

# Future Valmet to sharpen its focus on biomass based energy production business

*Metso Corporation's press release on December 19, 2013 at 11:00 a.m. local time*

Metso's Pulp, Paper and Power business, the future Valmet, offers biomass, waste and coal based heat and power generation solutions in its energy business. In the field of biomass based energy production solutions, Valmet will sharpen its focus on the product portfolio. In the future, Valmet's offering will cover boiler islands, small power plants based on bubbling fluidized bed (BFB) and BioGrate combustion technologies, and large heating plants based on BFB and pellet technologies.

As a result of this process, Valmet will divest its small-scale heating plant business and related services operations in Finland, Russia and Sweden. The price of the transactions will not be disclosed.

### Transactions in Finland and Russia

The small-scale heating plant business in Finland and Russia will be sold to Finnish company KPA Unicon. This business is currently part of MW Power Oy and the revenue of the business has been around EUR 20 million annually. The asset deal covers in Finland the operations in Kiuruvesi, including a production unit, and in Russia the service business in Moscow. The Finnish operations have 68 and Russian operations 4 employees.

The scope of the divestment includes small-scale heating plants, typically under 25 MWth, based on BioGrate and pellet technologies, fire-tube oil and gas boilers, and related services.

At the same time Valmet and KPA Unicon have signed a cooperation agreement covering development of BioGrate and pellet technologies, production of modules and grate manufacturing.

In Finland, the closing of the transaction will happen by the end of January 2014. The Russian service business will be transferred during the first quarter of 2014.

### Transactions in Sweden

Valmet has signed a contract to divest the small-scale heating plant business in Sweden to a part of current MW Power AB management. The MBO (Management Buyout) scope covers the operations in Sävsjö, including a production unit with 42 employees. The closing of the transaction is targeted to happen by early January, 2014.

The scope of the divestment includes small-scale pellet heating plants, oil and gas boilers, and related services. The revenue of the business has been around EUR seven million annually.

KPA Unicon Group specializes in turnkey boiler plant projects, and operation and maintenance related life cycle services for boiler plants. The goal is to offer complete solutions for the Customer's heat and steam requirements as well as support services during the plant's operating time and maintenance. KPA Unicon Group's turnover in the last financial year (2012) was about 30 million euros and profit about 3.8 million. The Group employs 70 professionals in the field of energy.

The head office is located at Pieksämäki, Finland. [www.kpaunicon.com](http://www.kpaunicon.com)

*The future Valmet Corporation is a leading global developer and supplier of services and technologies for the pulp, paper and energy industries. Our 11,000 professionals around the world work close to our customers and are committed to moving our customers' performance forward – every day.*

*Valmet's services cover everything from maintenance outsourcing to mill and plant improvements and spare parts. Our strong technology offering includes entire pulp mills, tissue, board and paper production lines, as well as power plants for bio-energy production.*

*The company has over 200 years of industrial history and will be reborn through the demerger of the pulp, paper and power businesses from Metso Group on 31 December 2013. Valmet's net sales in 2012 were approximately EUR 3 billion. Valmet's objective is to become the global champion in serving its customers.*

[www.valmet.com](http://www.valmet.com)

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*Metso is a global supplier of technology and services to customers in the process industries, including mining, construction, pulp and paper, power, and oil and gas. Our 30,000 professionals based in over 50 countries contribute to sustainability and deliver profitability to customers worldwide. Metso's shares are listed on the NASDAQ OMX Helsinki Ltd.*

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