, other subsidiaries of Metsäliitto, associated companies and joint ventures. The members of The Board of Directors and Metsä Group's Executive Management Team and Metsä Board's Corporate Management Team as well as their close family members are also included in related parties.

Metsä Board enters into a significant number of transactions with related parties for the purchases of inventories, sale of goods, corporate services as well as financial transactions. Arm's length pricing has been followed in product and service transactions undertaken and interest rates set between Metsä Board and the related parties.

Transactions with parent and sister companies

EUR million	Q1-Q2 2022	Q1-Q2 2021	Q1-Q4 2021
Sales	84.5	44.5	110.3
Other operating income	3.4	2.4	5.0
Purchases	413.4	334.1	697.2
Share of result from associated company	64.6	38.0	114.4
Interest income	0.1	0.0	0.0
Interest expenses	0.5	0.5	1.0
Accounts receivable and other receivables	81.5	40.9	60.7
Cash and cash equivalents	329.4	435.3	496.4
Accounts payable and other liabilities	110.8	57.7	83.8

Metsä Fibre's net result is included within operating result line item "Share of result from associated company" and transactions with Metsä Fibre are included in transactions with sister companies.

Metsä Fibre paid a dividend of EUR 58.8 million to Metsä Board in the review period (0.0).

Cash and cash equivalents include interest-bearing receivables comparable to cash funds and available from Metsä Group's internal bank Metsä Group Treasury Oy.

Transactions with associated companies and joint ventures

EUR million	Q1-Q2 2022	Q1-Q2 2021	Q1-Q4 2021
Sales	0.3	0.3	0.2
Purchases	0.8	2.1	4.2
Other non-current financial assets			
Accounts receivable and other receivables	0.0	0.0	0.3
Accounts payable and other liabilities	0.5	0.8	0.7

NOTE 7 – NOTES TO CONSOLIDATED CASH FLOW STATEMENT

ADJUSTMENTS TO THE RESULT FOR THE PERIOD

EUR million	Q1-Q2 2022	Q1-Q2 2021	Q1-Q4 2021	Q2 2022
Taxes	40.3	28.6	51.7	21.9
Depreciation, amortization and impairment charges	42.7	46.3	90.2	21.5
Share of result from associated companies and joint ventures	-64.6	-38.1	-114.4	-33.8
Gains and losses on sale of fixed assets	-43.1	-7.1	-28.2	-16.6
Finance costs, net	4.3	6.9	10.0	2.6
Pension liabilities and provisions	-0.4	-0.2	-0.7	-0.2
Other adjustments	1.6	1.8	3.2	0.8
Total	-19.3	38.3	11.8	-3.7

Net financial items

Net financial items in consolidated cash flow statement include a dividend of EUR 58.8 million paid by Metsä Fibre (0.0).

Acquisitions

Acquisitions include EUR -13.6 million for the shares of Hämeenkyrön Voima Oy, acquired in January–March 2022.

Disposals and other items

Disposals and other items reported in 2022 were EUR 60.3 million in total. They consisted of proceeds amounting to EUR 14.0 million from emission right sales, sales proceeds of EUR 24.5 million from sale of Oy Hangö Stevedoring Ab shares, sales proceeds of EUR 12.0 million from sale of G10 shares to Pohjolan Voima Oyj, sales proceeds of EUR 9.2 million from sale of non-business related land area and other items amounting to EUR 0.6 million.

Changes in non-controlling interests

In 2021, changes in non-controlling interests, EUR 261.2 million, include the sale of a 30 percent stake in

Paid dividend and capital distribution

Paid dividend and capital distribution in 2022 included dividends paid by the parent company EUR -145.8 million and dividends paid to non-controlling owners from

Disposals and other items reported in 2021 were EUR 30.7 million in total. They consisted of proceeds amounting to EUR 21.3 million from emission right sales, sales proceeds of EUR 8.7 million from sale of non-business related land area as well as other sale proceeds and other items amounting to EUR 0.7 million.

the Husum pulp mill to Norra Skog. The transaction was completed on January 4, 2021.

the Husum pulp company EUR -11.5 million. Paid dividend and capital distribution in 2021 included dividends paid by the parent company EUR -92.4 million.

NOTE 8 – FINANCIAL INSTRUMENTS

Classification of financial assets and liabilities and their fair values

Financial assets 30 June 2022

EUR million	Fair value through profit and loss	Fair value through other comprehensive income	Amortised cost	Total carrying amount
Other non-current investments	6.3	165.7		172.0
Other non-current financial assets			7.3	7.3
Accounts receivable and other receivables			399.7	399.7
Cash and cash equivalent	0.0		350.2	350.2
Derivative financial instruments	0.4	52.1		52.5
Total carrying amount	6.8	217.8	757.1	981.6
Total fair value	6.8	217.8	757.1	981.6

Financial liabilities 30 June 2022

EUR million	Fair value through profit and loss	Fair value through other comprehensive income	Amortised cost	Total carrying amount
Non-current interest-bearing financial liabilities			442.5	442.5
Other non-current financial liabilities			0.4	0.4
Current interest-bearing financial liabilities			19.0	19.0
Accounts payable and other financial liabilities			417.0	417.0
Derivative financial instruments	2.4	52.0		54.4
Total carrying amount	2.4	52.0	879.0	933.3
Total fair value	2.4	52.0	867.1	921.5

Classification of financial assets and liabilities and their fair values

Financial assets 30 June 2021

EUR million	Fair value through profit and loss	Fair value through other comprehensive income	Amortised cost	Total carrying amount
Other non-current investments	3.4	174.8		178.2
Other non-current financial assets			13.5	13.5
Accounts receivable and other receivables			360.2	360.2
Cash and cash equivalent	0.0		445.8	445.8
Derivative financial instruments	0.3	20.9		21.2
Total carrying amount	3.7	195.6	819.5	1,018.9
Total fair value	3.7	195.6	819.5	1,018.8

Financial liabilities 30 June 2021

EUR million	Fair value through profit and loss	Fair value through other comprehensive income	Amortised cost	Total carrying amount
Non-current interest-bearing financial liabilities			441.7	441.7
Other non-current financial liabilities			0.4	0.4
Current interest-bearing financial liabilities			10.7	10.7
Accounts payable and other financial liabilities			370.8	370.8
Derivative financial instruments	1.6	11.0		12.6
Total carrying amount	1.6	11.0	823.5	836.0
Total fair value	1.6	11.0	856.1	868.7

Accounts receivable and other receivables do not include advance payments, accrued tax receivables and periodisations of employee costs.

Accounts payable and other financial liabilities do not include advance payments, accrued tax liabilities and periodisations of employee costs.

In Metsä Board, all interest-bearing liabilities are valued in the balance sheet at amortised cost based on effective interest method.

Fair values in the table are based on present value of cash flow of each liability or assets calculated by market rate. The discount rates applied are between 0.3–1.4% (0.3–1.5). The fair values of accounts and other receivables and accounts payable and other liabilities do not materially deviate from their carrying amounts in the balance sheet.

Fair value hierarchy of financial assets and liabilities as of 30 June 2022

EUR million	Level 1	Level 2	Level 3	Total
Financial assets at fair value				
Other non-current investments	0.0		172.0	172.0
Derivative financial assets	13.8	38.7		52.5
Financial liabilities measured at fair value				
Derivative financial liabilities	0.2	54.2		54.4
Financial assets not measured at fair value				
Cash and cash equivalent		350.1		350.1
Financial liabilities not measured at fair value				
Non-current interest-bearing financial liabilities		430.4		430.4
Current interest-bearing financial liabilities		19.2		19.2

Fair value hierarchy of financial assets and liabilities as of 30 June 2021

EUR million	Level 1	Level 2	Level 3	Total
Financial assets at fair value				
Other non-current investments	0.0		178.2	178.2
Derivative financial assets	10.1	11.1		21.2
Financial liabilities measured at fair value				
Derivative financial liabilities	0.4	12.2		12.6
Financial assets not measured at fair value				
Cash and cash equivalent		445.8		445.8
Financial liabilities not measured at fair value				
Non-current interest-bearing financial liabilities		474.4		474.4
Current interest-bearing financial liabilities		10.6		10.6

Other non-current investments at fair value based on Level 3

EUR million	Q1-Q2 2022	Q1-Q2 2021	Q1-Q4 2021
Carrying value at beginning of period	181.0	186.9	186.9
Total gains and losses in profit or loss	2.9	-0.1	-0.1
Total gains and losses in other comprehensive income	0.1	-8.6	-5.8
Purchases	0.0		
Disposals	-12.0	0.0	0.0
Transfers to assets held for sale (Oy Hangö Stevedoring Ab)			0.0
Carrying value at end of the period	172.0	178.2	181.0

Financial assets and liabilities measured at fair value have been categorised according to *IFRS 7 Financial Instruments: Disclosures*.

Level 1

Fair value is based on quoted prices in active markets.

Level 2

Fair value is determined by using valuation techniques that use observable price information from market.

Level 3

Fair value are not based on observable market data, but company's own assumptions.

The fair values of electricity, natural gas, propane, fuel oil derivatives are determined by using public price quotations in an active market (Level 1).

The fair values of currency forwards and options are determined by using the market prices of the closing date of the reporting period. The fair values of interest rate swaps are determined by using the present value of expected payments, discounted using a risk adjusted discount rate, supported by market interest rates and other market data of the closing date of the reporting period (Level 2).

For financial instruments not traded on an active market, the fair value is determined by valuation techniques. Judgment is used when choosing the different techniques and making assumptions, which are mainly based on circumstances prevailing in the markets on each closing date of the reporting period (Level 3).

The valuation techniques are described in more detail in the Annual report.

The most significant asset at fair value not traded on an active market is the investment in Pohjolan Voima Oyj shares classified as a financial asset at fair value through other comprehensive income. The value of investment is determined based on the present value of discounted cash flows.

On 1 January 2022, Metsä Board acquired the entire share capital of Hämeenkyrön Voima Oy from Pohjolan Voima Oyj (84%) and from DL Power Oy, part of Leppäkoski group (16%). In this connection, Metsä Board sold its series G10 shares, which corresponded to an 84% holding in Hämeenkyrön Voima Oy, to Pohjolan Voima Oyj for EUR 12.0 million.

The WACC used in Pohjolan Voima Oyj share valuation on 30 June 2022 was 4.80% (31 December 2021: 3.14). The acquisition cost of shares in Pohjolan Voima Oyj on 30 June 2022 is EUR 28.3 million (40.2) and fair value EUR 165.7 million (177.6).

The carrying value of other investments as of 30 June 2022 is estimated to change by EUR -6.9 million and EUR 7.5 million should the rate used for discounting the cash flows change by 0.5 percentage points from the rate estimated by the management. The carrying value of other investments is estimated to change by EUR 55.3 million should the energy prices used in calculating the fair value differ by 10% from the prices estimated by the management.

Derivatives 30 June 2022

EUR million	Nominal value	Fair value			Fair value	
		Derivative		Fair value	Fair value through profit and loss	Fair value through other comprehensive income
		Assets	Liab.	Net		
Interest rate swaps	100.0	1.3	-0.1	1.4		1.2
Interest rate derivatives	100.0	1.3	-0.1	1.4		1.2
Currency forward contracts	1,485.4	6.2	51.1	-44.9	-1.9	-43.0
Currency option contracts	231.1	0.4	1.7	-1.3		-1.3
Currency derivatives	1,716.5	6.6	52.8	-46.2	-1.9	-44.3
Electricity derivatives	0.5	2.4		2.4		2.4
Oil derivatives	31.6	10.6	0.2	10.4		10.4
Natural gas and propane derivatives	32.4	31.6	1.4	30.2		30.2
Commodity derivatives	64.5	44.6	1.6	43.0		43.0
Derivatives total	1,881.0	52.5	54.4	-1.9	-1.9	-0.1

Derivatives 30 June 2021

EUR million	Nominal value	Fair value			Fair value	
		Derivative		Fair value	Fair value through profit and loss	Fair value through other comprehensive income
		Assets	Liab.	Net		Assets
Interest rate swaps	100.0		2.6	-2.6		-2.6
Interest rate derivatives	100.0		2.6	-2.6		-2.6
Currency forward contracts	1,001.7	3.8	9.6	-5.8	-1.2	-4.6
Currency derivatives	1,001.7	3.8	9.6	-5.8	-1.2	-4.6
Electricity derivatives	7.2	3.9	0.0	3.8		3.8
Oil derivatives	19.6	5.0	0.3	4.7		4.7
Natural gas and propane derivatives	11.3	8.5		8.5		8.5
Commodity derivatives	38.2	17.4	0.4	17.0		17.0
Derivatives total	1,139.9	21.2	12.6	8.6	-1.2	9.9

NOTE 9 – COMMITMENTS AND GUARANTEES

EUR million	30 Jun 2022	30 Jun 2021	31 Dec 2021
Leases not yet commenced to which the Group is committed			18.0
Guarantees and counter-indemnities	1.5	1.7	1.5
Commitments on behalf of associated companies and joint ventures		0.1	
Total	1.5	1.8	19.5

COMMITMENTS RELATED TO PROPERTY, PLANT AND EQUIPMENT

EUR million	30 Jun 2022	30 Jun 2021	31 Dec 2021
Payments due in following 12 months	54.3	57.1	80.6
Payments due later	2.1	4.1	1.9
Total	56.4	61.1	82.4

Commitments related to property, plant and equipment concern mainly the first phase of the modernisation of

the Husum pulp mill and an investment to increase Husum's folding boxboard capacity.