

Metsä Group's Interim Report Q1–Q3/2026

Jussi Vanhanen
President and CEO

29.10.2026

From forest, for life



Metsä

STRATEGY 2026–2030

Better everyday life through Nordic wood

Renewing | Competitive | Customer-centric



Renewing

01



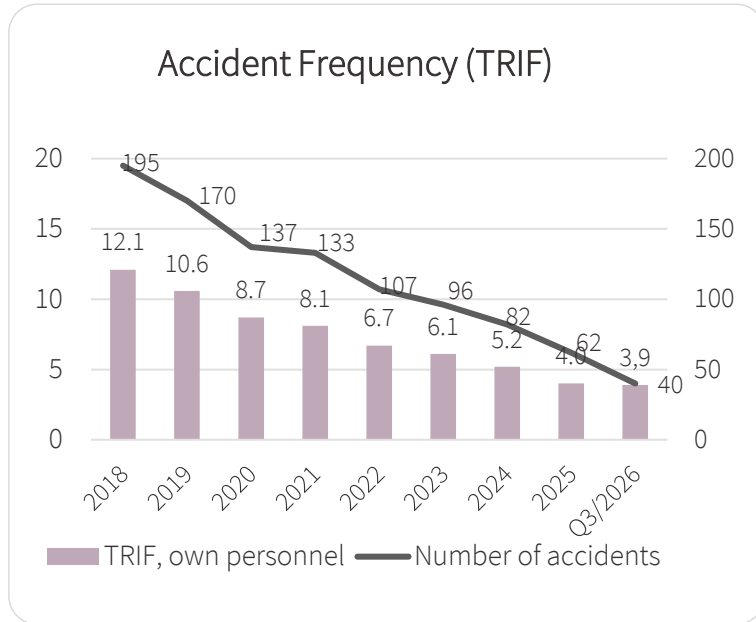


Welcome to Metsä Portti

Finland has all the prerequisites to increase use of wood in construction. In hybrid construction, wood, concrete and steel complement each other. The use of wood reduces emissions from the construction sector.



The number of accidents is well on the decline



**Metsä's
accident frequency rate 3.9**

**Excellent safety level in the
Äänekoski Kerto LVL project
(TRIF 3.5)**

**In September,
300 accident-free days
reached in our wood supply
organisation.**



New values: Let's be open, bold and make an impact

Metsä's new values will take us forward as a company.

They were developed through extensive dialogue with our employees.

”

*Openness brings trust, courage brings results.
We want to have an impact both within the
company and towards our customers,
suppliers and the surrounding society.*



New decisions on development investments



Muoto™

Metsä is investing EUR 25 million in a mill in Äänekoski, Finland, which manufactures Muoto fibre products.



Kuura™

The development of textile fibre was discontinued. This is due to the rapid change in the market and the low willingness of customers to pay for sustainable material.



Carbon capture

The carbon dioxide capture plant planned in Rauma received EUR 21 million investment aid. This will enable the continuation of the project.

AI brings business benefits from the forest to the customer

Examples



Pricing of young stand management

AI combines satellite images, geospatial and other data. The price can be determined in advance and the work phases reduced.



Tissue Paper Production

Improving Productivity of tissue paper converting in cooperation with Qutwo.



Pulp logistics

The AI tool helps find the best routes, starting points and delivery options for pulp deliveries.



Forest owners are preparing for climate change

Mixed cultivation has grown to account for one fifth of all forest regeneration projects carried out by Metsä.

- Mixed-species forests help forests adapt to a changing climate. They are more resistant to damage.
- The Metsä Group Plus places greater emphasis on forest biodiversity.
- In 2026 one third has been Metsä Group Plus or FSC-certified wood.



Competitive

02



Cost savings mitigated the effects of the challenging market



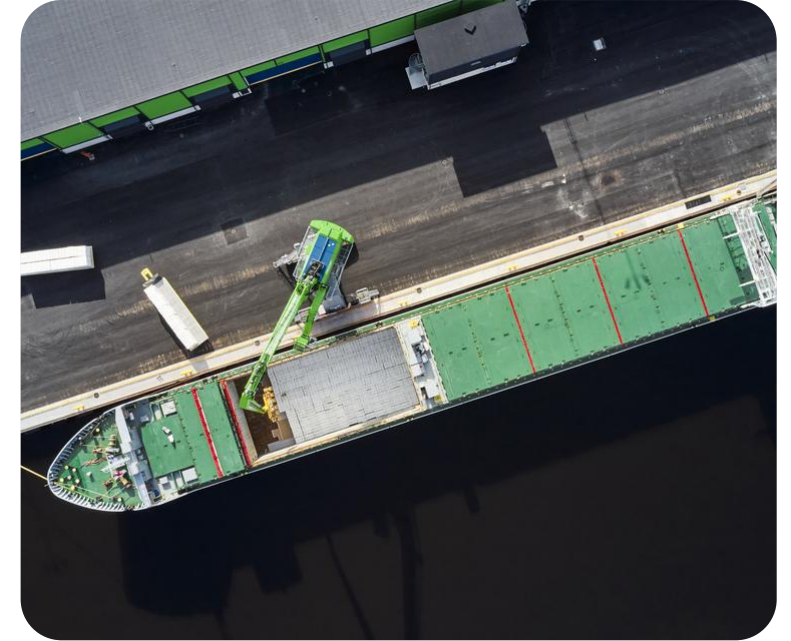
Shutdowns weakened Q3 results

Numerous market-based and maintenance shutdowns reduced production volumes and profitability.



Market balance of paperboard improved

Demand for Metsä's products remained mostly subdued in Q3, but the market and prices of paperboard strengthened.



Oil price weight on result

Cost savings improved the result. Higher oil and diesel prices weakened the impact of savings by EUR 47 million in Q3.

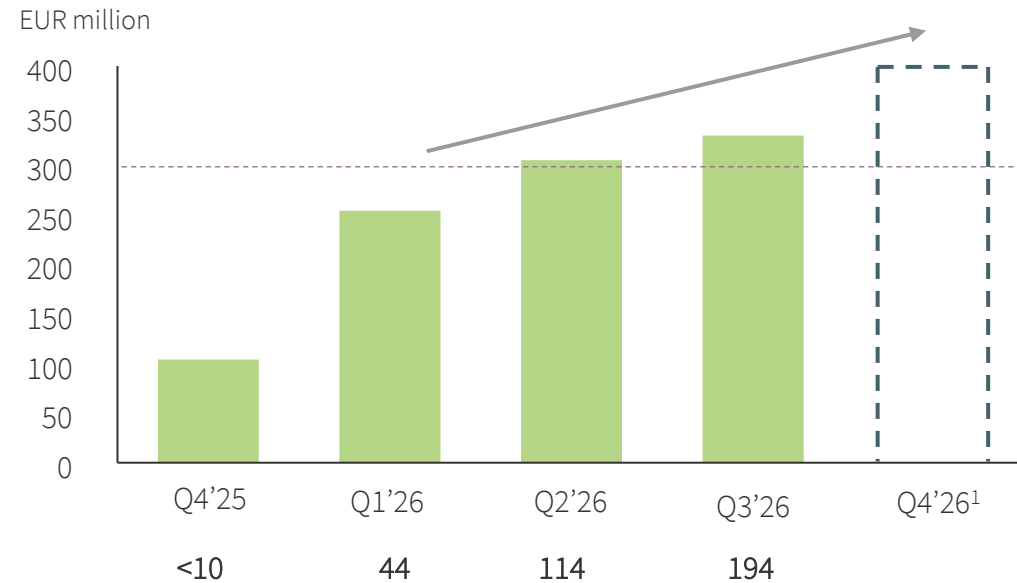


Cost saving programme progressed ahead of schedule

Impressive cost savings have been achieved through hundreds of development projects carried out by the personnel.

The improvement of cost awareness and profitability continues.

We achieved a profit impact of EUR 200 million clearly ahead of schedule already at the beginning of Q4.



Actual quarterly impact on EBITDA, EUR million (cumul.)



EBITDA improved year-on-year, still well below target

Net sales

EUR 4,008 million

(1-9/2025: 4,508)

EBITDA*

EUR 357 million

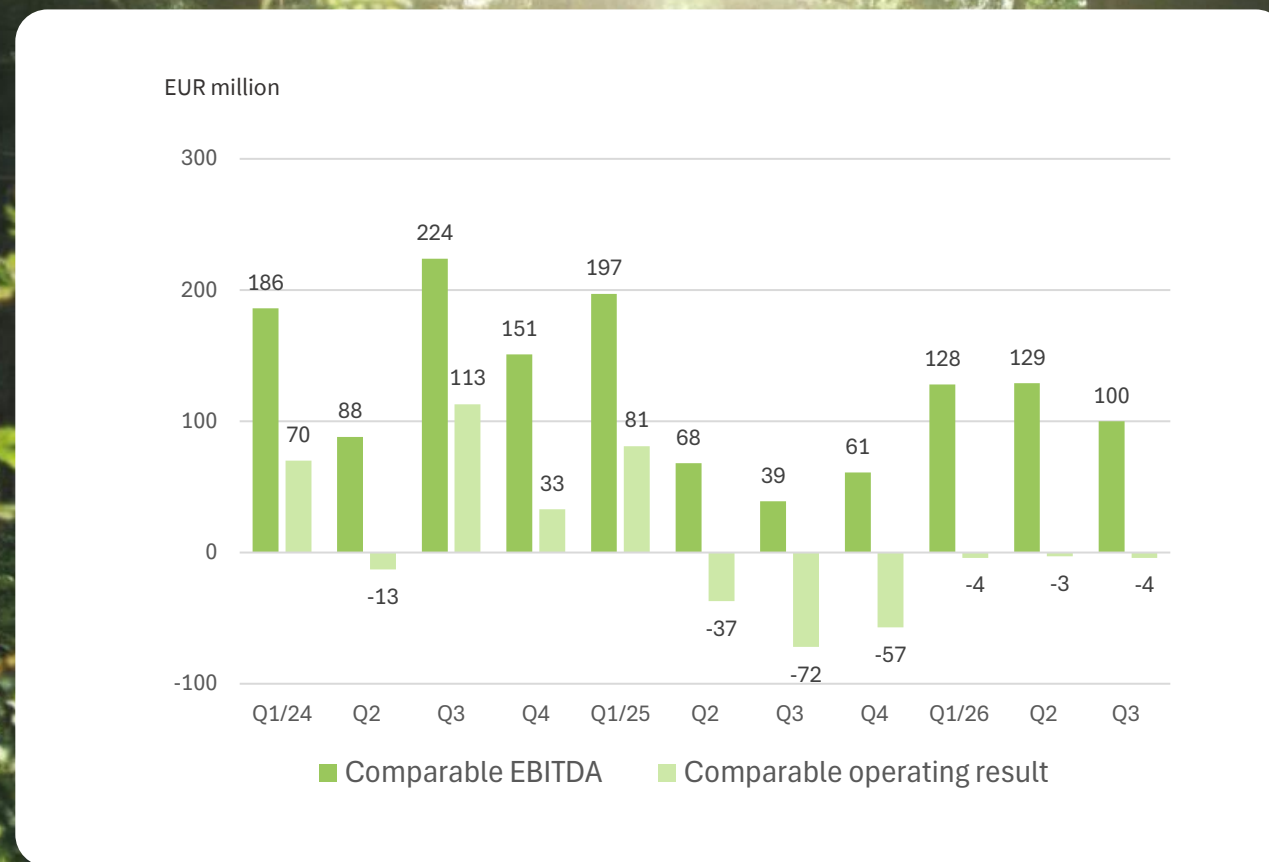
(1-9/2025: 305)

Operating result*

EUR -11 million

(1-9/2025: -27)

*comparable



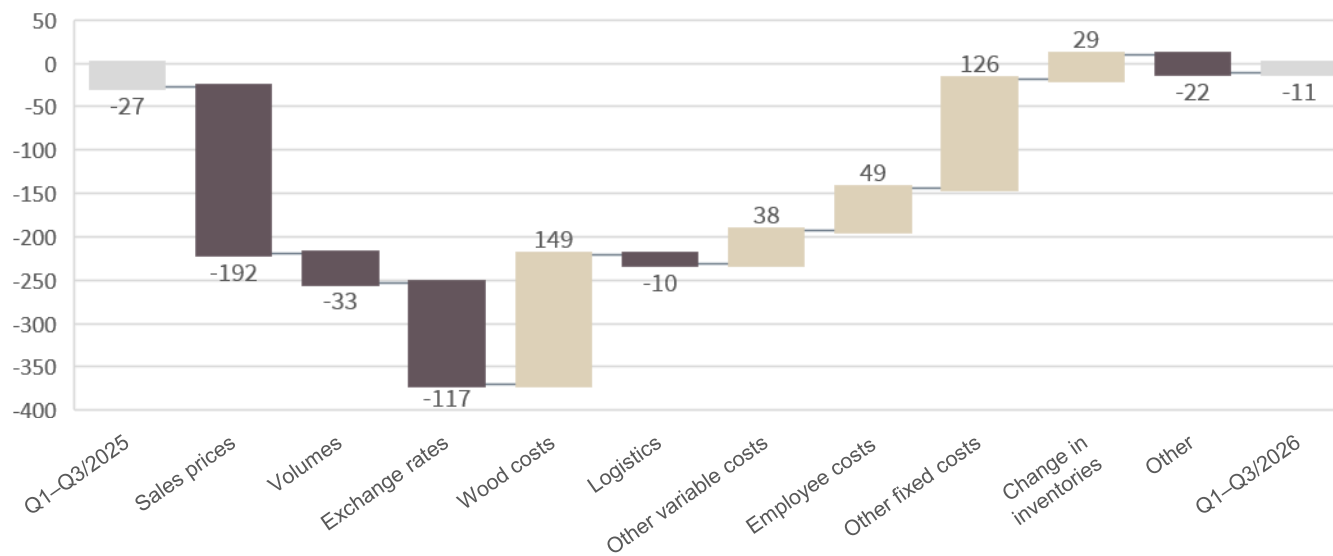
Prices and exchange rates weighed on year-on-year result

- Cost savings and lower wood costs improved the operating result.
- Sales decreased by approximately EUR 500 million, mainly due to lower sales prices.
- Exchange rates, increased depreciation and lower delivery volumes had a negative impact on the operating result.

Changes in comparable operating result: Q1–Q3/2026 vs Q1–Q3/2025

Operating result bridge Q1–Q3/2026
EUR million

■ Negative impact on the result
■ Positive impact on the result



Business area results

Metsä Fibre: profitability improved from last year, but the result was weighed down by the weak pulp market and shutdowns.

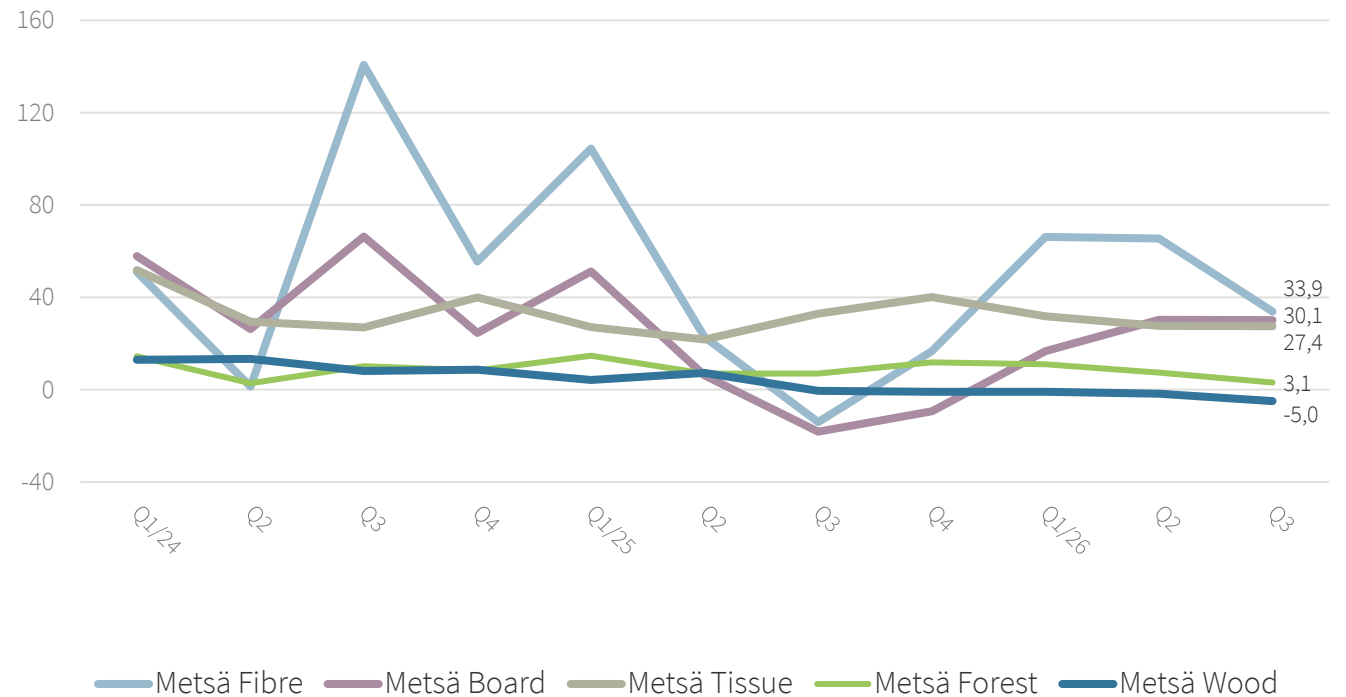
Metsä Board: result improved for the fourth quarter, prices continued to rise.

Metsä Tissue: sales volumes increased, but profitability was weighed down by higher energy prices.

Metsä Wood: the result was weighed down by the weak market, the ramp-up of Äänekoski, the closure of Suolahti and the restructuring of the UK.

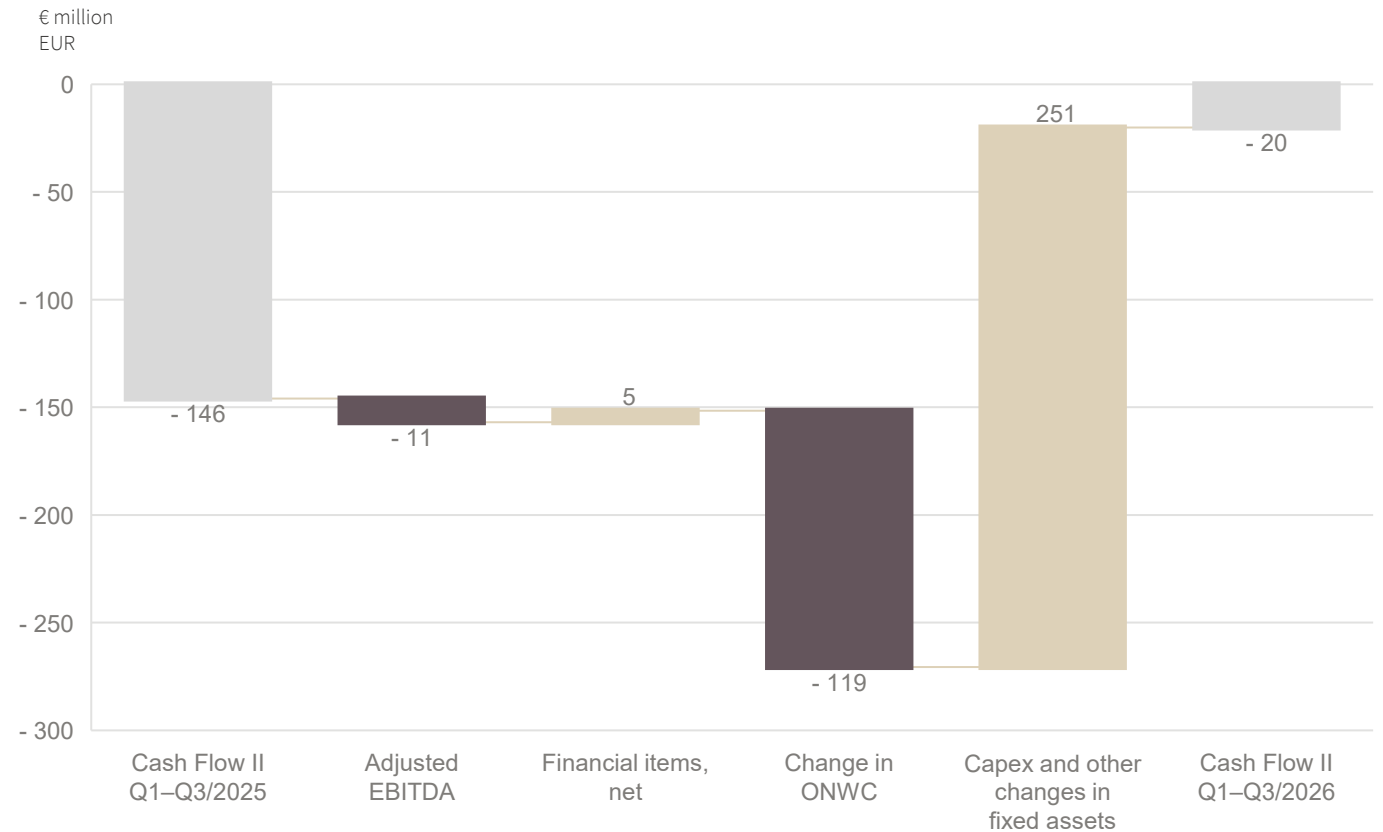


Comparable EBITDA, EUR million



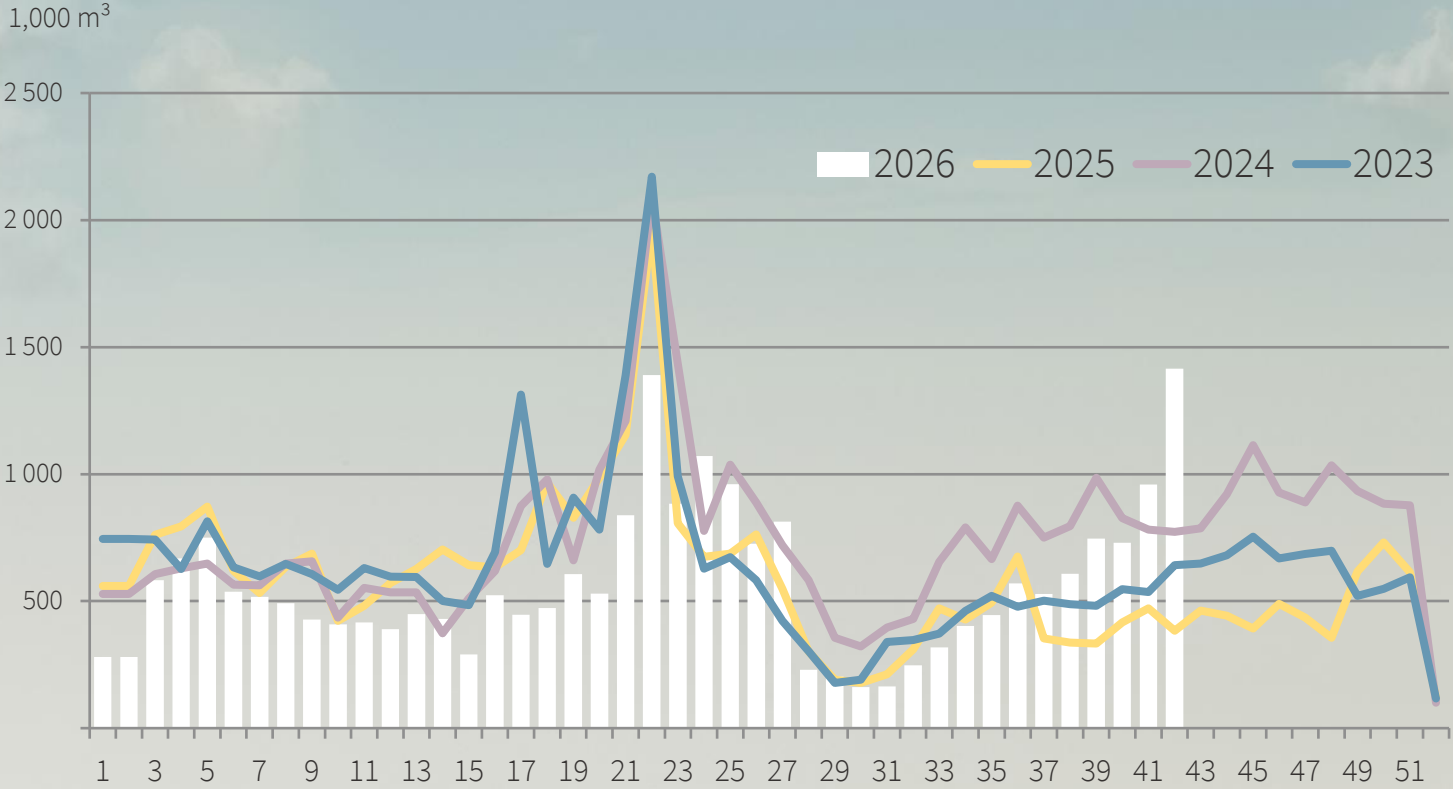
Cash flow strengthened clearly from the previous year

- Lower investments and own cost-saving measures strengthened cash flow.
- Preparing for production shutdowns tied up working capital and weakened cash flow.



Wood trade in Finland picked up in the autumn

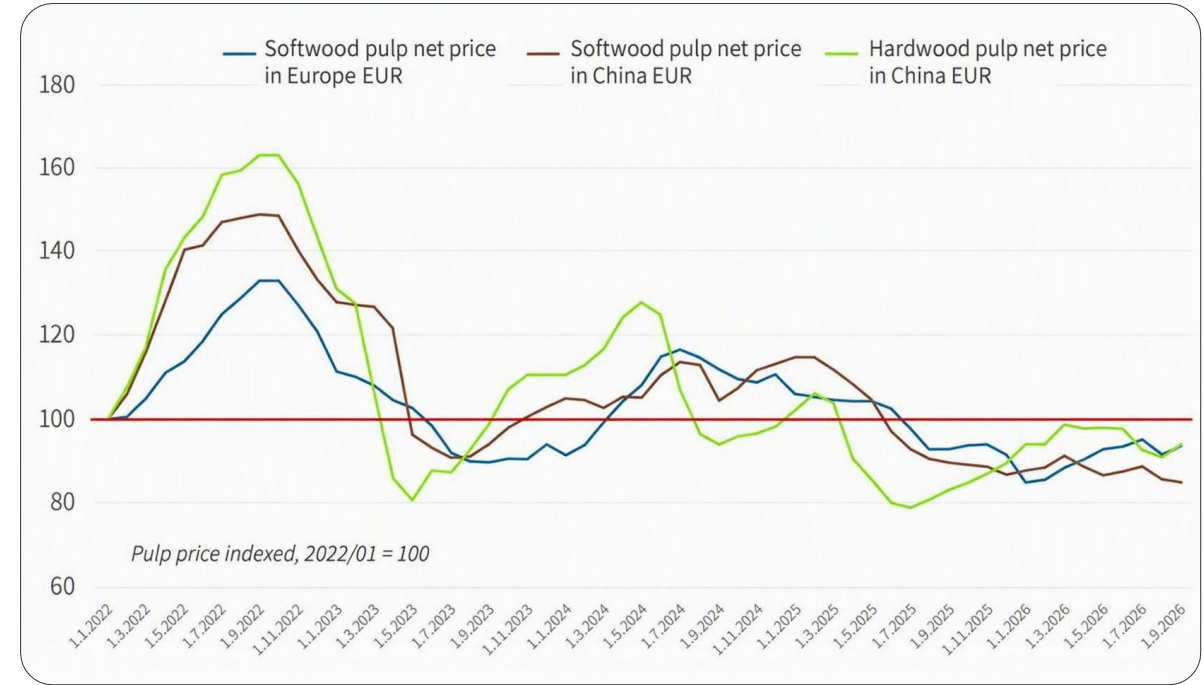
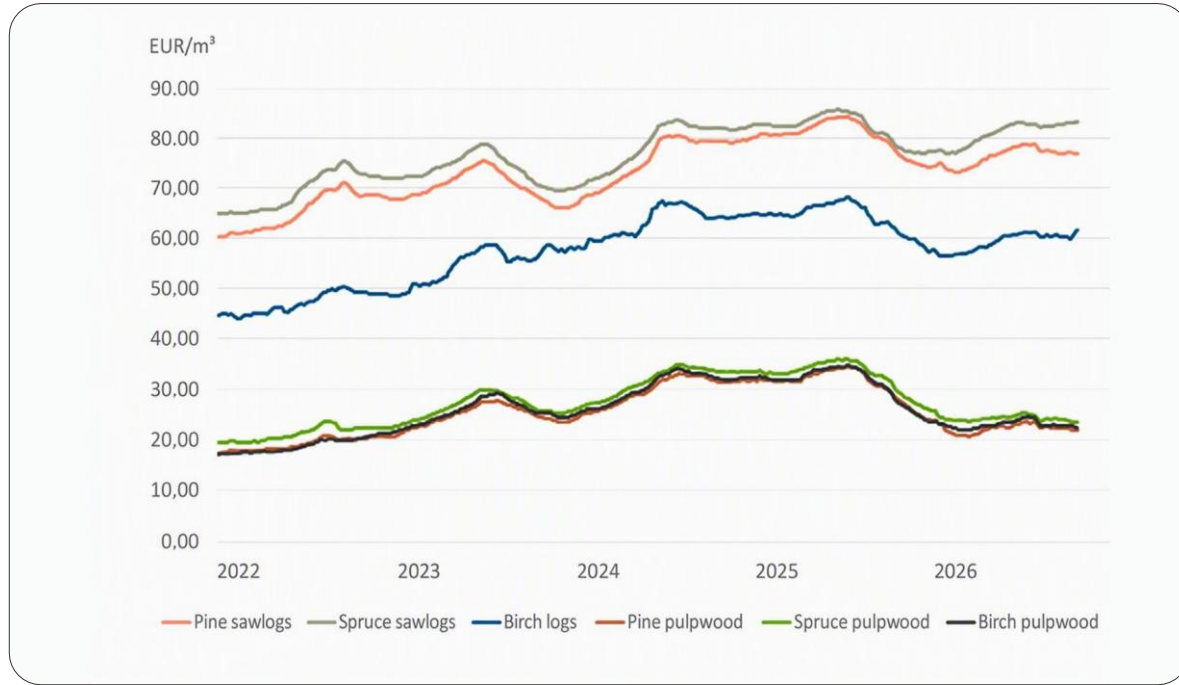
Weekly wood procurement of the Finnish Forest Industries Federation's member companies from private forests, covering about 80% of the entire timber trade.



Source: Finnish Forest Industries Federation



Wood and pulp price developments are interlinked



Wood prices have held up

- Sawlog prices have remained at peak levels, pulpwood prices have levelled off to 2023 levels.
- Pulp price development affects pulpwood prices.

Softwood pulp price far from peak levels

- Pulp price is determined in global markets.
- Hardwood pulp price development also steers softwood pulp price development.





National Restoration Plan is a significant economic issue for the entire Finland

- Many structural features important for forest biodiversity have improved over the last 30 years.
- Protection and restoration are still needed, but at the same time we must prevent the weakening of Finland's public finances that would result from significant restrictions on wood use.
- The National Restoration Plan must create clear and predictable definitions, for example for boreal natural forest. Grey, i.e. uncompensated, protection must be prevented.



The forest industries are one of the cornerstones of the Finnish economy

GDP impact EUR 17.4 billion

- The forest industry contributes EUR 17.4 billion to Finland's GDP, equivalent to 6.2% of GDP.

More than 160,000 jobs

- The forest industry creates approximately 166,500 jobs in Finland.
- The industry directly employs around 36,000 people in Finland

EUR 4 billion in tax revenue

- EUR 4 billion is equivalent to nearly the annual gross earnings of all nurses and practical nurses in Finland's wellbeing services counties.

Customer-centric

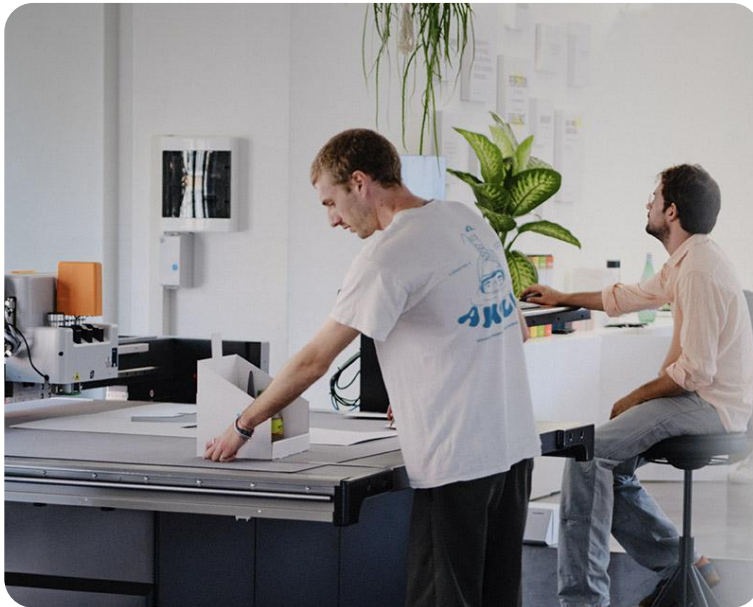
03



Case folding boxboard: Market position strengthened through commercial measures

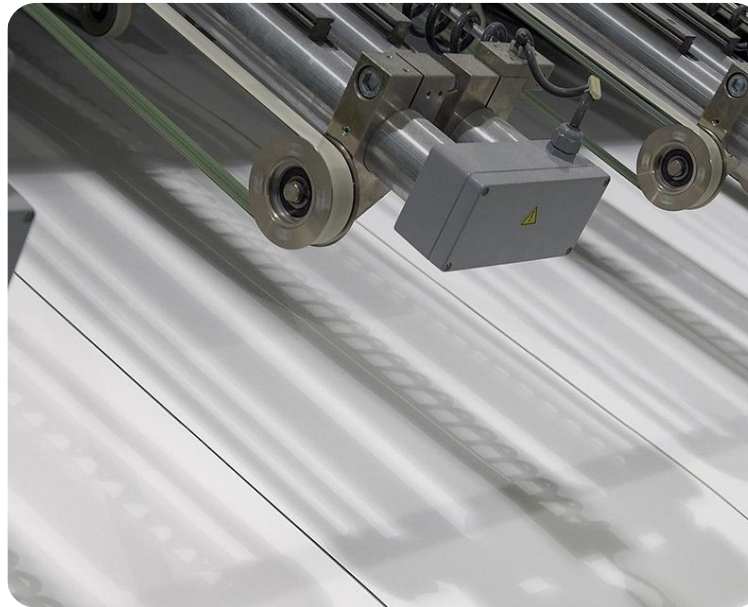
The market position of Metsä's folding boxboard strengthened in Europe from the previous quarter ¹⁾

CUSTOMER COOPERATION



Milan design studio
Closer collaboration
with brand owners.

SERVICET



Distribution centre to the Netherlands
More flexible service close to customers.

DIFFERENTIATION



Carton of the Year award to Metsä Board



¹⁾ Source: Pro Carton

Case tissue paper: Market share growing in Scandinavia

The increased production volumes at Mariestad in Sweden have been successfully brought to market.

Market share in the Scandinavian consumer market increased by 10 %-points.





**From forest,
for life**